

ASSEMBLY BILL NO. 8—COMMITTEE  
ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE NEVADA LEAGUE OF  
CITIES AND MUNICIPALITIES)

PREFILED NOVEMBER 15, 2016

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the collection of  
delinquent municipal utility charges. (BDR 21-323)

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 municipal utilities; expanding the utility  
services for which delinquent charges may be collected  
with the general taxes of the county; and providing other  
matters properly relating thereto.

**Legislative Counsel's Digest:**

- 1 Under existing law, the governing body of a city which provides sewerage may  
2 have delinquent charges for sewerage collected with the county's general taxes.  
3 (NRS 268.043) **Section 1** of this bill expands this authority and provides that a  
4 governing body providing sewerage, storm drainage or water service, or any  
5 combination of those services, may collect delinquent charges in such a manner.  
6 **Sections 2 and 3** of this bill make conforming changes.

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

- 1 **Section 1.** NRS 268.043 is hereby amended to read as follows:  
2 268.043 1. The governing body of a city which provides  
3 ~~sewerage~~ *utility services* may elect by ordinance to have  
4 delinquent charges for ~~sewerage~~ *any or all of those utility services*  
5 collected on the tax roll in the same manner, by the same persons,  
6 and at the same time as, together with and not separately from, the  
7 county's general taxes. The governing body shall cause a



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1 description of each parcel of real property with respect to which the  
2 charge is delinquent on May 1 and the amount of the delinquent  
3 charge to be prepared and filed with the board of county  
4 commissioners no later than June 1. The description of each parcel  
5 and the amount of the delinquent charge must be filed in a form  
6 approved by the county treasurer.

7 2. The powers authorized by this section are alternative to all  
8 other powers of the city for the collection of such charges.

9 3. The real property may be described by reference to maps  
10 prepared by and on file in the office of the county assessor or by  
11 descriptions used by the county assessor.

12 4. The amount of the charge constitutes a lien against the lot or  
13 parcel of land against which the charge has been imposed as of the  
14 time when the lien of taxes on the roll attach.

15 5. The county treasurer shall include the amount of the charges  
16 on bills for taxes levied against the respective lots and parcels of  
17 land. Thereafter, the amount of the charges must be collected at the  
18 same time and in the same manner and by the same persons as,  
19 together with and not separately from, the general taxes for the  
20 county.

21 6. All laws applicable to the levy, collection and enforcement  
22 of general taxes of the county, including, but not limited to, those  
23 pertaining to the matters of delinquency, correction, cancellation,  
24 refund, redemption and sale, are applicable to delinquent charges for  
25 ~~sewerage.~~ *utility services.*

26 7. The county treasurer may issue separate bills for those  
27 charges and separate receipts for collection on account of those  
28 charges.

29 8. The governing body shall pay to the county treasurer, on the  
30 date it files the information described in subsection 1, 4 percent of  
31 the amount of the delinquent charges for ~~sewerage~~ *the utility*  
32 *services* to be collected on the tax roll or the amount estimated by  
33 the county treasurer which is necessary to collect and distribute  
34 those delinquent charges, whichever is greater. If the amount paid  
35 by the governing body to the county treasurer exceeds the actual  
36 amount which is necessary to collect and distribute the delinquent  
37 charges, the county treasurer shall refund the excess amount to the  
38 governing body within 1 year after the date the governing body files  
39 the information described in subsection 1.

40 9. *As used in this section, "utility services" means sewerage,*  
41 *storm drainage or water service, or any combination of those*  
42 *services.*

43 **Sec. 2.** NRS 268.4112 is hereby amended to read as follows:

44 268.4112 1. In a county whose population is 700,000 or  
45 more, the governing body of a city that owns a municipal water



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1 system may, if requested by a water authority, impose an excise tax  
2 on the use of water in an amount sufficient to ensure the payment,  
3 wholly or in part, of obligations incurred by the water authority to  
4 acquire, establish, construct, improve or equip, or any combination  
5 thereof, a water facility. The tax must be imposed by ordinance on  
6 customers of the municipal water system that are capable of using or  
7 benefiting from the water facility financed, wholly or in part, with  
8 the proceeds of the tax.

9 2. An excise tax imposed pursuant to subsection 1 must be  
10 levied at different rates for different classes of customers and must  
11 take into account differences in the amount of water used or  
12 estimated to be used and the size of the connection.

13 3. The ordinance imposing the tax must provide:

14 (a) The rate or rates of the tax, which must not exceed one-  
15 quarter of 1 percent of the monthly water bill of customers of all  
16 residential classes and 5 percent of the monthly water bill of  
17 customers of all commercial classes and any other class;

18 (b) The procedure for collection of the tax;

19 (c) The duration of the tax; and

20 (d) The rate of interest that will be charged on late payments.

21 4. Late payments of the tax must bear interest at a rate not  
22 exceeding 1 percent per month, or fraction thereof. The tax due is a  
23 perpetual lien against the property served by the water on whose use  
24 the tax is imposed until the tax and any interest that may accrue  
25 thereon are paid. Collection of the tax may be enforced in any  
26 manner authorized by law for the collection of unpaid water bills. In  
27 addition to all other methods available to enforce payment of the  
28 tax, the city, by ordinance, may provide that it will be collected in  
29 the same manner as delinquent ~~taxes~~ *charges* are collected  
30 pursuant to NRS 268.043 for ~~sewerage~~ *utility services* charges.

31 5. Subject to the provisions of this subsection, the governing  
32 body of the city may reduce the amount of the tax imposed pursuant  
33 to this section as the obligations of the city and the water authority  
34 allow. No ordinance imposing a tax which is enacted pursuant to  
35 this section may be repealed or amended or otherwise directly or  
36 indirectly modified in such a manner as to impair any outstanding  
37 bonds or other obligations which are payable from or secured by a  
38 pledge of a tax enacted pursuant to this section until those bonds or  
39 other obligations have been discharged in full.

40 6. The governing body of the city shall review the necessity for  
41 the continued imposition of the tax authorized pursuant to this  
42 section at least once every 10 years.

43 7. As used in this section:

44 (a) *“Utility services” has the meaning ascribed to it in*  
45 *NRS 268.043.*



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(b) "Water authority" means a water authority organized as a public agency or entity created by cooperative agreement pursuant to chapter 277 of NRS whose members at the time of formation include the three largest retail water purveyors in the county and which is responsible for the acquisition, treatment and delivery of water and water resources on a wholesale basis to utilities, governmental agencies and entities and other large customers.

~~(b)~~ (c) "Water facility" means a facility pertaining to a water system for the collection, transportation, treatment, purification and distribution of water, including, without limitation, springs, wells, ponds, lakes, water rights, other raw water sources, basin cribs, dams, spillways, retarding basins, detention basins, reservoirs, towers and other storage facilities, pumping plants, infiltration galleries, filtration plants, purification systems, other water treatment facilities, waterworks plants, pumping stations, gauging stations, ventilating facilities, stream gauges, rain gauges, valves, standpipes, connections, hydrants, conduits, flumes, sluices, canals, channels, ditches, pipes, lines, laterals, service pipes, force mains, submains, siphons, other water transmission and distribution mains, engines, boilers, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings and other facilities for the acquisition, transportation, treatment, purification and distribution of untreated water or potable water for domestic, commercial and industrial use and irrigation, or any combination thereof.

**Sec. 3.** Section 28 of the Las Vegas Valley Water District Act, being chapter 506, Statutes of Nevada 1997, at page 2404, is hereby amended to read as follows:

Sec. 28. 1. At the request of the Southern Nevada Water Authority, to pay all or any part of the cost to acquire, establish, construct, improve or equip, or any combination thereof, one or more water facilities, the Board of Directors of the District may impose an excise tax on the use of water in an amount sufficient to ensure the payment, wholly or in part, of obligations incurred by the Southern Nevada Water Authority. The tax must be imposed as a rate or charge pursuant to the procedures for adopting a schedule of rates and charges set forth in section 9.2 on customers of the water system of the District that are capable of using or benefiting from the water facilities financed, wholly or in part, with the proceeds of the tax.

2. An excise tax imposed pursuant to subsection 1 must be levied at different rates for different classes of customers and must take into account differences in the amount of water used or estimated to be used and the size of the connection.



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3. The schedule imposing the rate or charge must provide:

(a) The amount of the rate or charge, which must not exceed one-quarter of 1 percent of the monthly water bill of customers of all residential classes and 5 percent of the monthly water bill of customers of all commercial classes and any other class;

(b) The procedure for collection of the rate or charge;

(c) The duration of the rate or charge; and

(d) The rate of interest that will be charged on late payments.

4. Late payments of the tax must bear interest at a rate not exceeding 1 percent per month, or fraction thereof. The tax due is a perpetual lien against the property served by the water on whose use the tax is imposed until the tax and any interest that may accrue thereon are paid. Collection of the tax may be enforced in any manner authorized by law for the collection of unpaid water bills. In addition to all other methods available to enforce payment of the tax, the District may provide that it will be collected in the same manner as delinquent ~~taxes~~ *charges* are collected pursuant to NRS 268.043 for ~~sewerage~~ *utility services* charges.

5. Subject to the provisions of this subsection, the Board of Directors of the District may reduce the amount of the tax imposed pursuant to this section as the obligations of the District or the water authority allow. The Board of Directors of the District shall not repeal or amend or otherwise directly or indirectly modify the tax in such a manner as to impair any outstanding bonds or other obligations which are payable from or secured by a pledge of a tax imposed pursuant to this section until those bonds or other obligations have been discharged in full.

6. The Board of Directors of the District shall review the necessity for the continued imposition of the tax authorized pursuant to this section at least once every 10 years.

7. As used in this section ~~“water”~~:

(a) *“Utility services” has the meaning ascribed to it in NRS 268.043.*

(b) *“Water facility” has the meaning ascribed to “water project” in paragraph (b) of subsection 6 of section 27.*

