

Amendment No. 106

Senate Amendment to Senate Bill No. 47	(BDR 22-421)
Proposed by: Senate Committee on Government Affairs	
Amends: Summary: No Title: Yes 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.

HAC/JWP



Date: 4/9/2015

S.B. No. 47—Makes various changes relating to the Consolidated Local Improvements Law. (BDR 22-421)



SENATE BILL NO. 47—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE CITY OF HENDERSON)

PREFILED DECEMBER 20, 2014

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to the Consolidated Local Improvements Law. (BDR 22-421)

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 local improvements; **authorizing the creation of an improvement district to acquire, operate and maintain a waterfront project;** removing the provision that a commercial area vitalization project is limited to an area zoned primarily for business or commercial purposes and deleting the statutory references to such a project; authorizing the governing body of a municipality to acquire, improve, operate and maintain a neighborhood improvement project for the beautification and improvement of an area without regard to its zoning; ~~authorizing the provision of additional public services in such an area;~~ expanding the applicability of provisions authorizing a special assessment within an improvement district located in a redevelopment area; authorizing the use of money in a surplus and deficiency fund for the payment of certain ~~administrative~~ **additional** costs; increasing the amount of money subject to transfer to such a fund after the outstanding indebtedness of an improvement district has been paid; revising provisions for the collection of unpaid assessments and the modification of an improvement project; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the governing body of any county, city or unincorporated town to create an improvement district for the acquisition, operation and maintenance of certain projects, including a park project, street project or commercial area vitalization project, and to finance the cost of any project through the issuance of bonds and the levy of assessments upon property in the improvement district. (NRS 271.265, 271.270, 271.325) **Sections 1 and 5 of this bill authorize the creation of an improvement district for the acquisition, operation and maintenance of a waterfront project.**

Under existing law, a commercial area vitalization project entails the beautification and improvement of an area zoned primarily for business or commercial purposes. (NRS 271.063) **Section 3** of this bill revises the definition of "commercial area vitalization project" to

eliminate this zoning restriction, so that a “neighborhood improvement project” may be established in any area of the improvement district. ~~{Section 2 further provides that a neighborhood improvement project may include the provision of additional public services for such purposes as public safety, refuse collection and the cleaning or maintenance of streets and sidewalks.}~~ Sections 4-14, 16 and 17 of this bill make conforming changes by eliminating the existing statutory references to a commercial area vitalization project and replacing them with references to a neighborhood improvement project.

If an improvement district is proposed for a commercial area vitalization project or an existing district is proposed to be modified to expand the area subject to assessment, existing law permits the owners and occupants of residential property to protest the assessment of their property for the project. (NRS 271.297, 271.305, 271.392) In view of the elimination of the zoning restriction described above, sections 10, 11 and 17 eliminate the right of an owner or occupant of residential property to file a protest based solely on the residential nature of the property.

For an improvement district located in a redevelopment area, existing law authorizes the governing body to levy one or more special assessments for the extraordinary maintenance, repair and improvement of the project for which the district has been created. However, the applicability of this provision is limited to an improvement district located in any county whose population is 100,000 or more but less than 700,000 (currently Washoe County). (NRS 271.3695) Section 15 of this bill removes the population cap to make this provision also applicable in any county whose population is 700,000 or more (currently Clark County).

When the outstanding indebtedness of an improvement district has been paid, existing law provides for the use and distribution of any surplus money remaining in the fund established for the district’s debt service. After the reimbursement of certain payments and a retention for the administrative costs of returning the surplus, a portion of any remaining money must be deposited in a surplus and deficiency fund, with any balance refunded to the owners of the assessed property. (NRS 271.428, 271.429) Sections 18 and 19 of this bill, respectively, expand the authorized uses of money in the surplus and deficiency fund and increase the amount of money to be set aside for that fund before any surplus is refunded.

Although a lien arises for unpaid assessments made for the benefit of any improvement district, existing law establishes different procedures for the collection of assessments owed to a county, city or town, according to the nature of the municipality. When adopting an ordinance authorizing the levy of assessments, the governing body of the municipality must authorize the treasurer to reduce or waive for good cause the collection of certain penalties and interest. Assessments owed to a county are collected by the county treasurer in the same manner as general property taxes owed to the county, while assessments owed to a city or town are collected by the municipal treasurer in accordance with a separate statutory process. (NRS 271.445, 271.585, 361.450) ~~{Sections}~~ Section 20 ~~{and 21}~~ of this bill ~~{provide for the collection of assessments owed to a city or town in the same manner as those owed to a county, in addition to the use of the existing collection process. Whenever delinquent property taxes are collected by the county treasurer, sections 25-29 of this bill require that any}~~ requires the governing body of a municipality to make certain findings in order to reduce or waive the collection of any unpaid interest on the assessment, Sections 27-29.5 of this bill set forth a process whereby a municipality may collect unpaid assessments and all related interest, penalties and costs ~~{be collected as well.}~~ if the property which is the subject of the unpaid assessments, interest, penalties and costs is sold by the county treasurer.

Sections 22 and 23 of this bill change the procedure for modifying a project by revising, among other things, the requirements for public notice of the proposed modification.

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

Section 1. Chapter 271 of NRS is hereby amended by adding thereto a new section to read as follows:

~~“Supplemental services” includes, without limitation, services for public safety, security, refuse collection or sanitation, the cleaning or maintenance of streets, sidewalks or other public portions of an area, the development of business or any combination of such services, at a level of service higher than that ordinarily provided by a municipality.~~

1. “Waterfront project” means any improvement to:

(a) Public property that is located along the shore of a public body of water;
or

(b) Areas within or under a public body of water.

2. The term includes, without limitation, restrooms, fishing sites, boardwalks, decks, boat ramps, utilities, facilities for controlling drainage, parking facilities, lighting, dredging for boat ways, erosion protection, environmental mitigation, landscaping, sidewalks, benches, bulkheads, retaining walls, pumping and excavation, and all appurtenances and incidentals thereto.

Sec. 2. NRS 271.030 is hereby amended to read as follows:

271.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 271.035 to 271.250, inclusive, *and section 1 of this act* have the meanings ascribed to them in those sections.

Sec. 3. NRS 271.063 is hereby amended to read as follows:

271.063 ~~“Commercial area vitalization”~~ *“Neighborhood improvement project”* includes:

1. The beautification and improvement of the public portions of any area , ~~zoned primarily for business or commercial purposes,~~ including, without limitation:

- (a) Public restrooms;
- (b) Facilities for outdoor lighting and heating;
- (c) Decorations;
- (d) Fountains;
- (e) Landscaping;
- (f) Facilities or equipment, or both, to enhance protection of persons and property within the improvement district;
- (g) Ramps, sidewalks and plazas; and
- (h) Rehabilitation or removal of existing structures; and

2. The improvement of an area ~~zoned primarily for business or commercial purposes~~ by providing promotional activities ~~for supplemental services.~~

Sec. 4. NRS 271.125 is hereby amended to read as follows:

271.125 “Improvement” or “improve” means the extension, widening, lengthening, betterment, alteration, reconstruction, repair or other improvement (or any combination thereof) of facilities, other property, any project, or an interest therein, herein authorized, including, without limitation, conducting promotional activities ~~for providing supplemental services~~ within an improvement district created for a ~~commercial area vitalization~~ *neighborhood improvement* project.

Sec. 5. NRS 271.265 is hereby amended to read as follows:

271.265 1. The governing body of a county, city or town, upon behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- 1 (a) ~~A commercial area vitalization project;~~
 2 ~~(b) A~~ curb and gutter project;
 3 ~~(c) A~~ drainage project;
 4 ~~(d) A~~ energy efficiency improvement project;
 5 ~~(e) A~~ neighborhood improvement project;
 6 (e) An off-street parking project;
 7 (f) An overpass project;
 8 (g) A park project;
 9 (h) A public safety project;
 10 (i) A renewable energy project;
 11 (j) A sanitary sewer project;
 12 (k) A security wall;
 13 (l) A sidewalk project;
 14 (m) A storm sewer project;
 15 (n) A street project;
 16 (o) A street beautification project;
 17 (p) A transportation project;
 18 (q) An underpass project;
 19 (r) A water project;
 20 ~~(s) A waterfront project; and~~
 21 ~~(t) Any combination of such projects.~~

2. In addition to the power specified in subsection 1, the governing body of a city having a commission form of government as defined in NRS 267.010, upon behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- 27 (a) An electrical project;
 28 (b) A telephone project;
 29 (c) A combination of an electrical project and a telephone project;
 30 (d) A combination of an electrical project or a telephone project with any of the projects, or any combination thereof, specified in subsection 1; and
 31 (e) A combination of an electrical project and a telephone project with any of the projects, or any combination thereof, specified in subsection 1.

3. In addition to the power specified in subsections 1 and 2, the governing body of a municipality, on behalf of the municipality and in its name, without an election, may finance an underground conversion project with the approval of each service provider that owns the overhead service facilities to be converted.

4. In addition to the power specified in subsections 1, 2 and 3, if the governing body of a municipality in a county whose population is less than 700,000 complies with the provisions of NRS 271.650, the governing body of the municipality, on behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- 44 (a) An art project; and
 45 (b) A tourism and entertainment project.

Sec. 6. NRS 271.280 is hereby amended to read as follows:

271.280 1. Whenever the governing body of a municipality determines to form an improvement district to conduct any project, the engineer shall prepare and file with the clerk:

- 50 (a) Preliminary plans showing:
 51 (1) A typical section of the contemplated improvement.
 52 (2) The type or types of material, approximate thickness and wideness.

1 (3) A preliminary estimate of the cost of the project, including incidental
2 costs.

3 (b) An assessment plat showing:

4 (1) The area to be assessed.

5 (2) Except as otherwise provided in NRS 271.378, the amount of
6 maximum benefits estimated to be assessed against each tract in the assessment
7 area.

8 (c) If a resolution of the governing body does not otherwise provide, the
9 information required pursuant to the provisions of subsections 2 to 7, inclusive.

10 ➤ The governing body is not required to employ the services of an appraiser to
11 estimate or to assist the engineer in estimating the benefits to be derived from the
12 project.

13 2. The preliminary plans may provide for one or more types of construction,
14 and the engineer shall separately estimate the cost of each type of construction. The
15 estimate may be made in a lump sum or by unit prices, as the engineer determines
16 is most desirable for the improvement complete in place.

17 3. A resolution or document prepared by the engineer pursuant to subsection
18 1 must describe the project in general terms.

19 4. The resolution or document must state:

20 (a) What part or portion of the expense of the project is of special benefit and
21 therefore is to be paid by assessments.

22 (b) What part, if any, has been or is proposed to be defrayed with money
23 derived from other than the levy of assessments.

24 (c) The basis by which the cost will be apportioned and assessments levied.

25 5. If the assessment is not to be made according to front feet, the resolution or
26 document must:

27 (a) By apt description designate the improvement district, including the tracts
28 to be assessed.

29 (b) Describe definitely the location of the project.

30 (c) State that the assessment is to be made upon all the tracts benefited by the
31 project proportionately to the benefits received.

32 6. If the assessment is to be upon the abutting property upon a frontage basis,
33 it is sufficient for the resolution or document so to state and to define the location of
34 the project to be made.

35 7. It is not necessary in any case to describe minutely in the resolution or
36 document each particular tract to be assessed, but simply to designate the property,
37 improvement district or the location, so that the various parts to be assessed can be
38 ascertained and determined to be within or without the proposed improvement
39 district.

40 8. If the preliminary plans include a ~~commercial area vitalization~~
41 **neighborhood improvement** project, then in addition to the other requirements in
42 this section, before the plans are ratified by the governing body, the plans must
43 include a plan for the management of the proposed improvement district which
44 must include, without limitation:

45 (a) The improvements proposed for each year of the first 5 fiscal years of the
46 proposed improvement district;

47 (b) An estimate of the total amount to be expended on improvements in the
48 first year of operation;

49 (c) A list of any other special assessments that are currently being levied within
50 the proposed improvement district;

51 (d) The name of any proposed association; and

52 (e) Any other matter that the governing body requires to be set forth in the
53 plan.

9. Upon the filing of the plans, plat and, if the engineer prepares a document pursuant to paragraph (c) of subsection 1, the document prepared by the engineer pursuant to paragraph (c) of subsection 1, they must be examined by the governing body. If the plans, plat and document, if any, are found to be satisfactory, the governing body shall make a provisional order by resolution to the effect that the project will be acquired or improved, or both acquired and improved.

Sec. 7. NRS 271.285 is hereby amended to read as follows:

271.285 1. Except as otherwise provided in subsection 2, whenever the owner or owners of lands to be assessed for not less than 90 percent of the entire cost of any project, including all incidental expenses, constituting at least 66 2/3 percent in frontage, in area or other property basis used for the computation of assessments as therein provided, as the case may be, by written petition, initiates the acquisition of any project which the governing body is authorized to initiate, subject to the following limitations:

(a) Except as otherwise provided in subsection 7 of NRS 271.325, the governing body may incorporate such project in any improvement district or districts.

(b) The governing body need not proceed with the acquisition of any such project or any part thereof after holding a hearing thereon, pursuant to NRS 271.310, and all provisions thereof thereunto enabling, if the governing body shall determine that it is not for the public interest that the proposed project, or a part thereof, be then ordered to be made.

(c) Any particular kind of project, or any material therefor, or any part thereof, need not be acquired or located, as provided in the petition, if the governing body shall determine that such is not for the public interest.

(d) The governing body need not take any proceedings or action upon receiving any such petition, if the governing body shall thereupon determine by resolution that the acquisition of the designated project probably is not feasible for a reason or reasons stated in such resolution, and if the resolution requires a cash deposit or a pledge of property in at least an amount or value therein designated and found therein by the governing body probably to be sufficient to defray the expenses and costs incurred by the municipality taken preliminary to and in the attempted acquisition of the project designated in the petition, and if such deposit or pledge is not made with the treasurer within 20 days after one publication in a newspaper of general circulation in the municipality of a notice of the resolution's adoption and of its content in summary form. An additional deposit or pledge may from time to time be similarly so required as a condition precedent to the continuation of action by the municipality. Whenever such deposit or pledge is so made and thereafter the governing body shall determine that such acquisition is not feasible within a reasonable period of time, the governing body may require that all or any portion of the costs theretofore incurred in connection therewith by the municipality after its receipt of the petition shall be defrayed from such deposit or the proceeds of such pledged property in the absence of such defrayment of costs by petitioners or other interested persons within 20 days after the determination by resolution of the amount so to be defrayed and after such published notice thereof.

2. A petition signed by owners of tracts constituting at least one-half of the basis used for computation of assessments is sufficient to initiate procedures for acquiring or improving a ~~commercial area vitalization~~ **neighborhood improvement** project. A petition for acquiring or improving a ~~commercial area vitalization~~ **neighborhood improvement** project must be accompanied by a plan describing proposed improvements and a proposed assessment plat when submitted to the governing body.

1 **Sec. 8.** NRS 271.290 is hereby amended to read as follows:

2 271.290 1. Except as otherwise expressly provided or necessarily implied in
3 this section or in NRS 271.285, upon the filing of such a petition, the governing
4 body shall proceed in the same manner as is provided for hereby where proceedings
5 are initiated by the governing body.

6 2. Upon the filing of a petition for the acquisition or improvement of a
7 ~~commercial-area vitalization~~ *neighborhood improvement* project, the governing
8 body shall hold a public hearing on the petition. At least 20 days before the public
9 hearing, the governing body shall:

10 (a) Mail notice of the hearing to each owner of real property within the
11 proposed improvement district and to each tenant who resides or owns a business
12 located within the proposed improvement district; and

13 (b) Publish notice of the hearing in a newspaper of general circulation in the
14 municipality,

15 ↳ describing the purpose and general location of the proposed improvement
16 district, and the date, time and place of the proposed public hearing.

17 3. At the public hearing, any owner of real property or tenant who resides or
18 owns a business located within the proposed district for a ~~commercial-area~~
19 ~~vitalization~~ *neighborhood improvement* project may present, orally or in writing,
20 the reasons why he or she believes that:

21 (a) The petition does not contain a sufficient number of qualified signatures; or

22 (b) The finding required by subsection 4 cannot reasonably be made with
23 respect to any part of the proposed improvement district.

24 4. After consideration of any objections made at the hearing, and of any other
25 information reasonably known to it, the governing body must, as a condition
26 precedent to the initiation of the procedure for acquiring or improving a
27 ~~commercial-area vitalization~~ *neighborhood improvement* project, find that the
28 public interest will benefit by the provision of the proposed improvements within
29 that part of the municipality. In making this determination, the governing body shall
30 consider the differences it finds between the municipality as a whole and the
31 territory within and adjacent to the proposed improvement district.

32 **Sec. 9.** NRS 271.296 is hereby amended to read as follows:

33 271.296 1. The governing body may, by resolution, dissolve an
34 improvement district that is created for the purposes of a ~~commercial-area~~
35 ~~vitalization~~ *neighborhood improvement* project if property owners whose property
36 is assessed for a combined total of more than 50 percent of the total amount of the
37 assessments of all the property in the improvement district submit a written petition
38 to the governing body that requests the dissolution of the district within the period
39 prescribed in subsection 2.

40 2. The dissolution of an improvement district pursuant to this section may be
41 requested within 30 days after:

42 (a) The first anniversary of the date the improvement district was created; and

43 (b) Each subsequent anniversary thereafter.

44 3. As soon as practicable after the receipt of the written petition of the
45 property owners submitted pursuant to subsection 1, the governing body shall pass
46 a resolution of intention to dissolve the improvement district. The governing body
47 shall give notice of a hearing on the dissolution. The notice must be provided and
48 the hearing must be held pursuant to the requirements set forth in NRS 271.377. If
49 the governing body determines that dissolution of the improvement district is
50 appropriate, it shall dissolve the improvement district by resolution, effective not
51 earlier than the 30th day after the hearing.

52 4. If there is indebtedness, outstanding and unpaid, incurred to accomplish
53 any of the purposes of the improvement district, the portion of the assessment

necessary to pay the indebtedness remains effective and must be continued in the following years until the debt is paid.

Sec. 10. NRS 271.297 is hereby amended to read as follows:

271.297 An association with which a governing body contracts pursuant to NRS 271.332 may, at any time, request that the governing body modify a plan or plat with regard to the ~~commercial area vitalization~~ **neighborhood improvement** project. Upon the written request of the association, the governing body may modify the plan or plat by ordinance after holding a hearing on the proposed modification pursuant to NRS 271.377. If the proposed modification of a plat expands the territory for assessment, a person who owns or resides within a tract which is located within the territory proposed to be added to the improvement district ~~and which is used exclusively for residential purposes~~ may file a protest pursuant to NRS 271.392 at any time before the governing body modifies the plat by ordinance. A petition is not required for a modification made pursuant to this section.

Sec. 11. NRS 271.305 is hereby amended to read as follows:

271.305 1. In the provisional order the governing body shall set a time, at least 20 days thereafter, and a place at which the owners of the tracts to be assessed, or any other interested persons, may appear before the governing body and be heard as to the propriety and advisability of acquiring or improving, or acquiring and improving, the project or projects provisionally ordered. If a mobile home park is located on one or more of the tracts to be assessed, the notice must be given to the owner of the tract and each tenant of that mobile home park.

2. Notice must be given:

(a) By publication.

(b) By mail.

(c) By posting.

3. Proof of publication must be by affidavit of the publisher.

4. Proof of mailing and proof of posting must be by affidavit of the engineer, clerk, or any deputy mailing the notice and posting the notice, respectively.

5. Proof of publication, proof of mailing and proof of posting must be maintained in the records of the municipality until all the assessments appertaining to the project have been paid in full, including principal, interest, any penalties, and any collection costs.

6. The notice may be prepared by the engineer and ratified by the governing body, and, except as otherwise provided in subsection 7, must state:

(a) The kind of project proposed.

(b) The estimated cost of the project, and the portion, if any, to be paid from sources other than assessments.

(c) The basis for apportioning the assessments, which assessments must be in proportion to the special benefits derived to each of the several tracts comprising the assessable property and on a front foot, area, zone or other equitable basis.

(d) The number of installments and time in which the assessments will be payable.

(e) The maximum rate of interest on unpaid installments of assessments.

(f) The extent of the improvement district to be assessed, by boundaries or other brief description.

(g) The time and place of the hearing where the governing body will consider all objections to the project.

(h) That all written objections to the project must be filed with the clerk of the municipality at least 3 days before the time set for the hearing.

(i) If the project is not a ~~commercial area vitalization~~ **neighborhood improvement** project, that pursuant to NRS 271.306, if a majority of the property

owners to be assessed for a project proposed by a governing body object in writing within the time stated in paragraph (h), the project must not be acquired or improved unless:

(1) The municipality pays one-half or more of the total cost of the project, other than a park project, with money derived from other than the levy or assessments; or

(2) The project constitutes not more than 2,640 feet, including intersections, remaining unimproved in any street, including an alley, between improvements already made to either side of the same street or between improvements already made to intersecting streets.

(j) That the description of the tracts to be assessed, the maximum amount of benefits estimated to be conferred on each such tract and all proceedings in the premises are on file and can be examined at the office of the clerk.

(k) Unless there will be no substantial change, that a substantial change in certain existing street elevations or grades will result from the project, without necessarily including any statement in detail of the extent or location of any such change.

(l) That a person should object to the formation of the district using the procedure outlined in the notice if the person's support for the district is based upon a statement or representation concerning the project that is not contained in the language of the notice.

(m) That if a person objects to the amount of maximum benefits estimated to be assessed or to the legality of the proposed assessments in any respect:

(1) The person is entitled to be represented by counsel at the hearing;

(2) Any evidence the person desires to present on these issues must be presented at the hearing; and

(3) Evidence on these issues that is not presented at the hearing may not thereafter be presented in an action brought pursuant to NRS 271.315.

(n) If the project is a ~~commercial area vitalization~~ **neighborhood improvement** project, that:

(1) A person who owns or resides within a tract in the proposed improvement district ~~and which is used exclusively for residential purposes~~ may file a protest to inclusion in the assessment plat pursuant to NRS 271.392; and

(2) Pursuant to NRS 271.306, if written remonstrances by the owners of tracts constituting one-third or more of the basis for the computation of assessments for the ~~commercial area vitalization~~ **neighborhood improvement** project are presented to the governing body, the governing body shall not proceed with the ~~commercial area vitalization~~ **neighborhood improvement** project.

7. The notice need not state either or both of the exceptions stated in subsection 2 of NRS 271.306 unless either or both of the exceptions are determined by the governing body or the engineer to be relevant to the proposed improvement district to which the notice appertains.

8. All proceedings may be modified or rescinded wholly or in part by resolution adopted by the governing body, or by a document prepared by the engineer and ratified by the governing body, at any time before the passage of the ordinance adopted pursuant to NRS 271.325, creating the improvement district, and authorizing the project.

9. No substantial change in the improvement district, details, preliminary plans or specifications or estimates may be made after the first publication, posting or mailing of notice to property owners, whichever occurs first, except:

(a) As otherwise provided in NRS 271.640 to 271.646, inclusive; or

(b) For the deletion of a portion of a project and property from the proposed program and improvement district or any assessment unit.

10. The engineer may make minor changes in time, plans and materials entering into the work at any time before its completion.

11. If the ordinance is for a ~~commercial area vitalization~~ **neighborhood improvement** project, notice sent pursuant to this section must be sent by mail to each person who owns real property which is located within the proposed improvement district and to each tenant who resides or owns a business located within the proposed improvement district.

Sec. 12. NRS 271.306 is hereby amended to read as follows:

271.306 1. Regardless of the basis used for apportioning assessments, the amount apportioned to a wedge or V or any other irregularly shaped tract must be in proportion to the special benefits thereby derived.

2. Except as otherwise provided in subsections 3 and 4, if, within the time specified in the notice, complaints, protests and objections in writing, that is, all written remonstrances, against acquiring or improving the project proposed by initiation of the governing body are filed with the clerk, signed by the owners of tracts constituting a majority of the frontage, of the area, of the zone, or of the other basis for the computation of assessments, as the case may be, of the tracts to be assessed in the improvement district or in the assessment unit if the improvement district is divided into assessment units, the project therein must not be acquired or improved unless:

(a) The municipality pays one-half or more of the total cost of the project, other than a park project, with money derived from other than the levy of assessments; or

(b) The project constitutes not more than 2,640 feet, including intersections, remaining unimproved in any street, including an alley, between improvements already made to either side of the same street or between improvements already made to intersecting streets. In this case the governing body may on its own motion cause the intervening and unimproved part of the street to be improved. Such improvements will not be stayed or defeated or prevented by written complaints, protests and objections thereto, unless the governing body in its sole discretion, deems such written complaints, protests and objections proper to cause the improvement to be stayed or prevented.

3. Written remonstrances by the owners of tracts constituting 50 percent of the basis for the computation of assessments suffice to preclude the acquisition or improvement of a street beautification project.

4. Written remonstrances by the owners of tracts constituting at least one-third of the basis for the computation of assessments suffice to preclude the acquisition or improvement of a ~~commercial area vitalization~~ **neighborhood improvement** project. For the purposes of this subsection, the property of a single owner may not be counted as constituting more than 10 percent of the basis.

Sec. 13. NRS 271.325 is hereby amended to read as follows:

271.325 1. When an accurate estimate of cost, full and detailed plans and specifications and map are prepared, are presented and are satisfactory to the governing body, it shall, by resolution, make a determination that:

(a) Public convenience and necessity require the creation of the district; and

(b) The creation of the district is economically sound and feasible.

➤ This determination may be made part of the ordinance creating the district adopted pursuant to subsection 2 and is conclusive in the absence of fraud or gross abuse of discretion.

2. The governing body may, by ordinance, create the district and order the proposed project to be acquired or improved. This ordinance may be adopted and amended as if an emergency existed.

3. The ordinance must prescribe:

(a) The extent of the improvement district to be assessed, by boundaries or other brief description, and similarly of each assessment unit therein, if any.

(b) The kind and location of each project proposed, without mentioning minor details.

(c) The amount or proportion of the total cost to be defrayed by assessments, the method of levying assessments, the number of installments and the times in which the costs assessed will be payable.

(d) The character and extent of any construction units.

4. The engineer may further revise the cost, plans and specifications and map from time to time for all or any part of any project, and the ordinance may be appropriately amended. Except as otherwise provided in NRS 271.640 to 271.646, inclusive, such amendment must take place before letting any construction contract therefor and before any work being done other than by independent contract let by the municipality.

5. The ordinance, if amended, must order the work to be done as provided in this chapter.

6. Upon adoption or amendment of the ordinance, the governing body shall cause to be recorded in the office of the county recorder a certified copy of a list of the tracts to be assessed and the amount of maximum benefits estimated to be assessed against each tract in the assessment area, as shown on the assessment plat as revised and approved by the governing body pursuant to NRS 271.320. Neither the failure to record the list as provided in this subsection nor any defect or omission in the list regarding any parcel or parcels to be included within the district affects the validity of any assessment, the lien for the payment thereof or the priority of that lien.

7. The governing body may not adopt an ordinance creating or modifying the boundaries of an improvement district for a ~~commercial area vitalization~~ **neighborhood improvement** project if the boundaries of the improvement district overlap an existing improvement district created for a ~~commercial area vitalization~~ **neighborhood improvement** project.

Sec. 14. NRS 271.332 is hereby amended to read as follows:

271.332 1. A governing body that forms an improvement district for a ~~commercial area vitalization~~ **neighborhood improvement** project may contract with a nonprofit association to provide the improvements that are specified in the plans for the ~~commercial area vitalization~~ **neighborhood improvement** project. If creation of the ~~commercial~~ improvement district was initiated by petition, the governing body shall contract for that purpose with the association named in the plan for management of the improvement district.

2. An association with which a governing body contracts pursuant to subsection 1 must be a private nonprofit corporation and must be identified in the plan for management of the improvement district. The association shall maintain liability insurance covering its activities.

3. The contract between the governing body and the association is a contract for professional services and is not subject to the limitations of subsection 1 of NRS 354.626. The terms of the contract may extend:

(a) Beyond the terms of office of members of the governing body; and

(b) For the time necessary to cover the life of improvements and to fulfill financial commitments for equipment, services and related undertakings.

4. The association does not become a political subdivision, local government, public body, governmental agency or entity, establishment of the government, public corporation or quasi-public corporation for any purpose solely on the basis of a contract entered into with a governing body pursuant to subsection 1.

5. A contract executed pursuant to this section must ensure that the type and level of services provided by the municipality at the time of the creation of the improvement district continue after the improvement district is formed.

Sec. 15. NRS 271.3695 is hereby amended to read as follows:

271.3695 1. In a county whose population is 100,000 or more , ~~but less than 700,000,~~ on or before June 30 of each year after the levy of an assessment within an improvement district located in a redevelopment area selected pursuant to NRS 279.524 to pay, in whole or in part, the costs and expenses of constructing or substantially reconstructing a project, the governing body may prepare and approve an estimate of the expenditures required during the ensuing year for the extraordinary maintenance, repair and improvement of the project.

2. The governing body may adopt a resolution, after a public hearing, determining to levy and collect in any year upon and against all of the assessable property within the district a special assessment sufficient to raise a sum of money not to exceed the amount estimated pursuant to subsection 1 for the extraordinary maintenance, repair and improvement of the project. Notice of the hearing must be given, and the hearing conducted, in the manner specified in NRS 271.305.

3. The special assessment must be levied, collected and enforced at the same time, in the same manner, by the same officers and with the same interest and penalties as other special assessments levied pursuant to this chapter. The proceeds of the assessment must be placed in a separate fund of the municipality and expended only for the extraordinary maintenance, repair or improvement of the project.

4. As used in this section, "extraordinary maintenance, repair and improvement" includes all expenses ordinarily incurred not more than once every 5 years to keep the project in a fit operating condition. Expenses which are ordinarily incurred more than once every 5 years may be included only if the governing body expressly finds that the expenses must be incurred in order to maintain the level of benefit to the assessed parcels and that the level of benefit would otherwise decline more rapidly than usual because of special circumstances relating to the project for which the assessment is levied, including its use, location or operation and other circumstances. If the governing body makes such a finding, a statement of that finding must be included in the notice given pursuant to subsection 2.

Sec. 16. NRS 271.377 is hereby amended to read as follows:

271.377 1. On or before June 30 of each year after the governing body acquires or improves a ~~commercial area vitalization~~ *neighborhood improvement* project, the governing body shall prepare or cause to be prepared an estimate of the expenditures required in the ensuing fiscal year and a proposed assessment roll assessing an amount not greater than the estimated cost against the benefited property. The assessment must be computed according to frontage or another uniform and quantifiable basis.

2. The governing body shall hold a public hearing upon the estimate of expenditures and the proposed assessment roll. Notice must be given and the hearing conducted in the manner provided in NRS 271.380 and 271.385. The assessment may not exceed the amount stated in the proposed assessment roll unless a new hearing is held after notice is mailed and published in the manner provided in NRS 271.305 and 271.310.

3. After the public hearing, the governing body shall confirm the assessments, as specified in the proposed assessment roll or as modified, and levy the assessment as provided in NRS 271.390.

4. An improvement district created for a ~~commercial area vitalization~~ *neighborhood improvement* project is not entitled to any distribution from the local government tax distribution account.

Sec. 17. NRS 271.392 is hereby amended to read as follows:

271.392 1. Before a proposed assessment plat for a ~~commercial area~~
~~vitalization~~ **neighborhood improvement** project is adopted by ordinance, a person
who owns or resides within a tract which ~~is~~
~~(a) is~~ **is** located within the proposed improvement district ~~;~~ **and**
~~(b) is used exclusively for residential purposes;~~
~~may~~ **may** file with the clerk a written protest to the inclusion of the tract in the
assessment plat. The protest must be accompanied by a legal description of the
tract.

2. Upon receipt of a protest pursuant to subsection 1, the clerk shall provide a
copy of the protest and legal description of the property to the governing body.

3. Before adopting a resolution or ordinance pursuant to NRS 271.325 and
before adopting an ordinance that modifies an assessment plat for a ~~commercial~~
~~area vitalization~~ **neighborhood improvement** project to include additional tracts of
land, the governing body shall modify the assessment plat ~~for a commercial area~~
~~vitalization project~~ to exclude any tract for which it received a protest pursuant to
this section and which it determines will not benefit from the activities or
improvements that are proposed to be provided by the ~~commercial area~~
~~vitalization~~ **neighborhood improvement** project.

Sec. 18. NRS 271.428 is hereby amended to read as follows:

271.428 1. When all outstanding bonds, principal, interest and prior
redemption premiums, if any, of such a district have been paid and any surplus
amounts remain in the fund established pursuant to NRS 271.490 to the credit of
the district, the surplus after the payment of valid claims for refund, if any, must be
transferred to a surplus and deficiency fund. The governing body may at any time,
by resolution or ordinance, authorize the deposit of any money otherwise available
to the surplus and deficiency fund.

2. Amounts in the surplus and deficiency fund may be used by the governing
body to pay costs incurred in connection with:

(a) The issuance of refunding bonds pursuant to NRS 271.488; ~~for~~
(b) Collecting delinquent assessments pursuant to NRS 271.445 and 271.540 to
271.630, inclusive ~~;~~ ~~for~~

**(c) Refunding, pursuant to NRS 271.429, the surplus amounts in the special
fund created for the district pursuant to NRS 271.490 ~~;~~;**

(d) Legal fees or other costs that relate to an improvement district; or

(e) Modifying a project pursuant to NRS 271.640 to 271.646, inclusive.

3. Whenever there is a deficiency in any fund established pursuant to NRS
271.490 for the payment of the bonds and interest thereon for any improvement
district created pursuant to former NRS 244A.193 or pursuant to NRS 271.325 or
318.070, the deficiency must first be paid out of the surplus and deficiency fund to
the extent of the money available in the fund before any payment is made out of the
general fund of the municipality as provided by NRS 271.495.

4. Amounts in the surplus and deficiency fund which exceed 10 percent of the
principal amount of outstanding bonds of the municipality for all improvement
districts created pursuant to former NRS 244A.193 or pursuant to NRS 271.325 or
318.070 at the end of each fiscal year may be used:

(a) To make up deficiencies in any assessment which proves insufficient to pay
for the cost of the project or work for which the assessment has been levied.

(b) To advance amounts for the cost of any project or work in any district
created pursuant to any of these sections.

(c) To provide for the payment of assessments levied against, or attributable to,
property owned by the municipality or the Federal Government.

5. At the end of each fiscal year any excess amount described in subsection 4 may be transferred to the general fund of the municipality as the governing body directs by resolution.

Sec. 19. NRS 271.429 is hereby amended to read as follows:

271.429 1. Except as otherwise provided in subsection 2, when all outstanding bonds, principal, interest and prior redemption premiums, if any, of a district have been paid, surplus amounts remaining in the special fund created for that district pursuant to NRS 271.490 must be refunded as follows:

(a) If amounts have been advanced from the general fund of the municipality as required by NRS 271.495 for the payment of any bonds or interest thereon of such district, those amounts must first be returned to the general fund of the municipality.

(b) If a surplus and deficiency fund has been established pursuant to NRS 271.428, and amounts have been advanced from the surplus and deficiency fund for the payment of bonds or interest thereon of such district, those amounts must be returned to the surplus and deficiency fund.

(c) The treasurer shall thereupon determine the amount remaining in the fund created for the district pursuant to NRS 271.490 and deduct therefrom the amount of administrative costs of returning that surplus and any other administrative costs incurred by the municipality related to the improvement district or the project which have not been otherwise reimbursed. An amount equal to the actual administrative costs must be returned to the fund from which the administrative costs were paid.

(d) If the remaining surplus is ~~+\$25,000+~~ \$50,000 or less, that amount must be deposited to the surplus and deficiency fund.

(e) If the remaining surplus is more than ~~+\$25,000+~~ \$50,000, the treasurer shall:

(1) Deposit ~~+\$25,000+~~ \$50,000 in the surplus and deficiency fund;

(2) Apportion the amount of the surplus in excess of ~~+\$25,000+~~ \$50,000 among the tracts of land assessed in the district; and

(3) Report this apportionment to the governing body.

(f) Upon the approval of this apportionment by the governing body, the treasurer shall thereupon give notice by mail and by publication of the availability of the surplus for refund.

(g) The notice must also state that the owner or owners of record on the date specified by the notice of each tract of land which was assessed may request the refund of the surplus apportioned to that tract by filing a claim therefor with the treasurer within 60 days after the date of the mailing of the notice. Thereafter claims for such refunds are perpetually barred.

(h) Surplus amounts, if any, remaining after the payment of all valid claims filed with the treasurer within the 60-day period must be transferred to the surplus and deficiency fund.

(i) Valid claims for refund filed in excess of the surplus available for each separate tract may be apportioned ratably among the claimants by the treasurer.

2. Subsection 1 does not apply to change or alter the distribution of any surplus pursuant to a written agreement that was entered into by a district on or before June 18, 1993.

Sec. 20. NRS 271.445 is hereby amended to read as follows:

271.445 1. When any assessment is so levied by ordinance against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State, and is payable, the governing body shall direct:

(a) The clerk to report to the county assessor a description of such tracts as are contained in the roll, with the amount of the assessment levied upon each and the name of the owner or occupant against whom the assessment was made.

(b) The municipal treasurer or the county treasurer to collect the several sums so assessed.

2. If the municipal treasurer has been directed to collect unpaid assessments, the amount so levied in the assessment roll against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State, shall be collected and enforced, both before and after delinquency, in the manner provided in NRS 271.540 to 271.625, inclusive, except as otherwise provided in ~~subsection 3 or~~ the ordinance levying the assessments.

3. ~~Except as otherwise provided in the ordinance levying the assessments and as an independent method of enforcing assessments:~~

~~(a) If the municipal treasurer receives a notice of delinquency from the tax receiver of the county pursuant to NRS 361.5618, the municipal treasurer shall, within 10 days after receipt of the notice, submit to the tax receiver an affidavit setting forth the amount of any unpaid assessments that have been levied against the property which is the subject of the notice and are then due and owing, and any accrued interest, penalties and costs of collection.~~

~~(b) The amount due must be collected and enforced by the tax receiver and other county officers with the other taxes in the general assessment roll of the county, as provided by law and in the same manner. Any assessments, interest, penalties and costs collected by those officers must be remitted by them to the municipal treasurer.~~

~~4.~~ If the county treasurer has been directed to collect unpaid assessments, the amount so levied in the assessment roll against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State, shall be collected and enforced, both before and after delinquency, by the county treasurer and other county officers ~~as provided by law,~~ with the other taxes in the general assessment roll of the county, ~~as provided by law~~ and in the same manner, except as otherwise provided in the ordinance levying the assessments.

4. ~~5.~~ Such amounts shall continue to be a lien upon the tracts assessed until paid, as provided in NRS 271.420.

5. ~~6.~~ When such amount is collected, it shall be credited to the proper funds.

6. ~~7.~~ The assessment roll and the certified ordinance levying the assessment shall be prima facie evidence of the regularity of the proceedings in making the assessment and of the right to recover judgment therefor.

7. ~~8.~~ The ordinance authorizing the levy of assessments must allow the governing body to authorize the treasurer to reduce or waive for good cause the collection of any penalties assessed pursuant to subsection 4 of NRS 271.415 and any interest incurred pursuant to NRS 271.585. If the ordinance does not authorize such a reduction or waiver, the governing body may, by resolution, grant such authority by resolution in a particular case to the treasurer to reduce or waive the collection of any interest incurred pursuant to NRS 271.585 relating to property for which the municipal clerk is the custodian of the certificate for the property pursuant to NRS 271.575 if the governing body determines makes a finding that the reduction or waiver does not will not impair materially and adversely any outstanding bonds for cause the improvement district to have insufficient money to pay any principal and interest for the improvement district that are payable from the assessments.

1 **Sec. 21.** ~~NRS 271.540 is hereby amended to read as follows:~~
2 ~~271.540 When the governing body of a municipality has directed the~~
3 ~~municipal treasurer to collect and enforce assessments in the manner provided by~~
4 ~~the Consolidated Local Improvements Law, NRS 271.545 to 271.630, inclusive,~~
5 ~~shall provide the procedure therefor, except as otherwise provided in the ordinance~~
6 ~~levying the assessments; but NRS 271.445, 271.625 and 271.630 shall also provide~~
7 ~~independent methods of enforcing assessments which shall be available to every~~
8 ~~municipality which has levied assessments and to the holders of any bond payable~~
9 ~~therefrom.~~ **(Deleted by amendment.)**

10 **Sec. 22.** NRS 271.6415 is hereby amended to read as follows:
11 271.6415 1. After receipt of the report required pursuant to NRS 271.641,
12 the governing body may, by ordinance and without a protest hearing, modify the
13 project, the assessments on each tract in the improvement project, the assessment
14 installments and the due dates of the assessment installments as provided in the
15 report pursuant to the provisions of this section if:

16 (a) The governing body determines that the public convenience and necessity
17 require the modification;

18 (b) *The report prepared and filed by the engineer pursuant to NRS 271.641*
19 *states that the modified portion of the project, as modified, is functionally*
20 *equivalent to that portion of the project before modification;*

21 (c) *The estimated cost of the modified portion of the project, as modified, is*
22 *not greater than the original cost of that portion of the project before*
23 *modification;*

24 (d) *The* owner of each tract in the improvement district which is proposed to
25 have its assessment ~~modified or which derives benefits from the portion of the~~
26 ~~project proposed to be eliminated or modified or from the additions proposed to be~~
27 ~~made to the project~~ *increased* has filed written consent to the modification with the
28 clerk ~~and there are no residential lots within 1,500 feet of the portion of the project~~
29 ~~impacted;~~

30 ~~(e) There has been filed with the clerk:~~

31 ~~(1) Evidence that the modification has been consented to by the owners of~~
32 ~~the bonds for the improvement district which are payable from the assessments in~~
33 ~~the manner as provided in the ordinance or in the indenture, fiscal agent agreement,~~
34 ~~resolution or other instrument pursuant to which the bonds are issued; or~~

35 ~~(2) An opinion from independent bond counsel stating that the~~
36 ~~modification does not materially and adversely affect the interests of the owners of~~
37 ~~the bonds; and~~

38 ~~(d)};~~

39 (e) *The aggregate amount of the assessments on the tracts in the*
40 *improvement district remains the same; and*

41 (f) The governing body determines that, upon modification of the project and,
42 if applicable, the assessments, the amount assessed against each tract in the
43 improvement district does not exceed the maximum special benefits to be derived
44 by each such tract from the project.

45 2. A determination that is made pursuant to this section is conclusive in the
46 absence of fraud or gross abuse of discretion.

47 3. An ordinance adopted pursuant to this section may be adopted as if an
48 emergency existed.

49 **Sec. 23.** NRS 271.642 is hereby amended to read as follows:

50 271.642 1. After receipt of the report required pursuant to NRS 271.641, if
51 the governing body does not proceed pursuant to NRS 271.6415, the governing
52 body may make a provisional order by resolution to the effect that the project will
53 be modified.

2. In a provisional order made pursuant to subsection 1, the governing body shall set a time, at least 20 days thereafter, and a place at which the owner of each tract in the improvement district, or any other interested person, may appear before the governing body and be heard as to the propriety and advisability of modifying the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments. If there are ~~permanent residential lots within 1,500 feet of the project~~ *dwelling units in the improvement district* or a mobile home park is located on a tract in the improvement district, the notice must be given to the owner ~~of the tract and each owner of a residential lot within 1,500 feet of each such dwelling unit, the owner of the tract on which the mobile home park is located~~ and each tenant of the mobile home park ~~if~~, *as applicable*.

3. Notice must be given:

(a) By publication.

(b) By mail.

(c) By posting.

4. Proof of publication must be by affidavit of the publisher.

5. Proof of mailing and proof of posting must be by affidavit of the engineer, clerk, or any deputy mailing the notice and posting the notice, respectively.

6. Proof of publication, proof of mailing and proof of posting must be maintained in the records of the municipality until all the assessments appertaining to the project have been paid in full, including principal, interest, penalties and any collection costs.

7. The notice must be prepared by the engineer, ratified by the governing body and state:

(a) In general terms, the proposed modification of the project.

(b) The estimated cost of the project, as modified, and the amount by which that cost is greater or less than the original cost of the project, as reflected in the ordinance creating the improvement district and ordering the project to be acquired or improved.

(c) The time and place of the hearing where the governing body will consider all objections to the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments.

(d) That all written objections to the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments must be filed with the clerk at least 3 days before the time set for the hearing.

(e) That if the owners of tracts in the improvement district which:

(1) Are proposed to have assessments modified or which derive benefits from the portion of the project proposed to be eliminated or changed or from the additions proposed to be made to the project; and

(2) Upon the modification of the project and, if applicable, the assessments, will in the aggregate have assessments greater than 50 percent of the aggregate amount of the assessments on the tracts in the improvement district which are proposed to have assessments modified or which derive benefits from the portion of the project proposed to be eliminated or changed or from the additions proposed to be made to the project,

object in writing, within the time stated in paragraph (d), to such modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the installments will not be made.

(f) That if the assessment on any tract is increased as a result of the modification of the project, the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment

installments will not be made unless the owner of each such tract has consented in writing to the increase.

(g) That the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments will not be made unless there has been filed with the clerk:

(1) Evidence that the modification is consented to:

(I) By the owners of the bonds for the improvement district which are payable from the assessments; and

(II) In the same manner as amendments to the ordinance creating the improvement district and ordering the project to be acquired or improved, as provided in the ordinance or in the indenture, fiscal agent agreement, resolution or other instrument pursuant to which the bonds are issued; or

(2) An opinion from an independent bond counsel stating that the modification does not materially adversely affect the interests of the owners of the bonds.

(h) That all proceedings regarding and records of the following are available for inspection at the office of the clerk:

(1) The amount of maximum special benefits estimated to be derived from the project, as modified, by each tract in the improvement district;

(2) If applicable, the modified assessment on each tract in the improvement district resulting from the modification of the project; and

(3) If applicable, the modified assessment installments and the due dates of the assessment installments.

(i) That a person may object to the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments using the procedure outlined in the notice.

(j) That if a person objects to the amount of maximum special benefits estimated to be derived from the project, as modified, or to the legality of the proposed modification in any respect:

(1) The person is entitled to be represented by counsel at the hearing;

(2) Any evidence the person wants to present must be presented at the hearing; and

(3) Evidence that is not presented at the hearing may not be presented in an action brought pursuant to NRS 271.6435.

8. No substantial change in the proposed modification of the project or, if applicable, the assessments, the assessment installments or the due dates of the assessment installments may be made after the first publication, posting or mailing of notice to property owners, whichever occurs first.

Sec. 24. NRS 271A.020 is hereby amended to read as follows:

271A.020 ~~Except~~ *As used in this chapter, except* as otherwise provided in NRS 271A.030 to 271A.060, inclusive, and unless the context otherwise requires, the words and terms defined in NRS 271.035 to 271.250, inclusive, *and section 1 of this act* and 271A.030 to 271A.060, inclusive, have the meanings ascribed to them in those sections.

Sec. 25. ~~NRS 261.5648 is hereby amended to read as follows:~~

~~261.5648 1. Within 30 days after the first Monday in March of each year, with respect to each property on which the tax is delinquent, the tax receiver of the county shall mail notice of the delinquency by first class mail to:~~

~~(a) The owner or owners of the property;~~

~~(b) The person or persons listed as the taxpayer or taxpayers on the tax rolls, at their last known addresses, if the names and addresses are known;~~

~~(c) The municipal treasurer if the property is included in a final assessment roll confirmed by the governing body of an unincorporated town or city in the~~

~~county pursuant to chapter 271 of NRS, unless the tax receiver is the municipal treasurer;~~

~~(d) Each holder of a recorded security interest if the holder has made a request in writing to the tax receiver for the notice, which identifies the secured property by the parcel number assigned to it in accordance with the provisions of NRS 361.189; and~~

~~[(d)] (e) Each assignee of a tax lien on the property, if the assignee has made a request in writing to the tax receiver for the notice described in paragraph [(e)]. (d).~~

~~2. The notice of delinquency must state:~~

~~(a) The name of the owner of the property, if known;~~

~~(b) The description of the property on which the taxes are a lien;~~

~~(c) The amount of the taxes due on the property and the penalties and costs as provided by law;~~

~~(d) That if the amount is not paid by or on behalf of the taxpayer or his or her successor in interest, the tax receiver will, at 5 p.m. on the first Monday in June of the current year, issue to the county treasurer, as trustee for the State and county, a certificate authorizing the county treasurer to hold the property, subject to redemption within 2 years after the date of the issuance of the certificate, by payment of the taxes and accruing taxes, any unpaid assessments imposed pursuant to chapter 271 of NRS and the interest thereon, penalties and costs, together with interest on the taxes at the rate of 10 percent per annum, assessed monthly, from the date due until paid as provided by law, except as otherwise provided in NRS 360.222 and 360.220, and that redemption may be made in accordance with the provisions of chapter 21 of NRS in regard to real property sold under execution;~~

~~3. Within 30 days after mailing the original notice of delinquency, the tax receiver shall issue his or her personal affidavit to the board of county commissioners affirming that due notice has been mailed with respect to each parcel. The affidavit must recite the number of letters mailed, the number of letters returned and the number of letters finally determined to be undeliverable. Until the period of redemption has expired, the tax receiver shall maintain detailed records which contain such information as the Department may prescribe in support of the affidavit;~~

~~4. A second copy of the notice of delinquency must be sent by certified mail, not less than 60 days before the expiration of the period of redemption as stated in the notice;~~

~~5. The cost of each mailing must be charged to the delinquent taxpayer;~~

~~6. A county and its officers and employees are not liable for any damages resulting from failure to provide actual notice pursuant to this section if the county, officer or employee, in determining the names and addresses of persons with an interest in the property, relies upon a preliminary title search from a company authorized to provide title insurance in this State.] (Deleted by amendment.)~~

Sec. 26. [NRS 361.570 is hereby amended to read as follows:]

~~361.570 1. Pursuant to the notice given as provided in NRS 361.5648 and 361.565 and at the time stated in the notice, the tax receiver shall make out a certificate that describes each property on which delinquent taxes, assessments imposed pursuant to chapter 271 of NRS, penalties, interest and costs have not been paid. The certificate authorizes the county treasurer, as trustee for the State and county, to hold each property described in the certificate for the period of 2 years after the first Monday in June of the year the certificate is dated, unless sooner redeemed;~~

~~2. The certificate must specify:~~

1 ~~— (a) The amount of delinquency on each property, including the amount and~~
2 ~~year of assessment;~~

3 ~~— (b) The taxes [.] and assessments, and the penalties, interest and costs added~~
4 ~~thereto, on each property, and that, except as otherwise provided in NRS 360.232~~
5 ~~and 360.320, interest on the taxes will be added at the rate of 10 percent per annum,~~
6 ~~assessed monthly, from the date due until paid; and~~

7 ~~— (c) The name of the owner or taxpayer of each property, if known.~~

8 ~~3. The certificate must state:~~

9 ~~— (a) That each property described in the certificate may be redeemed within 2~~
10 ~~years after the date of the certificate;~~

11 ~~— (b) That the title to each property not redeemed vests in the county for the~~
12 ~~benefit of the State and county; and~~

13 ~~— (c) That a tax lien may be assigned against the parcel pursuant to the provisions~~
14 ~~of NRS 361.7303 to 361.733, inclusive.~~

15 ~~4. Until the expiration of the period of redemption, each property held~~
16 ~~pursuant to the certificate must be assessed annually to the county treasurer as~~
17 ~~trustee. Before the owner or his or her successor redeems the property, he or she~~
18 ~~must also pay the county treasurer holding the certificate any additional taxes,~~
19 ~~unpaid assessments imposed pursuant to chapter 271 of NRS and the interest~~
20 ~~thereon, penalties and costs assessed and accrued against the property after the date~~
21 ~~of the certificate, together with interest on the taxes at the rate of 10 percent per~~
22 ~~annum, assessed monthly, from the date due until paid, unless otherwise provided~~
23 ~~in NRS 360.232 and 360.320.~~

24 ~~5. A county treasurer shall take a certificate issued to him or her pursuant to~~
25 ~~this section. The county treasurer may cause the certificate to be recorded in the~~
26 ~~office of the county recorder against each property described in the certificate to~~
27 ~~provide constructive notice of the amount of delinquent taxes and assessments on~~
28 ~~each property respectively. The certificate reflects the amount of delinquent taxes,~~
29 ~~assessments, penalties, interest and costs due on the properties described in the~~
30 ~~certificate on the date on which the certificate was recorded, and the certificate need~~
31 ~~not be amended subsequently to indicate additional taxes, assessments, penalties,~~
32 ~~interest and costs assessed and accrued or the repayment of any of those delinquent~~
33 ~~amounts. The recording of the certificate does not affect the statutory lien for taxes~~
34 ~~and assessments provided in NRS 361.450.] (Deleted by amendment.)~~

35 **Sec. 27.** NRS 361.585 is hereby amended to read as follows:

36 361.585 1. When the time allowed by law for the redemption of a property
37 described in a certificate has expired and no redemption has been made, the tax
38 receiver who issued the certificate, or his or her successor in office, shall execute
39 and deliver to the county treasurer a deed of the property in trust for the use and
40 benefit of the State and county and any officers having fees due them.

41 2. The county treasurer and his or her successors in office, upon obtaining a
42 deed of any property in trust under the provisions of this chapter, shall hold that
43 property in trust until it is sold or otherwise disposed of pursuant to the provisions
44 of this chapter.

45 3. Notwithstanding the provisions of NRS 361.595 or 361.603, at any time
46 during the 90-day period specified in NRS 361.603, or not later than 5 p.m. on the
47 third business day before the day of the sale by a county treasurer, as specified in
48 the notice required by NRS 361.595, of any property held in trust by him or her by
49 virtue of any deed made pursuant to the provisions of this chapter, any person
50 specified in subsection 4 is entitled to have the property reconveyed upon the
51 receipt by the county treasurer of payment by or on behalf of that person of an
52 amount equal to the taxes accrued, ~~and any unpaid assessments imposed~~
53 ~~pursuant to chapter 271 of NRS,] together with any costs, penalties and interest~~

legally chargeable against the property. A reconveyance may not be made after expiration of the 90-day period specified in NRS 361.603.

4. Property may be reconveyed pursuant to subsection 3 to one or more of the persons specified in the following categories, or to one or more persons within a particular category, as their interests may appear of record:

(a) The owner.

(b) The beneficiary under a note and deed of trust.

(c) The mortgagee under a mortgage.

(d) The creditor under a judgment.

(e) The person to whom the property was assessed.

(f) The person holding a contract to purchase the property before its conveyance to the county treasurer.

(g) The Director of the Department of Health and Human Services if the owner has received or is receiving any benefits from Medicaid.

(h) The successor in interest of any person specified in this subsection.

(i) A municipality that holds a lien against the property.

5. The provisions of this section apply to land held in trust by a county treasurer on or after April 17, 1971.

Sec. 28. NRS 361.595 is hereby amended to read as follows:

361.595 1. Any property held in trust by any county treasurer by virtue of any deed made pursuant to the provisions of this chapter may be sold and conveyed in the manner prescribed in this section and in NRS 361.603 or conveyed without sale as provided in NRS 361.604.

2. If the property is to be sold, the board of county commissioners may make an order, to be entered on the record of its proceedings, directing the county treasurer to sell the property particularly described therein, after giving notice of sale, for a total amount not less than the amount of the taxes, ~~any unpaid assessments imposed pursuant to chapter 271 of NRS, and~~ costs, penalties and interest legally chargeable against the property as stated in the order.

3. Notice of the sale must specify the day, time and place of the sale and be:

(a) Posted in at least three public places in the county, including one at the courthouse and one on the property, not less than 20 days before the day of sale or, in lieu of such a posting, by publication of the notice at least once a week for 4 consecutive weeks by four weekly insertions in some newspaper published within the county, the first publication being at least 22 days before the day of the sale, if the board of county commissioners so directs.

(b) Mailed by certified mail, return receipt requested, not less than 90 days before the day of the sale, to the owner of the parcel as shown on the tax roll and to any person or governmental entity that appears in the records of the county to have a lien or other interest in the property. If the receipt is returned unsigned, the county treasurer must make a reasonable attempt to locate and notify the owner or other person or governmental entity before the sale.

4. ~~Upon compliance with such an order the~~ Except as otherwise provided in subsection 5, the county treasurer shall make, execute and deliver to any purchaser, upon payment to the county treasurer, as trustee, of a consideration not less than that specified in the order, a quitclaim deed, discharged of any trust of the property mentioned in the order.

5. If, not later than 5 p.m. on the third business day immediately preceding the day of the sale by the county treasurer, a municipality provides the county treasurer with an affidavit signed by the treasurer of the municipality stating that:

(a) The municipality sold the property or the property was stricken off to the municipality pursuant to NRS 271.560; and

(b) A certificate of sale for the property was issued to the purchaser pursuant to NRS 271.570 or to the municipality pursuant to NRS 271.560, the county treasurer may not issue the quitclaim deed described in subsection 4 unless the person who purchased the property from the county pays to the municipality any amount owed pursuant to the certificate of sale issued pursuant to NRS 271.560 and 271.570 and the municipality provides an affidavit signed by the treasurer of the municipality stating that such amounts have been paid. If the purchaser does not pay the amount owed to the municipality within 20 days after the sale of the property by the county, the sale of the property by the county is void and the county treasurer may retain for administrative costs not more than 10 percent of the purchase amount paid by the purchaser.

6. Before delivering ~~any such~~ a deed, the county treasurer shall record the deed at the expense of the purchaser.

~~6. 7.~~ All ~~such~~ deeds ~~issued pursuant to this section,~~ whether issued before, on or after July 1, 1955, are primary evidence:

(a) Of the regularity of all proceedings relating to the order of the board of county commissioners, the notice of sale and the sale of the property; and

(b) That, if the real property was sold to pay taxes on personal property, the real property belonged to the person liable to pay the tax.

~~7. 8.~~ No ~~such~~ deed may be executed and delivered by the county treasurer until he or she files at the expense of the purchaser, with the clerk of the board of county commissioners, proper affidavits of posting and of publication of the notice of sale, as the case may be, together with his or her return of sale, verified, showing compliance with the order of the board of county commissioners, which constitutes primary evidence of the facts recited therein.

~~8. 9.~~ If the deed when regularly issued is not recorded in the office of the county recorder, the deed, and all proceedings relating thereto, is void as against any subsequent purchaser in good faith and for a valuable consideration of the same property, or any portion thereof, when his or her own conveyance is first recorded.

~~9. 10.~~ The board of county commissioners shall provide its clerk with a record book in which must be indexed the name of each purchaser, together with the date of sale, a description of the property sold, a reference to the book and page of the minutes of the board of county commissioners where the order of sale is recorded, and the file number of the affidavits and return.

Sec. 29. ~~NRS 361.602 is hereby amended to read as follows:~~

~~361.602 1. Any local government or the Nevada System of Higher Education may, in the manner provided in this section, acquire property held in trust by the treasurer of the county in which the local government or any part of the System is located by virtue of any deed made pursuant to the provisions of this chapter.~~

~~2. Whenever any local government or the Nevada System of Higher Education determines that a public purpose may be served by the acquisition of the property, it may make application to the board of county commissioners for permission to acquire the property. If the board of county commissioners approves the application, it shall direct the county treasurer to give notice of intent to sell to the last known owner or heirs or devisees of the last known owner of the property in the manner provided by law.~~

~~3. The last known owner may, within 90 days after the notice, redeem the property by paying to the treasurer the amount of the delinquent taxes, [plus] assessments imposed pursuant to chapter 271 of NRS and penalties, interest and costs.~~

~~4. If the owner fails to redeem the property within the time allowed, the county treasurer shall transfer the property to the local government or the Board of~~

~~Regents of the University of Nevada upon receiving from it the amount of the delinquent taxes [.] and assessments, except as otherwise provided in subsection 5.~~

~~5. If property is so transferred to a local government for street, sewer or drainage uses, for use in a program for the rehabilitation of abandoned residential properties established by the local government pursuant to chapter 270B of NRS, or for use as open space real property as designated in a city, county or regional comprehensive plan, the delinquent taxes and assessments need not be paid.~~

~~6. As used in this section, "open space real property" has the meaning ascribed to it in NRS 361A.040. (Deleted by amendment.)~~

Sec. 29.5. NRS 361.610 is hereby amended to read as follows:

361.610 1. Out of the sale price or rents of any property of which he or she is trustee, the county treasurer shall pay the costs due any officer for the enforcement of the tax upon the parcel of property and all taxes owing thereon, and upon the redemption of any property from the county treasurer as trustee, he or she shall pay the redemption money over to any officers having fees due them from the parcels of property and pay the tax for which it was sold and pay the redemption percentage according to the proportion those fees respectively bear to the tax.

2. In no case may:

(a) Any service rendered by any officer under this chapter become or be allowed as a charge against the county; or

(b) The sale price or rent or redemption money of any one parcel of property be appropriated to pay any cost or tax upon any other parcel of property than that so sold, rented or redeemed.

3. After paying all the tax and costs upon any one parcel of property, the county treasurer shall pay into the general fund of the county, from the excess proceeds of the sale:

(a) The first \$300 of the excess proceeds; and

(b) Ten percent of the next \$10,000 of the excess proceeds.

4. The amount remaining after the county treasurer has paid the amounts required by subsection 3 must be deposited in an interest-bearing account maintained for the purpose of holding excess proceeds separate from other money of the county. If no claim is made for the excess proceeds within 1 year after the deed given by the county treasurer is recorded, the county treasurer shall pay the money into the general fund of the county, and it must not thereafter be refunded to the former property owner or his or her successors in interest. All interest paid on money deposited in the account required by this subsection is the property of the county.

5. If a person who would have been entitled to receive reconveyance of the property pursuant to NRS 361.585 makes a claim in writing for the excess proceeds within 1 year after the deed is recorded, the county treasurer shall pay the claim or the proper portion of the claim over to the person if the county treasurer is satisfied that the person is entitled to it.

6. A claim for excess proceeds must be paid out in the following order of priority to:

(a) The persons specified in paragraphs (b), (c), (d), (g), ~~and~~ (h) and (i) of subsection 4 of NRS 361.585 in the order of priority of the recorded liens; and

(b) Any person specified in paragraphs (a), (e) and (f) of subsection 4 of NRS 361.585.

7. The county treasurer shall approve or deny a claim within 30 days after the period described in subsection 4 for filing a claim has expired. Any records or other documents concerning a claim shall be deemed the working papers of the county treasurer and are confidential. If more than one person files a claim, and the county

1 treasurer is not able to determine who is entitled to the excess proceeds, the matter
2 must be submitted to mediation.

3 8. If the mediation is not successful, the county treasurer shall:

4 (a) Conduct a hearing to determine who is entitled to the excess proceeds; or

5 (b) File an action for interpleader.

6 9. A person who is aggrieved by a determination of the county treasurer
7 pursuant to this section may, within 90 days after the person receives notice of the
8 determination, commence an action for judicial review of the determination in
9 district court.

10 10. Any agreement to locate, deliver, recover or assist in the recovery of
11 remaining excess proceeds of a sale which is entered into by a person who would
12 have been entitled to receive reconveyance of the property pursuant to subsection 4
13 of NRS 361.585 must:

14 (a) Be in writing.

15 (b) Be signed by the person who would have been entitled to receive
16 reconveyance.

17 (c) Not provide for a fee of more than 10 percent of the total remaining excess
18 proceeds of the sale due that person.

19 11. In addition to authorizing a person pursuant to an agreement described in
20 subsection 10 to file a claim and collect from the county treasurer any property
21 owed to the person, a person described in subsection 4 of NRS 361.585 may
22 authorize a person pursuant to a power of attorney, assignment or any other legal
23 instrument to file a claim and collect from the county treasurer any property owed
24 to him or her. The county is not liable for any losses resulting from the approval of
25 the claim if the claim is paid by the county treasurer in accordance with the
26 provisions of the legal instrument.

27 **Sec. 30.** 1. For any improvement district formed before July 1, 2015, and
28 conducting a commercial area vitalization project on that date, the amendatory
29 provisions of this act shall not be deemed to:

30 (a) Dissolve the improvement district.

31 (b) Impair the authority of the governing body with respect to the project.

32 (c) Affect any assessment levied to pay any indebtedness:

33 (1) Incurred for the project before July 1, 2015; and

34 (2) Remaining unpaid on that date.

35 2. As used in this section, "commercial area vitalization project" has the
36 meaning ascribed to it in NRS 271.063, as that section existed before July 1, 2015.

37 **Sec. 31.** This act becomes effective on July 1, 2015.