

Amendment No. 974

Senate Amendment to Assembly Bill No. 413 Second Reprint (BDR 32-1010)

Proposed by: Senate Committee on Revenue and Economic Development**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will ADD a 2/3s majority vote requirement for final passage of A.B. 413 R2 (§§ 1.7, 1.8 and 1.9).

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold underlining* is newly added transitory language.

MSN/TMC



Date: 6/3/2013

A.B. No. 413—Revises provisions relating to taxation. (BDR 32-1010)



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 certain persons who use special fuel in motor vehicles operated or intended to operate interstate to file certain returns with the Department of Motor Vehicles under certain circumstances; requiring the Department ~~of Motor Vehicles~~ to adopt regulations establishing a system for ~~the reimbursement and repayment~~ auditing of such returns to determine whether any amounts are owed by or to such persons pursuant to certain cooperative agreements; requiring the Department to charge and collect certain fees; authorizing the Department to enter into certain intergovernmental agreements or contracts under certain circumstances; creating an enterprise fund administered by the Director of the Department; 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 and
- 2 special fuels used in motor vehicles. (Chapter 373 of NRS) **Section 1.1** of this bill authorizes
- 3 the board of county commissioners of a county whose population is 700,000 or more and in
- 4 which a regional transportation commission has been created and a county tax is imposed on
- 5 motor vehicle fuel (currently Clark County) to impose , upon approval by a two-thirds

majority of the members of the board, 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~~ 1.95** of this bill require certain special fuel users to file a return with the Department and require the Department to adopt regulations establishing a system for ~~the reimbursement and repayment of~~ auditing such returns to determine whether any amounts are owed by or to the special fuel user pursuant to the International Fuel Tax Agreement as a result of any additional taxes on special fuels authorized or required by this bill. **Sections 1.7, 1.8 and 1.9 require the Department to charge and collect certain fees from the special fuel users who are required to file returns with the Department and additionally authorize the Department to enter into certain intergovernmental agreements or contracts to pay for certain costs relating to establishing and administering the system. Sections 1.75, 1.85 and 1.95 create an enterprise fund known as the Local Fuel Tax Indexing Fund into which the Department is required to deposit money received from the fees collected pursuant to sections 1.7, 1.8 and 1.9.**

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~~ **1.95**, 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 (1) *An excise tax on each gallon of motor vehicle fuel, except aviation*
2 *fuel, sold in the county in an amount equal to the product obtained by*
3 *multiplying 9 cents per gallon by the lesser of the applicable percentage or the*
4 *adjusted average highway and street construction inflation index for the fiscal*
5 *year in which the ordinance becomes effective; and*

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

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

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

20 (2) *Except as otherwise provided in subsection 5, an annual increase in*
21 *the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year*
22 *following the fiscal year in which that tax becomes effective, in the amount*
23 *determined by adding 18.455 cents per gallon to the amount of the tax imposed*
24 *pursuant to subparagraph (1) during the immediately preceding fiscal year, then*
25 *multiplying that sum by the lesser of the applicable percentage or the adjusted*
26 *average highway and street construction inflation index for the fiscal year in*
27 *which the increase becomes effective.*

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

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

34 (2) *Except as otherwise provided in subsection 5, an annual increase in*
35 *the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year*
36 *following the fiscal year in which that tax becomes effective, in the amount*
37 *determined by adding 18.4 cents per gallon to the amount of the tax imposed*
38 *pursuant to subparagraph (1) during the immediately preceding fiscal year, then*
39 *multiplying that sum by the lesser of the applicable percentage or the adjusted*
40 *average highway and street construction inflation index for the fiscal year in*
41 *which the increase becomes effective.*

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

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

49 (2) *Except as otherwise provided in subsection 5, an annual increase in*
50 *the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year*
51 *following the fiscal year in which that tax becomes effective, in the amount*
52 *determined by adding 19 cents per gallon to the amount of the tax imposed*
53 *pursuant to subparagraph (1) during the immediately preceding fiscal year, then*

1 multiplying that sum by the lesser of the applicable percentage or the adjusted
2 average highway and street construction inflation index for the fiscal year in
3 which the increase becomes effective.

4 (h) The board may by ordinance impose:

5 (1) An excise tax on each gallon of special fuel that consists of liquefied
6 petroleum gas sold in the county in an amount equal to the product obtained by
7 multiplying 22 cents per gallon by the lesser of the applicable percentage or the
8 adjusted average highway and street construction inflation index for the fiscal
9 year in which the ordinance becomes effective; and

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

18 (i) The board may by ordinance impose:

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

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

32 (j) The board may by ordinance impose:

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

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

46 (k) The board may by ordinance impose:

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

52 (2) Except as otherwise provided in subsection 5, an annual increase in
53 the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year

1 following the fiscal year in which that tax becomes effective, in the amount
2 determined by adding 18.3 cents per gallon to the amount of the tax imposed
3 pursuant to subparagraph (1) during the immediately preceding fiscal year, then
4 multiplying that sum by the lesser of the applicable percentage or the adjusted
5 average highway and street construction inflation index for the fiscal year in
6 which the increase becomes effective.

7 (l) The board may by ordinance impose:

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

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

21 (m) The board may by ordinance impose:

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

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

37 2. An ordinance authorized by this section must be approved by a two-thirds
38 majority of the members of the board. If the board adopts an ordinance
39 authorized by this section, the ordinance must impose all of the taxes authorized
40 by this section. Upon the adoption of such an ordinance, and except as otherwise
41 provided in subsection 5, no further action by the board is necessary to effectuate
42 the annual increases in the taxes imposed by the ordinance.

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

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

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

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

49 4. The applicable percentage specified by the board for the taxes imposed
50 pursuant to this section must be the same percentage for each tax imposed
51 pursuant to this section. Except as otherwise provided in subsection 5, the board
52 may amend the applicable percentage by ordinance from time to time, but any
53 such amendment must not become effective earlier than 90 days after the date of

1 *the adoption of the ordinance amending the applicable percentage. Except as*
2 *otherwise provided in subsection 4 of NRS 373.120, the applicable percentage*
3 *must not be amended to reduce the applicable percentage at any time that bonds*
4 *are outstanding secured by the taxes imposed pursuant to this section.*

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

6 (a) *For the period beginning on January 1, 2014, and ending on December*
7 *31, 2016, no further action by the board is necessary to effectuate the annual*
8 *increases in the taxes imposed by the ordinance.*

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

10 (1) *The board shall not impose any additional annual increases in the*
11 *taxes authorized by paragraphs (e) and (g) to (j), inclusive, of subsection 1 and*
12 *imposed by the ordinance after November 8, 2016, but any annual increases in*
13 *the taxes authorized by paragraphs (e) and (g) to (j), inclusive, of subsection 1*
14 *and imposed by the ordinance on or before November 8, 2016, are not affected,*
15 *amended, reduced or eliminated and must be continued for any period during*
16 *which bonds are outstanding that are secured by the taxes authorized by*
17 *paragraphs (e) and (g) to (j), inclusive, of subsection 1 and imposed by the*
18 *ordinance.*

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

37 6. *As used in this section:*

38 (a) *"Adjusted average highway and street construction inflation index"*
39 *means:*

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

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

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

51 (2) *For each fiscal year following the fiscal year in which the ordinance*
52 *becomes effective, the percentage obtained by adding the average highway and*
53 *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 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) There is hereby imposed:

(1) An excise tax on each gallon of special fuel that consists of an emulsion of water-phased hydrocarbon fuel sold in this State in an amount equal to the product obtained by multiplying 19 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 19 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.

1 (c) There is hereby imposed:

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

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

15 (d) There is hereby imposed:

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

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

29 (e) There is hereby imposed:

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

35 (2) Except as otherwise provided in subsection 3, an annual increase in
36 the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year
37 following the fiscal year in which that tax becomes effective, in the amount
38 determined by adding 27.75 cents per gallon to the amount of the tax imposed
39 pursuant to subparagraph (1) during the immediately preceding fiscal year, then
40 multiplying that sum by the lesser of the applicable percentage or the adjusted
41 average highway and street construction inflation index for the fiscal year in
42 which the increase becomes effective.

43 2. The applicable percentage for the taxes imposed pursuant to this section
44 must be the same percentage for each tax imposed pursuant to this section.
45 Except as otherwise provided in subsection 3, the Legislature may amend the
46 applicable percentage from time to time, but any such amendment must not
47 become effective earlier than 90 days after the date of the action by the
48 Legislature amending the applicable percentage. Except as otherwise provided in
49 section 1.5 of this act, the applicable percentage must not be amended to reduce
50 the applicable percentage at any time that bonds are outstanding which are
51 secured by the taxes imposed pursuant to this section.

52 3. For the period:

1 (a) Beginning on January 1, 2017, and ending on December 31, 2026, no
2 further action by the Legislature is necessary to effectuate the annual increases
3 in the taxes imposed by this section.

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

19 4. All money received from the taxes imposed pursuant to this section must
20 be deposited with the State Treasurer to the credit of the State Highway Fund.

21 5. As used in this section:

22 (a) "Adjusted average highway and street construction inflation index"
23 means:

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (a) *The board shall by ordinance impose:*

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

15 (2) *Except as otherwise provided in subsection 4, an annual increase in*
16 *the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year*
17 *following the fiscal year in which that tax becomes effective, in the amount*
18 *determined by adding 3.6 cents per gallon to the amount of the tax imposed*
19 *pursuant to subparagraph (1) during the immediately preceding fiscal year, then*
20 *multiplying that sum by the lesser of the applicable percentage or the adjusted*
21 *average highway and street construction inflation index for the fiscal year in*
22 *which the increase becomes effective.*

23 (b) *The board shall by ordinance impose:*

24 (1) *An excise tax on each gallon of motor vehicle fuel, except aviation*
25 *fuel, sold in the county in an amount equal to the product obtained by*
26 *multiplying 1.75 cents per gallon by the lesser of the applicable percentage or the*
27 *adjusted average highway and street construction inflation index for the fiscal*
28 *year in which the ordinance becomes effective; and*

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

37 (c) *The board shall by ordinance impose:*

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

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

51 (d) *The board shall by ordinance impose:*

52 (1) *An excise tax on each gallon of motor vehicle fuel, except aviation*
53 *fuel, sold in the county in an amount equal to the product obtained by*

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

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

12 (e) The board shall by ordinance impose:

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

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

26 (f) The board shall by ordinance impose:

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

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

40 (g) The board shall by ordinance impose:

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

46 (2) Except as otherwise provided in subsection 4, an annual increase in
47 the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year
48 following the fiscal year in which that tax becomes effective, in the amount
49 determined by adding 18.3 cents per gallon to the amount of the tax imposed
50 pursuant to subparagraph (1) during the immediately preceding fiscal year, then
51 multiplying that sum by the lesser of the applicable percentage or the adjusted
52 average highway and street construction inflation index for the fiscal year in
53 which the increase becomes effective.

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

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

9 (2) *Except as otherwise provided in subsection 4, an annual increase in*
10 *the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year*
11 *following the fiscal year in which that tax becomes effective, in the amount*
12 *determined by adding 24.4 cents per gallon to the amount of the tax imposed*
13 *pursuant to subparagraph (1) during the immediately preceding fiscal year, then*
14 *multiplying that sum by the lesser of the applicable percentage or the adjusted*
15 *average highway and street construction inflation index for the fiscal year in*
16 *which the increase becomes effective.*

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

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

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

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

33 (b) *For the period beginning on January 1, 2027, the annual increases in the*
34 *taxes imposed by the ordinance may not be effectuated unless a question is placed*
35 *on the ballot at the general election on November 3, 2026, which asks the voters*
36 *in the county whether to authorize the board to impose, for the period beginning*
37 *on January 1, 2027, the increases authorized by this section in the taxes imposed*
38 *by the ordinance and the question is approved by a majority of the registered*
39 *voters in the county voting on the question. If the question is approved by a*
40 *majority of such voters, no further action by the board is necessary to effectuate*
41 *the annual increases in the taxes imposed by the ordinance. If the question is not*
42 *approved by a majority of such voters, the board shall not impose any additional*
43 *annual increases in the taxes imposed by the ordinance after November 3, 2026,*
44 *but any annual increases in the taxes imposed by the ordinance in effect on or*
45 *before November 3, 2026, are not affected, amended, reduced or eliminated and*
46 *must be continued for any period during which bonds are outstanding that are*
47 *secured by the taxes imposed by the ordinance.*

48 5. *As used in this section:*

49 (a) *“Adjusted average highway and street construction inflation index”*
50 *means:*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

46 (a) Continue the pledge of the increase in taxes imposed pursuant to section
47 1.2 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after
48 bonds or other obligations secured by the taxes imposed pursuant to section 1.2 of
49 this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5
50 full fiscal years after the action by the Legislature authorized by this paragraph.
51 The process set forth in this paragraph may be repeated until all bonds or other
52 obligations secured by the taxes imposed pursuant to section 1.2 of this act have
53 been paid in full.

(b) 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 any action of the Legislature authorized by this subsection; and

(3) The effective date of any action by the Legislature 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 1.2 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 any action by the Legislature authorized by paragraph (a).

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

Sec. 1.7. 1. A person who uses special fuel in a motor vehicle operated or intended to operate interstate and who pays any tax imposed on special fuels pursuant to NRS 373.066 or section 1.1 of this act shall file with the Department a return for the purpose of the Department determining whether any amounts are owed by or to the person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.1 of this act. The Department shall adopt regulations establishing a system to provide for the reimbursement and repayment of auditing of the records of a person who files such a return to determine whether the person is entitled to reimbursement of or owes any amounts owed by any person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.1 of this act. The system established by the Department:

~~1.1~~ (a) Must ~~provide that any~~ authorize a person who uses special fuel in motor vehicles operated or intended to operate interstate to file a request for reimbursement of any amounts owed to ~~any~~ the person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.1 of this act;

(b) Must provide that any reimbursement authorized by the Department be paid from only money received by a county pursuant to any tax imposed on special fuels pursuant to NRS 373.066 or section 1.1 of this act;

(c) Must provide that the total amount of money which must be paid by any county in any fiscal year to reimburse any amounts owed to persons who use special fuel in motor vehicles operated or intended to operate interstate must not exceed 20 percent of the total amount of money collected by that county from any tax imposed on special fuels pursuant to NRS 373.066 or section 1.1 of this act; and

~~2.1~~ (d) Must not ~~be administered in a manner that directly or indirectly impairs adversely~~ apply to any tax imposed pursuant to NRS 373.066 during the term of any bonds outstanding ~~bonds issued under this chapter or other obligations incurred under this chapter.~~ on the effective date of this section secured by those taxes or of any bonds that refund such bonds provided that the term of the refunding bonds is not longer than the term of the refunded bonds.

2. The Department shall charge and collect a fee in an amount not to exceed \$100 for each request for reimbursement filed by a person pursuant to the system established by the Department pursuant to subsection 1. All money from the fees collected by the Department pursuant to this subsection must be

deposited in the Local Fuel Tax Indexing Fund created by section 1.75 of this act.

3. The Department and a commission which has been created in a county whose population is 700,000 or more and in which a tax is imposed pursuant to section 1.1 of this act may enter into an intergovernmental agreement or contract pursuant to which:

(a) The commission agrees to pay for the costs incurred by the Department to establish the system pursuant to subsection 1 and administer the system until the amount of money received by the Department from the fees collected by the Department pursuant to subsection 2 is sufficient to pay the costs incurred by the Department to administer the system; and

(b) The Department agrees to reimburse the commission for any money paid by the commission pursuant to paragraph (a) from a portion of the money received by the Department from the fees collected by the Department pursuant to subsection 2.

4. As used in this section, "special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 1.75. 1. The Local Fuel Tax Indexing Fund is hereby created as an enterprise fund. The Department shall deposit in the Fund all fees collected by the Department pursuant to subsection 2 of section 1.7 of this act. The Director of the Department shall administer the Fund.

2. Money in the Fund must be invested as the money in other state funds is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund. Claims against the Fund must be paid as other claims against the State are paid.

3. Money deposited in the Fund must only be expended:

(a) To administer the system established by the Department pursuant to section 1.7 of this act; and

(b) To reimburse a commission for any amounts paid by the commission pursuant to an intergovernmental agreement or contract entered into pursuant to subsection 3 of section 1.7 of this act.

4. The Director may maintain a reserve of not more than \$500,000 in the Fund. The reserve must be accounted for separately in the Fund and must only be expended to administer the system established by the Department pursuant to section 1.7 of this act.

5. Any balance remaining in the Fund at the end of any fiscal year:

(a) Does not revert to the State General Fund; and

(b) Must be carried forward to the next fiscal year.

Sec. 1.8. 1. A person who uses special fuel in a motor vehicle operated or intended to operate interstate and who pays any tax imposed on special fuels pursuant to NRS 373.066 or section 1.1 or 1.3 of this act shall file with the Department a return for the purpose of the Department determining whether any amounts are owed by or to the person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.1 or 1.3 of this act. The Department shall adopt regulations establishing a system to provide for the ~~reimbursement and repayment of~~ auditing of the records of a person who files such a return to determine whether the person is entitled to reimbursement of or owes any amounts ~~owed by any person~~ pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.1 or 1.3 of this act. The system established by the Department:

~~1. (a) Must provide that any~~ authorize a person who uses special fuel in motor vehicles operated or intended to operate interstate to file a request for reimbursement of any amounts owed to ~~any~~ the person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.1 or 1.3 of this act;

~~(b) Must provide that any reimbursement authorized by the Department be paid from only money received by a county pursuant to any tax imposed on special fuels pursuant to NRS 373.066 or section 1.1 or 1.3 of this act;~~

~~(c) Must provide that the total amount of money which must be paid by any county in any fiscal year to reimburse any amounts owed to persons who use special fuel in motor vehicles operated or intended to operate interstate must not exceed 20 percent of the total amount of money collected by that county from any tax imposed on special fuels pursuant to NRS 373.066 or section 1.1 or 1.3 of this act; and~~

~~2. (d) Must not be administered in a manner that directly or indirectly impairs adversely~~ apply to any tax imposed pursuant to NRS 373.066 during the term of any bonds outstanding ~~bonds issued under this chapter or other obligations incurred under this chapter.~~ on January 1, 2017, secured by those taxes or of any bonds that refund such bonds provided that the term of the refunding bonds is not longer than the term of the refunded bonds.

2. The Department shall charge and collect a fee in an amount not to exceed \$100 for each request for reimbursement filed by a person pursuant to the system established by the Department pursuant to subsection 1. All money from the fees collected by the Department pursuant to this subsection must be deposited in the Local Fuel Tax Indexing Fund created by section 1.85 of this act.

3. The Department and a commission which has been created in a county whose population is 700,000 or more and in which a tax is imposed pursuant to section 1.1 or 1.3 of this act may enter into an intergovernmental agreement or contract pursuant to which:

(a) The commission agrees to pay for the costs incurred by the Department to establish the system pursuant to subsection 1 and administer the system until the amount of money received by the Department from the fees collected by the Department pursuant to subsection 2 is sufficient to pay the costs incurred by the Department to administer the system; and

(b) The Department agrees to reimburse the commission for any money paid by the commission pursuant to paragraph (a) from a portion of the money received by the Department from the fees collected by the Department pursuant to subsection 2.

4. As used in this section, "special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 1.85. 1. The Local Fuel Tax Indexing Fund is hereby created as an enterprise fund. The Department shall deposit in the Fund all fees collected by the Department pursuant to subsection 2 of section 1.8 of this act. The Director of the Department shall administer the Fund.

2. Money in the Fund must be invested as the money in other state funds is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund. Claims against the Fund must be paid as other claims against the State are paid.

3. Money deposited in the Fund must only be expended:

(a) To administer the system established by the Department pursuant to section 1.8 of this act; and

(b) To reimburse a commission for any amounts paid by the commission pursuant to an intergovernmental agreement or contract entered into pursuant to subsection 3 of section 1.8 of this act.

4. The Director may maintain a reserve of not more than \$500,000 in the Fund. The reserve must be accounted for separately in the Fund and must only be expended to administer the system established by the Department pursuant to section 1.8 of this act.

5. Any balance remaining in the Fund at the end of any fiscal year:

(a) Does not revert to the State General Fund; and

(b) Must be carried forward to the next fiscal year.

Sec. 1.9. 1. A person who uses special fuel in a motor vehicle operated or intended to operate interstate and who pays any tax imposed on special fuels pursuant to NRS 373.066 or section 1.3 of this act shall file with the Department a return for the purpose of the Department determining whether any amounts are owed by or to the person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.3 of this act. The Department shall adopt regulations establishing a system to provide for the ~~reimbursement and repayment of~~ auditing of the records of a person who files such a return to determine whether the person is entitled to reimbursement of or owes any amounts ~~owed by any person~~ pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.3 of this act. The system established by the Department:

~~1.1~~ (a) Must ~~provide that any~~ authorize a person who uses special fuel in motor vehicles operated or intended to operate interstate to file a request for reimbursement of any amounts owed to ~~any~~ the person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or section 1.3 of this act;

(b) Must provide that any reimbursement authorized by the Department be paid from only money received by a county pursuant to any tax imposed on special fuels pursuant to NRS 373.066 or section 1.3 of this act;

(c) Must provide that the total amount of money which must be paid by any county in any fiscal year to reimburse any amounts owed to persons who use special fuel in motor vehicles operated or intended to operate interstate must not exceed 20 percent of the total amount of money collected by that county from any tax imposed on special fuels pursuant to NRS 373.066 or section 1.3 of this act; and

~~1.2~~ (d) Must not ~~be administered in a manner that directly or indirectly impairs adversely~~ apply to any tax imposed pursuant to NRS 373.066 during the term of any bonds outstanding ~~(bonds issued under this chapter or other obligations incurred under this chapter)~~ on January 1, 2017, secured by those taxes or of any bonds that refund such bonds provided that the term of the refunding bonds is not longer than the term of the refunded bonds.

2. The Department shall charge and collect a fee in an amount not to exceed \$100 for each request for reimbursement filed by a person pursuant to the system established by the Department pursuant to subsection 1. All money from the fees collected by the Department pursuant to this subsection must be deposited in the Local Fuel Tax Indexing Fund created by section 1.95 of this act.

3. The Department and a commission which has been created in a county whose population is 700,000 or more and in which a tax is imposed pursuant to section 1.3 of this act may enter into an intergovernmental agreement or contract pursuant to which:

(a) The commission agrees to pay for the costs incurred by the Department to establish the system pursuant to subsection 1 and administer the system until the amount of money received by the Department from the fees collected by the Department pursuant to subsection 2 is sufficient to pay the costs incurred by the Department to administer the system; and

(b) The Department agrees to reimburse the commission for any money paid by the commission pursuant to paragraph (a) from a portion of the money received by the Department from the fees collected by the Department pursuant to subsection 2.

4. As used in this section, "special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 1.95. 1. The Local Fuel Tax Indexing Fund is hereby created as an enterprise fund. The Department shall deposit in the Fund all fees collected by the Department pursuant to subsection 2 of section 1.9 of this act. The Director of the Department shall administer the Fund.

2. Money in the Fund must be invested as the money in other state funds is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund. Claims against the Fund must be paid as other claims against the State are paid.

3. Money deposited in the Fund must only be expended:

(a) To administer the system established by the Department pursuant to section 1.9 of this act; and

(b) To reimburse a commission for any amounts paid by the commission pursuant to an intergovernmental agreement or contract entered into pursuant to subsection 3 of section 1.9 of this act.

4. The Director may maintain a reserve of not more than \$500,000 in the Fund. The reserve must be accounted for separately in the Fund and must only be expended to administer the system established by the Department pursuant to section 1.9 of this act.

5. Any balance remaining in the Fund at the end of any fiscal year:

(a) Does not revert to the State General Fund; and

(b) Must be carried forward to the next fiscal year.

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

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

(a) The provisions of paragraph (a) of subsection 1 of NRS 373.066 **or paragraph (a) of subsection 1 of section 1.1 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 1.1 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 1.1 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 (m), inclusive, of subsection 1 of section 1.1 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

1 same proportions and manner as the allocation, disbursement and use in the county
2 of the proceeds of the tax imposed pursuant to NRS 373.030.

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

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

10 (b) Require the commission:

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

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

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

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

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

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

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

25 373.067 1. Any ordinance that imposes a tax pursuant to:

26 (a) The provisions of paragraph (a) of subsection 1 of NRS 373.066 ,
27 *paragraph (a) of subsection 1 of section 1.1 of this act or paragraph (a) of*
28 *subsection 1 of section 1.3 of this act* must require the allocation, disbursement and
29 use in the county of the proceeds of that tax in the same proportions and manner as
30 the allocation, disbursement and use in the county of the proceeds of the tax
31 imposed pursuant to NRS 365.180.

32 (b) The provisions of paragraph (b) of subsection 1 of NRS 373.066 ,
33 *paragraph (b) of subsection 1 of section 1.1 of this act or paragraph (b) of*
34 *subsection 1 of section 1.3 of this act* must require the allocation, disbursement and
35 use in the county of the proceeds of that tax in the same proportions and manner as
36 the allocation, disbursement and use in the county of the proceeds of the tax
37 imposed pursuant to NRS 365.190.

38 (c) The provisions of paragraph (c) of subsection 1 of NRS 373.066 ,
39 *paragraph (c) of subsection 1 of section 1.1 of this act or paragraph (c) of*
40 *subsection 1 of section 1.3 of this act* must require the allocation, disbursement and
41 use in the county of the proceeds of that tax in the same proportions and manner as
42 the allocation, disbursement and use in the county of the proceeds of the tax
43 imposed pursuant to NRS 365.192.

44 (d) Any of the provisions of paragraphs (d) to (m), inclusive, of subsection 1 of
45 NRS 373.066 , *paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of*
46 *this act or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this*
47 *act* must, except as otherwise required by subsection 6 of NRS 373.140, require the
48 allocation, disbursement and use in the county of the proceeds of that tax in the
49 same proportions and manner as the allocation, disbursement and use in the county
50 of the proceeds of the tax imposed pursuant to NRS 373.030.

51 2. Any ordinance adopted pursuant to NRS 373.066 *or section 1.1 or 1.3 of*
52 *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 1.1 or 1.3 of this act* and must not apply to any tax imposed pursuant to any other ordinance.

(b) Require the commission:

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

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

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

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

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

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

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

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

(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:

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

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

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

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

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

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

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 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. 3.1. 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, paragraph (a) of subsection 1 of section 1.2 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, paragraphs (b) to (e), inclusive, of subsection 1 of section 1.2 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, 1.2 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 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. 3.2. 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 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 , *paragraphs (g) to (m), inclusive, of subsection 1 of section 1.1 of this act 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 1.1 or 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) 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. 3.3. 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 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

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

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

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

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

14 373.068 1. Any tax imposed pursuant to the provisions of:

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

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

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

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

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

32 (a) Paragraph (a) of subsection 1 of NRS 373.066, any tax increase imposed in
33 that county pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS
34 373.065 on the first day of the current fiscal year, and the authority to impose any
35 additional tax increases in that county pursuant to that subparagraph on the first day
36 of each subsequent fiscal year, expire by limitation.

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

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

47 (d) Paragraph (d) of subsection 1 of NRS 373.066, any tax increase imposed in
48 that county pursuant to subparagraph (2) of paragraph (d) of subsection 1 of NRS
49 373.065 on the first day of the current fiscal year, and the authority to impose any
50 additional tax increases in that county pursuant to that subparagraph on the first day
51 of each subsequent fiscal year, expire by limitation.

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

53 373.068 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) 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 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 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. 4. 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

(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 1.1 of this*

1 *act*, the calculation of each annual increase in the tax imposed pursuant to the
2 ordinance.

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

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

11 373.070 1. Any fuel tax ordinance enacted under this chapter must include
12 provisions in substance as follows:

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

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

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

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

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

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

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

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

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

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

31 (III) The ordinance must not include any provisions identical to NRS
32 366.175 other than the provisions relating to auditing; and

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

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

39 (d) A provision that the county shall contract before the effective date of the
40 county fuel tax ordinance with the Department to perform all functions incident to
41 the administration or operation of the fuel tax ordinance of the county, including, if
42 the ordinance is enacted pursuant to NRS 373.065 or 373.066, *or section 1.1 or 1.3*
43 *of this act*, the calculation of each annual increase in the tax imposed pursuant to
44 the ordinance.

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

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

2 373.070 1. Any fuel tax ordinance enacted under this chapter must include
3 provisions in substance as follows:

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

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

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

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

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

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

15 (c) An ordinance imposes a tax on special fuel:

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

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

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

22 (III) The ordinance must not include any provisions identical to NRS
23 366.175 other than the provisions relating to auditing; and

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

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

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

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

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

44 373.080 All fuel taxes collected during any month by the Department
45 pursuant to a contract with a county must be transmitted each month by the
46 Department to the county and the Department shall, in accordance with the terms of
47 the contract, charge the county for the Department's services specified in this
48 section and in NRS 373.070, except that in the case of a fuel tax imposed pursuant
49 to NRS 373.065 or 373.066, *or section 1.1 of this act*, the charge must not exceed 1
50 percent of the tax collected by the Department.

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

52 373.080 All fuel taxes collected during any month by the Department
53 pursuant to a contract with a county must be transmitted each month by the

Department to the county and the Department shall, in accordance with the terms of the contract, charge the county for the Department's services specified in this section and in NRS 373.070, except that in the case of a fuel tax imposed pursuant to NRS 373.065 or 373.066, *or section 1.1 or 1.3 of this act*, the charge must not exceed 1 percent of the tax collected by the Department.

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

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

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

373.110 All the net proceeds of any county fuel tax:

1. 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* which are received by the county pursuant to NRS 373.080 must, except as otherwise provided in NRS 373.119, be deposited by the county treasurer in a fund to be known as the regional street and highway fund in the county treasury, and disbursed only in accordance with the provisions of this chapter and chapter 277A of NRS. After July 1, 1975, the regional street and highway fund must be accounted for as a separate fund and not as a part of any other fund.

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

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

373.110 All the net proceeds of any county fuel tax:

1. 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* which are received by the county pursuant to NRS 373.080 must, except as otherwise provided in NRS 373.119, be deposited by the county treasurer in a fund to be known as the regional street and highway fund in the county treasury, and disbursed only in accordance with the provisions of this chapter and chapter 277A of NRS. After July 1, 1975, the regional street and highway fund must be accounted for as a separate fund and not as a part of any other fund.

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

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

373.110 All the net proceeds of any county fuel tax:

1. 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* which are received by the county pursuant to NRS 373.080 must, except as

otherwise provided in NRS 373.119, be deposited by the county treasurer in a fund to be known as the regional street and highway fund in the county treasury, and disbursed only in accordance with the provisions of this chapter and chapter 277A of NRS. After July 1, 1975, the regional street and highway fund must be accounted for as a separate fund and not as a part of any other fund.

2. Imposed pursuant to the provisions of paragraph (a), (b) or (c) of subsection 1 of NRS 373.065 or paragraph (a), (b) or (c) of subsection 1 of NRS 373.066 *or paragraph (a), (b) or (c) of subsection 1 of section 1.3 of this act* which are received by the county pursuant to NRS 373.080 must be allocated, disbursed and 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 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.

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

2 373.120 1. No county fuel tax ordinance may be repealed or amended or
3 otherwise directly or indirectly modified in such a manner as to impair adversely
4 any outstanding bonds issued under this chapter or other obligations incurred under
5 this chapter, until all obligations for which revenues from such ordinance have been
6 pledged or otherwise made payable from such revenues pursuant to this chapter
7 have been discharged in full, but the board, with the approval of the governing body
8 of each participating city, may at any time dissolve the commission and provide
9 that no further obligations may be incurred thereafter.

10 2. The faith of the State of Nevada is hereby pledged that this chapter, NRS
11 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto,
12 including without limitation, provisions for the distribution to any county
13 designated in NRS 373.030, 373.065 or 373.066, *or section 1.1 of this act*, of the
14 proceeds of the fuel taxes collected thereunder will not be repealed, amended or
15 otherwise directly or indirectly modified in such a manner as to impair adversely
16 any outstanding bonds issued under this chapter or other obligations incurred under
17 this chapter, until all obligations for which any such tax proceeds have been
18 pledged or otherwise made payable from such tax proceeds pursuant to this chapter
19 have been discharged in full, but the State of Nevada may at any time provide by
20 act that no further obligations may be incurred thereafter.

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

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

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

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

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

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

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

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

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

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

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

4 373.120 1. No county fuel tax ordinance may be repealed or amended or
5 otherwise directly or indirectly modified in such a manner as to impair adversely
6 any outstanding bonds issued under this chapter or other obligations incurred under
7 this chapter, until all obligations for which revenues from such ordinance have been
8 pledged or otherwise made payable from such revenues pursuant to this chapter
9 have been discharged in full, but the board, with the approval of the governing body
10 of each participating city, may at any time dissolve the commission and provide
11 that no further obligations may be incurred thereafter.

12 2. The faith of the State of Nevada is hereby pledged that this chapter, NRS
13 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto,
14 including without limitation, provisions for the distribution to any county
15 designated in NRS 373.030, 373.065 or 373.066, *or section 1.1, 1.2 or 1.3 of this*
16 *act*, of the proceeds of the fuel taxes collected thereunder will not be repealed,
17 amended or otherwise directly or indirectly modified in such a manner as to impair
18 adversely any outstanding bonds issued under this chapter or other obligations
19 incurred under this chapter, until all obligations for which any such tax proceeds
20 have been pledged or otherwise made payable from such tax proceeds pursuant to
21 this chapter have been discharged in full, but the State of Nevada may at any time
22 provide by act that no further obligations may be incurred thereafter.

23 3. *Except as otherwise provided in subsection 4, any continuing increases in*
24 *any taxes imposed pursuant to section 1.1 or 1.3 of this act must not be pledged*
25 *beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other*
26 *obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act,*
27 *as applicable, are issued or incurred, but the taxes imposed pursuant to section*
28 *1.1 or 1.3 of this act that are in effect on that June 30 must continue to be*
29 *pledged to those bonds or other obligations until they are paid in full.*

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

34 (a) *Continue the pledge of the increase in taxes imposed pursuant to section*
35 *1.1 or 1.3 of this act, as applicable, beyond June 30 of the fiscal year that is 5 full*
36 *fiscal years after bonds or other obligations secured by the taxes imposed*
37 *pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but*
38 *not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption*
39 *of the ordinance pursuant to this paragraph. The process set forth in this*
40 *paragraph may be repeated until all bonds or other obligations secured by the*
41 *taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, have been*
42 *paid in full.*

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

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

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

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

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

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

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

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

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

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

9 373.120 1. No county fuel tax ordinance may be repealed or amended or
10 otherwise directly or indirectly modified in such a manner as to impair adversely
11 any outstanding bonds issued under this chapter or other obligations incurred under
12 this chapter, until all obligations for which revenues from such ordinance have been
13 pledged or otherwise made payable from such revenues pursuant to this chapter
14 have been discharged in full, but the board, with the approval of the governing body
15 of each participating city, may at any time dissolve the commission and provide
16 that no further obligations may be incurred thereafter.

17 2. The faith of the State of Nevada is hereby pledged that this chapter, NRS
18 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto,
19 including without limitation, provisions for the distribution to any county
20 designated in NRS 373.030, 373.065 or 373.066, *or section 1.1 or 1.2 of this act*, of
21 the proceeds of the fuel taxes collected thereunder will not be repealed, amended or
22 otherwise directly or indirectly modified in such a manner as to impair adversely
23 any outstanding bonds issued under this chapter or other obligations incurred under
24 this chapter, until all obligations for which any such tax proceeds have been
25 pledged or otherwise made payable from such tax proceeds pursuant to this chapter
26 have been discharged in full, but the State of Nevada may at any time provide by
27 act that no further obligations may be incurred thereafter.

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

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

39 (a) *Continue the pledge of the increase in taxes imposed pursuant to section*
40 *1.1 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after*
41 *bonds or other obligations secured by the taxes imposed pursuant to section 1.1 of*
42 *this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5*
43 *full fiscal years after the adoption of the ordinance pursuant to this paragraph.*
44 *The process set forth in this paragraph may be repeated until all bonds or other*
45 *obligations secured by the taxes imposed pursuant to section 1.1 of this act have*
46 *been paid in full.*

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

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

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

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

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

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

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

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

11 373.120 1. No county fuel tax ordinance may be repealed or amended or
12 otherwise directly or indirectly modified in such a manner as to impair adversely
13 any outstanding bonds issued under this chapter or other obligations incurred under
14 this chapter, until all obligations for which revenues from such ordinance have been
15 pledged or otherwise made payable from such revenues pursuant to this chapter
16 have been discharged in full, but the board, with the approval of the governing body
17 of each participating city, may at any time dissolve the commission and provide
18 that no further obligations may be incurred thereafter.

19 2. The faith of the State of Nevada is hereby pledged that this chapter, NRS
20 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto,
21 including without limitation, provisions for the distribution to any county
22 designated in NRS 373.030, 373.065 or 373.066, *or section 1.1 or 1.3 of this act*, of
23 the proceeds of the fuel taxes collected thereunder will not be repealed, amended or
24 otherwise directly or indirectly modified in such a manner as to impair adversely
25 any outstanding bonds issued under this chapter or other obligations incurred under
26 this chapter, until all obligations for which any such tax proceeds have been
27 pledged or otherwise made payable from such tax proceeds pursuant to this chapter
28 have been discharged in full, but the State of Nevada may at any time provide by
29 act that no further obligations may be incurred thereafter.

30 3. *Except as otherwise provided in subsection 4, any continuing increases in*
31 *any taxes imposed pursuant to section 1.1 or 1.3 of this act must not be pledged*
32 *beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other*
33 *obligations secured by the taxes imposed pursuant to section 1.1 or 1.3 of this act,*
34 *as applicable, are issued or incurred, but the taxes imposed pursuant to section*
35 *1.1 or 1.3 of this act that are in effect on that June 30 must continue to be*
36 *pledged to those bonds or other obligations until they are paid in full.*

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

41 (a) *Continue the pledge of the increase in taxes imposed pursuant to section*
42 *1.1 or 1.3 of this act, as applicable, beyond June 30 of the fiscal year that is 5 full*
43 *fiscal years after bonds or other obligations secured by the taxes imposed*
44 *pursuant to section 1.1 or 1.3 of this act, as applicable, are issued or incurred, but*
45 *not beyond June 30 of the fiscal year that is 5 full fiscal years after the adoption*
46 *of the ordinance pursuant to this paragraph. The process set forth in this*
47 *paragraph may be repeated until all bonds or other obligations secured by the*
48 *taxes imposed pursuant to section 1.1 or 1.3 of this act, as applicable, have been*
49 *paid in full.*

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

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

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

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

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

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

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

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

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

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

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

25 2. The faith of the State of Nevada is hereby pledged that this chapter, NRS
26 365.180 to 365.200, inclusive, and 365.562, and any law supplemental thereto,
27 including without limitation, provisions for the distribution to any county
28 designated in NRS 373.030, 373.065 or 373.066, *or section 1.2 or 1.3 of this act*, of
29 the proceeds of the fuel taxes collected thereunder will not be repealed, amended or
30 otherwise directly or indirectly modified in such a manner as to impair adversely
31 any outstanding bonds issued under this chapter or other obligations incurred under
32 this chapter, until all obligations for which any such tax proceeds have been
33 pledged or otherwise made payable from such tax proceeds pursuant to this chapter
34 have been discharged in full, but the State of Nevada may at any time provide by
35 act that no further obligations may be incurred thereafter.

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

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

47 (a) *Continue the pledge of the increase in taxes imposed pursuant to section*
48 *1.3 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after*
49 *bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of*
50 *this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5*
51 *full fiscal years after the adoption of the ordinance pursuant to this paragraph.*
52 *The process set forth in this paragraph may be repeated until all bonds or other*

obligations secured by the taxes imposed pursuant to section 1.3 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 1.3 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 assigned to it in paragraph (b) of subsection 5 of section 1.3 of this act.

Sec. 8.7. 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.

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 1.2 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.

Sec. 8.9. 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.

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 1.3 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

1 this chapter, until all obligations for which any such tax proceeds have been
2 pledged or otherwise made payable from such tax proceeds pursuant to this chapter
3 have been discharged in full, but the State of Nevada may at any time provide by
4 act that no further obligations may be incurred thereafter.

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

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

16 *(a) Continue the pledge of the increase in taxes imposed pursuant to section*
17 *1.3 of this act beyond June 30 of the fiscal year that is 5 full fiscal years after*
18 *bonds or other obligations secured by the taxes imposed pursuant to section 1.3 of*
19 *this act are issued or incurred, but not beyond June 30 of the fiscal year that is 5*
20 *full fiscal years after the adoption of the ordinance pursuant to this paragraph.*
21 *The process set forth in this paragraph may be repeated until all bonds or other*
22 *obligations secured by the taxes imposed pursuant to section 1.3 of this act have*
23 *been paid in full.*

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

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

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

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

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

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

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

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

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

51 2. The board or, in a county whose population is 100,000 or more, a
52 commission, may, after the enactment of any ordinance authorized by the
53 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*, 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~~ *paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 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

(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 1.1 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. 9.3. 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, ~~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*, 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

1 be derived from the taxes imposed pursuant to the provisions of NRS 373.030,
2 paragraph (d) of subsection 1 of NRS 373.065 , ~~and~~ paragraphs (d) to (m),
3 inclusive, of subsection 1 of NRS 373.066 ~~and~~ *and paragraphs (d) to (m), inclusive,*
4 *of subsection 1 of section 1.1 of this act and paragraphs (d) to (h), inclusive, of*
5 *subsection 1 of section 1.3 of this act and, with respect to notes, warrants or*
6 *interim debentures described in paragraphs (a) and (b) of subsection 6, the*
7 *proceeds of bonds or interim debentures;*

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

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

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

17 4. Subject to the provisions of this chapter and chapter 277A of NRS, for any
18 project authorized therein, the board of any county may, on the behalf and in the
19 name of the county, or, in a county whose population is 100,000 or more, a
20 commission may, on behalf and in the name of the commission, borrow money,
21 otherwise become obligated, and evidence obligations by the issuance of bonds and
22 other county or commission securities, and in connection with the undertaking or
23 project, the board or the commission, as the case may be, may otherwise proceed as
24 provided in the Local Government Securities Law.

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

29 6. Except for:

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

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

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

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

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

38 ~~all~~ all bonds and other securities issued pursuant to the provisions of this chapter
39 must be payable solely from the proceeds of fuel taxes collected by or remitted to
40 the county pursuant to chapter 365 of NRS, as supplemented by this chapter.
41 Receipts of the taxes levied in NRS 365.180 and 365.190 and pursuant to the
42 provisions of paragraphs (a) and (b) of subsection 1 of NRS 373.065 , ~~and~~
43 paragraphs (a) and (b) of subsection 1 of NRS 373.066 , *paragraphs (a) and (b) of*
44 *subsection 1 of section 1.1 of this act and paragraphs (a) and (b) of subsection 1*
45 *of section 1.3 of this act* may be used by the county for the payment of securities
46 issued pursuant to the provisions of this chapter and may be pledged therefor. Such
47 taxes may also be used by a commission in a county whose population is 100,000
48 or more for the payment of bonds or other securities issued pursuant to the
49 provisions of this chapter and may be pledged therefor if the board of the county
50 consents to such use. If during any period any securities payable from these tax
51 proceeds are outstanding, the tax receipts must not be used directly for the
52 construction, maintenance and repair of any streets, roads or other highways nor for
53 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*

1 *interim debentures described in paragraphs (a) and (b) of subsection 6, the*
2 *proceeds of bonds or interim debentures;*

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

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

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

12 4. Subject to the provisions of this chapter and chapter 277A of NRS, for any
13 project authorized therein, the board of any county may, on the behalf and in the
14 name of the county, or, in a county whose population is 100,000 or more, a
15 commission may, on behalf and in the name of the commission, borrow money,
16 otherwise become obligated, and evidence obligations by the issuance of bonds and
17 other county or commission securities, and in connection with the undertaking or
18 project, the board or the commission, as the case may be, may otherwise proceed as
19 provided in the Local Government Securities Law.

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

24 6. Except for:

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

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

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

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

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

33 ➤ all bonds and other securities issued pursuant to the provisions of this chapter
34 must be payable solely from the proceeds of fuel taxes collected by or remitted to
35 the county pursuant to chapter 365 of NRS, as supplemented by this chapter.
36 Receipts of the taxes levied in NRS 365.180 and 365.190 and pursuant to the
37 provisions of paragraphs (a) and (b) of subsection 1 of NRS 373.065 and
38 paragraphs (a) and (b) of subsection 1 of NRS 373.066 *and paragraphs (a) and (b)*
39 *of subsection 1 of section 1.3 of this act* may be used by the county for the
40 payment of securities issued pursuant to the provisions of this chapter and may be
41 pledged therefor. Such taxes may also be used by a commission in a county whose
42 population is 100,000 or more for the payment of bonds or other securities issued
43 pursuant to the provisions of this chapter and may be pledged therefor if the board
44 of the county consents to such use. If during any period any securities payable from
45 these tax proceeds are outstanding, the tax receipts must not be used directly for the
46 construction, maintenance and repair of any streets, roads or other highways nor for
47 any purchase of equipment therefor, and the receipts of the tax levied in NRS
48 365.190 must not be apportioned pursuant to subsection 2 of NRS 365.560 unless,
49 at any time the tax receipts are so apportioned, provision has been made in a timely
50 manner for the payment of such outstanding securities as to the principal of, any
51 prior redemption premiums due in connection with, and the interest on the
52 securities as they become due, as provided in the securities, the ordinance, in the
53 case of securities issued by a county, or the resolution, in the case of securities

1 issued by a commission, authorizing their issuance and any other instrument
2 appertaining to the securities.

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

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

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

23 373.140 1. After the enactment of ordinances as authorized in NRS
24 277A.170 and 373.030, all street and highway construction, surfacing or
25 resurfacing projects in the county which are proposed to be financed from any
26 county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d)
27 of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1
28 of NRS 373.066 *or paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1*
29 *of this act* must first be submitted to the commission.

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

33 (a) The priorities established by the plan;

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

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

37 (d) The money available.

38 ➤ If the commission approves the project, the board may authorize the project,
39 using all or any part of the proceeds of any county fuel tax authorized pursuant to
40 the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or
41 paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, *or paragraphs*
42 *(d) to (m), inclusive, of subsection 1 of section 1.1 of this act*, except as otherwise
43 required by subsection 6 or to the extent any such use is prevented by the
44 provisions for direct distribution required by NRS 373.150 or is prevented by any
45 pledge to secure the payment of outstanding bonds, other securities or other
46 obligations incurred under this chapter, and other contractual limitations
47 appertaining to such obligations as authorized by NRS 373.160, and the proceeds of
48 revenue bonds or other securities issued or to be issued as provided in NRS
49 373.131. Except as otherwise provided in subsection 3, if the board authorizes the
50 project, the responsibilities for letting construction and other necessary contracts,
51 contract administration, supervision and inspection of work and the performance of
52 other duties related to the acquisition of the project must be specified in written
53 agreements executed by the board and the governing bodies of the cities and towns

1 within the area covered by a regional plan for transportation established pursuant to
2 NRS 277A.210.

3 3. In a county in which two or more governmental entities are represented on
4 the commission, the governing bodies of those governmental entities may enter into
5 a written master agreement that allows a written agreement described in subsection
6 2 to be executed by only the commission and the governmental entity that receives
7 funding for the approved project. The provisions of a written master agreement
8 must not be used until the governing body of each governmental entity represented
9 on the commission ratifies the written master agreement.

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

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

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

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

18 (d) The availability of money.

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

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

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

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

30 373.140 1. After the enactment of ordinances as authorized in NRS
31 277A.170 and 373.030, all street and highway construction, surfacing or
32 resurfacing projects in the county which are proposed to be financed from any
33 county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d)
34 of subsection 1 of NRS 373.065 , ~~to~~ paragraphs (d) to (m), inclusive, of
35 subsection 1 of NRS 373.066 , *paragraphs (d) to (m), inclusive, of subsection 1 of*
36 *section 1.1 of this act or paragraphs (d) to (h), inclusive, of subsection 1 of*
37 *section 1.3 of this act* must first be submitted to the commission.

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

41 (a) The priorities established by the plan;

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

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

45 (d) The money available.

46 ➤ If the commission approves the project, the board may authorize the project,
47 using all or any part of the proceeds of any county fuel tax authorized pursuant to
48 the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 , ~~to~~
49 paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 , *paragraphs (d) to*
50 *(m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h),*
51 *inclusive, of subsection 1 of section 1.3 of this act*, except as otherwise required by
52 subsection 6 or to the extent any such use is prevented by the provisions for direct
53 distribution required by NRS 373.150 or is prevented by any pledge to secure the

1 payment of outstanding bonds, other securities or other obligations incurred under
2 this chapter, and other contractual limitations appertaining to such obligations as
3 authorized by NRS 373.160, and the proceeds of revenue bonds or other securities
4 issued or to be issued as provided in NRS 373.131. Except as otherwise provided in
5 subsection 3, if the board authorizes the project, the responsibilities for letting
6 construction and other necessary contracts, contract administration, supervision and
7 inspection of work and the performance of other duties related to the acquisition of
8 the project must be specified in written agreements executed by the board and the
9 governing bodies of the cities and towns within the area covered by a regional plan
10 for transportation established pursuant to NRS 277A.210.

11 3. In a county in which two or more governmental entities are represented on
12 the commission, the governing bodies of those governmental entities may enter into
13 a written master agreement that allows a written agreement described in subsection
14 2 to be executed by only the commission and the governmental entity that receives
15 funding for the approved project. The provisions of a written master agreement
16 must not be used until the governing body of each governmental entity represented
17 on the commission ratifies the written master agreement.

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

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

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

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

26 (d) The availability of money.

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

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

32 6. The proceeds of a tax imposed pursuant to any of the provisions of
33 paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066 , *paragraphs (d)*
34 *to (m), inclusive, of subsection 1 of section 1.1 of this act or paragraphs (d) to (h),*
35 *inclusive, of subsection 1 of section 1.3 of this act* must be expended in accordance
36 with priorities for projects established in coordination and cooperation with the
37 Department of Transportation.

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

39 373.140 1. After the enactment of ordinances as authorized in NRS
40 277A.170 and 373.030, all street and highway construction, surfacing or
41 resurfacing projects in the county which are proposed to be financed from any
42 county fuel tax imposed pursuant to the provisions of NRS 373.030, paragraph (d)
43 of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1
44 of NRS 373.066 *or paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3*
45 *of this act* must first be submitted to the commission.

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

49 (a) The priorities established by the plan;

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

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

53 (d) The money available.

1 ☞ If the commission approves the project, the board may authorize the project,
2 using all or any part of the proceeds of any county fuel tax authorized pursuant to
3 the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or
4 paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, *or paragraphs*
5 *(d) to (h), inclusive, of subsection 1 of section 1.3 of this act*, except as otherwise
6 required by subsection 6 or to the extent any such use is prevented by the
7 provisions for direct distribution required by NRS 373.150 or is prevented by any
8 pledge to secure the payment of outstanding bonds, other securities or other
9 obligations incurred under this chapter, and other contractual limitations
10 appertaining to such obligations as authorized by NRS 373.160, and the proceeds of
11 revenue bonds or other securities issued or to be issued as provided in NRS
12 373.131. Except as otherwise provided in subsection 3, if the board authorizes the
13 project, the responsibilities for letting construction and other necessary contracts,
14 contract administration, supervision and inspection of work and the performance of
15 other duties related to the acquisition of the project must be specified in written
16 agreements executed by the board and the governing bodies of the cities and towns
17 within the area covered by a regional plan for transportation established pursuant to
18 NRS 277A.210.

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

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

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

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

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

34 (d) The availability of money.

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

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

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

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

46 373.160 1. The ordinance or ordinances, or the resolution or resolutions,
47 providing for the issuance of any bonds or other securities issued under this chapter
48 payable from the receipts from the fuel excise taxes designated in this chapter may
49 at the discretion of the board or, in the case of bonds or other securities issued by a
50 commission, the commission, in addition to covenants and other provisions
51 authorized in the Local Government Securities Law, contain covenants or other
52 provisions as to the pledge of and the creation of a lien upon the receipts of the
53 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, *and paragraphs (d) to (m), inclusive, of subsection 1 of section 1.1 of this act*, excluding any tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued 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 tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued 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, *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* 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. 11.3. 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, *and paragraphs (d) to (h), inclusive, of subsection 1 of section 1.3 of this act*, excluding any tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued 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 (h), inclusive, of subsection 1 of section 1.3 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

1 value in lieu of any such tax existing at the time of the issuance of such securities or
2 be levied in supplementation thereof.

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

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

9 350.155 1. Except as otherwise provided in subsection 2, a municipality
10 shall sell the bonds it issues by competitive bid if the credit rating for the bonds or
11 any other bonds of the municipality with the same security, determined without
12 regard to insurance for the bonds or any other independent enhancement of credit,
13 is rated by a nationally recognized rating service as "A-," "A," "AA," "AAA," or
14 their equivalents, 90 days before and on the day the bonds are sold and:

15 (a) The bonds are general obligation bonds;

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

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

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

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

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

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

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

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

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

33 (g) Bonds sold by the municipality to:

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

35 (2) The State of Nevada;

36 (3) Any other municipality; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. A copy of:

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

(b) The report required pursuant to subsection 3,

➤ must be filed with the debt management commission of the county where the municipality is located, the county clerk and the Department of Taxation. Before entering into a contract to sell bonds, at least two-thirds of the members of the governing body of the municipality must approve the certificate.

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

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

Sec. 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, 1.75, 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) 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, 1.85, 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, 1.85, 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 is not approved by a majority of the registered voters in every county in this State voting on the question.

8. Sections 1.2, 1.3, 1.5, 1.9, 1.95, 2.7, 3.5, 4.7, 5.7, 6.7, 7.7, 8.5, 9.7, 10.7 and 11.3 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 is approved by a majority of the registered voters in any county in this State voting on the question.

9. Sections 1.3, 1.9, 1.95, 2.7, 3.9, 4.7, 5.7, 6.7, 7.7, 8.9, 9.7, 10.7 and 11.3 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 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 12 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

10. Sections 1.1, 1.7, 1.75, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of this act expire by limitation on October 1, 2013, if a board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013.