

SENATE BILL NO. 411—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 29, 2005

Referred to Committee on Government Affairs

SUMMARY—Revises provision governing payment by installment of assessment for local improvement. (BDR 21-1293)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 local improvements; revising the provision governing the length of time over which the payment by installment of an assessment for a local improvement may be made; 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 271.415 is hereby amended to read as follows:
2 271.415 1. In case of an election to pay in installments, the
3 assessment may be made payable in any manner sufficient to pay
4 the principal and interest in not less than 2 nor more than ~~24~~ 30
5 years after the effective date of the assessment ordinance.
6 2. Interest in all cases on the unpaid balance accruing from the
7 effective date of the assessment ordinance until the respective due
8 dates of the installments is payable at the times specified by the
9 governing body in the assessment ordinance. Except as otherwise
10 provided in NRS 271.487 and 271.730, the governing body shall:
11 (a) Before assessment bonds are issued or if bonds are not
12 issued, fix the rate or rates of the interest on the unpaid balance of
13 the assessment by resolution at any time after the adoption of the
14 assessment ordinance; or
15 (b) If assessment bonds are sold, fix or adjust the rate or rates of
16 interest on the unpaid balance of the assessment due after the date



1 the bonds are sold at no more than 1 percent above the highest rate
2 of interest payable on the assessment bonds at any maturity.

3 3. This section does not limit the discretion of the governing
4 body in determining whether assessments are payable in
5 installments and the time the first installment of principal or interest,
6 or both, and any subsequent installments thereof, are due.

7 4. The governing body in the assessment ordinance shall state
8 the number of installments in which assessments may be paid, the
9 period of payment, any privileges of making prepayments and any
10 premium to be paid to the municipality for exercising any such
11 privilege, the rate of interest upon the unpaid balance of the
12 assessment and accrued interest after any delinquency at a rate not
13 exceeding 2 percent per month, and any penalties and collection
14 costs payable after delinquency.

15 5. The county or municipal officer who has been directed by
16 the governing body to collect assessments shall give notice by
17 publication or by mail of any installment which is payable and of
18 the last day for its payment as provided in this section and in the
19 assessment ordinance.

20 6. The governing body in the assessment ordinance may
21 provide for the application of a credit against the payment of an
22 assessment to the extent that the principal of the bonds has been
23 paid with the unexpended balance of the proceeds of the bonds
24 pursuant to subsection 6 of NRS 271.485. The governing body shall
25 apply the credit pro rata, based on the original assessment on the
26 assessed property, against the payment of the assessment due from
27 the person who owns the assessed property on the date of the
28 application of the credit.

29 7. At any time after fixing the rate of interest on the
30 assessment, the governing body may reduce the rate of interest on
31 the unpaid balance of an assessment that is due if:

32 (a) The reduction is not prohibited by any covenant made for the
33 benefit of the owners of the bonds or interim warrants issued for the
34 district; and

35 (b) The reduced rate of interest is not lower than the average rate
36 of interest on the outstanding bonds or interim warrants.

