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Senate Bill No. 457–Committee on Finance

CHAPTER.....

AN ACT relating to the State Highway Fund; temporarily increasing the maximum amount of certain proceeds deposited in the State Highway Fund that may be used for the costs of administering the collection of those proceeds; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Under existing law, all the proceeds from the imposition of any license or registration fee and other charges regarding the operation of a motor vehicle on any public highway, road or street in Nevada, except for the costs of administering the collection of those proceeds, are required to be deposited in the State Highway Fund and used exclusively for the construction, maintenance and repair of the State’s public highways. (Nev. Const. Art. 9, § 5; NRS 408.235) The maximum amount of such proceeds that may be used for the costs of administration is 22 percent. (NRS 408.235) **Section 4.5** of this bill temporarily increases the maximum amount of the proceeds that may be used for the costs of administration from 22 percent to 27 percent for the period commencing on July 1, 2021, and ending on June 30, 2026.

Section 4.7 of this bill makes an appropriation to the Department of Motor Vehicles for the cost of issuing refunds of certain fees paid during Fiscal Year 2020-2021.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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

Sections 1-4. (Deleted by amendment.)

Sec. 4.5. NRS 408.235 is hereby amended to read as follows:

408.235 1. There is hereby created the State Highway Fund.

2. Except as otherwise provided by a specific statute, the proceeds from the imposition of any:

(a) License or registration fee and other charges with respect to the operation of any motor vehicle upon any public highway, city, town or county road, street, alley or highway in this State; and

(b) Excise tax on gasoline or other motor vehicle fuel,
➔ must be deposited in the State Highway Fund and must, except for costs of administering the collection thereof, be used exclusively for the administration, construction, reconstruction, improvement and maintenance of highways as provided for in this chapter.

3. The interest and income earned on the money in the State Highway Fund, after deducting any applicable charges, must be credited to the Fund.



4. Costs of administration for the collection of the proceeds for any license or registration fees and other charges with respect to the operation of any motor vehicle must be limited to a sum not to exceed ~~22~~ 27 percent of the total proceeds so collected.

5. Costs of administration for the collection of any excise tax on gasoline or other motor vehicle fuel must be limited to a sum not to exceed 1 percent of the total proceeds so collected.

6. All bills and charges against the State Highway Fund for administration, construction, reconstruction, improvement and maintenance of highways under the provisions of this chapter must be certified by the Director and must be presented to and examined by the State Board of Examiners. When allowed by the State Board of Examiners and upon being audited by the State Controller, the State Controller shall draw his or her warrant therefor upon the State Treasurer.

7. The money deposited in the State Highway Fund pursuant to NRS 244A.637 and 354.59815 must be maintained in a separate account for the county from which the money was received. The interest and income on the money in the account, after deducting any applicable charges, must be credited to the account. Any money remaining in the account at the end of each fiscal year does not revert to the State Highway Fund but must be carried over into the next fiscal year. The money in the account:

(a) Must be used exclusively for the construction, reconstruction, improvement and maintenance of highways in that county as provided for in this chapter;

(b) Must not be used to reduce or supplant the amount or percentage of any money which would otherwise be made available from the State Highway Fund for projects in that county; and

(c) Must not be used for any costs of administration or to purchase any equipment.

8. The money deposited in the State Highway Fund pursuant to NRS 482.313 must be maintained in a separate account. The interest and income on the money in the account, after deducting any applicable charges, must be credited to the account. Any money remaining in the account at the end of each fiscal year does not revert to the State Highway Fund but must be carried over into the next fiscal year. The money in the account:

(a) Must be used exclusively for the construction, reconstruction, improvement and maintenance of highways as provided for in this chapter; and

(b) Must not be used for any costs of administration or to purchase any equipment.



Sec. 4.7. 1. There is hereby appropriated from the State Highway Fund to the Department of Motor Vehicles the sum of \$7,840,974 for the cost of issuing refunds of the technology fee imposed pursuant to sections 3 and 7 of chapter 394, Statutes of Nevada 2015, at pages 2211-13, as amended by chapter 400, Statutes of Nevada 2019, at pages 2501-02, which were paid during Fiscal Year 2020-2021.

2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2023, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 15, 2023, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State Highway Fund on or before September 15, 2023.

Sec. 5. 1. This section and sections 1 to 4, inclusive, and 4.7 of this act become effective upon passage and approval.

2. Section 4.5 of this act becomes effective on July 1, 2021, and expires by limitation on June 30, 2026.

