

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; making an appropriation; 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) **Section 4.5** of this bill temporarily increases the maximum  
9 amount of the proceeds that may be used for the costs of administration from 22  
10 percent to 27 percent for the period commencing on July 1, 2021, and ending on  
11 June 30, 2026.

12 **Section 4.7** of this bill makes an appropriation to the Department of Motor  
13 Vehicles for the cost of issuing refunds of certain fees paid during Fiscal Year  
14 2020-2021.

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.)



1     **Sec. 4.** (Deleted by amendment.)

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

3     408.235 1. There is hereby created the State Highway Fund.

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

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

9     (b) Excise tax on gasoline or other motor vehicle fuel,

10     ↪ must be deposited in the State Highway Fund and must, except  
11 for costs of administering the collection thereof, be used exclusively  
12 for the administration, construction, reconstruction, improvement  
13 and maintenance of highways as provided for in this chapter.

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

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

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

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

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

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

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



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

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

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

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

15 **Sec. 4.7.** 1. There is hereby appropriated from the State  
16 Highway Fund to the Department of Motor Vehicles the sum of  
17 \$7,840,974 for the cost of issuing refunds of the technology fee  
18 imposed pursuant to sections 3 and 7 of chapter 394, Statutes of  
19 Nevada 2015, at pages 2211-13, as amended by chapter 400,  
20 Statutes of Nevada 2019, at pages 2501-02, which were paid during  
21 Fiscal Year 2020-2021.

22 2. Any remaining balance of the appropriation made by  
23 subsection 1 must not be committed for expenditure after June 30,  
24 2023, by the entity to which the appropriation is made or any entity  
25 to which money from the appropriation is granted or otherwise  
26 transferred in any manner, and any portion of the appropriated  
27 money remaining must not be spent for any purpose after  
28 September 15, 2023, by either the entity to which the money was  
29 appropriated or the entity to which the money was subsequently  
30 granted or transferred, and must be reverted to the State Highway  
31 Fund on or before September 15, 2023.

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

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

