

Assembly Bill No. 310–Assemblymen
Grady; and Hansen

Joint Sponsors: Senators Settlemeyer,
Goicoechea; and Gustavson

CHAPTER.....

AN ACT relating to irrigation districts; authorizing an irrigation district to purchase and maintain insurance or make other financial arrangements for any liability asserted against an officer of the irrigation district and certain other persons; increasing the maximum amount of certain indebtedness that the board of directors of an irrigation district may incur; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law provides for the formation and operation of irrigation districts in this State. (Chapter 539 of NRS) The officers of each irrigation district must consist of a president, vice president, secretary, treasurer and three, five or seven directors. (NRS 539.063) The board of directors of each irrigation district may appoint or employ agents, officers, employees, delegates to conventions and other representatives as the board may require in the interest of the irrigation district. (NRS 539.193) **Section 2** of this bill authorizes the board to purchase insurance or make other financial arrangements on behalf of any such agent, officer, employee, delegate or representative for any liability asserted against the agent, officer, employee, delegate or representative in his or her capacity as such an agent, officer, employee, delegate or representative of the irrigation district.

Existing law authorizes a board of directors of an irrigation district to incur an indebtedness not exceeding in the aggregate the sum of \$500,000. (NRS 539.480) **Section 5** of this bill increases the amount of indebtedness that the board may incur to \$1,000,000.

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

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

Section 1. Chapter 539 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. *An irrigation district may purchase and maintain insurance or make other financial arrangements on behalf of any person who is or was an officer of the irrigation district specified in NRS 539.063 or an agent, officer, employee, delegate or representative appointed or employed pursuant to NRS 539.193 for any liability asserted against the person and liability and expenses incurred by the person in his or her capacity or arising*



out of his or her status as such an agent, officer, employee, delegate or representative of the irrigation district.

Secs. 3 and 4. (Deleted by amendment.)

Sec. 5. NRS 539.480 is hereby amended to read as follows:

539.480 1. For the purpose of organization or any of the purposes of this chapter, the board of directors may incur an indebtedness not exceeding in the aggregate the sum of ~~[\$500,000]~~ **\$1,000,000** and may cause warrants or negotiable notes of the district to issue therefor, bearing interest which must not exceed by more than 5 percent the Index of Revenue Bonds which was most recently published before the bids are received or a negotiated offer is accepted. The board may levy an assessment on all lands in the district for the payment of those expenses.

2. Subject to the provisions of subsections 3, 4 and 5, thereafter the board may levy:

(a) An annual assessment, in the absence, except as otherwise provided in paragraph (b), of assessments therefor pursuant to any of the other provisions of this chapter, of not more than \$1.50 per acre on all lands in the district for the payment of the ordinary and current expenses of the district, including the salaries of officers and other incidental expenses; and

(b) An annual assessment of not more than \$5 per acre on all the lands in the district for deposit in a capital improvement fund for the construction, reconstruction or maintenance of the irrigation system of the district and any appurtenances necessary thereto.

3. Annual assessments levied pursuant to the provisions of subsection 2 may not cumulatively exceed \$5 per acre.

4. No portion of the amount collected from the assessment levied pursuant to the provisions of paragraph (b) of subsection 2 may be used for the payment of the ordinary and current expenses of the district, including the salaries of officers and other incidental expenses.

5. The assessments authorized pursuant to the provisions of subsection 2 must be collected as provided in this chapter for the collection of other assessments.

Sec. 6. This act becomes effective on July 1, 2013.

