
SENATE BILL NO. 402—COMMITTEE ON GOVERNMENT AFFAIRS
(ON BEHALF OF THE WASHOE COUNTY SCHOOL DISTRICT)

MARCH 24, 2003

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing distribution of certain property tax revenues to redevelopment agencies to exclude revenue from taxes levied by or for benefit of school districts in redevelopment areas in certain counties. (BDR 22-577)

FISCAL NOTE: Effect on Local Government: Yes.
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 redevelopment; revising provisions governing the distribution of certain property tax revenues to a redevelopment agency to exclude revenue from taxes levied by or for the benefit of a school district in the redevelopment area in certain counties; requiring a legislative body in such a county to amend an existing ordinance providing for such a distribution of revenues to include such an exclusion; prohibiting the impairment of any outstanding obligations of a redevelopment agency in such a county as a result of such an exclusion; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 279.676 is hereby amended to read as follows:
2 279.676 1. Any redevelopment plan may contain a provision
3 that taxes, if any, levied upon taxable property in the redevelopment
4 area each year by or for the benefit of the State, any city, county,
5 district or other public corporation, after the effective date of the



1 ordinance approving the redevelopment plan, must be divided as
2 follows:

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

25 (b) Except as otherwise provided in paragraphs (c) , ~~and~~ (d)
26 *and (e)* and NRS 540A.265, that portion of the levied taxes each
27 year in excess of the amount set forth in paragraph (a) must be
28 allocated to and when collected must be paid into a special fund of
29 the redevelopment agency to pay the costs of redevelopment and to
30 pay the principal of and interest on loans, money advanced to, or
31 indebtedness, whether funded, refunded, assumed, or otherwise,
32 incurred by the redevelopment agency to finance or refinance, in
33 whole or in part, redevelopment. Unless the total assessed valuation
34 of the taxable property in a redevelopment area exceeds the total
35 assessed value of the taxable property in the redevelopment area as
36 shown by the last equalized assessment roll referred to in paragraph
37 (a), all of the taxes levied and collected upon the taxable property in
38 the redevelopment area must be paid into the funds of the respective
39 taxing agencies. When the redevelopment plan is terminated
40 pursuant to the provisions of NRS 279.438 and 279.439 and all
41 loans, advances and indebtedness, if any, and interest thereon, have
42 been paid, all money thereafter received from taxes upon the taxable
43 property in the redevelopment area must be paid into the funds of
44 the respective taxing agencies as taxes on all other property are paid.



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

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

15 *(e) That portion of the taxes in excess of the amount set forth*
16 *in paragraph (a) that is attributable to all tax rates levied by or for*
17 *the benefit of a school district in a county whose population is*
18 *100,000 or more but less than 400,000, except any tax levied for*
19 *the benefit of a school district pursuant to paragraph (c) or (d),*
20 *must be allocated to and when collected must be deposited into a*
21 *capital projects fund established by the school district to only be*
22 *used for:*

23 *(1) The purchase of capital assets for the school district,*
24 *including land, improvements to land and major items of*
25 *equipment;*

26 *(2) The construction or replacement of public works of the*
27 *school district; and*

28 *(3) The renovation of existing facilities of the school*
29 *district, not including normal recurring maintenance.*

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

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

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

41 If the revenue paid to a redevelopment agency must be limited
42 pursuant to paragraph (a) or (b) and the redevelopment agency has
43 more than one redevelopment area, the redevelopment agency shall
44 determine the allocation to each area. Any revenue which would be



1 allocated to a redevelopment agency but for the provisions of this
2 section must be paid into the funds of the respective taxing agencies.

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

9 4. For the purposes of this section, the assessment roll last
10 equalized before the effective date of the ordinance approving the
11 redevelopment plan is the assessment roll in existence on March 15
12 immediately preceding the effective date of the ordinance.

13 **Sec. 2.** 1. Except as otherwise provided in subsection 2:

14 (a) The provisions of NRS 279.676, as amended by section 1 of
15 this act, apply to the revenues generated on or after July 1, 2003, by
16 all tax rates levied by or for the benefit of a school district in a
17 county whose population is 100,000 or more but less than 400,000
18 on the effective date of this act and any new or increased tax rate
19 levied by or for the benefit of such a school district on or after the
20 effective date of this act.

21 (b) The provisions of NRS 279.676, as amended by section 1 of
22 this act, apply to the total revenue paid on or after July 1, 2003, to a
23 redevelopment agency in a county whose population is 100,000 or
24 more but less than 400,000 that exists on the effective date of this
25 act or is created after the effective date of this act.

26 (c) A legislative body in a county whose population is 100,000
27 or more but less than 400,000 that has adopted a redevelopment plan
28 before the effective date of this act which contains a provision for
29 the division of taxes pursuant to NRS 279.676 shall, on or before
30 July 1, 2003, amend the ordinance by which the legislative body
31 adopted the redevelopment plan to comply with NRS 279.676, as
32 amended by section 1 of this act.

33 2. The provisions of NRS 279.676, as amended by section 1 of
34 this act, do not apply to decrease or otherwise modify, directly or
35 indirectly, any taxes levied or revenues pledged in such a manner as
36 to impair adversely any bonds, securities or other obligations of a
37 redevelopment agency in a county whose population is 100,000 or
38 more but less than 400,000 that are outstanding on the effective date
39 of this act until all such bonds, securities and other obligations have
40 been discharged in full or provision for their payment and
41 redemption has been made fully.

42 3. As used in this section, "legislative body" has the meaning
43 ascribed to it in NRS 279.396.



1 **Sec. 3.** This act becomes effective on passage and approval.

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