

SENATE BILL NO. 413—COMMITTEE ON FINANCE

(ON BEHALF OF THE UNIVERSITY AND COMMUNITY
COLLEGE SYSTEM OF NEVADA)

MARCH 24, 2003

Referred to Committee on Finance

SUMMARY—Makes various changes concerning securities issued
by the University and Community College System of
Nevada. (BDR 34-1034)

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.

AN ACT relating to the University and Community College System
of Nevada; revising the definition of “pledged revenues”
for the purposes of the University Securities Law;
increasing the total authorized principal amount of certain
revenue bonds that the Board of Regents may issue for
facilities at the University of Nevada, Reno, and the
University of Nevada, Las Vegas; 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 396.828 is hereby amended to read as follows:
2 396.828 “Pledged revenues” means the money pledged wholly
3 or in part for the payment of bonds or other securities issued
4 hereunder ~~and~~ and, subject to any existing pledges or other
5 contractual limitations, may include at the Board’s discretion, all
6 loans, grants or contributions to the University or *the* Board, if any,
7 conditional or unconditional, from the Federal Government, the
8 State, any public body or other donor for the payment of the
9 principal of, the interest on ~~and~~ and any prior redemption premiums
10 due in connection with any securities issued hereunder, or any



1 combination thereof, and may include income or money derived
2 from one, all or any combination of the following sources of
3 revenue, including, without limitation, student fees and other fees,
4 rates and charges appertaining thereto:
5 1. Dormitories, apartments and other facilities for housing;
6 2. Cafeterias, dining halls and other facilities for food service;
7 3. Student union and other facilities for student activities;
8 4. Store or other facilities for the sale or lease of books,
9 stationery, student supplies, faculty supplies, office supplies and like
10 material;
11 5. Stadium, arena, theater, field house and other athletic or
12 recreational facilities for use in part by spectators or otherwise;
13 6. Land and any structures, other facilities, or other
14 improvements thereon used or available for use for the parking of
15 vehicles used for the transportation by land or air of persons to or
16 from such land and any improvements thereon;
17 7. Properties for providing heat or any other utility furnished
18 by the University or the Board to any facilities on its campus;
19 8. Investments and reinvestments of unrestricted endowments;
20 9. Any revenue derived from or otherwise pertaining to the
21 imposition and collection of fees for dental services provided at a
22 facility of the University; and
23 10. Facilities of the ~~[Desert Research Institute,]~~ *University or*
24 *the Board*, including, without limitation, money from:
25 (a) Grants ~~[to the Desert Research Institute]~~ by any person or the
26 Federal Government;
27 (b) Contracts and leases ~~[between the Desert Research Institute~~
28 ~~and]~~ *with* any person or governmental entity;
29 (c) *The operation of any buildings, structures or other*
30 *facilities of the University or the Board;*
31 (d) The investment of any money of the Desert Research
32 Institute; and
33 ~~[(d)]~~ (e) Any other revenue received by the Desert Research
34 Institute, or by the Board on behalf of the Desert Research Institute
35 pursuant to NRS 396.795 to 396.7956, inclusive.
36 **Sec. 2.** NRS 396.829 is hereby amended to read as follows:
37 396.829 The term “pledged revenues” does not include any of
38 the following:
39 1. The proceeds of any tuition charges and registration fees;
40 2. The principal of any endowments, restricted or unrestricted;
41 3. The proceeds of any levy of any general (ad valorem)
42 property taxes; *and*
43 4. The proceeds of any grants, appropriations or other
44 donations from the Federal Government, this state or any
45 other donor except as otherwise provided in NRS 396.828 and any



1 other statute which may authorize the pledge of particular revenues .
 2 ~~[- and~~
 3 ~~—5. The income or moneys derived from the operation of any~~
 4 ~~buildings, structures, or other facilities of the University or the~~
 5 ~~Board not designated in NRS 396.828.]~~

6 **Sec. 3.** Section 5 of chapter 501, Statutes of Nevada 1991, as
 7 last amended by chapter 585, Statutes of Nevada 2001, at page
 8 3006, is hereby amended to read as follows:

9 Sec. 5. 1. The board, on behalf and in the name of the
 10 university, is authorized by this act, as supplemented by the
 11 provisions of the University Securities Law:

12 (a) To finance the project by the issuance of bonds and
 13 other securities of the university in a total principal amount
 14 not exceeding ~~[\$110,500,000]~~ \$176,000,000 for facilities at
 15 the University of Nevada, Reno, and in a total principal
 16 amount not exceeding ~~[\$106,500,000]~~ \$199,000,000
 17 for facilities at the University of Nevada, Las Vegas,
 18 \$35,000,000 of which may be used for the construction, other
 19 acquisition and improvement of a dental school and other
 20 structures and clinics associated with the dental school;

21 (b) To issue such bonds and other securities in connection
 22 with the projects in one series or more at any time or from
 23 time to time within 18 years after the effective date of this
 24 act, as the board may determine, and consisting of special
 25 obligations of the university payable from the net pledged
 26 revenues authorized by this act and possibly subsequently
 27 other net pledged revenues, secured by a pledge thereof and a
 28 lien thereon, subject to existing contractual limitations, and
 29 subject to the limitation in paragraph (a);

30 (c) To employ legal, fiscal and other expert services and
 31 to defray the costs thereof with any money available therefor,
 32 including, proceeds of securities authorized by this act; and

33 (d) To exercise the incidental powers provided in this
 34 University Securities Law in connection with the powers
 35 authorized by this act except as otherwise expressly provided
 36 in this act.

37 2. If the board determines to sell the bonds authorized by
 38 subsection 1 at a discount from their face amount, the
 39 principal amount of bonds which the board is authorized to
 40 issue provided in subsection 1 is increased by an amount
 41 equal to the discount at which the bonds are sold.

42 3. This act does not limit the board in funding, refunding
 43 or reissuing any securities of the university or the board at
 44 any time as provided in the University Securities Law.



1 **Sec. 4.** This act becomes effective upon passage and approval.

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