

ASSEMBLY BILL NO. 63—COMMITTEE
ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE NEVADA LEAGUE OF
CITIES AND MUNICIPALITIES)

PREFILED NOVEMBER 18, 2020

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to the financial administration of local governments. (BDR 31-404)

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

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

AN ACT relating to local financial administration; authorizing a local government to use money from a certain fund to mitigate the effects of certain emergencies; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law authorizes the governing body of a local government to establish a
2 fund to stabilize the operation of the local government or mitigate the effects of a
3 natural disaster. (NRS 354.6115) This bill expands the use of such a fund to include
4 mitigating the effects of an emergency which is declared by the local government.

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

1 **Section 1.** NRS 354.6115 is hereby amended to read as
2 follows:

3 354.6115 1. The governing body of a local government may,
4 by resolution, establish a fund to stabilize the operation of the local
5 government and mitigate the effects of **emergencies or** natural
6 disasters.

7 2. The money in the fund must be used only:



1 (a) If the total actual revenue of the local government falls short
2 of the total anticipated revenue in the general fund for the fiscal year
3 in which the local government uses that money; or

4 (b) To pay expenses incurred by the local government to
5 mitigate the effects of *an emergency or* a natural disaster.

6 → The money in the fund at the end of the fiscal year may not revert
7 to any other fund or be a surplus for any purpose other than a
8 purpose specified in this subsection.

9 3. The money in the fund may not be used to pay expenses
10 incurred to mitigate the effects of *an emergency or* a natural disaster
11 until the governing body of the local government issues a formal
12 declaration that *an emergency or* a natural disaster exists. The
13 governing body shall not make such a declaration unless *an*
14 *emergency or* a natural disaster is occurring or has occurred. Upon
15 the issuance of such a declaration, the money in the fund may be
16 used for the payment of the following expenses incurred by the local
17 government as a result of the *emergency or* natural disaster:

18 (a) The repair or replacement of roads, streets, bridges, water
19 control facilities, public buildings, public utilities, recreational
20 facilities and parks owned by the local government and damaged by
21 the *emergency or* natural disaster;

22 (b) Any emergency measures undertaken to save lives, protect
23 public health and safety or protect property within the jurisdiction of
24 the local government;

25 (c) The removal of debris from publicly or privately owned land
26 and waterways within the jurisdiction of the local government that
27 was undertaken because of the *emergency or* natural disaster;

28 (d) Expenses incurred by the local government for any overtime
29 worked by an employee of the local government because of the
30 *emergency or* natural disaster or any other extraordinary expenses
31 incurred by the local government because of the *emergency or*
32 natural disaster; and

33 (e) The payment of any grant match the local government must
34 provide to obtain a grant from a federal agency for an eligible
35 project to repair damage caused by the *emergency or* natural
36 disaster within the jurisdiction of the local government.

37 4. The balance in the fund must not exceed 10 percent of the
38 expenditures from the general fund for the previous fiscal year,
39 excluding any federal funds expended by the local government.

40 5. The annual budget and audit report of the local government
41 prepared pursuant to NRS 354.624 must specifically identify the
42 fund.

43 6. The audit report prepared for the fund must include a
44 statement by the auditor whether the local government has complied
45 with the provisions of this section.



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1 7. Any transfer of money from a fund established pursuant to
2 this section **for a natural disaster** must be completed within 90 days
3 after the end of the fiscal year in which the natural disaster for
4 which the fund was established occurs.

5 8. As used in this section:

6 (a) **“Emergency” means an occurrence or threatened**
7 **occurrence for which, in the determination of the governing body**
8 **of the local government, action is necessary to save lives, protect**
9 **property or protect the health and safety of persons within the**
10 **jurisdiction of the local government, or to avert the threat of**
11 **damage to property or injury to or the death of persons within the**
12 **jurisdiction of the local government. The term does not include a**
13 **natural disaster.**

14 (b) “Grant match” has the meaning ascribed to it in
15 NRS 353.2725.

16 (c) “Natural disaster” means a fire, flood, earthquake,
17 drought or any other ~~occurrence~~ **act of nature** that:

18 (1) Results in widespread or severe damage to property or
19 injury to or the death of persons within the jurisdiction of the local
20 government; and

21 (2) As determined by the governing body of the local
22 government, requires immediate action to protect the health, safety
23 and welfare of persons residing within the jurisdiction of the local
24 government.



