

**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**.

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

