

Amendment No. 414

Senate Amendment to Senate Bill No. 457	(BDR 58-1106)
Proposed by: Senate Committee on Transportation	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

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) variations of green bold underlining is language proposed to be added 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 proposed to be retained in this amendment.

DLJ/MSM



Date: 4/14/2015

S.B. No. 457—Revises provisions relating to the Super Speed Ground Transportation System. (BDR 58-1106)



SENATE BILL NO. 457—COMMITTEE ON TRANSPORTATION

MARCH 23, 2015

Referred to Committee on Transportation

SUMMARY—Revises provisions relating to the Super Speed Ground Transportation System. (BDR 58-1106)

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

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to trains; revising provisions relating to the Super Speed Ground Transportation System to provide for the Nevada High-Speed Rail System; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the California-Nevada Super Speed Ground Transportation Commission, charged with pursuing the development of a Super Speed Ground Transportation System connecting southern California with southern Nevada. (NRS 705.4291, 705.4293) This bill removes the references to California's participation on the Commission and reorganizes the System under the State of Nevada. **Section 3** of this bill creates the Nevada High-Speed Rail Authority, and requires that the members of the Authority be appointed by the Governor. **Three of the five members of the Authority must be residents of a county whose population is 700,000 or more (currently only Clark County).** **Section 4** of this bill charges the Authority with pursuing the implementation of the Nevada High-Speed Rail System connecting southern California with southern Nevada. **Section 5** of this bill requires the Authority to select a ~~franchisee~~ **franchisee** to construct and operate the High-Speed Rail System. **Section 5** also provides the criteria that the Authority must use to select a ~~franchisee~~ **franchisee** and requires the Authority **and the franchisee selected by the Authority** to perform various tasks related to the planning and development of the System. **Section 6** of this bill allows the Authority to incorporate, and **section 7** of this bill authorizes the Authority to issue bonds, notes, obligations or other evidences of borrowing to finance construction of the System. **Section 8** of this bill requires the Governor to issue a proclamation declaring the completion of the System. **Sections 11-13 and 16** of this bill provide that the provisions of law relating to the System and the Authority expire by limitation upon the proclamation of the Governor that the System has been completed. **Section 14** of this bill provides for staggered initial terms for the members of the Authority, and provides for the transfer to the Authority of any rights, obligations and property of the California-Nevada Super Speed Ground Transportation Commission. **Section 15** of this bill requires the Authority to select a ~~franchisee~~ **franchisee** to construct and operate the High-Speed Rail System on or before October 1, 2015.

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

Section 1. NRS 705.4291 is hereby amended to read as follows:

705.4291 The Legislature finds and declares that:

1. Passage of NRS 705.4291 to 705.4296, inclusive, is a declaration of legislative intent that the ~~{States of California and}~~ *State of* Nevada ~~{jointly consider and, if justified,}~~ pursue the ~~{development}~~ *implementation* of a ~~{Super Speed Ground Transportation}~~ *High-Speed Rail* System connecting southern California with southern Nevada.

2. The System will:

(a) Provide economic benefits to both southern California and southern Nevada.

(b) Reduce reliance on gasoline- and diesel-fueled engines and encourage the use of alternative energy sources.

(c) Reduce congestion on Interstate Highway No. 15 between southern California and Las Vegas.

(d) Provide a working example for a transportation system that could play an essential role in the development of future commuter *and high-speed rail* service in the Los Angeles Basin and the Las Vegas Valley.

(e) Provide quick and convenient transportation service for residents and visitors in southern California and southern Nevada.

Sec. 2. NRS 705.4292 is hereby amended to read as follows:

705.4292 As used in NRS 705.4291 to 705.4296, inclusive, unless the context otherwise requires:

1. ~~{“Commission” means the California-Nevada Super Speed Ground Transportation Commission.}~~ *“Authority” means the Nevada High-Speed Rail Authority created by NRS 705.4293.*

2. *“High-Speed Rail System” means a high-speed passenger rail system that:*

(a) Is capable of sustained speeds of at least 150 miles per hour or the speed established by the United States Department of Transportation and the Federal Railroad Administration’s plans and policies for high-speed rail express services;

(b) Carries primarily passengers between southern Nevada and southern California;

(c) Operates on dedicated and exclusive standard gauge tracks for the purpose of high-speed rail service;

(d) Allows for interoperability with existing and planned rail systems; and

(e) Is certified or authorized by the Surface Transportation Board of the United States Department of Transportation as an interstate passenger railroad to construct and operate its route between southern Nevada and southern California.

3. “Southern California” means the counties of Kern, Los Angeles, Orange, Riverside, ~~and~~ San Bernardino.

~~3. “Super Speed Ground Transportation System” means a system that:~~

~~(a) Is capable of sustained speeds of at least 240 miles per hour;~~

~~(b) Uses magnetic levitation technology;~~

~~(c) Carries primarily passengers; and~~

~~(d) Operates on a grade-separated, dedicated guideway.}~~ *and San Diego.*

Sec. 3. NRS 705.4293 is hereby amended to read as follows:

705.4293 1. There is hereby created the ~~{California-Nevada Super Speed Ground Transportation Commission}~~ *Nevada High-Speed Rail Authority* as a

1 separate legal entity. The governing body of the ~~{Commission}~~ *Authority* consists
2 of ~~the~~

3 ~~—(a) The members from California appointed pursuant to the law of California~~
4 ~~and the bylaws of the Commission.~~

5 ~~—(b) The same number of members from Nevada as are from California, five~~
6 *members* appointed by the Governor . ~~{of Nevada}~~ *The members must be*
7 *residents of the State of Nevada and must be appointed based upon their*
8 *knowledge, expertise or experience in the areas of rail transportation and high-*
9 *speed rail services. Three of the members must be residents of a county whose*
10 *population is 700,000 or more.*

11 2. ~~{The}~~ *After their initial terms, the* members ~~{from Nevada}~~ serve for terms
12 of 4 years and may be reappointed at the pleasure of the Governor.

13 3. The ~~{Commission}~~ *Authority* shall elect one of its members as Chair.

14 4. *The members of the Authority serve without compensation but are*
15 *entitled to receive the per diem allowance and travel expenses provided for state*
16 *officers and employees generally while engaged in the official business of the*
17 *Authority.*

18 Sec. 4. NRS 705.42935 is hereby amended to read as follows:

19 705.42935 The ~~{Commission}~~ *Authority* is hereby designated as an agency of
20 the State of Nevada for the purposes of carrying out the provisions of NRS
21 705.4291 to 705.4296, inclusive.

22 Sec. 5. NRS 705.4294 is hereby amended to read as follows:

23 705.4294 1. The ~~{Commission may}~~:

24 ~~—(a) Subject~~ *Authority shall, subject* to the provisions of subsection 2, ~~{secure~~
25 ~~a right-of-way and award}~~ *select* a ~~{franchise}~~ *franchisee* for the construction and
26 operation of a ~~{Super-Speed Ground Transportation}~~ *High-Speed Rail* System
27 principally following the route of Interstate Highway No. 15 between Las Vegas,
28 Nevada, and a point in southern California.

29 ~~{(b)}~~ 2. *The Authority shall select a ~~{franchise}~~ franchisee as required by*
30 *subsection 1 based on criteria which must include, without limitation:*

31 (a) *The extent to which environmental studies have been completed ~~{}~~ by or*
32 *on behalf of a potential franchisee;*

33 (b) ~~{The}~~ *Confirmation by a potential franchisee of the level of private*
34 *investment that has been made or committed ~~{}~~ for the High-Speed Rail System;*

35 (c) ~~{Construction}~~ *A review of the readiness ~~{}~~ of a potential franchisee for*
36 *the High-Speed Rail System to engage in construction of that System; and*

37 (d) *Pending or completed permit applications to implement the High-Speed*
38 *Rail System.*

39 3. *A ~~{franchise}~~ franchisee selected pursuant to this section may, with the*
40 *assistance of the Authority:*

41 (a) *Acquire or gain control or use of land for rights-of-way, stations and*
42 *ancillary uses through purchase, gift, lease, use permit or easement.*

43 ~~{(e)}~~ (b) *Conduct engineering and other studies related to the selection and*
44 *acquisition of rights-of-way , ~~{and the selection of a franchisee,}~~ including, but not*
45 *limited to, environmental impact studies, socioeconomic impact studies and*
46 *financial feasibility studies. All local, state and federal environmental requirements*
47 *must be met by the ~~{Commission}~~.*

48 ~~—(d) Evaluate alternative technologies, systems and operators for a Super Speed~~
49 ~~Ground Transportation System, and select a franchisee to construct and operate the~~
50 ~~Super Speed Ground Transportation System between southern California and Las~~
51 ~~Vegas.~~

52 ~~—(e) Establish criteria for the award of the franchise.~~

53 ~~—(f) ~~Authority,~~ franchisee.~~

(c) Accept grants, gifts, fees and allocations from Nevada or its political subdivisions, the Federal Government, foreign governments and any private source.

~~[(e)]~~ (d) Issue debt, but this debt does not constitute an obligation of the State of ~~[California or the State of]~~ Nevada, or any of ~~[their]~~ its political subdivisions.

~~[(h)]~~ (e) Hire ~~[an Executive Officer, other]~~ such staff and any consultants as deemed appropriate.

~~[(i)]~~ Select the exact route and terminal sites.

~~[(j)]~~ (f) Obtain ~~[, or assist the selected franchisee in obtaining,]~~ all necessary permits and certificates from governmental entities in California and Nevada ~~[-~~

~~2. Before the:~~

~~— (a) Commission or a franchisee begins construction in Nevada; and~~

~~— (b) Receipt of any final certificates and permits necessary for the construction or use of a public right of way;~~

~~→ the route and terminals selected by the Commission must be approved by the appropriate local, regional and state governmental entities in Nevada which have jurisdiction over the route and terminals located in this state. As a condition of awarding a franchise, the Commission shall require the franchisee to comply with this subsection.~~

~~3. Before the:~~

~~— (a) Commission or a franchisee begins construction in California; and~~

~~— (b) Receipt of any final certificates and permits necessary for the construction or use of a public right of way;~~

~~→ the route and terminals selected by the Commission must be approved by the appropriate local, regional and state governmental entities in California which have jurisdiction over the route and terminals located in that state. As a condition of awarding a franchise, the Commission shall require the franchisee to comply with this subsection.] , recognizing the preemptive federal authority of the Surface Transportation Board of the United States Department of Transportation over interstate passenger railroads.~~

(g) Negotiate, enter into and execute all necessary local, regional and state governmental agreements to allow for the construction and implementation of the High-Speed Rail System.

4. The franchisee selected pursuant to this section must coordinate the implementation of the High-Speed Rail System with all governmental entities that have jurisdiction over the High-Speed Rail System, including, without limitation, the relevant counties and the Department of Transportation.

Sec. 6. NRS 705.4295 is hereby amended to read as follows:

705.4295 1. The ~~[(Commission)]~~ Authority may incorporate under the general incorporation laws of either this state or the State of California, whichever the ~~[(Commission)]~~ Authority determines to be in its best interests. Copies of its proceedings, records and acts, when authenticated, are admissible in evidence in all courts of either State and are prima facie evidence of the truth of all statements therein.

2. The members of the ~~[(Commission)]~~ Authority and its agents and employees are not liable for any damages that result from any act or omission in the performance of their duties or the exercise of their powers pursuant to NRS 705.4291 to 705.4296, inclusive.

Sec. 7. NRS 705.42955 is hereby amended to read as follows:

705.42955 1. The ~~[(Commission,)]~~ Authority, or a corporation formed by the ~~[(Commission)]~~ Authority pursuant to the laws of this state or the State of California, as the ~~[(Commission)]~~ Authority deems appropriate, may issue bonds, notes, obligations or other evidences of borrowing to finance all or a part of the construction of all or a part of the ~~[(Super-Speed Ground Transportation)]~~ High-

1 *Speed Rail* System. For purposes of issuing bonds, notes, obligations or other
2 evidences of borrowing pursuant to this section, the ~~{Commission}~~ *Authority* and
3 any corporation formed by the ~~{Commission}~~ *Authority* are constituted authorities
4 for the purposes of regulations enacted by the Internal Revenue Service pursuant to
5 26 U.S.C. §§ 103 and 141 to 150, inclusive.

6 2. Bonds, notes, obligations or other evidences of borrowing issued by the
7 ~~{Commission}~~ *Authority* or any corporation formed by the ~~{Commission}~~ *Authority*
8 which are issued to finance all or any part of the construction of all or a part of the
9 ~~{Super-Speed-Ground-Transportation}~~ *High-Speed Rail* System may be payable
10 from and secured by:

11 (a) A pledge of property of the ~~{Commission}~~ *Authority* or a corporation
12 formed by the ~~{Commission}~~ *Authority* pursuant to this section;

13 (b) A pledge of any revenue of the ~~{Super-Speed-Ground-Transportation}~~
14 *High-Speed Rail* System, including revenue from fares, revenue from advertising
15 and all other revenue of the System; and

16 (c) A pledge of any other money made available to the ~~{Commission}~~
17 *Authority* or a corporation formed by the ~~{Commission}~~ *Authority* pursuant to this
18 section by:

19 (1) Grants from the Federal Government or any other federal funds as may
20 be available to pay costs of the ~~{Super-Speed-Ground-Transportation}~~ *High-Speed*
21 *Rail* System or debt service on any borrowing;

22 (2) Any company, public or private; or

23 (3) Any local government or governmental entity in this state or in the
24 State of California pursuant to an intergovernmental agreement or otherwise.

25 3. The ~~{Commission}~~ *Authority*, in coordination with the franchisee
26 selected pursuant to NRS 705.4294, may enter into agreements with any person,
27 local government or governmental entity for the provision of resources or
28 assistance to the ~~{Commission}~~ *Authority* or a corporation formed by the
29 ~~{Commission}~~ *Authority* concerning the financing of the ~~{Super-Speed-Ground~~
30 ~~Transportation}~~ *High-Speed Rail* System.

31 4. The ~~{Commission}~~ *Authority* or any corporation formed by the
32 ~~{Commission}~~ *Authority* pursuant to this section may issue obligations to refund
33 any obligations issued pursuant to the provisions of NRS 705.4291 to 705.4296,
34 inclusive, for any purpose the ~~{Commission}~~ *Authority* determines to be sufficient.

35 5. Nothing in this section authorizes the ~~{Commission}~~ *Authority* or any
36 corporation formed by the ~~{Commission}~~ *Authority* to obligate this state or the
37 State of California or any political subdivision thereof unless such State or political
38 subdivision has obligated itself to the ~~{Commission}~~ *Authority* or a corporation
39 created by the ~~{Commission}~~ *Authority* through an intergovernmental agreement.

40 6. ~~{Unless a specific statute of this state or the State of California requires~~
41 ~~otherwise, upon dissolution of the Commission, all property of the Commission~~
42 ~~must be distributed between this state and the State of California in an equitable~~
43 ~~manner as agreed upon by the States.~~

44 —7— The creation, perfection, priority and enforcement of any lien on pledged
45 revenue or other money established to secure any bond, note, obligation or other
46 evidence of borrowing issued pursuant to this section, must be as specified in this
47 section and in the instruments approved by the ~~{Commission}~~ *Authority* pertaining
48 to that bond, note, obligation or other evidence of borrowing. It is the purpose of
49 this section to provide expressly for the creation, perfection, priority and
50 enforcement of a security interest created by the ~~{Commission}~~ *Authority* in
51 pledged revenues or other money in connection with bonds, notes, obligations or
52 other evidences of borrowing issued pursuant to this section, as provided for in
53 paragraph (n) of subsection 4 of NRS 104.9109. Any lien on pledged revenue or

1 other money created to secure any bond, note, obligation or other evidence of
2 borrowing issued pursuant to this section has priority over any lien thereon created
3 pursuant to the provisions of chapter 104 of NRS unless otherwise provided in the
4 instrument creating the lien to secure such bond, note, obligation or other evidence
5 of borrowing issued pursuant to the provisions of this section.

6 **Sec. 8.** NRS 705.4296 is hereby amended to read as follows:

7 705.4296 The Governor shall declare, by public proclamation on the date of
8 completion of the ~~{Super-Speed Ground Transportation}~~ **High-Speed Rail** System
9 connecting southern California with Southern Nevada, that the System has been
10 completed.

11 **Sec. 9.** NRS 709.050 is hereby amended to read as follows:

12 709.050 1. The board of county commissioners may grant to any person,
13 company, corporation or association the franchise, right and privilege to construct,
14 install, operate and maintain street railways, electric light, heat and power lines, gas
15 and water mains, telephone lines, and all necessary or proper appliances used in
16 connection therewith or appurtenant thereto, in the streets, alleys, avenues and other
17 places in any unincorporated town in the county, and along the public roads and
18 highways of the county, when the applicant complies with the terms and provisions
19 of NRS 709.050 to 709.170, inclusive.

20 2. The board of county commissioners shall not:

21 (a) Impose any terms or conditions on a franchise granted pursuant to
22 subsection 1 for the provision of telecommunication service or interactive computer
23 service other than terms or conditions concerning the placement and location of the
24 telephone lines and fees imposed for a business license or the franchise, right or
25 privilege to construct, install or operate such lines.

26 (b) Require a company that provides telecommunication service or interactive
27 computer service to obtain a franchise if it provides telecommunication service over
28 the telephone lines owned by another company.

29 3. As used in NRS 709.050 to 709.170, inclusive:

30 (a) "Interactive computer service" has the meaning ascribed to it in 47 U.S.C. §
31 230(f)(2), as that section existed on January 1, 2007.

32 (b) "Street railway" means:

33 (1) A system of public transportation operating over fixed rails on the
34 surface of the ground; or

35 (2) An overhead or underground system, other than a monorail, used for
36 public transportation.

37 ➤ The term does not include a ~~{super speed ground transportation system}~~ **High-Speed Rail System** as defined in NRS 705.4292.

38 (c) "Telecommunication service" has the meaning ascribed to it in NRS
39 704.028.

40 4. As used in this section, "monorail" has the meaning ascribed to it in NRS
41 705.650.

42 **Sec. 10.** NRS 709.290 is hereby amended to read as follows:

43 709.290 1. The county commissioners, town trustees, supervisors or other
44 governing body directly entrusted with the management of affairs of any town or
45 city in this State are authorized to sell to the highest responsible bidder any
46 franchise for a street railway through and over any street or streets of such town,
47 according to the provisions of NRS 709.310.

48 2. As used in NRS 709.290 to 709.360, inclusive, "street railway" means:

49 (a) A system of public transportation operating over fixed rails on the surface
50 of the ground; or

51 (b) An overhead or underground system, other than a monorail, used for public
52 transportation.
53

1 ↪ The term does not include a ~~{Super Speed Ground Transportation}~~ *High-Speed*
2 *Rail* System as defined in NRS 705.4292.

3 3. As used in this section, "monorail" has the meaning ascribed to it in NRS
4 705.650.

5 **Sec. 11.** Section 3.5 of chapter 88, Statutes of Nevada 2001, as added by
6 section 7 of chapter 2, Statutes of Nevada 2003, at page 6, is hereby amended to
7 read as follows:

8 Sec. 3.5. NRS 705.4291, 705.4292, 705.4293, 705.4294, 705.4295
9 and 705.4296 expire by limitation:

10 1. One year after the date on which the Governor declares by public
11 proclamation that the ~~{super speed ground transportation system}~~ *High-*
12 *Speed Rail System* connecting southern California with southern Nevada
13 has been completed; or

14 2. On the date all borrowing made pursuant to section 1 of this act is
15 retired,

16 ↪ whichever is later.

17 **Sec. 12.** Section 4 of chapter 88, Statutes of Nevada 2001, at page 560, is
18 hereby amended to read as follows:

19 Sec. 4. 1. This act becomes effective on July 1, 2001.

20 2. Sections 1 and 2 of this act expire by limitation:

21 (a) One year after the date on which the Governor declares by public
22 proclamation that the ~~{super speed ground transportation system}~~ *High-*
23 *Speed Rail System* connecting southern California with southern Nevada
24 has been completed; or

25 (b) On the date all borrowing made pursuant to section 1 of this act is
26 retired,

27 ↪ whichever is later.

28 **Sec. 13.** Section 5 of chapter 209, Statutes of Nevada 2003, at page 1173, is
29 hereby amended to read as follows:

30 Sec. 5. 1. This act becomes effective on July 1, 2003.

31 2. Sections 1 to 4, inclusive, of this act expire by limitation:

32 (a) One year after the date on which the Governor declares by public
33 proclamation that the ~~{Super Speed Ground Transportation}~~ *High-Speed*
34 *Rail* System connecting southern California with southern Nevada has been
35 completed; or

36 (b) On the date all borrowing made pursuant to NRS 705.42955 is
37 retired,

38 ↪ whichever is later.

39 **Sec. 14.** On the effective date of this act:

40 1. The rights, obligations and property of the State of Nevada in the
41 California-Nevada Super Speed Ground Transportation Commission, if any,
42 become the rights, obligations and property of the Nevada High-Speed Rail
43 Authority created by NRS 705.4293, as amended by section 3 of this act.

44 2. The terms of the Nevada members of the California-Nevada Super Speed
45 Ground Transportation Commission expire and the initial appointments to the
46 Nevada High-Speed Rail Authority must be made as follows:

47 (a) The Governor shall appoint one member to a term beginning on July 1,
48 2015, and ending on June 30, 2017;

49 (b) The Governor shall appoint two members to terms beginning on July 1,
50 2015, and ending on June 30, 2018; and

51 (c) The Governor shall appoint one member to a term beginning on July 1,
52 2015, and ending on June 30, 2019.

1 3. Any agreements entered into by the California-Nevada Super Speed
2 Ground Transportation Commission terminate.

3 **Sec. 15.** The Nevada High-Speed Rail Authority shall, on or before October
4 1, 2015, select a ~~franchise~~ **franchisee** as required by NRS 705.4294, as amended
5 by section 5 of this act.

6 **Sec. 16.** 1. This act becomes effective upon passage and approval.

7 2. Sections 1 to 10, inclusive, of this act expire by limitation:

8 (a) One year after the date on which the Governor declares by public
9 proclamation that the High-Speed Rail System connecting southern California with
10 southern Nevada has been completed; or

11 (b) On the date all borrowing made pursuant to NRS 705.42955 is retired,
12 ➡ whichever is later.