

CHAPTER.....

AN ACT relating to local improvements; revising various provisions governing local improvements and the payment of assessments related to a local improvement; and providing other matters properly relating thereto.

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

Section 1. Chapter 271 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. *If the assessable property within an improvement district includes tracts of land owned by the municipality, the levy of assessments against the tracts of land owned by the municipality must not exceed 15 percent of the total amount of assessments against all tracts of land within the improvement district.*

Sec. 3. *Except as otherwise provided in NRS 271.595, any payment related to an assessment on property that a person, this State or any political subdivision of this State sends to a municipality by mail that is received by the municipality without a postmark or with an illegible postmark shall be deemed to have been made on a date which is 2 business days before the date on which the municipality received the payment.*

Sec. 4. NRS 271.040 is hereby amended to read as follows:

271.040 “Assessable property” means the tracts of land specially benefited by any project the cost of which is wholly or partly defrayed by the municipality by the levy of assessments, except:

1. Any tract owned by the Federal Government, in the absence of its consent to the assessment. ~~[, or the municipality.]~~

2. *Any tract owned by the municipality, unless the governing body of the municipality adopts a resolution finding that the tract is specially benefited by the project.*

3. Any street or other public right-of-way.

Sec. 5. NRS 271.130 is hereby amended to read as follows:

271.130 “Improvement district” means the geographical area within the municipality designated and delineated by the governing body, in which ~~[improvement district is located the facilities or project, or an interest therein, the cost of which is to be defrayed wholly or in part by the levy of special assessments, and]~~ is located each tract to be assessed ~~[therefor.]~~ *for a project.* An improvement district may consist of noncontiguous areas. Improvement districts shall be designated by consecutive numbers or in some other manner to identify separately each such district in the municipality.

Sec. 6. NRS 271.170 is hereby amended to read as follows:

271.170 “Posting” means posting, ~~[in three public places at or near the site of the project designated]~~ at least 20 days prior to the designated hearing or other time or event ~~[.]~~:

1. *On the website of the municipality, if any; or*
2. *In three public places located on public property at or near the site of the project.*

Sec. 7. NRS 271.280 is hereby amended to read as follows:

271.280 1. Whenever the governing body ~~[is of the opinion that the interest of the municipality requires]~~ *of a municipality determines to form an improvement district to conduct* any project, ~~[the governing body, by resolution, shall direct]~~ the engineer ~~[to prepare, or may, after he has prepared, ratify:]~~ *shall prepare and file with the clerk:*

(a) Preliminary plans showing:

- (1) A typical section of the contemplated improvement.
- (2) The type or types of material, approximate thickness and wideness.
- (3) A preliminary estimate of the cost of the project, including incidental costs.

(b) An assessment plat showing:

- (1) The area to be assessed.
- (2) Except as otherwise provided in NRS 271.378, the amount of maximum benefits estimated to be assessed against each tract in the assessment area.

(c) If a resolution of the governing body does not otherwise provide, the information required pursuant to the provisions of subsections 2 to 7, inclusive.

↳ The governing body is not required to employ the services of an appraiser to estimate or to assist the engineer in estimating the benefits to be derived from the project.

2. The ~~[resolution or ratification]~~ *preliminary plans* may provide for one or more types of construction, and the engineer shall separately estimate the cost of each type of construction. The estimate may be made in a lump sum or by unit prices, as the engineer determines is most desirable for the improvement complete in place.

3. ~~[The]~~ A resolution or document ~~[ratified]~~ *prepared by the engineer pursuant to subsection 1* must describe the project in general terms.

4. The resolution or document ~~[ratified]~~ must state:

- (a) What part or portion of the expense of the project is of special benefit and therefore is to be paid by assessments.
- (b) What part, if any, has been or is proposed to be defrayed with money derived from other than the levy of assessments.

(c) The basis by which the cost will be apportioned and assessments levied.

5. If the assessment is not to be made according to front feet, the resolution or document ~~[ratified]~~ must:

(a) By apt description designate the improvement district, including the tracts to be assessed.

(b) Describe definitely the location of the project.

(c) State that the assessment is to be made upon all the tracts benefited by the project proportionately to the benefits received.

6. If the assessment is to be upon the abutting property upon a frontage basis, it is sufficient for the resolution or document ~~[ratified]~~ so to state and to define the location of the project to be made.

7. It is not necessary in any case to describe minutely in the resolution or document ~~[ratified]~~ each particular tract to be assessed, but simply to designate the property, improvement district or the location, so that the various parts to be assessed can be ascertained and determined to be within or without the proposed improvement district.

8. If the preliminary plans include a commercial area vitalization project, then in addition to the other requirements in this section, before the plans are ratified by the governing body, the plans must include a plan for the management of the proposed improvement district which must include, without limitation:

(a) The improvements proposed for each year of the first 5 fiscal years of the proposed improvement district;

(b) An estimate of the total amount to be expended on improvements in the first year of operation;

(c) A list of any other special assessments that are currently being levied within the proposed improvement district;

(d) The name of any proposed association; and

(e) Any other matter that the governing body requires to be set forth in the plan.

9. ~~[The engineer shall forthwith prepare and file with the clerk:~~

~~—(a) The preliminary plans; and~~

~~—(b) The assessment plat.~~

~~—10.—] Upon the filing of the plans ~~[and plat,]~~ , *plat and, if the engineer prepares a document pursuant to paragraph (c) of subsection 1, the document prepared by the engineer pursuant to paragraph (c) of subsection 1,* they must be examined by the governing body. If the plans , ~~[and]~~ *plat and document, if any,* are found to be satisfactory, the governing body shall make a provisional order by resolution to the effect that the project will be acquired or improved, or both acquired and improved.~~

Sec. 8. NRS 271.405 is hereby amended to read as follows:

271.405 1. All assessments made in pursuance of the assessment ordinance are due and payable without demand within 30 days after the effective date of the assessment ordinance.

2. All such assessments may at the election of the owner be paid in installments with interest as hereinafter provided, whenever the governing body so authorizes the payment of assessments.

3. Failure to pay the whole assessment within 30 days is conclusively considered an election on the part of all persons interested, whether under disability or otherwise, to pay in installments the amount of the assessment then unpaid.

4. All persons so electing to pay in installments are conclusively considered as consenting to such projects, and such an election is conclusively considered as a waiver of all rights to question the power or jurisdiction of the municipality to acquire or improve the projects, the quality of the work, the regularity or sufficiency of the proceedings or the validity or correctness of the assessment.

5. The owner of any tract assessed may at any time pay the whole unpaid principal with the interest accrued to the next interest payment date, together with penalties, if any. The governing body may require in the assessment ordinance the payment of a premium for any such prepayment, which must not exceed ~~[by more than 3 percent the Index of Twenty Bonds which is in effect at the time the election is made, as a percentage]~~ **5 percent** of the installment or installments of principal so prepaid.

6. Subject to the foregoing provisions, all installments, both of principal and interest, are payable at such times as may be determined in and by the assessment ordinance.

7. The clerk shall give notice by publication or by mail of the levy of any assessment, of the fact that it is payable, and of the last day for its payment as herein provided.

Sec. 9. NRS 271.415 is hereby amended to read as follows:

271.415 1. In case of an election to pay in installments, the assessment may be made payable in any manner sufficient to pay the principal and interest in not less than 2 nor more than ~~[24]~~ **30** years after the effective date of the assessment ordinance.

2. Interest in all cases on the unpaid balance accruing from the effective date of the assessment ordinance until the respective due dates of the installments is payable at the times specified by the governing body in the assessment ordinance. Except as otherwise provided in NRS 271.487 and 271.730, the governing body shall:

(a) Before assessment bonds are issued or if bonds are not issued, fix **by resolution or ordinance, or authorize the chief administrative officer or chief financial officer of the municipality to fix**, the rate or rates of the interest on the unpaid balance of the

assessment ~~[by resolution]~~ at any time after the adoption of the assessment ordinance; or

(b) If assessment bonds are sold, fix or adjust , *or authorize the chief administrative officer or chief financial officer of the municipality to fix or adjust*, the rate or rates of interest on the unpaid balance of the assessment due after the date the bonds are sold at no more than 1 percent above the highest rate of interest payable on the assessment bonds at any maturity.

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

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

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

6. The governing body in the assessment ordinance may provide for the application of a credit against the payment of an assessment to the extent that the principal of the bonds has been paid with the unexpended balance of the proceeds of the bonds pursuant to subsection ~~[6]~~ 7 of NRS 271.485. The governing body shall apply the credit pro rata, based on the original assessment on the assessed property, against the payment of the assessment due from the person who owns the assessed property on the date of the application of the credit.

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

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

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

Sec. 10. NRS 271.420 is hereby amended to read as follows:

271.420 1. The payment of the amount so assessed, including each installment thereof, the interest thereon, and any penalties and

collection costs, is secured by an assessment lien upon the tract assessed from the effective date of the assessment ordinance.

2. The final assessment roll, endorsed by the clerk as the roll designated in the assessment ordinance, must be recorded in the office of the county recorder together with a statement that the current payment status of any of the assessments may be obtained from the county or municipal officer who has been directed by the governing body to collect the assessment. Neither the failure to record the assessment roll as provided in this subsection nor any defect in the roll as recorded affects the validity of the assessments, the lien for the payment thereof or the priority of that lien.

3. ~~The~~ *Notwithstanding the provisions of any other specific statute, the* lien upon each tract assessed is:

(a) Coequal with the latest lien thereon to secure the payment of general taxes.

(b) Not subject to extinguishment by the sale of any property on account of the nonpayment of general taxes.

(c) Prior and superior to all liens, claims, encumbrances and titles other than the liens of assessments and general taxes ~~is~~ *attached to the tract pursuant to the provisions of NRS 361.450.*

4. No statute of limitations begins to run against any assessment nor the assessment lien to secure its payment until after the last installment of principal thereof becomes due.

Sec. 11. NRS 271.425 is hereby amended to read as follows:

271.425 1. If a tract is divided after a special assessment thereon has been levied and divided into installments and before the collection of all the installments, the governing body may require the treasurer to apportion the uncollected amounts upon the several parts of land so divided.

2. If two or more tracts are combined or combined and redivided into two or more different tracts after a special assessment thereon has been levied and divided into installments and before the collection of all the installments, the governing body may require the treasurer to combine or combine and reapportion the uncollected amounts upon the part or parts of land that exist after the combination or combination and redivision.

3. Except to the extent limited in an ordinance that authorizes or otherwise pertains to the issuance of bonds for an improvement district, the governing body may reapportion assessments which have been levied pursuant to this chapter or apportioned pursuant to this section with the unanimous written consent of all the owners of property whose assessments will be increased by the reapportionment. The governing body is not required to obtain the consent of an owner of property whose assessment will not be affected or will be decreased by the reapportionment.

4. Assessments may be combined or reapportioned, or both, pursuant to subsections 2 and 3, only if the governing body finds that the proposed action will not:

(a) Materially or adversely impair the obligation of the municipality with respect to any outstanding bond secured by assessments; or

(b) Increase the principal balance of any assessment to an amount such that the aggregate amount which is assessed against a tract exceeds the minimum benefit to the tract that is estimated to result from the project which is financed by the assessment.

5. The report of an apportionment, combination or reapportionment pursuant to this section, when approved by the governing body, is conclusive on all the parties, and all assessments thereafter made upon the tracts must be according to the apportionment, combination or reapportionment so approved.

6. The report, when approved, must be recorded in the office of the county recorder together with a statement that the current payment status of any of the assessments may be obtained from the county or municipal officer who has been directed by the governing body to collect the assessment. Neither the failure to record the report as provided in this subsection nor any defect in the report as recorded affects the validity of the assessments, the lien for the payment thereof or the priority of that lien.

7. The governing body may by ordinance delegate to the chief financial officer or treasurer of the municipality the duties required of the governing body pursuant to this section in connection with the apportionment, combination or reapportionment of assessments. If the governing body adopts such an ordinance, the ordinance must establish parameters for the chief financial officer or treasurer in the performance of such duties.

Sec. 12. NRS 271.428 is hereby amended to read as follows:

271.428 1. When all outstanding bonds, principal, interest and prior redemption premiums, if any, of such a district have been paid and any surplus amounts remain in the fund established pursuant to NRS 271.490 to the credit of the district, the surplus after the payment of valid claims for refund, if any, must be transferred to a surplus and deficiency fund. The governing body may at any time, by resolution or ordinance, authorize the deposit of any money otherwise available to the surplus and deficiency fund.

2. Amounts in the surplus and deficiency fund may be used by the governing body to pay costs incurred in connection with:

(a) The issuance of refunding bonds pursuant to NRS 271.488; or

(b) Collecting delinquent assessments pursuant to NRS 271.445 and 271.540 to 271.630, inclusive.

3. Whenever there is a deficiency in any fund established pursuant to NRS 271.490 for the payment of the bonds and interest thereon for any improvement district created pursuant to former NRS 244A.193 or pursuant to NRS 271.325 or 318.070, the deficiency must first be paid out of the surplus and deficiency fund to the extent of the money available in the fund before any payment is made out of the general fund of the municipality as provided by NRS 271.495.

~~{3}~~ 4. Amounts in the surplus and deficiency fund which exceed 10 percent of the principal amount of outstanding bonds of the municipality for all improvement districts created pursuant to former NRS 244A.193 or pursuant to NRS 271.325 or 318.070 at the end of each fiscal year may be used:

(a) To make up deficiencies in any assessment which proves insufficient to pay for the cost of the project or work for which the assessment has been levied.

(b) To advance amounts for the cost of any project or work in any district created pursuant to any of these sections.

(c) To provide for the payment of assessments levied against, or attributable to, property owned by the municipality or the Federal Government.

~~{4}~~ 5. At the end of each fiscal year any excess amount described in subsection ~~{3}~~ 4 may be transferred to the general fund of the municipality as the governing body directs by resolution.

Sec. 13. NRS 271.429 is hereby amended to read as follows:

271.429 1. Except as otherwise provided in subsection 2, when all outstanding bonds, principal, interest and prior redemption premiums, if any, of a district have been paid, surplus amounts remaining in the special fund created for that district pursuant to NRS 271.490 must be refunded as follows:

(a) If amounts have been advanced from the general fund of the municipality as required by NRS 271.495 for the payment of any bonds or interest thereon of such district, those amounts must first be returned to the general fund of the municipality.

(b) If a surplus and deficiency fund has been established pursuant to NRS 271.428, and amounts have been advanced from the surplus and deficiency fund for the payment of bonds or interest thereon of such district, those amounts must be returned to the surplus and deficiency fund.

(c) The treasurer shall thereupon determine the amount remaining in the fund created for the district pursuant to NRS 271.490 and deduct therefrom the amount of administrative costs of returning that surplus ~~{}~~ *and any other administrative costs incurred by the municipality related to the improvement district or the project which have not been otherwise reimbursed.* An amount

equal to the actual administrative costs must be returned to the fund from which the administrative costs were paid.

(d) If the remaining surplus is ~~[\$10,000]~~ **\$25,000** or less, that amount must be deposited to the surplus and deficiency fund.

(e) If the remaining surplus is more than ~~[\$10,000,]~~ **\$25,000**, the treasurer shall:

(1) Deposit ~~[\$10,000]~~ **\$25,000** in the surplus and deficiency fund;

(2) Apportion the amount of the surplus in excess of ~~[\$10,000]~~ **\$25,000** among the tracts of land assessed in the district; and

(3) Report this apportionment to the governing body.

(f) Upon the approval of this apportionment by the governing body, the treasurer shall thereupon give notice by mail and by publication of the availability of the surplus for refund.

(g) The notice must also state that the owner or owners of record on the date specified by the notice of each tract of land which was assessed may request the refund of the surplus apportioned to that tract by filing a claim therefor with the treasurer within 60 days after the date of the mailing of the notice. Thereafter claims for such refunds are perpetually barred.

(h) Surplus amounts, if any, remaining after the payment of all valid claims filed with the treasurer within the 60-day period must be transferred to the surplus and deficiency fund.

(i) Valid claims for refund filed in excess of the surplus available for each separate tract may be apportioned ratably among the claimants by the treasurer.

2. Subsection 1 does not apply to change or alter the distribution of any surplus pursuant to a written agreement that was entered into by a district on or before June 18, 1993.

Sec. 14. NRS 271.445 is hereby amended to read as follows:

271.445 1. When any assessment is so levied by ordinance *against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State*, and is payable, the governing body shall direct:

(a) The clerk to report to the county assessor a description of such tracts as are contained in the roll, with the amount of the assessment levied upon each and the name of the owner or occupant against whom the assessment was made.

(b) The municipal treasurer or the county treasurer to collect the several sums so assessed.

2. If the municipal treasurer has been directed to collect unpaid assessments, the amount so levied in the assessment roll *against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision*

of this State, shall be collected and enforced, both before and after delinquency, in the manner provided in NRS 271.540 to 271.625, inclusive, except as otherwise provided in the ordinance levying the assessments.

3. If the county treasurer has been directed to collect unpaid assessments, the amount so levied in the assessment roll *against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State*, shall be collected and enforced, both before and after delinquency, by the county treasurer and other county officers, as provided by law, with the other taxes in the general assessment roll of the county, and in the same manner, except as otherwise provided in the ordinance levying the assessments.

4. Such amounts shall continue to be a lien upon the tracts assessed until paid, as provided in NRS 271.420.

5. When such amount is collected, it shall be credited to the proper funds.

6. The assessment roll and the certified ordinance levying the assessment shall be prima facie evidence of the regularity of the proceedings in making the assessment and of the right to recover judgment therefor.

7. The ordinance authorizing the levy of assessments must allow the governing body to authorize the treasurer to reduce or waive for good cause the collection of any penalties assessed pursuant to subsection 4 of NRS 271.415 and any interest incurred pursuant to NRS 271.585.

Sec. 15. NRS 271.485 is hereby amended to read as follows:

271.485 1. Any bonds issued pursuant to this chapter may be sold in such a manner as may be approved by the governing body to defray the cost of the project, including all proper incidental expenses. The governing body may issue a single issue of bonds to defray the costs of projects in two or more improvement districts if the principal amount of those bonds does not exceed the total uncollected assessments levied in each improvement district.

2. Bonds must be sold in the manner prescribed in NRS 350.105 to 350.195, inclusive:

(a) For not less than the principal amount thereof and accrued interest thereon; or

(b) At the option of the governing body, below par at a discount not exceeding 9 percent of the principal amount and except as otherwise provided in NRS 271.487 and 271.730, at a price which will not result in an effective interest rate which exceeds by more than 3 percent the Index of Twenty Bonds which was most recently published before the bids are received or a negotiated offer is accepted if the maximum or any lesser amount of discount permitted by the governing body has been capitalized as a cost of the project.

3. Except as otherwise provided in *subsection 4 and* NRS 271.487 and 271.730, the rate of interest of the bonds must not at any time exceed the rate of interest, or lower or lowest rate if more than one, borne by the special assessments, but any rate of interest of the bonds may be the same as or less than any rate of interest of the assessment, subject to the limitation provided in subsection 2, as the governing body may determine.

4. *Except as otherwise provided in NRS 271.730, if a governing body creates a district pursuant to the provisions of NRS 271.710, the governing body or chief financial officer of the municipality shall, in consultation with a financial advisor or the underwriter of the bonds, fix the rate of interest of the bonds at a rate of interest such that the principal and interest due on the bonds in each year, net of any interest capitalized from the proceeds of the bonds, will not exceed the amount of principal and interest to be collected on the special assessments during that year.*

5. The governing body may employ legal, fiscal, engineering and other expert services in connection with any project authorized by this chapter and the authorization, issuance and sale of bonds.

~~[5-]~~ 6. Any accrued interest ~~{and any premium}~~ must be applied to the payment of the interest on or the principal of the bonds, or both interest and principal.

~~[6-]~~ 7. Any unexpended balance of the proceeds of the bond remaining after the completion of the project for which the bonds were issued must be paid immediately into the fund created for the payment of the principal of the bonds and must be used therefor, subject to the provisions as to the times and methods for their payment as stated in the bonds and the proceedings authorizing their issuance.

~~[7-]~~ 8. The validity of the bonds must not be dependent on nor affected by the validity or regularity of any proceedings relating to the acquisition or improvement of the project for which the bonds are issued.

~~[8-]~~ 9. A purchaser of the bonds is not responsible for the application of the proceeds of the bonds by the municipality or any of its officers, agents and employees.

~~[9-]~~ 10. The governing body may enter into a contract to sell special assessment bonds at any time but, if the governing body so contracts before it awards a construction contract or otherwise contracts for acquiring or improving the project, the governing body may terminate the contract to sell the bonds, if:

(a) Before awarding the construction contract or otherwise contracting for the acquisition or improvement of the project, it determines not to acquire or improve the project; and

(b) It has not elected to proceed pursuant to subsection 2 or 3 of NRS 271.330, but has elected to proceed pursuant to subsection 1 of that section.

~~[H0.]~~ **11.** If the governing body ceases to have jurisdiction to proceed, because the requisite proportion of owners of the frontage to be assessed, or of the area, zone or other basis of assessment, file written complaints, protests and objections to the project, as provided in NRS 271.306, or for any other reason, any contract to sell special assessment bonds is terminated and becomes inoperative.

Sec. 16. NRS 271.488 is hereby amended to read as follows:

271.488 1. The governing body may issue one or more series of bonds to refund all or any portion of the outstanding bonds of one or more improvement districts. The bonds must be issued pursuant to the provisions of this chapter and the Local Government Securities Law.

2. For the purposes of the Local Government Securities Law, the bonds issued to refund all or any portion of the outstanding bonds of one or more improvement districts shall be deemed special obligations and the assessments shall be deemed net pledged revenues. ~~[H1]~~ *Except as otherwise provided in subsection 7, if* the bonds are issued, the governing body shall, by resolution, reduce the rate of interest on the uncollected installments of assessments. The rate of interest must not exceed the amount set forth in NRS 271.415, plus any amount necessary to pay the costs of the refunding.

3. Refinancing bonds issued pursuant to the provisions of this section must be secured by the assessments levied against specifically identified tracts of assessable property and may have any other terms or security that are allowed for any other bonds issued pursuant to the provisions of this chapter, except any bond issued to refund all or any portion of the outstanding bonds of one or more improvement districts must mature within ~~[20]~~ **30** years after the date such a bond is issued.

4. A refunding bond issued pursuant to this section may refund all or any portion of the outstanding bonds of one or more improvement districts and may be secured by a combination of assessments levied on all or a specifically identified portion of the assessed property located within the district or districts.

5. Two or more series of refunding bonds may be issued to refund the outstanding bonds of one or more districts and each series may be secured by assessments levied on different portions of assessed property located within the district or districts whose bonds are outstanding.

6. Except as otherwise provided in subsection 7 or 8, the governing body, in connection with the issuance of refunding bonds

pursuant to this section, may amend the assessment ordinance to amend the following terms of all or a portion of the assessments authorized in the ordinance:

- (a) The rate of interest the governing body charges on unpaid installments;
 - (b) Any penalties for prepayment of assessments;
 - (c) The amounts of unpaid installments;
 - (d) The principal balance of assessments;
 - (e) The dates upon which unpaid installments are due;
 - (f) The number of years over which unpaid installments are due;
- and
- (g) Any other term, if the term, as amended, would comply with the provisions of this chapter.

7. Before a governing body may amend an assessment ordinance to increase the principal and interest of any assessment, the number of years over which unpaid installments are due or the amount of any unpaid installments, it must:

- (a) Obtain the written consent of the owner of each tract that would be affected by the proposed amendment to the ordinance; or
- (b) Hold a hearing on the proposed amendment and give notice of that hearing in the manner set forth in NRS 271.305. If the owners of the tracts upon which more than one-half of the affected assessments, measured by the unpaid assessment balance, submit written protests to the governing body on or before the date of the hearing, the governing body shall not adopt the proposed amendment to the assessment ordinance.

8. To issue refunding bonds or to amend an assessment ordinance pursuant to this section, the governing body must find that:

- (a) The obligation of the municipality will not be materially or adversely impaired with respect to any outstanding bond secured by assessments; and
- (b) The principal balance of any assessment will not increase to an amount such that the aggregate amount that is assessed against the tract exceeds the minimum benefit to the tract that is estimated to result from the project that is financed by the assessment and the refunding of the outstanding bonds.

Sec. 17. NRS 271.490 is hereby amended to read as follows:
271.490 ~~{The}~~

1. Except as otherwise provided in subsection 3, the assessments, when levied, shall be and remain a lien on the respective tracts of land assessed until paid, as provided herein, and, when collected, shall be placed in a special fund and as such shall at all times constitute a sinking fund for and be deemed specially appropriated to the payment of the assessment bonds and interest thereon, and shall not be used for any other purpose until the bonds

and interest thereon are fully paid, except for the assessments paid during the 30-day payment period provided in NRS 271.405 and applied directly to the costs of the project.

2. Penalties, collection costs and interest on a delinquency imposed pursuant to subsection 4 of NRS 271.415 or 271.585 in connection with the collection of an assessment or an installment payment that is not paid when it comes due may be deposited in any fund or account of the municipality designated by the governing body or designated by the chief financial officer of the municipality if the governing body has authorized the chief financial officer to make such a designation.

3. If permitted by the ordinance authorizing the issuance of a bond, the assessments and any penalties, collection costs or interest not needed in any year to pay the principal and interest on the bonds may be used to pay the administrative costs of the municipality incurred in connection with the district and the collection of the assessments.

Sec. 18. NRS 271.515 is hereby amended to read as follows:
271.515 1. Any assessment bonds:

- (a) Must bear such date or dates;
- (b) Must mature in such denomination or denominations at such time or times, but in no event commencing later than ~~[1-year]~~ **3 years** nor exceeding ~~[20]~~ **30** years after their date;
- (c) Must bear interest payable at such intervals, but not less often than annually;
- (d) Must be payable in such medium of payment at such place or places within and without the State, including, but not limited to, the office of the county treasurer; and
- (e) At the option of the governing body, may be made subject to prior redemption in advance of maturity, in such order or by lot or otherwise, at such time or times, without or with the payment of a premium or premiums not exceeding ~~[9]~~ **5** percent of the principal amount of each bond so redeemed,
↳ as provided by ordinance.

2. Bonds may be issued with privileges for registration for payment as to principal, or both principal and interest, and the bonds may provide for the endorsing of payments of interest thereon. The bonds generally must be issued in such manner, in such form, with such recitals, terms, covenants and conditions, with such provisions for conversion into bonds of other denominations, and with such other details, as may be provided by the governing body in the ordinance or ordinances authorizing the bonds, except as herein otherwise provided.

3. Pending preparations of the definitive bonds, interim or temporary bonds, in such form and with such provisions as the governing body may determine, may be issued.

4. Except for payment provisions herein expressly provided, the bonds and such interim or temporary bonds must be fully negotiable within the meaning of and for all the purposes of the Uniform Commercial Code—Negotiable Instruments and the Uniform Commercial Code—Investment Securities.

5. Notwithstanding any other provisions of law, the governing body, in any proceedings authorizing bonds hereunder, may:

(a) Provide for the initial issuance of one or more bonds, in this subsection called “bond,” aggregating the amount of the entire issue or any portion thereof.

(b) Make such provision for installment payments of the principal amount of any such bond as it may consider desirable.

(c) Provide for the making of any such bond payable to bearer or otherwise, registrable as to principal, or as to both principal and interest, and for the endorsing of payments of interest on such bond.

(d) Make provision in any such proceedings for the manner and circumstances in and under which any such bond may in the future, at the request of the holder thereof, be converted into bonds of larger or smaller denominations.

6. Any bonds may be issued hereunder with provisions for their reissuance, and the terms and conditions thereof, whether lost, apparently destroyed, wrongfully taken, or for any other reason, as provided in the Uniform Commercial Code—Investment Securities, or otherwise.

7. Any bond must be executed in the name of and on behalf of the municipality and signed by the mayor, chairman or other presiding officer of the governing body, countersigned by the treasurer of the municipality, with the seal of the municipality affixed thereto and attested by the clerk.

8. Any bond may be executed as provided in the Uniform Facsimile Signatures of Public Officials Act.

9. The bonds bearing the signatures of the officers in office at the time of the signing thereof are the valid and binding obligations of the municipality, notwithstanding that before the delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon have ceased to fill their respective offices.

10. Any officer herein authorized or permitted to sign any bond, at the time of its execution and of the execution of a signature certificate, may adopt as and for his own facsimile signature the facsimile signature of his predecessor in office in the event that such facsimile signature appears upon the bond.

Sec. 19. NRS 271.545 is hereby amended to read as follows:

271.545 **1.** All assessments and installments thereof shall be collected and enforced by the municipal treasurer at the times and in the manner provided by the Consolidated Local Improvements Law and as hereafter provided. As soon as any assessment or installment

becomes delinquent, the municipal treasurer shall mark the same delinquent on the assessment roll. Within 60 days thereafter, the governing body shall direct the municipal treasurer to give notice of the sale of the property or properties subject to the lien of a delinquent installment or the entire assessment if the governing body has exercised its option to cause the whole amount of the unpaid principal to become due and payable. The notice shall contain:

~~[1]~~ (a) The name of each last known owner of each tract upon which an assessment or installment thereof is delinquent, or if not known that the name is unknown.

~~[2]~~ (b) A description of each tract upon which an assessment is delinquent, and the total amount due thereon, including the delinquent installment or the whole assessment, as the case may be, accrued interest upon the whole amount of unpaid principal to the date of delinquency, interest upon unpaid principal and accrued interest from the date of delinquency to the date of sale at a rate not exceeding 1 percent per month, penalties and collection costs, including attorney's fees.

~~[3]~~ (c) A statement of the time and place of sale.

~~[4]~~ (d) A statement that each property described will be sold to satisfy the total amount due thereon as aforesaid.

2. A governing body may adopt an ordinance to establish the procedures for conducting a sale of a property pursuant to the provisions of NRS 271.540 to 271.620, inclusive, including, without limitation, the method of determining the person who shall be permitted to purchase a property at such a sale.

Sec. 20. NRS 271.595 is hereby amended to read as follows:

271.595 1. Any property sold for an assessment, or any installment thereof, is subject to redemption by the former owner, or his grantee, mortgagee, heir or other representative after:

(a) If there was a permanent residential dwelling unit or any other significant permanent improvement on the property at the time the sale was held pursuant to NRS 271.555, as determined by the governing body, at any time within 2 years; or

(b) In all other cases, at any time within 120 days,

↳ after the date of the certificate of sale, upon payment to the municipal treasurer of the amount for which the property was sold, with interest thereon at a rate of not exceeding 1 percent per month, together with all taxes and special assessments, or installments thereof, interest, penalties, costs and other charges, thereon paid by the purchaser since the sale, with like interest thereon. Unless written notice of taxes and assessments subsequently paid, and the amount thereof, is deposited with the treasurer, redemption may be made without their inclusion.

2. On any redemption being made, the treasurer shall give to the redemptioner a certificate of redemption, and pay over the amount received to the purchaser of the certificate of sale or his assigns.

3. If no redemption is made within the period of redemption as determined pursuant to subsection 1, the treasurer shall, on demand of the purchaser or his assigns, and the surrender to him of the certificate of sale, execute to the purchaser or his assigns a deed to the property. No deed may be executed until the holder of the certificate of sale has notified the owners of the property that he holds the certificate, and that he will demand a deed therefor. The notice must be given by personal service upon the owner. However, if an owner is not a resident of the State or cannot be found within the State after diligent search, the notice may be given by publication. The notice and return thereof, with the affidavit of the person, or in the case of the municipality, of the clerk, claiming a deed, showing that service was made, must be filed with the treasurer.

4. If redemption is not made within 60 days after the date of service, or the date of the first publication of the notice, as the case may be, the holder of the certificate of sale is entitled to a deed. The deed must be executed only for the property described in the certificate, and after payment of all delinquent taxes and special assessments, or installments thereof, whether levied or assessed before or after the issuance of the certificate of sale. A deed may be issued to any municipality for the face amount of the certificate of sale, plus accrued interest from the date of sale to the date of the execution of the deed at a rate of not exceeding 1 percent per month.

5. Any payment related to a redemption pursuant to this section sent to a municipality by mail shall be deemed to have been made on the date on which the municipality received the payment.

Sec. 21. NRS 271.710 is hereby amended to read as follows:

271.710 1. A governing body may adopt an ordinance pursuant to NRS 271.325 creating a district and ordering a project to be acquired or improved and may contract with a person to construct or improve a project, issue bonds or otherwise finance the cost of the project and levy assessments, without complying with the provisions of NRS 271.305 to 271.320, inclusive, 271.330 to 271.345, inclusive, 271.380 and 271.385 and , except as otherwise provided in this section, the provisions of any law requiring public bidding or otherwise imposing requirements on any public contract, project, works or improvements, including, without limitation, chapters 332, 338 and 339 of NRS, if the governing body has entered into a written agreement with the owners of all of the assessable property within the district which states that:

(a) The governing body agrees to enter into a contract for the acquisition, construction or improvement of the project or projects in the district which includes:

(1) A provision stating that the requirements of NRS 338.010 to 338.090, inclusive, apply to any construction work to be performed under the contract; and

(2) The price, stated as a lump sum or as unit prices, which the governing body agrees to pay for the project if the project meets all requirements and specifications in the contract.

(b) The owners of the assessable property agree that if the rate of interest on any assessment levied for the district is determined from time to time as provided in NRS 271.487, the owners will provide written notice to the governing body in a timely manner when a parcel of the assessable property in the district is sold to a person who intends to occupy a dwelling unit on the parcel as his residence.

(c) The owners of the assessable property agree that the governing body may create the district, levy the assessments and for all other purposes relating to the district proceed pursuant to the provisions of this section.

2. If an ordinance is adopted and the agreement entered into pursuant to subsection 1 so states:

(a) The governing body may amend the ordinance creating the district, change the assessment roll and redistribute the assessments required by NRS 271.390 in the same manner in which these actions were originally taken to add additional property to the district. The assessments may be redistributed between the assessable property originally in the district and the additional assessable property if:

(1) The owners of additional assessable property also consent in writing to inclusion of their property in the district and to the amount of the assessment against their property; and

(2) The redistribution of the assessments is not prohibited by any covenants made for the benefit of the owners of any bonds or interim warrants issued for the district.

(b) The governing body may amend the ordinance creating the district, change the assessment roll and redistribute the assessments required by NRS 271.390 in the same manner in which these actions were originally taken to remove assessable property from the district. The assessments may be redistributed among the assessable property remaining in the district if:

(1) The owners of the remaining assessable property consent in writing to the amount of the revised assessment on their property; and

(2) The redistribution of the assessments is not prohibited by any covenants made for the benefit of the owners of any bonds or interim warrants issued for the district.

(c) The governing body may adopt any ordinance pertaining to the district including the ordinance creating the district required by NRS 271.325, the ordinance authorizing interim warrants required by NRS 271.355, the ordinance levying assessments required by NRS 271.390, the ordinance authorizing bonds required by NRS 271.475 or any ordinance amending those ordinances after a single reading and without holding a hearing thereon, as if an emergency exists, upon an affirmative vote of not less than two-thirds of all voting members of the governing body, excluding from any computation any vacancy on the governing body and any members thereon who may vote to break a tie vote, and provide that the ordinances become effective at the time an emergency ordinance would have become effective. The provisions of NRS 271.308 do not apply to any such ordinance.

(d) The governing body may provide for a reserve fund, letter of credit, surety bond or other collateral for payment of any interim warrants or bonds issued for the district and include all or any portion of the costs thereof in the amounts assessed against the property in the district and in the amount of bonds issued for the district. The governing body may provide for the disposition of interest earned on the reserve fund and other bond proceeds, for the disposition of unexpended bond proceeds after completion of the project and for the disposition of the unexpended balance in the reserve fund after payment in full of the bonds for the district.

3. If the governing body of a municipality forms a district pursuant to the provisions of this section, the governing body:

(a) Is not required to adopt the resolutions required pursuant to the provisions of NRS 271.280, 271.310, 271.360 and 271.390.

(b) Shall be deemed to have adopted the resolution required pursuant to the provisions of NRS 271.325 if the plans and specifications are sufficiently specific to allow a competent contractor with the assistance of a competent engineer to estimate the cost of constructing the project and to construct the project.

Sec. 22. NRS 361.450 is hereby amended to read as follows:

361.450 1. Except as otherwise provided in subsection 3, every tax levied under the provisions of or authority of this chapter is a perpetual lien against the property assessed until the tax and any penalty charges and interest which may accrue thereon are paid. Notwithstanding the provisions of any other specific statute, such a lien ***and a lien for unpaid assessments imposed pursuant to chapter 271 of NRS*** is superior to all other liens, claims, encumbrances and titles on the property, including, without limitation, interests secured pursuant to the provisions of chapter 104 of NRS, whether or not the lien was filed or perfected first in time.

2. Except as otherwise provided in this subsection and NRS 361.739, the lien attaches on July 1 of the year for which the taxes are levied, upon all property then within the county. The lien attaches upon all migratory property, as described in NRS 361.505, on the day it is moved into the county. If real and personal property are assessed against the same owner, a lien attaches upon such real property also for the tax levied upon the personal property within the county. A lien for taxes on personal property also attaches upon real property assessed against the same owner in any other county of the State from the date on which a certified copy of any unpaid property assessment is filed for record with the county recorder in the county in which the real property is situated.

3. All liens for taxes levied under this chapter which have already attached to a mobile or manufactured home expire on the date when the mobile or manufactured home is sold, except the liens for personal property taxes due in the county in which the mobile or manufactured home was situate at the time of sale, for any part of the 12 months immediately preceding the date of sale.

4. All special taxes levied for city, town, school, road or other purposes throughout the different counties of this State are a lien on the property so assessed, and must be assessed and collected by the same officer at the same time and in the same manner as the state and county taxes are assessed and collected.