



## **Final Report and Recommendations**

September 27, 2016



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## Tourism Infrastructure in Southern Nevada

In Southern Nevada, no single industry is more important than tourism. The leisure and hospitality sector, which includes the resort, gaming and entertainment industries, directly employs 288,000 Southern Nevadans who account for three out of every ten workers in the region. Those jobs rely on the tens of millions of leisure and business travelers who visit Las Vegas each year. In 2015, the 42.3 million people who visited Las Vegas spent an estimated \$30.5 billion on hotels, gambling, shopping, entertainment, sightseeing and other activities. When visitation rises, so does the number of tourism-related jobs. When it falls, as it did during the global economic downturn, tourism-related jobs decline, creating a ripple effect throughout nearly every sector of the regional and state economy. Today, visitation is on the rise, setting annual records in 2014 and 2015; it is on pace for another new high in 2016.

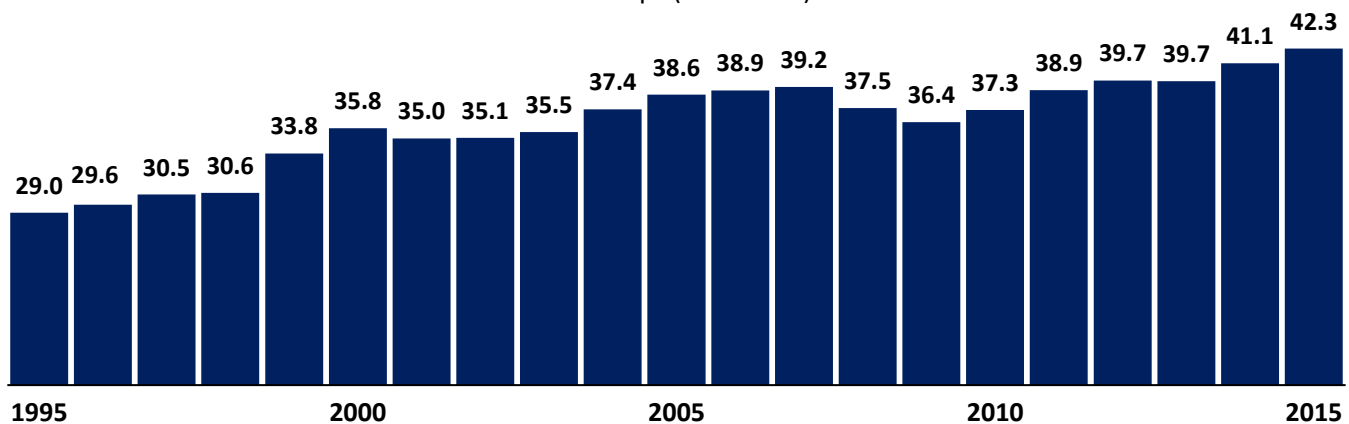
The success of Las Vegas decade after decade can be attributed to its ability to constantly evolve to adapt to the changing competitive marketplace. This evolution has manifested in the growing list of amenities and experiences offered to tourist and business travelers today, including world-class hotels, renowned restaurants, one-of-a-kind entertainment and high-end retail malls. Because of its ability to change, Las Vegas has remained a top global tourism and convention destination even as legalized gambling has proliferated across the United States and around the world.

This position would not have been possible without consistent private and public investment in the underlying infrastructure that supports and enhances the Las Vegas visitor experience. That infrastructure might be directly related to a tourist activity, such as an entertainment venue or convention center, or it might be indirectly related, such as the transportation network that moves visitors to and from Southern Nevada and, after they arrive, to and from their local destinations. Just as the resort hotels and the amenities they offer must evolve to remain competitive, so too must the infrastructure that supports them.

Recognizing the critical role that infrastructure plays in supporting the overall visitor experience and the increasingly competitive environment to attract leisure and business travelers, Governor Brian Sandoval

### Las Vegas Annual Visitation

Visitor Trips (in millions)



Source: Las Vegas Convention and Visitors Authority



issued an executive order on June 6, 2015, creating the Southern Nevada Tourism Infrastructure Committee (“SNTIC”). Comprised of leaders from local government, higher education, the business world and the hospitality industry, the committee was charged with evaluating the infrastructure Southern Nevada needs to maintain its position as a global leader in business and leisure travel, and to make formal, prioritized infrastructure recommendations to Governor Sandoval and the Nevada State Legislature. The committee’s initial areas of focus were: (1) McCarran International Airport; (2) Stadiums, Arenas and Event Centers; (3) Convention Centers; (4) Pedestrian Movement in the Resort Corridor; and (5) Roads, Highways and Mass Transit.

Governor Sandoval’s initial executive order gave the SNTIC until July 31, 2016, to issue its final report. That deadline was extended on July 13, 2016, by an executive order that set a new deadline of September 30, 2016. The additional time was granted to allow for further discussion and evaluation of a stadium development proposal as well as to consider the need for increased investment in police resources to protect Southern Nevada’s tourism infrastructure, visitors and residents.

The sections that follow summarize the committee membership and the extensive review its members undertook over 15 months. During that time, the committee held 16 meetings, listened to hours of testimony, asked numerous questions and reviewed hundreds of pages of documents related to the current and future needs for tourism infrastructure in the region. That work culminated in the research compendium attached to this report (see Appendices B and C) and resulted in five primary recommendations. The SNTIC recommends:

**Recommendation 1:** That the Nevada State Legislature increase the transient lodging tax by 0.5 percentage points in Clark County to fund construction of the Las Vegas Convention Center expansion and renovation project; implement a cap on the total annual transient lodging tax collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the convention center expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures.

**Recommendation 2:** That the Nevada State Legislature increase the transient lodging tax in Clark County to generate \$750 million in public funding toward the construction of a 65,000-seat, NFL-ready domed stadium through a public-private partnership. Under this proposal, a stadium authority would be created to govern the publicly owned facility and land, and the lodging tax would increase by 0.88 percentage points within the primary resort corridor and 0.5 percentage points for all other areas within the stadium district.

If an NFL team does not commit to relocate to Southern Nevada within 18 months, the University of Nevada, Las Vegas would have 24 months to secure \$200 million in private funding toward construction of a 40,000-seat collegiate football stadium. Under the collegiate stadium proposal, the lodging tax would be reduced to 0.375 percentage points within the primary resort corridor and 0.25 percentage points for all other areas within the stadium district, and a campus improvement authority would be created to govern the publicly owned facility and land. Any unused revenues collected by the stadium authority would be transferred to the campus improvement authority for construction of a collegiate stadium with incremental lodging tax revenue funding bonds for construction of the project.



**Recommendation 3:** That the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percentage point, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

**Recommendation 4:** That the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

**Recommendation 5:** That the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.

The committee would like to thank the members of the Technical Advisory Committee, not only for their work with the committee, but also for their day in and day out leadership in the community. Their knowledge, experience and input was, as always, invaluable.

The committee also extends its sincere appreciation for the work of Jeremy Aguero and the entire staff of Applied Analysis, particularly Brian Haynes and Melanie Framo. Without their exceptional competence, commitment and diligence, the work of the committee, the breadth and depth of the research and analysis, and the ultimate work product would not have been possible.

Finally, the committee would like to commend Governor Sandoval for his leadership and vision in creating the SNTIC and making tourism infrastructure a strategic priority for the state. The committee members also thank the Governor for the opportunity to participate in this important undertaking and to offer their input toward improving the economic well-being of Southern Nevada.



ORDER ESTABLISHING THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE  
COMMITTEE

Executive Order 2015-09

**WHEREAS**, tourism is vitally important to the economy of the State and the general welfare of its inhabitants;

**WHEREAS**, the economy of Southern Nevada is dependent on the resort, gaming, and convention industries;

**WHEREAS**, Las Vegas has long been a world class business and recreation destination for millions of visitors a year and Las Vegas repeatedly ranks among the top-five destinations for conventions and business meetings;

**WHEREAS**, the economic viability of Clark County is dependent upon increasing the number of tourists and business travelers to Las Vegas;

**WHEREAS**, the growth and success of tourism depends upon continual investment in tourism, entertainment, convention, and transportation infrastructure;

**WHEREAS**, Las Vegas is in competition with other destinations that are investing significantly in convention and entertainment facilities and related infrastructure;

**WHEREAS**, investment in tourism infrastructure will result in increased employment and revenue for the State;

**WHEREAS**, there is critical need to expand, improve, develop, and revitalize public and private tourism infrastructure in Southern Nevada to stay competitive and increase the number of business and pleasure travelers to Las Vegas; and

**WHEREAS**, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

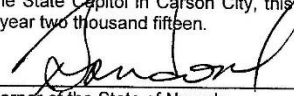
**NOW, THEREFORE**, by the authority vested in me as Governor by the Constitution and laws of the State of Nevada, I hereby direct and order:

1. The Southern Nevada Tourism Infrastructure Committee ("Committee") is hereby established.
2. The Committee shall make recommendations in a report to the Governor that identifies and prioritizes tourism improvement projects in Southern Nevada and suggests and identifies funding mechanisms for such projects.
3. The Committee shall:
  - Evaluate existing public and private convention facilities and assess and prioritize the need to revitalize existing facilities and construct new facilities;
  - Assess public and private entertainment facilities, including but not limited to, existing and planned sports stadiums and large-scale entertainment facilities, and make recommendations regarding the need and viability of new facilities;
  - Evaluate current tourism related transportation modes and infrastructure, including but not limited to, airport facilities, public and private mass transit, and transportation infrastructure, and identify areas of need and make recommendations for improvements; and
  - Identify and analyze funding for tourism infrastructure improvement projects.
4. The report shall be submitted to the Governor and the Interim Finance Committee of the Nevada Legislature on or before July 31, 2016, and the Committee shall thereafter expire, unless further directed by the Governor.

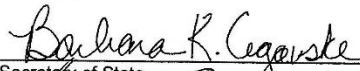


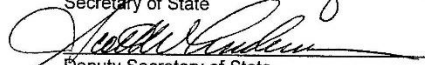
5. Members of the Committee shall be appointed by the Governor and serve at the pleasure of the Governor. The Committee shall include eleven members and be composed of the following:
  - The Executive Director of the Governor's Office of Economic Development;
  - The Mayor of the City of Las Vegas;
  - The Chairman of the Clark County Commission;
  - The President and Chief Executive Officer of the Las Vegas Chamber of Commerce;
  - The President of the University of Nevada, Las Vegas; and,
  - Six representatives of the Nevada Resort Association.
6. The Committee shall be assisted by the non-voting Technical Advisory Committee composed of the following:
  - The City Manager of the City of Las Vegas;
  - The Manager of Clark County;
  - The General Manager of the Regional Transportation Commission of Southern Nevada;
  - The Director of Aviation of McCarran International Airport;
  - The President and Chief Executive Officer of the Las Vegas Convention and Visitors Authority; and
  - An expert in economic and financial analysis appointed by the Chairman of the Committee.
7. The Committee shall be headed by a chair and vice-chair to be appointed by the Governor.
8. The Members of the Committee shall receive no compensation for their service.
9. The Committee may call on any other professionals with expertise in these issues.
10. The Committee shall hold its first meeting no later than July 15, 2015, and thereafter, as often as necessary to complete its report.
11. Any meetings conducted by the Committee shall be subject to the Open Meeting Law, as codified in Nevada Revised Statute Chapter 241.
12. The Governor's Office of Economic Development shall provide administrative support. The Office may hire or retain contractors, sub-contractors, advisors, consultants, and/or agents, and may make and enter into contracts as necessary, in accordance with relevant statutes, rules, and procedures of state regulations.
13. All records documenting the Committee's activities shall be retained and transferred to the State Archives for permanent retention in accordance with the State record retention policy.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 6th day of July, in the year two thousand fifteen.

  
Governor of the State of Nevada

By the Governor:

  
Secretary of State

  
Deputy Secretary of State





**Executive Order 2016-21**

**ORDER AMENDING  
THE SOUTHERN NEVADA TOURISM INFRASTRUCTURE COMMITTEE**

*WHEREAS*, I, as Governor of the State of Nevada, established the Southern Nevada Tourism Infrastructure Committee by issuing Executive Order 2015-09 on July 6, 2015;

*WHEREAS*, Executive Order 2015-09 directed that the Committee shall expire after it delivers its report to the Governor and the Interim Finance Committee of the Nevada State Legislature on or before July 31, 2016, unless further directed by the Governor; and

*WHEREAS*, the tourism industry of Southern Nevada, including existing infrastructure and proposed improvement projects, are best served by an adequate law enforcement presence;

*WHEREAS*, since 2013 the State of Nevada and the local governments of Clark County have sought to address the needs of area law enforcement pursuant to enabling legislation enacted during the 27th Special Session of the Nevada State Legislature;

*WHEREAS*, the enabling legislation that would have allowed additional funding of law enforcement expired on July 1, 2016;

*WHEREAS*, maintaining an ever-present vigilance to ensure the continued safety of all tourists and residents within Southern Nevada is an essential function of government;

*WHEREAS*, increased law enforcement funding is a fundamental component of analyzing any infrastructure investment in Southern Nevada, especially where improvement projects contemplate attracting new visitors and growing business opportunities; and

*WHEREAS*, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

*NOW, THEREFORE*, by the authority vested in me as the Governor by the Constitution and laws of the State of Nevada, it is hereby ordered as follows:

1. Executive Order 2015-09 shall be amended to extend the existence of the Committee and the time period for filing its report to the Governor and the Interim Finance Committee of the Nevada State Legislature from July 31, 2016, until September 30, 2016;
2. Executive Order 2015-09 shall be amended to allow for the Committee to make recommendations regarding funding from appropriate sources to adequately address increased law enforcement and policing needs to support and protect Southern Nevada's vital tourism infrastructure, visitors, and residents; and

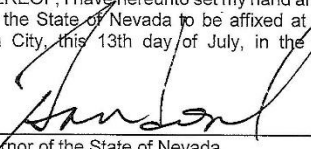




3. Executive Order 2015-09 shall remain in force and effect in all other respects.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 13th day of July, in the year two thousand sixteen.



  
\_\_\_\_\_  
Governor of the State of Nevada

By the Governor:  
  
\_\_\_\_\_  
Secretary of State  
  
\_\_\_\_\_  
Deputy Secretary of State



## Southern Nevada Tourism Infrastructure Committee Membership

### **Steve Hill, Chairman**

*Executive Director*

Governor's Office of Economic Development

### **Carolyn Goodman**

*Mayor*

City of Las Vegas

### **Kristin McMillan**

*President and Chief Executive Officer*

Las Vegas Metro Chamber of Commerce

### **Bill Noonan**

*Senior Vice President of Industry and*

*Governmental Affairs*

Boyd Gaming

### **Kim Sinatra**

*Executive Vice President, General Counsel*

*and Secretary*

Wynn Resorts

### **Mike Sloan**

*Senior Vice President of Government Relations*

Station Casinos

### **Len Jessup, Vice Chairman**

*President*

University of Nevada, Las Vegas

### **Steve Sisolak**

*Chairman*

Clark County Commission

### **Tom Jenkin**

*Global President*

Caesars Entertainment

### **Bill Hornbuckle**

*President*

MGM Resorts International

### **George Markantonis**

*President and Chief Operating Officer of*

*The Venetian and The Palazzo*

Las Vegas Sands Corporation

## Technical Advisory Committee Membership

### **Don Burnette**

*County Manager*

Clark County

### **Tina Quigley**

*General Manager*

Regional Transportation Commission

of Southern Nevada

### **Rosemary Vassiliadis**

*Director of Aviation*

Clark County Department of Aviation

### **Elizabeth "Betsy" Fretwell**

*City Manager*

City of Las Vegas

### **Rossi Ralenkotter**

*President and Chief Executive Officer*

Las Vegas Convention and Visitors Authority

### **Guy Hobbs**

*Managing Director*

Hobbs, Ong & Associates



## Meeting Structure, Process and Organization

The SNTIC held 16 meetings between July 2015 and September 2016. The committee approached the meetings in three general phases. The first phase centered on a series of meetings that involved information gathering on the primary infrastructure areas of focus. These meetings were designed to explore relevant trends, existing challenges and potential opportunities within each infrastructure area. Meetings typically involved informational presentations from a mix of industry experts, government agency representatives and other stakeholders. Some stakeholders returned before the committee multiple times to provide additional follow-up information in response to committee inquiries. The second phase of meetings generally involved committee workshops to consider additional information, facilitate discussion, consider proposed projects and refine the salient issues. The third phase focused on developing and finalizing recommendations and this committee report.

The following table summarizes the schedule and primary topics of each SNTIC meeting. A complete index of topics as well as copies of all committee documentation, research, speaker presentations and proposals are included in the research compendium provided in Appendices B and C of this report.

	<b>Date</b>	<b>Primary Meeting Topics</b>
<b>Phase I: Preliminary Data Gathering</b>	July 14, 2015	Southern Nevada Economic Baseline
	August 27, 2015	McCarran International Airport
	September 24, 2015	Stadiums, Arenas and Event Centers
	October 22, 2015	Convention Centers Future of Transportation
	December 3, 2015	Pedestrian Movement Within the Resort Corridor Las Vegas Convention Center District Proposal
	January 28, 2016	Roads, Highways and Mass Transit
	<b>Phase II: Workshops &amp; Issue Refinement</b>	February 25, 2016
March 24, 2016		Workshop on Stadiums, Arenas and Event Centers
April 28, 2016		Workshop on Las Vegas Convention Center District Proposal Stadium Proposal Las Vegas Monorail Request
May 26, 2016		Workshop on Las Vegas Convention Center District Proposal Stadium Proposal Follow-Up Presentation



Phase III: Recommendation Development	Date	Primary Meeting Topics
	June 23, 2016	McCarran International Airport Legislative Recommendation Las Vegas Convention Center Legislative Recommendation Stadium Proposal Alternatives
	July 11, 2016	Las Vegas Convention Center Legislative Recommendation Workshop on Stadium Proposal
	July 28, 2016	Potential Stadium Site Analysis Workshop on Stadium Proposal Workshop on Resort Corridor Police Funding
	August 25, 2016	Workshop on Stadium Proposal Workshop on Resort Corridor Police Funding
	September 8, 2016	Stadium Legislative Recommendation Resort Corridor Police Funding Legislative Recommendation
	September 15, 2016	Resort Corridor Police Funding Legislative Recommendation Stadium Legislative Recommendation Final Committee Report

## Committee Findings and Recommendations

The following sections summarize the committee’s findings and recommendations regarding each infrastructure area of focus.

### Convention Centers

For more than two decades, Las Vegas has been the leading trade show destination in the United States. In 2015, the city hosted 54 of the nation’s 250 largest trade shows, earning the Trade Show News’ top ranking for the 22<sup>nd</sup> consecutive year. This designation is a result of the ever-growing investment in convention and meeting facilities throughout Southern Nevada. Today, the region is home to three of the 10 largest convention centers in the country that, along with many smaller facilities, drew roughly 6 million business travelers to the region last year.

The largest local facility, the Las Vegas Convention Center (“LVCC”), is the third-biggest in the United States at 1.9 million square feet of exhibit space. Locally, it hosts approximately one in every five convention attendees. The Las Vegas Convention and Visitors Authority (“LVCVA”), which owns and operates the convention center, developed a master plan to expand and renovate the facility about a decade ago, but the plan was suspended when the economic crisis triggered significant drops in convention attendance. The convention business, and the economy as a whole, have rebounded in recent years, prompting the LVCVA to move forward with its plan to expand and renovate the LVCC to remain competitive with other facilities around the country.



As proposed by the LVCVA, phase one of the LVCC expansion and renovation plan involved purchasing the Riviera Hotel site and demolishing the existing buildings to create outdoor exhibit space. Phase two would add a new 1.4 million-square-foot convention hall featuring 600,000 square feet of exhibit space and 150,000 square feet of meeting space. Phase three involves renovating and modernizing the existing LVCC convention halls, including upgrading technology and food services. To ensure minimal disruption of existing trade show schedules and the potential loss of clients, the LVCVA would use the new hall to host shows during the phase three renovations. Finally, phase four would involve future improvements based on customer feedback and market conditions. Phase four, however, was not contemplated by the SNTIC and is not reflected as part of this recommendation.

Rossi Ralenkotter, president and chief executive officer of the LVCVA, testified before the committee that the expansion and renovation are critical for the LVCC to remain competitive in the convention and trade show market. In recent years other cities, including Chicago, Houston and San Francisco, have invested in their convention facilities to make them more competitive in the marketplace. Additionally, operators of major trade shows such as the International Consumer Electronics Show, the National Association of Broadcasters and SEMA testified that the LVCC is not large enough to accommodate their growing show demands, and the aging facility had fallen behind many competitors in terms of its technology infrastructure and amenities. These shortcomings could lead to shows moving all or part of their conventions to other locations, the show operators told the committee.

The LVCVA funded phase one through existing revenue streams but lacks the bonding capacity to fully fund the additional phases. The total cost of phase two and phase three is projected at \$1.4 billion.

### **Recommendation 1**

Based on these findings, the SNTIC recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percentage points in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures.

## **Stadiums, Arenas and Events Centers**

As legalized casino gaming has spread throughout the United States and the around the world, Las Vegas has diversified its non-gaming offerings to continue to attract visitors as a world-class tourist destination. Among those offerings are special events such as concerts and sporting contests, which play an increasingly important role in the diversity of the visitor experience and the economy of Southern Nevada. Today, millions of visitors flock to the region each year to attend concerts, music festivals, awards shows and high-profile sporting events such as National Finals Rodeo, UFC, championship boxing, NBA Summer League and NASCAR racing.



This era of special events began more than 30 years ago with the opening of the Thomas & Mack Center. Since then, multiple venues have been built to accommodate the growing demand for special events. Today, Southern Nevada is home to some of the highest-grossing venues in the world, according to the Top Stops of the Decade list released in 2012 by industry publication *Venues Today*. That list ranked Thomas & Mack Center, Mandalay Bay Events Center and Orleans Arena among the top 15 highest-grossing venues within their respective size categories. The publication also ranked Sam Boyd Stadium fifth in the largest-venue category. These and other facilities provide a diverse mix of venues that allow the region to play host to the Electric Daisy Carnival and its more than 130,000 attendees at the Las Vegas Motor Speedway on the same weekend as the Indian National Finals Rodeo at South Point Arena.

Despite the growing number of venues within Southern Nevada, tourism officials, resort representatives and event promoters all noted during SNTIC meetings that the region lacks a state-of-the-art stadium with the seating capacity to host large-scale events such as international soccer matches, national political conventions, NFL games, neutral-site college football games and large stadium concerts. Although Las Vegas has more hotel rooms than any other U.S. market, worldwide appeal and a history of hosting major events, the absence of a modern stadium prohibits it from competing against the likes of Houston (NRG Stadium, 71,795 capacity); Phoenix (University of Phoenix Stadium, 63,400 capacity); Dallas (AT&T Stadium, 85,000 capacity) and other cities that have modern stadiums. This equates to the potential loss of large events and the hundreds of millions of dollars in economic activity they would create. The region's existing stadium, Sam Boyd Stadium, has undergone two major renovations since it was built in 1971; however, its current capacity of up to 40,000 spectators remains a limiting factor in attracting large events and enabling current events to expand.

In recent years, the University of Nevada, Las Vegas ("UNLV") has explored options for building a stadium that would serve as the home field for Rebel football games, host large-scale third-party events and provide a key selling point for the university to gain acceptance into the Pac-12 or another Power Five athletic conference. The most recent effort, the UNLV Campus Improvement Authority Board ("CIAB"), empaneled a committee of public- and private-sector leaders to study stadium needs and alternatives. The CIAB, which will continue to meet through September 2017, issued a report in 2014 summarizing the competitive landscape for large-scale events, potential stadium design options and the estimated economic impacts that a new stadium would generate. Overall, the CIAB report and speaker testimony before the SNTIC suggests that a domed stadium holds greater potential economic impact than an open-air stadium because it could host more events in its climate-controlled environment.

Whether domed or open-air, a state-of-the-art stadium will be a critical component of special events growth in Southern Nevada, both by attracting new events that are now out of reach and by supporting the expansion of current events that are constrained by the limitations of Sam Boyd Stadium. For UNLV, a new stadium within closer proximity to campus and the resort corridor would also increase interest in the football program and attendance at games, aiding its long-term goal of joining a Power Five conference and moving the university closer to aspired Top Tier status.

During the course of the SNTIC meetings, a development team consisting of the Las Vegas Sands, Majestic Realty Company and The Oakland Raiders proposed a public-private partnership to build a 65,000-seat, NFL-ready domed stadium in Southern Nevada. Over a series of nine meetings, the committee reviewed, discussed and vetted all details of the proposal as it evolved, including the basic



financial structure, financing sources and alternatives, site location, stadium authority governance, waterfall revenue uses and priorities, potential aviation impacts and options for a collegiate stadium should an NFL team not relocate to Southern Nevada. That exhaustive review process resulted in the committee recommendation for financing and building a new NFL-ready domed stadium to expand Southern Nevada's ability to host large-scale special events and stimulate tourism growth throughout the region.

The recommendation calls for the hotel room tax in Clark County to be increased to fund a \$750 million public contribution to the total stadium construction cost, which is estimated to reach up to \$1.9 billion. The Oakland Raiders and the Adelson family agreed to contribute up to \$1.15 billion toward the project cost, including required off-site infrastructure. Project-related construction and operating overruns, should any occur, would be borne by the private-sector developers.

The public contribution would be funded through an increase in the transient lodging tax in Clark County of 0.88 percentage points in the primary resort corridor and 0.5 percentage points for all other areas within the stadium district that encompasses a 25-mile radius from the Clark County Government Center. That revenue would be used as pay-go capital and to repay the bonds up to a maximum public contribution of \$750 million. Following the annual debt service payment, excess room tax revenues would be allocated to a waterfall of additional uses, including \$2 million for stadium authority operations, \$4 million to the Las Vegas Metropolitan Police Department for additional police staffing and equipment within the resort corridor, up to \$9 million annually toward a debt service reserve fund, \$3.5 million to UNLV to replace non-football events revenue lost by the closing of Sam Boyd Stadium and \$5 million toward a stadium capital improvement fund. Any remaining monies could be used for capital improvements to the stadium or for the early defeasance of the bonds.

A public stadium authority would be created to take ownership of the facility and land. A seven-member stadium authority board would be appointed to oversee the stadium, with the Governor appointing three members and the Clark County Commission appointing two members. The remaining two members would be appointed by the five seated members following the contracting process with the stadium operating company and NFL team.

Construction would be expected to begin in early 2018 and finish by fall 2020. In addition to being the home field of the Raiders, the stadium would become the new home venue for the UNLV football team. The current UNLV football home, Sam Boyd Stadium, would cease operations, and the venue's existing events would move into the new stadium.

If an NFL team does not relocate to Southern Nevada within 18 months, UNLV would have 24 months to secure \$200 million in private funding toward construction of a 40,000-seat collegiate football stadium. Under the collegiate stadium proposal, the lodging tax would be reduced to 0.375 percentage points within the primary resort corridor and 0.25 percentage points for all other areas within the stadium district, and a campus improvement authority would be created to govern the publicly owned facility and land. Any unused revenues collected by the stadium authority would be transferred to the campus improvement authority for construction of a collegiate stadium, and the incremental lodging tax revenue would fund bonds or pay-go capital for construction of the project.



If UNLV does not raise the necessary private funds within the required timeframe, all unused revenue collected under the incremental room tax increase would be transferred to the Las Vegas Convention and Visitors Authority to repay bonds used to fund the expansion and renovation of the Las Vegas Convention Center, and the room tax increase would expire.

### **Recommendation 2**

Based on these findings, the SNTIC recommends that the Nevada State Legislature increase the transient lodging tax in Clark County to generate \$750 million in public funding toward construction of a 65,000-seat, NFL-ready domed stadium through a public-private partnership. Under this proposal, a stadium authority would be created to govern the publicly owned facility and land, and the lodging tax would increase by 0.88 percentage points within the primary resort corridor and 0.5 percentage points for all other areas within the stadium district.

If an NFL team does not commit to relocate to Southern Nevada within 18 months, the University of Nevada, Las Vegas would have 24 months to secure \$200 million in private funding toward construction of a 40,000-seat collegiate football stadium. Under the collegiate stadium proposal, the lodging tax would be reduced to 0.375 percentage points within the primary resort corridor and 0.25 percentage points for all other areas within the stadium district, and a campus improvement authority would be created to govern the publicly owned facility and land. Any unused revenues collected by the stadium authority would be transferred to the campus improvement authority for construction of a collegiate stadium with incremental lodging tax revenue funding bonds for construction of the project.

### **Police Protection in the Resort Corridor**

Responsibility for maintaining public safety within the resort corridor lies with the Las Vegas Metropolitan Police Department, which has primary law enforcement duties in the City of Las Vegas and unincorporated Clark County. For many years, department leaders have sought alternative funding sources to increase officer staffing throughout the agency's jurisdiction and within the resort corridor. At present, the Metropolitan Police Department deploys 1.8 officers per 1,000 residents, well below the national ratio of 2.2 officer per 1,000 residents. This ratio does not include the nearly 43 million annual visitors who swell the population by more than 300,000 on a typical day.

During testimony before the SNTIC, Clark County Sheriff Joseph Lombardo said visitors along the Las Vegas Strip and in Downtown Las Vegas account for about 9 percent of his agency's calls for service, and as visitation grows, so do the demands on his department and the officers patrolling the resort corridor. The Metropolitan Police Department does not have a dedicated funding source to support officers deployed within the resort corridor, so during the busy summer months, Sheriff Lombardo testified that he must solicit private donations from resort hotels to fund the Safe Strip program to boost police presence along Las Vegas Boulevard.





Compared with other cities with iconic tourism destinations, such as New York and New Orleans, Las Vegas has fewer officers assigned over a greater distance to police its primary tourist zone. Police presence in these high-profile areas is particularly important in today's homeland security environment where terrorist attacks have targeted tourist destinations around the globe. Additional police officers would provide greater presence for deterring crime, responding quickly to in-progress incidents and increasing public safety for both visitors and residents in the resort corridor.

### **Recommendation 3**

Based on these findings, the SNTIC recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percentage point, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

### **Recommendation 4**

Based on these same findings, the SNTIC further recommends that the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

## **McCarran International Airport**

Within Southern Nevada's tourism-based economy, perhaps no single element of the region's tourism infrastructure is more critical than McCarran International Airport ("McCarran"). Since its creation in 1948, the airport has evolved and grown along with the community while providing a convenient and popular link between Southern Nevada and cities across the United States and around the globe. Today, that link brings 45 million passengers a year through McCarran, ranking it as the eighth-busiest airport in the country and the 26<sup>th</sup>-busiest in the world. When measured by the number of origin and destination ("O&D") passengers, the airport was the third-busiest in the U.S. The majority of the airport's passengers, 80 percent, consists of tourists and business travelers, making it the first and last stop in Las Vegas for roughly 18 million visitors each year.

During testimony, committee members heard from representatives of McCarran, commercial air carriers, air tour operators and ground transportation providers who spoke about their operations and potential infrastructure improvements. The primary infrastructure issue identified during testimony was Southern Nevada's reliance on a single source of aviation fuel. Currently, the region's only source of aviation fuel is the CALNEV pipeline, a 248-mile pipeline system that runs generally along Interstate 15 between Colton, California, and Las Vegas. The pipeline consists of two pipes: an 8-inch diameter pipe used exclusively to ship commercial aviation fuel (Jet-A), and a 14-inch diameter pipe that handles a variety of fuel types, including gasoline, diesel, military jet fuel and Jet-A fuel.



A reserve supply of aviation fuel is stored in Southern Nevada; however, that supply is limited and would not be able to serve the region’s aviation fuel needs in the event of a long-term disruption to the CALNEV pipeline operation. In recent years, McCarran’s aviation fuel supply has been interrupted many times because of accidents, natural disasters or other events.

May 1989 – A Southern Pacific freight train derailed in San Bernardino County, California, damaging the underground 14-inch pipe adjacent to the railroad tracks. A subsequent fire caused the pipeline to be shut down for several days.

January 2001 – Rolling power shortages in California caused several disruptions to the pipeline’s electricity supply over a period of weeks.

January 2002 – A computer glitch caused a 36-hour shutdown of the pipeline.

January 2005 – Heavy rains and mudslides in Southern California shut down the pipeline for nearly a week.

March 2014 – McCarran experienced a weeklong fuel shortage after a five-day supply of jet fuel that didn’t meet standards was delivered to the airport.

These disruptions required emergency measures, such as restructuring aircraft fueling to only what was necessary for the next flight segment, reducing fuel exports to outlying areas and delivering fuel to the valley using trucks. These types of measures, along with McCarran’s 10-day supply of fuel in reserve, allow for the short-term management of a pipeline disruption. That said, they would be difficult to sustain over a prolonged timeframe.

#### **Recommendation 5**

Based on these findings, the SNTIC recommends that the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.

### **Pedestrian Movement in the Resort Corridor**

The Las Vegas Strip is a one-of-a-kind pedestrian environment, regularly accommodating tens of thousands of walkers concentrated along four miles of Las Vegas Boulevard. Walking along the Strip remains a popular method of transportation for many visitors, despite long blocks that stretch a half mile or more and the often lengthy distances between resort entrances. In Downtown Las Vegas, heavy pedestrian movement is concentrated around the Fremont Street Experience and the Fremont East Entertainment District.



During the SNTIC meeting on the topic, representatives of Clark County and the City of Las Vegas provided testimony about their recent efforts to reduce pedestrian congestion along Las Vegas Boulevard and in downtown Las Vegas. Along Las Vegas Boulevard between Russell Road and Sahara Avenue, generally known as the Las Vegas Strip, the quality of pedestrian movement can be influenced by many factors. Although sidewalk width is generally considered the primary factor, the effective width of a sidewalk can be reduced by permanent obstacles such as light poles, trash cans and bus stop shelters, or non-permanent obstacles such as street performers, handbillers and vendors. The greater the number of obstacles along a sidewalk, the more congested it can become when demand is heavy.

Since 2012, Clark County has empaneled a blue ribbon working group, enacted law changes and undertaken public works projects to improve pedestrian movement on the Strip. Recent ordinance changes banned pets during peak pedestrian traffic times and prohibited unlicensed vendors from selling goods on pedestrian bridges and Strip sidewalks. Additionally, ongoing construction projects are focused on widening sidewalks and relocating sign posts, fire hydrants and other physical obstructions to improve the flow of foot traffic.

The City of Las Vegas provided a presentation on investments and improvements in the downtown area to enhance the pedestrian experience. Those include numerous lighting and sidewalk improvements, a downtown circulator vehicle to help move people between various downtown destinations and an ordinance restricting busker activity at the Fremont Street Experience to 38 designated locations.

A key component of reducing pedestrian congestion along Las Vegas Boulevard or the Fremont Street area involves police enforcement of existing laws related to obstructing sidewalks and other pedestrian walkways. This enforcement is one of many responsibilities of Las Vegas Metropolitan Police Department officers assigned to the resort corridor. To help enforce these laws as well as provide improved police protection and response in the state's most-important area of economic activity, Clark County Sheriff Joseph Lombardo requested additional funding to increase staffing resources and monitoring equipment in the resort corridor. Police funding was discussed in greater detail during subsequent committee meetings and is addressed as a standalone recommendation from the SNTIC later in this document.

Currently, the actions being undertaken by local governments are actively addressing necessary infrastructure projects related to pedestrian movement within the resort corridor, therefore no further action is required by or requested of the state.

### **Roads, Highways and Mass Transit**

For decades, Southern Nevada's rapid growth and expansion coincided with the addition of new lanes of roads and highways to accommodate the growing demand for vehicular travel throughout the area. As in many metropolitan areas across the U.S., Southern Nevada's roadway capacity has not kept pace with the increasing demands of one of the fastest-growing regions in the nation. This has led to rising congestion, particularly within the resort corridor, and growing frustration among residents and visitors alike.



This was a common refrain during committee meetings. Both committee members and speakers noted issues with traffic congestion impeding the efficient movement of visitors to and from McCarran International Airport and throughout the resort corridor. For a destination built on world-class experiences in accommodations, dining and entertainment, the experience of getting from one destination to another is frequently considered anything but world class.

During its meeting on the topic, the SNTIC heard testimony from representatives of the Regional Transportation Commission of Southern Nevada (“RTC”) specific to its Transportation Investment Business Plan (“TIBP”), a three-year effort to identify the community’s transportation infrastructure needs over the next 30 years to remain economically competitive. The TIBP included 65 recommended transportation projects within seven suites designed to increase mobility and connections between the economic centers within the central area of Las Vegas. Those economic centers include the Las Vegas Strip, Downtown Las Vegas, McCarran International Airport and the University of Nevada, Las Vegas. A number of projects are dedicated to improving mobility within the resort corridor, such as a light rail system connecting McCarran and the Strip, additional pedestrian bridges along Las Vegas Boulevard and increased public transit options for the workforce commuting to and from the corridor every day.

The committee also heard testimony from a panel of leaders from regional transportation agencies around the United States about their experiences in financing and building major transportation infrastructure projects in their respective cities.

Representatives from Clark County and the City of Las Vegas provided presentations on transportation improvements they have made and plan to make within the resort corridor, and the Las Vegas Monorail Company detailed plans to extend service to Mandalay Bay and add a stop at the Sands Expo Center, which would connect three of the largest convention centers in the nation. XpressWest also provided a status update on its plans to establish a high-speed rail line that would eventually connect Las Vegas with Los Angeles and provide a travel alternative for the 10 million annual visitors from Southern California.

Currently, the actions being undertaken by local governments and regional agencies are actively addressing necessary infrastructure projects related to roads, highways and mass transit, therefore no further action is required by or requested of the state. This finding is predicated on whether the forthcoming ballot question regarding fuel revenue indexing in Clark County is approved by voters in November, as the committee might have had transportation funding recommendations if fuel revenue indexing were not under consideration.



## **Appendix A**

### **Committee Recommendations**



## Committee Recommendations

The Southern Nevada Tourism Infrastructure Committee recommends the following actions be undertaken by the Nevada State Legislature.

**Recommendation 1:** *Increase the Transient Lodging Tax to Expand and Renovate the Las Vegas Convention Center*

The committee recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percentage point in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at \$25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee and approve project plans and expenditures.

**Recommendation 2:** *Increase the Transient Lodging Tax to Fund \$750 Million Toward Construction of a Stadium Under a Public-Private Partnership*

The committee recommends that the Nevada State Legislature increase the transient lodging tax in Clark County to generate \$750 million in public funding toward construction of a 65,000-seat, NFL-ready domed stadium through a public-private partnership. Under this proposal, a stadium authority would be created to govern the publicly owned facility and land, and the lodging tax would increase by 0.88 percentage points within the primary resort corridor and 0.5 percentage points for all other areas within the stadium district.

If an NFL team does not commit to relocate to Southern Nevada within 18 months, the University of Nevada, Las Vegas would have 24 months to secure \$200 million in private funding toward construction of a 40,000-seat collegiate football stadium. Under the collegiate stadium proposal, the lodging tax would be reduced to 0.375 percentage points within the primary resort corridor and 0.25 percentage points for all other areas within the stadium district, and a campus improvement authority would be created to govern the publicly owned facility and land. Any unused revenues collected by the stadium authority would be transferred to the campus improvement authority for construction of a collegiate stadium with incremental lodging tax revenue funding bonds for construction of the project.

**Recommendation 3:** *Increase the Sales Tax Rate in Clark County and Dedicate a Specified Portion to Funding Additional Police Officers Within the Resort Corridor*

The committee recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percentage points, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.



**Recommendation 4:** *Remove the 2025 Sunset Provision of the Clark County Sales and Use Tax of 2005*

The committee recommends that the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

**Recommendation 5:** *Authorize Study of Aviation Fuel Resources*

The committee recommends that the Nevada State Legislature authorize an interim study of available and alternative aviation fuel resources to support the current and future needs of the Southern Nevada aviation industry. The recommendation would be for the study to be approved during the 2017 session of the Nevada State Legislature, conducted between the 2017 and 2019 session, with a report delivered to the Governor and Legislature in advance of the 2019 session.



## **Convention Center Expansion and Renovation Legislative Recommendation**





## Convention Center Expansion and Renovation

### Legislative Recommendation

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

#### OVERVIEW

**SECTION 1** amends NRS 244 to increase the room tax by one-half of one percentage point (0.5 percent) in counties with 700,000 people or more. **SECTION 2** specifies allowable uses of the additional room tax revenue created in **SECTION 1**. **SECTION 3** enumerates prohibited uses of the additional room tax revenue created in **SECTION 1**. **SECTION 4** amends NRS 244A to cap the local government collection allowance for the transient lodging tax to an amount not greater than \$25 million per year in counties with a population of 700,000 or more; establishes the allowable uses and prohibited uses for the revenues in excess of the maximum collection allowance in Section 4. **SECTION 5** creates a committee for convention facilities in counties with a population of 700,000 or more. **SECTION 6** establishes the duty of the county fair and recreation board to provide support and information to an oversight committee for convention facilities. **SECTION 7** establishes certain reporting and duties of an oversight committee for convention facilities. **SECTION 8** amends NRS 268 to increase the room tax by one-half of one percentage point (0.5 percent) in all cities in a county with 700,000 people or more. **SECTION 9** specifies the allowable uses of the additional room tax revenue created in **SECTION 8**. **SECTION 10** enumerates prohibited uses for the additional room tax revenue created in **SECTION 8**. **SECTION 11** exempts the imposition of the increases in room tax as set forth in this Act from the business impact statement requirement. **SECTION 12** and **SECTION 13** exempt the Act from the legislative limitation on the imposition of additional transient lodging taxes. **SECTION 14** makes the Act effective upon passage and approval with ninety (90) days to implement the increase in room tax and sunsets the tax when the notes, bonds or other securities issued to fund the cost of the project have been paid in full or thirty-three (33) years, whichever occurs first, unless the state legislature determines it is in the best interest of the state's tourism industry to extend the tax for a longer period of time.

#### LANGUAGE FOR CONSIDERATION

**SECTION 1.** *NRS 244.335X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.*

*1. The board of county commissioners:*

*(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that county upon all persons in the business of providing lodging. This tax must be imposed by the board of county commissioners in each county, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.*

*2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 244.335.*



*3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.*

*4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:*

*(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and*

*(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.*

*5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.*

**SECTION 2. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.**

*1. The proceeds of the tax imposed by Section 1 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 1 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:*

*(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board; and*

*(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.*

*2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.*

**SECTION 3. NRS244.33X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 1 may not be used:**

*1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*

*2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*

*3. To fund operating activities;*

*4. To fund any general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;*

*5. To improve and expand recreational facilities other than those authorized in Section 2;*

*6. To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or*

*7. For any other purpose inconsistent with Section 2.*

**SECTION 4. NRS 244A.645 Powers of board concerning license taxes assigned or appropriated by cities, towns and counties. In connection with any license taxes assigned or appropriated by any city, town or county, or any combination thereof, for use in connection with NRS 244A.597 to 244A.655, inclusive, the county fair and recreation board of any county, upon behalf of the county, in addition to powers elsewhere conferred, may:**



1. Collect the proceeds of such taxes from time to time, receive, control, invest and order the expenditure of all money pertaining thereto, prescribe a procedure therefor, including, but not limited to:
  - (a) Enforcing the collection of any delinquent taxes and providing penalties in connection therewith, including, without limitation, the suspension of the business license issued by a county, city or town to a transient lodging facility and the closure of a transient lodging facility for failure to pay the tax on transient lodging; and
  - (b) Creating an office and hiring personnel therefor.
2. Defray the reasonable costs of collecting and otherwise administering such taxes from not exceeding 10 percent of the gross revenues so collected, excluding from this limitation and from those gross revenues any costs of collecting any delinquent taxes borne by any delinquent taxpayer.

*(a) In a county whose population is 700,000 or more:*

*(1) The incorporated cities collectively and any county shall enter into an agreement with the board for the payment of collection fees, which may not exceed 10 percent of the proceeds of the license taxes collected by a particular city or the county, except that the total payment of collection fees to all the cities and the county must not exceed \$25 million in any single fiscal year.*

*(b) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a) which would have been paid to the collecting entities shall be pledged revenues for the purpose of subsection 3 of NRS 350.020 and accounted for separately and used only:*

*(1) To expand an existing convention center owned and operated by the county fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve and renovate the facilities of the county fair and recreation board; and*

*(2) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in Subsection 1.*

*(c) Revenues in excess of the maximum collection allowance from the taxes imposed on the rental of transient lodging as set forth in Section 4 (2)(a), which would have been paid to the collecting entities shall not be used:*

*(1) As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*

*(2) To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*

*(3) To operate and maintain recreational facilities under the jurisdiction of the county fair and recreation board;*

*(4) To improve and expand recreational facilities other than those authorized in Section 2;*

*(5) To construct, purchase or acquire recreational facilities other than those authorized in Section 2; or*

*(6) For any other purpose inconsistent with Section 2.*

**SECTION 5. NRS 244A.XXX Oversight panel for convention facilities: Establishment in counties whose population is 700,000 or more; membership; terms of members; meetings.**

*1. The oversight committee shall be comprised of seven (7) members that live in the county.*

*2. Oversight committee members shall be nominated by the board of county commissioners, city councils of any incorporated city in the county, the Majority Leader of the Nevada State Senate, the Speaker of the Nevada State Assembly, and the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees pursuant to NRS 463.370 in the preceding year, and shall be appointed by the Governor.*



3. *The seven (7) members appointed by the Governor shall include:*
  - (a) *Five members who are executives and/or directors of construction of active commercial hotel resort properties who have experience managing the design, engineering, cost estimating and construction of commercial conference and/or convention facilities; and*
  - (b) *Two members who are experienced in the financing of capital projects within the State of Nevada.*
4. *No two members of the oversight panel for convention facilities shall be representatives of the same company.*
5. *The initial term for members appointed under Section 5(3)(a) shall end on June 30, 2018, and the initial term for members appointed under Section 5(3)(b) shall end on June 30, 2019. After the initial terms, the term of each member of the oversight panel is two (2) years. Members of the oversight panel are eligible for reappointment.*
6. *The chair and vice chair of the oversight panel shall be appointed by the Governor.*
7. *The oversight panel for convention facilities may meet at the call of the chair of the oversight panel, but is not required to hold meetings except for the purposes of carrying out its duties pursuant to this Act, or at the request of the Legislature, the Governor or county fair and recreation board.*
8. *The oversight panel shall comply with NRS Chapter 239 and will dissolve upon the earlier of ten (10) years after the date of passage of the Act or the completion of the expansion and renovation projects as set forth in Section 2, as certified by an independent public accountant.*

**SECTION 6. NRS 244A.XXX Oversight panel for convention facilities: Duty of county fair and recreation board to provide support and information. The county fair and recreation board in a county whose population is 700,000 or more shall:**

1. *Provide administrative support to the oversight panel for convention facilities to ensure its ability to fulfill the duties and responsibilities pursuant to this Act;*
2. *Comply with all requests by the oversight panel for information;*
3. *Prepare a 3-year plan for the renovation and expansion of convention facilities and a 5-year plan for the construction of convention facilities funded by this Act for submission to the oversight panel for its review and recommendations on or before June 30 of each even-numbered fiscal year;*
4. *Provide an annual progress update of all projects undertaken pursuant to Sections 2 and 9 of this Act.*
  - (a) *The annual progress update shall have been accepted by the fair and recreation board before being submitted to the oversight panel for convention facilities.*
5. *Consider each recommendation, approval or disapproval of the oversight panel for convention facilities.*
  - (a) *The fair and recreation board may reject the recommendation, approval or disapproval of the oversight panel for convention facilities. If the recommendation, approval or disapproval of the oversight panel for convention facilities is rejected by less than 67 percent of the voting members of the fair and recreation board, the fair and recreation board shall revise and resubmit the recommendation, approval or disapproval to the oversight panel for convention facilities before taking any further action on that recommendation.*
6. *On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all construction or renovation payments made with the proceeds of the license taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the immediately preceding fiscal year; and*
7. *On or before August 31 of each fiscal year, submit to the oversight panel for convention facilities for review an annual third-party audit of all bond activity and uses related to the proceeds of the license*



*taxes in Section 1 and 8 of this Act and the revenues retained pursuant to Section 4 of this Act for the preceding fiscal year.*

**SECTION 7. NRS 244A.XXX Duty to review and submit recommendations for convention facility expansion and renovation plans; oversight panel required to approve or deny request for issuance of certain bonds.**

*1. The oversight panel for convention facilities shall review and, within 30 days approve or disapprove plans for expansions to or renovation of any convention facilities undertaken pursuant to this Act.*

*2. In a county whose population is 700,000 or more, the oversight panel for convention facilities shall review and, within 30 days, approve or disapprove a request of the county fair and recreation board for the issuance of bonds or any other form of indebtedness pursuant to this Act.*

*3. The oversight panel's approval of any issuance of bonds or any other form of indebtedness as set forth in subsection 2 shall be made after the approval, if any, required by any debt management commission and prior to adoption of a resolution of intent pursuant to subsection 3 of NRS 350.020.*

**SECTION 8. NRS 268.09X Additional mandatory tax on revenues from rental of transient lodging: Imposition and collection; schedule for payment; penalty and interest for late payment.**

*1. The city council or other governing body of each incorporated city:*

*(a) In a county whose population is 700,000 or more, shall impose a tax, in addition to any other tax imposed on transient lodging, of one-half of one percent (0.5%) of the gross receipts from the rental of transient lodging in that city upon all persons in the business of providing lodging. This tax must be imposed by the city council or other governing body of each incorporated city, regardless of the existence or nonexistence of any other license fee or tax imposed on the revenues from the rental of transient lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and the provisions of subsection 4.*

*2. The tax imposed pursuant to subsection 1 must be collected and administered pursuant to NRS 268.095.*

*3. The tax imposed pursuant to subsection 1 may be collected from the paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county for the tax whether or not it is actually collected from the paying guest.*

*4. If the tax imposed pursuant to subsection 1 is not paid within the time set forth in the schedule for payment, the county shall charge and collect in addition to the tax:*

*(a) A penalty of not more than 10 percent of the amount due, exclusive of interest, or an administrative fee established by the board of county commissioners, whichever is greater; and*

*(b) Interest on the amount due at the rate of not more than 1.5 percent per month or fraction thereof from the date on which the tax became due until the date of payment.*

*5. As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.*

**SECTION 9. NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Distribution of proceeds; Use of funds.**

*1. The proceeds of the tax imposed by Section 8 shall be paid to the county fair and recreation board established by NRS 244A.597 thru NRS 244A.645 for that County and the proceeds of the tax received by the county fair and recreation board under Section 8 shall not be subject to the collection fee set forth in NRS 244A.645 and must be accounted for separately and used only:*



*(a) To expand an existing convention center owned and operated by the fair and recreation board with the addition of no less than 600,000 square feet of leasable exhibition space plus associated support space, and to further expand, construct, improve, maintain and renovate existing convention center facilities of the county fair and recreation board of the county fair and recreation board; and*

*(b) To pay the principal and interest on notes, bonds or other securities issued to fund the cost of projects described in subsection 1.*

*2. Such proceeds shall be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.*

**SECTION 10.** *NRS268.09X Additional mandatory tax on revenues from rental of transient lodging: Prohibited uses of proceeds. The proceeds of the tax imposed pursuant to Section 8 may not be used:*

*1. As additional security for the payment of, or to redeem, any general obligation bonds issued prior to the passage of this Act;*

*2. To defray the costs of collecting or administering the tax incurred by the county fair and recreation board;*

*3. To fund operating activities;*

*4. To fund any or general repair and maintenance on recreational facilities that would otherwise be funded from the general fund of the fair and recreation board;*

*5. To improve and expand recreational facilities other than those authorized in Section 9;*

*6. To construct, purchase or acquire recreational facilities other than those authorized in Section 9; or*

*7. For any other purpose inconsistent with Section 9.*

**SECTION 11.** *Exemption from Business Impact Statement requirements. Any ordinance or other action of the board of county commissioners or city councils taken pursuant this Act is exempt from the requirements of NRS 237.030 thru 237.150.*

**SECTION 12.** NRS 244.3359 Taxes on rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration; exceptions.

1. A county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.3351, 244.3352, ~~and~~ 244.33561 *and Section 1 of this Act.*

2. A county whose population is 100,000 or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991, except pursuant to NRS 244.33561.

3. Except as otherwise provided in subsection 2 and NRS 387.191, the Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for the promotion of tourism or for the construction or operation of tourism facilities by a convention and visitors authority.

**SECTION 13.** NRS 268.0968 Tax on revenues from rental of transient lodging: Limitations on imposition of new tax and on increase in rate of existing tax; legislative declaration.

1. Except as otherwise provided in NRS 268.096, ~~and~~ 268.801 to 268.808 *and Section 8 of this Act*, inclusive, a city located in a county whose population is 700,000 or more shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

2. Except as otherwise provided in NRS 268.7845, a city located in a county whose population is 100,000



or more but less than 700,000 shall not impose a new tax on the rental of transient lodging or increase the rate of an existing tax on the rental of transient lodging after March 25, 1991.

3. The Legislature hereby declares that the limitation imposed by subsection 2 will not be repealed or amended except to allow the imposition of an increase in such a tax for:

- (a) The promotion of tourism;
- (b) The construction or operation of tourism facilities by a convention and visitors authority; or
- (c) The acquisition, establishment, construction or expansion of one or more railroad grade separation projects.

**SECTION 14. 1. *This Act shall become effective upon passage and approval except that Sections 1 and 8 shall be imposed ninety (90) days after passage and approval.***

**2. *Transient lodging taxes created in Sections 1 and 8 of this Act shall sunset:***

**(a) *When the notes, bonds or other securities issued pursuant to Section 2(b) and Section 9(b) of this Act have been fully paid; or***

**(b) *Thirty-three (33) years from the effective date of this Act, whichever occurs first.***

**3. *On a date not less than three years prior to the sunset of the transient lodging tax as set forth in subsection 2, the Nevada State Legislature shall consider in a public hearing whether it is in the best interest of the state's tourism industry to extend the imposition of the transient lodging taxes set forth in Sections 1 and 8 for a longer period of time.***

**##### END #####**



## **Stadium Funding Construction and Oversight Legislative Recommendation**





## Stadium Project Funding, Administration and Oversight *Legislative Recommendation*

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

### OVERVIEW

**SECTION 1** to **SECTION 25** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League (NFL) stadium project in a county whose population is 700,000 or more (currently Clark County). **SECTION 11** through **SECTION 19** create a stadium authority as a public body and establish its powers and authorities. **SECTION 20** creates a stadium district to finance an NFL stadium project or a collegiate stadium project in such a county and provides that the stadium district consists of all property that is located within the county that is within 25 miles from the location where the board of county commissioners have their regular meetings. **SECTION 20** of this bill also provides for the imposition, collection and administration of a tax upon on all persons in the business of providing lodging in the stadium district at a specified rate of the gross receipts from the rental of transient lodging in the stadium district. **SECTION 21** and **SECTION 22** of this bill require the stadium authority for the county in which the stadium district is located to use the proceeds of the tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project within the stadium district. **SECTION 23** of this bill provides a number of special conditions that the stadium authority must include in any agreements with the developer and operator of the NFL stadium project. **SECTION 24** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project, if an NFL franchise commits to locate or relocate to the stadium district. **SECTION 25** defines exemptions from and applicability of certain Nevada Revised Statutes dealing with public works. **SECTION 26** transfers collected tax dollars, in the event an NFL franchise does not commit to locate or relocate to the stadium district or other conditions are not met, to a university within the stadium district where that university obtains a commitment of at least \$200,000,000 in funding for a collegiate stadium on its campus. If the conditions for the use of the proceeds of the tax for an NFL stadium project or a collegiate stadium project are not satisfied, **SECTION 26** then requires that the proceeds of the tax be distributed to the county fair and recreation board to pay debts incurred for capital facilities and that all stadium project-related tax increases sunset. **SECTION 27** defines an undertaking for the development of a collegiate stadium project to include the collegiate stadium itself and any supporting projects, improvements or facilities. **SECTION 28** to **SECTION 35** create a campus improvement authority as a public body and defines its powers and authorities. **SECTION 36** reduces the transient lodging tax rate imposed by **SECTION 20** in the event the proceeds of the tax will be used to construct a collegiate stadium project as opposed to an NFL stadium project. **SECTION 37** through **SECTION 39** of this bill require the campus improvement authority for the county in which the stadium district is located use the proceeds of the lodging tax to pay all or part of the costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium within the stadium district. **SECTION 40** of this bill requires the county in which the stadium district is located to issue general obligations of the county to defray the cost to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium if an NFL franchise does not commit to locate or relocate to the district and a university within the stadium district obtains a commitment of at least \$200,000,000 in private funding for a collegiate stadium on its campus. **SECTION 41** of this bill clarifies that no provision of this bill shall infringe on the rights and powers of a university or



its board of regents. **SECTION 41.5** of this bill provides the procedures under which bonds may be issued pursuant to this act. **SECTION 42** establishes the terms of stadium authority board members. **SECTION 43** establishes the terms of campus improvement authority board members. **SECTION 44** provides a timeline for certain actions required by the NFL franchise, stadium developers and the stadium authority board. **SECTION 45** establishes effective dates for each section of the act.

## **LANGUAGE FOR CONSIDERATION**

### **DEFINITIONS**

**SECTION 1.** *As used in section 1 to 45, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 through 45 of this act have the meanings so ascribed to them in those sections.*

**SECTION 2.** *“Developer partner” means one or more private parties providing funds needed to construct the stadium project or providing all or a portion of funds needed to make capital improvements to the stadium project in the stadium district. The developer partner, or its affiliate, may also be a part owner or owner of the Stadium Events Company.*

**SECTION 3.** *“Stadium district” means the district to finance a stadium project that is created by section 20 of this act.*

**SECTION 4.** *“NFL team” means the National Football League franchise that has committed to locate or relocate to the stadium district and utilize the stadium project for its home National Football League games and related activities. The NFL team, or its affiliate, may also be a part owner or owner of the Stadium Events Company and may be a developer partner.*

**SECTION 5.** *“Stadium authority” means the stadium authority for the county in which a stadium district is located and is inclusive of its appointed board pursuant to this act.*

**SECTION 6.** *“Stadium Events Company” means the legal entity owned by and comprised of the NFL team, or its affiliate, and/or any other developer partner, or its affiliate, contributing equity to pay a portion of construction costs of the NFL stadium project. Stadium Events Company will lease the NFL stadium project pursuant to a long-term lease with the stadium authority. Stadium Events Company will be responsible for all stadium operating cost overruns.*

**SECTION 7.** *“NFL stadium project” means a domed stadium developed within the stadium district containing approximately 65,000 seats constructed by one or more developer partners in cooperation with an NFL team. The location, design, fit and finish of the NFL stadium project shall be consistent with first-class, premier National Football League facilities currently in operation or approved for construction by the National Football League.*

**SECTION 8.** *“Collegiate stadium project” means a stadium developed within the stadium district containing not less than 40,000 seats constructed by a public university. The location, design, fit and finish of the stadium project shall be consistent with similar competitive facilities existing at universities*



*in Power Five athletic conferences within National Collegiate Athletic Association Division I Football Bowl Subdivision.*

**SECTION 9.** *“Campus improvement authority” mean the improvement authority created by a university located within the stadium district and is inclusive of its appointed board pursuant to this act.*

**SECTION 10.** *“System” means the Nevada System of Higher Education.*

## **NFL STADIUM PROJECT**

### **PART I | STADIUM AUTHORITY BOARD FORMATION, POWERS AND AUTHORITIES**

**SECTION 11. 1.** *In each county whose population is 700,000 or more, there is hereby created a stadium authority consisting of seven members to be appointed as follows:*

*(a) Three members appointed by the Governor;*

*(b) Two members appointed by the board of county commissioners of the county in which the stadium district is located; and*

*(c) Two members representing the public at-large shall be appointed by members of the stadium authority appointed pursuant to paragraphs (a) and (b), with consideration given to appointment recommendations made by the Stadium Events Company and the NFL team.*

**2.** *The stadium authority constitutes:*

*(a) A body corporate and politic;*

*(b) A political subdivision of the county in which the stadium district is located; and*

*(c) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.*

**3.** *A vacancy on the stadium authority occurs when a member:*

*(a) Dies or resigns; or*

*(b) Is removed, with or without cause, by the person or entity who appointed that member.*

**4.** *A vacancy on the stadium authority must be filled in the same manner as the original appointment pursuant to subsection 1.*

**5.** *A member of the stadium authority is not entitled to receive any compensation for serving as a member or officer of the stadium authority.*

**6.** *The members of the stadium authority are public officers for the purposes of chapter 281A of NRS.*

**7.** *All members of the stadium authority shall reside in the county in which the stadium district is created.*

**8.** *Stadium authority members appointed pursuant to subsection 1 shall be:*

*(a) Professionals experienced in design, development, engineering, cost estimating and construction of major commercial projects;*

*(b) Professionals experienced in the financing of capital projects within the state of Nevada;*

*(c) Professionals experienced in the field of stadium, arena or event management; or*

*(d) Other private sector representatives with the education, experience and skills necessary to effectively execute the duties and responsibilities of the stadium authority as set forth in this act.*

**9.** *Not less than two stadium authority members shall be representatives of businesses within the county generating the greatest amount of transient lodging taxes. Combined, these representatives share of total transient lodging taxes generated within the county shall not be less than 60 percent. Not less than one such appointment shall be made by the Governor pursuant to paragraph (a) of subsection 1 and by the board of county commissioners pursuant to paragraph (b) of subsection 1.*



*10. No two members of the stadium authority shall be representatives of the same company.*

**SECTION 12. 1.** *The Governor shall appoint one of the stadium authority members as Chair.*

*2. The stadium authority shall appoint:*

*(a) One of its members as Vice Chair; and*

*(b) A Secretary and a Treasurer, who may be members of the stadium authority and may be one person.*

*2. The Vice Chair of the stadium authority shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*

*(a) The stadium authority shall meet regularly in the stadium district at such times and places as it designates. Special meetings may be held at the call of the Chair, upon notice to each member of the stadium authority, as often as the needs of the stadium authority require.*

*3. Except as otherwise provided in subsection 5 of NRS 281A.420:*

*(a) Four of the members of the stadium authority constitute a quorum at any meeting of the stadium authority.*

*(b) The stadium authority may take action only by a motion or resolution adopted with the approval of at least four members of the stadium authority when a quorum is present, and only actions complying with this act may be taken by the stadium authority.*

*4. The stadium authority constitutes a public body for the purposes of chapter 241 of NRS.*

**SECTION 13. 1.** *The Secretary of the stadium authority shall keep:*

*(a) Audio recordings or transcripts of all meetings of the stadium authority;*

*(b) Minutes of all the meetings of the stadium authority;*

*(c) A record of all the proceedings and actions of the stadium authority;*

*(d) Any certificates issued or received by the stadium authority;*

*(e) Any contracts made by the stadium authority; and*

*(f) Any bonds required by the stadium authority from its employees.*

*2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*

*3. The Treasurer of the stadium authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the stadium authority.*

*4. The Secretary and Treasurer of the stadium authority do not constitute a part of the staff of the stadium authority for the purposes of section 14 of this act.*

*5. The board of the stadium authority may direct staff of the stadium authority, retained pursuant to section 14 of this act, to provide the services necessary for the Secretary and Treasurer to fulfill their respective duties as set forth in this section.*

**SECTION 14. 1.** *The stadium authority may retain such staff as it determines to be necessary to conduct the activities of the stadium authority. The stadium authority may:*

*(a) Hire the members of its staff as employees;*

*(b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*  
*or*

*(c) Retain the members of its staff using any combination of the methods described in paragraphs SECTION 14 and 0.*

*2. The stadium authority shall specify:*

*(a) The powers and duties of the members of its staff; and*

*(b) The amount and basis of compensation for the members of its staff.*



**SECTION 15. *The stadium authority:***

- 1. May adopt a seal;*
- 2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of section 14 to section 19 of this act, for carrying out its business and affairs; and*
- 3. Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of this act.*

**SECTION 16. *1. In addition to the duties and powers granted to the stadium authority in sections 14 and 15, the stadium authority shall:***

*(a) In accordance with the facts, certify that the NFL team is authorized an NFL team to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*

*(b) In accordance with the facts, certify that the NFL team identified in paragraph (a) has committed to locate or relocate into the stadium district within the timeframe set forth by section 44 of this act.*

*(c) In accordance with the facts, certify that the Stadium Events Company has been properly formed in this State. Certification of the Stadium Events Company shall include, but may not be limited to, a disclosure of all owners and operators of the Stadium Events Company.*

*(d) Identify and qualify the developer partners as a matter of public record.*

*(1) Identification of the developer partners shall include, but may not be limited to, a disclosure of all participating entities.*

*(2) Qualification of the developer partners shall include, but may not be limited to, documented affiliation with the NFL team certified by the stadium authority pursuant to subparagraph (b) and a demonstrated ability to successfully construct the development project.*

*(e) Prior to approving a development agreement with developer partners, the stadium authority shall ensure that the developer partners have provided suitable financial security for the developer partners' funding obligations as a part of the NFL stadium project financing. This shall include, but may not be limited to, that the assurances required by section 24 of this act are provided in advance of the issuance of any bonds or other forms of indebtedness by the county on behalf of the stadium authority.*

*2. After all certification and qualifications set forth in subsection 1 have been completed, the stadium authority shall negotiate and may approve a development agreement with the developer partners or the Stadium Events Company for the construction of an NFL stadium project. The development agreement may be combined with the lease to create a development and lease agreement as determined by the stadium authority.*

*(a) The development agreement shall identify the site of the NFL stadium project.*

*(b) The development agreement shall set forth the overall design, scope and specifications of the undertaking.*

*(c) The development agreement shall set forth the sources of funding for the NFL stadium project in a manner consistent with the provisions of this act.*

*(d) The development agreement shall establish a process and criteria for periodic progress reporting by the developer partners to the stadium authority on the construction and development status of the NFL stadium project.*

*(e) The development agreement shall state that any and all construction and development cost overruns incurred in the construction and development of the NFL stadium project shall be the sole responsibility of the developer partners. The sole exception to this provision shall be any cost overruns caused by a design or other change mandated by the stadium authority or other governmental entity subsequent to*



*the approval of the development agreement required by this section, excluding any change subsequent to the development agreement required to comply with building codes, including without limitation, those relating to building safety.*

*(f) The development agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.*

*(g) The development agreement, nor any action taken by the stadium authority, shall not conflict with, limit or otherwise alter any provision of section 25 of this act.*

*(h) The development agreement shall include the developer partners' contribution to adequate offsite infrastructure as required by the county, the Nevada Department of Transportation and, as appropriate, the municipality in which the NFL stadium project is constructed.*

*(i) The development agreement shall require that the developer partners ensure that no action or inaction by the developer partners, or any party hired or retained on behalf of the developer partners, in the construction and development of the NFL stadium project results in any lien against the NFL stadium project that is not cured by the developer partners within a customary amount of time using commercially reasonable efforts. Customary time and commercially reasonable efforts shall be consistent with the laws of this State and shall be subject to the approval of the stadium authority.*

*(j) The development agreement may include other terms and conditions as deemed necessary and appropriate by the stadium authority board.*

*3. Once all certification and qualifications set forth in subparagraph 1 have been completed, the stadium authority shall negotiate and may approve a lease agreement, which may be combined with the development agreement to create a development and lease agreement, with the Stadium Events Company and/or an NFL team or its affiliate.*

*(a) The lease agreement(s) shall set forth all of the requirements and responsibilities of the Stadium Events Company and/or NFL team or its affiliate as the operator(s) of the NFL stadium project and empower such lessee the right to engage a stadium operations company to operate the NFL stadium on a day-to-day basis as determined by the lessee.*

*(b) The lease agreement(s) shall establish minimum standards for capital reinvestment and maintenance of the NFL stadium project, ensuring that the design and development standards set forth in this act are maintained or enhanced throughout the life of the lease agreement(s).*

*(c) The lease agreement(s) shall provide for the annual allocation of revenues and expenses consistent with this act.*

*(d) The lease agreement(s) shall state that all operating losses generated by the NFL stadium project or the Stadium Events Company shall be the sole responsibility of the Stadium Events Company, the developer partners, and/or the NFL team or its affiliate.*

*(e) Should a public university with a Division I football program exist within the stadium district, the lease agreement(s) shall provide for accommodation of a sufficient number of dates to host the university's regular and post-season home games at the NFL stadium project, with the express understanding that NFL events shall have absolute priority of use and the NFL team shall have priority in terms of dates, the stadium, the playing surfaces and all related stadium assets.*

*(1) These dates shall be mutually agreed upon by the university and the Stadium Events Company and shall be approved by the stadium authority board, respecting the requirement set forth in paragraph (e) that such dates may not interfere with the NFL schedule.*

*(2) The university football dates may not conflict with major non-NFL events that are scheduled by the Stadium Events Company prior to the public university's schedule being finalized for a particular season. After the public university's complete home game schedule has been finalized for a season, and such dates have been approved, the public university's game dates may not be changed to accommodate*



*such non-NFL events without the public university's approval. If the public university has an opportunity to adjust its home game schedule for TV purposes, the Stadium Events Company shall use reasonable commercial efforts to assess the feasibility of such change, but in no event may any change interfere with or impair the ability of the NFL stadium project's ability to host any NFL games or other previously scheduled non-NFL events.*

*(3) The stadium authority shall establish and include in the lease agreement(s) a reasonable rent for the university's use of the NFL stadium project.*

*(4) During university football dates, the university shall be given reasonable access to the stadium, its facilities and its amenities to create a reasonable "home field" environment for the public university, acknowledging that the NFL team may need certain simultaneous access to areas of the stadium when the public university's home game days and NFL event days are scheduled on consecutive days, provided such access does not impede or interfere with the public university's use of or access to the stadium.*

*(5) The stadium authority shall have final discretion in any disputes relative to the provisions of paragraph (e) of subsection 3.*

*(f) The lease agreement(s) shall include a provision for an annual audit of the Stadium Events Company.*

*(1) The auditor shall be an independent certified public accountant in this State, who does not provide similar or related services to any developer partner, the NFL team or any affiliate, subsidiary, principal or related party of any developer partner or the NFL team.*

*(2) The auditor shall be mutually agreed to by the Stadium Events Company and the stadium authority;*

*(3) Cost for the audit shall be divided equally between the Stadium Events Company and the stadium authority.*

*(g) The lease agreement shall include a confidentiality provision stating:*

*(1) Except as otherwise provided in subsection 3 of NRS 239.0115 or other state statutes or local ordinances, the stadium authority shall keep confidential any record or other document provided by any developer partner, the NFL team or the Stadium Events Company, which is in the stadium authority's possession, if the entity providing such information:*

*(i) Submits a request in writing that the record or other document be kept confidential by the stadium authority; and*

*(ii) Demonstrates to the satisfaction of the stadium authority that the record or other document contains proprietary or confidential information.*

*(2) If the stadium authority determines that a record or other document contains proprietary or confidential information, the chair of the stadium authority shall attach to the file containing the record or document:*

*(i) A certificate signed by him or her stating that a request for confidentiality was made by the requesting entity and the date of the request;*

*(ii) A copy of the written request submitted by the requesting entity;*

*(iii) The documentation to support the request, which was submitted by the requesting entity; and*

*(iv) A copy of the decision of the stadium authority determining that the record or other document contains proprietary or confidential information.*

*(3) Records and documents that are confidential pursuant to this subsection:*

*(i) Are proprietary or confidential information of the requesting entity;*

*(ii) Are not a public record; and*

*(iii) Must not be disclosed to any person who is not an officer or employee of the stadium authority unless the requesting entity consents to the disclosure.*

*(4) Nothing in paragraphs (1) through (3) of this subsection shall limit or otherwise restrict the disclosure or release of information required by the stadium authority as part of any public meeting.*



*(5) As used in this subsection, “proprietary or confidential information” has the meaning ascribed to it in NRS 360.247.*

*(i) The lease agreement(s) shall include the requirement that a lease or sublease with the NFL team certified in subsection 1 of this section, or its affiliate, shall be for a period of not less than 30 years.*

*(j) The lease agreement shall comply with the provisions of section 23 of this act, independently and when combined with any other agreement entered into by the stadium authority.*

*(k) The lease agreement(s) shall provide that interest in the Stadium Events Company may be sold or otherwise transferred, in whole or in part, to a related or unrelated third party with the approval of the stadium authority and NFL team. The stadium authority’s approval of such transfer of interest shall not be unreasonably withheld.*

*(l) The lease agreement(s) may include other terms and conditions as deemed necessary and appropriate by the stadium authority board; however, the lease agreement(s) must generally provide that the Stadium Events Company and/or the NFL team shall have full operational control of the NFL stadium project and nothing in such lease agreement(s) may interfere with the discretion to operate the NFL stadium project, including but not limited to not restricting programming or events that may be held in the stadium in any way.*

*4. In furtherance of the specific duties and responsibilities of the stadium authority as set forth in subsections 1 through 3 of this section, the stadium authority may:*

*(a) Enter into any contracts and other agreements with any person or other entity.*

*(b) Sue and be sued.*

*(c) Acquire by purchase, lease, gift, devise, condemnation or otherwise and own, in its own name, all necessary right, title, and interest in and to land and the improvements upon that land as well as any associated air rights and personal property.*

*(d) Proceed with any undertaking and enter into any contracts or other agreements that the stadium authority determines to be necessary or desirable.*

*(e) Enter into a lease, ground lease, sublease or management agreement with any party.*

*(f) Receive any public and private resources necessary to fund, finance and develop the undertaking.*

*(g) Receive audits and other performance measurements as may be required to ensure that the stadium operations are consistent with the intent of this act. This may include an audit of the lessee(s), but shall not include in any event any right to audit the business of the NFL team generally or the business of any of the developer partners generally.*

*(h) Consider and approve or disapprove an annual capital improvement budget submitted by the lessee(s) and approve or disapprove specific requests for capital improvements made by the lessee(s) or the NFL team.*

*(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the stadium authority.*

**SECTION 17. 1.** *The stadium authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builders’ licenses or other similar instruments for any and all seats in the NFL stadium project to generate revenues used for construction of the NFL stadium project.*

**2.** *The stadium authority may not grant any other person the right to enter into such agreements, but it may in its contract with the developer partners, agree that any agreements regarding seat licenses will be made only in consultation with the developer partners, or if applicable, the Stadium Events Company and the NFL team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the NFL stadium project, including the NFL team’s home games.*





*3. Proceeds from the sale of such personal seat licenses or similar instruments shall be collected by or on behalf of the stadium authority for the benefit of the NFL stadium project and are a payment by purchasers to the owner of the NFL stadium project for special rights of access to events at the NFL stadium project.*

*4. With the consent of the Stadium Events Company and the NFL team, the stadium authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party, the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builders' licenses or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. Any financing or similar transaction by any such third party to affect such sale:*

*(a) Shall not be deemed a debt of the stadium authority for any purpose;*

*(b) Must not provide for recourse against the stadium authority for any reason, including any actual or alleged non-performance by any person; and*

*(c) Shall not give rise to any obligation of or liability of the stadium authority to any person, including the third party or anyone purchasing a personal seat license or providing financing based on personal seat licenses through such third party or otherwise, but may, with the approval of the Stadium Events Company, provide remedies against the Stadium Events Company.*

*5. The lessees and subleases of the NFL stadium project shall agree to honor the rights granted to purchasers of the personal seat licenses or similar instruments, which are approved by the stadium authority, the Stadium Events Company and the NFL team prior to the execution of any agreement described in subsection 4.*

**SECTION 18. 1.** *The stadium authority and any person to whom the stadium authority delegates any of its powers or duties shall not:*

*(a) Expend or authorize the expenditure of more than \$1,000,000 from the stadium tax account unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) subsection 3 of section 16 of this act, or a combined development and lease agreement.*

*(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the stadium authority has entered into a development agreement pursuant to subsection 2 of section 16, a lease agreement(s) pursuant to subsection 3 of section 16 of this act, or a combined development and lease agreement.*

**SECTION 19. 1.** *The stadium authority shall dissolve and wind down its affairs in the event that:*

*(a) The stadium authority is unable to certify that an NFL team has committed to locate or relocate to the stadium district as required by subparagraphs (a) and (b) of subsection 1 of section 16 of this act;*

*(b) The stadium authority is unable to certify that the Stadium Events Company has been properly formed pursuant to subparagraph (c) of subsection 1 of section 16 of this act;*

*(c) The stadium authority does not approve a development agreement with the developer partners within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the lease;*

*(d) The stadium authority does not approve a lease agreement with the Stadium Events Company and/or an NFL team or its affiliate within 18 months of creation of the stadium district pursuant to section 11 of this act, such agreement may be combined with the development agreement; or*

*(e) Seven of the stadium authority board members vote to dissolve the stadium authority, and the stadium authority has no outstanding financial obligations.*



2. *If any of the conditions of subsection 1 are met:*
  - (a) *The stadium authority shall have 60 days to dissolve and wind down its affairs.*
  - (b) *The Chair of the stadium authority shall provide notice to the office of the Governor that the stadium authority intends to dissolve and wind down its affairs.*
  - (c) *The Chair of the stadium authority shall provide notice to the presidents of all public universities within the stadium district that the stadium authority intends to dissolve and wind down its affairs.*
3. *All funds remaining in the stadium tax account, stadium capital fund and stadium authority operating accounts shall be transferred to the campus improvement district collegiate stadium tax account created pursuant to subsection 3 of section 37 of this act.*

### **NFL STADIUM PROJECT**

#### **PART II | CREATION OF A STADIUM DISTRICT AND IMPOSITION OF ROOM TAX**

- SECTION 20.** *1. In each county whose population is 700,000 or more, the board of county commissioners shall, by ordinance, create a stadium district to finance an NFL stadium project or a collegiate stadium project. The stadium district consists of all property that is within the county and that is located within a radius of 25 miles from the location where the board of county commissioners have their regular meetings.*
- 2. Once a stadium district is created, the board of county commissioners shall impose upon all persons in the business of providing lodging in the district a tax at the rate of:*
- (a) *Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.*
  - (b) *One-half of one percent of the gross receipts from the rental of transient lodging in areas within the district but outside of the primary gaming corridor within the stadium district.*
- 3. The tax imposed by subsection 2 may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the county in which the stadium district is located for the tax whether or not it is actually collected from a paying guest.*
- 4. The taxes imposed by subsection 2 must:*
- (a) *Be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the county or city;*
  - (b) *Be collected and enforced in the same manner as any other tax imposed in the county or city on the gross receipts from the rental of transient lodging; and*
  - (c) *Be distributed to the stadium authority, which shall use the proceeds of the taxes in the manner set forth in section 21 of this act.*
  - (d) *Be imposed and collected in each incorporated city in the county in addition to being imposed in the portion of the stadium district which is not in an incorporated city.*
- 5. The tax imposed in subsection 2 of this act shall be effective on the first day of the month that is not less than 3 nor more than 4 months after the adoption of the ordinance imposing the tax.*
- 6. The provisions of NRS 237.030 through 237.150 shall not apply to the adoption of any ordinance creating a stadium district or imposing a tax under this section or any amendment thereof or any other action of the board of county commissioners relating thereto.*
- 7. Any parcel of land, building or other structure which is partially within a district created under this section or the primary gaming corridor described in paragraph (a) of subsection 10 section shall be treated as being wholly within the applicable district or corridor for the purposes of the tax imposed by this section.*



*8. Except as otherwise provided by subsection 9, all taxes imposed by this section shall sunset:*

*(a) On the first day of the fiscal year that is 33 full fiscal years after the date the tax is first imposed under this section.; or*

*(b) On the first day of the fiscal year following the last fiscal year in which there are bonds or other securities outstanding to which the receipts those taxes are pledged or there is an unexpired lease with Stadium Events Company, and/or NFL team or its affiliate,*

*Whichever occurs first.*

*9. Upon full payment of the bonds or other securities to which the receipts the taxes imposed by this section are pledged, the tax rate defined in paragraph (a) of subsection 2 shall be reduced to a rate determined by the board of county commissioners to be sufficient for the stadium authority to meet its recurring obligations.*

*(a) The recurring obligations of the stadium authority shall be limited to the normal operating expenses and recurring capital maintenance obligations of the stadium authority for the NFL stadium project.*

*(b) The combined tax reduced pursuant to this subsection shall not exceed one-eighth of one percent.*

*10. As used in this section:*

*(a) "Primary gaming corridor" shall:*

*(1) Be defined in terms of its geographic boundaries by the board of county commissioners within 30 days of creating the stadium district;*

*(2) Be generally based on the geographic area comprising the submarket within the stadium district with greatest amount of gaming revenue as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract;*

*(3) Be a single, contiguous area.*

*(4) Include gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging, which shall be subject to the taxes imposed by subsection 2 whether or not they are specifically included in the Nevada Gaming Control Board Gaming Abstract.*

*(5) The decision of the board of county commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud. After bonds are issued under this act, the boundaries of the primary gaming corridor are fixed and may not be amended until all bonds secured by any tax authorized under this act are paid in full and retired, except that the board of county commissioners may amend the boundaries to add additional property, which the board finds would have been included in those boundaries if the primary resort corridor was being established on the date of the action to include additional properties in the primary gaming corridor.*

*(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.*

**NFL STADIUM PROJECT**  
**PART III | STADIUM AUTHORITY USE OF FUNDS**

**SECTION 21. 1.** *The stadium authority shall create a stadium tax account and deposit into such account any proceeds of the taxes imposed by subsection 2 of section 20 of this act received by the stadium authority.*

*2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 24 of this act, the stadium authority shall use the proceeds of the taxes imposed by subsection 2 of section 20 of this act and any applicable penalty or interest solely to pay all or part of the cost to*



*acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district an NFL stadium project or to establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 24 of this act, or any combination thereof, as directed by the stadium authority.*

*3. Except as otherwise provided in subsection 4, the stadium authority shall not expend any of the proceeds of the taxes imposed by subsection 2 of section 20 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain an NFL stadium project unless all of the requirements of section 13 of this act have been met.*

*4. The stadium authority may expend up to \$1,000,000 from the stadium tax account to execute its duties as set forth in sections 13 through 19 of this act prior to the issuance of bonds or other securities pursuant to section 24 of this act. After the issuance of bonds or other securities pursuant to section 24, stadium authority expenditures shall be governed by section 22 of this act.*

**SECTION 22. 1.** *After bonds or other securities are issued under section 24 of this act, the stadium authority shall use the proceeds of the tax imposed under subsection 2 of section 20 of this act, and any penalties or interest only for the following, listed in order of funding priority:*

*(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium construction, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years;*

*(b) Payment of the administrative costs of the stadium authority of not more than \$2,000,000 per year;*

*(c) In the event that the Stadium Events Company or any other lessee fails to perform or otherwise breaches an agreement with the stadium authority entered into pursuant to subsection 3 of section 16 of this act, supplemental operations and maintenance cost of the NFL stadium project should such funding be required to fill a gap in the stadium operating budget.*

*(d) Contributions to the police department in the stadium district to support enhanced police protective services within one or more primary gaming corridors within the stadium district of \$4,000,000 per year;*

*(e) Creation of and contributions to a debt service reserve fund.*

*(1) Annual contributions to the debt service reserve fund in an amount of \$9,000,000 per year until such time as the maximum required debt service reserve level is reached as calculated pursuant to paragraph (e)(2) of this subsection.*

*(2) The maximum required debt service reserve level shall be:*

*(i) Not less than two times the annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is less than or equal to 2.0x.*

*(ii) Not less than one and one-half times annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 2.0x but less than or equal to 2.5x.*

*(iii) Not less than one times annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 2.5x but less than or equal to 3.0x.*

*(iv) Not less than one-half times annual debt service for the prior year, in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 3.0x but less than or equal to 3.5x.*

*(v) Zero in any year in which the debt service coverage ratio on the bonds or other securities issued pursuant to section 24 of this act is greater than 3.5x.*



- (3) Funds held in the debt service reserve fund will be available to fund stadium authority debt service in the event that there is a revenue shortfall in any future year.*
- (4) Once the bonds have been repaid, the reserve will be transferred to the stadium capital improvement fund;*
- (f) Payments to a public university in the event that the university operated a stadium in the stadium district prior to the construction of the NFL stadium project to mitigate demonstrated losses to that university as a result of the operations of the NFL stadium project of not more than \$3,500,000 for a period of not more than exceeding ten years;*
- (1) The ten-year period shall be ten consecutive fiscal years commencing from the fiscal year in which the NFL stadium project first opens to the public and the university's existing stadium ceases operations.*
- (2) Demonstrated losses to the university shall include lost net income for the university from football-related events and non-football events hosted at the university's existing stadium. Demonstrated losses shall also consider incremental net income for the university generated by the university's use of the NFL stadium project.*
- (3) The base year for calculating net income changes for the university shall be determined mutually by the stadium authority and the university based on the fiscal year most representative of the university's net income without the NFL stadium project, but that base year shall not be earlier than fiscal 2015-2016.*
- (4) To the extent funds are insufficient to make a payment due to the public university in any given year as set forth paragraph (f), that amount shall be carried forward and payable in subsequent future years when sufficient funds are available. Any amount payable shall be carried forward without interest. If a carryforward balance remains unpaid at the end of the ten-year period described in subparagraph (f)(1), the balance shall carryforward to years beyond the ten-year period set forth in subparagraph (f)(1) until such time as carryforward balance is paid in full.*
- (g) Upon completion of the NFL stadium project, creation and contribution to a stadium capital improvement fund in an amount of at least \$5,000,000 per year.*
- (h) All remaining amounts shall be contributed to the creation and maintenance of a fund to provide early debt retirement, additional capital improvements to the stadium in an amount determined by the stadium authority, and to fund any required infrastructure on or around the site of the NFL stadium project, provided that no payment will be made under this provision that would violate any covenant made in connection with the bonds issued by the county under section 24, and if a payment would violate such a covenant, the amount of the payment will be used for such purpose as specified in the ordinance or other instrument under which the bonds are issued.*
- 2. Allocations of funds available after all bond and other current debt obligations of the stadium authority are paid shall be at sole discretion of the stadium authority, but those expenditures shall be restricted to those items set forth in paragraphs (b), (c), (g) and (h) of subsection 1.*
- 3. Not-to-exceed and minimum payment amounts set forth in paragraphs (b), (d) and (g) of subsection 1 shall be adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor, between the effective date of this act and July 1 of each subsequent fiscal year.*



**NFL STADIUM PROJECT**  
**PART IV | SPECIAL PROVISIONS ON THE FUNDING, FINANCING**  
**AND ALLOCATION OF AVAILABLE FUNDS SOURCED TO THE STADIUM PROJECT**

**SECTION 23. 1.** *Any development agreement entered into pursuant to subsection 2 of section 16 of this act, any lease agreement(s) entered into pursuant to subsection 3 of section 16 of this act and any and all other agreements of any kind entered into between the stadium authority and one or more developer partners, NFL team, or any affiliate, subsidiary or related entity of a developer partner or NFL team, shall include the following:*

*(a) The stadium authority's contribution to the construction cost of the NFL stadium project shall not:*

*(1) Exceed \$750,000,000 exclusive of the proceeds realized from the sale of personal seat licenses or similar instruments and from other NFL stadium project assets sold by or on behalf of the stadium authority, which proceeds shall be used to pay costs of construction of the NFL stadium project and any capital improvements thereto; or*

*(2) The maximum amount that can be raised from the issuance of bonds issued pursuant to section 24 of this act, secured by revenues generated by the tax imposed in subsection 2 of section 16 of this act, whichever is less.*

*(b) The total debt undertaken by the stadium authority shall not, at any given point in time, exceed the stadium authority's contribution limits set forth in paragraph (a) of subsection 1.*

*(c) The construction and development of the NFL stadium project shall be consistent with first class, premier National Football League facilities currently in operation or approved for construction by National Football League.*

*(d) All land, improvements and other property of any kind included in the total cost of the NFL stadium project pursuant to subparagraph (c)(1) shall be the sole and exclusive property of the stadium authority and shall be exempt from ad valorem property taxes in this State. The developer partners and NFL team shall be responsible for ensuring that any required transfer of property interest occurs within a reasonable period of time. The sole exception to this provision shall be any capital expenditures that the stadium authority and the Stadium Events Company agree are made solely by the Stadium Events Company. In the case of this exception, such property shall be transferred to the stadium authority at the end of lease agreement, at which time it will become the sole and exclusive property of the stadium authority, unless the stadium authority and the Stadium Events Company agree otherwise.*

*(e) Unless otherwise provided for in this act, the stadium authority's contribution to the construction and development cost of the NFL stadium project shall be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the developer partners' contribution to the construction and development costs of the NFL stadium project.*

**NFL STADIUM PROJECT**  
**PART V | ISSUANCE OF STADIUM PROJECT CONSTRUCTION BONDS**

**SECTION 24. 1.** *If:*

*(a) All certifications and other requirements of subsection 1 of section 16 have been met; and the stadium authority determines that the proceeds of the taxes imposed by subsection 2 of section 20 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued, to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain an NFL stadium project, the board of county commissioners in which the stadium district is located, at the*



*request of the stadium authority, shall issue general obligations of the county in an amount not to exceed \$750,000,000.*

*2. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law.*

*3. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated to the stadium authority to be used for the NFL stadium project.*

*4. The board of county commissioners shall not issue the bonds authorized by paragraph (a) of subsection 1 unless:*

*(a) The construction contract for the NFL stadium project is a guaranteed maximum price contract with a contingency amount of ten percent of the estimated hard costs of the project or such lesser percentage, but not less than five percent, as is determined to be adequate by the stadium authority.*

*(b) The security provided by the contractor to guaranty timely performance of the construction of the project and liquidated damages related thereto, is determined to be adequate by the stadium authority;*

*(c) The developer partners provide a financing commitment reasonably satisfactory to the stadium authority sufficient to pay the portion of the estimated cost of the stadium project that is to be paid from sources other than the county funds plus a contingency amount approved by the stadium authority, which must be ten percent of the estimated construction cost of the stadium project as described in section 23.1.(c)(1)(I), which commitment is secured by any combination of the following totaling the amount of such costs to be paid from sources other than County funds plus the approved contingency amount:*

*(i) An irrevocable deposit of cash into a stadium project construction fund in trust by a commercial bank with trust powers established by the developer partners and the stadium authority that cannot be used for any purpose other than the payment of stadium project costs until those costs have been paid in full;*

*(ii) Closed construction debt financing, from a lender or lenders rated A- or better by Standard and Poor's or A3 or better by Moody's which provides draws for construction of the stadium project interest during construction and costs of issuance. Draws under the construction debt financing may be subject to conditions precedent including, without limitation, delivery of proof of the availability of County funds, delivery of satisfactory reports from an independent engineer certifying, among other things, that work being paid for under such construction debt financing has been completed and that stored materials have been verified, conditions required by bank regulations or regulators, and confirmations relating to the insurance for the stadium project, and such conditions precedent may also be required by the county or the stadium authority to allow a draw on bond funds held on deposit in a separate bond funded stadium project construction fund that is also held in trust by a commercial bank with trust powers;*

*(iii) Closed NFL financing, provided that the lender is rated A- or better by Standard and Poor's or A3 or better by Moody's, which allows draws for construction of the NFL stadium project and no other purpose until those costs have been paid in full. Draws under the NFL financing may be subject to conditions precedent similar to those allowed for the construction debt financing described in (ii) above or*

*(iv) Irrevocable letters of credit or commitments to fund stadium project construction costs, which irrevocably and unconditionally allow draws to fund construction of the stadium project and no other purpose until those costs have been paid in full provided by a bank with at least one billion dollars (\$1,000,000,000) of assets and an A or better rating by Standard and poor's and A2 or better Rating by Moody'.*

*The rating requirements in the above clauses (ii), (iii) and (iv) may be met by a rating equivalent to the rating specified above from another nationally recognized rating agency as approved by the stadium authority.*



*(d) Payment of construction costs for the stadium project will be made over time by both the county and the developer partners. The initial \$100,000,000 of project costs, excluding the value of any land purchased by the developer or contributed to the project, must be paid by the developer partners. Payments after the initial \$100,000,000 of project costs will be pro-rata based on the percentage of the total cost of the stadium project to be paid from county funds as compared to the costs to be paid from sources other than county funds adjusted such that county funds the last \$50,000,000 of the project costs. The mechanics of the monthly draw process will be delineated in a trust agreement or agreements, which agreements will ensure that no county money is expended unless developer partners' funds are also expended simultaneously and vice versa, except that the first \$100,000,000 of costs will be paid from the developer partner's funds and the last \$50,000,000 of cost will be paid from the county funds. The construction funds trust agreements will detail the evidence required to be provided before a draw can be made as well as requirements for an independent engineer to review all work prior to payment of funds. In addition, the independent engineer will review the stadium project sources and uses of funding each month. If the independent engineer determines there is a need for additional project funds due to a cost overrun, no payments can be made from county funds until the cost overrun is funded with a source described in (i), (ii), (iii), or (iv) above.*

*(e) As used in this subsection 4, "county funds" means monies derived from county bonds issued under this act and taxes on transient lodging imposed under this act.*

*(f) A finding by the board of county commissioners that the requirements of subsection 4 of this section have been met or will be met at the time of delivery of the bonds is conclusive absent fraud.*

## **NFL STADIUM PROJECT**

### **PART VI | APPLICABILITY OF STATE PUBLIC WORKS PROVISIONS**

**SECTION 25. 1.** *Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:*

*(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the stadium authority, the developer partners or any related entity relating to the NFL stadium project financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:*

*(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;*

*(2) Specifying procedures for the procurement of goods or services; or*

*(3) Limiting the term of any agreements of a type described in this paragraph.*

*(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a).*

*(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:*

*(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of*





*the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;*

*(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and*

*(3) The stadium authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the county had undertaken the project or had awarded the contract.*

*2. The stadium authority and any prime contractor, construction manager or project manager selected by the stadium authority shall competitively bid all subcontracts involving construction which the stadium authority determines can be competitively bid without affecting the quality of the project. Any determination by the stadium authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The stadium authority shall establish one or more procedures for competitive bidding which:*

*(a) Must prohibit bidders from engaging in bid-shopping;*

*(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and*

*(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.*

*3. Any determination by the stadium authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.*

*4. For purposes of this section, "undertaking" refers to an NFL stadium project as defined in section 7 of this act.*

**TRANSITION: TRANSFERRING UNUSED REVENUES FROM THE NFL STADIUM PROJECT TO COLLEGIATE STADIUM PROJECT TO FAIR AND RECREATION BOARD**

**SECTION 26. 1.** *In the event that the requirements of section 16 of this act are not met, and an NFL stadium project is not constructed:*

*(a) After having received notice of this fact pursuant to paragraph (c) subsection 2 of section 19 of this act that an NFL stadium project will not be constructed, a university in the stadium district shall have 90 days to notify the Governor and the director of Legislative Counsel Bureau of the university's intent to construct a collegiate stadium project with the stadium district.*

*(b) That university will have 24 months from the date the president of the university receives the notice pursuant to paragraph (c) subsection 2 of section 19 of this act to secure a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a collegiate stadium within the boundaries of the stadium district.*

*2. If the funding commitment required by paragraph (b) of subsection 1 are met within the established timeframe, the campus improvement authority may use the remaining proceeds of the taxes imposed by subsection 2 of section 20 of this act and the proceeds of the tax imposed by subsection 1 of section*



*36 of this act to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project within the boundaries of the stadium district, and to pay for any bonds or other securities issued for that purpose, including refunding securities.*

*3. If, within the period prescribed by paragraph (b) of subsection 1, no university within the boundaries of the stadium district has raised the required private funding, the remaining taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act shall be distributed to the county fair and recreation board for the payment of outstanding securities issued to finance the renovation and expansion of its facilities located within the stadium district.*

*4. The board of county commissioners shall, within 60 days of funds being transferred to the county fair and recreation board pursuant to subsection 2, sunset any taxes imposed by subsection 2 of section 20 of this act and the taxes imposed by subsection 1 of section 36 of this act.*



**COLLEGIATE STADIUM PROJECT  
ADDITIONAL, SECTION-SPECIFIC DEFINITION**

**SECTION 27.** *For purposes of sections 28 through 39 of this act, “undertaking” means any enterprise to acquire, construct, improve, equip, operate or maintain, or any combination thereof, a collegiate stadium project and such other projects, improvements or facilities related to the development of a collegiate stadium deemed necessary or desirable by the campus improvement authority.*

**COLLEGIATE STADIUM PROJECT  
PART I | CAMPUS IMPROVEMENT BOARD FORMATION, POWERS AND AUTHORITIES**

**SECTION 28. 1.** *Upon receiving notice that stadium authority intends to dissolve and wind down its affairs pursuant to paragraph (c) of subsection 2 of section 19 of this act, the president of a public university within the stadium district may create a campus improvement authority.*

*(a) The campus improvement authority shall be comprised of nine members appointed as follows:*

*(1) Four members appointed by the university’s board of regents.*

*(1) One of these members must be either a member of the university’s board of regents or an officer of the university and the remainder must be members of the university’s board of regents.*

*(2) One member appointed by the Governor.*

*(3) One member appointed by the board of county commissioners for the county in which the stadium district is located and must be either a member of the board of county commissioners or an officer of that county.*

*(4) One member appointed by the county fair and recreation board of the county in which the stadium district is located and must be a member of the county fair and recreation board who is not also a member of a board of county commissioners.*

*(5) Two members appointed by the members appointed pursuant to paragraphs (1) to (4), inclusive. Each of these members must be employed in an executive position in the county by a business in the tourism, hotel and gaming industry in which the stadium district.*

**2.** *A vacancy on the board occurs when a member:*

*(a) Dies or resigns;*

*(b) Is removed, with or without cause, by the person or entity who appointed that member; or*

*(c) Ceases to be qualified for appointment as a member pursuant to the pertinent provisions of subsection 1.*

**3.** *The campus improvement authority constitutes:*

*(a) A body corporate and politic; and*

*(b) A political subdivision of this State, the boundaries of which are conterminous with the boundaries of the stadium district.*

**4.** *A vacancy in the campus authority board must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (5) of subsection 1 whose position becomes vacant as the result of his or her cessation of employment in an executive position in the county by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.*

**5.** *No member of the campus improvement authority may receive any compensation for serving as a member or officer of the board.*



*6. The members of the campus improvement authority constitute public officers for the purposes of chapter 281A of NRS.*

**SECTION 29. 1.** *At the initial meeting of the campus improvement authority, the board of the campus improvement district shall appoint:*

- (a) One of its members as Chair;*
- (b) One of its members as Vice Chair; and*
- (c) A Secretary and a Treasurer, who may be one person.*

*2. The Vice Chair shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.*

*3. The campus improvement authority shall meet regularly in the stadium district at such times and places as it designates.*

*(a) Special meetings may be held at the call of the Chair, upon notice to each member of the campus improvement authority, as often as the needs of the campus improvement authority require.*

*(l) Except as otherwise provided in subsection 5 of 19 NRS 281A.420:*

*(b) Six of the members of campus improvement authority shall constitute a quorum.*

*(c) The campus improvement authority may take action only by a motion or resolution adopted with the approval of at least six members of its membership.*

*4. The campus improvement district constitutes a public body for the purposes of chapter 241 of NRS.*

**SECTION 30. 1.** *The Secretary of the campus improvement authority shall keep:*

*(a) Audio recordings or transcripts of all meetings of the campus improvement authority;*

*(b) Minutes of all the meetings of the campus improvement authority;*

*(c) A record of all the proceedings and actions of the campus improvement authority;*

*(d) Any certificates issued or received by the campus improvement authority;*

*(e) Any contracts made by the campus improvement authority; and*

*(f) Any bonds required by the campus improvement authority from its employees.*

*2. Except as otherwise provided in NRS 241.035, the records and information required by subsection 1 must be open to inspection by any interested person at any reasonable time and place.*

*3. The Treasurer of the campus improvement authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the campus improvement authority.*

*4. The Secretary and Treasurer of the campus improvement authority do not constitute a part of the staff of the campus improvement authority for the purposes of section 30 of this act.*

**SECTION 31. 1.** *The campus improvement authority may retain such staff as it determines to be necessary to conduct the activities of the campus improvement authority. It may:*

*(a) Hire the members of its staff as employees;*

*(b) Contract with any governmental entity or other person to provide the persons to serve as its staff;*  
*or*

*(c) Retain the members of its staff using any combination of the methods described in paragraphs (a) and (b).*

*2. The campus improvement authority shall specify:*

*(a) The powers and duties of the members of its staff; and*

*(b) The amount and basis of compensation for the members of its staff; and*



*(c) May delegate any of its powers and duties to any member of its staff as it determines to be appropriate, except that the campus improvement authority shall not delegate:*

*(1) Any of the specific obligations or responsibilities of the campus improvement authority imposed by sections 28 to 31, inclusive, paragraph (d) or (e) of subsection 1 of section 33, subsection 2 of section 34 or section 35 of this act; or*

*(2) Any ability to bind the campus improvement authority to a contract that could require an expenditure by the campus improvement authority in excess of such an amount as the campus improvement authority determines to be appropriate, which amount must not exceed the sum of \$500,000, as adjusted by the percentage change between the effective date of this act and July 1 of the fiscal year the delegation is made in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items), published by the United States Department of Labor.*

**SECTION 32. *The campus improvement authority:***

*1. Shall adopt a seal;*

*2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of this act, for carrying on the business and affairs of the campus authority board; and*

*3. Shall create a collegiate stadium tax account, a collegiate stadium capital projects fund and a campus improvement authority operating account to carry out the provisions of this act.*

**SECTION 33. 1. *Except as otherwise provided in section 34 of this act, the board of the campus improvement authority may:***

*(a) Enter into any contracts and other agreements with any person or other entity that the campus improvement authority determines to be necessary or desirable to conduct the business of the campus improvement authority.*

*(b) Sue and be sued.*

*(c) Proceed with any undertaking and enter into any contracts or other agreements that the campus improvement authority determines to be necessary or desirable therefor. The contracts and other agreements authorized by this subsection:*

*(1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of any undertaking or any part thereof; and*

*(2) Are not subject to the limitations of subsection 1 of NRS 354.626.*

*(d) Enter into a lease, ground lease or management agreement with the Nevada System of Higher Education authorizing the campus improvement authority to lease from the System any portion of the land area owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the campus improvement authority and the university's board of regents and which do not violate any covenants concerning any securities issued by the board of regents, provided that:*

*(1) The property subject to the lease, ground lease or management agreement is limited to:*

*(I) Land and improvements that will be developed and used to carry out the development of a collegiate stadium project; and*

*(II) Any other land, improvements and appurtenances that the university's board of regents determines to be necessary or desirable to carry out the development of a collegiate stadium project;*



*(2) The university's board of regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and*

*(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the campus improvement authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the Nevada System of Higher Education and will no longer be subject to the lease, ground lease or management agreement.*

*(e) Enter into, with any person or other entity:*

*(1) One or more subleases of all or any portion of any land or improvement leased to the campus improvement authority;*

*(2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the campus improvement authority is authorized to manage, control or occupy;*

*(3) One or more leases or management agreements pertaining to any undertaking or any facility owned by the campus improvement authority; or*

*(4) Any combination of the agreements described in subparagraphs (1), (2) and (3), on such terms as may be acceptable to the campus improvement authority and which are not inconsistent with the terms of the lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to which the campus improvement authority has possession or control of the subject property. The leases, subleases and management agreements authorized by this subsection are not subject to the limitations of subsection 1 of NRS 354.626.*

*(f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with any undertaking and take such action as may be necessary or desirable to affect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the campus improvement authority has possession or control of the land or improvements upon which the undertaking is located.*

*(g) Receive, control, invest and order the expenditure of pledged revenues and any other money pertaining to or derived from any undertaking, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated cities in the County, or from any other person or entity, for the purposes described in section 37 of this act.*

*(h) Except as otherwise provided in this act, exercise all or any part or combination of the powers and duties of the campus improvement authority set forth in this act.*

*(i) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes and provisions of this act.*

*2. If the campus improvement authority has no indebtedness or other financial obligations, the campus improvement authority board, by an affirmative vote of at least six of its members, may dissolve.*

**SECTION 34. 1.** *The board of the campus improvement authority and any person to whom the campus improvement authority delegates any of its powers or duties shall not:*

*(a) Expend or authorize the expenditure of any money in the collegiate stadium tax account unless the board of the campus improvement authority has entered into a lease, ground lease or management*



*agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes a specific undertaking.*

*(b) Proceed with any undertaking or issue any securities to defray in whole or in part any cost of any undertaking unless the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.*

*2. The campus improvement authority shall not own any land, but may own improvements on land located in the stadium district if the Board of Regents, in its sole discretion, allows that ownership.*

**SECTION 35. 1. Except as otherwise provided in this act and notwithstanding any other provision of law to the contrary:**

*(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to this act by the campus improvement authority, the Nevada System of Higher Education or any related entity relating to any undertaking financed in whole or in part pursuant to this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance of such an undertaking or any portion thereof, or the provision of materials or services for such an undertaking are exempt from any law:*

*(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;*

*(2) Specifying procedures for the procurement of goods or services; or*

*(3) Limiting the term of any agreements of a type described in this paragraph.*

*(b) The provisions of chapter 341 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that the provisions of paragraph (a) of subsection 9 of NRS 341.100 and of NRS 341.105 apply to any such undertaking.*

*(c) The provisions of chapter 338 of NRS do not apply to any undertaking financed in whole or in part pursuant to this act or to any agreement of a type described in paragraph (a), except that:*

*(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to such an undertaking even if the estimated cost of the construction work is not greater than \$100,000 or the construction work does not qualify as a public work, as defined in subsection 16 of NRS 338.010;*

*(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of such an undertaking shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and*

*(3) The campus improvement authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.*

*2. The campus improvement authority and any prime contractor, construction manager or project manager selected by the campus improvement authority shall competitively bid all subcontracts involving construction which the campus improvement authority determines can be competitively bid without affecting the quality of the project. Any determination by the campus improvement authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project*



*is conclusive in the absence of fraud or a gross abuse of discretion. The campus improvement authority shall establish one or more procedures for competitive bidding which:*

- (a) Must prohibit bidders from engaging in bid-shopping;*
- (b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and*
- (c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.*

*3. Any determination by the campus improvement authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the campus improvement authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.*

### **COLLEGIATE STADIUM PROJECT**

#### **PART II | REDUCTION OF ROOM TAX DEDICATED TO COLLEGIATE STADIUM PROJECT**

**SECTION 36. 1.** *If the stadium authority has provided notice of its intent to dissolve and wind down its affairs pursuant to section of this act and a campus improvement authority has been created pursuant to section 28 of this act, the board of county commissioners in the stadium district shall reduce the taxes imposed under subsection 2 of section 20 to the following rates:*

- (a) Three-eighths of one percent of the gross receipts from the rental of transient lodging in the primary gaming corridor within the stadium district.*
- (b) One-quarter of one percent of the gross receipts from the rental of transient lodging in areas within the stadium district but outside of a primary gaming corridor.*

**2.** *Except as otherwise provided by subsection 3, all taxes imposed by this section shall sunset:*

- (a) On the first day of the fiscal year that is thirty-three full fiscal years after the tax imposed under section 20 of this act is first reduced as provided in subsection 1; or*
- (b) On the first day of the fiscal year following the last fiscal year in which there are bonds or other securities outstanding to which the receipts of that tax are pledged,*  
*Whichever occurs first.*

**2.** *Upon full payment of the bonds or other securities to which the receipts the taxes imposed by this section are pledged, the tax rate defined in subsection 1 shall be reduced to a rate determined by the board of county commissioners to be sufficient for the campus improvement authority to meet its recurring obligations.*

*(a) The recurring obligations of the campus improvement authority shall be limited to the normal operating expenses and recurring capital maintenance obligations of the campus improvement authority for the collegiate stadium project.*

*(b) The combined tax reduced pursuant to this subsection shall not exceed one-tenth of one percent.*

**3.** *In addition to the rate sunset requirements set forth in subsection 2, in the event tax rates are reduced pursuant to subsection 1, taxes imposed by this section shall not be reduced further or otherwise modified for a period of two years following the rate reduction.*

**3.** *As used in this section:*

*(a) "Primary gaming corridor" shall:*

- (1) Be defined in terms of its geographic boundaries by the board of county commissioners within 30 days of creating the stadium district;*





*(2) Be generally based on the geographic area comprising the submarket within the stadium district with the greatest amount of gaming revenue as reported in the latest edition of the Nevada Gaming Control Board Gaming Abstract;*

*(3) Be a single, contiguous area.*

*(4) Include gaming and non-gaming businesses that exist within the primary gaming corridor and collect taxes imposed on the rental of transient lodging, which shall be subject to the taxes imposed by subsection 2 whether or not they are specifically included in the Nevada Gaming Control Board Gaming Abstract.*

*(5) The decision of the board of county commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud. After bonds are issued under this act, the boundaries of the primary gaming corridor are fixed and may not be amended until all bonds secured by any tax authorized under this act are paid in full and retired, except that the board of county commissioners may amend the boundaries to add additional property, which the board finds would have been included in those boundaries if the primary resort corridor was being established on the date of the action to include additional properties in the primary gaming corridor.*

*(b) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.*

### **COLLEGIATE STADIUM PROJECT**

#### **PART III | CAMPUS IMPROVEMENT AUTHORITY USE OF FUNDS**

**SECTION 37. 1.** *The campus improvement authority shall create a collegiate stadium tax account and deposit into such account any proceeds of the taxes imposed by section 36 of this act received by the campus improvement authority.*

*2. Except as otherwise provided in subsection 3 or 4, before the issuance of any securities pursuant to section 40 of this act, the campus improvement authority shall use the proceeds of the taxes imposed by subsection section 36 of this act and any applicable penalty or interest solely to pay all or part of the cost to acquire, construct, lease, improve, equip, operate and maintain within the boundaries of the stadium district a collegiate stadium project or to establish a bond reserve fund and other reserves to secure any securities issued pursuant to section 40 of this act, or any combination thereof, as directed by the campus improvement authority.*

*3. The campus improvement authority shall not expend any of the proceeds of the taxes imposed by section 36 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain a collegiate stadium project until the campus improvement authority has entered into a lease, ground lease or management agreement with the Nevada System of Higher Education pursuant to paragraph (d) of subsection 1 of section 33 of this act which authorizes that undertaking.*

**SECTION 38. 1.** *After bonds or other securities are issued under section 40 hereof, the campus improvement authority shall use the proceeds of the tax imposed under section 36 of this act, any funds transferred from the stadium authority to the campus improvement authority pursuant to subsection 3 of section 19 of this act and any penalties or interest received only for the following:*

*(a) Payment of amounts needed to pay principal, interest or other costs due in that year in connection with any bonds or other securities issued to finance or refinance the stadium construction, including any reserve funds created to secure the payment of such bonds, and including any past due amounts from any prior years; and*



*(b) Costs of capital improvements to the collegiate stadium and the creation and maintenance of a fund to provide capital improvements to the collegiate stadium in an amount determined by the campus improvement authority.*

**SECTION 39. 1.** *If the campus improvement authority does not raise funds required by paragraph (b) of subsection 1 of section 26 of this act within the time allocated by that section, notwithstanding any other provision of this act to the contrary, the campus improvement authority shall:*

*(a) Remit all funds deposited in the stadium infrastructure account to the fair and recreation board within the stadium district;*

*(b) Wind up the affairs of the campus improvement authority; and*

*(c) Dissolve the campus improvement authority pursuant to subsection 2 of section 33 of this act.*

**2.** *After dissolution, all the remaining assets of the campus improvement authority shall become property of the Nevada System of Higher Education.*

### **COLLEGIATE STADIUM PROJECT** **PART IV | ISSUANCE OF COLLEGIATE STADIUM BONDS**

**SECTION 40. 1.** *If:*

*(a) General obligations of the county are not issued pursuant to section 24 of this act;*

*(b) Within 24 months after notice has been provided pursuant to paragraph (c) of subsection 3 of section 19 of this act, a university located within the stadium district has secured a commitment of at least \$200,000,000 in private funding, including without limitation revenues sourced to the collegiate stadium itself, for the acquisition, construction, lease, improvement, equipment, operation or maintenance of a football stadium within the boundaries of the stadium district; and*

*(c) The campus improvement authority determines that the proceeds of the taxes imposed by section 36 of this act are sufficient to establish a debt service coverage ratio of at least 1.5x on securities issued to defray in whole or in part the cost to acquire, construct, lease, improve, equip, operate and maintain a collegiate football stadium, the board of county commissioners of the county in which the stadium district is located, at the request of the campus improvement authority, may issue general obligations of the county in an amount not to exceed \$300,000,000.*

**2.** *The board of county commissioners shall not issue the bonds authorized by paragraph (c) of subsection 1 unless:*

*(a) The construction contract for the collegiate stadium project is a guaranteed maximum price contract with a contingency amount of ten percent of the estimated hard costs of the project or such lesser percentage as is determined to be adequate by the campus improvement authority; and*

*(b) The security provided by the contractor to guaranty timely performance of the construction of the project and liquidated damages related thereto, is determined to be adequate by the campus improvement authority.*

*(c) The university, which has secured a commitment for funding in the amount of at least \$200,000,000 for the collegiate stadium project as required by this act, provides a financing commitment reasonably satisfactory to the college improvement authority for such \$200,000,000, which commitment is secured by any combination of the following, which aggregate totals at least \$200,000,000:*

*(1) An irrevocable deposit of cash into an escrow held in trust by a commercial bank with trust powers that cannot be used for any purpose other than the payment of collegiate stadium project costs until those costs have been paid in full;*



*(2) Closed construction debt financing, which irrevocably and unconditionally allows draws for construction of the collegiate stadium project and no other purpose until those costs have been paid in full; and*

*(3) Irrevocable letters of credit or surety bonds or commitments to fund construction costs, which irrevocably and unconditionally allow draws for construction of the collegiate stadium project and no other purpose until those costs have been paid in full.*

*3. The obligated party on any security for payment of costs as described in subparagraphs (ii) or (iii) of paragraph (c) of subsection 2 must be rated, or its obligation described above must be guaranteed by an entity that is rated, A2 or better by Moody's or A or better by Standard and Poor's or an equivalent rating from another rating agency that provides ratings on security of the type being provided.*

*4. A finding by the Board of County Commissioners that the requirements of subsection 2 of this section have been met or will be met at the time of delivery of the bonds is conclusive absent fraud.*

*5. The securities authorized by this subsection must be issued pursuant to the Local Government Securities Law. 6. The proceeds of any bonds issued pursuant to this subsection, after payment of the costs of issuing those bonds, and making provision for any required reserves, must be allocated pursuant to section 38 of this act.*

### **COLLEGIATE STADIUM PROJECT**

#### **PART V | NONINTERFERENCE WITH EXISTING RIGHTS, POWERS AND AUTHORITIES OF THE UNIVERSITY OR ITS BOARD OF REGENTS**

##### **SECTION 41. 1. *The provisions of this act do not:***

*(a) Require the any university or its board of regents to enter into any lease, ground lease, management agreement or any other contract or agreement.*

*(b) Limit the conditions or other provisions which a university or its board of regents may, in their sole discretion, determine to include in any lease, ground lease, management agreement or any other contract or agreement.*

### **ADMINISTRATIVE PROVISIONS**

#### **PART I | BOND PROCEDURE**

**SECTION 41.5. 1. *Bonds issued by the board of county commissioners under this act shall be general obligations of the county.***

##### **2. *Prior to the issuance of general obligations:***

*(a) Under section 24 of this act, the stadium authority must have made a finding that the transient lodging taxes pledged to the payment of the bonds will generate sufficient revenue to meet or exceed the debt service coverage ratio required pursuant to subsection 1 of section 24 of this act, based on the anticipated annual debt service for each year of the term of the bonds.*

*(b) Under section 40 of this act, the campus improvement authority must have made a finding that the transient lodging taxes pledged to the payment of the bonds will generate sufficient revenue to meet or exceed the debt service coverage ratio required pursuant to subsection 1 of section 40 of this act, based on the anticipated annual debt service for each year of the term of the bonds.*

*Any finding of the stadium authority or campus improvement authority under this section shall be conclusive, absent fraud*



*3. If the board of county commissioners issues general obligations after a finding has been made by the stadium authority or the campus improvement authority under subsection 2:*

*(a) The bonds may be issued without complying with the requirements of NRS 350.011 through 350.0165 and 350.020, pursuant to an ordinance of the county as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under Nevada law.*

*(b) The bonds shall be exempt from the limitation on indebtedness contained in NRS 244A.059, and shall not be included in the calculation of county indebtedness under that section, but the county shall not become indebted by the issuance of general obligation indebtedness for the purposes provided under this act in an amount exceeding five percent of the total last assessed valuation of the taxable property of the county.*

*(c) The bonds shall be treated as if the finding described in paragraph (b)(1) of NRS 361.4727 had been made by the board of county commissioners and approved by debt management commission of the county under paragraph (b)(2) of NRS 361.4727.*

*4. Any bonds issued under this act may be refunded by the county as provided in the Local Government Securities Law.*

#### **ADMINISTRATIVE PROVISIONS**

#### **PART II | TIMING AND TERMS OF AUTHORITY APPOINTMENTS**

**SECTION 42. 1.** *For a stadium authority created by section 11 of this act:*

*(a) The Governor shall within 30 days of passage and approval of this act appoint the three members of the stadium authority pursuant to paragraph (a) of subsection 1 of section 11 of this act to an initial term that, for two of the appointees commences on the date of their appointment and expires on December 31 of the third calendar year following the date of their appointment, and for the third appointee, commences on the date of their appointment, and expires on December 31 of the second calendar year following the date of their appointment; and*

*(b) The board of county commissioners shall, within 30 days of the passage and approval of this act, appoint two members of the stadium authority pursuant to paragraph (b) of subsection 1 of section 11 of this act to an initial term that, for one appointee, commences on the date of their appointment and expires on December of the third calendar year following the date of their appointment, and for the second appointee commences on the date of their appointment and expires on the second calendar year following the date of their appointment;*

*(c) The stadium authority shall within 30 days after all members are appointed pursuant to paragraphs (a) and (b) appoint two members of the stadium authority pursuant to paragraph (c) of subsection 1 of section 11 of this act to an initial term that, for one appointee, will commence immediately upon appointment and will expire on December 31 of the third calendar year following the date of their appointment, and, for the second appointee, will commence immediately upon appointment and will expire on December 31 of the second calendar year following the date of their appointment.*

*1. After each stadium authority member's initial term, each subsequent stadium authority member appointment shall be for a period of three years;*

*2. The same person may be appointed to serve multiple consecutive or non-consecutive terms as a member of the stadium authority.*

*3. The stadium authority appointed pursuant to this section shall hold an organizational meeting within 75 days of passage and approval of this act. At that meeting, the stadium authority shall elect:*



- (a) One of its members as Vice Chair; and*
- (b) A Secretary and Treasurer.*

**SECTION 43. 1. If the campus improvement authority is created by section 28 of this act:**

*(a) The board of regents shall appoint:*

*(1) Two of the members of the campus improvement authority pursuant to paragraph (a)(1) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment and expire on September 30 of that same year; and*

*(2) Two of the members to the campus improvement authority pursuant to paragraph (a)(1) of subsection 1 of section 28 of this act to initial terms that commence on the date of their appointment and expire on September 30 of the following year.*

*(b) The member of the campus improvement authority appointed by the Governor pursuant to paragraph (a)(2) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment and expires on September 30 of the following year.*

*(c) The member of the campus improvement authority appointed by the board of county commissioners pursuant to paragraph (a)(3) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment and expires on September 30 of that same year;*

*(d) The member of the campus improvement authority appointed by the fair and recreation board pursuant to paragraph (a)(4) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment and expires on September 30 of the subsequent year;*

*(e) The members of the campus improvement authority appointed by the pursuant to paragraph (a)(5) of subsection 1 of section 28 of this act to an initial term that commences on the date of their appointment, and expires September 30 of the following year;*

*2. After the initial terms, each member of the campus authority board shall be appointed for a 4-year term.*

**ADMINISTRATIVE PROVISIONS**

**PART III | TIME REQUIREMENTS FOR NFL ACTION AND AGREEMENTS**

**SECTION 44. 1. The NFL team and the developer partners shall have twelve months from the effective date of the act as set forth in subparagraph (1) of section 45 to secure the rights and any necessary approvals to locate or relocate an NFL team into the stadium district created pursuant to section 20 of this act.**

*(a) The stadium authority shall have the ability to grant one, six-month extension to the established timeline for securing the rights to locate or relocate an NFL franchise into the stadium district.*

**2. Once the rights to locate or relocate an NFL franchise have been secured pursuant to subsection 1, the developer partners and the shall have six months to form the Stadium Events Company and to enter into all required contracts and agreements with the stadium authority as set forth in section 16 of this act.**

*(a) The stadium authority shall have the ability to grant one, six-month extension to the timeline established for forming the Stadium Events Company and entering into all require contracts and agreements with the stadium authority.*



**ADMINISTRATIVE PROVISIONS**  
**PART IV | EFFECTIVE DATES**

**SECTION 45.** *1. Section 1 to section 44, inclusive, of this act become effective upon passage and approval of this act, and expire by limitation:*  
*(a) Seven years after enactment if no bonds are issued under this act by that date.*  
*(b) On the date on which all authority to levy taxes under this act has expired as provided in subsection 8 of section 20 and subsection 2 of section 36.*

**##### END #####**



## **Incremental Funding for Police Protection Legislative Recommendation**



## Incremental Funding For Police Protection

### Legislative Recommendation

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

#### OVERVIEW

**SECTION 1** of this act provides that the act shall be known as the Clark County Crime Prevention Act of 2016. **SECTION 2** provides a series of legislative findings supporting the creation of a special act in Clark County to address the region’s interest in enhanced public safety. **SECTION 3** through **SECTION 8** provide definitions for terms used within this act. **SECTION 9** of this act authorizes the Clark County Board of County Commissioners to impose a 0.1 percent sales and use tax. The proceeds of this tax must be used to employ and equip additional police officers. **SECTION 9** also provides for a two-tier distribution of the proceeds of the sales and use tax, with the first tier being allocated to the Las Vegas Metropolitan Police Department for use within the resort corridor and the second tier being allocated to police departments throughout Clark County based on population. **SECTION 10** and **SECTION 11** detail provisions that must be included in the ordinance should the Clark County Board of County Commissioners authorize a sales tax increase pursuant to this act. **SECTION 12** sets forth the requirements of expending or transferring the proceeds of the tax imposed by this act. **SECTION 13** establishes the reporting and accountability requirements for police departments and local governments should the Clark County Board of County Commissioners authorize the sales and use tax increase. **SECTION 14** of this acts sets forth the distribution of the tax revenues generated pursuant to this act and sets aside an administrative collection allowance for the Nevada Department of Taxation. **SECTION 15** of this act provides for the reallocation of tax funds should the Nevada Department of Taxation determine the proceeds of the tax have been improperly allocated. **SECTION 16** and **SECTION 17** create specific county and city funds for the allocation of the proceeds of the tax imposed by this act. **SECTION 18** allows the Nevada Department of Taxation to act on behalf of Clark County in the event legal action is brought regarding this act. **SECTION 19** sets forth the legal construction and severability of this act. **SECTION 20** makes this act effective immediately upon passage and approval.

#### **LANGUAGE FOR CONSIDERATION**

#### **CLARK COUNTY CRIME PREVENTION ACT OF 2016**

#### CHAPTER 249, STATUTES OF NEVADA, 2016

**SECTION 1.** Short title. This act may be cited as the Clark County Crime Prevention Act of 2016.

**SECTION 2.** Legislative findings and declaration. The Legislature hereby finds and declares that:

1. Nevada continues to be among fastest-growing states in the nation, with the majority of this population growth occurring in Clark County, a region adding 3,000 to 4,000 residents each month;
2. Nevada tourism industry is critically important to the state and local economy, with annual visitor counts in the Clark County exceeding 45 million annually, growing by approximately 1 million trips each year.
3. The increase in the number of police officers to protect the residents and visitors of the Clark County has failed to keep pace with growth; while the nation as a whole averages 2.2 police officers for each 1,000 residents, the current ratio in Clark County is currently 1.73 officers per 1,000 residents, without





adjustment for visitors, which account for nearly 17 percent of the Clark County’s full-time equivalent population base;

4. The crime rate in Clark County and within its core resort corridors is increasing, putting residents, visitors and the local economy at an unacceptable level of risk;

5. Funding sources for police protection have struggled to recover post-recession, making it increasingly difficult for police departments in Clark County to dedicate sufficient resources where needed without depleting coverage in other areas of Clark County;

6. A general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of the demographic, economic and geographic diversity of the local governments of this State, the unique growth patterns occurring in Clark County and the special financial conditions experienced in the Clark County related to the need to employ and equip more police officers; and

7. The powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.

**SECTION 3.** Definitions. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

**SECTION 4.** “Act” defined. “Act” means the Clark County Crime Prevention Act of 2016.

**SECTION 5.** “Board” defined. “Board” means the Board of County Commissioners of Clark County.

**SECTION 6.** “County” defined. “County” means Clark County.

**SECTION 7.** “County Treasurer” defined. “County Treasurer” means the County Treasurer of Clark County.

**SECTION 8.** “Department” defined. “Department” means the Department of Taxation created pursuant to NRS 360.120.

**SECTION 9.** “Resort corridor” defined. The “resort corridor” as used herein shall be defined as the area depicted in Appendix A of this act.

**SECTION 10.** Imposition of tax; allocation and use of proceeds; prerequisites to change in use.

1. The Board may enact an ordinance imposing a local sales and use tax of 0.1 percent to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.

2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.

3. The proceeds from the tax authorized pursuant to subsection 1, including interest and other income earned thereon, must be allocated as follows.

(a) A first tier allocation shall be made to the Las Vegas Metropolitan Police Department for resort corridor public safety. This allocation shall be referred to as the “tier one resort corridor public safety sales tax



allocation” and shall be based on the estimated share of the sales and use tax generated within the resort corridor. The resort corridor allocation shall be estimated as follows.

(1) The Board shall obtain in October of each year:

(I) Clark County visitor volume for the preceding calendar year as published by the Las Vegas Convention and Visitors Authority;

(II) The most recent estimates available as to average length of stay for all visitors, including the average number of days per trip and the average number of nights per trip as published by the Las Vegas Convention and Visitors Authority;

(III) The most recent Clark County resident population estimate as published by the Nevada State Demographer.

(2) The Board shall estimate Clark County’s full-time equivalency population by dividing the sum of the following by 365:

(I) The product produced by multiplying the visitor volume estimate obtained pursuant to paragraph (a)(1)(I) of subsection 3 and the average stay per visitor. The average stay per visitor shall equal the average length of stay for visitors measured in days stayed plus the average length of stay for visitors measured in nights stayed, both obtained pursuant to paragraph (a)(1)(II) of subsection 3, divided by two. This factor shall be referred to as the “visitor population-day estimate.”

(2) The product produced by multiplying Clark County’s estimated resident population obtained pursuant to paragraph (a)(1)(III) of subsection 3 and 365. This factor shall be referred to as the “resident population-day estimate.”

(3) The Board shall estimate the full-time equivalency population share attributable to visitors by dividing:

(I) The visitor-day estimate produced pursuant to paragraph (a)(2)(I); by

(II) The total number of person days in Clark County, which shall be the sum of the visitor-day estimate produced pursuant to paragraph (a)(2)(I) and the resident-day estimate produced pursuant to paragraph (a)(2)(II).

(III) This factor shall be referred to as the “visitor population share.”

(4) The quotient produced pursuant to paragraph (a)(3) of subsection 3 shall be multiplied by a visitor sales tax increment factor of 1.15. This resulting value shall be referred to as the “resort corridor sales tax share.”

(5) The resort corridor sales tax share generated in paragraph (a)(4) of subsection 3 shall be multiplied by the total amount of the taxes collected pursuant to subsection 1. The resulting product shall be amount of the tier one resort corridor public safety sales tax allocation.

(b) The second tier allocation shall be made for all sales and use taxes collected pursuant to subsection 1 less the tier one resort corridor public safety sales tax allocation made pursuant to paragraph (a)(5) of subsection 3. This allocation shall be referred to as the “tier two public safety sales tax allocation.”

(1) The second tier public safety sales tax allocation shall be distributed among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph, “population” means the estimated annual population determined pursuant to NRS 360.283.

4. The formula used to allocate the proceeds of the tax imposed by subsection 1 as set forth in subsection 3 shall not be changed for three years from the effective date of this act. From that point forward, the Board may, once in every even-numbered year, reconsider the resort corridor sales tax share calculated pursuant to subsection 3. Should the Board determine that there is a rational basis to modify the resort corridor sales tax share, it shall notify all affected local governments and police departments of the change at least twelve months in advance of making that change.

5. Notwithstanding the provisions of subsection 6 of this section and section 12 of this act:



(a) The proceeds of the tier one resort corridor public safety sales tax allocation shall be used solely for law enforcement and crime prevention within the resort corridor and shall not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, within the resort corridor.

(b) The proceeds of the tier two public safety sales tax allocation shall be used solely for law enforcement and crime prevention throughout County and shall not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, for police protection in the County or any city within the County.

(c) Distribution of the tier two public safety sales tax allocation shall include the resort corridor and there shall be no discount, offset or other reduction to this distribution in consideration of the tier one resort corridor public safety sales tax allocation or any other revenues dedicated to the resort corridor law enforcement or crime prevention.

6. The taxes imposed pursuant to subsection 1 of this act and distributed pursuant to subsection 3 shall be used only as approved pursuant to section 12 of this act unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 295.230, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

**SECTION 11.** Required provisions of ordinance. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent.

2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.

5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed upon the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

**SECTION 12.** Amendatory ordinances. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act



by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

**SECTION 13.** Requirements for expenditure or transfer of proceeds.

1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:

- (a) The proposed use of the money conforms to all provisions of this act; and
- (b) The proposed use will not replace or supplant existing funding for the police department.

2. The body designated to approve an expenditure for:

- (a) The Boulder City Police Department is the City Council of the City of Boulder City;
- (b) The Henderson Police Department is the City Council of the City of Henderson;
- (c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;
- (d) The Mesquite Police Department is the City Council of the City of Mesquite; and
- (e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.

3. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:

- (a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or
- (b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.

4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.

5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2, which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County Treasurer requesting approval for the use by the police department for which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.

6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the designated body, which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act as approved by the County Treasurer for use by the designated body that submitted the request.



7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.

8. As used in this section, “base fiscal year” means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2015-2016, except that:

(a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes Fiscal Year 2015-2016, but is subject to subsequent revision pursuant to paragraph (a).

**SECTION 14.** Funding accountability and reporting requirements.

1. Any governing body that has approved expenditures pursuant to section 12 of this act shall submit to the Department the periodic reports required pursuant to this section and such other information relating to the provisions of this act as may be requested by the Department.

2. The reports required pursuant to this section must be submitted:

(a) On or before:

(1) February 15 for the 3-month period ending on the immediately preceding December 31;

(2) May 15 for the 3-month period ending on the immediately preceding March 31;

(3) August 15 for the 3-month period ending on the immediately preceding June 30; and

(4) November 15 for the 3-month period ending on the immediately preceding September 30; and

(b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.

3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:

(a) The total proceeds received by the respective police department from the sales and use tax imposed pursuant to this act;

(b) A detailed description of the use of the proceeds, including, without limitation:

(1) The total expenditures made by the respective police department from the sales and use tax imposed pursuant to this act;

(2) The total number of police officers hired by the police department and the number of those officers that are filling authorized, funded positions for new officers;

(3) A detailed analysis of the manner in which each expenditure:

(I) Conforms to all provisions of this act; and

(II) Does not replace or supplant funding or staffing levels, which existed before October 1, 2016, for the police department;

(c) An analysis demonstrating how the proceeds of the taxes imposed by section 9 of this act are being used to prevent crimes from occurring and their effectiveness in actual crime prevention; and

(d) Any other information required to complete the form for the report.



4. The Las Vegas Metropolitan Police Department shall prepare and submit separate and distinct reports as required by this section for its tier one resort corridor public safety sales tax allocation received pursuant to paragraph (3)(a) of section 9 of this act and its tier two public safety sales tax allocation received pursuant to paragraph (3)(b) of section 9 of this act. In addition to all other reporting requirement set forth in this section, both reports prepared by the Las Vegas Metropolitan Police Department shall include evidence that the tier one resort corridor public safety sales tax allocations is not offsetting, supplanting, replacing or otherwise reducing the amount of money allocated to the resort corridor from the tier two public safety sales tax allocation.
5. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 12 of this act.

**SECTION 15.** Payment of proceeds to Department; distribution of proceeds.

1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.
2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.
3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:
  - (a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.
  - (b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).
  - (c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

**SECTION 16.** Redistribution of improperly distributed proceeds. The Department may redistribute any proceeds from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

**SECTION 17.** Creation by County Treasurer of fund for use of proceeds; distribution of money.

1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds from the tax authorized by this act.
2. The fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.
3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 9 of this act.

**SECTION 18.** Creation by city treasurers of special revenue fund for use of proceeds.

1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant



to subsection 3 of section 16 of this act into one or more special revenue funds created for the use of the proceeds from the tax authorized by this act.

(a) The Las Vegas Metropolitan Police Department shall create a separate fund and otherwise account separately for tier one resort corridor public safety sales tax allocation it receives pursuant to paragraph (a) of subsection 3 of this act.

2. Each special revenue fund created for the use of the proceeds from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.

3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.

**SECTION 19.** Action by Department on behalf of County. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

**SECTION 20.** Construction of act; severability of provisions.

1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.

2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.

3. This act must not be construed to repeal or otherwise affect any other law or part thereof.

4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.

5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

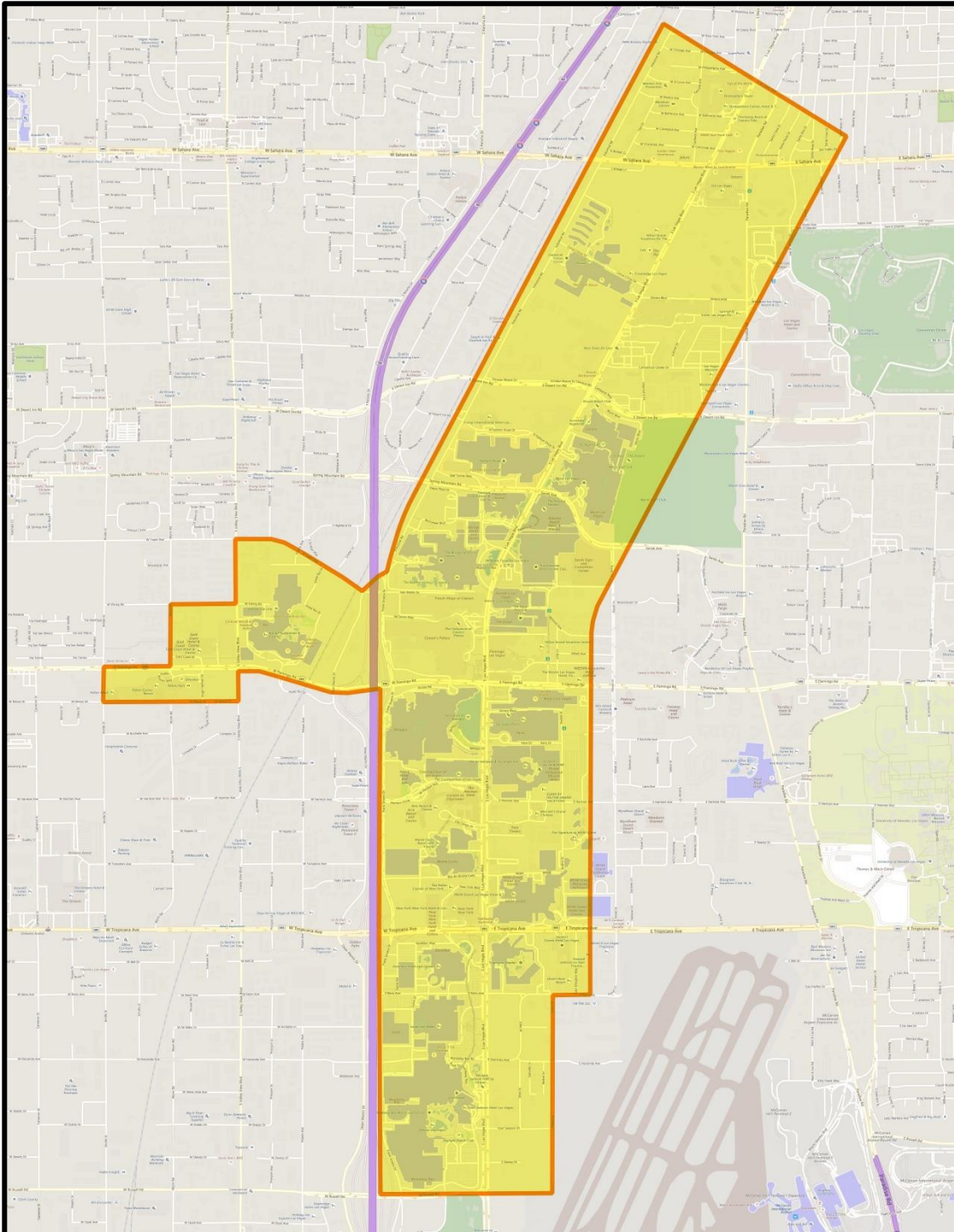
**SECTION 21.** 1. Sections 1 to 19, inclusive, of this act become effective upon passage and approval of this act.



**APPENDIX A**

**Exhibit 1 – Las Vegas Strip Area**

Boundary comprises Las Vegas Boulevard from Russell Road to St. Louis Avenue extending 2,300 feet from the street centerline and Flamingo Road from Las Vegas Boulevard to Arville Street with adjacent area boundaries reflected in the map below.

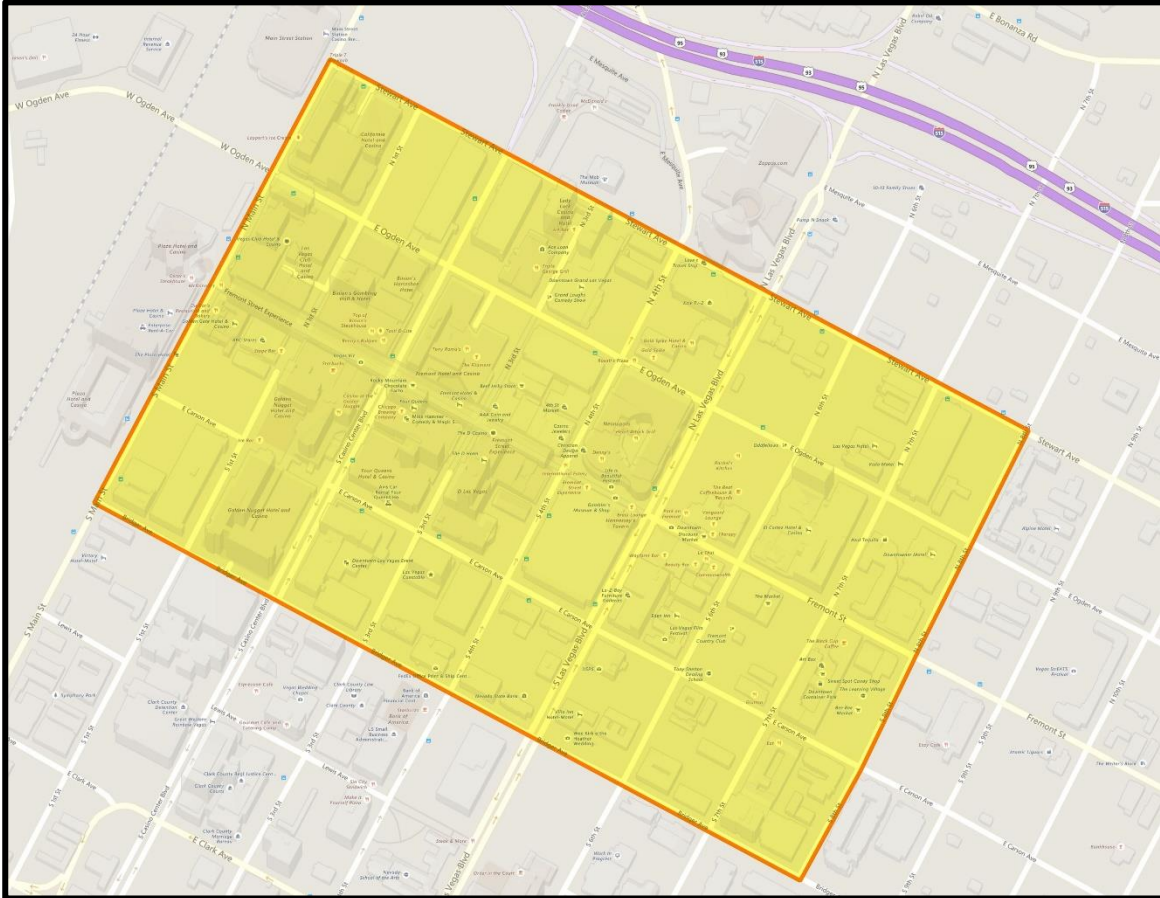






### Exhibit 2 - Downtown Las Vegas Area

Boundary comprises the area bordered by Stewart Avenue to the north, 8<sup>th</sup> Street to the east, Bridger Avenue to the south, and Main Street to the west.



##### END #####



## **Suspension of the More Cops Funding Sunset Legislative Recommendation**



## Suspension of the More Cops Funding Sunset

### *Legislative Recommendation*

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

### OVERVIEW

**SECTION 1** to **SECTION 21** set forth the existing provisions of the Clark County Sales and Use Tax Act of 2005. **SECTION 22** of this act removes the sunset date of October 1, 2025, for any taxes imposed by the act.

### LANGUAGE FOR CONSIDERATION

***Chapter 249, Statutes of Nevada, the Clark County Sales and Use Act of 2005, is Hereby Amended as Follows:***

***The People of the State of Nevada, represented in Senate and Assembly, do enact as follows***

**SECTION 1.** Short title. This act may be cited as the Clark County Sales and Use Tax Act of 2005.

**SECTION 2.** Legislative findings and declaration. The Legislature hereby finds and declares that:

1. Nevada continues to be the fastest-growing state in the nation, with the overwhelming majority of this population growth occurring in Clark County, which adds 6,000 to 7,000 new residents each month;
2. The increase in the number of police officers to protect the residents of Clark County has not kept pace with the explosive growth in the numbers of these residents, so, while the nation as a whole averages 2.5 police officers for each 1,000 residents, the current ratio in Clark County is now only 1.7 police officers for each 1,000 residents;
3. The crime rate in Clark County is increasing, and so is the time it takes for police officers to respond when a resident reports a crime, while the very real threat of terrorism means that police now must assume added responsibilities for homeland security;
4. A majority of the voters in Clark County approved at the November 2, 2004, General Election Advisory Question No. 9, indicating their support for an increase in the sales tax of up to one-half of 1 percent for the purpose of employing and equipping more police officers to protect the residents of Clark County;
5. It is intended that 80 percent of any additional police officers employed and equipped pursuant to this act be assigned to uniform operations for marked patrol units in the community and for the control of traffic;
6. It is further intended that each police department that receives proceeds from any sales and use tax imposed pursuant to this act establish a program that promotes community participation in protecting the residents of the community that includes, without limitation:
  - (a) A written policy of the department that sets forth its position on providing law enforcement services oriented toward the involvement of residents of the community;
  - (b) The provision of training for all police officers employed by the department that includes, without limitation, training related to:
    - (1) Methods that may be used to analyze, respond to and solve problems commonly confronted by police officers in the community;



- (2) The cultural and racial diversity of the residents of the community;
  - (3) The proper utilization of community resources, such as local housing authorities, public utilities and local public officials, that are available to assist in providing law enforcement services; and
  - (4) Issues concerning not only the prevention of crime, but also concerning improving the quality of life for the residents of the community; and
- (c) The formation of partnerships with the residents of the community and public and private agencies and organizations to address mutual concerns related to the provision of law enforcement services;
7. A general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of the demographic, economic and geographic diversity of the local governments of this State, the unique growth patterns occurring in Clark County and the special financial conditions experienced in the County related to the need to employ and equip more police officers; and
8. The powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.

**SECTION 3.** Definitions. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

**SECTION 4.** “Act” defined. “Act” means the Clark County Sales and Use Tax Act of 2005.

**SECTION 5.** “Board” defined. “Board” means the Board of County Commissioners of Clark County.

**SECTION 6.** “County” defined. “County” means Clark County.

**SECTION 7.** “County Treasurer” defined. “County Treasurer” means the County Treasurer of Clark County.

**SECTION 8.** “Department” defined. “Department” means the Department of Taxation created pursuant to NRS 360.120.

**SECTION 9.** Imposition of tax; allocation and use of proceeds; prerequisites to change in use.

1. The Board may enact an ordinance imposing a local sales and use tax to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.
2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.
3. The proceeds from the tax authorized pursuant to this section, including interest and other income earned thereon, must be:
  - (a) Allocated among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph, “population” means the estimated annual population determined pursuant to NRS 360.283.
  - (b) Used only as approved pursuant to section 13 of this act and only for the purposes set forth in this section unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of



the County pursuant to NRS 295.230, asking whether the uses for the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

**SECTION 10.** Required provisions of ordinance. An ordinance enacted pursuant to this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of:

(a) One-quarter of 1 percent if the date on which the tax must first be imposed is on October 1, 2005; and

(b) Up to an additional one-quarter of 1 percent if the date on which the increased rate must first be imposed is on or after October 1, 2009, and if the Legislature first approves the increased rate, the total rate not to exceed one-half of 1 percent.

2. Provisions substantially identical to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that an amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all the functions incident to the administration or operation of the tax in the County.

5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed upon the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of, tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted before that date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

**SECTION 12.** Amendatory ordinances. An ordinance amending an ordinance enacted pursuant to this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is needed.

**SECTION 13.** Requirements for expenditure or transfer of proceeds.

1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:

(a) The proposed use of the money conforms to all provisions of this act; and

(b) The proposed use will not replace or supplant existing funding for the police department.



2. The body designated to approve an expenditure for:
  - (a) The Boulder City Police Department is the City Council of the City of Boulder City;
  - (b) The Henderson Police Department is the City Council of the City of Henderson;
  - (c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;
  - (d) The Mesquite Police Department is the City Council of the City of Mesquite; and
  - (e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.
3. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:
  - (a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or
  - (b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.
4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.
5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2 which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County Treasurer requesting approval for the use by the police department for which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.
6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the designated body which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act as approved by the County Treasurer for use by the designated body that submitted the request.
7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.
8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2009-2010, except that:
  - (a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in



Fiscal Year 2009-2010, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2009-2010, the base fiscal year for that body becomes Fiscal Year 2009-2010 but is subject to subsequent revision pursuant to paragraph (a).

**SECTION 13.3.** Suspension of requirements for expenditure of proceeds from sales and use tax imposed on or after July 1, 2013, but before July 1, 2016; report of expenditure.

1. The provisions of paragraph (b) of subsection 1 and subsections 3 to 8, inclusive, of section 13 of this act do not apply to any expenditure of proceeds from any sales and use tax imposed pursuant to this act on or after July 1, 2013, but before July 1, 2016.

2. In addition to the requirements of section 13.5 of this act:

(a) The periodic reports required by that section must include, with respect to the period covered by the report, a separate detailed description of the expenditure of any proceeds from the sales and use tax imposed pursuant to this act as a result of the provisions of subsection 1; and

(b) A governing body that is required to submit a report pursuant to section 13.5 of this act shall submit a copy of the separate detailed description required by paragraph (a) for the period covered by the report to the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee on or before the date by which the governing body is required to submit the report for that period to the Department pursuant to section 13.5 of this act.

**SECTION 13.5.** Reports.

1. Any governing body that has approved expenditures pursuant to section 13 of this act shall submit to the Department the periodic reports required pursuant to this section and such other information relating to the provisions of this act as may be requested by the Department.

2. The reports required pursuant to this section must be submitted:

(a) On or before:

(1) February 15 for the 3-month period ending on the immediately preceding December 31;

(2) May 15 for the 3-month period ending on the immediately preceding March 31;

(3) August 15 for the 3-month period ending on the immediately preceding June 30; and

(4) November 15 for the 3-month period ending on the immediately preceding September 30; and

(b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.

3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:

(a) The total proceeds received by the respective police department from the sales and use tax imposed pursuant to this act;

(b) A detailed description of the use of the proceeds, including, without limitation:

(1) The total expenditures made by the respective police department from the sales and use tax imposed pursuant to this act;

(2) The total number of police officers hired by the police department and the number of those officers that are filling authorized, funded positions for new officers; and (3) A detailed analysis of the manner in which each expenditure:

(l) Conforms to all provisions of this act; and



(II) Does not replace or supplant funding which existed before October 1, 2005, for the police department; and

(c) Any other information required to complete the form for the report.

4. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 13 of this act.

**SECTION 13.7.** Determination and use of adjusted base fiscal year. Notwithstanding the provisions of subsection 8 of section 13 of this act, for Fiscal Year 2015-2016, the base fiscal year for each body must be adjusted for the purposes of section 13 of this act as provided in this section, and that adjusted base fiscal year must be used as the base fiscal year for all purposes, including future calculations of base fiscal years. To determine the adjusted base fiscal year for Fiscal Year 2015-2016, any expenditures authorized as a result of the provisions of subsection 1 of section 13.3 of this act must not be included when calculating the amount of money received or expended in that fiscal year.

**SECTION 14.** Payment of proceeds to Department; distribution of proceeds.

1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.

(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.

**SECTION 15.** Redistribution of improperly distributed proceeds. The Department may redistribute any proceeds from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

**SECTION 16.** Creation by County Treasurer of fund for use of proceeds; distribution of money.

1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds from the tax authorized by this act.

2. The fund of the County created for the use of the proceeds from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.

3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 9 of this act.

**SECTION 17.** Creation by city treasurers of special revenue fund for use of proceeds.





1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into a special revenue fund created for the use of the proceeds from the tax authorized by this act.
2. Each special revenue fund created for the use of the proceeds from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.
3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.

**SECTION 20.** Action by Department on behalf of County. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County.

**SECTION 21.** Construction of act; severability of provisions.

1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.
2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or any officer, agent or employee of the County.
3. This act must not be construed to repeal or otherwise affect any other law or part thereof.
4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.
5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

**SECTION 22.** *This act is hereby amended upon passage and approval and shall not expire by limitation at any future date.*

##### END #####



**Appendix B**  
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