

ASSEMBLY BILL NO. 191—ASSEMBLYMEN PAUL ANDERSON  
AND KIRKPATRICK

FEBRUARY 23, 2015

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JOINT SPONSORS: SENATORS HAMMOND AND ROBERSON

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Referred to Committee on Taxation

SUMMARY—Revises provisions governing taxes on fuels for motor vehicles. (BDR 32-667)

FISCAL NOTE: Effect on Local Government: No.  
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.

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AN ACT relating to taxation; revising provisions relating to the imposition by certain counties of additional taxes on fuels for motor vehicles; providing that the boards of county commissioners of certain larger counties may continue the imposition of certain additional taxes on fuels for motor vehicles if a ballot question authorizing such additional taxes is approved by a majority of the voters in the county; providing for the imposition by the boards of county commissioners of certain counties of additional taxes on fuels for motor vehicles if a ballot question authorizing such additional taxes is approved by a majority of the voters in the county; requiring the approval by voters of additional ballot measures to continue the imposition of the additional taxes; providing that money collected from certain of the additional taxes must be deposited with the State Treasurer to the credit of the State Highway Fund, accounted for separately in the State Highway Fund and used by the Department of Transportation only to finance projects for the construction, maintenance and repair of state highways in the county in which the tax is collected; repealing certain provisions relating to a ballot question providing for the imposition by the State of certain additional taxes on fuels for motor vehicles; and providing other matters properly relating thereto.



**Legislative Counsel's Digest:**

1 Existing law authorizes counties to impose certain taxes on motor vehicle fuels  
2 and special fuels used in motor vehicles. (Chapter 373 of NRS) Existing law  
3 authorizes the board of county commissioners of a county whose population is  
4 700,000 or more and in which a regional transportation commission has been  
5 created and a county tax is imposed on motor vehicle fuel (currently Clark County)  
6 to impose, upon approval by a two-thirds majority of the members of the board,  
7 additional taxes on motor vehicle fuel and various special fuels used in motor  
8 vehicles. Existing law also authorizes the board of county commissioners to  
9 provide for annual increases in these taxes, for the period beginning on January 1,  
10 2014, and ending on December 31, 2016. Existing law provides that for the period  
11 beginning on January 1, 2017: (1) the board of county commissioners must not  
12 impose any additional increases in certain taxes authorized by that provision of  
13 existing law; and (2) increases in the remainder of the taxes authorized by that  
14 provision may not be effectuated unless a majority of the voters in the county at the  
15 general election in November 2016 authorize the board of county commissioners to  
16 continue to provide for the annual increases. (NRS 373.0663) **Section 2** of this bill  
17 removes the prohibition on the continued imposition of additional increases in  
18 certain taxes, subject to the existing provisions which provide that the additional  
19 increases may not be effectuated unless a majority of the voters in the county at the  
20 general election in November 2016 authorize the board of county commissioners to  
21 continue to provide for the annual increases. **Section 2** additionally provides that  
22 for the period beginning on January 1, 2027, additional annual increases in the  
23 taxes on motor vehicle fuel and various special fuels used in motor vehicles may  
24 not be effectuated unless a majority of the voters in the county at the general  
25 election in November 2026 authorize the board of county commissioners to  
26 continue to provide for the annual increases. Regardless of the outcome of those  
27 elections, **section 1** of this bill provides that any money collected from certain  
28 additional taxes imposed on motor vehicle fuel and various special fuels used in  
29 motor vehicles after November 8, 2016, must be deposited with the State Treasurer  
30 to the credit of the State Highway Fund, accounted for separately in the State  
31 Highway Fund and used by the Department of Transportation only to finance  
32 projects for the construction, maintenance and repair of state highways in the  
33 county in which the tax is collected. **Sections 4, 7, 9 and 12** of this bill make  
34 conforming changes.

35 Upon approval by a majority of the voters in any county, other than Clark or  
36 Washoe County, at the general election in November 2016, existing law requires  
37 the board of county commissioners of the county to impose additional county taxes  
38 on motor vehicle fuel and various special fuels used in motor vehicles. Existing law  
39 also authorizes the board of county commissioners to provide for annual increases  
40 in these taxes, for the period beginning on January 1, 2017, and ending on  
41 December 31, 2026. Additionally, existing law provides that, for the period  
42 beginning on January 1, 2027, the increases in these taxes may not be effectuated  
43 unless a majority of the voters in the county at the general election in November  
44 2026 authorize the board of county commissioners to continue to provide for the  
45 annual increases. (NRS 373.0667) Existing law also provides for a statewide ballot  
46 measure, approval of which by a majority of the voters in the State at the general  
47 election in November 2016 would require the State to impose additional state taxes  
48 on motor vehicle fuel and various special fuels used in motor vehicles and to  
49 impose annual increases on those taxes. (Section 12 of chapter 540, Statutes of  
50 Nevada 2013, p. 3586) **Section 18** of this bill repeals the provisions of existing law  
51 relating to the statewide ballot measure concerning the imposition by the State of  
52 additional state taxes on motor vehicle fuel and various special fuels used in motor  
53 vehicles. **Sections 3 and 17** of this bill instead require the board of county  
54 commissioners of a county other than Clark or Washoe County, upon approval by a



55 majority of the voters in the county at the general election in November 2016, to  
56 impose such additional taxes on motor vehicle fuel and various special fuels used in  
57 motor vehicles in the same manner as the board is required under existing law to  
58 impose the additional county taxes on motor vehicle fuel and various special fuels  
59 used in motor vehicles. **Section 15** of this bill provides that money collected from  
60 certain additional taxes imposed on motor vehicle fuel and various special fuels  
61 used in motor vehicles on or after January 1, 2017, must be deposited with the State  
62 Treasurer to the credit of the State Highway Fund, accounted for separately in the  
63 State Highway Fund and used by the Department of Transportation only to finance  
64 projects for the construction, maintenance and repair of state highways in the  
65 county in which the tax is collected. **Sections 5, 6, 8, 10, 11, 13, 14 and 18** of this  
66 bill make conforming changes.

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

1 **Section 1.** Chapter 373 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3 *Notwithstanding any other provision of law, money collected*  
4 *after November 8, 2016, from the annual increases in the taxes*  
5 *authorized by paragraphs (e) and (g) to (j), inclusive, of subsection*  
6 *1 of NRS 373.0663 and imposed by the ordinance must be*  
7 *deposited with the State Treasurer to the credit of the State*  
8 *Highway Fund, accounted for separately in the State Highway*  
9 *Fund and used by the Department of Transportation only to*  
10 *finance projects for the construction, maintenance and repair of*  
11 *state highways in the county in which the tax is collected.*

12 **Sec. 2.** NRS 373.0663 is hereby amended to read as follows:

13 373.0663 1. Except as otherwise provided in this section, in a  
14 county whose population is 700,000 or more and in which a  
15 commission has been created and a tax is imposed pursuant to  
16 NRS 373.030:

17 (a) The board may by ordinance impose:

18 (1) An excise tax on each gallon of motor vehicle fuel,  
19 except aviation fuel, sold in the county in an amount equal to the  
20 product obtained by multiplying 3.6 cents per gallon by the lesser of  
21 the applicable percentage or the adjusted average highway and street  
22 construction inflation index for the fiscal year in which the  
23 ordinance becomes effective; and

24 (2) Except as otherwise provided in subsection 5, an annual  
25 increase in the tax imposed pursuant to subparagraph (1), on the first  
26 day of each fiscal year following the fiscal year in which that tax  
27 becomes effective, in the amount determined by adding 3.6 cents  
28 per gallon to the amount of the tax imposed pursuant to  
29 subparagraph (1) during the immediately preceding fiscal year, then  
30 multiplying that sum by the lesser of the applicable percentage or



1 the adjusted average highway and street construction inflation index  
2 for the fiscal year in which the increase becomes effective.

3 (b) The board may by ordinance impose:

4 (1) An excise tax on each gallon of motor vehicle fuel,  
5 except aviation fuel, sold in the county in an amount equal to the  
6 product obtained by multiplying 1.75 cents per gallon by the lesser  
7 of the applicable percentage or the adjusted average highway and  
8 street construction inflation index for the fiscal year in which the  
9 ordinance becomes effective; and

10 (2) Except as otherwise provided in subsection 5, an annual  
11 increase in the tax imposed pursuant to subparagraph (1), on the first  
12 day of each fiscal year following the fiscal year in which that tax  
13 becomes effective, in the amount determined by adding 1.75 cents  
14 per gallon to the amount of the tax imposed pursuant to  
15 subparagraph (1) during the immediately preceding fiscal year, then  
16 multiplying that sum by the lesser of the applicable percentage or  
17 the adjusted average highway and street construction inflation index  
18 for the fiscal year in which the increase becomes effective.

19 (c) The board may by ordinance impose:

20 (1) An excise tax on each gallon of motor vehicle fuel,  
21 except aviation fuel, sold in the county in an amount equal to the  
22 product obtained by multiplying 1 cent per gallon by the lesser of  
23 the applicable percentage or the adjusted average highway and street  
24 construction inflation index for the fiscal year in which the  
25 ordinance becomes effective; and

26 (2) Except as otherwise provided in subsection 5, an annual  
27 increase in the tax imposed pursuant to subparagraph (1), on the first  
28 day of each fiscal year following the fiscal year in which that tax  
29 becomes effective, in the amount determined by adding 1 cent per  
30 gallon to the amount of the tax imposed pursuant to subparagraph  
31 (1) during the immediately preceding fiscal year, then multiplying  
32 that sum by the lesser of the applicable percentage or the adjusted  
33 average highway and street construction inflation index for the fiscal  
34 year in which the increase becomes effective.

35 (d) The board may by ordinance impose:

36 (1) An excise tax on each gallon of motor vehicle fuel,  
37 except aviation fuel, sold in the county in an amount equal to the  
38 product obtained by multiplying 9 cents per gallon by the lesser of  
39 the applicable percentage or the adjusted average highway and street  
40 construction inflation index for the fiscal year in which the  
41 ordinance becomes effective; and

42 (2) Except as otherwise provided in subsection 5, an annual  
43 increase in the tax imposed pursuant to subparagraph (1), on the first  
44 day of each fiscal year following the fiscal year in which that tax  
45 becomes effective, in the amount determined by adding 9 cents per



1 gallon to the amount of the tax imposed pursuant to subparagraph  
2 (1) during the immediately preceding fiscal year, then multiplying  
3 that sum by the lesser of the applicable percentage or the adjusted  
4 average highway and street construction inflation index for the fiscal  
5 year in which the increase becomes effective.

6 (e) The board may by ordinance impose:

7 (1) An excise tax on each gallon of motor vehicle fuel,  
8 except aviation fuel, sold in the county in an amount equal to the  
9 product obtained by multiplying 18.455 cents per gallon by the  
10 lesser of the applicable percentage or the adjusted average highway  
11 and street construction inflation index for the fiscal year in which  
12 the ordinance becomes effective; and

13 (2) Except as otherwise provided in subsection 5, an annual  
14 increase in the tax imposed pursuant to subparagraph (1), on the first  
15 day of each fiscal year following the fiscal year in which that tax  
16 becomes effective, in the amount determined by adding 18.455 cents  
17 per gallon to the amount of the tax imposed pursuant to  
18 subparagraph (1) during the immediately preceding fiscal year, then  
19 multiplying that sum by the lesser of the applicable percentage or  
20 the adjusted average highway and street construction inflation index  
21 for the fiscal year in which the increase becomes effective.

22 (f) The board may by ordinance impose:

23 (1) An excise tax on each gallon of motor vehicle fuel,  
24 except aviation fuel, sold in the county in an amount equal to the  
25 product obtained by multiplying 18.4 cents per gallon by the lesser  
26 of the applicable percentage or the adjusted average highway and  
27 street construction inflation index for the fiscal year in which the  
28 ordinance becomes effective; and

29 (2) Except as otherwise provided in subsection 5, an annual  
30 increase in the tax imposed pursuant to subparagraph (1), on the first  
31 day of each fiscal year following the fiscal year in which that tax  
32 becomes effective, in the amount determined by adding 18.4 cents  
33 per gallon to the amount of the tax imposed pursuant to  
34 subparagraph (1) during the immediately preceding fiscal year, then  
35 multiplying that sum by the lesser of the applicable percentage or  
36 the adjusted average highway and street construction inflation index  
37 for the fiscal year in which the increase becomes effective.

38 (g) The board may by ordinance impose:

39 (1) An excise tax on each gallon of special fuel that consists  
40 of an emulsion of water-phased hydrocarbon fuel sold in the county  
41 in an amount equal to the product obtained by multiplying 19 cents  
42 per gallon by the lesser of the applicable percentage or the adjusted  
43 average highway and street construction inflation index for the fiscal  
44 year in which the ordinance becomes effective; and



1 (2) Except as otherwise provided in subsection 5, an annual  
2 increase in the tax imposed pursuant to subparagraph (1), on the first  
3 day of each fiscal year following the fiscal year in which that tax  
4 becomes effective, in the amount determined by adding 19 cents per  
5 gallon to the amount of the tax imposed pursuant to subparagraph  
6 (1) during the immediately preceding fiscal year, then multiplying  
7 that sum by the lesser of the applicable percentage or the adjusted  
8 average highway and street construction inflation index for the fiscal  
9 year in which the increase becomes effective.

10 (h) The board may by ordinance impose:

11 (1) An excise tax on each gallon of special fuel that consists  
12 of liquefied petroleum gas sold in the county in an amount equal to  
13 the product obtained by multiplying 22 cents per gallon by the lesser  
14 of the applicable percentage or the adjusted average highway and  
15 street construction inflation index for the fiscal year in which the  
16 ordinance becomes effective; and

17 (2) Except as otherwise provided in subsection 5, an annual  
18 increase in the tax imposed pursuant to subparagraph (1), on the first  
19 day of each fiscal year following the fiscal year in which that tax  
20 becomes effective, in the amount determined by adding 22 cents per  
21 gallon to the amount of the tax imposed pursuant to subparagraph  
22 (1) during the immediately preceding fiscal year, then multiplying  
23 that sum by the lesser of the applicable percentage or the adjusted  
24 average highway and street construction inflation index for the fiscal  
25 year in which the increase becomes effective.

26 (i) The board may by ordinance impose:

27 (1) An excise tax on each gallon of special fuel that consists  
28 of compressed natural gas sold in the county in an amount equal to  
29 the product obtained by multiplying 21 cents per gallon by the lesser  
30 of the applicable percentage or the adjusted average highway and  
31 street construction inflation index for the fiscal year in which the  
32 ordinance becomes effective; and

33 (2) Except as otherwise provided in subsection 5, an annual  
34 increase in the tax imposed pursuant to subparagraph (1), on the first  
35 day of each fiscal year following the fiscal year in which that tax  
36 becomes effective, in the amount determined by adding 21 cents per  
37 gallon to the amount of the tax imposed pursuant to subparagraph  
38 (1) during the immediately preceding fiscal year, then multiplying  
39 that sum by the lesser of the applicable percentage or the adjusted  
40 average highway and street construction inflation index for the fiscal  
41 year in which the increase becomes effective.

42 (j) The board may by ordinance impose:

43 (1) An excise tax on each gallon of special fuel sold in the  
44 county, other than any special fuel described in paragraph (g), (h) or  
45 (i), in an amount equal to the product obtained by multiplying 27.75



1 cents per gallon by the lesser of the applicable percentage or the  
2 adjusted average highway and street construction inflation index for  
3 the fiscal year in which the ordinance becomes effective; and

4 (2) Except as otherwise provided in subsection 5, an annual  
5 increase in the tax imposed pursuant to subparagraph (1), on the first  
6 day of each fiscal year following the fiscal year in which that tax  
7 becomes effective, in the amount determined by adding 27.75 cents  
8 per gallon to the amount of the tax imposed pursuant to  
9 subparagraph (1) during the immediately preceding fiscal year, then  
10 multiplying that sum by the lesser of the applicable percentage or  
11 the adjusted average highway and street construction inflation index  
12 for the fiscal year in which the increase becomes effective.

13 (k) The board may by ordinance impose:

14 (1) An excise tax on each gallon of special fuel that consists  
15 of liquefied petroleum gas sold in the county in an amount equal to  
16 the product obtained by multiplying 18.3 cents per gallon by the  
17 lesser of the applicable percentage or the adjusted average highway  
18 and street construction inflation index for the fiscal year in which  
19 the ordinance becomes effective; and

20 (2) Except as otherwise provided in subsection 5, an annual  
21 increase in the tax imposed pursuant to subparagraph (1), on the first  
22 day of each fiscal year following the fiscal year in which that tax  
23 becomes effective, in the amount determined by adding 18.3 cents  
24 per gallon to the amount of the tax imposed pursuant to  
25 subparagraph (1) during the immediately preceding fiscal year, then  
26 multiplying that sum by the lesser of the applicable percentage or  
27 the adjusted average highway and street construction inflation index  
28 for the fiscal year in which the increase becomes effective.

29 (l) The board may by ordinance impose:

30 (1) An excise tax on each gallon of special fuel that consists  
31 of compressed natural gas sold in the county in an amount equal to  
32 the product obtained by multiplying 18.3 cents per gallon by the  
33 lesser of the applicable percentage or the adjusted average highway  
34 and street construction inflation index for the fiscal year in which  
35 the ordinance becomes effective; and

36 (2) Except as otherwise provided in subsection 5, an annual  
37 increase in the tax imposed pursuant to subparagraph (1), on the first  
38 day of each fiscal year following the fiscal year in which that tax  
39 becomes effective, in the amount determined by adding 18.3 cents  
40 per gallon to the amount of the tax imposed pursuant to  
41 subparagraph (1) during the immediately preceding fiscal year, then  
42 multiplying that sum by the lesser of the applicable percentage or  
43 the adjusted average highway and street construction inflation index  
44 for the fiscal year in which the increase becomes effective.

45 (m) The board may by ordinance impose:



1 (1) An excise tax on each gallon of special fuel sold in the  
2 county, other than any special fuel described in paragraph (k) or (l),  
3 which is taxed by the Federal Government at a rate per gallon or  
4 gallon equivalent of 24.4 cents or more, in an amount equal to the  
5 product obtained by multiplying 24.4 cents per gallon by the lesser  
6 of the applicable percentage or the adjusted average highway and  
7 street construction inflation index for the fiscal year in which the  
8 ordinance becomes effective; and

9 (2) Except as otherwise provided in subsection 5, an annual  
10 increase in the tax imposed pursuant to subparagraph (1), on the first  
11 day of each fiscal year following the fiscal year in which that tax  
12 becomes effective, in the amount determined by adding 24.4 cents  
13 per gallon to the amount of the tax imposed pursuant to  
14 subparagraph (1) during the immediately preceding fiscal year, then  
15 multiplying that sum by the lesser of the applicable percentage or  
16 the adjusted average highway and street construction inflation index  
17 for the fiscal year in which the increase becomes effective.

18 2. An ordinance authorized by this section must be approved  
19 by a two-thirds majority of the members of the board. If the board  
20 adopts an ordinance authorized by this section, the ordinance must  
21 impose all of the taxes authorized by this section. Upon the adoption  
22 of such an ordinance, and except as otherwise provided in  
23 subsection 5, no further action by the board is necessary to  
24 effectuate the annual increases in the taxes imposed by the  
25 ordinance.

26 3. If the board adopts an ordinance imposing the taxes  
27 authorized by this section, the ordinance:

28 (a) Must be adopted before October 1, 2013;

29 (b) Must become effective on January 1, 2014; and

30 (c) Is not affected by any changes in the population of the  
31 county which occur after the adoption of the ordinance.

32 4. The applicable percentage specified by the board for the  
33 taxes imposed pursuant to this section must be the same percentage  
34 for each tax imposed pursuant to this section. Except as otherwise  
35 provided in subsection 5, the board may amend the applicable  
36 percentage by ordinance from time to time, but any such amendment  
37 must not become effective earlier than 90 days after the date of the  
38 adoption of the ordinance amending the applicable percentage.  
39 Except as otherwise provided in subsection 4 of NRS 373.120, the  
40 applicable percentage must not be amended to reduce the applicable  
41 percentage at any time that bonds are outstanding which are secured  
42 by the taxes imposed pursuant to this section.

43 5. Upon the adoption of an ordinance authorized by this  
44 section:





1 (a) For the period beginning on January 1, 2014, and ending on  
2 December 31, 2016, no further action by the board is necessary to  
3 effectuate the annual increases in the taxes imposed by the  
4 ordinance.

5 (b) For the period beginning on January 1, 2017 ~~†~~:

6 ~~— (1) The board shall not impose any additional annual~~  
7 ~~increases in the taxes authorized by paragraphs (e) and (g) to (j),~~  
8 ~~inclusive, of subsection 1 and imposed by the ordinance after~~  
9 ~~November 8, 2016, but any annual increases in the taxes authorized~~  
10 ~~by paragraphs (e) and (g) to (j), inclusive, of subsection 1 and~~  
11 ~~imposed by the ordinance on or before November 8, 2016, are not~~  
12 ~~affected, amended, reduced or eliminated and must be continued for~~  
13 ~~any period during which bonds are outstanding that are secured by~~  
14 ~~the taxes authorized by paragraphs (e) and (g) to (j), inclusive, of~~  
15 ~~subsection 1 and imposed by the ordinance.~~

16 ~~— (2) The~~ *, and ending on December 31, 2026, the* annual  
17 increases in the taxes authorized by ~~[paragraphs (a) to (d), inclusive,~~  
18 ~~(f), (k), (l) and (m) of subsection 1]~~ *this section* and imposed by the  
19 ordinance may not be effectuated unless a question is placed on  
20 the ballot at the general election on November 8, 2016, which asks  
21 the voters in the county whether to authorize the board to impose,  
22 for the period beginning on January 1, 2017, the increases  
23 authorized by ~~[paragraphs (a) to (d), inclusive, (f), (k), (l) and (m) of~~  
24 ~~subsection 1]~~ *this section* in the taxes imposed by the ordinance and  
25 the question is approved by a majority of the registered voters  
26 voting on the question. If the question is approved by a majority of  
27 such voters, no further action by the board is necessary to effectuate  
28 the annual increases in the taxes authorized by ~~[paragraphs (a) to~~  
29 ~~(d), inclusive, (f), (k), (l) and (m) of subsection 1]~~ *this section* and  
30 imposed by the ordinance. If the question is not approved by a  
31 majority of such voters, the board shall not impose any additional  
32 annual increases in the taxes authorized by ~~[paragraphs (a) to (d),~~  
33 ~~inclusive, (f), (k), (l) and (m) of subsection 1]~~ *this section* and  
34 imposed by the ordinance after November 8, 2016, but any annual  
35 increases in such taxes imposed by the ordinance on or before  
36 November 8, 2016, are not affected, amended, reduced or eliminated  
37 and must be continued for any period during which bonds are  
38 outstanding that are secured by such taxes imposed by the  
39 ordinance.

40 *(c) For the period beginning on January 1, 2027, if the*  
41 *question placed on the ballot pursuant to paragraph (b) is*  
42 *approved by a majority of the registered voters in the county voting*  
43 *on the question, the annual increases in the taxes authorized by*  
44 *this section and imposed by the ordinance may be effectuated if a*  
45 *question is placed on the ballot at the general election on*



1 *November 3, 2026, which asks the voters in the county whether to*  
2 *authorize the board to impose, for the period beginning on*  
3 *January 1, 2027, the increases authorized by this section in the*  
4 *taxes imposed by the ordinance and the question is approved by a*  
5 *majority of the registered voters voting on the question. If the*  
6 *question is approved at the general election on November 3, 2026,*  
7 *by a majority of such voters, no further action by the board is*  
8 *necessary to effectuate the annual increases in the taxes*  
9 *authorized by this section and imposed by the ordinance. If the*  
10 *question is not approved by a majority of such voters, the board*  
11 *shall not impose any additional annual increases in the taxes*  
12 *authorized by this section and imposed by the ordinance after*  
13 *November 3, 2026, but any annual increases in such taxes*  
14 *imposed by the ordinance on or before November 3, 2026, are not*  
15 *affected, amended, reduced or eliminated and must be continued*  
16 *for any period during which bonds are outstanding that are*  
17 *secured by such taxes imposed by the ordinance.*

18 6. As used in this section:

19 (a) "Adjusted average highway and street construction inflation  
20 index" means:

21 (1) For the fiscal year in which an ordinance adopted  
22 pursuant to this section becomes effective, the percentage obtained  
23 by adding the average highway and street construction inflation  
24 index for that fiscal year to:

25 (I) If the average highway and street construction  
26 inflation index for the immediately preceding fiscal year is greater  
27 than the applicable percentage, the remainder obtained by  
28 subtracting the applicable percentage from the average highway and  
29 street construction inflation index for the immediately preceding  
30 fiscal year; or

31 (II) If the average highway and street construction  
32 inflation index for the immediately preceding fiscal year is less than  
33 or equal to the applicable percentage, zero; and

34 (2) For each fiscal year following the fiscal year in which the  
35 ordinance becomes effective, the percentage obtained by adding the  
36 average highway and street construction inflation index for that  
37 fiscal year to:

38 (I) If the adjusted average highway and street construction  
39 inflation index for the immediately preceding fiscal year is greater  
40 than the applicable percentage, the remainder obtained by  
41 subtracting the applicable percentage from the adjusted average  
42 highway and street construction inflation index for the immediately  
43 preceding fiscal year; or



1 (II) If the adjusted average highway and street  
2 construction inflation index for the immediately preceding fiscal  
3 year is less than or equal to the applicable percentage, zero.

4 (b) "Applicable percentage" means the lesser of 7.8 percent or  
5 the percentage specified by the board in any ordinance imposing a  
6 tax pursuant to this section.

7 (c) "Average highway and street construction inflation index"  
8 means for a fiscal year the average percentage increase in the  
9 highway and street construction inflation index for the 10 calendar  
10 years immediately preceding the beginning of that fiscal year.

11 (d) "Highway and street construction inflation index" means:

12 (1) The Producer Price Index for Highway and Street  
13 Construction until that Index ceased to be published; and

14 (2) The Producer Price Index for Other Nonresidential  
15 Construction thereafter or, if that Index ceases to be published by  
16 the United States Department of Labor, the published index that  
17 most closely measures inflation in the costs of highway and street  
18 construction, as determined by the commission.

19 (e) "Special fuel" has the meaning ascribed to it in  
20 NRS 366.060.

21 **Sec. 3.** NRS 373.0667 is hereby amended to read as follows:

22 373.0667 1. In addition to any other tax imposed pursuant to  
23 this chapter:

24 (a) The board shall by ordinance impose:

25 (1) An excise tax on each gallon of motor vehicle fuel,  
26 except aviation fuel, sold in the county in an amount equal to the  
27 product obtained by multiplying 3.6 cents per gallon by the lesser of  
28 the applicable percentage or the adjusted average highway and street  
29 construction inflation index for the fiscal year in which the  
30 ordinance becomes effective; and

31 (2) Except as otherwise provided in subsection 4, an annual  
32 increase in the tax imposed pursuant to subparagraph (1), on the first  
33 day of each fiscal year following the fiscal year in which that tax  
34 becomes effective, in the amount determined by adding 3.6 cents  
35 per gallon to the amount of the tax imposed pursuant to  
36 subparagraph (1) during the immediately preceding fiscal year, then  
37 multiplying that sum by the lesser of the applicable percentage or  
38 the adjusted average highway and street construction inflation index  
39 for the fiscal year in which the increase becomes effective.

40 (b) The board shall by ordinance impose:

41 (1) An excise tax on each gallon of motor vehicle fuel,  
42 except aviation fuel, sold in the county in an amount equal to the  
43 product obtained by multiplying 1.75 cents per gallon by the lesser  
44 of the applicable percentage or the adjusted average highway and



1 street construction inflation index for the fiscal year in which the  
2 ordinance becomes effective; and

3 (2) Except as otherwise provided in subsection 4, an annual  
4 increase in the tax imposed pursuant to subparagraph (1), on the first  
5 day of each fiscal year following the fiscal year in which that tax  
6 becomes effective, in the amount determined by adding 1.75 cents  
7 per gallon to the amount of the tax imposed pursuant to  
8 subparagraph (1) during the immediately preceding fiscal year, then  
9 multiplying that sum by the lesser of the applicable percentage or  
10 the adjusted average highway and street construction inflation index  
11 for the fiscal year in which the increase becomes effective.

12 (c) The board shall by ordinance impose:

13 (1) An excise tax on each gallon of motor vehicle fuel,  
14 except aviation fuel, sold in the county in an amount equal to the  
15 product obtained by multiplying 1 cent per gallon by the lesser of  
16 the applicable percentage or the adjusted average highway and street  
17 construction inflation index for the fiscal year in which the  
18 ordinance becomes effective; and

19 (2) Except as otherwise provided in subsection 4, an annual  
20 increase in the tax imposed pursuant to subparagraph (1), on the first  
21 day of each fiscal year following the fiscal year in which that tax  
22 becomes effective, in the amount determined by adding 1 cent per  
23 gallon to the amount of the tax imposed pursuant to subparagraph  
24 (1) during the immediately preceding fiscal year, then multiplying  
25 that sum by the lesser of the applicable percentage or the adjusted  
26 average highway and street construction inflation index for the fiscal  
27 year in which the increase becomes effective.

28 (d) The board shall by ordinance impose:

29 (1) An excise tax on each gallon of motor vehicle fuel,  
30 except aviation fuel, sold in the county in an amount equal to the  
31 product obtained by multiplying 9 cents per gallon by the lesser of  
32 the applicable percentage or the adjusted average highway and street  
33 construction inflation index for the fiscal year in which the  
34 ordinance becomes effective; and

35 (2) Except as otherwise provided in subsection 4, an annual  
36 increase in the tax imposed pursuant to subparagraph (1), on the first  
37 day of each fiscal year following the fiscal year in which that tax  
38 becomes effective, in the amount determined by adding 9 cents per  
39 gallon to the amount of the tax imposed pursuant to subparagraph  
40 (1) during the immediately preceding fiscal year, then multiplying  
41 that sum by the lesser of the applicable percentage or the adjusted  
42 average highway and street construction inflation index for the fiscal  
43 year in which the increase becomes effective.

44 (e) *The board shall by ordinance impose:*



1           (1) *An excise tax on each gallon of motor vehicle fuel,*  
2 *except aviation fuel, sold in the county in an amount equal to the*  
3 *product obtained by multiplying 18.455 cents per gallon by the*  
4 *lesser of the applicable percentage or the adjusted average*  
5 *highway and street construction inflation index for the fiscal year*  
6 *in which the ordinance becomes effective; and*

7           (2) *Except as otherwise provided in subsection 4, an annual*  
8 *increase in the tax imposed pursuant to subparagraph (1), on the*  
9 *first day of each fiscal year following the fiscal year in which that*  
10 *tax becomes effective, in the amount determined by adding 18.455*  
11 *cents per gallon to the amount of the tax imposed pursuant to*  
12 *subparagraph (1) during the immediately preceding fiscal year,*  
13 *then multiplying that sum by the lesser of the applicable*  
14 *percentage or the adjusted average highway and street*  
15 *construction inflation index for the fiscal year in which the*  
16 *increase becomes effective.*

17       (f) The board shall by ordinance impose:

18           (1) An excise tax on each gallon of motor vehicle fuel,  
19 except aviation fuel, sold in the county in an amount equal to the  
20 product obtained by multiplying 18.4 cents per gallon by the lesser  
21 of the applicable percentage or the adjusted average highway and  
22 street construction inflation index for the fiscal year in which the  
23 ordinance becomes effective; and

24           (2) Except as otherwise provided in subsection 4, an annual  
25 increase in the tax imposed pursuant to subparagraph (1), on the first  
26 day of each fiscal year following the fiscal year in which that tax  
27 becomes effective, in the amount determined by adding 18.4 cents  
28 per gallon to the amount of the tax imposed pursuant to  
29 subparagraph (1) during the immediately preceding fiscal year, then  
30 multiplying that sum by the lesser of the applicable percentage or  
31 the adjusted average highway and street construction inflation index  
32 for the fiscal year in which the increase becomes effective.

33       ~~(g)~~ (g) *The board shall by ordinance impose:*

34           (1) *An excise tax on each gallon of special fuel that consists*  
35 *of an emulsion of water-phased hydrocarbon fuel sold in the*  
36 *county in an amount equal to the product obtained by multiplying*  
37 *19 cents per gallon by the lesser of the applicable percentage or*  
38 *the adjusted average highway and street construction inflation*  
39 *index for the fiscal year in which the ordinance becomes effective;*  
40 *and*

41           (2) *Except as otherwise provided in subsection 4, an annual*  
42 *increase in the tax imposed pursuant to subparagraph (1), on the*  
43 *first day of each fiscal year following the fiscal year in which that*  
44 *tax becomes effective, in the amount determined by adding 19*  
45 *cents per gallon to the amount of the tax imposed pursuant to*



1 *subparagraph (I) during the immediately preceding fiscal year,*  
2 *then multiplying that sum by the lesser of the applicable*  
3 *percentage or the adjusted average highway and street*  
4 *construction inflation index for the fiscal year in which the*  
5 *increase becomes effective.*

6 *(h) The board shall by ordinance impose:*

7 *(1) An excise tax on each gallon of special fuel that consists*  
8 *of liquefied petroleum gas sold in the county in an amount equal*  
9 *to the product obtained by multiplying 22 cents per gallon by the*  
10 *lesser of the applicable percentage or the adjusted average*  
11 *highway and street construction inflation index for the fiscal year*  
12 *in which the ordinance becomes effective; and*

13 *(2) Except as otherwise provided in subsection 4, an annual*  
14 *increase in the tax imposed pursuant to subparagraph (1), on the*  
15 *first day of each fiscal year following the fiscal year in which that*  
16 *tax becomes effective, in the amount determined by adding 22*  
17 *cents per gallon to the amount of the tax imposed pursuant to*  
18 *subparagraph (1) during the immediately preceding fiscal year,*  
19 *then multiplying that sum by the lesser of the applicable*  
20 *percentage or the adjusted average highway and street*  
21 *construction inflation index for the fiscal year in which the*  
22 *increase becomes effective.*

23 *(i) The board shall by ordinance impose:*

24 *(1) An excise tax on each gallon of special fuel that consists*  
25 *of compressed natural gas sold in the county in an amount equal*  
26 *to the product obtained by multiplying 21 cents per gallon by the*  
27 *lesser of the applicable percentage or the adjusted average*  
28 *highway and street construction inflation index for the fiscal year*  
29 *in which the ordinance becomes effective; and*

30 *(2) Except as otherwise provided in subsection 4, an annual*  
31 *increase in the tax imposed pursuant to subparagraph (1), on the*  
32 *first day of each fiscal year following the fiscal year in which that*  
33 *tax becomes effective, in the amount determined by adding 21*  
34 *cents per gallon to the amount of the tax imposed pursuant to*  
35 *subparagraph (1) during the immediately preceding fiscal year,*  
36 *then multiplying that sum by the lesser of the applicable*  
37 *percentage or the adjusted average highway and street*  
38 *construction inflation index for the fiscal year in which the*  
39 *increase becomes effective.*

40 *(j) The board shall by ordinance impose:*

41 *(1) An excise tax on each gallon of special fuel sold in the*  
42 *county, other than any special fuel described in paragraph (g), (h)*  
43 *or (i), in an amount equal to the product obtained by multiplying*  
44 *27.75 cents per gallon by the lesser of the applicable percentage or*  
45 *the adjusted average highway and street construction inflation*



1 *index for the fiscal year in which the ordinance becomes effective;*  
2 *and*

3 *(2) Except as otherwise provided in subsection 4, an annual*  
4 *increase in the tax imposed pursuant to subparagraph (1), on the*  
5 *first day of each fiscal year following the fiscal year in which that*  
6 *tax becomes effective, in the amount determined by adding 27.75*  
7 *cents per gallon to the amount of the tax imposed pursuant to*  
8 *subparagraph (1) during the immediately preceding fiscal year,*  
9 *then multiplying that sum by the lesser of the applicable*  
10 *percentage or the adjusted average highway and street*  
11 *construction inflation index for the fiscal year in which the*  
12 *increase becomes effective.*

13 (k) The board shall by ordinance impose:

14 (1) An excise tax on each gallon of special fuel that consists  
15 of liquefied petroleum gas sold in the county in an amount equal to  
16 the product obtained by multiplying 18.3 cents per gallon by the  
17 lesser of the applicable percentage or the adjusted average highway  
18 and street construction inflation index for the fiscal year in which  
19 the ordinance becomes effective; and

20 (2) Except as otherwise provided in subsection 4, an annual  
21 increase in the tax imposed pursuant to subparagraph (1), on the first  
22 day of each fiscal year following the fiscal year in which that tax  
23 becomes effective, in the amount determined by adding 18.3 cents  
24 per gallon to the amount of the tax imposed pursuant to  
25 subparagraph (1) during the immediately preceding fiscal year, then  
26 multiplying that sum by the lesser of the applicable percentage or  
27 the adjusted average highway and street construction inflation index  
28 for the fiscal year in which the increase becomes effective.

29 ~~(g)~~ (l) The board shall by ordinance impose:

30 (1) An excise tax on each gallon of special fuel that consists  
31 of compressed natural gas sold in the county in an amount equal to  
32 the product obtained by multiplying 18.3 cents per gallon by the  
33 lesser of the applicable percentage or the adjusted average highway  
34 and street construction inflation index for the fiscal year in which  
35 the ordinance becomes effective; and

36 (2) Except as otherwise provided in subsection 4, an annual  
37 increase in the tax imposed pursuant to subparagraph (1), on the first  
38 day of each fiscal year following the fiscal year in which that tax  
39 becomes effective, in the amount determined by adding 18.3 cents  
40 per gallon to the amount of the tax imposed pursuant to  
41 subparagraph (1) during the immediately preceding fiscal year, then  
42 multiplying that sum by the lesser of the applicable percentage or  
43 the adjusted average highway and street construction inflation index  
44 for the fiscal year in which the increase becomes effective.

45 ~~(h)~~ (m) The board shall by ordinance impose:





1 (1) An excise tax on each gallon of special fuel sold in the  
2 county, other than any special fuel described in paragraph ~~[(f) or~~  
3 ~~(g)] (k) or (l)~~, which is taxed by the Federal Government at a rate  
4 per gallon or gallon equivalent of 24.4 cents or more, in an amount  
5 equal to the product obtained by multiplying 24.4 cents per gallon  
6 by the lesser of the applicable percentage or the adjusted average  
7 highway and street construction inflation index for the fiscal year in  
8 which the ordinance becomes effective; and

9 (2) Except as otherwise provided in subsection 4, an annual  
10 increase in the tax imposed pursuant to subparagraph (1), on the first  
11 day of each fiscal year following the fiscal year in which that tax  
12 becomes effective, in the amount determined by adding 24.4 cents  
13 per gallon to the amount of the tax imposed pursuant to  
14 subparagraph (1) during the immediately preceding fiscal year, then  
15 multiplying that sum by the lesser of the applicable percentage or  
16 the adjusted average highway and street construction inflation index  
17 for the fiscal year in which the increase becomes effective.

18 2. Upon the adoption of the ordinance required by subsection  
19 1, and except as otherwise provided in subsection 4, no further  
20 action by the board is necessary to effectuate the annual increases in  
21 the taxes imposed by the ordinance.

22 3. The applicable percentage specified by the board for the  
23 taxes imposed pursuant to this section must be the same percentage  
24 for each tax imposed by the board pursuant to this section. Except as  
25 otherwise provided in subsection 4, the board may amend the  
26 applicable percentage by ordinance from time to time, but any such  
27 amendment must not become effective earlier than 90 days after the  
28 date of the adoption of the ordinance amending the applicable  
29 percentage. Except as otherwise provided in subsection 4 of NRS  
30 373.120, the applicable percentage must not be amended to reduce  
31 the applicable percentage at any time that bonds are outstanding  
32 which are secured by the taxes imposed pursuant to this section.

33 4. Upon the adoption of an ordinance authorized by this  
34 section:

35 (a) For the period beginning on January 1, 2017, and ending on  
36 December 31, 2026, no further action by the board is necessary to  
37 effectuate the annual increases in the taxes imposed by the  
38 ordinance.

39 (b) For the period beginning on January 1, 2027, the annual  
40 increases in the taxes *authorized by this section and* imposed by the  
41 ordinance may ~~[not]~~ be effectuated ~~[unless]~~ *if* a question is placed  
42 on the ballot at the general election on November 3, 2026, which  
43 asks the voters in the county whether to authorize the board to  
44 impose, for the period beginning on January 1, 2027, the increases  
45 authorized by this section in the taxes imposed by the ordinance and





1 the question is approved by a majority of the registered voters in the  
2 county voting on the question. If the question is approved by a  
3 majority of such voters, no further action by the board is necessary  
4 to effectuate the annual increases in the taxes imposed by the  
5 ordinance. If the question is not approved by a majority of such  
6 voters, the board shall not impose any additional annual increases in  
7 the taxes imposed by the ordinance after November 3, 2026, but any  
8 annual increases in the taxes imposed by the ordinance in effect on  
9 or before November 3, 2026, are not affected, amended, reduced or  
10 eliminated and must be continued for any period during which  
11 bonds are outstanding that are secured by the taxes imposed by the  
12 ordinance.

13 5. As used in this section:

14 (a) "Adjusted average highway and street construction inflation  
15 index" means:

16 (1) For the fiscal year in which an ordinance adopted  
17 pursuant to this section becomes effective, the percentage obtained  
18 by adding the average highway and street construction inflation  
19 index for that fiscal year to:

20 (I) If the average highway and street construction  
21 inflation index for the immediately preceding fiscal year is greater  
22 than the applicable percentage, the remainder obtained by  
23 subtracting the applicable percentage from the average highway and  
24 street construction inflation index for the immediately preceding  
25 fiscal year; or

26 (II) If the average highway and street construction  
27 inflation index for the immediately preceding fiscal year is less than  
28 or equal to the applicable percentage, zero; and

29 (2) For each fiscal year following the fiscal year in which the  
30 ordinance becomes effective, the percentage obtained by adding the  
31 average highway and street construction inflation index for that  
32 fiscal year to:

33 (I) If the adjusted average highway and street construction  
34 inflation index for the immediately preceding fiscal year is greater  
35 than the applicable percentage, the remainder obtained by  
36 subtracting the applicable percentage from the adjusted average  
37 highway and street construction inflation index for the immediately  
38 preceding fiscal year; or

39 (II) If the adjusted average highway and street  
40 construction inflation index for the immediately preceding fiscal  
41 year is less than or equal to the applicable percentage, zero.

42 (b) "Applicable percentage" means the lesser of 7.8 percent or  
43 the percentage specified by the board in any ordinance imposing a  
44 tax pursuant to this section.



1 (c) "Average highway and street construction inflation index"  
2 means for a fiscal year the average percentage increase in the  
3 highway and street construction inflation index for the 10 calendar  
4 years immediately preceding the beginning of that fiscal year.

5 (d) "Highway and street construction inflation index" means:

6 (1) The Producer Price Index for Highway and Street  
7 Construction until that index ceased to be published; and

8 (2) The Producer Price Index for Other Nonresidential  
9 Construction thereafter or, if that index ceases to be published by  
10 the United States Department of Labor, the published index that  
11 most closely measures inflation in the costs of highway and street  
12 construction, as determined by the commission.

13 (e) "Special fuel" has the meaning ascribed to it in  
14 NRS 366.060.

15 **Sec. 4.** NRS 373.067 is hereby amended to read as follows:

16 373.067 1. Any ordinance that imposes a tax pursuant to:

17 (a) The provisions of paragraph (a) of subsection 1 of NRS  
18 373.066 or paragraph (a) of subsection 1 of NRS 373.0663 must  
19 require the allocation, disbursement and use in the county of the  
20 proceeds of that tax in the same proportions and manner as the  
21 allocation, disbursement and use in the county of the proceeds of  
22 the tax imposed pursuant to NRS 365.180.

23 (b) The provisions of paragraph (b) of subsection 1 of NRS  
24 373.066 or paragraph (b) of subsection 1 of NRS 373.0663 must  
25 require the allocation, disbursement and use in the county of the  
26 proceeds of that tax in the same proportions and manner as the  
27 allocation, disbursement and use in the county of the proceeds of  
28 the tax imposed pursuant to NRS 365.190.

29 (c) The provisions of paragraph (c) of subsection 1 of NRS  
30 373.066 or paragraph (c) of subsection 1 of NRS 373.0663 must  
31 require the allocation, disbursement and use in the county of the  
32 proceeds of that tax in the same proportions and manner as the  
33 allocation, disbursement and use in the county of the proceeds of  
34 the tax imposed pursuant to NRS 365.192.

35 (d) Any of the provisions of paragraphs (d) to (m), inclusive, of  
36 subsection 1 of NRS 373.066 or paragraphs (d) to (m), inclusive, of  
37 subsection 1 of NRS 373.0663 must, except as otherwise required  
38 by subsection 6 of NRS 373.140, *and section 1 of this act*, require  
39 the allocation, disbursement and use in the county of the proceeds of  
40 that tax in the same proportions and manner as the allocation,  
41 disbursement and use in the county of the proceeds of the tax  
42 imposed pursuant to NRS 373.030.

43 2. Any ordinance adopted pursuant to NRS 373.066 or  
44 373.0663 must:



1 (a) Include a provision prohibiting the imposition of any  
2 penalties and interest for the failure to make any payments of any  
3 tax imposed by the ordinance which become due within the initial 6  
4 months after the ordinance becomes effective. This provision must  
5 apply only to taxes imposed pursuant to NRS 373.066 or 373.0663,  
6 and must not apply to any tax imposed pursuant to any other  
7 ordinance.

8 (b) Require the commission:

9 (1) To review, at a public meeting conducted after the  
10 provision of public notice and before the effective date of each  
11 annual increase imposed by the ordinance:

12 (I) The amount of that increase and the accuracy of its  
13 calculation;

14 (II) The amounts of any annual increases imposed by the  
15 ordinance in previous years and the revenue collected pursuant to  
16 those increases;

17 (III) Any improvements to the regional system of  
18 transportation resulting from revenue collected pursuant to any  
19 annual increases imposed by the ordinance in previous years; and

20 (IV) Any other information relevant to the effect of the  
21 annual increases on the public; and

22 (2) To submit to the board any information the commission  
23 receives suggesting that the annual increase should be adjusted.

24 **Sec. 5.** NRS 373.067 is hereby amended to read as follows:

25 373.067 1. Any ordinance that imposes a tax pursuant to:

26 (a) The provisions of paragraph (a) of subsection 1 of NRS  
27 373.066, paragraph (a) of subsection 1 of NRS 373.0663 or  
28 paragraph (a) of subsection 1 of NRS 373.0667 must require the  
29 allocation, disbursement and use in the county of the proceeds of  
30 that tax in the same proportions and manner as the allocation,  
31 disbursement and use in the county of the proceeds of the tax  
32 imposed pursuant to NRS 365.180.

33 (b) The provisions of paragraph (b) of subsection 1 of NRS  
34 373.066, paragraph (b) of subsection 1 of NRS 373.0663 or  
35 paragraph (b) of subsection 1 of NRS 373.0667 must require the  
36 allocation, disbursement and use in the county of the proceeds of  
37 that tax in the same proportions and manner as the allocation,  
38 disbursement and use in the county of the proceeds of the tax  
39 imposed pursuant to NRS 365.190.

40 (c) The provisions of paragraph (c) of subsection 1 of NRS  
41 373.066, paragraph (c) of subsection 1 of NRS 373.0663 or  
42 paragraph (c) of subsection 1 of NRS 373.0667 must require the  
43 allocation, disbursement and use in the county of the proceeds of  
44 that tax in the same proportions and manner as the allocation,



1 disbursement and use in the county of the proceeds of the tax  
2 imposed pursuant to NRS 365.192.

3 (d) Any of the provisions of paragraphs (d) to (m), inclusive, of  
4 subsection 1 of NRS 373.066, paragraphs (d) to (m), inclusive, of  
5 subsection 1 of NRS 373.0663 or paragraphs (d) to ~~[(h);]~~ (m),  
6 inclusive, of subsection 1 of NRS 373.0667 must, except as  
7 otherwise required by subsection 6 of NRS 373.140, **and section 15**  
8 **of this act**, require the allocation, disbursement and use in the  
9 county of the proceeds of that tax in the same proportions and  
10 manner as the allocation, disbursement and use in the county of the  
11 proceeds of the tax imposed pursuant to NRS 373.030.

12 2. Any ordinance adopted pursuant to NRS 373.066, 373.0663  
13 or 373.0667 must:

14 (a) Include a provision prohibiting the imposition of any  
15 penalties and interest for the failure to make any payments of any  
16 tax imposed by the ordinance which become due within the initial 6  
17 months after the ordinance becomes effective. This provision must  
18 apply only to taxes imposed pursuant to NRS 373.066, 373.0663 or  
19 373.0667 and must not apply to any tax imposed pursuant to any  
20 other ordinance.

21 (b) Require the commission:

22 (1) To review, at a public meeting conducted after the  
23 provision of public notice and before the effective date of each  
24 annual increase imposed by the ordinance:

25 (I) The amount of that increase and the accuracy of its  
26 calculation;

27 (II) The amounts of any annual increases imposed by the  
28 ordinance in previous years and the revenue collected pursuant to  
29 those increases;

30 (III) Any improvements to the regional system of  
31 transportation resulting from revenue collected pursuant to any  
32 annual increases imposed by the ordinance in previous years; and

33 (IV) Any other information relevant to the effect of the  
34 annual increases on the public; and

35 (2) To submit to the board any information the commission  
36 receives suggesting that the annual increase should be adjusted.

37 **Sec. 6.** NRS 373.068 is hereby amended to read as follows:

38 373.068 1. Any tax imposed pursuant to the provisions of:

39 (a) Paragraphs (a) to (f), inclusive, of subsection 1 of NRS  
40 373.066, paragraphs (a) to (f), inclusive, of subsection 1 of NRS  
41 373.0663 or paragraphs (a) to ~~[(e);]~~ (f), inclusive, of subsection 1 of  
42 NRS 373.0667, does not apply to any fuel described in NRS  
43 365.220 or 365.230.

44 (b) Paragraphs (g) to (m), inclusive, of subsection 1 of NRS  
45 373.066, paragraphs (g) to (m), inclusive, of subsection 1 of



1 NRS 373.0663 or paragraphs ~~[(f), (g) and (h)]~~ (g) to (m), inclusive,  
2 of subsection 1 of NRS 373.0667, does not apply to any sales or  
3 uses described in NRS 366.200, except to any sales or uses  
4 described in subsection 1 of that section of any special fuel to which  
5 dye has not been added pursuant to federal law or the law of this  
6 State, of a type which is lawfully sold in this State both:

7 (1) As special fuel to which dye has been added pursuant to  
8 such law; and

9 (2) As special fuel to which dye has not been added pursuant  
10 to such law.

11 2. Each tax imposed pursuant to NRS 373.066, 373.0663 or  
12 373.0667 is in addition to any other motor vehicle fuel taxes and  
13 special fuel taxes imposed pursuant to the provisions of this chapter  
14 and chapters 365, 366 and 590 of NRS, except that on the effective  
15 date of an ordinance adopted pursuant to:

16 (a) Paragraph (a) of subsection 1 of NRS 373.066, any tax  
17 increase imposed in that county pursuant to subparagraph (2) of  
18 paragraph (a) of subsection 1 of NRS 373.065 on the first day of the  
19 current fiscal year, and the authority to impose any additional tax  
20 increases in that county pursuant to that subparagraph on the first  
21 day of each subsequent fiscal year, expire by limitation.

22 (b) Paragraph (b) of subsection 1 of NRS 373.066, any tax  
23 increase imposed in that county pursuant to subparagraph (2) of  
24 paragraph (b) of subsection 1 of NRS 373.065 on the first day of the  
25 current fiscal year, and the authority to impose any additional tax  
26 increases in that county pursuant to that subparagraph on the first  
27 day of each subsequent fiscal year, expire by limitation.

28 (c) Paragraph (c) of subsection 1 of NRS 373.066, any tax  
29 increase imposed in that county pursuant to subparagraph (2) of  
30 paragraph (c) of subsection 1 of NRS 373.065 on the first day of the  
31 current fiscal year, and the authority to impose any additional tax  
32 increases in that county pursuant to that subparagraph on the first  
33 day of each subsequent fiscal year, expire by limitation.

34 (d) Paragraph (d) of subsection 1 of NRS 373.066, any tax  
35 increase imposed in that county pursuant to subparagraph (2) of  
36 paragraph (d) of subsection 1 of NRS 373.065 on the first day of the  
37 current fiscal year, and the authority to impose any additional tax  
38 increases in that county pursuant to that subparagraph on the first  
39 day of each subsequent fiscal year, expire by limitation.

40 **Sec. 7.** NRS 373.110 is hereby amended to read as follows:

41 373.110 All the net proceeds of any county fuel tax:

42 1. Imposed pursuant to the provisions of NRS 373.030,  
43 paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to  
44 (m), inclusive, of subsection 1 of NRS 373.066 or paragraphs (d) to  
45 (m), inclusive, of subsection 1 of NRS 373.0663 which are received



1 by the county pursuant to NRS 373.080 must, except as otherwise  
2 provided in NRS 373.119, *and section 1 of this act*, be deposited by  
3 the county treasurer in a fund to be known as the regional street and  
4 highway fund in the county treasury, and disbursed only in  
5 accordance with the provisions of this chapter and chapter 277A of  
6 NRS. After July 1, 1975, the regional street and highway fund must  
7 be accounted for as a separate fund and not as a part of any other  
8 fund.

9 2. Imposed pursuant to the provisions of paragraph (a), (b) or  
10 (c) of subsection 1 of NRS 373.065, paragraph (a), (b) or (c) of  
11 subsection 1 of NRS 373.066 or paragraph (a), (b) or (c) of  
12 subsection 1 of NRS 373.0663 which are received by the county  
13 pursuant to NRS 373.080 must be allocated, disbursed and used as  
14 provided in the ordinance imposing the tax.

15 **Sec. 8.** NRS 373.110 is hereby amended to read as follows:

16 373.110 All the net proceeds of any county fuel tax:

17 1. Imposed pursuant to the provisions of NRS 373.030,  
18 paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to  
19 (m), inclusive, of subsection 1 of NRS 373.066, paragraphs (d) to  
20 (m), inclusive, of subsection 1 of NRS 373.0663 or paragraphs (d)  
21 to ~~(h)~~ (m), inclusive, of subsection 1 of NRS 373.0667 which are  
22 received by the county pursuant to NRS 373.080 must, except as  
23 otherwise provided in NRS 373.119, *and section 15 of this act*, be  
24 deposited by the county treasurer in a fund to be known as the  
25 regional street and highway fund in the county treasury, and  
26 disbursed only in accordance with the provisions of this chapter  
27 and chapter 277A of NRS. After July 1, 1975, the regional street and  
28 highway fund must be accounted for as a separate fund and not as a  
29 part of any other fund.

30 2. Imposed pursuant to the provisions of paragraph (a), (b) or  
31 (c) of subsection 1 of NRS 373.065, paragraph (a), (b) or (c) of  
32 subsection 1 of NRS 373.066, paragraph (a), (b) or (c) of subsection  
33 1 of NRS 373.0663 or paragraph (a), (b) or (c) of subsection 1 of  
34 NRS 373.0667 which are received by the county pursuant to NRS  
35 373.080 must be allocated, disbursed and used as provided in the  
36 ordinance imposing the tax.

37 **Sec. 9.** NRS 373.119 is hereby amended to read as follows:

38 373.119 1. Except to the extent pledged before July 1, 1985,  
39 *and except as otherwise provided in section 1 of this act*, the board  
40 may use that portion of the revenue collected pursuant to the  
41 provisions of this chapter from any taxes imposed pursuant to the  
42 provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS  
43 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS  
44 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of  
45 NRS 373.0663, that represents collections from the sale of fuel for



1 use in boats at marinas in the county to make capital improvements  
2 or to conduct programs to encourage safety in boating. If the county  
3 does not control a body of water, where an improvement or program  
4 is appropriate, the board may contract with an appropriate person or  
5 governmental organization for the improvement or program.

6 2. Each marina shall report monthly to the Department the  
7 number of gallons of motor vehicle fuel sold for use in boats. The  
8 report must be made on or before the 25th day of each month for  
9 sales during the preceding month.

10 **Sec. 10.** NRS 373.119 is hereby amended to read as follows:

11 373.119 1. Except to the extent pledged before July 1, 1985,  
12 *and except as otherwise provided in section 15 of this act*, the  
13 board may use that portion of the revenue collected pursuant to the  
14 provisions of this chapter from any taxes imposed pursuant to  
15 the provisions of NRS 373.030, paragraph (d) of subsection 1 of  
16 NRS 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of  
17 NRS 373.066, paragraphs (d) to (m), inclusive, of subsection 1  
18 of NRS 373.0663 or paragraphs (d) to ~~(h)~~ (m), inclusive, of  
19 subsection 1 of NRS 373.0667 that represents collections from the  
20 sale of fuel for use in boats at marinas in the county to make capital  
21 improvements or to conduct programs to encourage safety in  
22 boating. If the county does not control a body of water, where an  
23 improvement or program is appropriate, the board may contract with  
24 an appropriate person or governmental organization for the  
25 improvement or program.

26 2. Each marina shall report monthly to the Department the  
27 number of gallons of motor vehicle fuel sold for use in boats. The  
28 report must be made on or before the 25th day of each month for  
29 sales during the preceding month.

30 **Sec. 11.** NRS 373.131 is hereby amended to read as follows:

31 373.131 1. Money for the payment of the cost of a project  
32 within the area embraced by a regional plan for transportation  
33 established pursuant to NRS 277A.210 may be obtained by the  
34 issuance of revenue bonds and other revenue securities as provided  
35 in subsection 2 or, subject to any pledges, liens and other contractual  
36 limitations made pursuant to the provisions of this chapter and  
37 chapter 277A of NRS, may be obtained by direct distribution from  
38 the regional street and highway fund, except to the extent any such  
39 use is prevented by the provisions of NRS 373.150, or may be  
40 obtained both by the issuance of such securities and by such direct  
41 distribution, as the board may determine. Money for street and  
42 highway construction outside the area embraced by the plan may be  
43 distributed directly from the regional street and highway fund as  
44 provided in NRS 373.150.



1 2. The board or, in a county whose population is 100,000 or  
2 more, a commission, may, after the enactment of any ordinance  
3 authorized or required by the provisions of NRS 373.030, paragraph  
4 (d) of subsection 1 of NRS 373.065, paragraphs (d) to (m),  
5 inclusive, of subsection 1 of NRS 373.066, paragraphs (d) to (m),  
6 inclusive, of subsection 1 of NRS 373.0663 or paragraphs (d) to  
7 ~~(h)~~ (m), inclusive, of subsection 1 of NRS 373.0667, issue  
8 revenue bonds and other revenue securities, on the behalf and in the  
9 name of the county or the commission, as the case may be:

10 (a) The total of all of which, issued and outstanding at any one  
11 time, must not be in an amount requiring a total debt service in  
12 excess of the estimated receipts to be derived from the taxes  
13 imposed pursuant to the provisions of NRS 373.030, paragraph (d)  
14 of subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of  
15 subsection 1 of NRS 373.066, paragraphs (d) to (m), inclusive, of  
16 subsection 1 of NRS 373.0663 and paragraphs (d) to ~~(h)~~ (m),  
17 inclusive, of subsection 1 of NRS 373.0667 and, with respect to  
18 notes, warrants or interim debentures described in paragraphs (a)  
19 and (b) of subsection 6, the proceeds of bonds or interim debentures;

20 (b) Which must not be general obligations of the county or the  
21 commission or a charge on any real estate within the county; and

22 (c) Which may be secured as to principal and interest by a  
23 pledge authorized by this chapter of the receipts from the fuel taxes  
24 designated in this chapter, except such portion of the receipts as may  
25 be required for the direct distributions authorized by NRS 373.150.

26 3. A county or a commission as provided in subsection 2 is  
27 authorized to issue bonds or other securities without the necessity of  
28 their being authorized at any election in such manner and with such  
29 terms as provided in this chapter.

30 4. Subject to the provisions of this chapter and chapter 277A of  
31 NRS, for any project authorized therein, the board of any county  
32 may, on the behalf and in the name of the county, or, in a county  
33 whose population is 100,000 or more, a commission may, on behalf  
34 and in the name of the commission, borrow money, otherwise  
35 become obligated, and evidence obligations by the issuance of  
36 bonds and other county or commission securities, and in connection  
37 with the undertaking or project, the board or the commission, as the  
38 case may be, may otherwise proceed as provided in the Local  
39 Government Securities Law.

40 5. All such securities constitute special obligations payable  
41 from the net receipts of the fuel taxes designated in this chapter  
42 except as otherwise provided in NRS 373.150, and the pledge of  
43 revenues to secure the payment of the securities must be limited to  
44 those net receipts.

45 6. Except for:





1 (a) Any notes or warrants which are funded with the proceeds of  
2 interim debentures or bonds;

3 (b) Any interim debentures which are funded with the proceeds  
4 of bonds;

5 (c) Any temporary bonds which are exchanged for definitive  
6 bonds;

7 (d) Any bonds which are reissued or which are refunded; and

8 (e) The use of any profit from any investment and reinvestment  
9 for the payment of any bonds or other securities issued pursuant to  
10 the provisions of this chapter,

11 ➤ all bonds and other securities issued pursuant to the provisions of  
12 this chapter must be payable solely from the proceeds of fuel taxes  
13 collected by or remitted to the county pursuant to chapter 365 of  
14 NRS, as supplemented by this chapter. Receipts of the taxes levied  
15 in NRS 365.180 and 365.190 and pursuant to the provisions of  
16 paragraphs (a) and (b) of subsection 1 of NRS 373.065, paragraphs  
17 (a) and (b) of subsection 1 of NRS 373.066, paragraphs (a) and (b)  
18 of subsection 1 of NRS 373.0663 and paragraphs (a) and (b) of  
19 subsection 1 of NRS 373.0667 may be used by the county for the  
20 payment of securities issued pursuant to the provisions of this  
21 chapter and may be pledged therefor. Such taxes may also be used  
22 by a commission in a county whose population is 100,000 or more  
23 for the payment of bonds or other securities issued pursuant to the  
24 provisions of this chapter and may be pledged therefor if the board  
25 of the county consents to such use. If during any period any  
26 securities payable from these tax proceeds are outstanding, the tax  
27 receipts must not be used directly for the construction, maintenance  
28 and repair of any streets, roads or other highways nor for any  
29 purchase of equipment therefor, and the receipts of the tax levied in  
30 NRS 365.190 must not be apportioned pursuant to subsection 2 of  
31 NRS 365.560 unless, at any time the tax receipts are so apportioned,  
32 provision has been made in a timely manner for the payment of such  
33 outstanding securities as to the principal of, any prior redemption  
34 premiums due in connection with, and the interest on the securities  
35 as they become due, as provided in the securities, the ordinance, in  
36 the case of securities issued by a county, or the resolution, in the  
37 case of securities issued by a commission, authorizing their issuance  
38 and any other instrument appertaining to the securities.

39 7. The ordinance, in the case of securities issued by a county,  
40 or the resolution, in the case of securities issued by a commission,  
41 authorizing the issuance of any bond or other revenue security under  
42 this section must describe the purpose for which it is issued at least  
43 in general terms and may describe the purpose in detail. This section  
44 does not require the purpose so stated to be set forth in the detail in  
45 which the project approved by the commission pursuant to



1 subsection 2 of NRS 373.140 is stated, or prevent the modification  
2 by the board or commission, as the case may be, of details as to the  
3 purpose stated in the ordinance authorizing the issuance of any bond  
4 or other security after its issuance, subject to approval by the  
5 commission of the project as so modified, if such bond or other  
6 security is issued by the county and not the commission.

7 8. Notwithstanding any other provision of this chapter, no  
8 commission has authority to issue bonds or other securities pursuant  
9 to this chapter unless the commission has executed an interlocal  
10 agreement with the county relating to the issuance of bonds or other  
11 securities by the commission. Any such interlocal agreement must  
12 include an acknowledgment of the authority of the commission to  
13 issue bonds and other securities and contain provisions relating to  
14 the pledge of revenues for the repayment of the bonds or other  
15 securities, the lien priority of the pledge of revenues securing the  
16 bonds or other securities, and related matters.

17 **Sec. 12.** NRS 373.140 is hereby amended to read as follows:

18 373.140 1. After the enactment of ordinances as authorized in  
19 NRS 277A.170 and 373.030, all street and highway construction,  
20 surfacing or resurfacing projects in the county which are proposed  
21 to be financed from any county fuel tax imposed pursuant to the  
22 provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS  
23 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS  
24 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of  
25 NRS 373.0663 must first be submitted to the commission.

26 2. If the project is within the area covered by a regional plan  
27 for transportation established pursuant to NRS 277A.210, the  
28 commission shall evaluate it in terms of:

29 (a) The priorities established by the plan;

30 (b) The relation of the proposed work to other projects already  
31 constructed or authorized;

32 (c) The relative need for the project in comparison with others  
33 proposed; and

34 (d) The money available.

35 ↪ If the commission approves the project, the board may authorize  
36 the project, using all or any part of the proceeds of any county fuel  
37 tax authorized pursuant to the provisions of NRS 373.030,  
38 paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to  
39 (m), inclusive, of subsection 1 of NRS 373.066, or paragraphs (d) to  
40 (m), inclusive, of subsection 1 of NRS 373.0663, except as  
41 otherwise *provided in section 1 of this act, otherwise* required by  
42 subsection 6 or to the extent any such use is prevented by the  
43 provisions for direct distribution required by NRS 373.150 or is  
44 prevented by any pledge to secure the payment of outstanding  
45 bonds, other securities or other obligations incurred under this



1 chapter, and other contractual limitations appertaining to such  
2 obligations as authorized by NRS 373.160, and the proceeds of  
3 revenue bonds or other securities issued or to be issued as provided  
4 in NRS 373.131. Except as otherwise provided in subsection 3, if  
5 the board authorizes the project, the responsibilities for letting  
6 construction and other necessary contracts, contract administration,  
7 supervision and inspection of work and the performance of other  
8 duties related to the acquisition of the project must be specified in  
9 written agreements executed by the board and the governing bodies  
10 of the cities and towns within the area covered by a regional plan for  
11 transportation established pursuant to NRS 277A.210.

12 3. In a county in which two or more governmental entities are  
13 represented on the commission, the governing bodies of those  
14 governmental entities may enter into a written master agreement that  
15 allows a written agreement described in subsection 2 to be executed  
16 by only the commission and the governmental entity that receives  
17 funding for the approved project. The provisions of a written master  
18 agreement must not be used until the governing body of each  
19 governmental entity represented on the commission ratifies the  
20 written master agreement.

21 4. If the project is outside the area covered by a plan, the  
22 commission shall evaluate it in terms of:

23 (a) Its relation to the regional plan for transportation established  
24 pursuant to NRS 277A.210, if any;

25 (b) The relation of the proposed work to other projects  
26 constructed or authorized;

27 (c) The relative need for the proposed work in relation to others  
28 proposed by the same city or town; and

29 (d) The availability of money.

30 ↪ If the commission approves the project, the board shall direct the  
31 county treasurer to distribute the sum approved to the city or town  
32 requesting the project, in accordance with NRS 373.150.

33 5. In counties whose population is less than 100,000, the  
34 commission shall certify the adoption of the plan in compliance with  
35 subsections 2 and 4.

36 6. The proceeds of a tax imposed pursuant to any of the  
37 provisions of paragraphs (d) to (m), inclusive, of subsection 1 of  
38 NRS 373.066 or paragraphs (d) to (m), inclusive, of subsection 1 of  
39 NRS 373.0663 must be expended in accordance with priorities for  
40 projects established in coordination and cooperation with the  
41 Department of Transportation.

42 **Sec. 13.** NRS 373.140 is hereby amended to read as follows:

43 373.140 1. After the enactment of ordinances as authorized in  
44 NRS 277A.170 and 373.030, all street and highway construction,  
45 surfacing or resurfacing projects in the county which are proposed



1 to be financed from any county fuel tax imposed pursuant to the  
2 provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS  
3 373.065, paragraphs (d) to (m), inclusive, of subsection 1 of NRS  
4 373.066, paragraphs (d) to (m), inclusive, of subsection 1 of  
5 NRS 373.0663 or paragraphs (d) to ~~[(h);]~~ (m), inclusive, of  
6 subsection 1 of NRS 373.0667 must first be submitted to the  
7 commission.

8 2. If the project is within the area covered by a regional plan  
9 for transportation established pursuant to NRS 277A.210, the  
10 commission shall evaluate it in terms of:

11 (a) The priorities established by the plan;

12 (b) The relation of the proposed work to other projects already  
13 constructed or authorized;

14 (c) The relative need for the project in comparison with others  
15 proposed; and

16 (d) The money available.

17 ➔ If the commission approves the project, the board may authorize  
18 the project, using all or any part of the proceeds of any county fuel  
19 tax authorized pursuant to the provisions of NRS 373.030,  
20 paragraph (d) of subsection 1 of NRS 373.065, paragraphs (d) to  
21 (m), inclusive, of subsection 1 of NRS 373.066, paragraphs (d) to  
22 (m), inclusive, of subsection 1 of NRS 373.0663 or paragraphs (d)  
23 to ~~[(h);]~~ (m), inclusive, of subsection 1 of NRS 373.0667, except as  
24 otherwise *provided in section 15 of this act, otherwise* required by  
25 subsection 6 or to the extent any such use is prevented by the  
26 provisions for direct distribution required by NRS 373.150 or is  
27 prevented by any pledge to secure the payment of outstanding  
28 bonds, other securities or other obligations incurred under this  
29 chapter, and other contractual limitations appertaining to such  
30 obligations as authorized by NRS 373.160, and the proceeds of  
31 revenue bonds or other securities issued or to be issued as provided  
32 in NRS 373.131. Except as otherwise provided in subsection 3, if  
33 the board authorizes the project, the responsibilities for letting  
34 construction and other necessary contracts, contract administration,  
35 supervision and inspection of work and the performance of other  
36 duties related to the acquisition of the project must be specified in  
37 written agreements executed by the board and the governing bodies  
38 of the cities and towns within the area covered by a regional plan for  
39 transportation established pursuant to NRS 277A.210.

40 3. In a county in which two or more governmental entities are  
41 represented on the commission, the governing bodies of those  
42 governmental entities may enter into a written master agreement that  
43 allows a written agreement described in subsection 2 to be executed  
44 by only the commission and the governmental entity that receives  
45 funding for the approved project. The provisions of a written master



1 agreement must not be used until the governing body of each  
2 governmental entity represented on the commission ratifies the  
3 written master agreement.

4 4. If the project is outside the area covered by a plan, the  
5 commission shall evaluate it in terms of:

6 (a) Its relation to the regional plan for transportation established  
7 pursuant to NRS 277A.210, if any;

8 (b) The relation of the proposed work to other projects  
9 constructed or authorized;

10 (c) The relative need for the proposed work in relation to others  
11 proposed by the same city or town; and

12 (d) The availability of money.

13 ↪ If the commission approves the project, the board shall direct the  
14 county treasurer to distribute the sum approved to the city or town  
15 requesting the project, in accordance with NRS 373.150.

16 5. In counties whose population is less than 100,000, the  
17 commission shall certify the adoption of the plan in compliance with  
18 subsections 2 and 4.

19 6. The proceeds of a tax imposed pursuant to any of the  
20 provisions of paragraphs (d) to (m), inclusive, of subsection 1 of  
21 NRS 373.066, paragraphs (d) to (m), inclusive, of subsection 1 of  
22 NRS 373.0663 or paragraphs (d) to ~~(h)~~ (m), inclusive,  
23 of subsection 1 of NRS 373.0667 must be expended in accordance  
24 with priorities for projects established in coordination and  
25 cooperation with the Department of Transportation.

26 **Sec. 14.** NRS 373.160 is hereby amended to read as follows:

27 373.160 1. The ordinance or ordinances, or the resolution or  
28 resolutions, providing for the issuance of any bonds or other  
29 securities issued under this chapter payable from the receipts from  
30 the fuel excise taxes designated in this chapter may at the discretion  
31 of the board or, in the case of bonds or other securities issued by a  
32 commission, the commission, in addition to covenants and other  
33 provisions authorized in the Local Government Securities Law,  
34 contain covenants or other provisions as to the pledge of and the  
35 creation of a lien upon the receipts of the taxes collected for the  
36 county pursuant to the provisions of NRS 373.030, paragraph (d) of  
37 subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of  
38 subsection 1 of NRS 373.066, paragraphs (d) to (m), inclusive,  
39 of subsection 1 of NRS 373.0663 and paragraphs (d) to ~~(h)~~ (m),  
40 inclusive, of subsection 1 of NRS 373.0667, excluding any tax  
41 proceeds to be distributed directly under the provisions of NRS  
42 373.150, or the proceeds of the bonds or other securities pending  
43 their application to defray the cost of the project, or both such tax  
44 proceeds and security proceeds, to secure the payment of revenue  
45 bonds or other securities issued under this chapter.



1 2. If the board or, in the case of bonds or other securities issued  
2 by a commission, the commission, determines in any ordinance or  
3 resolution authorizing the issuance of any bonds or other securities  
4 under this chapter that the proceeds of the taxes levied and collected  
5 pursuant to the provisions of NRS 373.030, paragraph (d) of  
6 subsection 1 of NRS 373.065, paragraphs (d) to (m), inclusive, of  
7 subsection 1 of NRS 373.066, paragraphs (d) to (m), inclusive,  
8 of subsection 1 of NRS 373.0663 and paragraphs (d) to ~~[(h);]~~ (m),  
9 inclusive, of subsection 1 of NRS 373.0667 are sufficient to pay all  
10 bonds and securities, including the proposed issue, from the  
11 proceeds thereof, the board or, in the case of bonds or other  
12 securities issued by a commission, the commission with the consent  
13 of the board as provided in subsection 6 of NRS 373.131, may  
14 additionally secure the payment of any bonds or other securities  
15 issued pursuant to the ordinance or resolution under this chapter by  
16 a pledge of and the creation of a lien upon not only the proceeds of  
17 any fuel tax authorized at the time of the issuance of such securities  
18 to be used for such payment in subsection 6 of NRS 373.131, but  
19 also the proceeds of any such tax thereafter authorized to be used or  
20 pledged, or used and pledged, for the payment of such securities,  
21 whether such tax be levied or collected by the county, the State of  
22 Nevada, or otherwise, or be levied in at least an equivalent value in  
23 lieu of any such tax existing at the time of the issuance of such  
24 securities or be levied in supplementation thereof.

25 3. The pledges and liens authorized by subsections 1 and 2  
26 extend to the proceeds of any tax collected for use by the county on  
27 any fuel so long as any bonds or other securities issued under this  
28 chapter remain outstanding and are not limited to any type or types  
29 of fuel in use when the bonds or other securities are issued.

30 **Sec. 15.** Section 1 of this act is hereby amended to read as  
31 follows:

32 Section 1. Chapter 373 of NRS is hereby amended by  
33 adding thereto a new section to read as follows:

34 Notwithstanding any other provision of law, money  
35 collected after :

36 1. November 8, 2016, from the annual increases in the  
37 taxes authorized by paragraphs (e) and (g) to (j), inclusive, of  
38 subsection 1 of NRS 373.0663 ; or

39 2. *January 1, 2017, from the annual increases in the*  
40 *taxes authorized by paragraphs (e) and (g) to (j), inclusive,*  
41 *of subsection 1 of NRS 373.0667,*

42 and imposed by the ordinance must be deposited with the  
43 State Treasurer to the credit of the State Highway Fund,  
44 accounted for separately in the State Highway Fund and used  
45 by the Department of Transportation only to finance projects



1 for the construction, maintenance and repair of state  
2 highways in the county in which the tax is collected.

3 **Sec. 16.** Section 14 of chapter 540, Statutes of Nevada 2013,  
4 at page 3587, is hereby amended to read as follows:

5 Sec. 14. ~~[H]~~ This section and sections 1, 1.1, 1.7,  
6 1.75, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 11.5 of this act become  
7 effective upon passage and approval.

8 ~~[2. Section 12 of this act becomes effective on~~  
9 ~~October 1, 2013, if and only if a board of county~~  
10 ~~commissioners does not adopt an ordinance authorized by~~  
11 ~~section 1.1 of this act before October 1, 2013.~~

12 ~~—3. Section 13 of this act becomes effective on October 1,~~  
13 ~~2013, if and only if a board of county commissioners adopts~~  
14 ~~an ordinance authorized by section 1.1 of this act before~~  
15 ~~October 1, 2013.~~

16 ~~—4. Sections 1.2, 1.5, 3.2 and 8.2 of this act become~~  
17 ~~effective on January 1, 2017, if:~~

18 ~~—(a) A board of county commissioners adopts an ordinance~~  
19 ~~authorized by section 1.1 of this act before October 1, 2013;~~

20 ~~—(b) The question placed on the ballot at the general~~  
21 ~~election on November 8, 2016, pursuant to subsection 1 of~~  
22 ~~section 13 of this act is approved by a majority of the~~  
23 ~~registered voters in this State voting on the question; and~~

24 ~~—(c) The question placed on the ballot at the general~~  
25 ~~election on November 8, 2016, pursuant to subsection 2 of~~  
26 ~~section 13 of this act is not approved by a majority of the~~  
27 ~~registered voters in every county in this State voting on the~~  
28 ~~question.~~

29 ~~—5. Sections 1.2, 1.3, 1.5, 1.8, 1.85, 2.3, 3.1, 4.3, 5.3, 6.3,~~  
30 ~~7.3, 8.1, 9.3, 10.3 and 11.1 of this act become effective on~~  
31 ~~January 1, 2017, if:~~

32 ~~—(a) A board of county commissioners adopts an ordinance~~  
33 ~~authorized by section 1.1 of this act before October 1, 2013;~~

34 ~~—(b) The question placed on the ballot at the general~~  
35 ~~election on November 8, 2016, pursuant to subsection 1 of~~  
36 ~~section 13 of this act is approved by a majority of the~~  
37 ~~registered voters in this State voting on the question; and~~

38 ~~—(c) The question placed on the ballot at the general~~  
39 ~~election on November 8, 2016, pursuant to subsection 2 of~~  
40 ~~section 13 of this act is approved by a majority of the~~  
41 ~~registered voters in any county in this State voting on the~~  
42 ~~question.~~

43 ~~—6. Sections 1.3, 1.8, 1.85, 2.3, 3.3, 4.3, 5.3, 6.3, 7.3, 8.3,~~  
44 ~~9.3, 10.3 and 11.1 of this act become effective on January 1,~~  
45 ~~2017, if:~~



1 ~~—(a) A board of county commissioners adopts an ordinance~~  
2 ~~authorized by section 1.1 of this act before October 1, 2013;~~

3 ~~—(b) The question placed on the ballot at the general~~  
4 ~~election on November 8, 2016, pursuant to subsection 1 of~~  
5 ~~section 13 of this act is not approved by a majority of the~~  
6 ~~registered voters in this State voting on the question; and~~

7 ~~—(c) The question placed on the ballot at the general~~  
8 ~~election on November 8, 2016, pursuant to subsection 2 of~~  
9 ~~section 13 of this act is approved by a majority of the~~  
10 ~~registered voters in any county in this State voting on the~~  
11 ~~question.~~

12 ~~—7. Sections 1.2, 1.5, 3.7 and 8.7 of this act become~~  
13 ~~effective on January 1, 2017, if:~~

14 ~~—(a) A board of county commissioners does not adopt an~~  
15 ~~ordinance authorized by section 1.1 of this act before~~  
16 ~~October 1, 2013;~~

17 ~~—(b) The question placed on the ballot at the general~~  
18 ~~election on November 8, 2016, pursuant to subsection 1 of~~  
19 ~~section 12 of this act is approved by a majority of the~~  
20 ~~registered voters in this State voting on the question; and~~

21 ~~—(c) The question placed on the ballot at the general~~  
22 ~~election on November 8, 2016, pursuant to subsection 2 of~~  
23 ~~section 12 of this act is not approved by a majority of the~~  
24 ~~registered voters in every county in this State voting on the~~  
25 ~~question.~~

26 ~~—8. Sections 1.2, 1.3, 1.5, 1.9, 1.95, 2.7, 3.5, 4.7, 5.7, 6.7,~~  
27 ~~7.7, 8.5, 9.7, 10.7 and 11.3 of this act become effective on~~  
28 ~~January 1, 2017, if:~~

29 ~~—(a) A board of county commissioners does not adopt an~~  
30 ~~ordinance authorized by section 1.1 of this act before~~  
31 ~~October 1, 2013;~~

32 ~~—(b) The question placed on the ballot at the general~~  
33 ~~election on November 8, 2016, pursuant to subsection 1 of~~  
34 ~~section 12 of this act is approved by a majority of the~~  
35 ~~registered voters in this State voting on the question; and~~

36 ~~—(c) The question placed on the ballot at the general~~  
37 ~~election on November 8, 2016, pursuant to subsection 2 of~~  
38 ~~section 12 of this act is approved by a majority of the~~  
39 ~~registered voters in any county in this State voting on the~~  
40 ~~question.~~

41 ~~—9. Sections 1.3, 1.9, 1.95, 2.7, 3.9, 4.7, 5.7, 6.7, 7.7, 8.9,~~  
42 ~~9.7, 10.7 and 11.3 of this act become effective on January 1,~~  
43 ~~2017, if:~~





~~—(a) A board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013;~~

~~—(b) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 1 of section 12 of this act is not approved by a majority of the registered voters in this State voting on the question; and~~

~~—(c) The question placed on the ballot at the general election on November 8, 2016, pursuant to subsection 2 of section 12 of this act is approved by a majority of the registered voters in any county in this State voting on the question.~~

~~10. Sections 1.1, 1.7, 1.75, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of this act expire by limitation on October 1, 2013, if a board of county commissioners does not adopt an ordinance authorized by section 1.1 of this act before October 1, 2013.]~~

**Sec. 17.** A question must be placed on the ballot at the general election on November 8, 2016, in each county in this State other than Clark County and Washoe County, which asks the voters in the county whether to authorize the board of county commissioners of the county to impose, for the period beginning on January 1, 2017, and ending on December 31, 2026, the taxes authorized by NRS 373.0667, as amended by section 3 of this act, and the additional annual increases in those taxes authorized by that section.

**Sec. 18.** 1. NRS 373.0665 and 373.165 are hereby repealed.

2. Sections 1.9, 1.95, 2.7, 3.1, 3.2, 3.5, 3.7, 3.9, 4.7, 5.7, 6.7, 7.7, 8.1, 8.2, 8.5, 8.7, 8.9, 9.7, 10.7, 11.3, 12 and 13 of chapter 540, Statutes of Nevada 2013, at pages 3549, 3550, 3552, 3554, 3555, 3557, 3558, 3561, 3562, 3563, 3564, 3565, 3567, 3569, 3570, 3571, 3576, 3581, 3584 and 3586, are hereby repealed.

**Sec. 19.** Sections 1.3, 1.8, 1.85, 2.3, 3.3, 4.3, 5.3, 6.3, 7.3, 8.3, 9.3, 10.3 and 11.1 of chapter 540, Statutes of Nevada 2013, become effective on January 1, 2017, if the question placed on the ballot at the general election on November 8, 2016, pursuant to section 17 of this act is approved by a majority of the registered voters in any county in this State voting on the question.

**Sec. 20.** 1. This section and sections 1, 2, 4, 7, 9, 12 and 16 to 19, inclusive, of this act become effective upon passage and approval.

2. Sections 3, 5, 6, 8, 10, 11, 13, 14 and 15 of this act become effective on January 1, 2017, if the question placed on the ballot at the general election on November 8, 2016, pursuant to section 17 of this act is approved by a majority of the registered voters in any county in this State voting on the question.



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**TEXT OF REPEALED SECTIONS**

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**373.0665 Additional taxes in all counties: Impositions; rates and annual increases; money received credited to State Highway Fund.**

1. In addition to any other tax imposed pursuant to chapter 365 or 366 of NRS:

(a) There is hereby imposed:

(1) An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in this State in an amount equal to the product obtained by multiplying 18.455 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 18.455 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(b) There is hereby imposed:

(1) An excise tax on each gallon of special fuel that consists of an emulsion of water-phased hydrocarbon fuel sold in this State in an amount equal to the product obtained by multiplying 19 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 19 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(c) There is hereby imposed:



(1) An excise tax on each gallon of special fuel that consists of liquefied petroleum gas sold in this State in an amount equal to the product obtained by multiplying 22 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 22 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(d) There is hereby imposed:

(1) An excise tax on each gallon of special fuel that consists of compressed natural gas sold in this State in an amount equal to the product obtained by multiplying 21 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 21 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

(e) There is hereby imposed:

(1) An excise tax on each gallon of special fuel sold in this State, other than any special fuel described in paragraph (b), (c) or (d), in an amount equal to the product obtained by multiplying 27.75 cents per gallon by the lesser of the applicable percentage or the adjusted average highway and street construction inflation index for the fiscal year in which this section becomes effective; and

(2) Except as otherwise provided in subsection 3, an annual increase in the tax imposed pursuant to subparagraph (1), on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 27.75 cents per gallon to the amount of the tax imposed pursuant to subparagraph (1) during the immediately preceding fiscal year, then multiplying that sum by the lesser of the applicable percentage or



the adjusted average highway and street construction inflation index for the fiscal year in which the increase becomes effective.

2. The applicable percentage for the taxes imposed pursuant to this section must be the same percentage for each tax imposed pursuant to this section. Except as otherwise provided in subsection 3, the Legislature may amend the applicable percentage from time to time, but any such amendment must not become effective earlier than 90 days after the date of the action by the Legislature amending the applicable percentage. Except as otherwise provided in NRS 373.165, the applicable percentage must not be amended to reduce the applicable percentage at any time that bonds are outstanding which are secured by the taxes imposed pursuant to this section.

3. For the period:

(a) Beginning on January 1, 2017, and ending on December 31, 2026, no further action by the Legislature is necessary to effectuate the annual increases in the taxes imposed by this section.

(b) Beginning on January 1, 2027, the annual increases in the taxes imposed by this section must not be effectuated unless a question is placed on the ballot at the general election on November 3, 2026, which asks the voters in this State whether to authorize the Legislature to impose, for the period beginning on January 1, 2027, the increases authorized by this section in the taxes imposed by this section and the question is approved by a majority of the registered voters in this State voting on the question. If the question is approved by a majority of such voters, no further action by the Legislature is necessary to effectuate the annual increases in the taxes imposed by this section. If the question is not approved by a majority of such voters, the Legislature shall not impose any additional annual increases in the taxes imposed by this section after November 3, 2026, but any annual increases in the taxes imposed by this section in effect on or before November 3, 2026, are not affected, amended, reduced or eliminated and must be continued for any period during which bonds are outstanding that are secured by the taxes imposed by this section.

4. All money received from the taxes imposed pursuant to this section must be deposited with the State Treasurer to the credit of the State Highway Fund.

5. As used in this section:

(a) “Adjusted average highway and street construction inflation index” means:

(1) For the fiscal year in which this section becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the average highway and street construction inflation index for the immediately preceding fiscal year is greater



than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero; and

(2) For each fiscal year following the fiscal year in which this section becomes effective, the percentage obtained by adding the average highway and street construction inflation index for that fiscal year to:

(I) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is greater than the applicable percentage, the remainder obtained by subtracting the applicable percentage from the adjusted average highway and street construction inflation index for the immediately preceding fiscal year; or

(II) If the adjusted average highway and street construction inflation index for the immediately preceding fiscal year is less than or equal to the applicable percentage, zero.

(b) "Applicable percentage" means the lesser of 7.8 percent or the percentage specified by the Legislature in any act amending the applicable percentage of a tax imposed pursuant to this section.

(c) "Average highway and street construction inflation index" means for a fiscal year the average percentage increase in the highway and street construction inflation index for the 10 calendar years immediately preceding the beginning of that fiscal year.

(d) "Highway and street construction inflation index" means:

(1) The Producer Price Index for Highway and Street Construction until that index ceased to be published; and

(2) The Producer Price Index for Other Nonresidential Construction thereafter or, if that index ceases to be published by the United States Department of Labor, the published index that most closely measures inflation in the costs of highway and street construction, as determined by the Legislature.

(e) "Special fuel" has the meaning ascribed to it in NRS 366.060.

**373.165 Pledge of continuing increases in taxes imposed pursuant to NRS 373.0665.**

1. Except as otherwise provided in subsection 2, any continuing increases in any taxes imposed pursuant to NRS 373.0665 must not be pledged beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations which are secured by the taxes imposed pursuant to NRS 373.0665 are issued or incurred, but the taxes imposed pursuant to NRS 373.0665 that



are in effect on that June 30 must continue to be pledged to those bonds or other obligations until they are paid in full.

2. At any time after bonds are issued or other obligations incurred with a pledge of the taxes imposed pursuant to NRS 373.0665, the Legislature may, except as otherwise provided in paragraph (b) of subsection 3 of NRS 373.0665:

(a) Continue the pledge of the increase in taxes imposed pursuant to NRS 373.0665 beyond June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to NRS 373.0665 are issued or incurred, but not beyond June 30 of the fiscal year that is 5 full fiscal years after the action by the Legislature authorized by this paragraph. The process set forth in this paragraph may be repeated until all bonds or other obligations secured by the taxes imposed pursuant to NRS 373.0665 have been paid in full.

(b) Specify a different applicable percentage, including an applicable percentage of zero, but:

(1) The applicable percentage must not exceed 7.8 percent;

(2) The applicable percentage must not be reduced with respect to any fiscal year preceding the fiscal year following the effective date of any action of the Legislature authorized by this subsection; and

(3) The effective date of any action by the Legislature reducing the applicable percentage must not be sooner than the later of:

(I) June 30 of the fiscal year that is 5 full fiscal years after bonds or other obligations secured by the taxes imposed pursuant to NRS 373.0665 are issued or incurred; or

(II) June 30 of the fiscal year that is 5 full fiscal years after the date of any action by the Legislature authorized by paragraph (a).

3. As used in this section, "applicable percentage" has the meaning ascribed to it in paragraph (b) of subsection 5 of NRS 373.0665.

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