

MOCK-UP

PROPOSED AMENDMENT 7797 TO
ASSEMBLY BILL NO. 445
FIRST REPRINT

PREPARED FOR ASSEMBLYWOMAN KIRKPATRICK
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PREPARED BY THE LEGAL DIVISION

NOTE: THIS DOCUMENT SHOWS PROPOSED AMENDMENTS IN CONCEPTUAL FORM. THE LANGUAGE AND ITS PLACEMENT IN THE OFFICIAL AMENDMENT MAY DIFFER.

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.

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

1 **Section 1.** Chapter 279 of NRS is hereby amended by adding thereto
2 a new section to read as follows:
3 **1.** *Except as otherwise provided in this section, an agency of a city*
4 *whose population is 220,000 or more but less than 500,000 located in a*
5 *county whose population is 700,000 or more that adopts an ordinance*
6 *pursuant to subsection 3 of NRS 279.439 and which receives revenue*
7 *pursuant to paragraph (b) of subsection 1 of NRS 279.676 from taxes on*
8 *the taxable property located in the redevelopment area affected by the*
9 *ordinance shall set aside not less than 18 percent of such revenue*
10 *received on or after the effective date of the ordinance to improve and*
11 *preserve existing public educational facilities which are located within*
12 *the redevelopment area or which serve pupils who reside within the*
13 *redevelopment area. The provisions of this subsection do not apply if*
14 *such an agency is required pursuant to subsection 6 of NRS 279.676 to*
15 *set aside not less than 18 percent of revenue received pursuant to*
16 *paragraph (b) of subsection 1 of NRS 279.676 from taxes on the taxable*
17 *property located in the redevelopment area affected by the ordinance*

1 *adopted by the agency pursuant to subsection 5 of NRS 279.676 on or*
2 *after the effective date of that ordinance to improve and preserve existing*
3 *public educational facilities which are located within the redevelopment*
4 *area or which serve pupils who reside within the redevelopment area.*
5 *For each fiscal year, the agency shall prepare a written report*
6 *concerning the amount of money expended for the purposes set forth in*
7 *this subsection and shall, on or before November 30 of each year, submit*
8 *a copy of the report to the Director of the Legislative Counsel Bureau for*
9 *transmittal to the Legislative Commission, if the report is received during*
10 *an odd-numbered year, or to the next session of the Legislature, if the*
11 *report is received during an even-numbered year.*

12 *2. The obligation of an agency pursuant to subsection 1 to set aside*
13 *not less than 18 percent of the revenue allocated to and received by the*
14 *agency pursuant to paragraph (b) of subsection 1 of NRS 279.676 from*
15 *taxes on the taxable property located in the redevelopment area affected*
16 *by the ordinance adopted by the agency pursuant to subsection 3 of NRS*
17 *279.439 is subordinate to any existing obligations of the agency. As used*
18 *in this subsection, "existing obligations" means the principal and*
19 *interest, when due, on any bonds, notes or other indebtedness whether*
20 *funded, refunded, assumed or otherwise incurred by the agency before*
21 *the effective date of the ordinance adopted by the agency pursuant to*
22 *subsection 3 of NRS 279.439, to finance or refinance in whole or in part,*
23 *the redevelopment of a redevelopment area. For the purposes of this*
24 *subsection, obligations incurred by an agency on or after the effective*
25 *date of the ordinance adopted by the agency pursuant to subsection 3 of*
26 *NRS 279.439 shall be deemed existing obligations if the net proceeds are*
27 *used to refinance existing obligations of the agency.*

28 **Sec. 2.** NRS 279.438 is hereby amended to read as follows:

29 279.438 1. A redevelopment plan adopted before January 1, 1991,
30 and any amendments to the plan must terminate at the end of the fiscal
31 year in which the principal and interest of the last maturing of the
32 securities issued before that date concerning the redevelopment area are
33 fully paid or:

34 (a) With respect to a redevelopment plan adopted by the agency of a
35 city whose population is 500,000 or more, if the requirements set forth in
36 subsection 2 are met, 60 years after the date on which the original
37 redevelopment plan was adopted, whichever is later.

38 (b) With respect to any other redevelopment plan, including a
39 redevelopment plan adopted by an agency of a city whose population is
40 500,000 or more, if the requirements set forth in subsection 2 are not met,
41 45 years after the date on which the original redevelopment plan was
42 adopted, whichever is later.

43 2. A redevelopment plan adopted by an agency of a city whose
44 population is 500,000 or more may terminate on the date prescribed by
45 paragraph (a) of subsection 1 only if the legislative body adopts an

1 extension of the redevelopment plan by ordinance and, on the date on
2 which the extension is adopted:

3 (a) The assessed value of ~~each~~ *the aggregate number of*
4 redevelopment ~~project~~ *projects* in the redevelopment area is not less than
5 the assessed value of the *aggregate number of* redevelopment ~~project~~
6 *projects* in the year in which the redevelopment plan was adopted; *and*

7 (b) The assessed value of the redevelopment area is not less than 75
8 percent of the assessed value of the redevelopment area in the year in
9 which the redevelopment plan was adopted. ~~and~~

10 ~~(c) The agency has \$100 million or more in total outstanding~~
11 ~~indebtedness represented by bonds and other securities.~~

12 **Sec. 3.** NRS 279.439 is hereby amended to read as follows:

13 279.439 ~~1A~~

14 *1. Except as otherwise provided in subsections 2 and 3, a*
15 *redevelopment plan adopted on or after January 1, 1991, and any*
16 *amendments to the plan must terminate not later than 30 years after the*
17 *date on which the original redevelopment plan is adopted.*

18 *2. A redevelopment plan, and any amendments to the plan, adopted*
19 *on or after January 1, 1991, by an agency of a city whose population is*
20 *220,000 or more but less than 500,000 located in a county whose*
21 *population is 700,000 or more that meets the requirement of subsection 3*
22 *must terminate not later than 45 years after the date on which the*
23 *original redevelopment plan is adopted.*

24 *3. A redevelopment plan, and any amendments to the plan, may*
25 *terminate on the date prescribed by subsection 2 only if the legislative*
26 *body adopts an extension of the redevelopment plan by ordinance.*

27 **Sec. 3.5.** NRS 279.676 is hereby amended to read as follows:

28 279.676 1. Any redevelopment plan may contain a provision that
29 taxes, if any, levied upon taxable property in the redevelopment area each
30 year by or for the benefit of the State, any city, county, district or other
31 public corporation, after the effective date of the ordinance approving the
32 redevelopment plan, must be divided as follows:

33 (a) That portion of the taxes which would be produced by the rate upon
34 which the tax is levied each year by or for each of the taxing agencies upon
35 the total sum of the assessed value of
36 the taxable property in the redevelopment area as shown upon the
37 assessment roll used in connection with the taxation of the property by the
38 taxing agency, last equalized before the effective date of the ordinance,
39 must be allocated to and when collected must be paid into the funds of the
40 respective taxing agencies as taxes by or for such taxing agencies on all
41 other property are paid. To allocate taxes levied by or for any taxing
42 agency or agencies which did not include the territory in a redevelopment
43 area on the effective date of the ordinance but to which the territory has
44 been annexed or otherwise included after the effective date, the assessment
45 roll of the county last equalized on the effective date of the ordinance must

1 be used in determining the assessed valuation of the taxable property in the
2 redevelopment area on the effective date. If property which was shown on
3 the assessment roll used to determine the amount of taxes allocated to the
4 taxing agencies is transferred to the State and becomes exempt from
5 taxation, the assessed valuation of the exempt property as shown on the
6 assessment roll last equalized before the date on which the property was
7 transferred to the State must be subtracted from the assessed valuation
8 used to determine the amount of revenue allocated to the taxing agencies.

9 (b) Except as otherwise provided in paragraphs (c) and (d) and NRS
10 540A.265, that portion of the levied taxes each year in excess of the
11 amount set forth in paragraph (a) must be allocated to and when collected
12 must be paid into a special fund of the redevelopment agency to pay the
13 costs of redevelopment and to pay the principal of and interest on loans,
14 money advanced to, or indebtedness, whether funded, refunded, assumed,
15 or otherwise, incurred by the redevelopment agency to finance or
16 refinance, in whole or in part, redevelopment. Unless the total assessed
17 valuation of the taxable property in a redevelopment area exceeds the total
18 assessed value of the taxable property in the redevelopment area as shown
19 by:

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

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

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

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

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

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

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

7 (b) In a county whose population is 30,000 or more but less than
8 100,000 or a city whose population is 25,000 or more but less than
9 150,000, an amount equal to the combined tax rates of the taxing agencies
10 for that fiscal year multiplied by 15 percent of the total assessed valuation
11 of the municipality.

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

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

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

27 4. For the purposes of this section, the assessment roll last equalized
28 before the effective date of the ordinance approving the redevelopment
29 plan is the assessment roll in existence on March 15 immediately
30 preceding the effective date of the ordinance.

31 5. If in any year the assessed value of the taxable property in a
32 redevelopment area located in a city in a county whose population is
33 700,000 or more as shown by the assessment roll most recently equalized
34 has decreased by 10 percent or more from the assessed value of the taxable
35 property in the redevelopment area as shown by the assessment roll last
36 equalized before the effective date of the ordinance approving the
37 redevelopment plan, the redevelopment agency may adopt an ordinance
38 which provides that the total assessed value of the taxable property in the
39 redevelopment area for the purposes of ~~paragraph~~ *paragraphs (a) and* (b)
40 of subsection 1 is the total assessed value of the taxable property in the
41 redevelopment area as shown by the assessment roll last equalized before
42 the effective date of the ordinance adopted pursuant to this subsection. A
43 redevelopment agency may adopt an ordinance pursuant to this subsection
44 only once, and the election to adopt such an ordinance is irrevocable.

1 6. An agency which adopts an ordinance pursuant to subsection 5 and
2 which receives revenue ~~from taxes~~ pursuant to paragraph (b) of
3 subsection 1 *from taxes on the taxable property located in the*
4 *redevelopment area affected by the ordinance* shall set aside not less than
5 18 percent of that revenue received on and after the effective date of the
6 ordinance to improve and preserve existing public educational facilities
7 which are located within the redevelopment area or which serve pupils
8 who reside within the redevelopment area. For each fiscal year, the agency
9 shall prepare a written report concerning the amount of money expended
10 for the purposes set forth in this subsection and shall, on or before
11 November 30 of each year, submit a copy of the report to the Director of
12 the Legislative Counsel Bureau for transmittal to the Legislative
13 Commission, if the report is received during an odd-numbered year, or to
14 the next session of the Legislature, if the report is received during an even-
15 numbered year.

16 7. The obligation of an agency pursuant to subsection 6 to set aside
17 not less than 18 percent of the revenue ~~from taxes~~ allocated to and
18 received by the agency pursuant to paragraph (b) of subsection 1 *from*
19 *taxes on the taxable property located in the redevelopment area affected*
20 *by the ordinance adopted by the agency pursuant to subsection 5* is
21 subordinate to any existing obligations of the agency. As used in this
22 subsection, "existing obligations" means the principal and interest, when
23 due, on any bonds, notes or other indebtedness whether funded, refunded,
24 assumed or otherwise incurred by an agency before the
25 effective date of an ordinance adopted by the agency pursuant to
26 subsection 5, to finance or refinance in whole or in part, the redevelopment
27 of a redevelopment area. For the purposes of this subsection, obligations
28 incurred by an agency on or after the effective date of an ordinance
29 adopted by the agency pursuant to subsection 5 shall be deemed existing
30 obligations if the net proceeds are used to refinance existing obligations of
31 the agency.

32 **Sec. 4.** NRS 279.680 is hereby amended to read as follows:

33 279.680 Except as otherwise provided in NRS 279.685 ~~†~~ *and*
34 *section 1 of this act*, in any redevelopment plan, or in the proceedings for
35 the advance of money, or the making of loans, or the incurring of any
36 indebtedness, whether funded, refunded, assumed or otherwise, by the
37 redevelopment agency to finance or refinance, in whole or in part, the
38 redevelopment project, the portion of taxes mentioned in paragraph (b) of
39 subsection 1 of NRS 279.676 may be irrevocably pledged for the payment
40 of the principal of and interest on those loans, advances or indebtedness.

41 **Sec. 5.** NRS 279.687 is hereby amended to read as follows:

42 279.687 A school district shall not use any money received pursuant
43 to subparagraph (2) of paragraph (b) of subsection 1 of NRS 279.685, ~~or~~
44 paragraph (c) of subsection 1 of NRS 279.685 *or section 1 of this act* to
45 reduce or supplant the amount of any money which the school district

1 would otherwise expend for the purposes described in subparagraph (2) of
2 paragraph (b) of subsection 1 of NRS 279.685 , ~~and~~ paragraph (c) of
3 subsection 1 of NRS 279.685 ~~and~~ *and section 1 of this act*, respectively.

4 **Sec. 6.** The provisions of subsection 1 of NRS 218D.380 do not
5 apply to the reporting requirements of section 1 of this act.

6 **Sec. 7.** This act becomes effective on July 1, 2015.

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