

SENATE BILL NO. 46—COMMITTEE ON NATURAL RESOURCES

(ON BEHALF OF STUDY OF TAHOE REGIONAL  
PLANNING COMPACT (A.C.R. 5))

PREFILED JANUARY 30, 2003

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Referred to Committee on Natural Resources

SUMMARY—Authorizes issuance of general obligation bonds to carry out Environmental Improvement Program in Lake Tahoe Basin. (BDR S-174)

FISCAL NOTE: Effect on Local Government: No.  
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.

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AN ACT relating to the Lake Tahoe Basin; authorizing the issuance of general obligation bonds to carry out the Environmental Improvement Program; and providing other matters properly relating thereto.

1 WHEREAS, In October 1997, Governor Bob Miller, on behalf  
2 of the State of Nevada, signed a Memorandum of Agreement  
3 between the Federal Interagency Partnership on the Lake Tahoe  
4 Ecosystem, the States of Nevada and California, the Washoe Tribe,  
5 the Tahoe Regional Planning Agency and interested local  
6 governments, in which the parties affirmed their commitment to the  
7 Tahoe Regional Planning Compact, to the sound management and  
8 protection of the resources within the Lake Tahoe Basin and the  
9 support of a healthy, sustainable economy and to achieve  
10 environmental thresholds for Lake Tahoe, and agreed to cooperate  
11 to carry out, including, without limitation, providing financial  
12 support for, the Environmental Improvement Program; and

13 WHEREAS, The costs of carrying out the Environmental  
14 Improvement Program have been apportioned among the Federal  
15 Government, the States of Nevada and California, local  
16 governments and owners of private property within both states; and



\* S B 4 6 R 1 \*

1 WHEREAS, The cost of carrying out the Environmental  
2 Improvement Program that is apportioned to the State of Nevada  
3 and its political subdivisions is \$82,000,000 for the 10-year period  
4 that ends in fiscal year 2006-07; and

5 WHEREAS, For the period between the fiscal year beginning on  
6 July 1, 1997, and the fiscal year ending on June 30, 2001, the State  
7 of Nevada and its political subdivisions provided \$28,800,000 to  
8 meet their apportioned commitment, which included:

9 1. General obligation bonds issued in the face amount of  
10 \$20,000,000 pursuant to chapter 361, Statutes of Nevada 1995, at  
11 page 907, and approved by the voters of this state at the general  
12 election held in 1996, to carry out projects for the control of erosion  
13 and the restoration of natural watercourses in the Lake Tahoe Basin;  
14 and

15 2. General obligation bonds issued in the face amount of  
16 \$3,200,000 pursuant to chapter 514, Statutes of Nevada 1999, at  
17 page 2627, to carry out the program of environmental improvement  
18 projects for the Lake Tahoe Basin established pursuant to section 1  
19 of chapter 514, Statutes of Nevada 1999, at page 2627, for the  
20 period between the fiscal year beginning on July 1, 1999, and the  
21 fiscal year ending on June 30, 2001; and

22 WHEREAS, Chapter 514, Statutes of Nevada 1999, created the  
23 Fund to Protect the Lake Tahoe Basin in the State General Fund,  
24 directed the Administrator of the Division of State Lands of the  
25 State Department of Conservation and Natural Resources to  
26 administer that Fund and directed the Administrator, in cooperation  
27 with other state agencies, to coordinate the development and  
28 carrying out of a program of environmental improvement projects  
29 for the Lake Tahoe Basin; and

30 WHEREAS, For the period between the fiscal year beginning on  
31 July 1, 2001, and the fiscal year ending on June 30, 2007, chapter  
32 514, Statutes of Nevada 1999, provided that money in an amount  
33 not to exceed \$53,200,000 would be made available to carry out the  
34 program of environmental improvement projects during that period  
35 by the issuance of general obligation bonds and legislative  
36 appropriation; and

37 WHEREAS, Part of the \$53,200,000 authorized by chapter 514,  
38 Statutes of Nevada 1999, was provided in the form of general  
39 obligation bonds issued in the face amount of \$16,200,000 pursuant  
40 to chapter 302, Statutes of Nevada 2001, at page 1428, to carry out  
41 the program of environmental improvement projects for the period  
42 between the fiscal year beginning on July 1, 2001, and the fiscal  
43 year ending on June 30, 2003; and



1 WHEREAS, The general obligation bonds authorized by chapter  
2 514, Statutes of Nevada 1999, may only be issued with the prior  
3 approval of the Legislature or the Interim Finance Committee and  
4 pursuant to a schedule established by the Administrator of the  
5 Division of State Lands; now, therefore,

6  
7 THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
8 SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:  
9

10 **Section 1.** The Legislature hereby finds and declares that the  
11 issuance of securities and the incurrence of indebtedness pursuant to  
12 this act:

13 1. Are necessary for the protection and preservation of the  
14 natural resources of this state and for the purpose of obtaining the  
15 benefits thereof; and

16 2. Constitute an exercise of the authority conferred by the  
17 second paragraph of Section 3 of Article 9 of the Constitution of the  
18 State of Nevada.

19 **Sec. 2.** Money to carry out the program of environmental  
20 improvement projects for the Lake Tahoe Basin established  
21 pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at  
22 page 2627, in an amount not to exceed \$9,870,000 must be provided  
23 for the period between the fiscal year beginning on July 1, 2003, and  
24 the fiscal year ending on June 30, 2005, by the issuance by the State  
25 Board of Finance of general obligation bonds of the State of Nevada  
26 in a total face amount of not more than \$9,870,000 pursuant to NRS  
27 349.150 to 349.364, inclusive. The proceeds of the bonds issued  
28 pursuant to this section must be deposited in the Fund to Protect the  
29 Lake Tahoe Basin created pursuant to section 2 of chapter 514,  
30 Statutes of Nevada 1999, at page 2628, and, except as otherwise  
31 provided in this section, must be used as follows:

32 1. Projects of the Environmental Improvement Program to be  
33 carried out by the State Department of Conservation and Natural  
34 Resources:

- 35 (a) Shorezone/Stream Restoration Project ..... \$1,000,000
  - 36 (b) Forest Restoration Phase III..... 700,000
  - 37 (c) Sand Harbor Visitor Center ..... 400,000
- 38 2. Water Quality, Erosion Control and Stream  
39 Restoration/Enhancement Projects of the Environmental  
40 Improvement Program to be carried out pursuant to grants and  
41 project agreements ..... \$7,300,000

42 3. Contingency money to carry out any environmental  
43 improvement project funded with money from the Fund to Protect  
44 the Lake Tahoe Basin ..... \$470,000



1     **Sec. 3.** 1. The Division of State Lands of the State  
2 Department of Conservation and Natural Resources may combine  
3 the contingency money authorized pursuant to subsection 3 of  
4 section 2 of this act with any other contingency money authorized  
5 by the Legislature to carry out an environmental improvement  
6 project funded with money from the Fund to Protect the Lake Tahoe  
7 Basin.

8     2. If an amount authorized to carry out the projects set forth in  
9 section 2 of this act or any other environmental improvement project  
10 funded with money from the Fund to Protect the Lake Tahoe Basin  
11 is insufficient to allow the completion of the project for which it is  
12 authorized, including, without limitation, any monitoring necessary  
13 to ensure the continued effectiveness of the project:

14     (a) The Division of State Lands may, without the prior approval  
15 of the Interim Finance Committee, allocate the contingency money  
16 authorized pursuant to subsection 3 of section 2, including any  
17 money combined therewith pursuant to subsection 1, to carry out an  
18 environmental improvement project funded with money from the  
19 Fund to Protect the Lake Tahoe Basin, notwithstanding the  
20 provisions of section 2 of chapter 302, Statutes of Nevada 2001, at  
21 page 1428, and subsection 2 of section 1 of chapter 514, Statutes of  
22 Nevada 1999, at page 2627; and

23     (b) Upon the request of the Division of State Lands of the State  
24 Department of Conservation and Natural Resources, the Interim  
25 Finance Committee may increase the amount authorized for the  
26 project and offset the increase by reducing the amount authorized  
27 for another environmental improvement project or projects funded  
28 with money from the Fund to Protect the Lake Tahoe Basin by the  
29 amount of the increase.

30     3. The Division of State Lands may use money authorized  
31 pursuant to section 2 of this act for a project other than a project  
32 listed in section 2 of this act if the Interim Finance Committee  
33 approves such a use in writing before the Division of State Lands  
34 engages in the project.

35     **Sec. 4.** Section 1 of chapter 361, Statutes of Nevada 1995, as  
36 amended by chapter 602, Statutes of Nevada 1997, at page 3014, is  
37 hereby amended to read as follows:

38     Section 1. 1. At the general election to be held in the  
39 State of Nevada in 1996, there must be submitted to the  
40 voters of the state, in the manner prescribed by chapter 349 of  
41 NRS, a proposal to issue general obligation bonds of the state  
42 to provide grants to local governments and the department of  
43 transportation to carry out projects for the control of erosion  
44 and the restoration of natural watercourses *and other projects*



1 in the Lake Tahoe Basin in an amount of not more than  
2 \$20,000,000.

3 2. If the proposal is carried, the state board of finance  
4 shall issue general obligation bonds of the State of Nevada in  
5 a total face amount of not more than \$20,000,000. The bonds  
6 may be issued at one time or from time to time. The expenses  
7 related to the issuance of bonds pursuant to this section must  
8 be paid from the proceeds of the bonds, and must not exceed  
9 2 percent of the face amount of the bonds sold.

10 3. The provisions of the State Securities Law, contained  
11 in chapter 349 of NRS, apply to the issuance of bonds  
12 pursuant to this section.

13 **Sec. 5.** Section 3 of chapter 361, Statutes of Nevada 1995, at  
14 page 908, is hereby amended to read as follows:

15 Sec. 3. After deducting the expenses relating to the  
16 issuance of the bonds, the state land registrar may use the  
17 proceeds from any bonds issued pursuant to the provisions of  
18 section 1 of this act to defray the costs of administering the  
19 program for awarding grants ~~and~~ *and other programs to*  
20 *protect the Lake Tahoe Basin.*

21 **Sec. 6.** This act becomes effective on July 1, 2003.

