

ASSEMBLY BILL NO. 167—ASSEMBLYMEN HARDY, HETRICK,
MCCLEARY, DENIS, PARKS, ARBERRY JR., BUCKLEY,
CHRISTENSEN, CLABORN, GANSERT, GIUNCHIGLIANI,
HOLCOMB, LESLIE, MANENDO, SEALE AND SIBLEY

MARCH 4, 2005

JOINT SPONSORS: SENATORS COFFIN, BEERS, HARDY AND
MCGINNESS

Referred to Committee on Government Affairs

SUMMARY—Authorizes acquisition of municipal securities issued
by certain wastewater authorities. (BDR 20-799)

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 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:

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

7 This bill expands the types of municipalities that may issue their securities for
8 purchase, holding and sale by a county or the State Treasurer for such purposes to
9 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:

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

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

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

9 244A.013 Except where the context otherwise requires, the
10 definitions in NRS 244A.015 to 244A.056, inclusive, *and section 1*
11 *of this act* govern the construction hereof.

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

13 244A.034 “Infrastructure project” means:

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

18 2. For a water authority , *wastewater authority* or any
19 municipality whose governing body is composed of only the
20 members of the board, a capital improvement for a water system ,
21 *water reclamation system* or ~~fa~~ sanitary sewer that the municipality
22 is authorized to improve, acquire or equip pursuant to a law other
23 than the County Bond Law.

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

25 244A.0345 “Municipal securities” means notes, warrants,
26 interim debentures, bonds and temporary bonds issued by a
27 municipality pursuant to a law other than the County Bond Law
28 which are:

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

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

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

38 (a) The water system of the water authority;

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

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



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

- 3 **(a) The water reclamation system of the wastewater authority;**
4 **(b) One or more of the municipalities that are members of the**
5 **wastewater authority; or**
6 **(c) Any combination of the entities described in paragraphs (a)**
7 **and (b).**

8 **Sec. 5.** NRS 244A.0347 is hereby amended to read as follows:
9 244A.0347 “Municipality” means any city, town, school
10 district, library district, consolidated library district, fire protection
11 district, district for a fire department, park district, general
12 improvement district organized pursuant to chapter 318 of NRS,
13 **wastewater authority**, water district organized pursuant to a special
14 act or water authority organized as a political subdivision created by
15 cooperative agreement.

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

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

23 **Sec. 7.** NRS 350A.020 is hereby amended to read as follows:
24 350A.020 As used in this chapter, **unless the context otherwise**
25 **requires**, the words and terms defined in NRS 350A.025 to
26 350A.120, inclusive, **and section 6 of this act** have the meanings
27 ascribed to them in those sections.

28 **Sec. 8.** NRS 350A.070 is hereby amended to read as follows:
29 350A.070 “Municipal securities” means notes, warrants,
30 interim debentures, bonds and temporary bonds validly issued as
31 obligations for a purpose related to natural resources which are
32 payable:

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

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

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

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



- 1 **Sec. 9.** NRS 350A.080 is hereby amended to read as follows:
2 350A.080 “Municipality” means *any* county, city, town,
3 *wastewater authority*, water authority organized as a political
4 subdivision created by cooperative agreement, school district,
5 general improvement district or other district, including an irrigation
6 district.
7 **Sec. 10.** This act becomes effective on July 1, 2005.

