

SENATE BILL NO. 283—SENATOR BROOKS

MARCH 22, 2021

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to local improvements. (BDR 22-792)

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

AN ACT relating to local improvements; authorizing a municipality to create a district for certain qualified improvement projects; setting forth the requirements for creating such a district; authorizing certain financing to pay for a qualified improvement project in such a district; making various other changes relating to local improvements; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law sets forth the procedures for the governing body of a municipality to create a district to finance certain energy efficiency improvement projects and renewable energy projects. (NRS 271.6312-271.6325) This bill revises these procedures.

**Section 15** of this bill authorizes the governing body of a municipality to create a district for one of more qualified improvement projects. **Section 6** of this bill defines a qualified improvement project as an energy efficiency improvement project, a renewable energy project, a resiliency project and a water efficiency improvement project. **Sections 4 and 7-9** of this bill, respectively, define the terms “energy efficiency improvement project,” “renewable energy project,” “resiliency project” and a “water efficiency improvement project.”

**Section 16** of this bill provides that the governing body may create a district only under certain circumstances, including if: (1) the governing body makes a finding that the creation of the district serves certain public purposes; (2) the governing body adopts by resolution certain procedures for the creation and administration of the district; and (3) each owner of each tract on which a qualified improvement project will be located consents in writing to the location of the project on the tract, the levy of an assessment against the tract to pay the financing set forth in the financing agreement and the placement of a lien on the property.

**Section 5** of this bill defines the term “financing agreement.” **Section 12** of this bill provides that the lien on the tract must be filed by a capital provider and sets forth the priority of such a lien.



23 **Section 17** of this bill provides that: (1) construction of a qualified  
24 improvement project must be completed through independent contracts with  
25 contractors licensed in Nevada; (2) the municipality is not responsible for the  
26 construction or any delays or defects; and (3) the laws relating to public bidding,  
27 public works or public procurement are not applicable to the construction of a  
28 qualified improvement project.

29 **Section 18** of this bill requires that the resolution that specifies the procedures  
30 for the creation and administration of a district include the approval of a program  
31 guide that, without limitation: (1) sets forth the forms for certain agreements; (2)  
32 prohibits any financing agreement which exceeds the useful life of the qualified  
33 improvement; (3) describes the application and eligibility requirements for real  
34 property to be included in the district; and (4) describes the requirements to be a  
35 capital provider.

36 **Section 11** of this bill requires, with certain exceptions, that a qualified  
37 improvement project be financed only through an assessment on the real property.

38 **Section 14** of this bill makes a conforming change to existing provisions relating to  
39 a district. **Section 11** provides that while the governing body must approve the  
40 amount of the assessment, the capital provider is solely responsible for the billing,  
41 collection and enforcement of the assessment. **Section 3** of this bill defines the term  
42 "capital provider."

43 **Section 12** of this bill requires the capital provider to record a lien on the real  
44 property and sets forth the priority of such a lien.

45 **Section 13** of this bill authorizes, under certain circumstances, a person who is  
46 leasing real property within a district to enter into a financing agreement with a  
47 capital provider for a qualified improvement project.

48 **Section 19** of this bill provides that the governing body of a municipality that  
49 created a district pursuant to NRS 271.6312 to 271.6325, inclusive, before  
50 October 1, 2021, may use the provisions of this bill in the district but that this bill  
51 does not affect any financing, billing, collection or enforcement of financing of any  
52 existing project in the district.

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

1 **Section 1.** Chapter 271 of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 2 to 13, inclusive, of this  
3 act.

4 **Sec. 2.** *As used in NRS 271.6312 to 271.6325, inclusive, and*  
5 *sections 2 to 13, inclusive, of this act, unless the context otherwise*  
6 *requires, the words and terms defined in sections 3 to 9, inclusive,*  
7 *of this act have the meanings ascribed to them in those sections.*

8 **Sec. 3.** *"Capital provider" means any private entity or the*  
9 *designee, successor or assign of the private entity that provides*  
10 *financing for a qualified improvement project pursuant to the*  
11 *provisions of NRS 271.6312 to 271.6325, inclusive, and sections 2*  
12 *to 13, inclusive, of this act.*

13 **Sec. 4.** *"Energy efficiency improvement project" means the*  
14 *installation or modification of one or more energy efficiency*  
15 *improvements and incidentals which are necessary, useful or*



1 *desirable for any such improvements and which installation or*  
2 *modification has a useful life of not less than 10 years.*

3 **Sec. 5.** *“Financing agreement” means the contract pursuant*  
4 *to which a property owner or lessee, as applicable, agrees to repay*  
5 *the capital provider for financing or refinancing a qualified*  
6 *improvement project, including, without limitation, any finance*  
7 *charges, fees, debt servicing, interest, penalties and any other*  
8 *provision relating to the treatment of prepayment or partial*  
9 *payment, billing, collection and enforcement of the assessment*  
10 *and lien securing the financing.*

11 **Sec. 6.** *“Qualified improvement project” means one or more*  
12 *of the following projects performed pursuant to NRS 271.6312 to*  
13 *271.6325, inclusive, and sections 2 to 13, inclusive, of this act:*

- 14 1. *Energy efficiency improvement project.*
- 15 2. *Renewable energy project.*
- 16 3. *Resiliency project.*
- 17 4. *Water efficiency improvement project.*

18 **Sec. 7.** *“Renewable energy project” means any improvement*  
19 *to real property, and facilities and equipment used to generate*  
20 *electricity from renewable energy to offset customer load in whole*  
21 *or in part on the real property, and all appurtenances and*  
22 *incidentals necessary, useful or desirable for any such*  
23 *improvements, facilities and equipment, and which improvement*  
24 *has a useful life of not less than 10 years.*

25 **Sec. 8.** *“Resiliency project” means an improvement to real*  
26 *property, facilities or equipment that increase a building’s seismic*  
27 *resiliency, indoor air quality, wind resistance or fire resistance*  
28 *and which improvement has a useful life of not less than 10 years.*

29 **Sec. 9.** *“Water efficiency improvement project” means an*  
30 *improvement to real property that is designed to reduce the water*  
31 *consumption of the real property.*

32 **Sec. 10.** 1. *Except as otherwise provided in this section, a*  
33 *qualified improvement project must be financed only through an*  
34 *assessment on the real property.*

35 2. *In addition to, but not lieu of an assessment, the governing*  
36 *body may issue bonds and warrants to pay a portion of a qualified*  
37 *improvement project but any such bonds or warrants:*

38 (a) *Shall not constitute the debt or indebtedness of the*  
39 *municipality within the meaning of any provision or limitation of*  
40 *the Constitution of the State of Nevada or statute; and*

41 (b) *Shall not be secured by a pledge of the general credit or*  
42 *taxing power of the municipality or by the surplus and deficiency*  
43 *fund established pursuant to NRS 271.428.*

44 **Sec. 11.** 1. *While the governing body must approve the*  
45 *amount of the assessment that will be imposed on a property*



1 *owner by ordinance, the capital provider is solely responsible for*  
2 *the billing, collection and the enforcement of an assessment*  
3 *imposed on real property pursuant to NRS 271.6312 to 271.6325,*  
4 *inclusive, and sections 2 to 13, inclusive, of this act.*

5 *2. Delinquent payment of an assessment will result in the*  
6 *interest and penalties set forth in the financing agreement between*  
7 *the capital provider and the owner of real property.*

8 *3. Enforcement of a delinquent payment shall be in the*  
9 *manner of a mortgage or deed of trust.*

10 *4. Assessments not yet due must not be accelerated or*  
11 *eliminated by foreclosure. In the event of foreclosure, any*  
12 *outstanding or delinquent assessments must be satisfied along*  
13 *with the payment of any delinquent ad valorem taxes.*

14 **Sec. 12.** *1. A capital provider shall record a lien on the real*  
15 *property on which an assessment is imposed pursuant to the*  
16 *provisions of NRS 271.6312 to 271.6325, inclusive, and sections 2*  
17 *to 13, inclusive, of this act.*

18 *2. A lien placed upon real property by a capital provider for a*  
19 *qualified improvement project:*

20 *(a) Is a first and prior lien on the real property on which the*  
21 *assessment is imposed for a qualified improvement project,*  
22 *effective on the date on which the notice of assessment is recorded*  
23 *by the capital provider until the time that all terms of the financing*  
24 *agreement have been satisfied.*

25 *(b) Has the same priority as a lien for ad valorem taxes.*

26 *(c) Runs with the land and any portion of the assessment that*  
27 *is due pursuant to the terms of the financing agreement must not*  
28 *be accelerated or eliminated by foreclosure of a lien for ad*  
29 *valorem taxes.*

30 *(d) Must not be contested after the lien is recorded pursuant to*  
31 *this section on the basis that the project is not a qualified*  
32 *improvement project or for any procedural or substantive*  
33 *irregularity related to financing.*

34 **Sec. 13.** *1. A person that is leasing real property within a*  
35 *district created pursuant to NRS 271.6312 to 271.6325, inclusive,*  
36 *and sections 2 to 13, inclusive, of this act may enter into a*  
37 *financing agreement with a capital provider for a qualified*  
38 *improvement project if the owner of the real property consents in*  
39 *writing to the improvements or installations that will be made to*  
40 *the real property as part of the qualified improvement project. Any*  
41 *such consent must be recorded with the other information*  
42 *required to be recorded pursuant to NRS 271.6312 to 271.6325,*  
43 *inclusive, and sections 2 to 13, inclusive, of this act.*

44 *2. If a person that is leasing real property within a district*  
45 *enters into a financing agreement with a capital provider for a*



1 *qualified improvement project, the person will own the*  
2 *improvements or installation and be financially responsible and*  
3 *liable for assessments on the tract regardless of whether the lease*  
4 *terminates before the end of the term of assessment.*

5 **Sec. 14.** NRS 271.385 is hereby amended to read as follows:

6 271.385 1. At the time and place designated pursuant to NRS  
7 271.380, the governing body shall hear and determine any written  
8 complaint, protest or objection filed as provided in that section and  
9 any verbal views expressed in respect to the proposed assessments,  
10 assessment roll or assessment procedure. The governing body may  
11 adjourn the hearing from time to time.

12 2. The governing body, by resolution, may revise, correct,  
13 confirm or set aside any assessment and order that the assessment be  
14 made de novo.

15 3. Any complaint, protest or objection to:

16 (a) The assessment roll;

17 (b) The regularity, validity and correctness of each assessment;

18 (c) The amount of each assessment; or

19 (d) The regularity, validity and correctness of any other  
20 proceedings occurring after the date of the hearing described in NRS  
21 271.310 and before the date of the hearing governed by this section,  
22 ↪ shall be deemed waived unless filed in writing within the time  
23 and in the manner provided by NRS 271.380.

24 ~~[4.— If any owner of a tract which is assessed for the purpose of~~  
25 ~~creating a district pursuant to NRS 271.6312 objects in writing~~  
26 ~~within the time and in the manner provided by NRS 271.380, the~~  
27 ~~tract must be removed from the assessment roll, and the~~  
28 ~~municipality shall not finance the project located on the tract unless~~  
29 ~~the objecting owner withdraws his or her objection in writing within~~  
30 ~~the time specified by the governing body.]~~

31 **Sec. 15.** NRS 271.6312 is hereby amended to read as follows:

32 271.6312 1. The governing body of a municipality, on behalf  
33 of the municipality and in its name, without an election, may create  
34 a district ~~[to finance]~~ *for* one or more ~~[energy efficiency~~  
35 ~~improvement projects or renewable energy]~~ *qualified improvement*  
36 projects:

37 (a) On qualifying commercial or industrial real property, which  
38 may include any real property other than:

39 (1) A residential dwelling that contains fewer than five  
40 individual dwelling units; or

41 (2) Property financed by a government-guaranteed financing  
42 program that prohibits the subordination of the government's  
43 interest in the property or otherwise prohibits a contract under NRS  
44 271.6312 to 271.6325, inclusive ~~[,]~~, *and sections 2 to 13, inclusive,*  
45 *of this act.*



(b) That meet one of the following requirements:

(1) For an energy efficiency improvement project, the project must be determined to *meet the definition of an energy efficiency improvement project set forth in NRS 271.099* and be appropriate through an energy audit conducted by a qualified service company.

~~[A project may be determined to be appropriate if:~~

~~(I) The energy audit includes a summary of recommendations, which for each recommendation must include existing and expected consumption and expected energy savings expressed in British thermal units, kilowatt hours, and kilowatts, the expected annual energy savings, the cost, the payback period in years, the expected life cycle in years and the percentage of savings, as applicable; and~~

~~(II) The expected energy savings from the project exceeds the investment costs of the project.]~~

(2) For a renewable energy project, the project must be determined to be feasible ~~[through a written feasibility study conducted]~~ and *meets the definition of a renewable energy project set forth in NRS 271.199* by a qualified service company.

(3) *For a resiliency project, the project must be determined to meet the definition of a resiliency project set forth in section 8 of this act by a licensed professional in the field of the resiliency project that is approved by the municipality in the program guide created pursuant to NRS 271.6325.*

(4) *For a water efficiency project, the project must be determined to meet the definition of a water efficiency project set forth in section 9 of this act by a qualified service company.*

~~2. [A bond or interim warrant issued for a district created pursuant to this section must not be secured by a pledge of the general credit or taxing power of the municipality or by the surplus and deficiency fund established pursuant to NRS 271.428.~~

~~3.]~~ The improvements to or installations within a district created pursuant to this section must not be owned by a municipality but shall be ~~[deemed to be]~~ the property of the owner of the tract upon which the improvement or installation is located.

~~[4.]~~ 3. The provisions of:

(a) NRS 271.275 to 271.365, inclusive, do not apply to a district which is created pursuant to this section.

(b) NRS 271.495 and 271.500 do not apply to any bonds or interim warrants issued to finance ~~[an energy efficiency improvement project or renewable energy]~~ *a qualified improvement project* within a district created pursuant to this section.

~~[5.]~~ 4. As used in this section:

(a) "Energy audit" means a formal evaluation of the energy consumption of a permanent building or any structural improvement



1 to real property that is consistent with the requirements of ASTM  
2 International Standard E2797, "Standard Practice for Building  
3 Energy Performance Assessment for a Building Involved in a Real  
4 Estate Transaction," the ASHRAE Level 2 or 3 guidelines for  
5 energy audits or any comparable energy assessment guidelines.

6 (b) "Qualified service company" has the meaning ascribed to it  
7 in NRS 333A.060.

8 **Sec. 16.** NRS 271.6315 is hereby amended to read as follows:  
9 271.6315 1. A governing body may create a district pursuant  
10 to NRS 271.6312 only if:

11 (a) *The governing body makes a finding that the creation of*  
12 *the district serves the public purposes of resource conservation,*  
13 *reducing emissions or increasing the resiliency of the community.*

14 (b) The governing body has, pursuant to NRS 271.6325, adopted  
15 by resolution a procedure for the creation and administration of a  
16 district for the purpose of financing one or more ~~energy efficiency~~  
17 ~~improvement projects or renewable energy~~ *qualified improvement*  
18 projects.

19 ~~[(b)]~~ (c) Each owner of each tract on which ~~[an energy~~  
20 ~~efficiency improvement project or renewable energy]~~ *a qualified*  
21 *improvement* project will be located consents in writing to the  
22 location of the project on the tract, ~~[and]~~ the levy of an assessment  
23 against the tract to pay ~~[all or a portion of the cost thereof in an~~  
24 ~~amount up to the estimated maximum benefit to the tract from the~~  
25 ~~installation or improvement. The estimated maximum benefit may~~  
26 ~~not exceed the market value of the tract as determined by the~~  
27 ~~governing body.~~

28 ~~—(e)]~~ *the amount of financing set forth in the financing*  
29 *agreement and the placement of a lien on the property pursuant to*  
30 *the provisions of section 12 of this act.*

31 (d) Each consent provided pursuant to paragraph ~~[(b):~~  
32 ~~—(1) Describes]~~ (c) *describes* the tract to be assessed and the  
33 improvements to be financed. ~~;~~

34 ~~—(2) States the estimated maximum benefit that the owner~~  
35 ~~agrees will be conferred on the tract by virtue of the installation or~~  
36 ~~improvement; and~~

37 ~~—(3) Is accompanied by:~~

38 ~~—(1) A signed copy of each contract between an owner of~~  
39 ~~the tract and each contractor described in NRS 271.6321 pursuant to~~  
40 ~~which the contractor agrees to construct, acquire and install the~~  
41 ~~installation or improvement identified in the consent at a total price~~  
42 ~~which does not exceed the limitation set forth in NRS 271.6321 and~~  
43 ~~which contains any terms, including, without limitation, application~~  
44 ~~fees and costs, the total amount financed, annual percentage rate,~~  
45 ~~total amount paid over the life of any assessment, any appraisal fees,~~



1 ~~bond related costs, annual administrative fees, closing costs, credit~~  
2 ~~reporting fees and recording fees, and such other terms not~~  
3 ~~inconsistent with the provisions of NRS 271.6312 to 271.6325,~~  
4 ~~inclusive, or with the resolution adopted pursuant to NRS 271.6325,~~  
5 ~~as may be agreed upon by the owner of the tract and the contractor~~  
6 ~~and is acceptable to the governing body; and~~

7 ~~—————(H) A deposit in an amount determined in the manner~~  
8 ~~specified in the resolution adopted pursuant to NRS 271.6325,~~  
9 ~~which may be refunded if the project to which the consent relates is~~  
10 ~~completed and is financed with assessments levied pursuant to this~~  
11 ~~chapter within the period specified in the resolution.—~~

12 ~~—(d)}~~ (e) The outstanding amount owed on all recorded  
13 instruments which are liens against any tract included in the district  
14 does not exceed 90 percent of the estimated fair market value of the  
15 property assessed, ~~[as defined by the governing body,]~~ taking into  
16 account the imposition of the liens for assessments pursuant to NRS  
17 271.6312 to 271.6325, inclusive, *and sections 2 to 13, inclusive, of*  
18 *this act* and the additional value added to the tract by ~~[a]~~ *the*  
19 *qualified improvement* project financed pursuant to NRS 271.6312  
20 to 271.6325, inclusive ~~[ ]~~, *and sections 2 to 13, inclusive, of this*  
21 *act.*

22 ~~[(e)]~~ (f) Any lender who holds a lien on any tract on which ~~[an~~  
23 ~~energy efficiency]~~ *the qualified* improvement project ~~[or renewable~~  
24 ~~energy project]~~ will be located consents in writing to the levy of an  
25 assessment against the tract to pay all or a portion of the cost of the  
26 installation or improvement. A consent signed pursuant to this  
27 paragraph must be in a recordable form and is binding on the holder  
28 of a lien who signs the consent. ~~[A lender described in this~~  
29 ~~paragraph is entitled, within 30 days after providing consent~~  
30 ~~pursuant to this paragraph, to offer a loan to the owner of the tract as~~  
31 ~~the primary lender on the new levy of an assessment.]~~

32 2. Each consent provided pursuant to paragraph ~~[(b)]~~ (c) of  
33 subsection 1 and each amendment thereto must be recorded in the  
34 office of the county recorder and, once recorded, is binding on the  
35 owner who signed the consent and any other person who holds any  
36 interest in the tract to which the consent relates and who signed the  
37 consent.

38 3. A district created pursuant to NRS 271.6312 may be created  
39 at any time as designated by a governing body, but must only  
40 include tracts for which a consent has been recorded pursuant to  
41 subsection 2.

42 4. As used in this section, “lender” means a mortgagee, the  
43 beneficiary of a deed of trust or other creditor who holds a  
44 mortgage, deed of trust or other *recorded* instrument that encumbers



1 a tract as security for the repayment of a loan used to purchase the  
2 tract.

3 **Sec. 17.** NRS 271.6321 is hereby amended to read as follows:

4 271.6321 Construction *of a qualified improvement project*  
5 within a district created pursuant to NRS 271.6312 must be  
6 completed through independent contracts with contractors licensed  
7 in Nevada . ~~{who are approved by the governing body.}~~ The  
8 municipality is not responsible for the construction, or any defects  
9 or delays thereof. The laws of this State relating to public bidding,  
10 public works or public procurement are not applicable to contracts  
11 for construction ~~{executed pursuant to this subsection. The total~~  
12 ~~contract price of any improvement or installation must not exceed~~  
13 ~~80 percent of the estimated maximum benefit for the tract as stated~~  
14 ~~in the consent, as it may be amended from time to time, unless the~~  
15 ~~owner of the property to be assessed:~~

16 ~~—1. Agrees to pay and pays, or causes another party to pay, the~~  
17 ~~difference between 80 percent of the estimated maximum benefit~~  
18 ~~and the total contract price from a source other than financing~~  
19 ~~provided pursuant to this chapter; and~~

20 ~~—2. Agrees in writing that the improvement or installation will in~~  
21 ~~fact benefit the tract by an amount at least equal to the sum of the~~  
22 ~~estimated maximum benefit stated in the consent and the amount to~~  
23 ~~be paid from a source other than financing provided pursuant to this~~  
24 ~~chapter.} *of a qualified improvement project.*~~

25 **Sec. 18.** NRS 271.6325 is hereby amended to read as follows:

26 271.6325 1. Before creating a district pursuant to NRS  
27 271.6312, a governing body must adopt a resolution which specifies  
28 the procedures for the creation and administration of such a district.

29 *2. The resolution adopted pursuant to subsection 1 must*  
30 *approve a program guide that, without limitation:*

31 *(a) Sets forth the forms for any agreements necessary between*  
32 *the district, the property owner and the capital provider. The forms*  
33 *must include, without limitation:*

34 *(1) A provision that the property owner agrees to the*  
35 *assessment in the amount approved by the governing body as*  
36 *repayment for the financing of the qualified improvement project.*

37 *(2) A provision that the property owner acknowledges that*  
38 *the capital provider will record a lien on the real property*  
39 *pursuant to section 12 of this act to secure the repayment of the*  
40 *financing set forth in the financing agreement.*

41 *(b) Prohibits any financing agreement the duration of which*  
42 *exceeds the useful life of the qualified improvement project or, if*  
43 *the qualified improvement project includes more than one*  
44 *qualified improvement, the weighted average life of all qualified*  
45 *improvements included in the qualified improvement project.*



1 (c) Describes the application and eligibility requirements for  
2 real property to be included in a district, including, without  
3 limitation, with respect to a resiliency project:

4 (1) The nature of resiliency improvements that may be  
5 included in a resiliency project;

6 (2) The standards and codes that must be met for a  
7 resiliency project to be a qualified improvement; and

8 (3) The qualifications of a licensed professional who is  
9 approved by the municipality to determine whether the resiliency  
10 project meets the definition set forth in section 8 of this act, as  
11 required by NRS 271.6312.

12 (d) Describes the requirements to be a capital provider.

13 3. The resolution may provide for one or more of the  
14 following:

15 (a) Additional notices of the proposal to create the district,  
16 notices of the opportunity to apply for inclusion in the district or any  
17 other notices;

18 (b) Any additional requirements for a qualified improvement  
19 project, including, without limitation, any requirement for  
20 insurance, security features or additional covenants and  
21 agreements that must be entered into by the municipality, capital  
22 provider, property owner and, if applicable, lessee;

23 (c) If applicable:

24 (1) A reserve of money for bonds issued for the district, the  
25 method of funding the reserve and the disposition of any interest  
26 earned upon or the principal of the reserve that is not needed to  
27 repay any bonds or interim warrants issued for the purposes of  
28 financing ~~an energy efficiency improvement project or renewable~~  
29 ~~energy] a qualified improvement~~ project within the district; and

30 ~~[(e)] (2) Any other security for those bonds or interim warrants~~  
31 ~~;~~ ~~and the method of determining the term of the bonds in~~  
32 ~~compliance with NRS 271.515;]~~

33 (d) Any requirements for casualty insurance, liability insurance  
34 or other types of insurance for any project within the district;

35 (e) The method of determining the lien-to-value ratio of the  
36 property for the purpose of complying with the limitation prescribed  
37 by paragraph ~~[(d)] (e)~~ of subsection 1 of NRS 271.6315;

38 (f) Any limitation on the lien-to-value ratio that would result in  
39 a lower lien-to-value ratio than that prescribed by paragraph ~~[(d)] (e)~~  
40 of subsection 1 of NRS 271.6315;

41 (g) Any limitation on the amount of the contract price, as a  
42 percentage of the estimated maximum benefit, that is lower than the  
43 limitation prescribed by NRS 271.6321;

44 (h) Any sources, other than the proceeds of assessments, that  
45 will be used to pay:



1 (1) The cost of construction and installation of improvements  
2 financed pursuant to NRS 271.6312 to 271.6325, inclusive ~~{ }~~, *and*  
3 *sections 2 to 13, inclusive, of this act;*

4 (2) The cost of any reserve of money or other security for  
5 financing ~~{an energy efficiency improvement project or renewable~~  
6 ~~energy} a qualified improvement project pursuant to NRS 271.6312  
7 to 271.6325, inclusive ~~{ }~~, *and sections 2 to 13, inclusive, of this*  
8 *act;* or~~

9 (3) The cost of engineering work, the cost to issue any bonds  
10 or provide other financing, or the cost of other incidentals pursuant  
11 to NRS 271.6312 to 271.6325, inclusive ~~{ }~~, *and sections 2 to 13,*  
12 *inclusive, of this act.*

13 (i) Any other security features, covenants required of property  
14 owners, covenants required of other parties or any other covenants,  
15 guarantees, insurance or other matters which the governing body  
16 finds are necessary or desirable for the financing of ~~{an energy~~  
17 ~~efficiency improvement project or renewable energy} a qualified~~  
18 *improvement project pursuant to NRS 271.6312 to 271.6325,*  
19 *inclusive ~~{ }~~, and sections 2 to 13, inclusive, of this act;* and

20 (j) Any other matters, procedures or financing terms which the  
21 governing body, in its sole discretion, determines are necessary or  
22 desirable to carry out the purposes of NRS 271.6312 to 271.6325,  
23 inclusive ~~{ }~~, *and sections 2 to 13, inclusive, of this act.*

24 ~~{2.} 4.~~ A resolution adopted pursuant to this section:

25 (a) Must contain or incorporate by reference an exhibit  
26 describing each tract to be assessed, the type of improvement or  
27 installation to be financed for each tract and the estimated maximum  
28 benefit as stated in the consent provided pursuant to paragraph ~~{(b)}~~  
29 *(c)* of subsection 1 of NRS 271.6315.

30 (b) May be adopted as if an emergency exists by a vote of not  
31 less than two-thirds of all the voting members of the governing  
32 body.

33 **Sec. 19.** 1. The provisions of sections 1 to 18, inclusive, of  
34 this act may be used by the governing body of a municipality that  
35 has created a district pursuant to NRS 271.6312 to 271.6325,  
36 inclusive, before October 1, 2021, but the provisions of sections 1 to  
37 18, inclusive, of this act do not affect any financing, billing,  
38 collection or enforcement of financing of any existing project in the  
39 district created pursuant to NRS 271.6312 to 271.6325, before  
40 October 1, 2021.

41 2. As used in this section:

42 (a) "Governing body" has the meaning ascribed to it in  
43 NRS 271.115.

44 (b) "Municipality" has the meaning ascribed to it in  
45 NRS 271.145.



1 (c) “Project” means an energy efficiency improvement project  
2 or renewable energy project that began before October 1, 2021, in a  
3 district created pursuant to NRS 271.6312 to 271.6325, inclusive, as  
4 those provisions existed on September 30, 2021.

