

SENATE BILL NO. 457—COMMITTEE ON FINANCE

MAY 24, 2021

Referred to Committee on Finance

SUMMARY—Revises provisions governing the State Highway Fund. (BDR 35-1163)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Executive Budget.

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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 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; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

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

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

- 1 **Section 1.** (Deleted by amendment.)
- 2 **Sec. 2.** (Deleted by amendment.)
- 3 **Sec. 3.** (Deleted by amendment.)
- 4 **Sec. 4.** (Deleted by amendment.)
- 5 **Sec. 4.5.** NRS 408.235 is hereby amended to read as follows:
- 6 408.235 1. There is hereby created the State Highway Fund.



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

