

ASSEMBLY BILL NO. 413—COMMITTEE ON TAXATION

MARCH 20, 2013

Referred to Committee on Taxation

SUMMARY—Revises provisions relating to taxation.
(BDR 32-1010)

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 taxation; authorizing certain larger counties to impose additional taxes on fuels for motor vehicles; providing for the imposition by the State of additional taxes on fuels for motor vehicles if a ballot question authorizing such additional taxes is approved by a majority of the voters in this State; providing for the imposition by the boards of county commissioners of certain counties of additional taxes on fuels for motor vehicles if a ballot question authorizing such additional taxes is approved by a majority of the voters in the county; requiring the approval by voters of additional ballot measures to continue the imposition of the additional taxes; requiring the Department of Motor Vehicles to adopt regulations establishing a system for the reimbursement and repayment of any amounts owed pursuant to certain cooperative agreements; providing for the administration, allocation, disbursement and use of the additional taxes; removing the exemption for 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 Existing law authorizes counties to impose certain taxes on motor vehicle fuels
- 2 and special fuels used in motor vehicles. (Chapter 373 of NRS) **Section 1.1** of this
- 3 bill authorizes the board of county commissioners of a county whose population is
- 4 700,000 or more and in which a regional transportation commission has been
- 5 created and a county tax is imposed on motor vehicle fuel (currently Clark County)



* A B 4 1 3 R 2 *

to impose additional county taxes on motor vehicle fuel and various special fuels used in motor vehicles. **Section 1.1** also authorizes the board of county commissioners to provide for annual increases in these taxes, for the period beginning on January 1, 2014, and ending on December 31, 2016, in an amount equal to the lesser of: (1) a percentage established by the ordinance imposing the tax; or (2) a percentage based on historical increases in the cost of highway and street construction. **Section 1.1** additionally provides that for the period beginning on January 1, 2017: (1) the board of county commissioners must not impose any additional increases in certain taxes authorized by that section; and (2) increases in the remainder of the taxes authorized by that section may not be effectuated unless a majority of the voters in the county at the general election in November 2016 authorize the board of county commissioners to continue to provide for the annual increases.

Upon approval by a majority of the voters in the State at the general election in November 2016, **section 1.2** of this bill requires the State to impose additional state taxes on motor vehicle fuel and various special fuels used in motor vehicles. **Section 1.2** also authorizes the Legislature to provide for annual increases in these taxes, for the period beginning on January 1, 2017, and ending on December 31, 2026. **Section 1.2** additionally provides that for the period beginning on January 1, 2027, the increases in these taxes may not be effectuated unless a majority of the voters in the State at the general election in November 2026 authorize the Legislature to continue to provide for the annual increases.

Upon approval by a majority of the voters in any county, other than Washoe County or, under certain circumstances, Clark County, at the general election in November 2016, **section 1.3** of this bill requires the board of county commissioners of the county to impose additional county taxes on motor vehicle fuel and various special fuels used in motor vehicles. **Section 1.3** also authorizes the board of county commissioners to provide for annual increases in these taxes, for the period beginning on January 1, 2017, and ending on December 31, 2026. **Section 1.3** additionally provides that for the period beginning on January 1, 2027, the increases in these taxes may not be effectuated unless a majority of the voters in the county at the general election in November 2026 authorize the board of county commissioners to continue to provide for the annual increases.

The Department of Motor Vehicles is a party to the International Fuel Tax Agreement, a multistate agreement which facilitates the calculation and collection of certain fuel taxes from interstate trucking companies and others who use special fuel (primarily diesel fuel) in vehicles operated or intended to operate interstate. (NRS 366.175) **Sections 1.7-1.9** of this bill require the Department to adopt regulations establishing a system for the reimbursement and repayment of any amounts owed pursuant to the International Fuel Tax Agreement as a result of any additional taxes authorized or required by this bill.

Sections 2-2.7 and 4-11.3 of this bill require the administration, allocation, disbursement and use of these taxes in the same manner as certain existing fuel taxes. Additionally, **sections 2-2.7** require the annual review of these taxes by the regional transportation commission.

Sections 3-3.9 of this bill apply the current exemptions from fuel taxes to the taxes 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 11.5 of this bill revises provisions of existing law to remove the exemption for the sale of revenue bonds that are secured by county fuel taxes from various requirements concerning the sale of bonds by competitive bid or negotiated sale.



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

Section 1. Chapter 373 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.1 to 1.9, inclusive, of this act.

Sec. 1.1. 1. *Except as otherwise provided in this section, in a county whose population is 700,000 or more and in which a 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 3.6 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 3.6 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street 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 1.75 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1.75 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street 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 cent per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1 cent per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(d) 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 9 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 9 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(e) 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 18.455 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.455 cents per gallon to the amount of the tax imposed pursuant to



1 *subparagraph (1) during the immediately preceding fiscal year,*
2 *then multiplying that sum by the lesser of the applicable*
3 *percentage or the adjusted average highway and street*
4 *construction inflation index for the fiscal year in which the*
5 *increase becomes effective.*

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

7 *(1) An excise tax on each gallon of motor vehicle fuel,*
8 *except aviation fuel, sold in the county in an amount equal to the*
9 *product obtained by multiplying 18.4 cents per gallon by the lesser*
10 *of the applicable percentage or the adjusted average highway and*
11 *street construction inflation index for the fiscal year in which the*
12 *ordinance becomes effective; and*

13 *(2) Except as otherwise provided in subsection 5, an annual*
14 *increase in the tax imposed pursuant to subparagraph (1), on the*
15 *first day of each fiscal year following the fiscal year in which that*
16 *tax becomes effective, in the amount determined by adding 18.4*
17 *cents per gallon to the amount of the tax imposed pursuant to*
18 *subparagraph (1) during the immediately preceding fiscal year,*
19 *then multiplying that sum by the lesser of the applicable*
20 *percentage or the adjusted average highway and street*
21 *construction inflation index for the fiscal year in which the*
22 *increase becomes effective.*

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

24 *(1) An excise tax on each gallon of special fuel that consists*
25 *of an emulsion of water-phased hydrocarbon fuel sold in the*
26 *county in an amount equal to the product obtained by multiplying*
27 *19 cents per gallon by the lesser of the applicable percentage or*
28 *the adjusted average highway and street construction inflation*
29 *index for the fiscal year in which the ordinance becomes effective;*
30 *and*

31 *(2) Except as otherwise provided in subsection 5, an annual*
32 *increase in the tax imposed pursuant to subparagraph (1), on the*
33 *first day of each fiscal year following the fiscal year in which that*
34 *tax becomes effective, in the amount determined by adding 19*
35 *cents per gallon to the amount of the tax imposed pursuant to*
36 *subparagraph (1) during the immediately preceding fiscal year,*
37 *then multiplying that sum by the lesser of the applicable*
38 *percentage or the adjusted average highway and street*
39 *construction inflation index for the fiscal year in which the*
40 *increase becomes effective.*

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

42 *(1) An excise tax on each gallon of special fuel that consists*
43 *of liquefied petroleum gas sold in the county in an amount equal*
44 *to the product obtained by multiplying 22 cents per gallon by the*
45 *lesser of the applicable percentage or the adjusted average*



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

3 (2) *Except as otherwise provided in subsection 5, an annual*
4 *increase in the tax imposed pursuant to subparagraph (1), on the*
5 *first day of each fiscal year following the fiscal year in which that*
6 *tax becomes effective, in the amount determined by adding 22*
7 *cents per gallon to the amount of the tax imposed pursuant to*
8 *subparagraph (1) during the immediately preceding fiscal year,*
9 *then multiplying that sum by the lesser of the applicable*
10 *percentage or the adjusted average highway and street*
11 *construction inflation index for the fiscal year in which the*
12 *increase becomes effective.*

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

14 (1) *An excise tax on each gallon of special fuel that consists*
15 *of compressed natural gas sold in the county in an amount equal*
16 *to the product obtained by multiplying 21 cents per gallon by the*
17 *lesser of the applicable percentage or the adjusted average*
18 *highway and street construction inflation index for the fiscal year*
19 *in which the ordinance becomes effective; and*

20 (2) *Except as otherwise provided in subsection 5, an annual*
21 *increase in the tax imposed pursuant to subparagraph (1), on the*
22 *first day of each fiscal year following the fiscal year in which that*
23 *tax becomes effective, in the amount determined by adding 21*
24 *cents per gallon to the amount of the tax imposed pursuant to*
25 *subparagraph (1) during the immediately preceding fiscal year,*
26 *then multiplying that sum by the lesser of the applicable*
27 *percentage or the adjusted average highway and street*
28 *construction inflation index for the fiscal year in which the*
29 *increase becomes effective.*

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

31 (1) *An excise tax on each gallon of special fuel sold in the*
32 *county, other than any special fuel described in paragraph (g), (h)*
33 *or (i), in an amount equal to the product obtained by multiplying*
34 *27.75 cents per gallon by the lesser of the applicable percentage or*
35 *the adjusted average highway and street construction inflation*
36 *index for the fiscal year in which the ordinance becomes effective;*
37 *and*

38 (2) *Except as otherwise provided in subsection 5, an annual*
39 *increase in the tax imposed pursuant to subparagraph (1), on the*
40 *first day of each fiscal year following the fiscal year in which that*
41 *tax becomes effective, in the amount determined by adding 27.75*
42 *cents per gallon to the amount of the tax imposed pursuant to*
43 *subparagraph (1) during the immediately preceding fiscal year,*
44 *then multiplying that sum by the lesser of the applicable*
45 *percentage or the adjusted average highway and street*



1 *construction inflation index for the fiscal year in which the*
2 *increase becomes effective.*

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

4 *(1) An excise tax on each gallon of special fuel that consists*
5 *of liquefied petroleum gas sold in the county in an amount equal*
6 *to the product obtained by multiplying 18.3 cents per gallon by the*
7 *lesser of the applicable percentage or the adjusted average*
8 *highway and street construction inflation index for the fiscal year*
9 *in which the ordinance becomes effective; and*

10 *(2) Except as otherwise provided in subsection 5, an annual*
11 *increase in the tax imposed pursuant to subparagraph (1), on the*
12 *first day of each fiscal year following the fiscal year in which that*
13 *tax becomes effective, in the amount determined by adding 18.3*
14 *cents per gallon to the amount of the tax imposed pursuant to*
15 *subparagraph (1) during the immediately preceding fiscal year,*
16 *then multiplying that sum by the lesser of the applicable*
17 *percentage or the adjusted average highway and street*
18 *construction inflation index for the fiscal year in which the*
19 *increase becomes effective.*

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

21 *(1) An excise tax on each gallon of special fuel that consists*
22 *of compressed natural gas sold in the county in an amount equal*
23 *to the product obtained by multiplying 18.3 cents per gallon by the*
24 *lesser of the applicable percentage or the adjusted average*
25 *highway and street construction inflation index for the fiscal year*
26 *in which the ordinance becomes effective; and*

27 *(2) Except as otherwise provided in subsection 5, an annual*
28 *increase in the tax imposed pursuant to subparagraph (1), on the*
29 *first day of each fiscal year following the fiscal year in which that*
30 *tax becomes effective, in the amount determined by adding 18.3*
31 *cents per gallon to the amount of the tax imposed pursuant to*
32 *subparagraph (1) during the immediately preceding fiscal year,*
33 *then multiplying that sum by the lesser of the applicable*
34 *percentage or the adjusted average highway and street*
35 *construction inflation index for the fiscal year in which the*
36 *increase becomes effective.*

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

38 *(1) An excise tax on each gallon of special fuel sold in the*
39 *county, other than any special fuel described in paragraph (k) or*
40 *(l), which is taxed by the Federal Government at a rate per gallon*
41 *or gallon equivalent of 24.4 cents or more, in an amount equal to*
42 *the product obtained by multiplying 24.4 cents per gallon by the*
43 *lesser of the applicable percentage or the adjusted average*
44 *highway and street construction inflation index for the fiscal year*
45 *in which the ordinance becomes effective; and*



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(2) Except as otherwise provided in subsection 5, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 24.4 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

2. If the board adopts an ordinance authorized by this section, the ordinance must impose all of the taxes authorized by this section. Upon the adoption of such an ordinance, and except as otherwise provided in subsection 5, no further action by the board is necessary to effectuate the annual increases in the taxes imposed by the ordinance.

3. If the board adopts an ordinance imposing the taxes authorized by this section, the ordinance:

(a) Must be adopted before October 1, 2013;

(b) Must become effective on January 1, 2014; and

(c) Is not affected by any changes in the population of the county which occur after the adoption of the ordinance.

4. The applicable percentage specified by the board for the taxes imposed pursuant to this section must be the same percentage for each tax imposed pursuant to this section. Except as otherwise provided in subsection 5, the board may amend the applicable percentage by ordinance from time to time, but any such amendment must not become effective earlier than 90 days after the date of the adoption of the ordinance amending the applicable percentage. Except as otherwise provided in subsection 4 of NRS 373.120, the applicable percentage must not be amended to reduce the applicable percentage at any time that bonds are outstanding secured by the taxes imposed pursuant to this section.

5. Upon the adoption of an ordinance authorized by this section:

(a) For the period beginning on January 1, 2014, and ending on December 31, 2016, no further action by the board is necessary to effectuate the annual increases in the taxes imposed by the ordinance.

(b) For the period beginning on January 1, 2017:

(1) The board shall not impose any additional annual increases in the taxes authorized by paragraphs (e) and (g) to (j), inclusive, of subsection 1 and imposed by the ordinance after November 8, 2016, but any annual increases in the taxes authorized by paragraphs (e) and (g) to (j), inclusive, of subsection



1 *1 and imposed by the ordinance on or before November 8, 2016,*
2 *are not affected, amended, reduced or eliminated and must be*
3 *continued for any period during which bonds are outstanding that*
4 *are secured by the taxes authorized by paragraphs (e) and (g) to*
5 *(j), inclusive, of subsection 1 and imposed by the ordinance.*

6 *(2) The annual increases in the taxes authorized by*
7 *paragraphs (a) to (d), inclusive, (f), (k), (l) and (m) of subsection 1*
8 *and imposed by the ordinance may not be effectuated unless a*
9 *question is placed on the ballot at the general election on*
10 *November 8, 2016, which asks the voters in the county whether to*
11 *authorize the board to impose, for the period beginning on*
12 *January 1, 2017, the increases authorized by paragraphs (a) to (d),*
13 *inclusive, (f), (k), (l) and (m) of subsection 1 in the taxes imposed*
14 *by the ordinance and the question is approved by a majority of the*
15 *registered voters voting on the question. If the question is*
16 *approved by a majority of such voters, no further action by the*
17 *board is necessary to effectuate the annual increases in the taxes*
18 *authorized by paragraphs (a) to (d), inclusive, (f), (k), (l) and (m)*
19 *of subsection 1 and imposed by the ordinance. If the question is*
20 *not approved by a majority of such voters, the board shall not*
21 *impose any additional annual increases in the taxes authorized by*
22 *paragraphs (a) to (d), inclusive, (f), (k), (l) and (m) of subsection 1*
23 *and imposed by the ordinance after November 8, 2016, but any*
24 *annual increases in such taxes imposed by the ordinance on or*
25 *before November 8, 2016, are not affected, amended, reduced or*
26 *eliminated and must be continued for any period during which*
27 *bonds are outstanding that are secured by such taxes imposed by*
28 *the ordinance.*

29 *6. As used in this section:*

30 *(a) "Adjusted average highway and street construction*
31 *inflation index" means:*

32 *(I) For the fiscal year in which an ordinance adopted*
33 *pursuant to this section becomes effective, the percentage obtained*
34 *by adding the average highway and street construction inflation*
35 *index for that fiscal year to:*

36 *(I) If the average highway and street construction*
37 *inflation index for the immediately preceding fiscal year is greater*
38 *than the applicable percentage, the remainder obtained by*
39 *subtracting the applicable percentage from the average highway*
40 *and street construction inflation index for the immediately*
41 *preceding fiscal year; or*

42 *(II) If the average highway and street construction*
43 *inflation index for the immediately preceding fiscal year is less*
44 *than or equal to the applicable percentage, zero; and*



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

(I) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the adjusted average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero.

(b) "Applicable percentage" means the lesser of 7.8 percent or the percentage specified by the board in any ordinance imposing a tax pursuant to this section.

(c) "Average highway and street construction inflation index" means for a fiscal year the average percentage increase in the highway and street construction inflation index for the 10 calendar years immediately preceding the beginning of that fiscal year.

(d) "Highway and street construction inflation index" means:

(1) The Producer Price Index for Highway and Street Construction until that index ceased to be published; and

(2) The Producer Price Index for Other Nonresidential Construction thereafter or, if that index ceases to be published by the United States Department of Labor, the published index that most closely measures inflation in the costs of highway and street construction, as determined by the commission.

(e) "Special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 1.2. 1. In addition to any other tax imposed pursuant to chapter 365 or 366 of NRS:

(a) There is hereby imposed:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in this State in an amount equal to the product obtained by multiplying 18.455 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.455 cents per gallon to the amount of the tax imposed pursuant to



1 *subparagraph (1) during the immediately preceding fiscal year,*
2 *then multiplying that sum by the lesser of the applicable*
3 *percentage or the adjusted average highway and street*
4 *construction inflation index for the fiscal year in which the*
5 *increase becomes effective.*

6 *(b) There is hereby imposed:*

7 *(1) An excise tax on each gallon of special fuel that consists*
8 *of an emulsion of water-phased hydrocarbon fuel sold in this State*
9 *in an amount equal to the product obtained by multiplying 19*
10 *cents per gallon by the lesser of the applicable percentage or the*
11 *adjusted average highway and street construction inflation index*
12 *for the fiscal year in which this section becomes effective; and*

13 *(2) Except as otherwise provided in subsection 3, an annual*
14 *increase in the tax imposed pursuant to subparagraph (1), on the*
15 *first day of each fiscal year following the fiscal year in which that*
16 *tax becomes effective, in the amount determined by adding 19*
17 *cents per gallon to the amount of the tax imposed pursuant to*
18 *subparagraph (1) during the immediately preceding fiscal year,*
19 *then multiplying that sum by the lesser of the applicable*
20 *percentage or the adjusted average highway and street*
21 *construction inflation index for the fiscal year in which the*
22 *increase becomes effective.*

23 *(c) There is hereby imposed:*

24 *(1) An excise tax on each gallon of special fuel that consists*
25 *of liquefied petroleum gas sold in this State in an amount equal to*
26 *the product obtained by multiplying 22 cents per gallon by the*
27 *lesser of the applicable percentage or the adjusted average*
28 *highway and street construction inflation index for the fiscal year*
29 *in which this section becomes effective; and*

30 *(2) Except as otherwise provided in subsection 3, an annual*
31 *increase in the tax imposed pursuant to subparagraph (1), on the*
32 *first day of each fiscal year following the fiscal year in which that*
33 *tax becomes effective, in the amount determined by adding 22*
34 *cents per gallon to the amount of the tax imposed pursuant to*
35 *subparagraph (1) during the immediately preceding fiscal year,*
36 *then multiplying that sum by the lesser of the applicable*
37 *percentage or the adjusted average highway and street*
38 *construction inflation index for the fiscal year in which the*
39 *increase becomes effective.*

40 *(d) There is hereby imposed:*

41 *(1) An excise tax on each gallon of special fuel that consists*
42 *of compressed natural gas sold in this State in an amount equal to*
43 *the product obtained by multiplying 21 cents per gallon by the*
44 *lesser of the applicable percentage or the adjusted average*



* A B 4 1 3 R 2 *

1 *highway and street construction inflation index for the fiscal year*
2 *in which this section becomes effective; and*

3 (2) *Except as otherwise provided in subsection 3, an annual*
4 *increase in the tax imposed pursuant to subparagraph (1), on the*
5 *first day of each fiscal year following the fiscal year in which that*
6 *tax becomes effective, in the amount determined by adding 21*
7 *cents per gallon to the amount of the tax imposed pursuant to*
8 *subparagraph (1) during the immediately preceding fiscal year,*
9 *then multiplying that sum by the lesser of the applicable*
10 *percentage or the adjusted average highway and street*
11 *construction inflation index for the fiscal year in which the*
12 *increase becomes effective.*

13 (e) *There is hereby imposed:*

14 (1) *An excise tax on each gallon of special fuel sold in this*
15 *State, other than any special fuel described in paragraph (b), (c)*
16 *or (d), in an amount equal to the product obtained by multiplying*
17 *27.75 cents per gallon by the lesser of the applicable percentage or*
18 *the adjusted average highway and street construction inflation*
19 *index for the fiscal year in which this section becomes effective;*
20 *and*

21 (2) *Except as otherwise provided in subsection 3, an annual*
22 *increase in the tax imposed pursuant to subparagraph (1), on the*
23 *first day of each fiscal year following the fiscal year in which that*
24 *tax becomes effective, in the amount determined by adding 27.75*
25 *cents per gallon to the amount of the tax imposed pursuant to*
26 *subparagraph (1) during the immediately preceding fiscal year,*
27 *then multiplying that sum by the lesser of the applicable*
28 *percentage or the adjusted average highway and street*
29 *construction inflation index for the fiscal year in which the*
30 *increase becomes effective.*

31 2. *The applicable percentage for the taxes imposed pursuant*
32 *to this section must be the same percentage for each tax imposed*
33 *pursuant to this section. Except as otherwise provided in*
34 *subsection 3, the Legislature may amend the applicable*
35 *percentage from time to time, but any such amendment must not*
36 *become effective earlier than 90 days after the date of the action*
37 *by the Legislature amending the applicable percentage. Except as*
38 *otherwise provided in section 1.5 of this act, the applicable*
39 *percentage must not be amended to reduce the applicable*
40 *percentage at any time that bonds are outstanding which are*
41 *secured by the taxes imposed pursuant to this section.*

42 3. *For the period:*

43 (a) *Beginning on January 1, 2017, and ending on*
44 *December 31, 2026, no further action by the Legislature is*



1 *necessary to effectuate the annual increases in the taxes imposed*
2 *by this section.*

3 *(b) Beginning on January 1, 2027, the annual increases in the*
4 *taxes imposed by this section must not be effectuated unless a*
5 *question is placed on the ballot at the general election on*
6 *November 3, 2026, which asks the voters in this State whether to*
7 *authorize the Legislature to impose, for the period beginning on*
8 *January 1, 2027, the increases authorized by this section in the*
9 *taxes imposed by this section and the question is approved by a*
10 *majority of the registered voters in this State voting on the*
11 *question. If the question is approved by a majority of such voters,*
12 *no further action by the Legislature is necessary to effectuate*
13 *the annual increases in the taxes imposed by this section. If the*
14 *question is not approved by a majority of such voters, the*
15 *Legislature shall not impose any additional annual increases in*
16 *the taxes imposed by this section after November 3, 2026, but any*
17 *annual increases in the taxes imposed by this section in effect on*
18 *or before November 3, 2026, are not affected, amended, reduced*
19 *or eliminated and must be continued for any period during which*
20 *bonds are outstanding that are secured by the taxes imposed by*
21 *this section.*

22 *4. All money received from the taxes imposed pursuant to this*
23 *section must be deposited with the State Treasurer to the credit of*
24 *the State Highway Fund.*

25 *5. As used in this section:*

26 *(a) "Adjusted average highway and street construction*
27 *inflation index" means:*

28 *(1) For the fiscal year in which this section becomes*
29 *effective, the percentage obtained by adding the average highway*
30 *and street construction inflation index for that fiscal year to:*

31 *(I) If the average highway and street construction*
32 *inflation index for the immediately preceding fiscal year is greater*
33 *than the applicable percentage, the remainder obtained by*
34 *subtracting the applicable percentage from the average highway*
35 *and street construction inflation index for the immediately*
36 *preceding fiscal year; or*

37 *(II) If the average highway and street construction*
38 *inflation index for the immediately preceding fiscal year is less*
39 *than or equal to the applicable percentage, zero; and*

40 *(2) For each fiscal year following the fiscal year in which*
41 *this section becomes effective, the percentage obtained by adding*
42 *the average highway and street construction inflation index for*
43 *that fiscal year to:*

44 *(I) If the adjusted average highway and street*
45 *construction inflation index for the immediately preceding fiscal*



* A B 4 1 3 R 2 *

1 year is greater than the applicable percentage, the remainder
2 obtained by subtracting the applicable percentage from the
3 adjusted average highway and street construction inflation index
4 for the immediately preceding fiscal year; or

5 (II) If the adjusted average highway and street
6 construction inflation index for the immediately preceding fiscal
7 year is less than or equal to the applicable percentage, zero.

8 (b) "Applicable percentage" means the lesser of 7.8 percent or
9 the percentage specified by the Legislature in any act amending
10 the applicable percentage of a tax imposed pursuant to this
11 section.

12 (c) "Average highway and street construction inflation index"
13 means for a fiscal year the average percentage increase in the
14 highway and street construction inflation index for the 10
15 calendar years immediately preceding the beginning of that fiscal
16 year.

17 (d) "Highway and street construction inflation index" means:

18 (1) The Producer Price Index for Highway and Street
19 Construction until that index ceased to be published; and

20 (2) The Producer Price Index for Other Nonresidential
21 Construction thereafter or, if that index ceases to be published by
22 the United States Department of Labor, the published index that
23 most closely measures inflation in the costs of highway and street
24 construction, as determined by the Legislature.

25 (e) "Special fuel" has the meaning ascribed to it in
26 NRS 366.060.

27 **Sec. 1.3. 1. In addition to any other tax imposed pursuant**
28 **to this chapter:**

29 (a) The board shall by ordinance impose:

30 (1) An excise tax on each gallon of motor vehicle fuel,
31 except aviation fuel, sold in the county in an amount equal to the
32 product obtained by multiplying 3.6 cents per gallon by the lesser
33 of the applicable percentage or the adjusted average highway and
34 street construction inflation index for the fiscal year in which the
35 ordinance becomes effective; and

36 (2) Except as otherwise provided in subsection 4, an annual
37 increase in the tax imposed pursuant to subparagraph (1), on the
38 first day of each fiscal year following the fiscal year in which that
39 tax becomes effective, in the amount determined by adding 3.6
40 cents per gallon to the amount of the tax imposed pursuant to
41 subparagraph (1) during the immediately preceding fiscal year,
42 then multiplying that sum by the lesser of the applicable
43 percentage or the adjusted average highway and street
44 construction inflation index for the fiscal year in which the
45 increase becomes effective.



(b) The board shall 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 1.75 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1.75 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(c) The board shall 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 cent per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 1 cent per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(d) The board shall 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 9 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the ordinance becomes effective; and

(2) Except as otherwise provided in subsection 4, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 9 cents



1 *per gallon to the amount of the tax imposed pursuant to*
2 *subparagraph (1) during the immediately preceding fiscal year,*
3 *then multiplying that sum by the lesser of the applicable*
4 *percentage or the adjusted average highway and street*
5 *construction inflation index for the fiscal year in which the*
6 *increase becomes effective.*

7 *(e) The board shall by ordinance impose:*

8 *(1) An excise tax on each gallon of motor vehicle fuel,*
9 *except aviation fuel, sold in the county in an amount equal to the*
10 *product obtained by multiplying 18.4 cents per gallon by the lesser*
11 *of the applicable percentage or the adjusted average highway and*
12 *street construction inflation index for the fiscal year in which the*
13 *ordinance becomes effective; and*

14 *(2) Except as otherwise provided in subsection 4, an annual*
15 *increase in the tax imposed pursuant to subparagraph (1), on the*
16 *first day of each fiscal year following the fiscal year in which that*
17 *tax becomes effective, in the amount determined by adding 18.4*
18 *cents per gallon to the amount of the tax imposed pursuant to*
19 *subparagraph (1) during the immediately preceding fiscal year,*
20 *then multiplying that sum by the lesser of the applicable*
21 *percentage or the adjusted average highway and street*
22 *construction inflation index for the fiscal year in which the*
23 *increase becomes effective.*

24 *(f) The board shall by ordinance impose:*

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

31 *(2) Except as otherwise provided in subsection 4, an annual*
32 *increase in the tax imposed pursuant to subparagraph (1), on the*
33 *first day of each fiscal year following the fiscal year in which that*
34 *tax becomes effective, in the amount determined by adding 18.3*
35 *cents per gallon to the amount of the tax imposed pursuant to*
36 *subparagraph (1) during the immediately preceding fiscal year,*
37 *then multiplying that sum by the lesser of the applicable*
38 *percentage or the adjusted average highway and street*
39 *construction inflation index for the fiscal year in which the*
40 *increase becomes effective.*

41 *(g) The board shall 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 the applicable percentage or the adjusted average*



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

3 (2) *Except as otherwise provided in subsection 4, an annual*
4 *increase in the tax imposed pursuant to subparagraph (1), on the*
5 *first day of each fiscal year following the fiscal year in which that*
6 *tax becomes effective, in the amount determined by adding 18.3*
7 *cents per gallon to the amount of the tax imposed pursuant to*
8 *subparagraph (1) during the immediately preceding fiscal year,*
9 *then multiplying that sum by the lesser of the applicable*
10 *percentage or the adjusted average highway and street*
11 *construction inflation index for the fiscal year in which the*
12 *increase becomes effective.*

13 (h) *The board shall by ordinance impose:*

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

22 (2) *Except as otherwise provided in subsection 4, an annual*
23 *increase in the tax imposed pursuant to subparagraph (1), on the*
24 *first day of each fiscal year following the fiscal year in which that*
25 *tax becomes effective, in the amount determined by adding 24.4*
26 *cents per gallon to the amount of the tax imposed pursuant to*
27 *subparagraph (1) during the immediately preceding fiscal year,*
28 *then multiplying that sum by the lesser of the applicable*
29 *percentage or the adjusted average highway and street*
30 *construction inflation index for the fiscal year in which the*
31 *increase becomes effective.*

32 2. *Upon the adoption of the ordinance required by subsection*
33 *1, and except as otherwise provided in subsection 4, no further*
34 *action by the board is necessary to effectuate the annual increases*
35 *in the taxes imposed by the ordinance.*

36 3. *The applicable percentage specified by the board for the*
37 *taxes imposed pursuant to this section must be the same*
38 *percentage for each tax imposed by the board pursuant to this*
39 *section. Except as otherwise provided in subsection 4, the board*
40 *may amend the applicable percentage by ordinance from time to*
41 *time, but any such amendment must not become effective earlier*
42 *than 90 days after the date of the adoption of the ordinance*
43 *amending the applicable percentage. Except as otherwise provided*
44 *in subsection 4 of NRS 373.120, the applicable percentage must*
45 *not be amended to reduce the applicable percentage at any time*



1 *that bonds are outstanding which are secured by the taxes imposed*
2 *pursuant to this section.*

3 *4. Upon the adoption of an ordinance authorized by this*
4 *section:*

5 *(a) For the period beginning on January 1, 2017, and ending*
6 *on December 31, 2026, no further action by the board is necessary*
7 *to effectuate the annual increases in the taxes imposed by the*
8 *ordinance.*

9 *(b) For the period beginning on January 1, 2027, the annual*
10 *increases in the taxes imposed by the ordinance may not be*
11 *effectuated unless a question is placed on the ballot at the general*
12 *election on November 3, 2026, which asks the voters in the county*
13 *whether to authorize the board to impose, for the period beginning*
14 *on January 1, 2027, the increases authorized by this section in the*
15 *taxes imposed by the ordinance and the question is approved by a*
16 *majority of the registered voters in the county voting on the*
17 *question. If the question is approved by a majority of such voters,*
18 *no further action by the board is necessary to effectuate the*
19 *annual increases in the taxes imposed by the ordinance. If the*
20 *question is not approved by a majority of such voters, the board*
21 *shall not impose any additional annual increases in the taxes*
22 *imposed by the ordinance after November 3, 2026, but any annual*
23 *increases in the taxes imposed by the ordinance in effect on or*
24 *before November 3, 2026, are not affected, amended, reduced or*
25 *eliminated and must be continued for any period during which*
26 *bonds are outstanding that are secured by the taxes imposed by the*
27 *ordinance.*

28 *5. As used in this section:*

29 *(a) "Adjusted average highway and street construction*
30 *inflation index" means:*

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

35 *(I) If the average highway and street construction*
36 *inflation index for the immediately preceding fiscal year is greater*
37 *than the applicable percentage, the remainder obtained by*
38 *subtracting the applicable percentage from the average highway*
39 *and street construction inflation index for the immediately*
40 *preceding fiscal year; or*

41 *(II) If the average highway and street construction*
42 *inflation index for the immediately preceding fiscal year is less*
43 *than or equal to the applicable percentage, zero; and*

44 *(2) For each fiscal year following the fiscal year in which*
45 *the ordinance becomes effective, the percentage obtained by*



1 *adding the average highway and street construction inflation*
2 *index for that fiscal year to:*

3 (I) *If the adjusted average highway and street*
4 *construction inflation index for the immediately preceding fiscal*
5 *year is greater than the applicable percentage, the remainder*
6 *obtained by subtracting the applicable percentage from the*
7 *adjusted average highway and street construction inflation index*
8 *for the immediately preceding fiscal year; or*

9 (II) *If the adjusted average highway and street*
10 *construction inflation index for the immediately preceding fiscal*
11 *year is less than or equal to the applicable percentage, zero.*

12 (b) *“Applicable percentage” means the lesser of 7.8 percent or*
13 *the percentage specified by the board in any ordinance imposing a*
14 *tax pursuant to this section.*

15 (c) *“Average highway and street construction inflation index”*
16 *means for a fiscal year the average percentage increase in the*
17 *highway and street construction inflation index for the 10*
18 *calendar years immediately preceding the beginning of that fiscal*
19 *year.*

20 (d) *“Highway and street construction inflation index” means:*

21 (1) *The Producer Price Index for Highway and Street*
22 *Construction until that index ceased to be published; and*

23 (2) *The Producer Price Index for Other Nonresidential*
24 *Construction thereafter or, if that index ceases to be published by*
25 *the United States Department of Labor, the published index that*
26 *most closely measures inflation in the costs of highway and street*
27 *construction, as determined by the commission.*

28 (e) *“Special fuel” has the meaning ascribed to it in*
29 *NRS 366.060.*

30 **Sec. 1.5.** 1. *Except as otherwise provided in subsection 2,*
31 *any continuing increases in any taxes imposed pursuant to section*
32 *1.2 of this act must not be pledged beyond June 30 of the fiscal*
33 *year that is 5 full fiscal years after bonds or other obligations*
34 *which are secured by the taxes imposed pursuant to section 1.2 of*
35 *this act are issued or incurred, but the taxes imposed pursuant to*
36 *section 1.2 of this act that are in effect on that June 30 must*
37 *continue to be pledged to those bonds or other obligations until*
38 *they are paid in full.*

39 2. *At any time after bonds are issued or other obligations*
40 *incurred with a pledge of the taxes imposed pursuant to section 1.2*
41 *of this act, the Legislature may, except as otherwise provided in*
42 *paragraph (b) of subsection 3 of section 1.2 of this act:*

43 (a) *Continue the pledge of the increase in taxes imposed*
44 *pursuant to section 1.2 of this act beyond June 30 of the fiscal*
45 *year that is 5 full fiscal years after bonds or other obligations*



1 *secured by the taxes imposed pursuant to section 1.2 of this act are*
2 *issued or incurred, but not beyond June 30 of the fiscal year that*
3 *is 5 full fiscal years after the action by the Legislature authorized*
4 *by this paragraph. The process set forth in this paragraph may be*
5 *repeated until all bonds or other obligations secured by the taxes*
6 *imposed pursuant to section 1.2 of this act have been paid in full.*

7 *(b) Specify a different applicable percentage, including an*
8 *applicable percentage of zero, but:*

9 *(1) The applicable percentage must not exceed 7.8 percent;*

10 *(2) The applicable percentage must not be reduced with*
11 *respect to any fiscal year preceding the fiscal year following the*
12 *effective date of any action of the Legislature authorized by this*
13 *subsection; and*

14 *(3) The effective date of any action by the Legislature*
15 *reducing the applicable percentage must not be sooner than the*
16 *later of:*

17 *(I) June 30 of the fiscal year that is 5 full fiscal years*
18 *after bonds or other obligations secured by the taxes imposed*
19 *pursuant to section 1.2 of this act are issued or incurred; or*

20 *(II) June 30 of the fiscal year that is 5 full fiscal years*
21 *after the date of any action by the Legislature authorized by*
22 *paragraph (a).*

23 *3. As used in this section, "applicable percentage" has the*
24 *meaning ascribed to it in paragraph (b) of subsection 5 of section*
25 *1.2 of this act.*

26 **Sec. 1.7.** *The Department shall adopt regulations*
27 *establishing a system to provide for the reimbursement and*
28 *repayment of any amounts owed by any person pursuant to an*
29 *agreement entered into pursuant to NRS 366.175 as a result of the*
30 *imposition of any tax pursuant to NRS 373.066 or section 1.1 of*
31 *this act. The system established by the Department:*

32 *1. Must provide that any reimbursement of any amounts*
33 *owed to any person pursuant to an agreement entered into*
34 *pursuant to NRS 366.175 be paid from only money received by a*
35 *county pursuant to any tax imposed pursuant to NRS 373.066 or*
36 *section 1.1 of this act; and*

37 *2. Must not be administered in a manner that directly or*
38 *indirectly impairs adversely any outstanding bonds issued under*
39 *this chapter or other obligations incurred under this chapter.*

40 **Sec. 1.8.** *The Department shall adopt regulations*
41 *establishing a system to provide for the reimbursement and*
42 *repayment of any amounts owed by any person pursuant to an*
43 *agreement entered into pursuant to NRS 366.175 as a result of the*
44 *imposition of any tax pursuant to NRS 373.066 or section 1.1 or*
45 *1.3 of this act. The system established by the Department:*



1 ***1. Must provide that any reimbursement of any amounts***
2 ***owed to any person pursuant to an agreement entered into***
3 ***pursuant to NRS 366.175 be paid from only money received by a***
4 ***county pursuant to any tax imposed pursuant to NRS 373.066 or***
5 ***section 1.1 or 1.3 of this act; and***

6 ***2. Must not be administered in a manner that directly or***
7 ***indirectly impairs adversely any outstanding bonds issued under***
8 ***this chapter or other obligations incurred under this chapter.***

9 **Sec. 1.9.** *The Department shall adopt regulations*
10 *establishing a system to provide for the reimbursement and*
11 *repayment of any amounts owed by any person pursuant to an*
12 *agreement entered into pursuant to NRS 366.175 as a result of the*
13 *imposition of any tax pursuant to NRS 373.066 or section 1.3 of*
14 *this act. The system established by the Department:*

15 ***1. Must provide that any reimbursement of any amounts***
16 ***owed to any person pursuant to an agreement entered into***
17 ***pursuant to NRS 366.175 be paid from only money received by a***
18 ***county pursuant to any tax imposed pursuant to NRS 373.066 or***
19 ***section 1.3 of this act; and***

20 ***2. Must not be administered in a manner that directly or***
21 ***indirectly impairs adversely any outstanding bonds issued under***
22 ***this chapter or other obligations incurred under this chapter.***

23 **Sec. 2.** NRS 373.067 is hereby amended to read as follows:

24 373.067 1. Any ordinance that imposes a tax pursuant to:

25 (a) The provisions of paragraph (a) of subsection 1 of NRS
26 373.066 ***or paragraph (a) of subsection 1 of section 1.1 of this act***
27 must require the allocation, disbursement and use in the county of
28 the proceeds of that tax in the same proportions and manner as the
29 allocation, disbursement and use in the county of the proceeds of the
30 tax imposed pursuant to NRS 365.180.

31 (b) The provisions of paragraph (b) of subsection 1 of NRS
32 373.066 ***or paragraph (b) of subsection 1 of section 1.1 of this act***
33 must require the allocation, disbursement and use in the county of
34 the proceeds of that tax in the same proportions and manner as the
35 allocation, disbursement and use in the county of the proceeds of the
36 tax imposed pursuant to NRS 365.190.

37 (c) The provisions of paragraph (c) of subsection 1 of NRS
38 373.066 ***or paragraph (c) of subsection 1 of section 1.1 of this act***
39 must require the allocation, disbursement and use in the county of
40 the proceeds of that tax in the same proportions and manner as the
41 allocation, disbursement and use in the county of the proceeds of the
42 tax imposed pursuant to NRS 365.192.

43 (d) Any of the provisions of paragraphs (d) to (m), inclusive, of
44 subsection 1 of NRS 373.066 ***or paragraphs (d) to (m), inclusive, of***
45 ***subsection 1 of section 1.1 of this act*** must, except as otherwise



* A B 4 1 3 R 2 *

1 required by subsection 6 of NRS 373.140, require the allocation,
2 disbursement and use in the county of the proceeds of that tax in the
3 same proportions and manner as the allocation, disbursement and
4 use in the county of the proceeds of the tax imposed pursuant to
5 NRS 373.030.

6 2. Any ordinance adopted pursuant to NRS 373.066 *or section*
7 *1.1 of this act* must:

8 (a) Include a provision prohibiting the imposition of any
9 penalties and interest for the failure to make any payments of any
10 tax imposed by the ordinance which become due within the initial 6
11 months after the ordinance becomes effective. This provision must
12 apply only to taxes imposed pursuant to NRS 373.066 *or section 1.1*
13 *of this act* and must not apply to any tax imposed pursuant to any
14 other ordinance.

15 (b) Require the commission:

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

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

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

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

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

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

31 **Sec. 2.3.** NRS 373.067 is hereby amended to read as follows:

32 373.067 1. Any ordinance that imposes a tax pursuant to:

33 (a) The provisions of paragraph (a) of subsection 1 of NRS
34 373.066 , *paragraph (a) of subsection 1 of section 1.1 of this act or*
35 *paragraph (a) of subsection 1 of section 1.3 of this act* must require
36 the allocation, disbursement and use in the county of the proceeds of
37 that tax in the same proportions and manner as the allocation,
38 disbursement and use in the county of the proceeds of the tax
39 imposed pursuant to NRS 365.180.

40 (b) The provisions of paragraph (b) of subsection 1 of NRS
41 373.066 , *paragraph (b) of subsection 1 of section 1.1 of this act or*
42 *paragraph (b) of subsection 1 of section 1.3 of this act* must require
43 the allocation, disbursement and use in the county of the proceeds of
44 that tax in the same proportions and manner as the allocation,



* A B 4 1 3 R 2 *

1 disbursement and use in the county of the proceeds of the tax
2 imposed pursuant to NRS 365.190.

3 (c) The provisions of paragraph (c) of subsection 1 of NRS
4 373.066 , *paragraph (c) of subsection 1 of section 1.1 of this act or*
5 *paragraph (c) of subsection 1 of section 1.3 of this act* must require
6 the allocation, disbursement and use in the county of the proceeds of
7 that tax in the same proportions and manner as the allocation,
8 disbursement and use in the county of the proceeds of the tax
9 imposed pursuant to NRS 365.192.

10 (d) Any of the provisions of paragraphs (d) to (m), inclusive, of
11 subsection 1 of NRS 373.066 , *paragraphs (d) to (m), inclusive, of*
12 *subsection 1 of section 1.1 of this act or paragraphs (d) to (h),*
13 *inclusive, of subsection 1 of section 1.3 of this act* must, except as
14 otherwise required by subsection 6 of NRS 373.140, require the
15 allocation, disbursement and use in the county of the proceeds of
16 that tax in the same proportions and manner as the allocation,
17 disbursement and use in the county of the proceeds of the tax
18 imposed pursuant to NRS 373.030.

19 2. Any ordinance adopted pursuant to NRS 373.066 *or section*
20 *1.1 or 1.3 of this act* must:

21 (a) Include a provision prohibiting the imposition of any
22 penalties and interest for the failure to make any payments of any
23 tax imposed by the ordinance which become due within the initial 6
24 months after the ordinance becomes effective. This provision must
25 apply only to taxes imposed pursuant to NRS 373.066 *or section 1.1*
26 *or 1.3 of this act* and must not apply to any tax imposed pursuant to
27 any other ordinance.

28 (b) Require the commission:

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

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

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

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

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

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

44 **Sec. 2.7.** NRS 373.067 is hereby amended to read as follows:

45 373.067 1. Any ordinance that imposes a tax pursuant to:



* A B 4 1 3 R 2 *

(a) The provisions of paragraph (a) of subsection 1 of NRS 373.066 *or paragraph (a) of subsection 1 of section 1.3 of this act* must require the allocation, disbursement and use in the county of the proceeds of that tax 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.

(b) The provisions of paragraph (b) of subsection 1 of NRS 373.066 *or paragraph (b) of subsection 1 of section 1.3 of this act* must require the allocation, disbursement and use in the county of the proceeds of that tax 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.

(c) The provisions of paragraph (c) of subsection 1 of NRS 373.066 *or paragraph (c) of subsection 1 of section 1.3 of this act* must require the allocation, disbursement and use in the county of the proceeds of that tax 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.

(d) Any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act* must, except as otherwise required by subsection 6 of NRS 373.140, require the allocation, disbursement and use in the county of the proceeds of that tax 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 373.030.

2. Any ordinance adopted pursuant to NRS 373.066 *or section 1.3 of this act* must:

(a) Include a provision prohibiting the imposition of any penalties and interest for the failure to make any payments of any tax imposed by the ordinance which become due within the initial 6 months after the ordinance becomes effective. This provision must apply only to taxes imposed pursuant to NRS 373.066 *or section 1.3 of this act* and must not apply to any tax imposed pursuant to any other ordinance.

(b) Require the commission:

(I) 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;



* A B 4 1 3 R 2 *

(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.

Sec. 3. NRS 373.068 is hereby amended to read as follows:

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (a) to (f), inclusive, of subsection 1 of section 1.1 of this act* does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (g) to (m), inclusive, of subsection 1 of section 1.1 of this act* does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

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

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

2. Each tax imposed pursuant to NRS 373.066 *or section 1.1 of this act* is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax



* A B 4 1 3 R 2 *

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

3 (d) Paragraph (d) of subsection 1 of NRS 373.066, any tax
4 increase imposed in that county pursuant to subparagraph (2) of
5 paragraph (d) of subsection 1 of NRS 373.065 on the first day of the
6 current fiscal year, and the authority to impose any additional tax
7 increases in that county pursuant to that subparagraph on the first
8 day of each subsequent fiscal year, expire by limitation.

9 **Sec. 3.1.** NRS 373.068 is hereby amended to read as follows:

10 373.068 1. Any tax imposed pursuant to the provisions of:

11 (a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS
12 373.066 , *paragraphs (a) to (f), inclusive, of subsection 1 of section*
13 *1.1 of this act, paragraph (a) of subsection 1 of section 1.2 of this*
14 *act or paragraphs (a) to (e), inclusive, of subsection 1 of section*
15 *1.3 of this act* does not apply to any fuel described in NRS 365.220
16 or 365.230.

17 (b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS
18 373.066 , *paragraphs (g) to (m), inclusive, of subsection 1 of*
19 *section 1.1 of this act, paragraphs (b) to (e), inclusive, of*
20 *subsection 1 of section 1.2 of this act or paragraphs (f), (g) and (h)*
21 *of subsection 1 of section 1.3 of this act* does not apply to any sales
22 or uses described in NRS 366.200, except to any sales or uses
23 described in subsection 1 of that section of any special fuel to which
24 dye has not been added pursuant to federal law or the law of this
25 State, of a type which is lawfully sold in this State both:

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

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

30 2. Each tax imposed pursuant to NRS 373.066 *or section 1.1,*
31 *1.2 or 1.3 of this act* is in addition to any other motor vehicle fuel
32 taxes and special fuel taxes imposed pursuant to the provisions of
33 this chapter and chapters 365, 366 and 590 of NRS, except that on
34 the effective date of an ordinance adopted pursuant to:

35 (a) Paragraph (a) of subsection 1 of NRS 373.066, any tax
36 increase imposed in that county pursuant to subparagraph (2) of
37 paragraph (a) of subsection 1 of NRS 373.065 on the first day of the
38 current fiscal year, and the authority to impose any additional tax
39 increases in that county pursuant to that subparagraph on the first
40 day of each subsequent fiscal year, expire by limitation.

41 (b) Paragraph (b) of subsection 1 of NRS 373.066, any tax
42 increase imposed in that county pursuant to subparagraph (2) of
43 paragraph (b) of subsection 1 of NRS 373.065 on the first day of the
44 current fiscal year, and the authority to impose any additional tax



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

3 (c) Paragraph (c) of subsection 1 of NRS 373.066, any tax
4 increase imposed in that county pursuant to subparagraph (2) of
5 paragraph (c) of subsection 1 of NRS 373.065 on the first day of the
6 current fiscal year, and the authority to impose any additional tax
7 increases in that county pursuant to that subparagraph on the first
8 day of each subsequent fiscal year, expire by limitation.

9 (d) Paragraph (d) of subsection 1 of NRS 373.066, any tax
10 increase imposed in that county pursuant to subparagraph (2) of
11 paragraph (d) of subsection 1 of NRS 373.065 on the first day of the
12 current fiscal year, and the authority to impose any additional tax
13 increases in that county pursuant to that subparagraph on the first
14 day of each subsequent fiscal year, expire by limitation.

15 **Sec. 3.2.** NRS 373.068 is hereby amended to read as follows:

16 373.068 1. Any tax imposed pursuant to the provisions of:

17 (a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS
18 373.066 , *paragraphs (a) to (f), inclusive, of subsection 1 of section*
19 *1.1 of this act or paragraph (a) of subsection 1 of section 1.2 of*
20 *this act* does not apply to any fuel described in NRS 365.220 or
21 365.230.

22 (b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS
23 373.066 , *paragraphs (g) to (m), inclusive, of subsection 1 of*
24 *section 1.1 of this act or paragraphs (b) to (e), inclusive, of*
25 *subsection 1 of section 1.2 of this act* does not apply to any sales or
26 uses described in NRS 366.200, except to any sales or uses
27 described in subsection 1 of that section of any special fuel to which
28 dye has not been added pursuant to federal law or the law of this
29 State, of a type which is lawfully sold in this State both:

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

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

34 2. Each tax imposed pursuant to NRS 373.066 *or section 1.1 or*
35 *1.2 of this act* is in addition to any other motor vehicle fuel taxes
36 and special fuel taxes imposed pursuant to the provisions of this
37 chapter and chapters 365, 366 and 590 of NRS, except that on the
38 effective date of an ordinance adopted pursuant to:

39 (a) Paragraph (a) of subsection 1 of NRS 373.066, any tax
40 increase imposed in that county pursuant to subparagraph (2) of
41 paragraph (a) of subsection 1 of NRS 373.065 on the first day of the
42 current fiscal year, and the authority to impose any additional tax
43 increases in that county pursuant to that subparagraph on the first
44 day of each subsequent fiscal year, expire by limitation.



* A B 4 1 3 R 2 *

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.3. NRS 373.068 is hereby amended to read as follows:

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066, *paragraphs (a) to (f), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (a) to (e), inclusive, of subsection 1 of section 1.3 of this act* does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066, *paragraphs (g) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (f), (g) and (h) of subsection 1 of section 1.3 of this act* does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

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

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

2. Each tax imposed pursuant to NRS 373.066 *or section 1.1 or 1.3 of this act* is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the



* A B 4 1 3 R 2 *

1 current fiscal year, and the authority to impose any additional tax
2 increases in that county pursuant to that subparagraph on the first
3 day of each subsequent fiscal year, expire by limitation.

4 (b) Paragraph (b) of subsection 1 of NRS 373.066, any tax
5 increase imposed in that county pursuant to subparagraph (2) of
6 paragraph (b) of subsection 1 of NRS 373.065 on the first day of the
7 current fiscal year, and the authority to impose any additional tax
8 increases in that county pursuant to that subparagraph on the first
9 day of each subsequent fiscal year, expire by limitation.

10 (c) Paragraph (c) of subsection 1 of NRS 373.066, any tax
11 increase imposed in that county pursuant to subparagraph (2) of
12 paragraph (c) of subsection 1 of NRS 373.065 on the first day of the
13 current fiscal year, and the authority to impose any additional tax
14 increases in that county pursuant to that subparagraph on the first
15 day of each subsequent fiscal year, expire by limitation.

16 (d) Paragraph (d) of subsection 1 of NRS 373.066, any tax
17 increase imposed in that county pursuant to subparagraph (2) of
18 paragraph (d) of subsection 1 of NRS 373.065 on the first day of the
19 current fiscal year, and the authority to impose any additional tax
20 increases in that county pursuant to that subparagraph on the first
21 day of each subsequent fiscal year, expire by limitation.

22 **Sec. 3.5.** NRS 373.068 is hereby amended to read as follows:

23 373.068 1. Any tax imposed pursuant to the provisions of:

24 (a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS
25 373.066 *, paragraphs (a) of subsection 1 of section 1.2 of this act or*
26 *paragraphs (a) to (e), inclusive, of subsection 1 of section 1.3 of*
27 *this act* does not apply to any fuel described in NRS 365.220 or
28 365.230.

29 (b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS
30 373.066 *, paragraphs (b) to (e), inclusive, of subsection 1 of*
31 *section 1.2 of this act or paragraphs (f), (g) and (h) of subsection 1*
32 *of section 1.3 of this act* does not apply to any sales or uses
33 described in NRS 366.200, except to any sales or uses described in
34 subsection 1 of that section of any special fuel to which dye has not
35 been added pursuant to federal law or the law of this State, of a type
36 which is lawfully sold in this State both:

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

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

41 2. Each tax imposed pursuant to NRS 373.066 *or section 1.2 or*
42 *1.3 of this act* is in addition to any other motor vehicle fuel taxes
43 and special fuel taxes imposed pursuant to the provisions of this
44 chapter and chapters 365, 366 and 590 of NRS, except that on the
45 effective date of an ordinance adopted pursuant to:



* A B 4 1 3 R 2 *

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.7. NRS 373.068 is hereby amended to read as follows:

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066 *or paragraph (a) of subsection 1 of section 1.2 of this act* does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (b) to (e), inclusive, of subsection 1 of section 1.2 of this act* does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

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

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

2. Each tax imposed pursuant to NRS 373.066 *or section 1.2 of this act* is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter and chapters 365, 366 and 590 of NRS, except that on the effective date of an ordinance adopted pursuant to:



* A B 4 1 3 R 2 *

(a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(b) Paragraph (b) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(c) Paragraph (c) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (c) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

(d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS 373.065 on the first day of the current fiscal year, and the authority to impose any additional tax increases in that county pursuant to that subparagraph on the first day of each subsequent fiscal year, expire by limitation.

Sec. 3.9. NRS 373.068 is hereby amended to read as follows:

373.068 1. Any tax imposed pursuant to the provisions of:

(a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (a) to (e), inclusive, of subsection 1 of section 1.3 of this act* does not apply to any fuel described in NRS 365.220 or 365.230.

(b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (f), (g) and (h) of subsection 1 of section 1.3 of this act* does not apply to any sales or uses described in NRS 366.200, except to any sales or uses described in subsection 1 of that section of any special fuel to which dye has not been added pursuant to federal law or the law of this State, of a type which is lawfully sold in this State both:

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

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

2. Each tax imposed pursuant to NRS 373.066 *or section 1.3 of this act* is in addition to any other motor vehicle fuel taxes and special fuel taxes imposed pursuant to the provisions of this chapter



1 and chapters 365, 366 and 590 of NRS, except that on the effective
2 date of an ordinance adopted pursuant to:

3 (a) Paragraph (a) of subsection 1 of NRS 373.066, any tax
4 increase imposed in that county pursuant to subparagraph (2) of
5 paragraph (a) of subsection 1 of NRS 373.065 on the first day of the
6 current fiscal year, and the authority to impose any additional tax
7 increases in that county pursuant to that subparagraph on the first
8 day of each subsequent fiscal year, expire by limitation.

9 (b) Paragraph (b) of subsection 1 of NRS 373.066, any tax
10 increase imposed in that county pursuant to subparagraph (2) of
11 paragraph (b) of subsection 1 of NRS 373.065 on the first day of the
12 current fiscal year, and the authority to impose any additional tax
13 increases in that county pursuant to that subparagraph on the first
14 day of each subsequent fiscal year, expire by limitation.

15 (c) Paragraph (c) of subsection 1 of NRS 373.066, any tax
16 increase imposed in that county pursuant to subparagraph (2) of
17 paragraph (c) of subsection 1 of NRS 373.065 on the first day of the
18 current fiscal year, and the authority to impose any additional tax
19 increases in that county pursuant to that subparagraph on the first
20 day of each subsequent fiscal year, expire by limitation.

21 (d) Paragraph (d) of subsection 1 of NRS 373.066, any tax
22 increase imposed in that county pursuant to subparagraph (2) of
23 paragraph (d) of subsection 1 of NRS 373.065 on the first day of the
24 current fiscal year, and the authority to impose any additional tax
25 increases in that county pursuant to that subparagraph on the first
26 day of each subsequent fiscal year, expire by limitation.

27 **Sec. 4.** NRS 373.070 is hereby amended to read as follows:

28 373.070 1. Any fuel tax ordinance enacted under this chapter
29 must include provisions in substance as follows:

30 (a) A provision imposing the additional excise tax and stating
31 the amount of the tax per gallon of fuel.

32 (b) If the ordinance imposes a tax on motor vehicle fuel:

33 (1) Provisions identical to those contained in chapter 365 of
34 NRS on the date of enactment of the ordinance, insofar as
35 applicable, except that:

36 (I) The name of the county as taxing agency must be
37 substituted for that of the State; and

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

39 (2) A provision that all amendments to chapter 365 of NRS
40 subsequent to the date of enactment of the ordinance, not
41 inconsistent with this chapter, automatically become a part of the
42 motor vehicle fuel tax ordinance of the county.

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



* A B 4 1 3 R 2 *

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

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

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

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

(IV) The ordinance must include provisions which carry out the requirements of paragraph (b) of subsection 1 of NRS 373.068 and which prohibit the refund of any tax paid on any taxable sales or uses described in that paragraph.

(2) A provision that all amendments to chapter 366 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the special fuel tax ordinance of the county.

(d) A provision that the county shall contract before the effective date of the county fuel tax ordinance with the Department to perform all functions incident to the administration or operation of the fuel tax ordinance of the county, including, if the ordinance is enacted pursuant to NRS 373.065 or 373.066, *or section 1.1 of this act*, the calculation of each annual increase in the tax imposed pursuant to the ordinance.

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

Sec. 4.3. NRS 373.070 is hereby amended to read as follows:

373.070 1. Any fuel tax ordinance enacted under this chapter must include provisions in substance as follows:

(a) A provision imposing the additional excise tax and stating the amount of the tax per gallon of fuel.

(b) If the ordinance imposes a tax on motor vehicle fuel:

(1) Provisions identical to those contained in chapter 365 of NRS on the date of enactment of the ordinance, insofar as applicable, except that:

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



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

2 (2) A provision that all amendments to chapter 365 of NRS
3 subsequent to the date of enactment of the ordinance, not
4 inconsistent with this chapter, automatically become a part of the
5 motor vehicle fuel tax ordinance of the county.

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

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

10 (I) The name of the county as taxing agency must be
11 substituted for that of the State;

12 (II) An additional special fuel supplier's license is not
13 required;

14 (III) The ordinance must not include any provisions
15 identical to NRS 366.175 other than the provisions relating to
16 auditing; and

17 (IV) The ordinance must include provisions which carry
18 out the requirements of paragraph (b) of subsection 1 of NRS
19 373.068 and which prohibit the refund of any tax paid on any
20 taxable sales or uses described in that paragraph.

21 (2) A provision that all amendments to chapter 366 of NRS
22 subsequent to the date of enactment of the ordinance, not
23 inconsistent with this chapter, automatically become a part of the
24 special fuel tax ordinance of the county.

25 (d) A provision that the county shall contract before the
26 effective date of the county fuel tax ordinance with the Department
27 to perform all functions incident to the administration or operation
28 of the fuel tax ordinance of the county, including, if the ordinance is
29 enacted pursuant to NRS 373.065 or 373.066, *or section 1.1 or 1.3*
30 *of this act*, the calculation of each annual increase in the tax
31 imposed pursuant to the ordinance.

32 2. The provisions of this section do not subject any county fuel
33 taxes imposed pursuant to this chapter to the provisions of NRS
34 366.175 or any agreement made pursuant thereto, except for those
35 provisions of NRS 366.175 and any agreement made pursuant
36 thereto which relate to auditing. The administration, collection and
37 distribution of any county fuel taxes imposed pursuant to this
38 chapter do not affect, and are not affected by, the administration,
39 collection and distribution of any fuel taxes under any agreement
40 made pursuant to NRS 366.175.

41 **Sec. 4.7.** NRS 373.070 is hereby amended to read as follows:

42 373.070 1. Any fuel tax ordinance enacted under this chapter
43 must include provisions in substance as follows:

44 (a) A provision imposing the additional excise tax and stating
45 the amount of the tax per gallon of fuel.



(b) If the ordinance imposes a tax on motor vehicle fuel:

(1) Provisions identical to those contained in chapter 365 of NRS on the date of enactment of the ordinance, insofar as applicable, except that:

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

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

(2) A provision that all amendments to chapter 365 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the motor vehicle fuel tax ordinance of the county.

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

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

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

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

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

(IV) The ordinance must include provisions which carry out the requirements of paragraph (b) of subsection 1 of NRS 373.068 and which prohibit the refund of any tax paid on any taxable sales or uses described in that paragraph.

(2) A provision that all amendments to chapter 366 of NRS subsequent to the date of enactment of the ordinance, not inconsistent with this chapter, automatically become a part of the special fuel tax ordinance of the county.

(d) A provision that the county shall contract before the effective date of the county fuel tax ordinance with the Department to perform all functions incident to the administration or operation of the fuel tax ordinance of the county, including, if the ordinance is enacted pursuant to NRS 373.065 or 373.066, *or section 1.3 of this act*, the calculation of each annual increase in the tax imposed pursuant to the ordinance.

2. The provisions of this section do not subject any county fuel taxes imposed pursuant to this chapter to the provisions of NRS 366.175 or any agreement made pursuant thereto, except for those provisions of NRS 366.175 and any agreement made pursuant thereto which relate to auditing. The administration, collection and distribution of any county fuel taxes imposed pursuant to this chapter do not affect, and are not affected by, the administration,



1 collection and distribution of any fuel taxes under any agreement
2 made pursuant to NRS 366.175.

3 **Sec. 5.** NRS 373.080 is hereby amended to read as follows:

4 373.080 All fuel taxes collected during any month by the
5 Department pursuant to a contract with a county must be transmitted
6 each month by the Department to the county and the Department
7 shall, in accordance with the terms of the contract, charge the county
8 for the Department's services specified in this section and in NRS
9 373.070, except that in the case of a fuel tax imposed pursuant to
10 NRS 373.065 or 373.066, *or section 1.1 of this act*, the charge must
11 not exceed 1 percent of the tax collected by the Department.

12 **Sec. 5.3.** NRS 373.080 is hereby amended to read as follows:

13 373.080 All fuel taxes collected during any month by the
14 Department pursuant to a contract with a county must be transmitted
15 each month by the Department to the county and the Department
16 shall, in accordance with the terms of the contract, charge the county
17 for the Department's services specified in this section and in NRS
18 373.070, except that in the case of a fuel tax imposed pursuant to
19 NRS 373.065 or 373.066, *or section 1.1 or 1.3 of this act*, the
20 charge must not exceed 1 percent of the tax collected by the
21 Department.

22 **Sec. 5.7.** NRS 373.080 is hereby amended to read as follows:

23 373.080 All fuel taxes collected during any month by the
24 Department pursuant to a contract with a county must be transmitted
25 each month by the Department to the county and the Department
26 shall, in accordance with the terms of the contract, charge the county
27 for the Department's services specified in this section and in NRS
28 373.070, except that in the case of a fuel tax imposed pursuant to
29 NRS 373.065 or 373.066, *or section 1.3 of this act*, the charge must
30 not exceed 1 percent of the tax collected by the Department.

31 **Sec. 6.** NRS 373.110 is hereby amended to read as follows:

32 373.110 All the net proceeds of any county fuel tax:

33 1. Imposed pursuant to the provisions of NRS 373.030,
34 paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to
35 (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (d) to*
36 *(m), inclusive, of subsection 1 of section 1.1 of this act* which are
37 received by the county pursuant to NRS 373.080 must, except as
38 otherwise provided in NRS 373.119, be deposited by the county
39 treasurer in a fund to be known as the regional street and highway
40 fund in the county treasury, and disbursed only in accordance with
41 the provisions of this chapter and chapter 277A of NRS. After
42 July 1, 1975, the regional street and highway fund must be
43 accounted for as a separate fund and not as a part of any other fund.

44 2. Imposed pursuant to the provisions of paragraph (a), (b) or
45 (c) of subsection 1 of NRS 373.065 or paragraph (a), (b) or (c) of



* A B 4 1 3 R 2 *

1 subsection 1 of NRS 373.066 *or paragraph (a), (b) or (c) of*
2 *subsection 1 of section 1.1 of this act* which are received by the
3 county pursuant to NRS 373.080 must be allocated, disbursed and
4 used as provided in the ordinance imposing the tax.

5 **Sec. 6.3.** NRS 373.110 is hereby amended to read as follows:

6 373.110 All the net proceeds of any county fuel tax:

7 1. Imposed pursuant to the provisions of NRS 373.030,
8 paragraph (d) of subsection 1 of NRS 373.065 , ~~to~~ paragraphs (d)
9 to (m), inclusive, of subsection 1 of NRS 373.066 , *paragraphs (d)*
10 *to (m), inclusive, of subsection 1 of section 1.1 of this act or*
11 *paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of*
12 *this act* which are received by the county pursuant to NRS 373.080
13 must, except as otherwise provided in NRS 373.119, be deposited
14 by the county treasurer in a fund to be known as the regional street
15 and highway fund in the county treasury, and disbursed only in
16 accordance with the provisions of this chapter and chapter 277A of
17 NRS. After July 1, 1975, the regional street and highway fund must
18 be accounted for as a separate fund and not as a part of any other
19 fund.

20 2. Imposed pursuant to the provisions of paragraph (a), (b) or
21 (c) of subsection 1 of NRS 373.065 , ~~to~~ paragraph (a), (b) or (c) of
22 subsection 1 of NRS 373.066 , *paragraph (a), (b) or (c) of*
23 *subsection 1 of section 1.1 of this act or paragraph (a), (b) or (c) of*
24 *subsection 1 of section 1.3 of this act* which are received by the
25 county pursuant to NRS 373.080 must be allocated, disbursed and
26 used as provided in the ordinance imposing the tax.

27 **Sec. 6.7.** NRS 373.110 is hereby amended to read as follows:

28 373.110 All the net proceeds of any county fuel tax:

29 1. Imposed pursuant to the provisions of NRS 373.030,
30 paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to
31 (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (d) to*
32 *(h), inclusive, of subsection 1 of section 1.3 of this act* which are
33 received by the county pursuant to NRS 373.080 must, except as
34 otherwise provided in NRS 373.119, be deposited by the county
35 treasurer in a fund to be known as the regional street and highway
36 fund in the county treasury, and disbursed only in accordance with
37 the provisions of this chapter and chapter 277A of NRS. After
38 July 1, 1975, the regional street and highway fund must be
39 accounted for as a separate fund and not as a part of any other fund.

40 2. Imposed pursuant to the provisions of paragraph (a), (b) or
41 (c) of subsection 1 of NRS 373.065 or paragraph (a), (b) or (c) of
42 subsection 1 of NRS 373.066 *or paragraph (a), (b) or (c) of*
43 *subsection 1 of section 1.3 of this act* which are received by the
44 county pursuant to NRS 373.080 must be allocated, disbursed and
45 used as provided in the ordinance imposing the tax.



Sec. 7. NRS 373.119 is hereby amended to read as follows:

373.119 1. Except to the extent pledged before July 1, 1985, the board may use that portion of the revenue collected pursuant to the provisions of this chapter from any taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act* that represents collections from the sale of fuel for use in boats at marinas in the county to make capital improvements or to conduct programs to encourage safety in boating. If the county does not control a body of water, where an improvement or program is appropriate, the board may contract with an appropriate person or governmental organization for the improvement or program.

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

Sec. 7.3. NRS 373.119 is hereby amended to read as follows:

373.119 1. Except to the extent pledged before July 1, 1985, the board may use that portion of the revenue collected pursuant to the provisions of this chapter from any taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 *, paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act* that represents collections from the sale of fuel for use in boats at marinas in the county to make capital improvements or to conduct programs to encourage safety in boating. If the county does not control a body of water, where an improvement or program is appropriate, the board may contract with an appropriate person or governmental organization for the improvement or program.

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

Sec. 7.7. NRS 373.119 is hereby amended to read as follows:

373.119 1. Except to the extent pledged before July 1, 1985, the board may use that portion of the revenue collected pursuant to the provisions of this chapter from any taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act* that represents collections from the sale of



* A B 4 1 3 R 2 *

1 fuel for use in boats at marinas in the county to make capital
2 improvements or to conduct programs to encourage safety in
3 boating. If the county does not control a body of water, where an
4 improvement or program is appropriate, the board may contract with
5 an appropriate person or governmental organization for the
6 improvement or program.

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

11 **Sec. 8.** NRS 373.120 is hereby amended to read as follows:

12 373.120 1. No county fuel tax ordinance may be repealed or
13 amended or otherwise directly or indirectly modified in such a
14 manner as to impair adversely any outstanding bonds issued under
15 this chapter or other obligations incurred under this chapter, until all
16 obligations for which revenues from such ordinance have been
17 pledged or otherwise made payable from such revenues pursuant to
18 this chapter have been discharged in full, but the board, with the
19 approval of the governing body of each participating city, may at
20 any time dissolve the commission and provide that no further
21 obligations may be incurred thereafter.

22 2. The faith of the State of Nevada is hereby pledged that this
23 chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any
24 law supplemental thereto, including without limitation, provisions
25 for the distribution to any county designated in NRS 373.030,
26 373.065 or 373.066, *or section 1.1 of this act*, of the proceeds of the
27 fuel taxes collected thereunder will not be repealed, amended or
28 otherwise directly or indirectly modified in such a manner as to
29 impair adversely any outstanding bonds issued under this chapter or
30 other obligations incurred under this chapter, until all obligations for
31 which any such tax proceeds have been pledged or otherwise made
32 payable from such tax proceeds pursuant to this chapter have been
33 discharged in full, but the State of Nevada may at any time provide
34 by act that no further obligations may be incurred thereafter.

35 3. *Except as otherwise provided in subsection 4, any*
36 *continuing increases in any taxes imposed pursuant to section 1.1*
37 *of this act must not be pledged beyond June 30 of the fiscal year*
38 *that is 5 full fiscal years after bonds or other obligations secured*
39 *by the taxes imposed pursuant to section 1.1 of this act are issued*
40 *or incurred, but the taxes imposed pursuant to section 1.1 of this*
41 *act that are in effect on that June 30 must continue to be pledged*
42 *to those bonds or other obligations until they are paid in full.*

43 4. *At any time after bonds are issued or other obligations*
44 *incurred with a pledge of the taxes imposed pursuant to section 1.1*



* A B 4 1 3 R 2 *

1 of this act, the board may, except as otherwise provided in
2 subsection 5 of section 1.1 of this act, by ordinance:

3 (a) Continue the pledge of the increase in taxes imposed
4 pursuant to section 1.1 of this act beyond June 30 of the fiscal
5 year that is 5 full fiscal years after bonds or other obligations
6 secured by the taxes imposed pursuant to section 1.1 of this act are
7 issued or incurred, but not beyond June 30 of the fiscal year that
8 is 5 full fiscal years after the adoption of the ordinance pursuant
9 to this paragraph. The process set forth in this paragraph may be
10 repeated until all bonds or other obligations secured by the taxes
11 imposed pursuant to section 1.1 of this act have been paid in full.

12 (b) Amend the ordinance imposing the tax to specify a
13 different applicable percentage, including an applicable
14 percentage of zero, but:

15 (1) The applicable percentage must not exceed 7.8 percent;

16 (2) The applicable percentage must not be reduced with
17 respect to any fiscal year preceding the fiscal year following the
18 effective date of an ordinance adopted pursuant to this subsection;
19 and

20 (3) The effective date of any ordinance reducing the
21 applicable percentage must not be sooner than the later of:

22 (I) June 30 of the fiscal year that is 5 full fiscal years
23 after bonds or other obligations secured by the taxes imposed
24 pursuant to section 1.1 of this act are issued or incurred; or

25 (II) June 30 of the fiscal year that is 5 full fiscal
26 years after the date of adoption of any ordinance pursuant to
27 paragraph (a).

28 5. As used in this section, "applicable percentage" has the
29 meaning ascribed to it in paragraph (b) of subsection 6 of section
30 1.1 of this act.

31 **Sec. 8.1.** NRS 373.120 is hereby amended to read as follows:

32 373.120 1. No county fuel tax ordinance may be repealed or
33 amended or otherwise directly or indirectly modified in such a
34 manner as to impair adversely any outstanding bonds issued under
35 this chapter or other obligations incurred under this chapter, until all
36 obligations for which revenues from such ordinance have been
37 pledged or otherwise made payable from such revenues pursuant to
38 this chapter have been discharged in full, but the board, with the
39 approval of the governing body of each participating city, may at
40 any time dissolve the commission and provide that no further
41 obligations may be incurred thereafter.

42 2. The faith of the State of Nevada is hereby pledged that this
43 chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any
44 law supplemental thereto, including without limitation, provisions
45 for the distribution to any county designated in NRS 373.030,



1 373.065 or 373.066, *or section 1.1, 1.2 or 1.3 of this act*, of the
2 proceeds of the fuel taxes collected thereunder will not be repealed,
3 amended or otherwise directly or indirectly modified in such a
4 manner as to impair adversely any outstanding bonds issued under
5 this chapter or other obligations incurred under this chapter, until all
6 obligations for which any such tax proceeds have been pledged or
7 otherwise made payable from such tax proceeds pursuant to this
8 chapter have been discharged in full, but the State of Nevada may at
9 any time provide by act that no further obligations may be incurred
10 thereafter.

11 *3. Except as otherwise provided in subsection 4, any*
12 *continuing increases in any taxes imposed pursuant to section 1.1*
13 *or 1.3 of this act must not be pledged beyond June 30 of the fiscal*
14 *year that is 5 full fiscal years after bonds or other obligations*
15 *secured by the taxes imposed pursuant to section 1.1 or 1.3 of this*
16 *act, as applicable, are issued or incurred, but the taxes imposed*
17 *pursuant to section 1.1 or 1.3 of this act that are in effect on that*
18 *June 30 must continue to be pledged to those bonds or other*
19 *obligations until they are paid in full.*

20 *4. At any time after bonds are issued or other obligations*
21 *incurred with a pledge of the taxes imposed pursuant to section 1.1*
22 *or 1.3 of this act, the board may, except as otherwise provided in*
23 *subsection 5 of section 1.1 of this act or subsection 4 of section 1.3*
24 *of this act, as applicable, by ordinance:*

25 *(a) Continue the pledge of the increase in taxes imposed*
26 *pursuant to section 1.1 or 1.3 of this act, as applicable, beyond*
27 *June 30 of the fiscal year that is 5 full fiscal years after bonds or*
28 *other obligations secured by the taxes imposed pursuant to section*
29 *1.1 or 1.3 of this act, as applicable, are issued or incurred, but not*
30 *beyond June 30 of the fiscal year that is 5 full fiscal years after the*
31 *adoption of the ordinance pursuant to this paragraph. The process*
32 *set forth in this paragraph may be repeated until all bonds or other*
33 *obligations secured by the taxes imposed pursuant to section 1.1 or*
34 *1.3 of this act, as applicable, have been paid in full.*

35 *(b) Amend the ordinance imposing the tax to specify a*
36 *different applicable percentage, including an applicable*
37 *percentage of zero, but:*

38 *(1) The applicable percentage must not exceed 7.8 percent;*

39 *(2) The applicable percentage must not be reduced with*
40 *respect to any fiscal year preceding the fiscal year following the*
41 *effective date of an ordinance adopted pursuant to this subsection;*
42 *and*

43 *(3) The effective date of any ordinance reducing the*
44 *applicable percentage must not be sooner than the later of:*



1 (I) June 30 of the fiscal year that is 5 full fiscal years
2 after bonds or other obligations secured by the taxes imposed
3 pursuant to section 1.1 or 1.3 of this act, as applicable, are issued
4 or incurred; or

5 (II) June 30 of the fiscal year that is 5 full fiscal
6 years after the date of adoption of any ordinance pursuant to
7 paragraph (a).

8 5. As used in this section, "applicable percentage":

9 (a) With regard to any tax imposed pursuant to section 1.1 of
10 this act, has the meaning ascribed to it in paragraph (b) of
11 subsection 6 of section 1.1 of this act.

12 (b) With regard to any tax imposed pursuant to section 1.3 of
13 this act, has the meaning ascribed to it in paragraph (b) of
14 subsection 5 of section 1.3 of this act.

15 **Sec. 8.2.** NRS 373.120 is hereby amended to read as follows:

16 373.120 1. No county fuel tax ordinance may be repealed or
17 amended or otherwise directly or indirectly modified in such a
18 manner as to impair adversely any outstanding bonds issued under
19 this chapter or other obligations incurred under this chapter, until all
20 obligations for which revenues from such ordinance have been
21 pledged or otherwise made payable from such revenues pursuant to
22 this chapter have been discharged in full, but the board, with the
23 approval of the governing body of each participating city, may at
24 any time dissolve the commission and provide that no further
25 obligations may be incurred thereafter.

26 2. The faith of the State of Nevada is hereby pledged that this
27 chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any
28 law supplemental thereto, including without limitation, provisions
29 for the distribution to any county designated in NRS 373.030,
30 373.065 or 373.066, *or section 1.1 or 1.2 of this act*, of the proceeds
31 of the fuel taxes collected thereunder will not be repealed, amended
32 or otherwise directly or indirectly modified in such a manner as to
33 impair adversely any outstanding bonds issued under this chapter or
34 other obligations incurred under this chapter, until all obligations for
35 which any such tax proceeds have been pledged or otherwise made
36 payable from such tax proceeds pursuant to this chapter have been
37 discharged in full, but the State of Nevada may at any time provide
38 by act that no further obligations may be incurred thereafter.

39 3. *Except as otherwise provided in subsection 4, any*
40 *continuing increases in any taxes imposed pursuant to section 1.1*
41 *or 1.3 of this act must not be pledged beyond June 30 of the fiscal*
42 *year that is 5 full fiscal years after bonds or other obligations*
43 *secured by the taxes imposed pursuant to section 1.1 of this act are*
44 *issued or incurred, but the taxes imposed pursuant to section 1.1*
45 *of this act that are in effect on that June 30 must continue to be*



pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.1 of this act, the board may, except as otherwise provided in subsection 5 of section 1.1 of this act, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.1 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of this act have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection; and

(3) The effective date of any ordinance reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of this act are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of adoption of any ordinance pursuant to paragraph (a).

5. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 6 of section 1.1 of this act.

Sec. 8.3. NRS 373.120 is hereby amended to read as follows:

373.120 1. No county fuel tax ordinance may be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which revenues from such ordinance have been pledged or otherwise made payable from such revenues pursuant to this chapter have been discharged in full, but the board, with the approval of the governing body of each participating city, may at any time dissolve the commission and provide that no further obligations may be incurred thereafter.



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2. The faith of the State of Nevada is hereby pledged that this chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto, including without limitation, provisions for the distribution to any county designated in NRS 373.030, 373.065 or 373.066, *or section 1.1 or 1.3 of this act*, of the proceeds of the fuel taxes collected thereunder will not be repealed, amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding bonds issued under this chapter or other obligations incurred under this chapter, until all obligations for which any such tax proceeds have been pledged or otherwise made payable from such tax proceeds pursuant to this chapter have been discharged in full, but the State of Nevada may at any time provide by act that no further obligations may be incurred thereafter.

3. Except as otherwise provided in subsection 4, any continuing increases in any taxes imposed pursuant to section 1.1 or 1.3 of this act must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but the taxes imposed pursuant to section 1.1 or 1.3 of this act that are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

4. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to section 1.1 or 1.3 of this act, the board may, except as otherwise provided in subsection 5 of section 1.1 of this act or subsection 4 of section 1.3 of this act, as applicable, by ordinance:

(a) Continue the pledge of the increase in taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption of the ordinance pursuant to this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, have been paid in full.

(b) Amend the ordinance imposing the tax to specify a different applicable percentage, including an applicable percentage of zero, but:

- (1) The applicable percentage must not exceed 7.8 percent;*
 - (2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of an ordinance adopted pursuant to this subsection;*
- and*



1 (3) *The effective date of any ordinance reducing the*
2 *applicable percentage must not be sooner than the later of:*

3 (I) *June 30 of the fiscal year that is 5 full fiscal years*
4 *after bonds or other obligations secured by the taxes imposed*
5 *pursuant to section 1.1 or 1.3 of this act, as applicable, are issued*
6 *or incurred; or*

7 (II) *June 30 of the fiscal year that is 5 full fiscal years*
8 *after the date of adoption of any ordinance pursuant to*
9 *paragraph (a).*

10 5. *As used in this section, "applicable percentage":*

11 (a) *With regard to any tax imposed pursuant to section 1.1 of*
12 *this act, has the meaning ascribed to it in paragraph (b) of*
13 *subsection 6 of section 1.1 of this act.*

14 (b) *With regard to any tax imposed pursuant to section 1.3 of*
15 *this act, has the meaning ascribed to it in paragraph (b) of*
16 *subsection 5 of section 1.3 of this act.*

17 **Sec. 8.5.** NRS 373.120 is hereby amended to read as follows:

18 373.120 1. No county fuel tax ordinance may be repealed or
19 amended or otherwise directly or indirectly modified in such a
20 manner as to impair adversely any outstanding bonds issued under
21 this chapter or other obligations incurred under this chapter, until all
22 obligations for which revenues from such ordinance have been
23 pledged or otherwise made payable from such revenues pursuant to
24 this chapter have been discharged in full, but the board, with the
25 approval of the governing body of each participating city, may at
26 any time dissolve the commission and provide that no further
27 obligations may be incurred thereafter.

28 2. The faith of the State of Nevada is hereby pledged that this
29 chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any
30 law supplemental thereto, including without limitation, provisions
31 for the distribution to any county designated in NRS 373.030,
32 373.065 or 373.066, *or section 1.2 or 1.3 of this act*, of the proceeds
33 of the fuel taxes collected thereunder will not be repealed, amended
34 or otherwise directly or indirectly modified in such a manner as to
35 impair adversely any outstanding bonds issued under this chapter or
36 other obligations incurred under this chapter, until all obligations for
37 which any such tax proceeds have been pledged or otherwise made
38 payable from such tax proceeds pursuant to this chapter have been
39 discharged in full, but the State of Nevada may at any time provide
40 by act that no further obligations may be incurred thereafter.

41 3. *Except as otherwise provided in subsection 4, any*
42 *continuing increases in any taxes imposed pursuant to section 1.3*
43 *of this act must not be pledged beyond June 30 of the fiscal year*
44 *that is 5 full fiscal years after bonds or other obligations secured*
45 *by the taxes imposed pursuant to section 1.3 of this act are issued*



1 *or incurred, but the taxes imposed pursuant to section 1.3 of this*
2 *act that are in effect on that June 30 must continue to be pledged*
3 *to those bonds or other obligations until they are paid in full.*

4 *4. At any time after bonds are issued or other obligations*
5 *incurred with a pledge of the taxes imposed pursuant to section 1.3*
6 *of this act, the board may, except as otherwise provided in*
7 *subsection 4 of section 1.3 of this act, by ordinance:*

8 *(a) Continue the pledge of the increase in taxes imposed*
9 *pursuant to section 1.3 of this act beyond June 30 of the fiscal*
10 *year that is 5 full fiscal years after bonds or other obligations*
11 *secured by the taxes imposed pursuant to section 1.3 of this act are*
12 *issued or incurred, but not beyond June 30 of the fiscal year that*
13 *is 5 full fiscal years after the adoption of the ordinance pursuant*
14 *to this paragraph. The process set forth in this paragraph may be*
15 *repeated until all bonds or other obligations secured by the taxes*
16 *imposed pursuant to section 1.3 of this act have been paid in full.*

17 *(b) Amend the ordinance imposing the tax to specify a*
18 *different applicable percentage, including an applicable*
19 *percentage of zero, but:*

20 *(1) The applicable percentage must not exceed 7.8 percent;*

21 *(2) The applicable percentage must not be reduced with*
22 *respect to any fiscal year preceding the fiscal year following the*
23 *effective date of an ordinance adopted pursuant to this subsection;*
24 *and*

25 *(3) The effective date of any ordinance reducing the*
26 *applicable percentage must not be sooner than the later of:*

27 *(I) June 30 of the fiscal year that is 5 full fiscal years*
28 *after bonds or other obligations secured by the taxes imposed*
29 *pursuant to section 1.3 of this act are issued or incurred; or*

30 *(II) June 30 of the fiscal year that is 5 full fiscal years*
31 *after the date of adoption of any ordinance pursuant to*
32 *paragraph (a).*

33 *5. As used in this section, "applicable percentage" has the*
34 *meaning ascribed to it in paragraph (b) of subsection 5 of section*
35 *1.3 of this act.*

36 **Sec. 8.7.** NRS 373.120 is hereby amended to read as follows:

37 373.120 1. No county fuel tax ordinance may be repealed or
38 amended or otherwise directly or indirectly modified in such a
39 manner as to impair adversely any outstanding bonds issued under
40 this chapter or other obligations incurred under this chapter, until all
41 obligations for which revenues from such ordinance have been
42 pledged or otherwise made payable from such revenues pursuant to
43 this chapter have been discharged in full, but the board, with the
44 approval of the governing body of each participating city, may at



* A B 4 1 3 R 2 *

1 any time dissolve the commission and provide that no further
2 obligations 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,
7 373.065 or 373.066, *or section 1.2 of this act*, of the proceeds of the
8 fuel taxes collected thereunder will not be repealed, amended or
9 otherwise directly or indirectly modified in such a manner as to
10 impair adversely any outstanding bonds issued under this chapter or
11 other obligations incurred under this chapter, until all obligations for
12 which any such tax proceeds have been pledged or otherwise made
13 payable from such tax proceeds pursuant to this chapter have been
14 discharged in full, but the State of Nevada may at any time provide
15 by act that no further obligations may be incurred thereafter.

16 **Sec. 8.9.** NRS 373.120 is hereby amended to read as follows:

17 373.120 1. No county fuel tax ordinance may be repealed or
18 amended or otherwise directly or indirectly modified in such a
19 manner as to impair adversely any outstanding bonds issued under
20 this chapter or other obligations incurred under this chapter, until all
21 obligations for which revenues from such ordinance have been
22 pledged or otherwise made payable from such revenues pursuant to
23 this chapter have been discharged in full, but the board, with the
24 approval of the governing body of each participating city, may at
25 any time dissolve the commission and provide that no further
26 obligations may be incurred thereafter.

27 2. The faith of the State of Nevada is hereby pledged that this
28 chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any
29 law supplemental thereto, including without limitation, provisions
30 for the distribution to any county designated in NRS 373.030,
31 373.065 or 373.066, *or section 1.3 of this act*, of the proceeds of the
32 fuel taxes collected thereunder will not be repealed, amended or
33 otherwise directly or indirectly modified in such a manner as to
34 impair adversely any outstanding bonds issued under this chapter or
35 other obligations incurred under this chapter, until all obligations for
36 which any such tax proceeds have been pledged or otherwise made
37 payable from such tax proceeds pursuant to this chapter have been
38 discharged in full, but the State of Nevada may at any time provide
39 by act that no further obligations may be incurred thereafter.

40 *3. Except as otherwise provided in subsection 4, any*
41 *continuing increases in any taxes imposed pursuant to section 1.3*
42 *of this act must not be pledged beyond June 30 of the fiscal year*
43 *that is 5 full fiscal years after bonds or other obligations secured*
44 *by the taxes imposed pursuant to section 1.3 of this act are issued*
45 *or incurred, but the taxes imposed pursuant to section 1.3 of this*



* A B 4 1 3 R 2 *

1 *act that are in effect on that June 30 must continue to be pledged*
2 *to those bonds or other obligations until they are paid in full.*

3 *4. At any time after bonds are issued or other obligations*
4 *incurred with a pledge of the taxes imposed pursuant to section 1.3*
5 *of this act, the board may, except as otherwise provided in*
6 *subsection 4 of section 1.3 of this act, by ordinance:*

7 *(a) Continue the pledge of the increase in taxes imposed*
8 *pursuant to section 1.3 of this act beyond June 30 of the fiscal*
9 *year that is 5 full fiscal years after bonds or other obligations*
10 *secured by the taxes imposed pursuant to section 1.3 of this act are*
11 *issued or incurred, but not beyond June 30 of the fiscal year that*
12 *is 5 full fiscal years after the adoption of the ordinance pursuant*
13 *to this paragraph. The process set forth in this paragraph may be*
14 *repeated until all bonds or other obligations secured by the taxes*
15 *imposed pursuant to section 1.3 of this act have been paid in full.*

16 *(b) Amend the ordinance imposing the tax to specify a*
17 *different applicable percentage, including an applicable*
18 *percentage of zero, but:*

19 *(1) The applicable percentage must not exceed 7.8 percent;*

20 *(2) The applicable percentage must not be reduced with*
21 *respect to any fiscal year preceding the fiscal year following the*
22 *effective date of an ordinance adopted pursuant to this subsection;*
23 *and*

24 *(3) The effective date of any ordinance reducing the*
25 *applicable percentage must not be sooner than the later of:*

26 *(I) June 30 of the fiscal year that is 5 full fiscal years*
27 *after bonds or other obligations secured by the taxes imposed*
28 *pursuant to section 1.3 of this act are issued or incurred; or*

29 *(II) June 30 of the fiscal year that is 5 full fiscal years*
30 *after the date of adoption of any ordinance pursuant to*
31 *paragraph (a).*

32 *5. As used in this section, "applicable percentage" has the*
33 *meaning ascribed to it in paragraph (b) of subsection 5 of section*
34 *1.3 of this act.*

35 **Sec. 9.** NRS 373.131 is hereby amended to read as follows:

36 373.131 1. Money for the payment of the cost of a project
37 within the area embraced by a regional plan for transportation
38 established pursuant to NRS 277A.210 may be obtained by the
39 issuance of revenue bonds and other revenue securities as provided
40 in subsection 2 or, subject to any pledges, liens and other contractual
41 limitations made pursuant to the provisions of this chapter and
42 chapter 277A of NRS, may be obtained by direct distribution from
43 the regional street and highway fund, except to the extent any such
44 use is prevented by the provisions of NRS 373.150, or may be
45 obtained both by the issuance of such securities and by such direct



1 distribution, as the board may determine. Money for street and
2 highway construction outside the area embraced by the plan may be
3 distributed directly from the regional street and highway fund as
4 provided in NRS 373.150.

5 2. The board or, in a county whose population is 100,000 or
6 more, a commission, may, after the enactment of any ordinance
7 authorized by the provisions of NRS 373.030, paragraph (d) of
8 subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of
9 subsection 1 of NRS 373.066, *or paragraphs (d) to (m), inclusive,*
10 *of subsection 1 of section 1.1 of this act*, issue revenue bonds and
11 other revenue securities, on the behalf and in the name of the county
12 or the commission, as the case may be:

13 (a) The total of all of which, issued and outstanding at any one
14 time, must not be in an amount requiring a total debt service in
15 excess of the estimated receipts to be derived from the taxes
16 imposed pursuant to the provisions of NRS 373.030, paragraph (d)
17 of subsection 1 of NRS 373.065 , ~~and~~ paragraphs (d) to (m),
18 inclusive, of subsection 1 of NRS 373.066 , ~~and~~ *paragraphs (d) to*
19 *(m), inclusive, of subsection 1 of section 1.1 of this act and, with*
20 *respect to notes, warrants or interim debentures described in*
21 *paragraphs (a) and (b) of subsection 6, the proceeds of bonds or*
22 *interim debentures;*

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

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

29 3. A county or a commission as provided in subsection 2 is
30 authorized to issue bonds or other securities without the necessity of
31 their being authorized at any election in such manner and with such
32 terms as provided in this chapter.

33 4. Subject to the provisions of this chapter and chapter 277A of
34 NRS, for any project authorized therein, the board of any county
35 may, on the behalf and in the name of the county, or, in a county
36 whose population is 100,000 or more, a commission may, on behalf
37 and in the name of the commission, borrow money, otherwise
38 become obligated, and evidence obligations by the issuance of
39 bonds and other county or commission securities, and in connection
40 with the undertaking or project, the board or the commission, as the
41 case may be, may otherwise proceed as provided in the Local
42 Government Securities Law.

43 5. All such securities constitute special obligations payable
44 from the net receipts of the fuel taxes designated in this chapter
45 except as otherwise provided in NRS 373.150, and the pledge of



1 revenues to secure the payment of the securities must be limited to
2 those net receipts.

3 6. Except for:

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

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

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

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

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

14 ➔ all bonds and other securities issued pursuant to the provisions of
15 this chapter must be payable solely from the proceeds of fuel taxes
16 collected by or remitted to the county pursuant to chapter 365 of
17 NRS, as supplemented by this chapter. Receipts of the taxes levied
18 in NRS 365.180 and 365.190 and pursuant to the provisions of
19 paragraphs (a) and (b) of subsection 1 of NRS 373.065 and
20 paragraphs (a) and (b) of subsection 1 of NRS 373.066 *and*
21 *paragraphs (a) and (b) of subsection 1 of section 1.1 of this act*
22 may be used by the county for the payment of securities issued
23 pursuant to the provisions of this chapter and may be pledged
24 therefor. Such taxes may also be used by a commission in a county
25 whose population is 100,000 or more for the payment of bonds or
26 other securities issued pursuant to the provisions of this chapter and
27 may be pledged therefor if the board of the county consents to such
28 use. If during any period any securities payable from these tax
29 proceeds are outstanding, the tax receipts must not be used directly
30 for the construction, maintenance and repair of any streets, roads or
31 other highways nor for any purchase of equipment therefor, and the
32 receipts of the tax levied in NRS 365.190 must not be apportioned
33 pursuant to subsection 2 of NRS 365.560 unless, at any time the tax
34 receipts are so apportioned, provision has been made in a timely
35 manner for the payment of such outstanding securities as to the
36 principal of, any prior redemption premiums due in connection with,
37 and the interest on the securities as they become due, as provided in
38 the securities, the ordinance, in the case of securities issued by a
39 county, or the resolution, in the case of securities issued by a
40 commission, authorizing their issuance and any other instrument
41 appertaining to the securities.

42 7. The ordinance, in the case of securities issued by a county,
43 or the resolution, in the case of securities issued by a commission,
44 authorizing the issuance of any bond or other revenue security under
45 this section must describe the purpose for which it is issued at least



1 in general terms and may describe the purpose in detail. This section
2 does not require the purpose so stated to be set forth in the detail in
3 which the project approved by the commission pursuant to
4 subsection 2 of NRS 373.140 is stated, or prevent the modification
5 by the board or commission, as the case may be, of details as to the
6 purpose stated in the ordinance authorizing the issuance of any bond
7 or other security after its issuance, subject to approval by the
8 commission of the project as so modified, if such bond or other
9 security is issued by the county and not the commission.

10 8. Notwithstanding any other provision of this chapter, no
11 commission has authority to issue bonds or other securities pursuant
12 to this chapter unless the commission has executed an interlocal
13 agreement with the county relating to the issuance of bonds or other
14 securities by the commission. Any such interlocal agreement must
15 include an acknowledgment of the authority of the commission to
16 issue bonds and other securities and contain provisions relating to
17 the pledge of revenues for the repayment of the bonds or other
18 securities, the lien priority of the pledge of revenues securing the
19 bonds or other securities, and related matters.

20 **Sec. 9.3.** NRS 373.131 is hereby amended to read as follows:

21 373.131 1. Money for the payment of the cost of a project
22 within the area embraced by a regional plan for transportation
23 established pursuant to NRS 277A.210 may be obtained by the
24 issuance of revenue bonds and other revenue securities as provided
25 in subsection 2 or, subject to any pledges, liens and other contractual
26 limitations made pursuant to the provisions of this chapter and
27 chapter 277A of NRS, may be obtained by direct distribution from
28 the regional street and highway fund, except to the extent any such
29 use is prevented by the provisions of NRS 373.150, or may be
30 obtained both by the issuance of such securities and by such direct
31 distribution, as the board may determine. Money for street and
32 highway construction outside the area embraced by the plan may be
33 distributed directly from the regional street and highway fund as
34 provided in NRS 373.150.

35 2. The board or, in a county whose population is 100,000 or
36 more, a commission, may, after the enactment of any ordinance
37 authorized *or required* by the provisions of NRS 373.030,
38 paragraph (d) of subsection 1 of NRS 373.065, ~~for~~ paragraphs (d)
39 to (m), inclusive, of subsection 1 of NRS 373.066, *paragraphs (d)*
40 *to (m), inclusive, of subsection 1 of section 1.1 of this act or*
41 *paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of*
42 *this act*, issue revenue bonds and other revenue securities, on the
43 behalf and in the name of the county or the commission, as the case
44 may be:



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(a) The total of all of which, issued and outstanding at any one time, must not be in an amount requiring a total debt service in excess of the estimated receipts to be derived from the taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 , ~~and~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ~~and~~ *and paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act and, with respect to notes, warrants or interim debentures described in paragraphs (a) and (b) of subsection 6, the proceeds of bonds or interim debentures;*

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

(c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the 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 or a commission as provided in subsection 2 is authorized to issue bonds or other securities 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 and chapter 277A of NRS, for any project authorized therein, the board of any county may, on the behalf and in the name of the county, or, in a county whose population is 100,000 or more, a commission may, on behalf and in the name of the commission, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county or commission securities, and in connection with the undertaking or project, the board or the commission, as the case may be, 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 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



* A B 4 1 3 R 2 *

(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 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 NRS 373.066 , *paragraphs (a) and (b) of subsection 1 of section 1.1 of this act and paragraphs (a) and (b) of subsection 1 of section 1.3 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. Such taxes may also be used by a commission in a county whose population is 100,000 or more for the payment of bonds or other securities issued pursuant to the provisions of this chapter and may be pledged therefor if the board of the county consents to such use. 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 other highways nor for any purchase of equipment therefor, and the receipts of the tax levied in NRS 365.190 must not be apportioned pursuant to subsection 2 of NRS 365.560 unless, at any time the tax receipts are so apportioned, provision has been made in a timely manner for the payment of such outstanding securities as to the principal of, any prior redemption premiums due in connection with, and the interest on the securities as they become due, as provided in the securities, the ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing their issuance and any other instrument appertaining to the securities.

7. The ordinance, in the case of securities issued by a county, or the resolution, in the case of securities issued by a commission, authorizing the issuance of any bond or other revenue security under this section must describe the purpose for which it is issued at least in general terms and may describe the purpose in detail. This section does not require the purpose so stated to be set forth in the detail in which the project approved by the commission pursuant to subsection 2 of NRS 373.140 is stated, or prevent the modification by the board or commission, as the case may be, of details as to the purpose stated in the ordinance authorizing the issuance of any bond or other security after its issuance, subject to approval by the commission of the project as so modified, if such bond or other security is issued by the county and not the commission.



8. Notwithstanding any other provision of this chapter, no commission has authority to issue bonds or other securities pursuant to this chapter unless the commission has executed an interlocal agreement with the county relating to the issuance of bonds or other securities by the commission. Any such interlocal agreement must include an acknowledgment of the authority of the commission to issue bonds and other securities and contain provisions relating to the pledge of revenues for the repayment of the bonds or other securities, the lien priority of the pledge of revenues securing the bonds or other securities, and related matters.

Sec. 9.7. NRS 373.131 is hereby amended to read as follows:

373.131 1. Money for the payment of the cost of a project within the area embraced by a regional plan for transportation established pursuant to NRS 277A.210 may be obtained by the issuance of revenue bonds and other revenue securities as provided in subsection 2 or, subject to any pledges, liens and other contractual limitations made pursuant to the provisions of this chapter and chapter 277A of NRS, may be obtained by direct distribution from the regional street and highway fund, except to the extent any such use is prevented by the provisions of NRS 373.150, or may be obtained both by the issuance of such securities and by such direct distribution, as the board may determine. Money for street and highway construction outside the area embraced by the plan may be distributed directly from the regional street and highway fund as provided in NRS 373.150.

2. The board or, in a county whose population is 100,000 or more, a commission, may, after the enactment of any ordinance authorized *or required* by the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, *or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*, issue revenue bonds and other revenue securities, on the behalf and in the name of the county or the commission, as the case may be:

(a) The total of all of which, issued and outstanding at any one time, must not be in an amount requiring a total debt service in excess of the estimated receipts to be derived from the taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 , ~~and~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 ~~and~~ *and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act and, with respect to notes, warrants or interim debentures described in paragraphs (a) and (b) of subsection 6, the proceeds of bonds or interim debentures;*

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



* A B 4 1 3 R 2 *

(c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the 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 or a commission as provided in subsection 2 is authorized to issue bonds or other securities 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 and chapter 277A of NRS, for any project authorized therein, the board of any county may, on the behalf and in the name of the county, or, in a county whose population is 100,000 or more, a commission may, on behalf and in the name of the commission, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county or commission securities, and in connection with the undertaking or project, the board or the commission, as the case may be, 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 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 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 NRS 373.066 *and paragraphs (a) and (b) of subsection 1 of section 1.3 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. Such taxes may also be used by a commission in a county



* A B 4 1 3 R 2 *

1 whose population is 100,000 or more for the payment of bonds or
2 other securities issued pursuant to the provisions of this chapter and
3 may be pledged therefor if the board of the county consents to such
4 use. If during any period any securities payable from these tax
5 proceeds are outstanding, the tax receipts must not be used directly
6 for the construction, maintenance and repair of any streets, roads or
7 other highways nor for any purchase of equipment therefor, and the
8 receipts of the tax levied in NRS 365.190 must not be apportioned
9 pursuant to subsection 2 of NRS 365.560 unless, at any time the tax
10 receipts are so apportioned, provision has been made in a timely
11 manner for the payment of such outstanding securities as to the
12 principal of, any prior redemption premiums due in connection with,
13 and the interest on the securities as they become due, as provided in
14 the securities, the ordinance, in the case of securities issued by a
15 county, or the resolution, in the case of securities issued by a
16 commission, authorizing their issuance and any other instrument
17 appertaining to the securities.

18 7. The ordinance, in the case of securities issued by a county,
19 or the resolution, in the case of securities issued by a commission,
20 authorizing the issuance of any bond or other revenue security under
21 this section must describe the purpose for which it is issued at least
22 in general terms and may describe the purpose in detail. This section
23 does not require the purpose so stated to be set forth in the detail in
24 which the project approved by the commission pursuant to
25 subsection 2 of NRS 373.140 is stated, or prevent the modification
26 by the board or commission, as the case may be, of details as to the
27 purpose stated in the ordinance authorizing the issuance of any bond
28 or other security after its issuance, subject to approval by the
29 commission of the project as so modified, if such bond or other
30 security is issued by the county and not the commission.

31 8. Notwithstanding any other provision of this chapter, no
32 commission has authority to issue bonds or other securities pursuant
33 to this chapter unless the commission has executed an interlocal
34 agreement with the county relating to the issuance of bonds or other
35 securities by the commission. Any such interlocal agreement must
36 include an acknowledgment of the authority of the commission to
37 issue bonds and other securities and contain provisions relating to
38 the pledge of revenues for the repayment of the bonds or other
39 securities, the lien priority of the pledge of revenues securing the
40 bonds or other securities, and related matters.

41 **Sec. 10.** NRS 373.140 is hereby amended to read as follows:

42 373.140 1. After the enactment of ordinances as authorized in
43 NRS 277A.170 and 373.030, all street and highway construction,
44 surfacing or resurfacing projects in the county which are proposed
45 to be financed from any county fuel tax imposed pursuant to the



* A B 4 1 3 R 2 *

provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act* must first be submitted to the commission.

2. If the project is within the area covered by a regional plan for transportation established pursuant to NRS 277A.210, the commission shall evaluate it in terms of:

(a) The priorities established by the plan;

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

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

(d) The money available.

➔ If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of any county fuel tax authorized pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, *or paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act*, except as otherwise required by subsection 6 or to the extent any such use is prevented by the provisions for direct distribution required by NRS 373.150 or is prevented by any pledge to secure the payment of outstanding bonds, other securities or other obligations incurred under this chapter, and other contractual limitations appertaining to such obligations as authorized by NRS 373.160, and the proceeds of revenue bonds or other securities issued or to be issued as provided in NRS 373.131. Except as otherwise provided in subsection 3, if the board authorizes the project, the responsibilities for letting construction and other necessary contracts, contract administration, supervision and inspection of work and the performance of other duties related to the acquisition of the project must be specified in written agreements executed by the board and the governing bodies of the cities and towns within the area covered by a regional plan for transportation established pursuant to NRS 277A.210.

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

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



(a) Its relation to the regional plan for transportation established pursuant to NRS 277A.210, if any;

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

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

(d) The availability of money.

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

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

6. The proceeds of a tax imposed pursuant to any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 *or paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act* must be expended in accordance with priorities for projects established in coordination and cooperation with the Department of Transportation.

Sec. 10.3. NRS 373.140 is hereby amended to read as follows:

373.140 1. After the enactment of ordinances as authorized in NRS 277A.170 and 373.030, all street and highway construction, surfacing or resurfacing projects in the county which are proposed to be financed from any county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 , ~~for~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 , *paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act* must first be submitted to the commission.

2. If the project is within the area covered by a regional plan for transportation established pursuant to NRS 277A.210, the commission shall evaluate it in terms of:

(a) The priorities established by the plan;

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

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

(d) The money available.

➔ If the commission approves the project, the board may authorize the project, using all or any part of the proceeds of any county fuel tax authorized pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 , ~~for~~ paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, *paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act or*



* A B 4 1 3 R 2 *

1 *paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of*
2 *this act*, except as otherwise required by subsection 6 or to the
3 extent any such use is prevented by the provisions for direct
4 distribution required by NRS 373.150 or is prevented by any pledge
5 to secure the payment of outstanding bonds, other securities or other
6 obligations incurred under this chapter, and other contractual
7 limitations appertaining to such obligations as authorized by NRS
8 373.160, and the proceeds of revenue bonds or other securities
9 issued or to be issued as provided in NRS 373.131. Except as
10 otherwise provided in subsection 3, if the board authorizes the
11 project, the responsibilities for letting construction and other
12 necessary contracts, contract administration, supervision and
13 inspection of work and the performance of other duties related to the
14 acquisition of the project must be specified in written agreements
15 executed by the board and the governing bodies of the cities and
16 towns within the area covered by a regional plan for transportation
17 established pursuant to NRS 277A.210.

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

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

29 (a) Its relation to the regional plan for transportation established
30 pursuant to NRS 277A.210, if any;

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

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

35 (d) The availability of money.

36 ➤ If the commission approves the project, the board shall direct the
37 county treasurer to distribute the sum approved to the city or town
38 requesting the project, in accordance with NRS 373.150.

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

42 6. The proceeds of a tax imposed pursuant to any of the
43 provisions of paragraphs (d) to (m), inclusive, of subsection 1 of
44 NRS 373.066 , *paragraphs (d) to (m), inclusive, of subsection 1 of*
45 *section 1.1 of this act or paragraphs (d) to (h), inclusive, of*



1 *subsection 1 of section 1.3 of this act* must be expended in
2 accordance with priorities for projects established in coordination
3 and cooperation with the Department of Transportation.

4 **Sec. 10.7.** NRS 373.140 is hereby amended to read as follows:

5 373.140 1. After the enactment of ordinances as authorized in
6 NRS 277A.170 and 373.030, all street and highway construction,
7 surfacing or resurfacing projects in the county which are proposed
8 to be financed from any county fuel tax imposed pursuant to the
9 provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS
10 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS
11 373.066 *or paragraphs (d) to (h), inclusive, of subsection 1 of*
12 *section 1.3 of this act* must first be submitted to the commission.

13 2. If the project is within the area covered by a regional plan
14 for transportation established pursuant to NRS 277A.210, the
15 commission shall evaluate it in terms of:

16 (a) The priorities established by the plan;

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

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

21 (d) The money available.

22 ➔ If the commission approves the project, the board may authorize
23 the project, using all or any part of the proceeds of any county fuel
24 tax authorized pursuant to the provisions of NRS 373.030,
25 paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to
26 (m), inclusive, of subsection 1 of NRS 373.066, *or paragraphs (d)*
27 *to (h), inclusive, of subsection 1 of section 1.3 of this act*, except as
28 otherwise required by subsection 6 or to the extent any such use is
29 prevented by the provisions for direct distribution required by NRS
30 373.150 or is prevented by any pledge to secure the payment of
31 outstanding bonds, other securities or other obligations incurred
32 under this chapter, and other contractual limitations appertaining to
33 such obligations as authorized by NRS 373.160, and the proceeds of
34 revenue bonds or other securities issued or to be issued as provided
35 in NRS 373.131. Except as otherwise provided in subsection 3, if
36 the board authorizes the project, the responsibilities for letting
37 construction and other necessary contracts, contract administration,
38 supervision and inspection of work and the performance of other
39 duties related to the acquisition of the project must be specified in
40 written agreements executed by the board and the governing bodies
41 of the cities and towns within the area covered by a regional plan for
42 transportation established pursuant to NRS 277A.210.

43 3. In a county in which two or more governmental entities are
44 represented on the commission, the governing bodies of those
45 governmental entities may enter into a written master agreement that



1 allows a written agreement described in subsection 2 to be executed
2 by only the commission and the governmental entity that receives
3 funding for the approved project. The provisions of a written master
4 agreement must not be used until the governing body of each
5 governmental entity represented on the commission ratifies the
6 written master agreement.

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

9 (a) Its relation to the regional plan for transportation established
10 pursuant to NRS 277A.210, if any;

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

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

15 (d) The availability of money.

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

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

22 6. The proceeds of a tax imposed pursuant to any of the
23 provisions of paragraphs (d) to (m), inclusive, of subsection 1 of
24 NRS 373.066 *or paragraphs (d) to (h), inclusive, of subsection 1 of*
25 *section 1.3 of this act* must be expended in accordance with
26 priorities for projects established in coordination and cooperation
27 with the Department of Transportation.

28 **Sec. 11.** NRS 373.160 is hereby amended to read as follows:

29 373.160 1. The ordinance or ordinances, or the resolution or
30 resolutions, providing for the issuance of any bonds or other
31 securities issued under this chapter payable from the receipts from
32 the fuel excise taxes designated in this chapter may at the discretion
33 of the board or, in the case of bonds or other securities issued by a
34 commission, the commission, in addition to covenants and other
35 provisions authorized in the Local Government Securities Law,
36 contain covenants or other provisions as to the pledge of and the
37 creation of a lien upon the receipts of the taxes collected for the
38 county pursuant to the provisions of NRS 373.030, paragraph (d) of
39 subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive,
40 of subsection 1 of NRS 373.066, *and paragraphs (d) to (m),*
41 *inclusive, of subsection 1 of section 1.1 of this act*, excluding any
42 tax proceeds to be distributed directly under the provisions of NRS
43 373.150, or the proceeds of the bonds or other securities pending
44 their application to defray the cost of the project, or both such tax



* A B 4 1 3 R 2 *

proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued under this chapter.

2. If the board or, in the case of bonds or other securities issued by a commission, the commission, determines in any ordinance or resolution authorizing the issuance of any bonds or other securities under this chapter that the proceeds of the taxes levied and collected pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 *and paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act* are sufficient to pay all bonds and securities, including the proposed issue, from the proceeds thereof, the board or, in the case of bonds or other securities issued by a commission, the commission with the consent of the board as provided in subsection 6 of NRS 373.131, may additionally secure the payment of any bonds or other securities issued pursuant to the ordinance or resolution under this chapter by a pledge of and the creation of a lien upon not only the proceeds of any fuel tax authorized at the time of the issuance of such securities to be used for such payment in subsection 6 of NRS 373.131, but also the proceeds of any such tax thereafter authorized to be used or pledged, or used and pledged, for the payment of such securities, whether such tax be levied or collected by the county, the State of Nevada, or otherwise, or be levied in at least an equivalent value in lieu of any such tax existing at the time of the issuance of such securities or be levied in supplementation thereof.

3. The pledges and liens authorized by subsections 1 and 2 extend to the proceeds of any tax collected for use by the county on any fuel so long as any bonds or other securities issued under this chapter remain outstanding and are not limited to any type or types of fuel in use when the bonds or other securities are issued.

Sec. 11.1. NRS 373.160 is hereby amended to read as follows:

373.160 1. The ordinance or ordinances, or the resolution or resolutions, providing for the issuance of any bonds or other securities issued under this chapter payable from the receipts from the fuel excise taxes designated in this chapter may at the discretion of the board or, in the case of bonds or other securities issued by a commission, the commission, 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 NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, *paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*, excluding any



* A B 4 1 3 R 2 *

1 tax proceeds to be distributed directly under the provisions of NRS
2 373.150, or the proceeds of the bonds or other securities pending
3 their application to defray the cost of the project, or both such tax
4 proceeds and security proceeds, to secure the payment of revenue
5 bonds or other securities issued under this chapter.

6 2. If the board or, in the case of bonds or other securities issued
7 by a commission, the commission, determines in any ordinance or
8 resolution authorizing the issuance of any bonds or other securities
9 under this chapter that the proceeds of the taxes levied and collected
10 pursuant to the provisions of NRS 373.030, paragraph (d) of
11 subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive,
12 of subsection 1 of NRS 373.066 , *paragraphs (d) to (m), inclusive,*
13 *of subsection 1 of section 1.1 of this act and paragraphs (d) to (h),*
14 *inclusive, of subsection 1 of section 1.3 of this act* are sufficient to
15 pay all bonds and securities, including the proposed issue, from the
16 proceeds thereof, the board or, in the case of bonds or other
17 securities issued by a commission, the commission with the consent
18 of the board as provided in subsection 6 of NRS 373.131, may
19 additionally secure the payment of any bonds or other securities
20 issued pursuant to the ordinance or resolution under this chapter by
21 a pledge of and the creation of a lien upon not only the proceeds of
22 any fuel tax authorized at the time of the issuance of such securities
23 to be used for such payment in subsection 6 of NRS 373.131, but
24 also the proceeds of any such tax thereafter authorized to be used or
25 pledged, or used and pledged, for the payment of such securities,
26 whether such tax be levied or collected by the county, the State of
27 Nevada, or otherwise, or be levied in at least an equivalent value in
28 lieu of any such tax existing at the time of the issuance of such
29 securities or be levied in supplementation thereof.

30 3. The pledges and liens authorized by subsections 1 and 2
31 extend to the proceeds of any tax collected for use by the county on
32 any fuel so long as any bonds or other securities issued under this
33 chapter remain outstanding and are not limited to any type or types
34 of fuel in use when the bonds or other securities are issued.

35 **Sec. 11.3.** NRS 373.160 is hereby amended to read as follows:

36 373.160 1. The ordinance or ordinances, or the resolution or
37 resolutions, providing for the issuance of any bonds or other
38 securities issued under this chapter payable from the receipts from
39 the fuel excise taxes designated in this chapter may at the discretion
40 of the board or, in the case of bonds or other securities issued by a
41 commission, the commission, in addition to covenants and other
42 provisions authorized in the Local Government Securities Law,
43 contain covenants or other provisions as to the pledge of and the
44 creation of a lien upon the receipts of the taxes collected for the
45 county pursuant to the provisions of NRS 373.030, paragraph (d) of



* A B 4 1 3 R 2 *

1 subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive,
2 of subsection 1 of NRS 373.066, *and paragraphs (d) to (h),*
3 *inclusive, of subsection 1 of section 1.3 of this act*, excluding any
4 tax proceeds to be distributed directly under the provisions of NRS
5 373.150, or the proceeds of the bonds or other securities pending
6 their application to defray the cost of the project, or both such tax
7 proceeds and security proceeds, to secure the payment of revenue
8 bonds or other securities issued under this chapter.

9 2. If the board or, in the case of bonds or other securities issued
10 by a commission, the commission, determines in any ordinance or
11 resolution authorizing the issuance of any bonds or other securities
12 under this chapter that the proceeds of the taxes levied and collected
13 pursuant to the provisions of NRS 373.030, paragraph (d) of
14 subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive,
15 of subsection 1 of NRS 373.066 *and paragraphs (d) to (h),*
16 *inclusive, of subsection 1 of section 1.3 of this act* are sufficient to
17 pay all bonds and securities, including the proposed issue, from the
18 proceeds thereof, the board or, in the case of bonds or other
19 securities issued by a commission, the commission with the consent
20 of the board as provided in subsection 6 of NRS 373.131, may
21 additionally secure the payment of any bonds or other securities
22 issued pursuant to the ordinance or resolution under this chapter by
23 a pledge of and the creation of a lien upon not only the proceeds of
24 any fuel tax authorized at the time of the issuance of such securities
25 to be used for such payment in subsection 6 of NRS 373.131, but
26 also the proceeds of any such tax thereafter authorized to be used or
27 pledged, or used and pledged, for the payment of such securities,
28 whether such tax be levied or collected by the county, the State of
29 Nevada, or otherwise, or be levied in at least an equivalent value in
30 lieu of any such tax existing at the time of the issuance of such
31 securities or be levied in supplementation thereof.

32 3. The pledges and liens authorized by subsections 1 and 2
33 extend to the proceeds of any tax collected for use by the county on
34 any fuel so long as any bonds or other securities issued under this
35 chapter remain outstanding and are not limited to any type or types
36 of fuel in use when the bonds or other securities are issued.

37 **Sec. 11.5.** NRS 350.155 is hereby amended to read as follows:

38 350.155 1. Except as otherwise provided in subsection 2, a
39 municipality shall sell the bonds it issues by competitive bid if the
40 credit rating for the bonds or any other bonds of the municipality
41 with the same security, determined without regard to insurance for
42 the bonds or any other independent enhancement of credit, is rated
43 by a nationally recognized rating service as "A-," "A," "AA,"
44 "AAA," or their equivalents, 90 days before and on the day the
45 bonds are sold and:



* A B 4 1 3 R 2 *

(a) The bonds are general obligation bonds;
(b) The primary security for the bonds is an excise tax; or
(c) The bonds are issued pursuant to chapter 271 of NRS and are secured by a pledge of the taxing power and the general fund of the municipality.

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

(a) Any bond which is issued with a variable rate of interest.
(b) A bond issue whose principal amount is \$1,000,000 or less.
(c) A bond issue with a term of 3 years or less.
(d) A bond issue for which an invitation for competitive bids was issued and for which no bids were received or all bids were rejected.

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

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

(g) Bonds sold by the municipality to:

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

(2) The State of Nevada;

(3) Any other municipality; or

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

(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.



* A B 4 1 3 R 2 *

(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:

(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.



* A B 4 1 3 R 2 *

Sec. 12. If an ordinance authorized by section 1.1 of this act is not adopted before October 1, 2013:

1. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State which asks the voters whether to authorize the State to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by section 1.2 of this act and the increases in those taxes authorized by that section.

2. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State other than Washoe County, which asks the voters in the county whether to authorize the board of county commissioners of the county to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by section 1.3 of this act and the additional annual increases in those taxes authorized by that section.

Sec. 13. If an ordinance authorized by section 1.1 of this act is adopted before October 1, 2013:

1. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State which asks the voters whether to authorize the State to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by section 1.2 of this act and the increases in those taxes authorized by that section.

2. A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State other than Clark County and Washoe County, which asks the voters in the county whether to authorize the board of county commissioners of the county to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by section 1.3 of this act and the additional annual increases in those taxes authorized by that section.

Sec. 14. 1. This section and sections 1, 1.1, 1.7, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 11.5 of this act become effective upon passage and approval.

2. Section 12 of this act becomes effective on October 1, 2013, if and only if a board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013.

3. Section 13 of this act becomes effective on October 1, 2013, if and only if a board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013.

4. Sections 1.2, 1.5, 3.2 and 8.2 of this act become effective on January 1, 2017, if:



* A B 4 1 3 R 2 *

(a) A board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 13 of this act is approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 13 of this act is not approved by a majority of the registered voters in every county in this State voting on the question.

5. Sections 1.2, 1.3, 1.5, 1.8, 2.3, 3.1, 4.3, 5.3, 6.3, 7.3, 8.1, 9.3, 10.3 and 11.1 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 13 of this act is approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 13 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

6. Sections 1.3, 1.8, 2.3, 3.3, 4.3, 5.3, 6.3, 7.3, 8.3, 9.3, 10.3 and 11.1 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners adopts an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 13 of this act is not approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 13 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

7. Sections 1.2, 1.5, 3.7 and 8.7 of this act become effective on January 1, 2017, if:

(a) A board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013;

(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 12 of this act is approved by a majority of the registered voters in this State voting on the question; and

(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 12 of this act



1 is not approved by a majority of the registered voters in every
2 county in this State voting on the question.

3 8. Sections 1.2, 1.3, 1.5, 1.9, 2.7, 3.5, 4.7, 5.7, 6.7, 7.7, 8.5, 9.7,
4 10.7 and 11.3 of this act become effective on January 1, 2017, if:

5 (a) A board of county commissioners does not adopt an
6 ordinance authorized by section 1.1 of this act before October 1,
7 2013;

8 (b) The question placed on the ballot at the general election on
9 November 8, 2016, pursuant to subsection 1 of section 12 of this act
10 is approved by a majority of the registered voters in this State voting
11 on the question; and

12 (c) The question placed on the ballot at the general election on
13 November 8, 2016, pursuant to subsection 2 of section 12 of this act
14 is approved by a majority of the registered voters in any county in
15 this State voting on the question.

16 9. Sections 1.3, 1.9, 2.7, 3.9, 4.7, 5.7, 6.7, 7.7, 8.9, 9.7, 10.7
17 and 11.3 of this act become effective on January 1, 2017, if:

18 (a) A board of county commissioners does not adopt
19 an ordinance authorized by section 1.1 of this act before
20 October 1, 2013;

21 (b) The question placed on the ballot at the general election on
22 November 8, 2016, pursuant to subsection 1 of section 12 of this act
23 is not approved by a majority of the registered voters in this State
24 voting on the question; and

25 (c) The question placed on the ballot at the general election on
26 November 8, 2016, pursuant to subsection 2 of section 12 of this act
27 is approved by a majority of the registered voters in any county in
28 this State voting on the question.

29 10. Sections 1.1, 1.7, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of this act
30 expire by limitation on October 1, 2013, if a board of county
31 commissioners does not adopt an ordinance authorized by section
32 1.1 of this act before October 1, 2013.

