

(Reprinted with amendments adopted on May 20, 2019)

SECOND REPRINT

A.B. 244

ASSEMBLY BILL NO. 244—ASSEMBLYMAN KRAMER

MARCH 11, 2019

Referred to Committee on Taxation

**SUMMARY**—Allows the imposition of a property tax in certain counties to fund capital projects of the school district based on the recommendations of an advisory committee and voter approval. (BDR S-1008)

**FISCAL NOTE:** Effect on Local Government: May have Fiscal Impact.  
Effect on the State: No.

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

AN ACT relating to taxation; authorizing the board of trustees of a school district under specified circumstances to adopt a resolution establishing the formation of an advisory committee to recommend the imposition of a property tax to fund the capital projects of the school district; authorizing the board of trustees of a school district to transmit the recommendations of such a committee to the board of county commissioners; authorizing the board of county commissioners to submit a question to the voters at the next general election asking whether the recommended tax should be imposed in the county; requiring the board of county commissioners to adopt an ordinance imposing any such tax that is approved by the voters; providing for the use of the proceeds of such tax for certain school purposes; providing for the prospective expiration of the authority of a board of trustees to establish such a committee; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 During the 2015 Legislative Session, the Legislature enacted Senate Bill No.  
2 411, which authorized the board of trustees of certain school districts to establish  
3 by resolution a Public Schools Overcrowding and Repair Needs Committee to  
4 recommend the imposition of certain taxes for consideration by the voters at the  
5 2016 General Election to fund the capital projects of the school district. The  
6 authority to establish such a Committee expired by limitation on April 2, 2016.



\* A B 2 4 4 R 2 \*

**Section 1** of this bill authorizes the board of trustees of certain school districts to establish by resolution an advisory committee to recommend a property tax for consideration by the voters at a general election held not later than the November 8, 2022, General Election, to fund the capital projects of the school district. Under this bill, an advisory committee may not be established by the board of trustees of a school district which established a Public Schools Overcrowding and Repair Needs Committee, which is located in a county authorized to impose for the benefit of the school district a tax on residential construction, or which is located in a county in which there is imposed for the benefit of the school district a tax on the gross receipts from the rental of transient lodging or a tax on transfers of real property, or both.

**Sections 2 and 3.5** of this bill provide that if such an advisory committee is established, the advisory committee may recommend that an additional property tax be imposed in the county for the benefit of the school district. The recommendations of the advisory committee must specify the rate of the tax and the period during which the recommended tax will be imposed. If the advisory committee submits its recommendations to the board of trustees of the school district by April 2, 2022, the board of trustees is authorized to transmit the recommendations to the board of county commissioners. The board of county commissioners is authorized to submit a question to the voters at the next general election asking whether the tax recommended by the advisory committee should be imposed in the county. If a majority of the voters approve the question, the board of county commissioners is required to impose the approved tax at the rate and for the period specified in the question submitted to the voters. If a majority of the voters approve the imposition of the additional property tax, the additional rate is exempt from the partial abatement of property taxes on certain property and the requirement that taxes ad valorem not exceed \$3.64 on each \$100 of assessed valuation.

**Section 4** of this bill provides that the proceeds resulting from the imposition of the additional property tax: (1) must be deposited in the fund for capital projects of the school district; and (2) may be pledged to the payment of the principal and interest on bonds or other obligations issued for certain school purposes.

**Section 5** of this bill provides that the provisions of this bill authorizing the board of trustees of a school district to establish such an advisory committee expire by limitation on April 2, 2022.

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

**Section 1.** 1. The board of trustees of a school district, other than a school district which established a Public Schools Overcrowding and Repair Needs Committee pursuant to section 1 of chapter 425, Statutes of Nevada 2015, at page 2444, which is located in a county not authorized to impose a residential construction tax pursuant to NRS 387.331 for the benefit of the school district, or which is located in a county in which there is imposed for the benefit of the school district a tax on the gross receipts from the rental of transient lodging or a tax on transfers of real property pursuant to chapter 375 of NRS, or both, may, by resolution, establish an advisory committee to recommend the imposition of the tax described in section 3.5 of this act for



1 consideration by the voters at a general election to fund the capital  
2 projects of the school district. If such a resolution is adopted, the  
3 board of trustees shall appoint the members of the advisory  
4 committee, consisting of persons who represent a variety of interests  
5 within the community, including, without limitation, seniors,  
6 veterans, low-income persons, businesses and realtors.

7 2. The members appointed pursuant to subsection 1 must be  
8 residents of the county.

9 3. Any vacancy occurring in the membership of an advisory  
10 committee established pursuant to subsection 1 must be filled not  
11 later than 30 days after the vacancy occurs.

12 4. If an advisory committee is established pursuant to  
13 subsection 1, the advisory committee shall hold its first meeting  
14 upon the call of the superintendent of schools of the school district  
15 as soon as practicable after the appointments are made pursuant to  
16 subsection 1. At the first meeting of the advisory committee, the  
17 members of the advisory committee shall elect a chair.

18 5. A majority of an advisory committee established pursuant to  
19 subsection 1 constitutes a quorum for the transaction of business,  
20 and a majority of those members present at any meeting is sufficient  
21 for any official action taken by the advisory committee.

22 6. If an advisory committee is established pursuant to  
23 subsection 1, the superintendent of schools of the school district  
24 shall provide administrative support to the advisory committee.

25 **Sec. 2.** 1. If an advisory committee is established pursuant to  
26 subsection 1 of section 1 of this act, such an advisory committee  
27 shall, on or before April 2, 2022:

28 (a) Prepare recommendations for the imposition of the tax  
29 described in section 3.5 of this act in the county to provide funding  
30 for the school district for the purposes set forth in subsection 1 of  
31 NRS 387.335. The recommendations must specify the proposed rate  
32 of the recommended tax and the period during which the  
33 recommended tax will be imposed.

34 (b) Submit the recommendations to the board of trustees of the  
35 school district which established the advisory committee. The board  
36 of trustees may submit the recommendations of the advisory  
37 committee to the board of county commissioners of the county in  
38 which the school district is located.

39 2. Upon the receipt of recommendations pursuant to subsection  
40 1, the board of county commissioners may, at the next general  
41 election following the receipt of the recommendations, submit a  
42 question to the voters of the county asking whether the  
43 recommended tax should be imposed in the county. The question  
44 submitted to the voters of the county must specify the proposed rate  
45 of the tax and the period during which the recommended tax will be



1 imposed. The question submitted to the voters pursuant to this  
2 subsection must state that any such tax imposed is exempt from each  
3 partial abatement from taxation provided pursuant to NRS  
4 361.4722, 361.4723 and 361.4724 and that the rate of the tax must  
5 not be included in the total ad valorem tax levy for the purposes of  
6 the application of the limitation in NRS 361.453.

7 3. If a majority of the voters voting on the question submitted  
8 to the voters pursuant to subsection 2 vote affirmatively on the  
9 question:

10 (a) The board of county commissioners shall impose the  
11 recommended tax at the rate and for the period specified in the  
12 question submitted to the voters pursuant to subsection 2.

13 (b) Any such tax imposed is exempt from each partial abatement  
14 from taxation provided pursuant to NRS 361.4722, 361.4723 and  
15 361.4724.

16 (c) The provisions of NRS 361.453 do not apply to any such tax  
17 imposed.

18 (d) The tax shall be imposed notwithstanding the provisions of  
19 any specific statute to the contrary and, except as otherwise  
20 specifically provided in this section and sections 1 and 4 of this act,  
21 the tax is not subject to any limitations set forth in any statute which  
22 authorizes the board of county commissioners to impose such tax or  
23 taxes, including, without limitation, any limitations on the  
24 maximum rate or rates which may be imposed or the duration of the  
25 period during which such taxes may be imposed.

26 **Sec. 3.** (Deleted by amendment.)

27 **Sec. 3.5.** Upon approval of the registered voters of a county  
28 voting on a question presented to the voters pursuant to section 2 of  
29 this act recommending the imposition of a tax on the assessed  
30 valuation of taxable property within the county, the board of county  
31 commissioners shall, in addition to any tax levied on the assessed  
32 valuation of taxable property in the county, levy a tax on the  
33 assessed valuation of taxable property within the county in the  
34 amount described in the question presented to the voters pursuant to  
35 section 2 of this act. The tax must be administered and enforced in  
36 the same manner as the tax imposed pursuant to NRS 387.195 is  
37 administered and enforced.

38 **Sec. 4.** The proceeds of any tax imposed pursuant to section 2  
39 of this act:

40 1. Must be deposited in the school district's fund for capital  
41 projects established pursuant to NRS 387.328, to be held and, except  
42 as otherwise provided in subsection 2, expended in the same manner  
43 as other money deposited in that fund.

44 2. May be pledged to the payment of principal and interest on  
45 bonds or other obligations issued for one or more of the purposes set



1 forth in NRS 387.335. The proceeds of the tax so pledged may be  
2 treated as pledged revenues for the purposes of subsection 3 of NRS  
3 350.020, and the board of trustees of the school district may issue  
4 bonds for those purposes in accordance with the provisions of  
5 chapter 350 of NRS.

6 3. May not be used:

7 (a) To settle or arbitrate disputes between a recognized  
8 organization representing employees of a school district and the  
9 school district, or to settle any negotiations; or

10 (b) To adjust the district-wide schedule of salaries and benefits  
11 of the employees of a school district.

12 **Sec. 5.** 1. This act becomes effective upon passage and  
13 approval.

14 2. Section 1 of this act expires by limitation on April 2, 2022.

