

Amendment No. 257

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| Senate Amendment to Senate Bill No. 465 | (BDR 22-1159) |
| Proposed by: Senate Committee on Government Affairs | |
| Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: No | |

| 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.



SENATE BILL NO. 465—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 25, 2019

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to redevelopment areas. (BDR 22-1159)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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

AN ACT relating to redevelopment; revising provisions governing the amount of the proceeds of certain taxes levied in a redevelopment area that must be allocated to the redevelopment agency and used for certain purposes related to redevelopment; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Community Redevelopment Law authorizes the city council, board of county commissioners or other legislative body of a city or county to declare the need for a redevelopment agency to function in the community. The Community Redevelopment Law grants a redevelopment agency certain powers and duties with regard to the elimination of blight in a redevelopment area in the community. (Chapter 279 of NRS)

Under existing law, the property taxes levied on taxable property located in a redevelopment area that exceed a certain amount are required to be allocated to the redevelopment agency to pay certain costs related to redevelopment in the redevelopment area. (NRS 279.676) This bill authorizes a redevelopment agency to adopt a resolution requiring that property taxes attributable to certain tax rates levied for the public schools in the county be allocated to the county school district such that the redevelopment agency would not receive any portion of the property taxes attributable to such tax rates.

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

Section 1. NRS 279.676 is hereby amended to read as follows:

279.676 1. Any redevelopment plan may contain a provision that taxes, if any, levied upon taxable property in the redevelopment area each year by or for the benefit of the State, any city, county, district or other public corporation, after the effective date of the ordinance approving the redevelopment plan, must be divided as follows:

(a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the redevelopment area as shown upon the assessment roll used in connection with the taxation of the property by the

1 taxing agency, last equalized before the effective date of the ordinance, must be
2 allocated to and when collected must be paid into the funds of the respective taxing
3 agencies as taxes by or for such taxing agencies on all other property are paid. To
4 allocate taxes levied by or for any taxing agency or agencies which did not include
5 the territory in a redevelopment area on the effective date of the ordinance but to
6 which the territory has been annexed or otherwise included after the effective date,
7 the assessment roll of the county last equalized on the effective date of the
8 ordinance must be used in determining the assessed valuation of the taxable
9 property in the redevelopment area on the effective date. If property which was
10 shown on the assessment roll used to determine the amount of taxes allocated to the
11 taxing agencies is transferred to the State and becomes exempt from taxation, the
12 assessed valuation of the exempt property as shown on the assessment roll last
13 equalized before the date on which the property was transferred to the State must be
14 subtracted from the assessed valuation used to determine the amount of revenue
15 allocated to the taxing agencies.

16 (b) Except as otherwise provided in paragraphs (c), ~~(and)~~ (d) *and (e)* and NRS
17 540A.265, that portion of the levied taxes each year in excess of the amount set
18 forth in paragraph (a) must be allocated to and when collected must be paid into a
19 special fund of the redevelopment agency to pay the costs of redevelopment and to
20 pay the principal of and interest on loans, money advanced to, or indebtedness,
21 whether funded, refunded, assumed, or otherwise, incurred by the redevelopment
22 agency to finance or refinance, in whole or in part, redevelopment. Unless the total
23 assessed valuation of the taxable property in a redevelopment area exceeds the total
24 assessed value of the taxable property in the redevelopment area as shown by:

25 (1) The assessment roll last equalized before the effective date of the
26 ordinance approving the redevelopment plan; or

27 (2) The assessment roll last equalized before the effective date of an
28 ordinance adopted pursuant to subsection 5,

29 ↳ whichever occurs later, less the assessed valuation of any exempt property
30 subtracted pursuant to paragraph (a), all of the taxes levied and collected upon the
31 taxable property in the redevelopment area must be paid into the funds of the
32 respective taxing agencies. When the redevelopment plan is terminated pursuant to
33 the provisions of NRS 279.438 and 279.439 and all loans, advances and
34 indebtedness, if any, and interest thereon, have been paid, all money thereafter
35 received from taxes upon the taxable property in the redevelopment area must be
36 paid into the funds of the respective taxing agencies as taxes on all other property
37 are paid.

38 (c) That portion of the taxes in excess of the amount set forth in paragraph (a)
39 that is attributable to a tax rate levied by a taxing agency to produce revenues in an
40 amount sufficient to make annual repayments of the principal of, and the interest
41 on, any bonded indebtedness that was approved by the voters of the taxing agency
42 on or after November 5, 1996, must be allocated to and when collected must be
43 paid into the debt service fund of that taxing agency.

44 (d) That portion of the taxes in excess of the amount set forth in paragraph (a)
45 that is attributable to a new or increased tax rate levied by a taxing agency and was
46 approved by the voters of the taxing agency on or after November 5, 1996, must be
47 allocated to and when collected must be paid into the appropriate fund of the taxing
48 agency.

49 *(e) If an agency has adopted a resolution pursuant to subsection 8, that*
50 *portion of the taxes in excess of the amount set forth in paragraph (a) that is*
51 *attributable to a tax rate levied by a taxing agency:*

52 *(1) Pursuant to NRS 387.3285 or 387.3287, if that rate was approved by a*
53 *majority of the registered voters within the area of the taxing agency voting upon*

1 *the question, must be allocated to, and when collected paid into, the appropriate*
2 *fund of that taxing agency.*

3 *(2) For the support of public schools within a county school district*
4 *pursuant to NRS 387.195, must be allocated to, and when collected paid into, the*
5 *appropriate fund of that taxing agency.*

6 2. Except as otherwise provided in subsection 3, in any fiscal year, the total
7 revenue paid to a redevelopment agency must not exceed:

8 (a) In a county whose population is 100,000 or more or a city whose
9 population is 150,000 or more, an amount equal to the combined tax rates of the taxing
10 agencies for that fiscal year multiplied by 10 percent of the total assessed
11 valuation of the municipality.

12 (b) In a county whose population is 30,000 or more but less than 100,000 or a
13 city whose population is 25,000 or more but less than 150,000, an amount equal to
14 the combined tax rates of the taxing agencies for that fiscal year multiplied by 15
15 percent of the total assessed valuation of the municipality.

16 (c) In a county whose population is less than 30,000 or a city whose population
17 is less than 25,000, an amount equal to the combined tax rates of the taxing
18 agencies for that fiscal year multiplied by 20 percent of the total assessed valuation
19 of the municipality.

20 ➤ If the revenue paid to a redevelopment agency must be limited pursuant to
21 paragraph (a), (b) or (c) and the redevelopment agency has more than one
22 redevelopment area, the redevelopment agency shall determine the allocation to
23 each area. Any revenue which would be allocated to a redevelopment agency but
24 for the provisions of this section must be paid into the funds of the respective taxing
25 agencies.

26 3. The taxing agencies shall continue to pay to a redevelopment agency any
27 amount which was being paid before July 1, 1987, and in anticipation of which the
28 agency became obligated before July 1, 1987, to repay any bond, loan, money
29 advanced or any other indebtedness, whether funded, refunded, assumed or
30 otherwise incurred.

31 4. For the purposes of this section, the assessment roll last equalized before
32 the effective date of the ordinance approving the redevelopment plan is the
33 assessment roll in existence on March 15 immediately preceding the effective date
34 of the ordinance.

35 5. If in any year the assessed value of the taxable property in a redevelopment
36 area located in a city in a county whose population is 700,000 or more as shown by
37 the assessment roll most recently equalized has decreased by 10 percent or more
38 from the assessed value of the taxable property in the redevelopment area as shown
39 by the assessment roll last equalized before the effective date of the ordinance
40 approving the redevelopment plan, the redevelopment agency may adopt an
41 ordinance which provides that the total assessed value of the taxable property in the
42 redevelopment area for the purposes of paragraphs (a) and (b) of subsection 1 is the
43 total assessed value of the taxable property in the redevelopment area as shown by
44 the assessment roll last equalized before the effective date of the ordinance adopted
45 pursuant to this subsection. A redevelopment agency may adopt an ordinance
46 pursuant to this subsection only once, and the election to adopt such an ordinance is
47 irrevocable.

48 6. An agency which adopts an ordinance pursuant to subsection 5 and which
49 receives revenue pursuant to paragraph (b) of subsection 1 from taxes on the
50 taxable property located in the redevelopment area affected by the ordinance shall
51 set aside 18 percent of that revenue received on and after the effective date of the
52 ordinance to:

53 (a) Increase, improve, preserve or enhance public educational facilities;

1 (b) Support public educational activities and programs; or

2 (c) Increase, improve, preserve or enhance public educational facilities and
3 support public educational activities and programs,

4 ➤ which are located in or within 1 mile of the redevelopment area or which serve
5 pupils who reside in or within 1 mile of the redevelopment area. For each fiscal
6 year, the agency shall prepare a written report concerning the amount of money
7 expended for the purposes set forth in this subsection and shall, on or before
8 November 30 of each year, submit a copy of the report to the Director of the
9 Legislative Counsel Bureau for transmittal to the Legislative Commission, if the
10 report is received during an odd-numbered year, or to the next session of the
11 Legislature, if the report is received during an even-numbered year.

12 7. The obligation of an agency pursuant to subsection 6 to set aside 18 percent
13 of the revenue allocated to and received by the agency pursuant to paragraph (b) of
14 subsection 1 from taxes on the taxable property located in the redevelopment area
15 affected by the ordinance adopted by the agency pursuant to subsection 5 is
16 subordinate to any existing obligations of the agency. As used in this subsection,
17 "existing obligations" means the principal and interest, when due, on any bonds,
18 notes or other indebtedness whether funded, refunded, assumed or otherwise
19 incurred by an agency before the effective date of an ordinance adopted by the
20 agency pursuant to subsection 5, to finance or refinance in whole or in part, the
21 redevelopment of a redevelopment area. For the purposes of this subsection,
22 obligations incurred by an agency on or after the effective date of an ordinance
23 adopted by the agency pursuant to subsection 5 shall be deemed existing
24 obligations if the net proceeds are used to refinance existing obligations of the
25 agency.

26 8. *An agency may adopt a resolution providing that the portion of the taxes*
27 *in excess of the amount set forth in paragraph (a) of subsection 1 that is*
28 *attributable to any tax rate levied by a taxing agency:*

29 (a) *Pursuant to NRS 387.3285 or 387.3287, if that rate was approved by a*
30 *majority of the registered voters within the area of the taxing agency voting upon*
31 *the question, must be allocated to, and when collected paid into, the appropriate*
32 *fund of that taxing agency.*

33 (b) *For the support of public schools within a county school district pursuant*
34 *to NRS 387.195, must be allocated to, and when collected paid into, the*
35 *appropriate fund of that taxing agency.*

36 **Sec. 2. The amendatory provisions of this act do not apply to the extent**
37 **that the provisions would constitute an impairment of the rights of holders of**
38 **bonds or similar obligations.**

39 **Sec. 3.** This act becomes effective on July 1, 2019.