

**Carson City  
Agenda Report**

**Date Submitted:** March 19, 2013

**Agenda Date Requested:** March 25, 2013

**Time Requested:** 10 minutes

**To:** Mayor and Supervisors

**From:** City Manager

**Subject Title:** For possible action. Discussion and possible action to convey to the 2013 Legislature the Board's position on AB387 (BDR 30-564), a bill to require that certain proposals for bonding by a municipality in a county with a population less than 100,000 be approved by two-thirds of the electors of the municipality and that a failed proposal may not be resubmitted for at least 5 years.

**Staff Summary:** The existing law requires a majority of the electors approve certain general obligations with no time limits specifying when a proposal may be resubmitted to the electors.

**Type of Action Requested:** (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

**Does This Action Require A Business Impact Statement:**  Yes  No

**Recommended Board Action:** I move to convey to the 2013 Legislature that the Carson City Board of Supervisors (does) (does not) (would support with amendments as discussed) AB387 (BDR S-41), a bill to require that certain proposals for bonding by a municipality in a county whose population is less than 100,000 be approved by two-thirds of the electors of the municipality and that a failed proposal may not be resubmitted for at least 5 years.

**Explanation for Recommended Board Action:** See above.

**Applicable Statute, Code, Policy, Rule or Regulation:**

**Fiscal Impact:** Difficult to determine.

**Explanation of Impact:** N/A

**Funding Source:** N/A

**Alternatives:** N/A

**Supporting Material:** AB387

**Prepared By:** Lawrence A. Werner, P.E., P.L.S.

**Reviewed By:** \_\_\_\_\_  
(Department Head)  
\_\_\_\_\_  
(City Manager)  
\_\_\_\_\_  
(District Attorney)  
\_\_\_\_\_  
(Finance Director)

Date: \_\_\_\_\_  
Date: 3/19/13  
Date: 3/19/13  
Date: 3/19/13

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_ Aye/Nay  
2) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

SUMMARY—Revises provisions governing public financial administration. (BDR 30-564)

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

Effect on the State: No.

AN ACT relating to public financial administration; requiring that certain proposals relating to bonding by a municipality in certain smaller counties be approved by two-thirds of the electors of the municipality; requiring such a municipality to discontinue the collection of certain taxes under certain circumstances; requiring a local government in certain smaller counties to use the proceeds of certain taxes for the specific purpose for which the tax was levied; establishing a limit on the amount of revenue that may be raised or collected by such a local government in a fiscal year; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires that proposals by a municipality to issue or incur general obligations be submitted to and approved by a majority of the electors of the municipality. (NRS 350.020-350.070) **Section 1** of this bill requires that, in a county whose population is less than 100,000 (currently counties other than Clark and Washoe Counties), a proposal by a municipality to incur an obligation or debt from the issuance of a bond, or to renew or continue such an obligation or debt, be submitted to and approved by two-thirds of the electors of the municipality. **Section 1**



also prohibits a failed proposal from being resubmitted to the electors for at least 5 years.

**Section 1** requires such a municipality, if the municipality levies a tax for the purposes of discharging a bond, to discontinue the collection of such taxes upon discharging the bond.

**Section 4** of this bill requires a local government in a county whose population is less than 100,000, if the local government levies a tax for a specific purpose, to use the proceeds of the tax in accordance with the specified purpose. **Section 4** also establishes a limit on the amount of revenue that may be raised or collected by such a local government in a fiscal year and authorizes any person to request from a local government certain information to determine whether the local government is in compliance with **section 4**.

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

**Section 1.** Chapter 350 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. If a municipality in a county whose population is less than 100,000 proposes to issue or incur an obligation or debt from the issuance of a bond, or to renew or continue such an obligation or debt, the proposal must be submitted to and approved by two-thirds of the electors of the municipality at a special election called for that purpose or at the next general*



*municipal election or general state election in the manner set forth for the submission of a proposal to issue or incur general obligations pursuant to NRS 350.020 to 350.070, inclusive.*

*2. A proposal submitted pursuant to subsection 1 that fails to be approved by two-thirds of the electors may not be resubmitted to the electors for at least 5 years.*

*3. If a municipality levies a tax for the purpose of discharging an obligation or debt from the issuance of a bond pursuant to this section, the municipality shall discontinue the collection of the tax upon discharging the obligation or debt.*

*4. As used in this section, "bond" has the meaning ascribed to it in NRS 350.115.*

**Sec. 2.** NRS 350.020 is hereby amended to read as follows:

350.020 1. Except as otherwise provided by subsections 3 and 4, *and section 1 of this act*, if a municipality proposes to issue or incur general obligations, the proposal must be submitted to the electors of the municipality at a special election called for that purpose or the next general municipal election or general state election.

2. Such a special election may be held:

(a) At any time, including, without limitation, on the date of a primary municipal election or a primary state election, if the governing body of the municipality determines, by a unanimous vote, that an emergency exists; or

(b) On the first Tuesday after the first Monday in June of an odd-numbered year,

↪ except that the governing body shall not determine that an emergency exists if the special election is for the purpose of submitting to the electors a proposal to refund bonds. The determination made by the governing body is conclusive unless it is shown that the governing

