

Assembly Bill No. 424—Committee  
on Government Affairs

CHAPTER.....

AN ACT relating to the Lake Tahoe Basin; requiring the issuance of general obligation bonds to carry out certain environmental improvement projects included in the second phase of the Environmental Improvement Program for the Lake Tahoe Basin; revising provisions relating to the use of accrued interest on the proceeds of certain previously authorized bonds; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

The Environmental Improvement Program was implemented in 1997 to carry out projects to improve the environment in the Lake Tahoe Basin. The costs of the Program are apportioned among the Federal Government, the States of Nevada and California and local governments and owners of private property in both states. In 1999, the Nevada Legislature authorized the issuance of not more than \$56.4 million in general obligation bonds to pay for a significant portion of Nevada’s share of the costs of the first phase of the Program. (Chapter 514, Statutes of Nevada 1999, at page 2626)

In 2009, the Nevada Legislature authorized the issuance of not more than \$100 million in general obligation bonds to pay for Nevada’s share of the costs of the second phase of the Program beginning on July 1, 2009, and ending on June 30, 2020. (Chapter 431, Statutes of Nevada 2009, at page 2417) Issuance of those bonds requires the approval of the Legislature or the Interim Finance Committee. (*Id.*) In 2017, the Nevada Legislature extended the deadline for the issuance of the remainder of the general obligation bonds that were authorized in 2009 for the second phase of the Program from June 30, 2020, to June 30, 2030. (Chapter 32, Statutes of Nevada 2017, at page 137)

Of the \$100 million in general obligation bonds authorized to pay for Nevada’s share of the costs of the second phase of the Program, the Nevada Legislature required the issuance of: (1) not more than \$4.42 million of those bonds in 2009; (2) not more than \$12 million of those bonds in 2011; (3) not more than \$8 million of those bonds in 2019; and (4) not more than \$4 million of those bonds in 2021. (Chapter 431, Statutes of Nevada 2009, at page 2416; chapter 437, Statutes of Nevada 2011, at page 2638; chapter 167, Statutes of Nevada 2019, at page 891; chapter 215, Statutes of Nevada 2021, at page 1008)

**Sections 1-3** of this bill require the issuance of not more than \$13 million of the \$100 million in general obligation bonds authorized in 2009 to provide money to carry out certain environmental improvement projects included in the second phase of the Environmental Improvement Program. **Sections 4-6** of this bill allow the use of interest accrued on the proceeds of the general obligation bonds required to be issued in 2011, 2019 and 2021 to carry out environmental improvement projects included in the second phase of the Program.

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

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WHEREAS, The Lake Tahoe Basin exhibits unique environmental and ecological conditions that are irreplaceable; and



WHEREAS, This State has a compelling interest in preserving, protecting, restoring and enhancing the natural environment of the Lake Tahoe Basin; and

WHEREAS, The preservation, protection, restoration and enhancement of the natural environment of the Lake Tahoe Basin is of such significance that it must be carried out on a continual basis; and

WHEREAS, In October 1997, Governor Bob Miller, on behalf of the State of Nevada, signed a Memorandum of Agreement between the Federal Interagency Partnership on the Lake Tahoe Ecosystem, the States of Nevada and California, the Washoe Tribe of Nevada and California, the Tahoe Regional Planning Agency and interested local governments, in which the parties affirmed their commitment to the Tahoe Regional Planning Compact, to the sound management and protection of the resources within the Lake Tahoe Basin and the support of a healthy, sustainable economy and to achieve environmental thresholds for Lake Tahoe, and agreed to cooperate to carry out, including, without limitation, providing financial support for, the Environmental Improvement Program; and

WHEREAS, The costs of carrying out the Environmental Improvement Program have been apportioned among the Federal Government, the States of Nevada and California and the local governments and private property owners within both states; and

WHEREAS, The cost of carrying out the second phase of the Environmental Improvement Program for the State of Nevada and its political subdivisions is \$100,000,000; and

WHEREAS, Section 3 of chapter 431, Statutes of Nevada 2009, at page 2417, authorized the State Board of Finance to issue general obligation bonds of the State of Nevada in a total face amount of not more than \$100,000,000 to provide money to carry out the second phase of the Environmental Improvement Program beginning on July 1, 2009, and ending on June 30, 2020; and

WHEREAS, Section 2 of chapter 32, Statutes of Nevada 2017, at page 138, extended the deadline for the State Board of Finance to issue the remainder of the general obligation bonds of the State of Nevada that were authorized in 2009 for the second phase of the Environmental Improvement Program from June 30, 2020, to June 30, 2030; and

WHEREAS, Section 1 of chapter 431, Statutes of Nevada 2009, at page 2416, granted approval to the State Board of Finance to issue \$4,420,000 of those general obligation bonds to provide money to carry out certain environmental improvement projects included in the second phase of the Environmental Improvement Program; and



WHEREAS, Section 1 of chapter 437, Statutes of Nevada 2011, at page 2638, granted approval to the State Board of Finance to issue an additional \$12,000,000 of those general obligation bonds to provide money to carry out certain environmental improvement projects included in the second phase of the Environmental Improvement Program; and

WHEREAS, Section 1 of chapter 167, Statutes of Nevada 2019, at page 891, granted approval to the State Board of Finance to issue an additional \$8,000,000 of those general obligation bonds to provide money to carry out certain environmental improvement projects included in the second phase of the Environmental Improvement Program; and

WHEREAS, Section 1 of chapter 215, Statutes of Nevada 2021, at page 1008, granted approval to the State Board of Finance to issue an additional \$4,000,000 of those general obligation bonds to provide money to carry out certain environmental improvement projects included in the second phase of the Environmental Improvement Program; and

WHEREAS, The general obligation bonds authorized by chapter 431, Statutes of Nevada 2009, may only be issued with the prior approval of the Legislature or the Interim Finance Committee and pursuant to a schedule established by the Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources; now, therefore,

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

**Section 1.** Money to carry out the Environmental Improvement Program for the Lake Tahoe Basin established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627, must be provided by the issuance by the State Board of Finance of general obligation bonds of the State of Nevada in a total face amount of not more than \$13,000,000 pursuant to NRS 349.150 to 349.364, inclusive. The proceeds of the bonds issued pursuant to this section and any accrued interest thereon must be deposited in the Fund to Protect the Lake Tahoe Basin created pursuant to section 2 of chapter 514, Statutes of Nevada 1999, at page 2628, and, except as otherwise provided in section 2 of this act, must be used for the following activities related to the Environmental Improvement Program to be carried out by the State Department of Conservation and Natural Resources:

1. Continued implementation of forest health, restoration and fuels management projects;



- 2. Control and prevention of invasive terrestrial and aquatic species;
- 3. Enhancement of recreational opportunities;
- 4. Protection of sensitive species and improvement of wildlife habitat; and
- 5. Water quality, erosion control and stream restoration and enhancement projects of the Environmental Improvement Program to be carried out pursuant to grants and project agreements.

**Sec. 2.** The Division of State Lands of the State Department of Conservation and Natural Resources may use money authorized pursuant to section 1 of this act for an activity other than an activity listed in section 1 of this act if the Interim Finance Committee approves such a use in writing before the Division of State Lands engages in the activity.

**Sec. 3.** The Legislature finds and declares that the issuance of securities and the incurrence of indebtedness pursuant to section 1 of this act:

- 1. Are necessary for the protection and preservation of the natural resources of this State and for the purpose of obtaining the benefits thereof; and
- 2. Constitute an exercise of the authority conferred by the second paragraph of Section 3 of Article 9 of the Constitution of the State of Nevada.

**Sec. 4.** Section 1 of chapter 437, Statutes of Nevada 2011, at page 2638, is hereby amended to read as follows:

Section 1. Money to carry out the Environmental Improvement Program for the Lake Tahoe Basin established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627, must be provided by the issuance by the State Board of Finance of general obligation bonds of the State of Nevada in a total face amount of not more than \$12,000,000 pursuant to NRS 349.150 to 349.364, inclusive. The proceeds of the bonds issued pursuant to this section must be deposited in the Fund to Protect the Lake Tahoe Basin created pursuant to section 2 of chapter 514, Statutes of Nevada 1999, at page 2628, and, except as otherwise provided in this section, must be used as follows:

1. Activities related to the Environmental Improvement Program to be carried out by the State Department of Conservation and Natural Resources:

(a) Enhancement of recreational opportunities..... \$1,037,500



- (b) Continued implementation of forest health, restoration and fuels management projects ..... \$1,000,000
  - (c) Protection of sensitive species and improvement of wildlife habitat ..... \$335,000
  - (d) Control of invasive terrestrial and aquatic species ..... \$300,000
    - 2. Water quality, erosion control and stream restoration and enhancement projects of the Environmental Improvement Program to be carried out pursuant to grants and project agreements ..... \$8,827,500
    - 3. Contingency money to carry out environmental improvement projects ..... \$500,000
- ↳ Any accrued interest on the proceeds of the bonds issued pursuant to this section may be used to carry out any of the purposes set forth in subsections 1, 2 and 3.*

**Sec. 5.** Section 1 of chapter 167, Statutes of Nevada 2019, at page 891, is hereby amended to read as follows:

Section 1. Money to carry out the Environmental Improvement Program for the Lake Tahoe Basin established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627, must be provided by the issuance by the State Board of Finance of general obligation bonds of the State of Nevada in a total face amount of not more than \$8,000,000 pursuant to NRS 349.150 to 349.364, inclusive. The proceeds of the bonds issued pursuant to this section *and any accrued interest thereon* must be deposited in the Fund to Protect the Lake Tahoe Basin created pursuant to section 2 of chapter 514, Statutes of Nevada 1999, at page 2628, and, except as otherwise provided in section 2 of this act, must be used for the following activities related to the Environmental Improvement Program to be carried out by the State Department of Conservation and Natural Resources:

- 1. Continued implementation of forest health, restoration and fuels management projects;
- 2. Control and prevention of invasive terrestrial and aquatic species;
- 3. Enhancement of recreational opportunities;
- 4. Protection of sensitive species and improvement of wildlife habitat; and
- 5. Water quality, erosion control and stream restoration and enhancement projects of the Environmental Improvement



Program to be carried out pursuant to grants and project agreements.

**Sec. 6.** Section 1 of chapter 215, Statutes of Nevada 2021, at page 1008, is hereby amended to read as follows:

Section 1. Money to carry out the Environmental Improvement Program for the Lake Tahoe Basin established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627, must be provided by the issuance by the State Board of Finance of general obligation bonds of the State of Nevada in a total face amount of not more than \$4,000,000 pursuant to NRS 349.150 to 349.364, inclusive. The proceeds of the bonds issued pursuant to this section *and any accrued interest thereon* must be deposited in the Fund to Protect the Lake Tahoe Basin created pursuant to section 2 of chapter 514, Statutes of Nevada 1999, at page 2628, and, except as otherwise provided in section 2 of this act, must be used for the following activities related to the Environmental Improvement Program to be carried out by the State Department of Conservation and Natural Resources:

1. Continued implementation of forest health, restoration, and fuels management projects;
2. Control and prevention of invasive terrestrial and aquatic species;
3. Enhancement of recreational opportunities;
4. Protection of sensitive species and improvement of wildlife habitat; and
5. Water quality, erosion control and stream restoration and enhancement projects of the Environmental Improvement Program to be carried out pursuant to grants and project agreements.

**Sec. 7.** This act becomes effective on July 1, 2023.

