

SENATE BILL NO. 278—SENATOR MCGINNESS

MARCH 16, 2009

Referred to Committee on Health and Education

SUMMARY—Authorizes the establishment of health districts in certain less populous counties. (BDR 40-1061)

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 health districts; providing for the establishment of a health district in a county whose population is less than 100,000; specifying the powers, duties and authority of the district board of health of such a health district; authorizing the district board of health to levy an ad valorem tax, impose a sales and use tax and issue general and special obligations; providing that certain limitations upon revenue from ad valorem taxes do not apply to revenue from a tax levied by the district board of health; providing that an ad valorem tax imposed by the district board of health is exempt from certain partial abatements from taxation under certain circumstances; providing that an obligation issued by the district board of health is subject to the provisions of the Local Government Securities Law; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires the establishment of a health district in a county whose
2 population is more than 400,000 (currently Clark County) and authorizes the
3 establishment of a health district in a county whose population is less than 400,000
4 (currently counties other than Clark County). (NRS 439.362, 439.370)
5 **Sections 2-17** of this bill authorize the establishment of a health district in a
6 county whose population is less than 100,000 (currently counties other than Clark
7 and Washoe Counties). **Section 3** authorizes the establishment of a health district
8 by a single county or two or more adjacent counties with the approval of the State
9 Board of Health. **Sections 4 and 5** require the abolition of any county board of
10 health within the health district.



11 **Sections 6 and 7** prescribe the membership of the district board of health and
12 the terms of the appointed members of the board. **Sections 8-14** prescribe the
13 general powers, duties and authority of the district board of health.

14 **Section 15** authorizes the district board of health to: (1) impose a tax upon all
15 taxable property within the health district at a rate of not more than 15 cents on
16 each \$100 of assessed valuation; (2) impose a tax at the rate of up to one-quarter of
17 1 percent of the gross receipts of any retailer from the sale of all tangible personal
18 property sold at retail, or stored, used or otherwise consumed, in the health district;
19 and (3) issue general or special obligations.

20 **Sections 15, 28 and 29** of this bill provide that the limitations in chapter 354 of
21 NRS upon revenue from taxes ad valorem do not apply to revenue from a tax levied
22 by the district board of health. (NRS 354.59811, 361.453) **Section 30** of this bill
23 additionally provides that the amount of any ad valorem tax imposed pursuant to
24 **section 15** is exempt from certain partial abatements from taxation provided
25 pursuant to chapter 361 of NRS for the first fiscal year in which the tax is imposed.
26 (NRS 361.4726) **Section 16** requires that any regulation of the district board of
27 health that imposes a tax on the gross receipts of any retailer contain provisions
28 substantially similar to the provisions of the Local School Support Tax Law.
29 (Chapter 374 of NRS) **Sections 15 and 20-26** of this bill provide that any general
30 or special obligation issued by the district board of health must comply with the
31 provisions of the Local Government Securities Law. (NRS 350.020, 350.500-
32 350.720)

33 **Section 17** provides that any regulation proposed by the district board of health
34 to impose or increase a tax must be approved by: (1) the affirmative vote of at least
35 two-thirds of the members of the district board of health; and (2) the affirmative
36 vote of at least one member of the district board of health from each county which
37 participated in establishing the district.

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

1 **Section 1.** Chapter 439 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 17, inclusive, of this
3 act.

4 **Sec. 2.** *The provisions of sections 2 to 17, inclusive, of this*
5 *act apply to a county whose population is less than 100,000.*

6 **Sec. 3.** *By affirmative vote of:*

7 *1. The board of county commissioners of a county; or*

8 *2. The boards of county commissioners of two or more*
9 *adjacent counties,*

10 *↪ and with the approval of the State Board of Health, there may*
11 *be established a health district with a health department consisting*
12 *of a district health officer and a district board of health.*

13 **Sec. 4.** *If any county establishes a district board of health,*
14 *the county board of health must be abolished, and the district*
15 *board of health must be given the same powers, duties and*
16 *authority that the county board of health had before the*
17 *establishment of the district board of health.*



1 **Sec. 5.** *If two or more adjacent counties establish a district*
2 *board of health, all county boards of health in that district must be*
3 *abolished.*

4 **Sec. 6.** *1. For a district board of health established by a*
5 *single county, the district board of health must consist of:*

6 *(a) The members of the board of county commissioners;*

7 *(b) The district health officer; and*

8 *(c) One member who is a physician licensed to practice*
9 *medicine in this State and who practices medicine within the*
10 *boundaries of the health district, to be appointed by the district*
11 *board of health.*

12 *2. If the district board of health does not appoint the member*
13 *described in paragraph (c) of subsection 1 within 30 days after the*
14 *organization of the district health department, the State Health*
15 *Officer may appoint the member.*

16 *3. The members of the board of county commissioners and*
17 *the district health officer serve as ex officio members of the district*
18 *board of health. The appointed member of the district board of*
19 *health serves a term of 2 years. A vacancy must be filled in the*
20 *same manner as the original appointment for the remainder of the*
21 *unexpired term.*

22 **Sec. 7.** *1. For a district board of health established by two*
23 *or more adjacent counties, the district board of health must consist*
24 *of:*

25 *(a) Two members of the board of county commissioners in*
26 *each such county in which the board of county commissioners*
27 *consists of five members, appointed by the respective board of*
28 *county commissioners;*

29 *(b) One member of the board of county commissioners in each*
30 *such county in which the board of county commissioners consists*
31 *of three members, appointed by the respective board of county*
32 *commissioners;*

33 *(c) The district health officer; and*

34 *(d) One member who is a physician licensed to practice*
35 *medicine in this State and who practices medicine within the*
36 *boundaries of the health district, to be appointed by the district*
37 *board of health.*

38 *2. If the district board of health does not appoint the member*
39 *described in paragraph (d) of subsection 1 within 30 days after the*
40 *organization of the district health department, the State Health*
41 *Officer may appoint the member.*

42 *3. The district health officer serves as an ex officio member*
43 *of the district board of health. The appointed members of the*
44 *district board of health serve terms of 2 years. A vacancy must be*



1 *filled in the same manner as the original appointment for the*
2 *remainder of the unexpired term.*

3 **Sec. 8.** 1. *The district board of health shall meet in January*
4 *of each year to organize and elect a chairman and a secretary*
5 *from among its members.*

6 2. *The district board of health may meet at such other times*
7 *and in such locations as the board determines by resolution.*

8 3. *Special meetings may be held upon notice to each member*
9 *of the district board of health as often as and in such places within*
10 *the health district as the needs of the board require.*

11 4. *A majority of the members of the district board of health*
12 *constitutes a quorum but, except as otherwise provided in section*
13 *17 of this act, a majority of the board is required to exercise any*
14 *power conferred on the board.*

15 5. *The district board of health shall adopt written policies and*
16 *procedures for administering the board and maintaining its*
17 *programs, projects and activities.*

18 6. *The district board of health shall maintain records of all*
19 *proceedings and minutes of all meetings, which must be open to*
20 *inspection.*

21 7. *The members of the district board of health serve without*
22 *additional compensation for their services, but are entitled to*
23 *reimbursement for necessary expenses for attending meetings or*
24 *otherwise engaging in the business of the district board of health.*

25 **Sec. 9.** 1. *The district board of health shall appoint a*
26 *district health officer for the district.*

27 2. *The district health officer must be appointed on the basis*
28 *of his graduate education in public health, his training, his*
29 *experience and his interest in public health and related programs.*

30 3. *The district health officer has full authority as a county*
31 *health officer in the health district.*

32 4. *Any clinical program of a district board of health which*
33 *requires medical assessment must be carried out under the*
34 *direction of a physician.*

35 5. *The district health officer is entitled to receive a salary*
36 *fixed by the district board of health and serves at the pleasure of*
37 *the board.*

38 **Sec. 10.** *The district board of health may designate the*
39 *county treasurer of a county within the health district to act as the*
40 *ex officio treasurer of the health district, or it may designate any*
41 *other qualified person to fill the office. The treasurer of the health*
42 *district shall:*

43 1. *Keep permanent accounts of all money received by,*
44 *disbursed for and on behalf of the health district; and*



1 2. *Administer the health district fund created by the district*
2 *board of health pursuant to section 12 of this act.*

3 **Sec. 11.** *The district board of health shall prepare an annual*
4 *operating budget for the health district.*

5 **Sec. 12.** 1. *The district board of health shall create a health*
6 *district fund.*

7 2. *The money in the fund may only be used to provide*
8 *funding for the health district.*

9 **Sec. 13.** 1. *The district board of health may:*

10 (a) *Receive and disburse money from the Federal*
11 *Government;*

12 (b) *Submit project applications and programs of projects to*
13 *federal agencies; and*

14 (c) *Enter into formal agreements with federal agencies*
15 *concerning projects and programs.*

16 2. *The district board of health may accept and disburse*
17 *contributions from private sources, the State, and the counties,*
18 *cities and towns within the jurisdiction of the board to match*
19 *federal money for any project or program. All such contributions*
20 *must be deposited with the treasurer of the district board of health*
21 *for credit to the health district fund created by the district board of*
22 *health pursuant to section 12 of this act.*

23 **Sec. 14.** 1. *The district board of health has the powers,*
24 *duties and authority of a county board of health in the health*
25 *district.*

26 2. *The district health department has jurisdiction over all*
27 *public health matters in the health district, except in matters*
28 *concerning emergency medical services pursuant to the provisions*
29 *of chapter 450B of NRS.*

30 3. *In addition to any other powers, duties and authority*
31 *conferred on a district board of health by this section, the district*
32 *board of health may adopt regulations consistent with law, which*
33 *must take effect immediately on their approval by the State Board*
34 *of Health, to:*

35 (a) *Prevent and control nuisances;*

36 (b) *Regulate sanitation and sanitary practices in the interests*
37 *of the public health;*

38 (c) *Provide for the sanitary protection of water and food*
39 *supplies;*

40 (d) *Provide for mental health services;*

41 (e) *Provide for services relating to the prevention and*
42 *treatment of alcohol and drug abuse; (f) Provide for the*
43 *coordination of the activities of the health district with the*
44 *activities of any local organization for emergency management*
45 *within the health district; and*



1 (g) *Protect and promote the public health generally in the*
2 *geographical area subject to the jurisdiction of the health district.*

3 4. *The district board of health must provide notice not less*
4 *than 30 days before the adoption, amendment or repeal of any*
5 *regulation. The notice must:*

6 (a) *Include a statement of either the terms or substance of the*
7 *proposal or a description of the subjects and issues involved, and*
8 *of the time, place and manner in which interested persons may*
9 *present their views thereon;*

10 (b) *Provide each address at which the text of the proposal may*
11 *be inspected and copied; and*

12 (c) *Be mailed to all persons who have requested in writing that*
13 *they be placed on a mailing list, which must be kept by the district*
14 *board of health for that purpose.*

15 5. *All interested persons must be afforded a reasonable*
16 *opportunity to submit data, views or arguments, orally or in*
17 *writing, on the intended action to adopt, amend or repeal the*
18 *regulation. With respect to substantive regulations, the district*
19 *board of health shall set a time and place for a public hearing, but*
20 *if no one appears who will be directly affected by the proposal and*
21 *requests a hearing, the district board of health may proceed*
22 *immediately to act upon any written submissions. The district*
23 *board of health shall consider fully all written and oral*
24 *submissions respecting the proposal.*

25 6. *Each district board of health shall file a copy of all of its*
26 *adopted regulations with the county clerk of each county in which*
27 *it has jurisdiction.*

28 7. *As used in this section, "local organization for emergency*
29 *management" has the meaning ascribed to it in NRS 414.036.*

30 **Sec. 15.** *In addition to the powers, duties and authority*
31 *conferred on the district board of health pursuant to section 14 of*
32 *this act:*

33 1. *The district board of health may adopt a regulation*
34 *imposing a tax upon all taxable property within the health district*
35 *at a rate of not more than 15 cents on each \$100 of assessed*
36 *valuation for carrying out the activities of the health district. The*
37 *revenue laws of this State shall be deemed to apply to the levying,*
38 *assessing and collecting of the tax, and the tax must be collected at*
39 *the same time and in the same manner and by the same officers,*
40 *exercising the same functions, as provided in those laws. The*
41 *limitations in chapter 354 of NRS upon revenue from taxes ad*
42 *valorem do not apply to revenue from a tax levied pursuant to this*
43 *subsection.*

44 2. *The district board of health may adopt a regulation*
45 *imposing a tax at the rate of up to one-quarter of 1 percent of the*



1 *gross receipts of any retailer from the sale of all tangible personal*
2 *property sold at retail, or stored, used or otherwise consumed, in*
3 *the health district.*

4 3. *The district board of health may issue general or special*
5 *obligations to carry out the activities of the health district,*
6 *including, without limitation, the acquisition and construction of*
7 *facilities, acquisition of equipment or other projects in accordance*
8 *with NRS 350.500 to 350.720, inclusive. Any general obligations*
9 *issued pursuant to this subsection must comply with the provisions*
10 *of NRS 350.020.*

11 4. *The district board of health may pledge:*

12 (a) *Any money received from the proceeds of a tax imposed*
13 *pursuant to subsection 1;*

14 (b) *Any money received from the proceeds of a tax imposed*
15 *pursuant to subsection 2;*

16 (c) *The gross or net revenues derived from any facilities or*
17 *projects; and*

18 (d) *The special assessments collected by the board for*
19 *maintaining and operating any facilities or projects,*

20 *↪ for the payment of general or special obligations issued*
21 *pursuant to subsection 3. For the purposes of subsection 3 of NRS*
22 *350.020 and NRS 350.500 to 350.720, inclusive, money pledged by*
23 *the district board of health pursuant to this subsection shall be*
24 *deemed to be pledged revenue of the project.*

25 **Sec. 16. 1.** *If the district board of health adopts a*
26 *regulation imposing a tax pursuant to subsection 2 of section 15 of*
27 *this act, the regulation must include provisions in substance as*
28 *follows:*

29 (a) *Provisions substantially identical to those contained in*
30 *chapter 374 of NRS, insofar as applicable.*

31 (b) *A provision that all amendments to the provisions of*
32 *chapter 374 of NRS subsequent to the date of enactment of the*
33 *regulation, not inconsistent with this section, automatically*
34 *become part of the regulation.*

35 (c) *A provision that the district board of health shall contract*
36 *before the effective date of the regulation with the Department of*
37 *Taxation to perform all functions incident to the administration or*
38 *operation of the tax imposed pursuant to the regulation.*

39 (d) *A provision that a purchaser is entitled to a refund, in*
40 *accordance with the provisions of NRS 374.635 to 374.720,*
41 *inclusive, of the amount of the tax required to be paid that is*
42 *attributable to the tax imposed upon the sale of, and the storage,*
43 *use or other consumption within the boundaries of the health*
44 *district of, tangible personal property used for the performance of*
45 *a written contract for the construction of an improvement to real*



1 *property which was executed before the effective date of the*
2 *regulation or for which a binding bid was submitted before that*
3 *date if the bid was afterward accepted, if under the terms of the*
4 *contract or bid the contract price or bid amount cannot be*
5 *adjusted to reflect the imposition of the additional tax.*

6 *(e) A provision that specifies the date on which the tax is first*
7 *imposed or on which any change in the rate of the tax becomes*
8 *effective, which must be the first day of the first calendar quarter*
9 *that begins at least 120 days after the effective date of the*
10 *regulation.*

11 *2. A regulation amending the regulation adopted pursuant to*
12 *subsection 2 of section 15 of this act must include a provision in*
13 *substance that the district board of health shall amend a contract*
14 *made pursuant to paragraph (c) of subsection 1 by a contract*
15 *made between the district board of health and the Department of*
16 *Taxation before the effective date of the amendatory regulation,*
17 *unless the district board of health determines with the written*
18 *concurrence of the Department of Taxation that no such*
19 *amendment of the contract is needed.*

20 *3. All fees, taxes, interest and penalties imposed and all*
21 *amounts of tax required to be paid to the local government under*
22 *the regulation must be paid to the Department of Taxation in the*
23 *form of remittances made payable to the Department of Taxation.*
24 *The Department of Taxation shall deposit the payments with the*
25 *State Treasurer for credit to the Sales and Use Tax Account in*
26 *the State General Fund. The State Controller, acting upon the*
27 *collection data furnished by the Department of Taxation, shall*
28 *monthly:*

29 *(a) Transfer from the Sales and Use Tax Account to the*
30 *appropriate account in the State General Fund a percentage of all*
31 *fees, taxes, interest and penalties collected pursuant to the*
32 *regulation during the preceding month as compensation to the*
33 *State for the cost of collecting the tax. The percentage to be*
34 *transferred pursuant to this paragraph must be the same*
35 *percentage as the percentage of proceeds transferred pursuant to*
36 *paragraph (a) of subsection 3 of NRS 374.785, but the percentage*
37 *must be applied to the proceeds collected pursuant to the*
38 *regulation only.*

39 *(b) Determine the amount equal to all fees, taxes, interest and*
40 *penalties collected in or for the health district pursuant to the*
41 *regulation during the preceding month, less the amount*
42 *transferred to the State General Fund pursuant to paragraph (a).*

43 *(c) Transfer the amount determined pursuant to paragraph (b)*
44 *to the Intergovernmental Fund and remit the money to the*
45 *treasurer of the health district.*



1 **4. The Department of Taxation may redistribute any proceeds**
2 **from the fees, taxes, interest or penalties collected pursuant to the**
3 **regulation which is determined to be improperly distributed, but**
4 **no such redistribution may be made as to amounts originally**
5 **distributed more than 6 months before the date on which the**
6 **Department of Taxation obtains knowledge of the improper**
7 **distribution.**

8 **Sec. 17. Any regulation proposed by the district board of**
9 **health to impose or increase a tax pursuant to subsection 1 or 2 of**
10 **section 15 of this act must be approved by the:**

11 **1. Affirmative vote of at least two-thirds of the members of**
12 **the district board of health; and**

13 **2. Affirmative vote of at least one member of the district**
14 **board of health from each county which participated in**
15 **establishing the health district.**

16 **Sec. 18. NRS 439.369 is hereby amended to read as follows:**

17 439.369 The provisions of NRS 439.369 to 439.410, inclusive,
18 apply to a county whose population is **100,000 or more but** less than
19 400,000.

20 **Sec. 19. Chapter 350 of NRS is hereby amended by adding**
21 **thereto the provisions set forth as sections 20 and 21 of this act.**

22 **Sec. 20. "District board of health" means a district board of**
23 **health established pursuant to sections 2 to 17, inclusive, of this**
24 **act.**

25 **Sec. 21. "Health district" means a health district established**
26 **pursuant to sections 2 to 17, inclusive, of this act.**

27 **Sec. 22. NRS 350.504 is hereby amended to read as follows:**

28 350.504 As used in this chapter and in any instrument or
29 document appertaining thereto, unless the context otherwise
30 requires, the words and terms defined in NRS 350.506 to 350.566,
31 inclusive, **and sections 20 and 21 of this act** have the meanings
32 ascribed to them in those sections.

33 **Sec. 23. NRS 350.508 is hereby amended to read as follows:**

34 350.508 "Chairman" or "chairman of the municipality" or any
35 phrase of similar import means the de facto or de jure chairman of
36 the board of county commissioners, mayor of the city or town,
37 president of the board of trustees of the school district, **chairman of**
38 **the district board of health**, chairman of the board of directors of
39 any other type district, or the president thereof, or any other
40 presiding officer or titular head of the municipality, or his successor
41 in functions, if any.

42 **Sec. 24. NRS 350.510 is hereby amended to read as follows:**

43 350.510 "Clerk" means the de facto or de jure county clerk,
44 city clerk, town clerk, clerk of the board of trustees of the school
45 district, **secretary of the district board of health**, secretary or clerk



1 of the board of directors of any other type district, or other officer of
2 the municipality who is the custodian of any seal of the municipality
3 and of the records of the proceedings of the municipality's
4 governing body, or his successor in functions, if any.

5 **Sec. 25.** NRS 350.524 is hereby amended to read as follows:

6 350.524 "Governing body" means the board of county
7 commissioners, city council, city commission, board of supervisors,
8 town council, board of trustees of the school district, *district board*
9 *of health*, board of directors or trustees of any other type district, or
10 other local legislative or governing body of the municipality.

11 **Sec. 26.** NRS 350.538 is hereby amended to read as follows:

12 350.538 1. "Municipality" means any county, any
13 incorporated city or town, including, without limitation, any city or
14 town organized under the provisions of a special legislative act or
15 other special charter, any unincorporated town, any school district
16 or any quasi-municipal district, including, without limitation, *a*
17 *health district*, the Nevada rural housing authority and any district
18 created pursuant to NRS 244.2961 or governed by title 25 of NRS,
19 of this state, or any other public agency authorized to issue general
20 or special obligations on behalf of any of these. Where the context
21 so indicates, "municipality" means the geographical area comprising
22 the municipality.

23 2. "Municipality" does not include an irrigation district or other
24 special district governed by title 48 of NRS.

25 **Sec. 27.** NRS 354.474 is hereby amended to read as follows:

26 354.474 1. Except as otherwise provided in subsections 2 and
27 3, the provisions of NRS 354.470 to 354.626, inclusive, apply to all
28 local governments. For the purpose of NRS 354.470 to 354.626,
29 inclusive:

30 (a) "Local government" means every political subdivision or
31 other entity which has the right to levy or receive money from ad
32 valorem or other taxes or any mandatory assessments, and includes,
33 without limitation, counties, cities, towns, boards, school districts
34 and other districts organized pursuant to chapters 244A, 309, 318
35 and 379 of NRS, *sections 2 to 17, inclusive, of this act*, NRS
36 450.550 to 450.750, inclusive, and chapters 474, 541, 543 and 555
37 of NRS, and any agency or department of a county or city which
38 prepares a budget separate from that of the parent political
39 subdivision.

40 (b) "Local government" does not include the Nevada Rural
41 Housing Authority.

42 2. An irrigation district organized pursuant to chapter 539 of
43 NRS shall fix rates and levy assessments as provided in NRS
44 539.667 to 539.683, inclusive. The levy of such assessments and the
45 posting and publication of claims and annual financial statements as



1 required by chapter 539 of NRS shall be deemed compliance with
2 the budgeting, filing and publication requirements of NRS 354.470
3 to 354.626, inclusive, but any such irrigation district which levies an
4 ad valorem tax shall comply with the filing and publication
5 requirements of NRS 354.470 to 354.626, inclusive, in addition to
6 the requirements of chapter 539 of NRS.

7 3. An electric light and power district created pursuant to
8 chapter 318 of NRS shall be deemed to have fulfilled the
9 requirements of NRS 354.470 to 354.626, inclusive, for a year in
10 which the district does not issue bonds or levy an assessment if the
11 district files with the Department of Taxation a copy of all
12 documents relating to its budget for that year which the district
13 submitted to the Rural Electrification Administration of the United
14 States Department of Agriculture.

15 **Sec. 28.** NRS 354.59811 is hereby amended to read as
16 follows:

17 354.59811 1. Except as otherwise provided in NRS 244.377,
18 278C.260, 354.59813, 354.59815, 354.59818, 354.5982, 354.5987,
19 354.705, 354.723, 450.425, 450.760, 540A.265 and 543.600, *and*
20 *section 15 of this act*, for each fiscal year beginning on or after
21 July 1, 1989, the maximum amount of money that a local
22 government, except a school district, a district to provide a
23 telephone number for emergencies or a redevelopment agency, may
24 receive from taxes ad valorem, other than those attributable to the
25 net proceeds of minerals or those levied for the payment of bonded
26 indebtedness and interest thereon incurred as general long-term debt
27 of the issuer, or for the payment of obligations issued to pay the cost
28 of a water project pursuant to NRS 349.950, or for the payment of
29 obligations under a capital lease executed before April 30, 1981,
30 must be calculated as follows:

31 (a) The rate must be set so that when applied to the current fiscal
32 year's assessed valuation of all property which was on the preceding
33 fiscal year's assessment roll, together with the assessed valuation of
34 property on the central assessment roll which was allocated to the
35 local government, but excluding any assessed valuation attributable
36 to the net proceeds of minerals, assessed valuation attributable to a
37 redevelopment area and assessed valuation of a fire protection
38 district attributable to real property which is transferred from private
39 ownership to public ownership for the purpose of conservation, it
40 will produce 106 percent of the maximum revenue allowable from
41 taxes ad valorem for the preceding fiscal year, except that the rate so
42 determined must not be less than the rate allowed for the previous
43 fiscal year, except for any decrease attributable to the imposition of
44 a tax pursuant to NRS 354.59813 in the previous year.



1 (b) This rate must then be applied to the total assessed valuation,
2 excluding the assessed valuation attributable to the net proceeds of
3 minerals and the assessed valuation of a fire protection district
4 attributable to real property which is transferred from private
5 ownership to public ownership for the purpose of conservation, but
6 including new real property, possessory interests and mobile homes,
7 for the current fiscal year to determine the allowed revenue from
8 taxes ad valorem for the local government.

9 2. As used in this section, "general long-term debt" does not
10 include debt created for medium-term obligations pursuant to NRS
11 350.087 to 350.095, inclusive.

12 **Sec. 29.** NRS 361.453 is hereby amended to read as follows:

13 361.453 1. Except as otherwise provided in this section and
14 NRS 354.705, 354.723 and 450.760, *and section 15 of this act*, the
15 total ad valorem tax levy for all public purposes must not exceed
16 \$3.64 on each \$100 of assessed valuation, or a lesser or greater
17 amount fixed by the State Board of Examiners if the State Board of
18 Examiners is directed by law to fix a lesser or greater amount for
19 that fiscal year.

20 2. Any levy imposed by the Legislature for the repayment of
21 bonded indebtedness or the operating expenses of the State of
22 Nevada and any levy imposed by the board of county
23 commissioners pursuant to NRS 387.195 that is in excess of 50
24 cents on each \$100 of assessed valuation of taxable property within
25 the county must not be included in calculating the limitation set
26 forth in subsection 1 on the total ad valorem tax levied within the
27 boundaries of the county, city or unincorporated town 5 if, in a
28 county whose population is 40,000 or less, or in a city or
29 unincorporated town located within that county:

30 (a) The combined tax rate certified by the Nevada Tax
31 Commission was at least \$3.50 on each \$100 of assessed valuation
32 on June 25, 1998;

33 (b) The governing body of that county, city or unincorporated
34 town proposes to its registered voters an additional levy ad valorem
35 above the total ad valorem tax levy for all public purposes set forth
36 in subsection 1;

37 (c) The proposal specifies the amount of money to be derived,
38 the purpose for which it is to be expended and the duration of the
39 levy; and

40 (d) The proposal is approved by a majority of the voters voting
41 on the question at a general election or a special election called for
42 that purpose.

43 3. The duration of the additional levy ad valorem levied
44 pursuant to subsection 2 must not exceed 5 years. The governing
45 body of the county, city or unincorporated town may discontinue the



1 levy before it expires and may not thereafter reimpose it in whole or
2 in part without following the procedure required for its original
3 imposition set forth in subsection 2.

4 4. A special election may be held pursuant to subsection 2 only
5 if the governing body of the county, city or unincorporated town
6 determines, by a unanimous vote, that an emergency exists. The
7 determination made by the governing body is conclusive unless it is
8 shown that the governing body acted with fraud or a gross abuse of
9 discretion. An action to challenge the determination made by the
10 governing body must be commenced within 15 days after the
11 governing body's determination is final. As used in this subsection,
12 "emergency" means any unexpected occurrence or combination of
13 occurrences which requires immediate action by the governing body
14 of the county, city or unincorporated town to prevent or mitigate a
15 substantial financial loss to the county, city or unincorporated town
16 or to enable the governing body to provide an essential service to
17 the residents of the county, city or unincorporated town.

18 **Sec. 30.** NRS 361.4726 is hereby amended to read as follows:

19 361.4726 1. Except as otherwise provided by specific statute,
20 if any legislative act which becomes effective after April 6, 2005,
21 imposes a duty on a taxing entity to levy a new ad valorem tax or to
22 increase the rate of an existing ad valorem tax, the amount of the
23 new tax or increase in the rate of the existing tax is exempt from
24 each partial abatement from taxation provided pursuant to NRS
25 361.4722, 361.4723 and 361.4724.

26 2. *The amount of any tax imposed pursuant to subsection 1 of*
27 *section 15 of this act is exempt from each partial abatement from*
28 *taxation provided pursuant to NRS 361.4722, 361.4723 and*
29 *361.4724 for the first fiscal year in which the tax is imposed, but is*
30 *thereafter subject to each of those partial abatements from*
31 *taxation.*

32 3. For the purposes of this section, "taxing entity" does not
33 include the State.

