ASSEMBLY BILL NO. 392–ASSEMBLYMEMBER CARTER

MARCH 11, 2025

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to interlocal agreements and contracts with tribal governments. (BDR 22-1059)

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 governmental administration; revising provisions relating to certain interlocal agreements and contracts between tribal governments and certain public agencies; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Interlocal Cooperation Act authorizes a public agency of this State to enter into a joint or cooperative agreement with any other public agency of this State, another state, the Federal Government or an Indian tribe, group of tribes, organized segment of a tribe or any organization representing such tribal entities to exercise any power, privilege or authority capable of being exercised by such a public agency. (NRS 277.100, 277.110) Existing law also authorizes one or more such public agencies to contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies are authorized to perform. (NRS 277.180) **Section 1** of this bill provides that, if a tribal government wishes to enter into a joint or cooperative agreement or contract with the governing body of a county or agency thereof for the performance of any service, activity or undertaking, the governing body of the county, on behalf of the county or agency thereof, may engage in discussions in good faith with the tribal government. If the governing body enters into such an agreement or contract with a tribal government, **section 1** requires that the agreement be a conditional interlocal agreement which: (1) does not require the tribal government to waive sovereign immunity; and (2) authorizes the governing body of the county to terminate the agreement with 90 days' advance notice to the tribal government under certain circumstances.

Sections 2 and 3 of this bill add the provisions of **section 1** to the Interlocal Cooperation Act and purpose of the Act.

Section 4 of this bill applies the definitions in the Interlocal Cooperation Act relating to the Act to the provisions of **section 1**.

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

Section 1. Chapter 277 of NRS is hereby amended by adding thereto a new section to read as follows:

1. If a tribal government wishes to enter into an agreement for joint or cooperative action or contract with the governing body of a county or agency thereof, pursuant to the provisions of this section and NRS 277.080 to 277.180, inclusive, within which tribal land of the tribal government is located, partially or wholly, for the performance of any governmental service, activity or undertaking which the tribal government, county or agency thereof is authorized by law to perform, the governing body of the county may, on behalf of the county or agency thereof, engage in discussions in good faith with the tribal government for the performance of such services.

2. If the governing body of a county or agency thereof enters into an agreement or contract pursuant to the provisions of this section and NRS 277.080 to 277.180, inclusive, such an agreement must be a conditional interlocal agreement which:

(a) Must not require a tribal government to waive sovereign immunity; and

(b) Must authorize the governing body of the county or agency thereof to terminate the agreement by providing the tribal government with 90 days' advance written notice, upon the occurrence of any of the following conditions:

(1) The tribal government is more than 60 days delinquent on its financial obligations under the agreement;

(2) The tribal government fails to respond for more than 90 days to a written demand by the governing body of the county or agency thereof to perform under the agreement;

(3) An authorized representative of the tribal government or tribal council or tribal police of the tribal government prevents entry onto the tribal land or otherwise prevents the county or agency thereof, or any employee or agent of the county or agency, from otherwise performing under the agreement; or

(4) The tribal government enters into any subsequent agreement pursuant to this section and NRS 277.080 to 277.180, inclusive, which materially conflicts with the existing agreement.

3. As used in this section:

(a) "Good faith" means honesty in fact and the observance of reasonable standards of fair dealing.

(b) "Tribal government" means the governing body of an Indian tribe, group of tribes, organized segment of a tribe or any organization representing two or more such entities.

Sec. 2. NRS 277.080 is hereby amended to read as follows:

277.080 NRS 277.080 to 277.180, inclusive, ***and section 1 of this act*** may be cited as the Interlocal Cooperation Act.

Sec. 3. NRS 277.090 is hereby amended to read as follows:

277.090 It is the purpose of NRS 277.080 to 277.180, inclusive, ***and section 1 of this act*** to permit local governments to make the most efficient use of their powers by enabling them to cooperate with other local governments on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization which will best accord with geographic, economic, population and other factors influencing the needs and development of local communities.

Sec. 4. NRS 277.100 is hereby amended to read as follows:

277.100 As used in NRS 277.080 to 277.180, inclusive, ***and section 1 of this act,*** unless the context otherwise requires:

1. "Public agency" means:

(a) Any political subdivision of this State, including without limitation counties, incorporated cities and towns, including Carson City, unincorporated towns, school districts and other districts.

(b) Any agency of this State or of the United States.

(c) Any political subdivision of another state.

(d) Any Indian tribe, group of tribes, organized segment of a tribe, or any organization representing two or more such entities.

2. "State" includes any of the United States and the District of Columbia.

Sec. 5. This act becomes effective on July 1, 2025.

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