

Assembly Bill No. 167—Assemblymen Hardy, Hettrick, McCleary, Denis, Parks, Arberry Jr., Buckley, Christensen, Claborn, Gansert, Giunchigliani, Holcomb, Leslie, Manendo, Seale and Sibley

Joint Sponsors: Senators Coffin, Beers, Hardy and McGinness

CHAPTER.....

AN ACT relating to municipal obligations; authorizing the acquisition by a county or the State of Nevada of municipal securities issued by certain wastewater authorities; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes a county to purchase, hold and sell securities issued by certain municipalities for various infrastructure projects. (NRS 244A.064) Existing law also authorizes the State Treasurer to purchase, hold and sell securities issued by a municipality for a purpose related to natural resources, such as water projects, sewer projects and certain park projects, or for the acquisition, construction and equipping of public improvements. (Chapter 350A of NRS)

This bill expands the types of municipalities that may issue their securities for purchase, holding and sale by a county or the State Treasurer for such purposes to include a wastewater authority that is created by cooperative agreement.

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

Section 1. Chapter 244A of NRS is hereby amended by adding thereto a new section to read as follows:

“Wastewater authority” means an entity that is created by cooperative agreement pursuant to chapter 277 of NRS, the functions of which include sanitation and sewerage, the treatment and disposal of wastewater, or the development and reclamation of water resources.

Sec. 2. NRS 244A.013 is hereby amended to read as follows:

244A.013 Except where the context otherwise requires, the definitions in NRS 244A.015 to 244A.056, inclusive, *and section 1 of this act* govern the construction hereof.

Sec. 3. NRS 244A.034 is hereby amended to read as follows:

244A.034 “Infrastructure project” means:

1. A capital improvement for fire protection, a library, a building, a park or police protection that a municipality is authorized to improve, acquire or equip pursuant to a law other than the County Bond Law; or

2. For a water authority , *wastewater authority* or any municipality whose governing body is composed of only the members of the board, a capital improvement for a water system , *water reclamation system* or ~~fa~~ sanitary sewer that the municipality

is authorized to improve, acquire or equip pursuant to a law other than the County Bond Law.

Sec. 4. NRS 244A.0345 is hereby amended to read as follows:

244A.0345 “Municipal securities” means notes, warrants, interim debentures, bonds and temporary bonds issued by a municipality pursuant to a law other than the County Bond Law which are:

1. General obligations payable from ad valorem taxes that are approved by the voters of the municipality issued for a capital improvement of a library or park;

2. General obligations payable from ad valorem taxes that are approved by the voters of the municipality or are approved pursuant to subsection 3 of NRS 350.020 issued for a capital improvement of an infrastructure project other than a library or park; ~~for~~

3. Revenue obligations of a water authority that are payable from revenues of:

(a) The water system of the water authority;

(b) One or more of the municipalities that are members of the water authority; or

(c) Any combination of the entities described in paragraphs (a) and (b) ~~;~~; or

4. *Revenue obligations of a wastewater authority that are payable from revenues of:*

(a) *The water reclamation system of the wastewater authority;*

(b) *One or more of the municipalities that are members of the wastewater authority; or*

(c) *Any combination of the entities described in paragraphs (a) and (b).*

Sec. 5. NRS 244A.0347 is hereby amended to read as follows:

244A.0347 “Municipality” means any city, town, school district, library district, consolidated library district, fire protection district, district for a fire department, park district, general improvement district organized pursuant to chapter 318 of NRS, ***wastewater authority***, water district organized pursuant to a special act or water authority organized as a political subdivision created by cooperative agreement.

Sec. 6. Chapter 350A of NRS is hereby amended by adding thereto a new section to read as follows:

“Wastewater authority” means an entity that is created by cooperative agreement pursuant to chapter 277 of NRS, the functions of which include sanitation and sewerage, the treatment and disposal of wastewater, or the development and reclamation of water resources.

Sec. 7. NRS 350A.020 is hereby amended to read as follows:

350A.020 As used in this chapter, ***unless the context otherwise requires***, the words and terms defined in NRS 350A.025 to

350A.120, inclusive, *and section 6 of this act* have the meanings ascribed to them in those sections.

Sec. 8. NRS 350A.070 is hereby amended to read as follows:

350A.070 “Municipal securities” means notes, warrants, interim debentures, bonds and temporary bonds validly issued as obligations for a purpose related to natural resources which are payable:

1. From taxes whether or not additionally secured by any municipal revenues available therefor;

2. For bonds issued by an irrigation district, from assessments against real property; ~~or~~

3. For bonds issued by a water authority organized as a political subdivision created by cooperative agreement, from revenues of the water system of the water authority or one or more of the water purveyors who are members of the water authority or any combination thereof ~~or~~; *or*

4. For bonds issued by a wastewater authority, from revenues of the water reclamation system of the wastewater authority or one or more of the municipalities that are members of the wastewater authority, or any combination thereof.

Sec. 9. NRS 350A.080 is hereby amended to read as follows:

350A.080 “Municipality” means *any* county, city, town, *wastewater authority*, water authority organized as a political subdivision created by cooperative agreement, school district, general improvement district or other district, including an irrigation district.

Sec. 10. This act becomes effective on July 1, 2005.

