

SENATE BILL NO. 394—COMMITTEE ON
REVENUE AND ECONOMIC DEVELOPMENT

MARCH 27, 2023

Referred to Committee on Revenue and
Economic Development

SUMMARY—Revises provisions governing property taxes levied
for the support of public schools. (BDR 34-603)

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

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; requiring the board of county
commissioners of a county to levy an additional ad
valorem tax on property for the support of the public
schools; requiring the inclusion of certain information on
the property tax bill issued to a taxpayer; and providing
other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires each board of county commissioners to levy a tax of 75
2 cents on each \$100 of assessed valuation of taxable property within the county for
3 the support of the public schools and requires the proceeds of that tax to be remitted
4 in the State Education Fund. (NRS 387.1214, 387.195) **Section 2** of this bill
5 requires each board of county commissioners to levy an additional tax of 10 cents
6 on each \$100 of assessed valuation of taxable property within the county for the
7 support of the public schools. **Section 2** exempts this tax from certain partial tax
8 abatements during the first year in which the tax is levied. **Section 4** of this bill
9 makes a conforming change to include this tax in the sources of revenue for the
10 State Education Fund.

11 Existing law, in general, limits the total amount of property taxes which may be
12 imposed to \$3.64 on each \$100 of assessed valuation. (NRS 361.453) **Sections 2**
13 **and 7** of this bill exempt the property tax authorized by **section 2** from this
14 limitation and, thus, allow that tax to cause the total property tax rate in a
15 jurisdiction to exceed that amount.

16 **Section 3** of this bill requires certain information relating to the taxes levied for
17 the support of the public schools to be included in the tax bill of a taxpayer.

18 **Sections 5 and 6** of this bill make conforming changes to provide for the
19 disposition of the new property tax authorized by **section 2** in the same manner as



20 the existing property tax levy for the support of the public schools in certain
21 circumstances.

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

1 **Section 1.** Chapter 387 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2. 1.** *In addition to all other taxes imposed on property*
4 *in a county, the board of county commissioners of each county*
5 *shall levy a tax of 10 cents on each \$100 of assessed valuation of*
6 *taxable property within the county for the support of the public*
7 *schools.*

8 **2.** *The tax collected pursuant to subsection 1 on any assessed*
9 *valuation attributable to the net proceeds of minerals must not be*
10 *considered as available to pay liabilities of the fiscal year in which*
11 *the tax is collected but must be deferred for use in the subsequent*
12 *fiscal year.*

13 **3.** *The tax collected pursuant to subsection 1 and any interest*
14 *earned from the investment of the proceeds of that tax must be*
15 *remitted by the county treasurer to the State Treasurer for credit to*
16 *the State Education Fund.*

17 **4.** *For the first fiscal year in which a tax is levied pursuant to*
18 *this section, the tax is exempt from each partial abatement from*
19 *taxation provided pursuant to NRS 361.4722, 361.4723 and*
20 *361.4724. For each fiscal year after the first fiscal year in which a*
21 *tax is levied pursuant to this section, the tax must be included in*
22 *the calculations of the partial abatements from taxation provided*
23 *pursuant to NRS 361.4722, 361.4723 and 361.7424.*

24 **5.** *The rate of any tax levied pursuant to subsection 1 must*
25 *not be included in the total ad valorem tax levy for the purposes of*
26 *the application of the limitation in NRS 361.453.*

27 **Sec. 3.** *Each ex officio tax receiver of a county which has*
28 *levied a tax pursuant to NRS 387.195 or section 2 of this act shall,*
29 *on each individual tax bill issued to a property owner pursuant to*
30 *NRS 361.480:*

31 **1.** *State separately:*

32 **(a)** *The rate of tax imposed pursuant to NRS 387.195;*

33 **(b)** *The rate of tax imposed pursuant to section 2 of this act;*

34 **(c)** *The amount of the tax liability resulting from the tax levied*
35 *pursuant to NRS 387.195; and*

36 **(d)** *The amount of the tax liability resulting from the tax levied*
37 *pursuant to section 2 of this act.*



1 **2. Identify the proceeds of the taxes imposed pursuant to NRS**
2 **387.195 and section 2 of this act as being dedicated for the support**
3 **of the public schools.**

4 **Sec. 4.** NRS 387.1212 is hereby amended to read as follows:

5 387.1212 1. The State Education Fund is hereby created as
6 special revenue fund to be administered by the Superintendent of
7 Public Instruction for the purpose of supporting the operation of the
8 public schools in this State. The interest and income earned on the
9 money in the Fund, excluding the direct legislative appropriation
10 from the State General Fund required by subsection 3, must, after
11 deducting any applicable charges, be credited to the Fund.

12 2. Money which must be deposited for credit to the State
13 Education Fund includes, without limitation:

14 (a) All money derived from interest on the State Permanent
15 School Fund, as provided in NRS 387.030;

16 (b) The proceeds of the tax imposed pursuant to NRS 244.33561
17 and any applicable penalty or interest, less any amount retained by
18 the county treasurer for the actual cost of collecting and
19 administering the tax;

20 (c) The proceeds of the tax imposed pursuant to subsection 1 of
21 NRS 387.195;

22 (d) The money identified in subsection 8 of NRS 120A.610;

23 (e) The portion of the money in each special account created
24 pursuant to subsection 1 of NRS 179.1187 which is identified in
25 paragraph (d) of subsection 2 of NRS 179.1187;

26 (f) The money identified in paragraph (d) of subsection 6 of
27 NRS 278C.250;

28 (g) The money identified in subsection 1 of NRS 328.450;

29 (h) The money identified in subsection 1 of NRS 328.460;

30 (i) The money identified in paragraph (a) of subsection 2 of
31 NRS 360.850;

32 (j) The money identified in paragraph (a) of subsection 2 of
33 NRS 360.855;

34 (k) The money required to be transferred to the State Education
35 Fund pursuant to NRS 362.100;

36 (l) The money required to be paid over to the State Treasurer for
37 deposit to the credit of the State Education Fund pursuant to
38 subsection 4 of NRS 362.170;

39 (m) The portion of the proceeds of the tax imposed pursuant to
40 subsection 1 of NRS 372A.290 identified in paragraph (b) of
41 subsection 4 of NRS 372A.290;

42 (n) The proceeds of the tax imposed pursuant to subsection 3 of
43 NRS 372A.290;



1 (o) The proceeds of the fees, taxes, interest and penalties
2 imposed pursuant to chapter 374 of NRS, as transferred pursuant to
3 subsection 3 of NRS 374.785;

4 (p) The money identified in subsection 5 of NRS 445B.640;

5 (q) The money identified in paragraph (b) of subsection 4 of
6 NRS 678B.390;

7 (r) The portion of the proceeds of the excise tax imposed
8 pursuant to subsection 1 of NRS 463.385 identified in paragraph (c)
9 of subsection 5 of NRS 463.385;

10 (s) The money required to be distributed to the State Education
11 Fund pursuant to subsection 3 of NRS 482.181;

12 (t) The portion of the proceeds of the fee imposed pursuant to
13 NRS 488.075 identified in subsection 2 of NRS 488.075;

14 (u) The portion of the net profits of the grantee of a franchise,
15 right or privilege identified in NRS 709.110;

16 (v) The portion of the net profits of the grantee of a franchise
17 identified in NRS 709.230;

18 (w) The portion of the net profits of the grantee of a franchise
19 identified in NRS 709.270;

20 (x) The money required to be distributed to the State Education
21 Fund pursuant to NRS 363D.290; ~~and~~

22 (y) *The proceeds of the tax imposed pursuant to subsection 1*
23 *of section 2 of this act; and*

24 (z) The direct legislative appropriation from the State General
25 Fund required by subsection 3.

26 3. In addition to money from any other source provided by law,
27 support for the State Education Fund must be provided by direct
28 legislative appropriation from the State General Fund in an amount
29 determined by the Legislature to be sufficient to fund the operation
30 of the public schools in this State for kindergarten through grade 12
31 for the next ensuing biennium for the population reasonably
32 estimated for that biennium. Money in the State Education Fund
33 does not revert to the State General Fund at the end of a fiscal year,
34 and the balance in the State Education Fund must be carried forward
35 to the next fiscal year.

36 4. Money in the Fund must be paid out on claims as other
37 claims against the State are paid.

38 **Sec. 5.** NRS 278C.250 is hereby amended to read as follows:

39 278C.250 1. After the effective date of the ordinance adopted
40 pursuant to NRS 278C.220:

41 (a) Any taxes levied upon taxable property in the tax increment
42 area each year by or for the benefit of the State, the municipality and
43 any public body must be divided as follows:

44 (1) That portion of the taxes that would be produced by the
45 rate upon which the tax is levied each year by or for each of those



1 taxing agencies upon the total sum of the assessed value of the
2 taxable property in the tax increment area as shown upon the last
3 equalized assessment roll used in connection with the taxation of the
4 property by the taxing agency, must be allocated to and when
5 collected must be paid into the funds of the respective taxing
6 agencies as taxes by or for the taxing agencies on all other property
7 are paid.

8 (2) Except as otherwise provided in this section, the portion
9 of the taxes levied each year in excess of the amount determined
10 pursuant to subparagraph (1) must be allocated to, and when
11 collected must be paid into, the tax increment account pertaining to
12 the undertaking to pay the bond requirements of loans, money
13 advanced to, or indebtedness, whether funded, refunded, assumed or
14 otherwise, incurred by the municipality to finance or refinance, in
15 whole or in part, the undertaking. Unless the total assessed valuation
16 of the taxable property in the tax increment area exceeds the total
17 assessed value of the taxable property in the area as shown by the
18 last equalized assessment roll referred to in this subsection, all of the
19 taxes levied and collected upon the taxable property in the area must
20 be paid into the funds of the respective taxing agencies. When the
21 loans, advances and indebtedness, if any, and interest thereon, have
22 been paid, all money thereafter received from taxes upon the taxable
23 property in the tax increment area must be paid into the funds of the
24 respective taxing agencies as taxes on all other property are paid.

25 (b) If the undertaking is a natural resources project or a rail
26 project for which the municipality has received approval from the
27 Interim Finance Committee pursuant to NRS 278C.157, any taxes
28 levied upon the sale or use of tangible personal property in the tax
29 increment area each year by or for the benefit of the State, the
30 municipality and any public body must be divided as follows:

31 (1) That portion of the taxes that would be produced by the
32 rate upon which the tax is levied each year by or for each of those
33 taxing agencies upon the total sum of the sales and use of tangible
34 personal property in the tax increment area in the fiscal year
35 immediately preceding the effective date of the ordinance adopted
36 pursuant to NRS 278C.220, must be allocated to and when collected
37 must be paid into the funds of the respective taxing agencies as
38 taxes by or for the taxing agencies on all other sales of tangible
39 personal property are paid.

40 (2) Except as otherwise provided in this section, of the
41 portion of the taxes levied each year in excess of the amount
42 determined pursuant to subparagraph (1), 50 percent of that amount
43 must be allocated to, and when collected must be paid into the tax
44 increment account pertaining to the undertaking to pay the bond
45 requirements of loans, money advanced to, or indebtedness, whether



1 funded, refunded, assumed or otherwise, incurred by the
2 municipality to finance or refinance, in whole or in part, the
3 undertaking. The remaining 50 percent of that amount must be
4 allocated to and when collected must be paid into the funds of the
5 respective taxing agencies as taxes by or for the taxing agencies on
6 all other sales of tangible personal property are paid. Unless the total
7 amount of the taxes imposed on the sale and use of tangible personal
8 property in the tax increment area exceeds the total amount of the
9 taxes imposed on the sale and use of tangible personal property in
10 the tax increment area in the fiscal year immediately preceding the
11 effective date of the ordinance adopted pursuant to NRS 278C.220,
12 all of the taxes levied and collected upon the sale or use of tangible
13 personal property in the tax increment area must be paid into the
14 funds of the respective taxing agencies. When the loans, advances
15 and indebtedness, if any, and interest thereon, have been paid, all
16 money thereafter received from taxes upon the sale or use of
17 tangible personal property in the tax increment area must be paid
18 into the funds of the respective taxing agencies as taxes on all other
19 taxes on the sale or use of tangible personal property are paid.

20 (c) If the undertaking is a natural resources project or a rail
21 project for which the municipality has received approval from the
22 Interim Finance Committee pursuant to NRS 278C.157, any taxes
23 imposed pursuant to NRS 363A.130 or 363B.110 on employers
24 located in the tax increment area must be divided as follows:

25 (1) That portion of the taxes that would be produced by the
26 rate upon which the tax is imposed each year by the Department of
27 Taxation in the fiscal year immediately preceding the effective date
28 of the ordinance adopted pursuant to NRS 278C.220, must be
29 allocated to and when collected must be paid to the Department of
30 Taxation as all other taxes imposed pursuant to NRS 363A.130 and
31 363B.110 are paid.

32 (2) Except as otherwise provided in this section, of the
33 portion of the taxes imposed each year in excess of the amount
34 determined pursuant to subparagraph (1), 50 percent of that amount
35 must be allocated to, and when collected must be paid into, the tax
36 increment account pertaining to the undertaking to pay the bond
37 requirements of loans, money advanced to, or indebtedness, whether
38 funded, refunded, assumed or otherwise, incurred by the
39 municipality to finance or refinance, in whole or in part, the
40 undertaking. The remaining 50 percent of that amount must be
41 allocated to and when collected must be paid to the Department of
42 Taxation as all other taxes imposed pursuant to NRS 363A.130 and
43 363B.110 are paid. Unless the total amount of the taxes imposed
44 pursuant to NRS 363A.130 and 363B.110 on employers located in
45 the tax increment area exceeds the total amount of the taxes imposed



1 on employers located in the tax increment area in the fiscal year
2 immediately preceding the effective date of the ordinance adopted
3 pursuant to NRS 278C.220, all of the taxes imposed on employers
4 located in the tax increment area must be paid to the Department of
5 Taxation. When the loans, advances and indebtedness, if any, and
6 interest thereon, have been paid, all money thereafter received from
7 taxes imposed pursuant to NRS 363A.130 or 363B.110 on
8 employers located in the tax increment area must be paid to the
9 Department of Taxation as all other taxes imposed pursuant to NRS
10 363A.130 and 363B.110 are paid.

11 2. Except as otherwise provided in subsection 2 of NRS
12 360.991, the amount of the taxes levied each year which are paid
13 into the tax increment account pursuant to subparagraph (2) of
14 paragraph (a) of subsection 1, subparagraph (2) of paragraph (b) of
15 subsection 1 and subparagraph (2) of paragraph (c) of subsection 1
16 must be limited by the governing body to an amount not to exceed
17 the combined total amount required for annual debt service of or any
18 outstanding advances of money or unfunded costs associated with
19 the project or projects acquired, improved or equipped, or any
20 combination thereof, as part of the undertaking.

21 3. Any revenues generated within the tax increment area in
22 excess of the amount referenced in subsection 2, if any, will be paid
23 into the funds of the respective taxing agencies in the same
24 proportion as their base amount was distributed.

25 4. Except as otherwise provided in this subsection, in any fiscal
26 year, the total revenue paid to a tax increment area pursuant to
27 subparagraph (2) of paragraph (a) of subsection 1 in combination
28 with the total revenue paid to any other tax increment areas and any
29 redevelopment agencies of a municipality, other than any revenues
30 paid to any other tax increment areas pursuant to subparagraph (2)
31 of paragraph (b) of subsection 1 and subparagraph (2) of paragraph
32 (c) of subsection 1, must not exceed:

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

38 (b) In a county whose population is less than 100,000 or a city
39 whose population is less than 150,000, an amount equal to the
40 combined tax rates of the taxing agencies for that fiscal year
41 multiplied by 15 percent of the total assessed valuation of the
42 municipality.

43 ↪ Notwithstanding the provisions of this subsection, if a county has
44 a population of less than 100,000 or if a city has a population of less
45 than 150,000 at the time the municipality issues securities for a tax



1 increment area pursuant to NRS 278C.280, the revenue limitation
2 set forth in paragraph (b) must remain the revenue limitation for the
3 tax increment area until such time as the securities issued for that
4 tax increment area pursuant to NRS 278C.280 have been paid in
5 full, including any securities issued to refund those securities,
6 regardless of whether the population of the municipality reaches or
7 exceeds 100,000 after the issuance of those securities.

8 5. If the revenue paid to a tax increment area must be limited
9 pursuant to paragraph (a) or (b) of subsection 4 and the municipality
10 has more than one redevelopment agency or tax increment area, or
11 one of each, the municipality shall determine the allocation to each
12 agency and area. Any revenue that would be allocated to a tax
13 increment area but for the provisions of this section must be paid
14 into the funds of the respective taxing agencies.

15 6. The portion of the taxes levied each year in excess of the
16 amount determined pursuant to subparagraph (1) of paragraph (a) of
17 subsection 1 which is attributable to any tax rate levied by a taxing
18 agency:

19 (a) To produce revenue in an amount sufficient to make annual
20 repayments of the principal of, and the interest on, any bonded
21 indebtedness that was approved by a majority of the registered
22 voters within the area of the taxing agency voting upon the question,
23 must be allocated to, and when collected must be paid into, the debt
24 service fund of that taxing agency.

25 (b) In excess of any tax rate of that taxing agency applicable to
26 the last taxation of the property before the effective date of the
27 ordinance, if that additional rate was approved by a majority of the
28 registered voters within the area of the taxing agency voting upon
29 the question, must be allocated to, and when collected must be paid
30 into, the appropriate fund of that taxing agency.

31 (c) Pursuant to NRS 387.3285 or 387.3287, if that rate was
32 approved by a majority of the registered voters within the area of the
33 taxing agency voting upon the question, must be allocated to, and
34 when collected must be paid into, the appropriate fund of that taxing
35 agency.

36 (d) For the support of the public schools within a county school
37 district pursuant to NRS 387.195, *or section 2 of this act*, must be
38 allocated to, and when collected must be paid into, the State
39 Education Fund.

40 7. The provisions of paragraph (a) of subsection 6 include,
41 without limitation, a tax rate approved for bonds of a county school
42 district issued pursuant to NRS 350.020, including, without
43 limitation, amounts necessary for a reserve account in the debt
44 service fund.



1 8. As used in this section, the term “last equalized assessment
2 roll” means the assessment roll in existence on the 15th day of
3 March immediately preceding the effective date of the ordinance.

4 **Sec. 6.** NRS 279.676 is hereby amended to read as follows:

5 279.676 1. Any redevelopment plan may contain a provision
6 that taxes, if any, levied upon taxable property in the redevelopment
7 area each year by or for the benefit of the State, any city, county,
8 district or other public corporation, after the effective date of the
9 ordinance approving the redevelopment plan, must be divided as
10 follows:

11 (a) That portion of the taxes which would be produced by the
12 rate upon which the tax is levied each year by or for each of
13 the taxing agencies upon the total sum of the assessed value of the
14 taxable property in the redevelopment area as shown upon the
15 assessment roll used in connection with the taxation of the property
16 by the taxing agency, last equalized before the effective date of the
17 ordinance, must be allocated to and when collected must be paid
18 into the funds of the respective taxing agencies as taxes by or for
19 such taxing agencies on all other property are paid. To allocate taxes
20 levied by or for any taxing agency or agencies which did not include
21 the territory in a redevelopment area on the effective date of the
22 ordinance but to which the territory has been annexed or otherwise
23 included after the effective date, the assessment roll of the county
24 last equalized on the effective date of the ordinance must be used in
25 determining the assessed valuation of the taxable property in the
26 redevelopment area on the effective date. If property which was
27 shown on the assessment roll used to determine the amount of taxes
28 allocated to the taxing agencies is transferred to the State and
29 becomes exempt from taxation, the assessed valuation of the exempt
30 property as shown on the assessment roll last equalized before the
31 date on which the property was transferred to the State must be
32 subtracted from the assessed valuation used to determine the amount
33 of revenue allocated to the taxing agencies.

34 (b) Except as otherwise provided in paragraphs (c), (d) and (e)
35 and NRS 540A.265, that portion of the levied taxes each year in
36 excess of the amount set forth in paragraph (a) must be allocated to
37 and when collected must be paid into a special fund of the
38 redevelopment agency to pay the costs of redevelopment and to pay
39 the principal of and interest on loans, money advanced to, or
40 indebtedness, whether funded, refunded, assumed, or otherwise,
41 incurred by the redevelopment agency to finance or refinance, in
42 whole or in part, redevelopment. Unless the total assessed valuation
43 of the taxable property in a redevelopment area exceeds the total
44 assessed value of the taxable property in the redevelopment area as
45 shown by:



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

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

5 ↪ whichever occurs later, less the assessed valuation of any exempt
6 property subtracted pursuant to paragraph (a), all of the taxes levied
7 and collected upon the taxable property in the redevelopment area
8 must be paid into the funds of the respective taxing agencies. When
9 the redevelopment plan is terminated pursuant to the provisions of
10 NRS 279.438 and 279.439 and all loans, advances and indebtedness,
11 if any, and interest thereon, have been paid, all money thereafter
12 received from taxes upon the taxable property in the redevelopment
13 area must be paid into the funds of the respective taxing agencies as
14 taxes on all other property are paid.

15 (c) That portion of the taxes in excess of the amount set forth in
16 paragraph (a) that is attributable to a tax rate levied by a taxing
17 agency to produce revenues in an amount sufficient to make annual
18 repayments of the principal of, and the interest on, any bonded
19 indebtedness that was approved by the voters of the taxing agency
20 on or after November 5, 1996, must be allocated to and when
21 collected must be paid into the debt service fund of that taxing
22 agency.

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

29 (e) If an agency has adopted a resolution pursuant to subsection
30 8, that portion of the taxes in excess of the amount set forth in
31 paragraph (a) that is attributable to a tax rate levied by a taxing
32 agency:

33 (1) Pursuant to NRS 387.3285 or 387.3287, if that rate was
34 approved by a majority of the registered voters within the area of the
35 taxing agency voting upon the question, must be allocated to, and
36 when collected paid into, the appropriate fund of that taxing agency.

37 (2) For the support of public schools within a county school
38 district pursuant to NRS 387.195, *or section 2 of this act*, must be
39 allocated to, and when collected paid into, the appropriate fund of
40 that taxing agency.

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

44 (a) In a county whose population is 100,000 or more or a city
45 whose population is 150,000 or more, an amount equal to the



1 combined tax rates of the taxing agencies for that fiscal year
2 multiplied by 10 percent of the total assessed valuation of the
3 municipality.

4 (b) In a county whose population is 30,000 or more but less than
5 100,000 or a city whose population is 25,000 or more but less than
6 150,000, an amount equal to the combined tax rates of the taxing
7 agencies for that fiscal year multiplied by 15 percent of the total
8 assessed valuation of the municipality.

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

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

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

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

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



1 subsection only once, and the election to adopt such an ordinance is
2 irrevocable.

3 6. An agency which adopts an ordinance pursuant to subsection
4 5 and which receives revenue pursuant to paragraph (b) of
5 subsection 1 from taxes on the taxable property located in the
6 redevelopment area affected by the ordinance shall set aside 18
7 percent of that revenue received on and after the effective date of
8 the ordinance to:

9 (a) Increase, improve, preserve or enhance public educational
10 facilities;

11 (b) Support public educational activities and programs; or

12 (c) Increase, improve, preserve or enhance public educational
13 facilities and support public educational activities and programs,

14 ➤ which are located in or within 1 mile of the redevelopment area
15 or which serve pupils who reside in or within 1 mile of the
16 redevelopment area. For each fiscal year, the agency shall prepare a
17 written report concerning the amount of money expended for the
18 purposes set forth in this subsection and shall, on or before
19 November 30 of each year, submit a copy of the report to the
20 Director of the Legislative Counsel Bureau for transmittal to the
21 Legislative Commission, if the report is received during an odd-
22 numbered year, or to the next session of the Legislature, if the report
23 is received during an even-numbered year.

24 7. The obligation of an agency pursuant to subsection 6 to set
25 aside 18 percent of the revenue allocated to and received by the
26 agency pursuant to paragraph (b) of subsection 1 from taxes on
27 the taxable property located in the redevelopment area affected by
28 the ordinance adopted by the agency pursuant to subsection 5 is
29 subordinate to any existing obligations of the agency. As used in
30 this subsection, "existing obligations" means the principal and
31 interest, when due, on any bonds, notes or other indebtedness
32 whether funded, refunded, assumed or otherwise incurred by an
33 agency before the effective date of an ordinance adopted by the
34 agency pursuant to subsection 5, to finance or refinance in whole or
35 in part, the redevelopment of a redevelopment area. For the
36 purposes of this subsection, obligations incurred by an agency on or
37 after the effective date of an ordinance adopted by the agency
38 pursuant to subsection 5 shall be deemed existing obligations if the
39 net proceeds are used to refinance existing obligations of the
40 agency.

41 8. An agency may adopt a resolution providing that the portion
42 of the taxes in excess of the amount set forth in paragraph (a) of
43 subsection 1 that is attributable to any tax rate levied by a taxing
44 agency:



1 (a) Pursuant to NRS 387.3285 or 387.3287, if that rate was
2 approved by a majority of the registered voters within the area of the
3 taxing agency voting upon the question, must be allocated to, and
4 when collected paid into, the appropriate fund of that taxing agency.

5 (b) For the support of public schools within a county school
6 district pursuant to NRS 387.195, *or section 2 of this act*, must be
7 allocated to, and when collected paid into, the appropriate fund of
8 that taxing agency.

9 **Sec. 7.** NRS 361.453 is hereby amended to read as follows:

10 361.453 1. Except as otherwise provided in this section and
11 NRS 354.705, 354.723, 387.3288 and 450.760, *and section 2 of this*
12 *act*, the total ad valorem tax levy for all public purposes must not
13 exceed \$3.64 on each \$100 of assessed valuation, or a lesser or
14 greater amount fixed by the State Board of Examiners if the State
15 Board of Examiners is directed by law to fix a lesser or greater
16 amount for that fiscal year.

17 2. Any levy imposed by the Legislature for the repayment of
18 bonded indebtedness or the operating expenses of the State of
19 Nevada and any levy imposed by the board of county
20 commissioners pursuant to NRS 387.195 that is in excess of 50
21 cents on each \$100 of assessed valuation of taxable property within
22 the county must not be included in calculating the limitation set
23 forth in subsection 1 on the total ad valorem tax levied within the
24 boundaries of the county, city or unincorporated town, if, in a
25 county whose population is less than 45,000, or in a city or
26 unincorporated town located within that county:

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

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

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

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

40 3. The duration of the additional levy ad valorem levied
41 pursuant to subsection 2 must not exceed 5 years. The governing
42 body of the county, city or unincorporated town may discontinue the
43 levy before it expires and may not thereafter reimpose it in whole or
44 in part without following the procedure required for its original
45 imposition set forth in subsection 2.



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

15 **Sec. 8.** This act becomes effective on July 1, 2023.

