ASSEMBLY BILL NO. 61–COMMITTEE ON GROWTH AND INFRASTRUCTURE

(ON BEHALF OF THE CITY OF SPARKS)

PREFILED NOVEMBER 20, 2024

Referred to Committee on Growth and Infrastructure

SUMMARY—Authorizes the Regional Transportation Commission of Washoe County or any local government within Washoe County to establish a demonstration project for a certain toll road. (BDR 43-468)

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

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to transportation; prohibiting the Department of Motor Vehicles from renewing the registration of a motor vehicle under certain circumstances; exempting certain property rights relating to a demonstration project for a certain toll road from the imposition of property tax; authorizing the Regional Transportation Commission of Washoe County or any local government within Washoe County to establish a demonstration project for a certain toll road; authorizing the Commission or a local government within Washoe County to enter into publicprivate partnerships to plan, design, finance, construct, improve, maintain, operate or acquire rights-of-way for the demonstration project; authorizing the issuance of certain bonds or notes of the Commission or a local government within Washoe County to finance the project; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Sections 3-33 of this bill enact the La Posada Drive to USA Parkway 2 Connection Toll Road Demonstration Project Act which: (1) authorizes the 3 Regional Transportation Commission of Washoe County or any local government 4 within Washoe County to establish a demonstration project for a toll road 5 connecting the eastern terminus of La Posada Drive within the City of Sparks to the





area in the vicinity of the intersection of State Route 439 and U.S. Interstate
Highway 80; and (2) establishes various requirements for the demonstration
project. Section 17: (1) authorizes the Commission or a local government within
Washoe County to take certain actions with respect to the demonstration project;
and (2) provides that the demonstration project must be and remain a public
highway owned by the Commission or a local government within Washoe County.

Section 17 deems State Route 445 and U.S. Interstate Highway 80 alternate routes to the toll road which do not require a user fee and which accommodate all classes of vehicles. **Section 18** prohibits the Commission and the Department of Transportation from prohibiting or seeking a federal prohibition on the use of any classes of vehicles which are authorized to use State Route 445 and U.S. Interstate Highway 80.

18 Section 19 authorizes the Commission or a local government within Washoe 19 County to enter into a public-private partnership with one or more private partners 20 for planning, designing, financing, constructing, improving, maintaining, operating 21 22 23 24 25 or acquiring rights-of-way for the demonstration project. Section 12 designates the Commission or a local government within Washoe County a "public partner" if the entity has entered into such a public-private partnership. Section 20 sets forth the requirements which must be satisfied to be eligible as a private partner in a public-private partnership to undertake work for the demonstration project. Section $\overline{26}$ 21 provides for the confidentiality of certain information obtained by or disclosed 27 27 28 29 to the Commission or local government during the procurement or negotiation of a public-private partnership.

Section 22 establishes limits on the term of a public-private partnership and
 provides circumstances under which the term may be extended. Section 23 sets
 forth certain mandatory and optional provisions for inclusion in a public-private
 partnership.
 Section 24 requires a public partner to establish or include in the public-private

Section 24 requires a public partner to establish or include in the public-private 34 partnership: (1) a schedule of user fees for the use of the demonstration project or a 35 methodology for establishing such a schedule; and (2) administrative fines and 36 other penalties for nonpayment of user fees. Section 24 sets forth certain 37 exemptions from such user fees and authorizes a public partner to establish 38 additional exemptions. Section 25 provides that registered owners are subject to 39 administrative fines and penalties for failure to pay a required user fee. Sections 1 40 and 25 of this bill require the Department of Motor Vehicles to place a hold on the 41 renewal of the registration of a motor vehicle if a public partner or a private partner 42 files a notice with the Department of Motor Vehicles that the registered owner of 43 the motor vehicle has failed to pay a required fee. Section 1 authorizes the 44 Department to require a public partner or private partner to pay a fee for the 45 creation, maintenance or revision of a record concerning such a notice. Section 25 46 authorizes the Department to impose an additional fee upon any person who applies 47 for the renewal of the registration of a motor vehicle subject to a hold for 48 nonpayment of a required fee.

49 Section 26 requires that all money that is received and that is to be retained by 50 a public partner pursuant to a public-private partnership in connection with the 51 demonstration project that is derived from the imposition of any charge with 52 respect to the operation of any motor vehicle upon any public highway in this State 53 must be deposited in the State Highway Fund and, except for cost of administration, 54 must be used exclusively for the construction, maintenance and repair of the public 55 highways of this State. Section 26 also provides that the money must first be used 56 to defray the obligation of a public partner under a public-private partnership, 57 including, without limitation, the costs of administration, design, construction, 58 operation, maintenance, financing and repair of the demonstration project.





59 Section 27 sets forth the manner in which the demonstration project and any 60 property improvement determined by a public partner to be necessary or desirable 61 therefor may be financed.

62 Section 28 grants a public partner the power to acquire, condemn or hold 63 certain real property and appurtenances for the demonstration project and grant to a 64 private partner a lease, easement, operating agreement, license, permit or right of 65 entry for such real property and appurtenances. Sections 2 and 28 of this bill 66 exempt such real property and appurtenances, or the use thereof, from all real 67 property and ad valorem taxes.

68 Section 29 provides that a private partner is exempt from any assessment on 69 property which a public partner provides to the private partner pursuant to a public-70 private partnership and on which the demonstration project is located. Section 30 71 requires a private partner to use competitive bidding to award contracts for 72 73 construction work on the demonstration project and to pay prevailing wages to workers engaged in construction on the demonstration project. Section 31 imposes 74 on a private partner, the Commission and certain local governments in Washoe 75 County certain duties relating to advertisements for requests by a private partner for 76 bids for the performance of construction work for a public-private partnership.

77 Section 32: (1) provides for the authorization of a private partner to remove 78 encroachments or relocate a utility from the right-of-way of the demonstration 79 project; (2) authorizes a public partner to incorporate resulting costs into a public-80 private partnership; and (3) prohibits the requirement that a utility pay any costs 81 related thereto.

82 Section 33 provides that, in the event of conflict with other statutory provisions 83 governing the administration of highways in this State, the provisions of the Act 84 control. 85

Sections 5-16 define certain words and terms for the purposes of the Act.

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

Section 1. NRS 482.2805 is hereby amended to read as 1 2 follows:

3 482.2805 1. Except as otherwise provided in subsection 3, 4 the Department of Motor Vehicles shall not renew the registration of 5 a motor vehicle if [a]:

6 (a) A local authority has filed with the Department of Motor Vehicles a notice of nonpayment pursuant to NRS 484B.527, [or if 7 8 the] unless, at the time for renewal of the registration, the 9 registered owner of the motor vehicle provides to the Department of Motor Vehicles a receipt issued by the local authority pursuant 10 11 to NRS 482.2807; 12 (b) The Department of Transportation or a private partner under

a public-private partnership has filed a notice of nonpayment 13 14 pursuant to section 42 of the Boulder City Bypass Toll Road Demonstration Project Act, unless, at the time for renewal of the 15 registration, the registered owner of the motor vehicle provides to 16 the Department of Motor Vehicles [a receipt issued by the local 17 authority pursuant to NRS 482.2807, or] a receipt issued by the 18





1 Department of Transportation or a private partner under a public-2 private partnership **H** entered into pursuant to that Act; or

3 (c) A public partner or a private partner under a public-private 4 partnership has filed a notice of nonpayment pursuant to section 5 25 of this act, unless, at the time for renewal of the registration, 6 the registered owner of the motor vehicle provides to the 7 Department of Motor Vehicles a receipt issued by a public partner 8 or a private partner under a public-private partnership entered 9 into pursuant to that Act.

10 2. If the registered owner provides a receipt to the Department 11 of Motor Vehicles pursuant to subsection 1 and complies with the 12 other requirements of this chapter, the Department of Motor 13 Vehicles shall renew the registration of the motor vehicle.

14 3. The Department of Motor Vehicles shall renew the 15 registration of a motor vehicle owned by a short-term lessor for 16 which the Department of Motor Vehicles has received a notice of nonpayment pursuant to NRS 484B.527, [or] section 42 of the 17 18 Boulder City Bypass Toll Road Demonstration Project Act or section 25 of this act without requiring the short-term lessor to 19 20 provide a receipt pursuant to subsection 1 if the short-term lessor 21 submits to the Department of Motor Vehicles a certificate issued by 22 a local authority, the Department of Transportation or a *public* 23 *partner or* private partner under a public-private partnership 24 pursuant to subsection 4.

25 A local authority, the Department of Transportation or a 4. 26 *public partner or* private partner under a public-private partnership 27 shall, upon request, issue to a short-term lessor a certificate which 28 requires the Department of Motor Vehicles to renew the registration 29 of a motor vehicle owned by the short-term lessor without requiring 30 the short-term lessor to provide a receipt pursuant to subsection 1 if 31 the short-term lessor provides the local authority, the Department of 32 Transportation or a *public partner or* private partner under a public-33 private partnership with the name, address and number of the 34 driver's license of the short-term lessee who was leasing the vehicle 35 at the time of the violation.

5. Upon the request of the registered owner of a motor vehicle,
the Department of Motor Vehicles shall provide a copy of the notice
of nonpayment filed with the Department of Motor Vehicles by
[the]:

40 (a) The local authority pursuant to NRS 484B.527 [or the];

(b) The Department of Transportation or a private partner under
 a public-private partnership pursuant to section 42 of the Boulder
 City Bypass Toll Road Demonstration Project Act []; or

44 (c) A public partner or private partner under a public-private 45 partnership pursuant to section 25 of this act.





1 6. If the registration of a motor vehicle that is identified in a 2 notice of nonpayment filed with the Department of Motor Vehicles 3 by a local authority pursuant to NRS 484B.527, for the Department of Transportation or a private partner under a public-private 4 5 partnership pursuant to section 42 of the Boulder City Bypass Toll 6 Road Demonstration Project Act or a public partner or private partner under a public-private partnership pursuant to section 25 7 8 of this act is not renewed for two consecutive periods of registration, the Department of Motor Vehicles shall delete any 9 records maintained by the Department of Motor Vehicles 10 11 concerning that notice.

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7. The Department of Motor Vehicles may require [a]:

(a) A local authority to pay a fee for the creation, maintenance
 or revision of a record of the Department of Motor Vehicles
 concerning a notice of nonpayment filed with the Department of
 Motor Vehicles by the local authority pursuant to NRS 484B.527.
 [The Department of Motor Vehicles may require the]

18 (b) The Department of Transportation or a private partner under 19 public-private partnership to pay a fee for the creation, a 20 maintenance or revision of a record of the Department of Motor 21 Vehicles concerning a notice of nonpayment filed with the 22 Department of Motor Vehicles by the Department of Transportation 23 or a private partner under a public-private partnership pursuant to 24 section 42 of the Boulder City Bypass Toll Road Demonstration 25 Project Act.

(c) A public partner or private partner under a public-private
partnership to pay a fee for the creation, maintenance or revision
of a record of the Department of Motor Vehicles concerning a
notice of nonpayment filed with the Department of Motor Vehicles
by a public partner or private partner under a public-private
partnership pursuant to section 25 of this act.

8. The Department of Motor Vehicles shall, by regulation,
establish any fee required by [this] subsection [-] 7. Any fees
collected by the Department pursuant to [this] subsection 7 must be:

(a) Deposited with the State Treasurer for credit to the MotorVehicle Fund; and

(b) Allocated to the Department to defray the cost of carryingout the provisions of this section.

Sec. 2. NRS 361.157 is hereby amended to read as follows:

40 361.157 1. When any real estate or portion of real estate 41 which for any reason is exempt from taxation is leased, loaned or 42 otherwise made available to and used by a natural person, 43 association, partnership or corporation in connection with a business 44 conducted for profit or as a residence, or both, the leasehold interest,



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possessory interest, beneficial interest or beneficial use of the lessee
 or user of the property is subject to taxation to the extent the:

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(a) Portion of the property leased or used; and

4 (b) Percentage of time during the fiscal year that the property is 5 leased by the lessee or used by the user, in accordance with 6 NRS 361.2275,

7 → can be segregated and identified. The taxable value of the interest
 8 or use must be determined in the manner provided in subsection 3 of
 9 NRS 361.227 and in accordance with NRS 361.2275.

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2. Subsection 1 does not apply to:

(a) Property located upon a public airport, park, market or
fairground, or any property owned by a public airport, unless the
property owned by the public airport is not located upon the public
airport and the property is leased, loaned or otherwise made
available for purposes other than for the purposes of a public airport,
including, without limitation, residential, commercial or industrial
purposes;

18 (b) Federal property for which payments are made in lieu of 19 taxes in amounts equivalent to taxes which might otherwise be 20 lawfully assessed;

(c) Property of any state-supported educational institution,
except any part of such property located within a tax increment area
created pursuant to NRS 278C.155;

(d) Property leased or otherwise made available to and used by a
natural person, private association, private corporation, municipal
corporation, quasi-municipal corporation or a political subdivision
under the provisions of the Taylor Grazing Act or by the United
States Forest Service or the Bureau of Reclamation of the United
States Department of the Interior;

(e) Property of any Indian or of any Indian tribe, band or
community which is held in trust by the United States or subject to a
restriction against alienation by the United States;

(f) Vending stand locations and facilities operated by persons
who are blind under the auspices of the Bureau of Services to
Persons Who Are Blind or Visually Impaired of the Rehabilitation
Division of the Department of Employment, Training and
Rehabilitation, whether or not the property is owned by the federal,
state or a local government;

(g) Leases held by a natural person, corporation, association,
municipal corporation, quasi-municipal corporation or political
subdivision for development of geothermal resources, but only for
resources which have not been put into commercial production;

(h) The use of exempt property that is leased, loaned or made
available to a public officer or employee, incident to or in the course
of public employment;





1 (i) A parsonage owned by a recognized religious society or 2 corporation when used exclusively as a parsonage;

3 (j) Property owned by a charitable or religious organization all, 4 or a portion, of which is made available to and is used as a residence 5 by a natural person in connection with carrying out the activities of 6 the organization;

7 (k) Property owned by a governmental entity and used to 8 provide shelter at a reduced rate to elderly persons or persons having 9 low incomes;

(l) The occasional rental of meeting rooms or similar facilitiesfor periods of less than 30 consecutive days;

(m) The use of exempt property to provide day care for children
 if the day care is provided by a nonprofit organization; [or]

(n) Any lease, easement, operating agreement, license, permit or
right of entry for any exempt state property granted by the
Department or the Regional Transportation Commission of
Southern Nevada pursuant to section 45 of the Boulder City Bypass
Toll Road Demonstration Project Act [-]; or

19 (o) Any lease, easement, operating agreement, license, permit 20 or right of entry for any exempt state property granted by the 21 Department, the Regional Transportation Commission of Washoe 22 County or a local government within Washoe County pursuant to 23 section 28 of this act.

3. Taxes must be assessed to lessees or users of exempt real estate and collected in the same manner as taxes assessed to owners of other real estate, except that taxes due under this section do not become a lien against the property. When due, the taxes constitute a debt due from the lessee or user to the county for which the taxes were assessed and, if unpaid, are recoverable by the county in the proper court of the county.

Sec. 3. Sections 3 to 33, inclusive, of this act may be cited as 31 32 the La Posada Drive to USA Parkway Connection Toll Road 33 Demonstration Project Act. This act shall only apply to the La 34 USA Parkway Connection Toll Posada Drive to Road 35 Demonstration Project Act and not to any other project within this 36 State.

37 Sec. 4. As used in this act, unless the context otherwise 38 requires, the words and terms defined in sections 5 to 16, inclusive, 39 of this act have the meanings ascribed to them in those sections.

40 **Sec. 5.** "Authorized emergency vehicle" has the meaning 41 ascribed to it in NRS 484A.020.

42 **Sec. 6.** "Commission" means the Regional Transportation 43 Commission of Washoe County.

44 **Sec. 7.** "Concession" means any lease, ground lease, franchise, 45 easement, permit, right of entry, operating agreement or other





1 binding agreement transferring rights for the use or control, in whole 2 or in part, of the demonstration project by a public partner to a

3 private partner.

4 **Sec. 8.** "Demonstration project" means the toll road 5 demonstration project established by a public partner pursuant to 6 section 17 of this act.

7 **Sec. 9.** "Local government" has the meaning ascribed to it in 8 NRS 338.010.

9 Sec. 10. "Motor vehicle" has the meaning ascribed to it in 10 NRS 484A.130.

11 **Sec. 11.** "Private partner" means a person with whom a public 12 partner enters into a public-private partnership.

13 Sec. 12. "Public partner" means:

14 1. The Commission; or

15 2. A local government within Washoe County,

16 \rightarrow if the entity has entered into a public-private partnership with a 17 private partner pursuant to section 19 of this act.

18 Sec. 13. "Public-private partnership" means a contract entered 19 into by a public partner and a private partner under which the 20 private partner:

21 Assists the public partner in defining a potential project 1. 22 concerning the demonstration project and negotiates terms for 23 potentially carrying out the planning, design, financing, 24 construction, improvement, maintenance or operation of or 25 acquisition of rights-of-way for, or any combination thereof, the 26 demonstration project or any portion thereof; or

27 2. Assumes responsibility for planning, designing, financing,
28 constructing, improving, maintaining, operating or acquiring rights29 of-way for the demonstration project or any portion thereof.

30 **Sec. 14.** "Registered owner" means a person whose name 31 appears in the records of the Department of Motor Vehicles as the 32 person to whom a motor vehicle is registered.

33 Sec. 15. "Toll road" means a highway and appurtenant 34 facilities for which a user must pay a user fee as a condition of use.

Sec. 16. "User fee" means a toll, fee, fare or other similar charge, including, without limitation, any incidental, account maintenance, administrative, credit card or video tolling fee or charge authorized by the Commission or a public-private partnership and imposed on a person for the use of a toll road.

40 Sec. 17. 1. The Commission or any local government within 41 Washoe County may establish a toll road demonstration project in 42 connection with the toll road connecting the eastern terminus of La 43 Posada Drive within the City of Sparks to the area in the vicinity of 44 State Route 439 at its intersection with U.S. Interstate Highway 80 45 near Mile Marker 33 and may:





1 (a) Include, without limitation, highways, roads, bridges, on-2 ramps, off-ramps, direct connectors to or from other highways or 3 arterials, tunnels, connectors to an airport, pavement, shoulders, 4 structures, culverts, curbs, toll gantries and systems, drains, rights-5 communication of-way, buildings, facilities, equipment 6 appurtenances, lighting, signage, service centers, operations centers, 7 services, personal property and works incidental to, related to or 8 for highway design, desirable construction, improvement, 9 maintenance or operation required, laid out, constructed, improved, 10 maintained or operated for highway purposes.

11 (b) Include any appurtenant facilities and facilities necessary for 12 financing, connectivity, operations, maintenance, mobility or safety 13 of the demonstration project, which may include tolled and 14 nontolled elements and on- and off-site facilities.

15 (c) Be developed in one or more phases, through one or more 16 solicitations and with one or more private partners.

17 2. The Commission or a local government within Washoe 18 County may perform such tasks as are necessary and appropriate to 19 plan, design, finance, construct, improve, maintain, operate and 20 acquire rights-of-way for the demonstration project, including, 21 without limitation:

(a) Plan, design, finance, construct, maintain, operate and make
such other improvements to existing highways as may be necessary
and appropriate to accommodate, develop and own the
demonstration project.

(b) Determine the allowable uses of and the goals, standards,
specifications and criteria of the demonstration project.

(c) Enter into agreements with any other political subdivision of
this State, another state or the Federal Government for planning,
designing, financing, constructing, improving, maintaining,
operating and acquiring rights-of-way for the demonstration project.

(d) Enter into public-private partnerships for planning,
 designing, financing, constructing, improving, maintaining,
 operating and acquiring rights-of-way for the demonstration project.

(e) Retain legal, financial, technical and other consultants to
 assist the public partner concerning the demonstration project.

(f) Secure financial and other assistance for planning, designing,
 financing, constructing, improving, maintaining, operating and
 acquiring rights-of-way for the demonstration project.

(g) Apply for, accept and expend money from any lawful
source, including, without limitation, any public or private funding,
loan, grant, line of credit, loan guarantee, credit instrument, private
activity bond allocations, credit assistance from the Federal
Government or other type of assistance that is available to carry out
the demonstration project.





1 (h) Accept from any source any grant, donation, gift or other 2 form of conveyance of land, money, other real or personal property 3 or other thing of value made to the public partner to carry out the 4 demonstration project.

5 (i) Pay any compensation to which a private partner is entitled, 6 pursuant to the terms of a public-private partnership, upon the 7 termination of the public-private partnership.

8 (j) Enter into a bond indenture, loan agreement, interest rate 9 swap, financing agreement, security agreement, pledge agreement, 10 credit facility, trust agreement or other financial agreement in 11 connection with the financing of the demonstration project.

12 3. The demonstration project, whether planned, designed, 13 financed, constructed, improved, maintained or operated by the 14 Commission, a local government within Washoe County, or one or 15 more private partners, must be and remain:

- 16 (a) A public highway;
- 17 (b) A public use;
- 18 (c) A public facility; and

19 (d) Owned by the Commission or a local government within 20 Washoe County.

21 Before construction of the demonstration project begins, 4. 22 State Route 445 and U.S. Interstate Highway 80 shall be deemed 23 alternate routes to the toll road which do not require a user fee and 24 which accommodate all classes of vehicles. The Commission or any 25 government entity within this State may establish one or more 26 additional alternate routes to the toll road which do not require a 27 user fee and which can accommodate all classes of vehicles that 28 may be accommodated on State Route 445 and U.S. Interstate 29 Highway 80 as of the date that construction of the demonstration 30 project begins.

31 **Sec. 18.** The Commission and the Department of 32 Transportation shall not:

1. Request the Federal Government to prohibit or otherwise seek to prohibit the use on State Route 445 and U.S. Interstate Highway 80 of any classes of vehicles which are authorized on those highways as of the effective date of this section; and

2. Exercise any authority delegated to the Commission or the
Department to prohibit the use on State Route 445 and U.S.
Interstate Highway 80 of any classes of vehicles which are
authorized on those highways as of the effective date of this section.

41 Sec. 19. 1. The Commission or a local government within 42 Washoe County may enter into a public-private partnership with one 43 or more private partners for planning, designing, financing, 44 constructing, improving, maintaining, operating or acquiring rights-45 of-way for the demonstration project. A public-private partnership





entered into pursuant to this section may include, without limitation,
 a concession and must be awarded through one or more solicitations

that must include, without limitation, some or all of the requests for
qualifications, short-listing of qualified proposers, requests for
proposals, negotiations and best and final offers.

6 2. For any solicitation in which the Commission or the local 7 government, as applicable, issues a request for qualifications, 8 request for proposals or similar solicitation for a public-private 9 partnership, the Commission or the local government may determine 10 which factors it will consider and the relative weight of those factors 11 in the evaluation process for the demonstration project to obtain the 12 best value for the Commission or the local government.

13 3. Each request for proposals issued for the demonstration 14 project must require each person submitting a proposal to include 15 with the proposal an executive summary. The executive summary 16 must address the major elements of the proposal but must not 17 include the financial terms of the proposal, the financing plan or other confidential or proprietary information or trade secrets that the 18 19 person submitting the proposal intends to be exempt from 20 disclosure.

4. The executive summary for each proposal must be released to the public by the Commission or the local government, as applicable.

5. Except as otherwise expressly authorized in this act, the provisions of chapter 338 of NRS shall apply to the demonstration project.

27 6. If the Commission or the local government, as applicable, is 28 unable to negotiate a public-private partnership with the applicant 29 whose proposal appeared to have the best value, upon such terms 30 and conditions that the Commission or the local government 31 determines to be in the best interest of the public, the Commission 32 or the local government may suspend or terminate negotiations with 33 that applicant. The Commission or the local government may then undertake negotiations with the next highest-rated applicant in 34 35 sequence until a public-private partnership is entered into or a 36 determination is made by the Commission or the local government 37 to reject all applicants that submitted proposals.

7. After the award and execution of a public-private partnership, a public partner shall make available to the applicants and the public the results of the evaluations of proposals and the final rankings of the applicants.

8. Notwithstanding any other law to the contrary, to maximize
competition and to obtain the best value for the public, no part of a
proposal other than the executive summary may be released or
disclosed by the Commission or the local government, as applicable,





before the award and execution of the public-private partnership and
 the conclusion of any specified period to protest or otherwise
 challenge the award, except pursuant to an administrative or judicial
 order requiring release or disclosure of any part of the proposal.

5 Sec. 20. 1. To be eligible as a private partner in connection 6 with a public-private partnership, a private partner must:

7 (a) Obtain a performance bond, payment bond, letter of credit, 8 parent guarantee or other security acceptable to the Commission or 9 the local government, or any combination thereof, which the 10 Commission or the local government determines is adequate to:

11 (1) Protect the interests of this State and its political 12 subdivisions; and

13 (2) Ensure completion of the demonstration project without 14 this State or its political subdivisions being liable for any of the 15 direct costs of the demonstration project;

16 (b) Obtain insurance covering general liability and liability for 17 errors and omissions, in amounts determined by the Commission or 18 the local government;

19 (c) Not have been found liable for breach of contract with 20 respect to a previous project with the Commission or any local 21 government within Washoe County, other than a breach for 22 legitimate cause during the 5 years immediately preceding the 23 commencement of the solicitation of the public-private partnership; 24 and

(d) Not have been disqualified from being awarded a contract
pursuant to NRS 338.017, 338.13895 or 338.1475.

27 2. A private partner is not required to hold the licenses and 28 certifications required to undertake the work for the demonstration 29 project as a condition of eligibility to be a private partner but must 30 ensure that any work which requires a license or certification is 31 performed by persons that possess the required licenses and 32 certifications.

33 Sec. 21. Information obtained by or disclosed to the Commission or a local government within Washoe County during 34 35 the procurement or negotiation of a public-private partnership may 36 be kept confidential until the public-private partnership is executed, except that the Commission or the local government may exempt 37 38 from release any proprietary information obtained by or disclosed to 39 the Commission or the local government during the procurement or 40 negotiation.

41 **Sec. 22.** 1. Except as otherwise provided in subsection 2, 42 notwithstanding any other law to the contrary, a public-private 43 partnership may be for a term of not more than 40 years after the 44 opening of the demonstration project to the public and the 45 commencement of its full operations and collection of revenue.





2. A public-private partnership may be extended:

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(a) As a result of an event in the nature of force majeure;

3 (b) As a means to compensate the private partner for events set 4 forth in the public-private partnership that entitle the private partner 5 to compensation; or

6 (c) For additional terms upon the mutual agreement of the 7 private partner and the public partner.

8 **Sec. 23.** 1. A public-private partnership entered into 9 pursuant to this act may include provisions that:

10 (a) Authorize a public partner and a private partner to charge, 11 collect, use, enforce and retain user fees, including, without 12 limitation, provisions that:

13 (1) Specify the technology to be used in the demonstration 14 project;

15 (2) Establish circumstances under which a public partner 16 may receive the revenues or a share of the revenues from such user 17 fees;

(3) State that the user fees may be collected directly by a
public partner, a private partner or by a third party engaged for that
purpose;

21 (4) Prescribe a formula, indexation or mechanism for the 22 adjustment of user fees during the term of the public-private 23 partnership;

(5) Allow a variety of strategies to be employed to manage
traffic on the demonstration project that a public partner determines
are appropriate based on the specific circumstances of the
demonstration project; and

28 (6) Govern the enforcement of user fees, including, without 29 limitation, provisions for the use of cameras or other mechanisms to 30 ensure that users have paid user fees which are due and provisions 31 that allow a public partner and private partner to request information 32 from relevant databases, including, without limitation, databases of 33 the Department of Motor Vehicles, pursuant to the provisions of NRS 481.063, for enforcement purposes. The Commission may 34 35 impose a civil penalty of not more than \$10,000 per violation for 36 misuse of the data contained in such databases, including, without 37 limitation, negligence in securing the data properly. Any civil 38 penalty collected pursuant to this subparagraph must be deposited in 39 the State General Fund.

(b) Allow for payments to be made by a public partner to a
private partner, including, without limitation, periodic payments,
construction payments, payments for attaining milestones, progress
payments, payments based on availability or other performancebased payments, payments relating to events for which the publicprivate partnership requires payment of compensation and payments





relating to or arising out of the termination of the public-private
 partnership.

3 (c) Allow a public partner to accept payments of money from,
4 and share revenues with, the private partner. The public partner shall
5 deposit such money in the State Highway Fund.

6 (d) Address the manner in which a public partner and a private 7 partner will share management of the risks of the demonstration 8 project.

9 (e) Specify the manner in which a public partner and a private 10 partner will share the costs of any development of the demonstration 11 project.

12 (f) Allocate financial responsibility for any costs that exceed the 13 amount specified in the public-private partnership.

14 (g) Establish applicable liquidated or stipulated damages to be 15 assessed for nonperformance by the private partner.

16 (h) Establish performance measurements, or incentives, or both.

(i) Address the acquisition of rights-of-way and other property
interests that may be required for the demonstration project,
including, without limitation, provisions that address the exercise of
eminent domain by a public partner in the manner authorized
pursuant to NRS 277A.250 and chapter 37 of NRS.

22 (j) Establish recordkeeping, accounting and auditing standards 23 to be used for the demonstration project.

(k) Upon termination of the public-private partnership, address
responsibility for repair, rehabilitation, reconstruction or renovations
that are required for the demonstration project to meet all applicable
standards set forth in the public-private partnership upon reversion
of the demonstration project to a public partner.

29 (1) Provide for security and law enforcement.

30 (m) Identify any specifications of a public partner that must be 31 satisfied, including, without limitation, provisions allowing the 32 private partner to request and receive authorization to deviate from 33 the specifications on making a showing satisfactory to the public 34 partner.

(n) Specify remedies available and procedures for dispute
resolution, including, without limitation, the right of the private
partner to institute legal proceedings to obtain an enforceable
judgment or award against a public partner in the event of a default
by the public partner and procedures for the use of dispute review
boards, mediation, facilitated negotiation, nonbinding and binding
arbitration and other alternative dispute resolution procedures.

42 (o) Specify the manner in which a public partner and a private 43 partner will share the costs of ongoing maintenance of the 44 demonstration project.





1 2. A public-private partnership entered into pursuant to this act 2 must contain a provision by which a private partner expressly agrees 3 to be barred from seeking injunctive or other equitable relief to delay, prevent or otherwise hinder the public partner from 4 5 developing or constructing a facility which was planned at the time 6 the public-private partnership was executed and which may impact 7 the revenue that the private partner derives from the demonstration 8 project developed under the public-private partnership. A publicprivate partnership may provide for reasonable compensation to a 9 private partner for the adverse effect on revenue from the 10 developed under 11 demonstration project the public-private 12 partnership resulting from the development or construction of 13 another facility by a public partner.

14 **Sec. 24.** 1. If a public partner enters into a public-private 15 partnership pursuant to this act, the public partner:

16 (a) Shall adopt, establish or include in the public-private partnership a schedule of user fees or a methodology for 17 18 establishing the user fees that may be charged by the public partner 19 or a private partner for the use of the demonstration project, which 20 may include, without limitation, provisions for adjusting the user 21 fees based on the types of motor vehicle, time of day, traffic 22 conditions or other factors determined necessary by the public 23 partner to implement, finance or improve the performance of the 24 demonstration project. A schedule of user fees or methodology for 25 establishing user fees to be included in the public-private 26 partnership must be adopted or established by the public partner at a 27 public hearing held in compliance with chapter 241 of NRS.

(b) Shall, consistent with this act, establish or provide in the public-private partnership for the establishment of administrative fines, late charges and other penalties for any person who violates any regulation or rule governing the use of the demonstration project or who fails to pay a user fee.

(c) In addition to the exemptions provided in subsection 2, may
establish or provide in the public-private partnership for exemptions
from the payment of a user fee.

(d) Shall adopt a plan for measuring the performance of the
private partner and, in the event of any unexcused failure by the
private partner to meet such performance measurements, provide for
the rights and remedies of the public partner.

40 2. The following motor vehicles are exempt from any user fee 41 established by a public partner:

42 (a) A vehicle owned or operated by this State or any of its 43 political subdivisions.

44 (b) A transit bus or vanpool vehicle owned or operated by an 45 agency of the United States, to the extent that such vehicles are





exempted pursuant to an agreement between the agency or political
 subdivision and the public partner or a private partner.

3 (c) An authorized emergency vehicle if the person operating it 4 is:

5 (1) Responding to an emergency and its emergency lights are 6 in use; or

7

(2) Enforcing traffic laws.

8 (d) A vehicle used to provide maintenance of the demonstration 9 project.

10 (e) A vehicle that is exempt pursuant to the terms of a public-11 private partnership.

12 Not less frequently than once each calendar year, a public 3. 13 partner shall review any fee schedule established pursuant to this 14 section and any adjustments to the fee schedule made by a public 15 partner or a private partner to determine whether the user fees 16 effectively manage travel times, speed and reliability with regard to 17 the demonstration project. The public partner shall review and, if 18 applicable, make any necessary adjustments at a public hearing held in compliance with chapter 241 of NRS. 19

4. A public partner or a private partner may use any method it determines appropriate to collect a user fee, including, without limitation, the issuance of invoices, prepayment requirements and the use of an electronic, video or automated collection system. An electronic, video or automated collection system may be used to verify payment or to charge the user a fee to the:

(a) Account of a person whose vehicle is equipped with a
transponder approved by the public partner or other automated
payment technology approved by the public partner;

29 (b) Account of a person who otherwise registers to use the 30 demonstration project in accordance with the policies and 31 procedures established by the public partner or set forth in the 32 public-private partnership; or

33 (c) Registered owner.

5. The name, address, other personal identifying information and trip data of a user is confidential, and a public partner, a private partner, consultant, contractor or representative thereof shall not release, sell or distribute such information without the express written consent of the user, except that a public partner or a private partner may release such information:

40 (a) As is necessary to collect a user fee and enforce any penalty 41 for a violation of this act or any policies and procedures established 42 pursuant thereto or set forth in the public-private partnership; and

43 (b) To a law enforcement agency pursuant to a subpoena.





1 6. A public partner or a private partner may solicit and contract 2 with any person to provide services relating to the collection of a 3 user fee.

A public partner shall establish a privacy policy regarding
the collection and use of personal identifying information pursuant
to this section. The policy must include, without limitation,
provisions requiring that:

8 (a) Except as otherwise provided in paragraph (b), any personal 9 identifying information used to collect and enforce user fees be 10 destroyed not later than 30 days after the person has paid the user 11 fee and any administrative fines, late fees or other penalties and 12 charges imposed;

13 (b) Any personal identifying information collected for the 14 establishment of an account for the use of an automated collection 15 system be:

16 (1) Stored longer than 30 days only if the information is
17 required to perform account functions, including, without limitation,
18 billing and other activities directly related to the use of the account;
19 and

20 (2) Destroyed within 30 days after receiving written notice 21 that the person who established the account wants to close the 22 account; and

(c) Each person establishing an account for use in an automated
 collection system be provided a copy, in a clear and conspicuous
 manner, of the privacy policy required by this subsection and all
 other applicable privacy laws.

Sec. 25. 1. Except as otherwise provided in subsection 3, a registered owner who fails to pay a user fee is subject to an administrative fine for nonpayment and is liable to a public partner or a private partner for the payment of the user fee, the administrative fine and any additional charges or penalties prescribed by the public partner or set forth in a public-private partnership.

34 If a driver or registered owner fails to pay a user fee, a 2. 35 public partner or private partner shall provide notice of nonpayment to the registered owner. The notice must describe the claimed 36 37 nonpayment and the amount due, including any additional charges, administrative fines or penalties, and explaining that the registered 38 owner must, within 30 days after receiving the notice, pay the full 39 40 amount due or contest the claim in the manner described in the notice. A registered owner who does not pay the full amount due or 41 42 contest the claim within 30 days after receiving the notice may not 43 challenge the claim in a proceeding or action brought by a public 44 partner or a private partner.





1 3. A short-term lessor of a motor vehicle that is the registered 2 owner is not liable to a public partner or a private partner for any failure to pay a user fee arising out of the use of a rented motor 3 4 vehicle during any period in which the motor vehicle is not in the 5 possession of the lessor if, within 45 days after receiving the written 6 notice from the public partner or private partner, the lessor provides to the public partner or private partner the name, address, driver's 7 8 license number and other identifying information of the person to 9 whom the motor vehicle was rented at the time of the use of the demonstration project. If the lessor provides such information, the 10 person to whom the motor vehicle was rented at the time of the use 11 12 of the demonstration project is liable for the user fee or 13 administrative fee, or both, and any late charges or other penalties or 14 charges resulting from the failure to pay the user fee.

15 4. A public partner or a private partner may use a photo-16 monitoring, video, image capture or other automated or technology-17 based enforcement and collections system to detect the failure of a 18 motor vehicle to register the payment of the required user fee, to 19 detect the failure of the driver or registered owner to pay a user fee 20 or to verify and assess the payment of a user fee. The data, including photographs, images, videotapes and other vehicle and owner 21 22 information generated and obtained by the system may be used to 23 establish the nonpayment of the user fee and to enforce collection of 24 the user fee and any administrative fines, late charges and other 25 penalties or charges imposed pursuant to a public-private 26 partnership. The public partner or private partner shall not use the 27 information for any other purpose.

5. If the registered owner fails to respond to the notice
described in subsection 2, the public partner or private partner may
file a notice of nonpayment with the Department of Motor Vehicles.
The notice must include:

(a) The place, time and date of the use of the demonstration
project which, through nonpayment of user fees, administrative fees,
late charges or other penalties or charges, constitutes a violation;

(b) The number of the license plate and the make and modelyear of the motor vehicle; and

37 (c) The total amount owed to the public partner or private38 partner for the violation.

6. Upon receipt of the notice described in subsection 5, the
Department of Motor Vehicles shall place a hold on the renewal of
the registration of the motor vehicle described in the notice pursuant
to the provisions of NRS 482.2805.

7. In addition to any administrative fine, late charge or other
penalty or charge for nonpayment of a user fee established pursuant
to a public-private partnership which is payable to a public partner





or a private partner, the Department of Motor Vehicles may impose
 an additional administrative fee of not more than \$15 upon any
 person who applies for the renewal of the registration of a motor
 vehicle subject to a hold pursuant to this section.

5 8. The Department of Motor Vehicles shall work cooperatively 6 with a public partner and any private partner to establish a timely 7 and efficient manner for providing the motor vehicle registration of 8 the registered owner, pursuant to the provisions of NRS 481.063, to 9 the public partner and any private partner for the purposes of 10 collecting and enforcing any user fees and administrative fines, late 11 charges and other penalties imposed pursuant to this act.

12 Sec. 26. 1. All money that is received and that is to be 13 retained by a public partner pursuant to a public-private partnership 14 in connection with the demonstration project that is derived from the 15 imposition of any charge with respect to the operation of any motor 16 vehicle upon any public highway in this State must be deposited in 17 the State Highway Fund and, except for costs of administration, 18 must be used exclusively for the design, financing, construction, 19 maintenance, operation and repair of the public highways of this 20 State. The money must first be used to defray the obligations of a 21 public partner under the public-private partnership, including, 22 without limitation, the costs of administration, design, financing, 23 construction. maintenance, operation and repair of the 24 demonstration project.

25 2. Any other money received by a public partner pursuant to 26 this act or any policies or procedures established by a public partner 27 must be deposited in the State Highway Fund and accounted for 28 separately. The interest and income on the money in the account, 29 after deducting any applicable charges, must be credited to the 30 account. The money in the account may be used for:

(a) The payment of the costs of planning, designing, financing,
 constructing, improving, maintaining, operating or acquiring rights of-way for the demonstration project;

(b) The payment of the costs of administering the demonstrationproject and enforcing the collection of user fees;

(c) Satisfying of any obligations of a public partner pursuant to a
 public-private partnership; and

(d) The costs of administration, construction, maintenance and
 repair of the public highways located in Washoe County.

40 Sec. 27. 1. The demonstration project and any property 41 improvement determined by a public partner to be necessary or 42 desirable therefor may, as determined by the public partner be 43 financed:

(a) By the private partner using its own funds or obtaining fundsin any lawful manner for that entity.





1 (b) By the issuance of revenue bonds or notes of the public 2 partner which are payable from and secured by:

3 (1) Revenues from the demonstration project, including, without limitation, user fees and payments established, due and 4 5 collected pursuant to this act, other than subsection 7 of section 25 6 of this act:

7 (2) Payments from a public partner to a private partner 8 pursuant to a public-private partnership;

9 (3) Money that is received by a public partner as described in 10 section 26 of this act;

11 (4) Guarantees or other forms of financial assistance from the 12 private partner or any other person;

13 (5) Any grants, donations or other sources of funding mentioned in paragraph (f), (g), or (h) of subsection 2 of section 17 14 of this act, if the use of the money to pay and secure the payment of 15 16 the principal of and interest on those bonds or notes is consistent 17 with and not prohibited by the instrument, law or regulation under 18 which the money is received;

19 (6) Interest or other gain accruing on any of the money 20 deposited in the State Highway Fund pursuant to this act; and 21

(7) Any combination thereof.

22 \rightarrow as described in the resolution authorizing the issuance of the 23 bonds or notes.

24 (c) By the issuance of revenue bonds or notes of a public 25 partner, to finance the demonstration project directly or by making a 26 loan to the private partner, pursuant to a financing agreement 27 entered into between the public partner and the private partner to 28 secure the bonds or notes and provide for their payment.

29 (d) By the issuance of private activity bonds or notes of a public 30 partner or other eligible issuer, to finance the demonstration project 31 directly or by making a loan to the private partner, pursuant to a 32 financing agreement entered into between the public partner and the 33 private partner for the purpose of securing the bonds or notes and 34 providing for their payment.

35 (e) By any loan, grant, line of credit, loan guarantee, credit 36 instrument, private activity bond allocation, credit assistance from 37 the Federal Government or other type of assistance that is available 38 to carry out the demonstration project.

39 (f) With any grant, donation, gift or other form of conveyance of 40 land, money or other real or personal property or other thing of 41 value made to a public partner to carry out the demonstration 42 project.

43 (g) With legally available money from any other source, 44 including a source described in paragraph (f), (g) or (h) of 45 subsection 2 of section 17 of this act, or from user fees.





(h) By any combination of paragraphs (a) to (g), inclusive.

2 2. Any bonds or notes issued pursuant to paragraph (b), (c) or 3 (d) of subsection 1:

4 (a) May have a maturity of up to 40 years from the date of 5 issuance.

6 (b) Are special, limited obligations of the public partner that are, 7 except as otherwise provided in subsections 3 and 4, payable solely 8 from the revenues specifically pledged to the payment of those 9 obligations, as specified in the resolution for the issuance of bonds 10 or notes, and shall never be a debt of the State under Section 3 of 11 Article 9 of the Constitution of the State of Nevada.

12 If so determined by the public partner, any bonds or notes 3. 13 issued as described in paragraph (b) of subsection 1 may also be 14 payable from and secured by taxes which are credited to the State Highway Fund and which would not cause the bonds or notes to 15 16 create a public debt under the provisions of Section 3 of Article 9 of 17 the Nevada Constitution. In addition, the public partner may pledge 18 those taxes to and use those taxes for the payment of any of its 19 obligations under a public-private partnership.

4. Any bonds or notes issued pursuant to paragraph (c) or (d) of subsection 1 may also be payable from and secured by payments made by and property of and other security provided by the private partner, including, without limitation, any payments made to the private partner by the public partner pursuant to the public-private partnership.

26 Sec. 28. A public partner may acquire, condemn or hold 1. 27 real property and related appurtenances under fee title, lease, 28 easement, dedication or license for the demonstration project. A 29 public partner may grant to a private partner a lease, easement, 30 operating agreement, license, permit or right of entry for such real 31 property and related appurtenances, and such grant and use shall be 32 deemed for all purposes:

33 (a) A public use;

1

- 34 (b) A public facility; and
- 35 (c) A public highway.

2. The real property and related appurtenances, or the use
thereof, that are granted by a public partner to the private partner
shall be exempt from all real property and ad valorem taxes.

39 3. The Department of Transportation shall assist a public 40 partner in any way necessary for the public partner to carry out the 41 provisions of this section, including, without limitation, granting to 42 the public partner or a private partner a lease, easement, operating 43 agreement, license, permit or right of entry.

44 **Sec. 29.** Notwithstanding any specific statute to the contrary, a 45 private partner is exempt from any assessment on property:





1 1. Which the Department of Transportation or a public partner 2 owns or acquires or in which the Department or a public partner has 3 a possessory interest;

4 2. Which the Department or a public partner provides to the 5 private partner pursuant to a public-private partnership; and

6

3. On which the demonstration project is located.

7 **Sec. 30.** 1. A private partner who enters into a contract for 8 construction work pursuant to a public-private partnership shall:

9 (a) Award contracts using competitive bidding in accordance 10 with the provisions of chapter 338 of NRS, and solely for the 11 purposes of those provisions regarding competitive bidding, the 12 demonstration project shall be deemed to be a public work and 13 the private partner shall be deemed to be a public body awarding the 14 contracts for the demonstration project; and

(b) Pay the prevailing wage required pursuant to NRS 338.013 to 338.090, inclusive, and solely for the purposes of those provisions, the demonstration project shall be deemed to be a public work and the public partner shall be deemed to be a party to the contract and to be the public body advertising for bids for the demonstration project and awarding the construction contract for the demonstration project.

22 2. Nothing in this section requires a public partner to use 23 competitive bidding in accordance with the provisions of chapter 24 338 of NRS to award a public-private partnership to a private 25 partner.

26 Sec. 31. 1. In addition to complying with the provisions of 27 section 30 of this act, a private partner who enters into a contract for 28 construction work pursuant to a public-private partnership shall:

(a) Advertise for at least 7 calendar days for bids on each
contract for the performance of any portion of the construction work
for the public-private partnership;

(b) At least 2 business days before the first day of that
advertisement, provide notice of that advertisement to the
Commission, the Board of County Commissioners of Washoe
County, the City Council of the City of Reno and the City Council
of the City of Sparks;

(c) Make available to all prospective bidders on the contract a
 written set of plans and specifications for the pertinent work; and

(d) Provide public notice of the name and address of each personwho submits a bid on the contract.

2. If the Commission, the Board of County Commissioners of
Washoe County, the City Council of the City of Reno and the City
Council of the City of Sparks receive a notice of an advertisement
for bids pursuant to paragraph (b) of subsection 1, the Commission,
Board or City Council:





(a) Shall, upon such receipt, post notice of the advertisement on
 an Internet website maintained by the Commission, County or City;
 and

4 (b) May otherwise provide notice of the advertisement to local 5 trade organizations and the general public.

6 3. A public partner shall ensure that the private partner 7 complies with the provisions of subsection 1.

8 Sec. 32. 1. A public partner may include authority in a 9 public-private partnership or otherwise authorize a private partner to 10 remove any encroachments or relocate any utility from the right-of-11 way of the demonstration project. The public partner may 12 incorporate the costs of such removal or relocation into the public-13 private partnership.

14 2. A utility may not be required to pay any cost related to 15 removing or relocating any property of the utility pursuant to 16 subsection 1.

Sec. 33. To the extent practicable, the provisions of this act are intended to supplement other statutory provisions governing the administration of highways in this State, and such other provisions must be given effect to the extent that those provisions do not conflict with the provisions of this act. If there is a conflict between such other provisions and the provisions of this act, the provisions of this act control.

24 **Sec. 34.** This act becomes effective upon passage and 25 approval.

30



