

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Third Session
May 20, 2005**

The Committee on Government Affairs was called to order at 8:16 a.m., on Friday, May 20, 2005. Chairman David Parks presided in Room 3143 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4412 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Mr. David Parks, Chairman
Ms. Peggy Pierce, Vice Chairwoman
Mr. Kelvin Atkinson
Mr. Chad Christensen
Mr. Jerry D. Claborn
Mr. Pete Goicoechea
Mr. Tom Grady
Mr. Joe Hardy
Mrs. Marilyn Kirkpatrick
Mr. Bob McCleary
Mr. Harvey J. Munford
Ms. Bonnie Parnell
Mr. Scott Sibley

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblyman Richard Perkins, Assembly District No. 23, Clark
County
Assemblywoman Debbie Smith, Assembly District No. 30, Washoe
County
Senator Mike McGinness, Central Nevada Senatorial District

STAFF MEMBERS PRESENT:

Eileen O'Grady, Committee Counsel
Susan Scholley, Committee Policy Analyst
Michael Shafer, Committee Attaché

OTHERS PRESENT:

Morgan Baumgartner, Legislative Advocate, representing the Nevada Court Reporters Association
P. Forrest "Woody" Thorne, Executive Director, Nevada Public Employees' Benefits Program
Neil Rombardo, Deputy Attorney General, Office of the Attorney General, Department of Justice, State of Nevada
Jim Wadhams, Attorney, Jones Vargas Law Firm, Las Vegas, Nevada
Cheri Edelman, Legislative Advocate, representing the City of Las Vegas, Nevada
Alfredo Alonso, Legislative Advocate, representing Clear Channel Outdoor
Madelyn Shipman, Legislative Advocate, representing the Nevada District Attorneys Association
Paul McKenzie, Organizer, Operating Engineers Local Union No. 3, Reno, Nevada
Marcia Turner, Director of Government Relations, University of Nevada, Las Vegas
Robin Reedy, Deputy Treasurer, Debt Management, Office of the State Treasurer, State of Nevada
Mike Brierly, Private Citizen, Sparks, Nevada
John Sande III, Legislative Advocate, representing the Reno-Sparks Convention and Visitors Authority
Mike Alonso, Legislative Advocate, representing the Reno-Sparks Convention and Visitors Authority
Neena Laxalt, Legislative Advocate, representing the City of Sparks, Nevada
Carole Vilaro, President, Nevada Taxpayers Association

Chairman Parks:

[Meeting called to order and roll called.] I did indicate that S.B. 421 would be the first bill we hear, but I see that Senator McGinness is here. I am presuming he is here for S.B. 46, so let us start off with S.B. 46.

Senate Bill 46: Increases maximum assumed monthly wage of volunteer firefighters for purpose of contributions to Public Employees' Retirement System. (BDR 23-822)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

[Distributed [Exhibit B.](#)] Senate Bill 46 was sponsored by Senator McGinness and was heard in this Committee on April 20. The bill would increase the maximum assumed wages for volunteer firefighters from \$750 per month to \$2,000 a month for the purposes of determining contributions to the Public Employees' Retirement System (PERS). The bill is enabling only. The provision was first enacted in 1969 when the range of assumed wages was set at \$150 to \$350 a month. The provision was last amended in 1985 to increase the maximum amount to \$750 per month. Testifying in support of the bill was Mike Lister from the Fallon Volunteer Fire Department. Also, Bjorn Selinder testified on behalf of the Churchill County Commission, and Bob Erickson testified in support on behalf of Fallon. PERS testified that the bill had no actuarial impact on the system.

No amendments were proposed, and the measure passed unanimously in the Senate. It was identified for a fiscal impact at the local government level and fiscal impact at the State level.

Chairman Parks:

Are there questions or comments from the Committee?

ASSEMBLYMAN GRADY MOVED TO DO PASS SENATE BILL 46.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chairman Parks:

I believe that S.B. 421 was the next bill.

Senate Bill 421 (1st Reprint): Revises certain provisions relating to Open Meeting Law. (BDR 19-99)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 421 was sponsored by the Senate Committee on Government Affairs on behalf of the Attorney General's Office. The bill requires public bodies to make a recording or transcript of their meeting and to retain the recording of their transcript for at least one year. Public bodies without sufficient funds are not allowed to make recordings or provide transcripts. If a public body is prevented from recording or transcribing a meeting due to factors beyond its control, it will not be deemed a violation of the Open Meeting Law.

Testimony on the matter from the Attorney General's Office indicated the value of recordings or transcripts in investigations of alleged violations of the Open Meeting Law. The University and Community College System of Nevada (UCCSN) and the Nevada District Attorneys Association also supported the bill. An issue was raised by Rusty McAllister from the Professional Fire Fighters of Nevada relating to the issue of action minutes used by the Public Employees' Benefits Program and the high per page cost of transcripts when members of the public requested additional information.

Amendments were proposed by Assemblywomen Parnell and Pierce, and they are attached to your Work Session Document ([Exhibit B](#)). They would require an entity to have a meeting transcribed by a court reporter, for the purpose of providing minutes in transcript form, in order to post those minutes on its website. It must be in a format that cannot be copied, altered, or written over, and it must appear on the website no later than 30 days after the meeting.

The measure passed in the Senate with 20 yeas and Senator Coffin voting no. There was an identified potential fiscal impact at the local government level, and also at the State level.

Chairman Parks:

Are there questions or comments from the Committee?

Assemblywoman Parnell:

If Ms. Scholley could, some of us were under the impression that the amendment would apply solely to the Public Employees' Benefits Program board. Is there a reason why it was not limited just to that body?

Susan Scholley:

Generally, the laws are made to apply to a category. So, this bill was not directed specifically at a particular agency, which is typically not the way the Open Meeting Law chapter is written. It is addressing a category of entity. As proposed, it is directed to a public body that fits these criteria. You could make

the criteria narrower if you would like, but it is generally best to address these things generically.

Assemblywoman Parnell:

I would like to be able to have Morgan be able come to the table, because we worked on this together and we were both under a different assumption. If we could have Morgan share her thoughts at the appropriate time, I would appreciate it.

Morgan Baumgartner, Legislative Advocate, representing the Nevada Court Reporters Association:

For a number of years, I have represented the court reporters, and I do not believe this particular Committee has had the pleasure of understanding the intricacies of how the court report transcripts are produced and transcribed. In working with Assemblywomen Parnell and Pierce, I described to them the court reporter's transcript, the ultimate final product, and how it is determined to be their worked product. While it is not copyrightable, it is similar to what a photographer produces at a wedding, where you take the pictures and have access to the prints, but you do not ever get the negatives. Understanding the problems with the PEBP board, we determined we would make the minutes available in a non-alterable form on their website. We understand that you cannot print them, because everything on the website is in some sort of printable form. We do believe that it is very important that they are not alterable because they are a direct transcription, word-for-word, of what happened in the meeting.

With that said, we wanted it relegated to the PEBP board because of the work product issue of the court reporters. They are not compensated for giving away their entire work product. They are only compensated for producing it and a certain number of copies. When there are additional copies made, they are charged a per-page fee. Generally, the public is not usually interested in getting a transcript of a lot of these agencies' board meetings, because the court reporter transcriptions are in a word-for-word document. That is why I would request this Committee to have it relegated only to the PEBP board.

Chairman Parks:

Are there any other questions?

Assemblyman Hardy:

I am looking at the bill and all the sections at the end reference airport authorities, V&T [Virginia and Truckee] Railroad, and several different Nevada commissions. All of the different authorities and commissions we put in statute uniquely and separately. So, I am wondering if we basically have, *de facto*,

listed things separately in order to list something in either language directly or indirectly. That would put the PEBP board in a situation.

[Assemblyman Hardy, continued.] I do have problems with the requirement of making sure audio transcripts or transcripts themselves are held for one year. For instance, the Community Education Advisory Board holds a public meeting and they have Open Meeting Law duties. These small boards have no resources whatsoever. The boards get together and talk, but they do not have storage space, nor do they have a tape recorder. So, we rope in the Open Meeting Law with all sorts of people. I do not want to put a burden on those people for keeping something in storage for one year. Not only do they not do it, but logistically and financially, they are not able to meet those requirements. Does this rope those little people into the Open Meeting Law requirements that are not listed in all of the sections at the end?

Eileen O’Grady, Committee Counsel, Legislative Counsel Bureau:

This bill addresses all public bodies. So, the sections that are currently in the bill are just ones that had to be amended in order to clarify the issues—because they happened to mention “minutes”—but it applies to any public body.

Assemblyman Hardy:

Then, if it applies to any public body, I guess what we’re trying to do is solve a problem, and we may be creating some problems that we don’t anticipate. I am wondering if we need to address the problems instead of rope in all the other people. I am aware of community education advisory boards that do not have those resources. If the problem is a board, we should make it specific to those boards. We do not want to create a problem that we do not know about. That would be what I would call a “conceptual suggestion.”

Chairman Parks:

I see Mr. Thorne is here. Did you wish to make a quick comment?

P. Forrest “Woody” Thorne, Executive Director, Nevada Public Employees’ Benefits Program:

As far as the amendment itself, I would just like to stress something regarding its intent. Right now, there is no technical way to put something up on the Internet that cannot be copied, altered, or written over. We can put it up there and we can put it in a PDF [portable document format] so the document itself cannot be altered. However, all you have to do is highlight the text, copy the page or document you need, and then paste it into a [Microsoft] Word document. You can do this to anything you want copied.

Chairman Parks:

I was not aware you could highlight text and pull it out on a PDF file.

Woody Thorne:

There is a text select tool.

Assemblywoman Pierce:

I think it is true you can take the whole document, copy it into Word, and then alter it. Right now, someone could buy the transcript and come to a meeting or say in public, "This is what the transcript says," and then not tell the truth. I think the World Wide Web is great thing. I think, as much as possible, we need to move into the twenty-first century. This is just a tiny move in that direction. I am not suggesting that we actually leap into the twenty-first century, but rather just stick our toe in and get it a little wet.

Eventually, I think it would just be irresponsible to not have virtually everything coming from open meetings on the Web. I think this is the information age and there are some small adjustments needed to be made to move into the information age. I think making meetings more available to the public is a boon to democracy. The public votes for us and they pay our salaries, so I think we should try very hard not to resist this tiny little step into the new century.

Woody Thorne:

I would like to say that we have no objection to posting the minutes on the Web. We just do not want to be in a position of not being able to comply with the statutes. We wanted to make sure that there is no contradiction for us and we were not in trouble with the court reporters section of the statute. Once those are cleared up, we will be happy to place that information on the Web.

**Neil Rombardo, Deputy Attorney General, Office of the Attorney General,
Department of Justice, State of Nevada:**

If I may, I would like to address Assemblyman Hardy's concern about public bodies not having the funding available and things of that nature. This concern was addressed in subsection 6 by the Senate. They stated that public bodies are now required to make a recording of a meeting, but the alternative would be to have the meeting transcribed if the public body does not have sufficient monies to conduct those activities. So, there is an out for these small public bodies. They would not have to pay for a stenographer to transcribe their meeting or to record these meetings if they did not have any money. This was kicked around in the Senate Government Affairs Committee and was what they felt was the best amendment. So, I think that issue was resolved.

Assemblyman Grady:

I think that we are beating something around here, because apparently, PEBP does not want to make their minutes available at a reasonable rate. We have every city, county, board, and State agency making their minutes available except for PEBP. I think we ought to do an amendment and just tell them to make the minutes available at no charge like everyone else.

Assemblyman Goicoechea:

I am a little concerned. I realize what the language says in subsection 6, but the bottom line is, who is going to make the determination if you have sufficient money to run the recorder? I can see a constituent challenging a board because their tape was not in true audio form. Maybe it was not a true audio tape and they just recorded on a little cassette, and there were blank spots. We have seen the Elko County Commissioners challenged three or four years ago because they had gaps in their tape.

The bottom line is, I am just a little uncomfortable with the language. I think we need to consider and look this over in some of the amendments. I did like parts of the language in some amendments that have been proposed. If you did not have a certain level of staffing, I would hate to see a small Committee get in big trouble because they were challenged. Just to say that you do not have sufficient money could be challenged. Again, \$50 will buy you a recorder and a cassette, and something is better than nothing.

Neil Rombardo:

I will again state that our office would use the rule of reason, and we discussed this with the Senate Government Affairs Committee. If the City of Reno tried to claim a shortage of money, we would obviously question them. If a small irrigation district in the middle of the state claimed that they did not have the money, then that would probably be a reasonable assertion. I do not know for a fact they have a shortage of money. It would be part of our investigation to look at their resources in those situations. I agree with your concern, and I too am always concerned about laws that are not clear. I am usually the one who ends up arguing them in court. This language was proposed by the Senate Government Affairs Committee, and it is what made them comfortable and is why it is still there. We did not propose this originally but actually requested that all public bodies have to record, or at least make some attempt to record.

The problem with the staffing level criteria proposed in the bill is because several of these public bodies have no staff. For example, the Carson City Recreation Board technically does not have any staff. They are all employees of the Carson City Recreation Department, but technically, the board does not have any staff. So, if some public body wanted to avoid recording meetings,

they can easily say, "Well, we have no staff for our public body." The staff actually works for the department, so there is also ambiguity. It is a tough situation, but we feel that at least this gives us the opportunity to get these recordings and allows us to investigate these cases. Sometimes we do a more thorough investigation. That is the best answer I can give you.

Assemblyman Goicoechea:

I guess this is more back to the Committee. I guess I would prefer to have everyone at least make an attempt to record, even if it is on a 1995 cassette recorder that is technically unusable. I would prefer to have something rather than have somebody say, "Well, we didn't have the money."

Neil Rombardo:

If I may respond, we actually would support the language fully. I think that is a clearer way to do the statute.

Chairman Parks:

Are there further comments or questions?

Assemblywoman Parnell:

I have just a couple of things. When you look at the amendment, I think it is important to recognize that many of the commissions referenced in this bill do not use court reporters; the smaller ones would not, so they would not be affected by the amendment whatsoever. I am very comfortable with the bill as it is, if we could just require something of the Public Employees' Benefits board. There are thousands of persons who are impacted by the decisions of that board, and they should have access to the information from their meetings. I do not know how to best have the board provide this information, but it has to happen. If we could specify, that would be my preference.

Neil Rombardo:

I wanted to address something that Assemblyman Grady said. Assemblyman Grady stated that the law required public bodies to make their minutes available. That is true, but they only have to be available for inspection. So it means that a member of the public can go to the office and look at the minutes. PEBP currently does do that, but I am not here to defend PEBP. I am just pointing out that no public body has to actually give out free copies of any minutes. So, I just wanted to help you out in that regard.

Morgan Baumgartner:

When I was working with Assemblywoman Parnell and Pierce to develop this language, the most important issue regarding the court reporting transcripts is their inability to be able to alter them. If it goes up on a PDF file and the

integrity of that actual document is still maintained, with respect to the PEBP board, then that is fine. What we are concerned about is that our transcripts are verbatim transcripts of a proceeding. If they are relied upon in a judicial setting, such as an administrative review process, the integrity of the transcript needs to be ensured. We need to realize that once it goes up on the website, people could take parts and change it or alter it. The basic integrity is what we were looking to ensure. So, we would certainly be willing to just have it make a specific reference to the PEBP board when it goes out in a PDF file. We would want it to use whatever terminology to make everyone's life easier.

[Morgan Baumgartner, continued.] We realize the constraints of putting things on the Web and how you can move it or not move it. We would certainly be willing to work with whomever to come up with language that is appropriate. We are not technical IT [information technology] people either. If it is all with respect to the PEBP board, we are very willing to cooperate in any manner to get that to the public.

Chairman Parks:

Is it okay to copy pages from the Web by a court reporter if, for example, PEBP were to put its minutes on the Web? Would the court reporters have a problem with having someone access them by page?

Morgan Baumgartner:

No, the PEBP board would not have a problem. We have spoken with the court reporter who generally does the transcribing. The manner in which the PEBP board works is significantly different than the other agencies. It is my understanding that it is not frequent that a transcript is requested. It is generally not for judicial review purposes. So, we would be fine with that. I do need to reiterate, it would only apply to the PEBP board. I have committed Assemblywoman Pierce to take a look at court reporter transcribing issues that would cause potential problems in the future.

Eileen O'Grady:

I would just like to clarify for the record that there is no issue or no legal problem with limiting this amendment just to the PEBP.

Chairman Parks:

What's the pleasure of the Committee?

ASSEMBLYWOMAN PIERCE MOVED TO AMEND AND DO PASS
SENATE BILL 421.

Chairman Parks:

Mr. Goicoechea, could you explain that, please?

Assemblyman Goicoechea:

I just thought that if we took subsection 6, under Section 1, we could just say that the public body is required to make an audio recording of a meeting or transcribe a meeting "to the extent possible." I think subsection 7 under number 1 talks about being fated to do so because of things that were beyond the body's control. I guess I would prefer everyone make the intent rather than talk about it being a monetary issue. I clearly think both are available. If you make the intent, and the meeting is held in a barn out there and you do not have power, it is pretty hard to record anything. So, we will go from there.

I guess the more we continue to stir this, the uglier it gets. My real concern is, if we do the recording, do we also have to have a court reporter transcribe it? Is that everyone's understanding? I want to make sure that is not correct, because I think you could read it that way. I want to make sure that is not what it says, because if we have to take the 1995 cassette and turn it into a court reporter to transcribe, then it would become an issue. I think clearly if we have a secretary, a staffer, or even a member of that committee sitting there who is going to compile some minutes, then that is really what we are looking for. We are going to do the best we can and will have the tape as a backup. I am not too sure it does not say who has to do the transcription. I just want to be clear.

Eileen O'Grady:

Just to clarify for the record, the choice is for the public body to either record the meeting on audio tape or transcribe it. They do not have to do both.

Assemblyman Goicoechea:

How valid are these cheap cassettes going to be after being stored for a year's period? Probably the best way to get the minutes out in the rural community is not through the cassette you are trying to copy. It is better to have a written set of minutes that are typically transcribed by staff and made available to the public. Of course, if there is an issue with what the minutes say, you always have the chance to go back in audio to make sure of what was said. I do not see that capability, and I will defer to staff for their understanding. Does this allow the ability for staff to listen to the cassette? I want an interpretation of transcription. Who has to transcribe?

Neil Rombardo:

Transcription is actually covered in another statute, but the minutes would still be required. Minutes are hand-done or typed, depending on how the particular

public body does it, but it is simply a summation of what occurred at the meeting. The minutes would include what actions were taken and a general overview of the topics that were discussed. The problems we have found in the past were that sometimes, the minutes do not tell us exactly what was said, and sometimes, that is relevant. That is why we are asking for the tape recording as well. The minutes still must be done, but there also must be a tape recording under this statute. So, it is not in lieu of; it is both.

Assemblyman Goicoechea:

I think that as long as we have that ability, I can live with it, but that would also mean that any tapes that were done would have to be held by that body for at least a period of one year.

Neil Rombardo:

That is correct.

Chairman Parks:

Ms. Pierce, could you restate your motion?

ASSEMBLYWOMAN PIERCE MOVED TO AMEND AND DO PASS
SENATE BILL 421 WITH THE PARNELL/PIERCE AMENDMENT,
FURTHER AMENDING IT TO APPLY ONLY TO THE PUBLIC
EMPLOYEES' BENEFITS PROGRAM BOARD.

Susan Scholley:

May I clarify this amendment? The public body has a meeting transcribed and certified by a court reporter—certified pursuant to NRS [*Nevada Revised Statutes*] 656—and is for the purpose of providing minutes. Also, in transcribed form, the public body shall post the transcription on its website no later than 30 days after the meeting. Would this amendment apply only to the PEBP?

Chairman Parks:

Correct.

Susan Scholley:

That is actually in NRS Chapter 286 or 287. I can never remember which.

ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

Assemblyman Goicoechea:

Can I propose an additional amendment? Under 6, we delete "sufficient money" and make it "to the extent possible." On subsection 6, a public body is required to make an audio recording "to the extent possible." Should we leave subsection 6 in the bill?

Chairman Parks:

The motion made by Ms. Pierce and Ms. Parnell was to add in the wording "should they be using court reporting," and no other change. What Mr. Goicoechea is suggesting is to include the words "to whatever extent possible."

Assemblyman Goicoechea:

Yes, to do away with "sufficient money" and just reflect "to the extent possible."

Assemblyman Hardy:

This may solve my problem. If the public body is required to make an audio recording of a meeting or have a meeting transcribed, the public body will "wherever possible," or whatever words those are. Then, my question is whether somewhere in there it requires the little board to keep the audio recording for a given amount of time in subsection 6 on page 3. If there is not something in there requiring them to keep their audio recording, then I would like to make a suggestion. Either they do not have the requirement, or they have the requirement of "until the minutes are approved by the board at the next regular meeting." In other words, the board could actually record over the same tape and not be required to have a stack of tapes somewhere that somebody's going to be liable for losing if their kid plays them.

Assemblyman Goicoechea:

That is exactly why we are saying "to the extent possible." If, in fact, you end up with something else recorded over it, I think the law requires that it be maintained for one year. I think we are giving them the flexibility with the "extent possible" rather than saying "monetarily." I am really concerned about having a constituent challenge this procedure. If he had enough money to get to the meeting, why couldn't they afford the cassette? I think we just need to have a little more flexibility. We should—to the extent possible—at least get some protection if we are challenged.

Chairman Parks:

Mr. Goicoechea, "to the extent possible" does not alter the one-year requirement. Do you understand that part of it?

Assemblyman Goicoechea:

Yes, I understand that part of it, but it probably gives you just a little bit of escape, rather than hanging the Attorney General over you. At least they could say, "We tried, and the tape was in place," "There were pieces of it in place," "I can't help it; the dog is barking over the top or in the middle of it," or something similar, because those things happen.

Neil Rombardo:

I would like to suggest we remove paragraph 6 completely. Your fallback paragraph would be paragraph 7. It states, "If the public body makes a good faith effort to comply." It is basically the same language as "to the best extent possible." Keep in mind, if you do remove paragraph 6, Assemblyman Hardy's concern about the small public body that does not have any money is gone. However, the language you have proposed currently removes that anyway. So, it would be my suggestion that you eliminate paragraph 6, which would go back to what Assemblyman Goicoechea desired, that all public bodies record their meetings. At least they can make some effort, and if they fail to be successful in recording their meeting, they can fall back on paragraph 7. They can say, "We have done the best we could, but unfortunately, while we were in the barn, the dog started barking and the cow started mooing," and whatever else occurs in the barn.

Chairman Parks:

Does that work? I know that Mr. McCleary had a question.

Assemblyman McCleary:

I think I understand now. I got confused when I heard the Parnell/Pierce amendment, but I thought that was all we were going to do with this bill. Now, after listening to more conversation, the bill is still going to include everybody, but we still have their amendment on the side.

Assemblyman Grady:

It is a very good, reasonable thing to do by eliminating Section 6. I cannot believe that there is anybody out there who belongs to a city, county, or whatever county, and would not help them out via the \$59 recorder. I don't think eliminating "if they have sufficient funds" makes a difference. I think it is fine to eliminate 6.

Chairman Parks:

Does the maker of the motion accept?

Assemblywoman Pierce:

As the maker of the motion, I accept Mr. Goicoechea's amendment.

Assemblyman Goicoechea:

My amendment, if I could amend my amendment, would be to strike 6.

Assemblywoman Parnell:

I accept that.

THE MOTION CARRIED UNANIMOUSLY.

Chairman Parks:

The next bill that I would like to look at is S.B. 428. We considered it previously, and Mr. Wadhams is here, so could he come forward and perhaps give us a little assistance?

Senate Bill 428: Prohibits admission of certain persons as parties to certain administrative proceedings. (BDR 18-987)

Jim Wadhams, Attorney, Jones-Vargas Law Firm, Las Vegas, Nevada:

I would like to apologize if my testimony has been confusing. It certainly was not my intent, but I will be happy to answer any questions. I read the staff worksheet on this. I think, quite frankly, their suggestion does add further clarity, and we certainly not only do not object, but would support this in order to give additional comfort to the Committee.

Assemblyman McCleary:

Can you tell me what this bill is fixing? That is a question I had yesterday. I got confused. I can't figure out what it is we are actually doing. Where is the wrong that we are righting?

Jim Wadhams:

In my law practice, I am hired by people to help them through their licensing problems. It becomes clear to me that many of these licensing agencies have laypeople as hearing officers. The standing issue is, who can be in the licensing hearing and can test it, cross-examine witnesses, when the little guy goes in by himself without the benefit of a lawyer? It makes me have concerns. What we have done here is merely import the case law to give guidance to the hearing officers, so that everyone has the same standard as to how they are proceeding and the direction they are taking.

[Jim Wadhams, continued.] This is a due process issue that just protects the little guy who cannot afford a lawyer to protect himself. It is giving him direct guidance from the Legislature to the hearing officer. The only people who can get in and cross-examine witnesses are people who have a stake in the matter.

Let me give you an example. Just recently, we had a hearing about a local insurance company that had to have a hearing in order to get a license to issue stock. At the hearing, an individual appeared for a worker's compensation company. An injured worker came in and wanted to testify in that hearing. The hearing officer allowed him to do so because he was a member of the general public. It was not a problem and was not in any way jeopardizing the hearing. The press attended also. This individual made comments and talked about his claim, which was denied. These comments and his claim had no direct bearing on the matter and the hearing. However, under this process, that is allowed. What that person could not do is become a party and cross-examine other witnesses that could present testimony. As a member of the public, they could not cross-examine other witnesses, regardless of the particular outcome of the hearing. The hearing officer decided the individual who was allowed to testify did not have the right to appeal that decision.

These kinds of hearings are more in the nature of the judicial process than they are in the legislative process. When a State agency makes regulations, it is in the nature of the legislative process. When it is a contested case, it is more like a criminal trial. It is more like a judicial proceeding. What this does is make it clear for the hearing officers. Many times—in fact, for most agencies—there will be laypeople. Many times, people will not be able to afford a lawyer to go in, because they think, this is just a mistake. I shouldn't be here. I will just go tell my story, and I will be okay. This just gives direction to the hearing officer in regard to the application of the standards of due process.

Chairman Parks:

I don't have a copy of the bill, but there was a change in the wording for district court from "may" to "shall." I wondered whether that was a major portion. Is that something that you had requested, or was that an action that Legal may have assumed when they drafted the bill?

Jim Wadhams:

My best recollection is that I requested the language. I do not think the language came from the Legislative Counsel Bureau, and it is consistent with the policy that was expressed. Unless you have been in the underlying proceeding, you should not have the right to appeal. It just makes the policy clearer.

Chairman Parks:

Are there any further questions from the Committee? What's the pleasure of the Committee?

ASSEMBLYMAN GOICOECHEA MOVED TO DO PASS
SENATE BILL 428.

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

Assemblyman Grady:

Did we have an amendment on S.B. 428 on page 3, line 15, to address contested cases?

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO
PASS SENATE BILL 428 WITH THE AMENDMENTS TO CLARIFY
THE LANGUAGE AND TO ADDRESS CONTESTED CASES.

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

Chairman Parks:

Is there any further discussion on the motion?

THE MOTION CARRIED, WITH ASSEMBLYWOMAN PIERCE
VOTING NO. (Mr. Claborn was not present for the vote.)

Chairman Parks:

Let us just go ahead and do a couple of the bills from the top down. We will begin with S.B. 20.

Senate Bill 20: Revises provisions governing certain county fair and recreation boards. (BDR 20-682)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 20 was sponsored by Senator Hardy and was heard in this Committee on May 6. The bill would increase the membership of the Las Vegas

Convention and Visitors Authority from 13 to 14 members. The additional member would serve a 2-year term and must be a member of the governing body of the smallest incorporated city in Clark County. The additional member will effectively allow Mesquite and Boulder City to have permanent positions on the authority.

[Susan Scholley, continued.] The measure also removes provisions that set forth the current rotating schedule. Unless a sixth incorporated city becomes eligible to appoint a member, the Board of County Commissioners must facilitate a biennial appointment rotation.

Testimony in support of the bill came from Senator Hardy and Mayor Bill Nichols from Mesquite. Senator Hardy did propose some clarifying amendments. I have attached to your Work Session Document ([Exhibit B](#)) a link to the cities' ranking by size to the decennial population numbers.

The measure passed with 20 yeas and Senator Tiffany voting no in the Senate. It may have a fiscal impact at the local government level, but there is none at the State level.

Chairman Parks:

Are there questions or comments from the Committee? I guess the fiscal impact would be setting up another folding chair? I have been informed that they will need another microphone too.

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS
SENATE BILL 20.

ASSEMBLYMAN McCLEARY SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Claborn was not present for the vote.)

Chairman Parks:

Shall we proceed to S.B. 52?

Senate Bill 52 (1st Reprint): Revises provisions relating to adoption and enforcement of certain ordinances by local governments. (BDR 14-369)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 52 was sponsored by Senator Townsend and was heard on May 16. This bill authorizes a city council or a county commission to designate code enforcement persons to serve and issue citations for ordinance violations. These designated persons may remove a vehicle from public property if there is reason to believe that a vehicle is abandoned. The maximum civil penalty a city may impose for a violation of an ordinance is ordering the owner of the commercial property to repair or eliminate dangerous structures or conditions. They would have to clear debris, garbage, noxious weeds, et cetera. Fees for abandoned or junked vehicles and appliances are increased from \$500 to \$1,000. Further, if the city, county, or district health board has adopted a definition of "garbage," that definition must be used in the nuisance ordinance. Finally, the bill lets the welfare of the general public in the failure to meet minimum maintenance requirements be a factor when determining whether a dangerous structure or condition exists.

Testifying in support of the bill were representatives from the City of Reno, as well as Henderson, Las Vegas, and North Las Vegas. There was no testimony in opposition. No amendments were proposed. The measure passed with 20 yeas in the Senate, with Senator Care voting no. There is no identified fiscal impact.

Chairman Parks:

Are there comments or questions from the Committee?

ASSEMBLYMAN GOICOECHEA MOVED TO DO PASS
SENATE BILL 52.

ASSEMBLYMAN MUNFORD SECONDED THE MOTION.

Assemblyman Hardy:

I think that some of us have expressed a concern outside of the hearing. We were concerned about the issue of people or enforcement officers going door-to-door and checking things out. Usually, what happens in local government—and I suspect this will continue to happen—is they will act on complaints or obvious things instead of taking periscopes and looking into people's backyards. I think there is probably some worry of "big brother." I have a certain comfort level, however, with how local governments operate. So, from a legislative intent, I would be looking at how local governments process this when there is a complaint or, as we heard in testimony, an obvious thing sitting in the middle of the street with no wheels, et cetera. So, I just want to make

sure that people know that we are not trying to impose or infringe on their privacy with this bill.

Assemblyman Christensen:

Along with my colleague from Boulder City, I just wanted to put on the record that I have spoken to a few groups who have expressed their concerns. They shared some of their experiences, and I respect that neighborhoods should have the right to a clean, orderly neighborhood. I will vote yes here in the Committee and will reserve my right to vote on the floor if some of the concerns continue.

Chairman Parks:

Are there any further comments?

THE MOTION CARRIED UNANIMOUSLY.

Chairman Parks:

The next bill we have is S.B. 122.

Senate Bill 122 (2nd Reprint): Authorizes certain public employees with active military service to purchase additional years of service in Public Employees' Retirement System. (BDR 23-630)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 122 was sponsored by Senator Raggio and was heard in this Committee on April 20. The bill allows persons with at least 5 years of service credit in the Public Employees' Retirement System (PERS) to purchase additional credits based on service on active military duty during Operation Enduring Freedom or Operation Iraqi Freedom. Eligible public employees, including volunteer firefighters, may purchase a number of months equal to the number of full months served on active military duty, not to exceed 3 additional years of service credit. The members must have been honorably discharged or released from active duty, and the member must also pay the full actuarial cost of the service credit.

You will recall this bill is very similar to A.B. 113, which this Committee also heard and is currently pending in the Senate Committee on Finance. Assembly Bill 113 does differ from S.B. 122 in that A.B. 113 was not limited to operations specified, and A.B. 113 only permitted purchase of up to two years of additional service credit.

[Susan Scholley, continued.] Testimony in favor of the bill came from Senator Joe Heck on behalf of Senator Raggio. The State of Nevada Employees Association and Adjutant General Giles Vanderhoof also testified in support. Dana Bilyeu from PERS testified as neutral on the measure. She noted that although there was a potential for tax consequences as there was with A.B. 113, they could be worked out. Those tax consequences were for the member and not the system. No amendments were proposed. The measure passed unanimously in the Senate. There is no fiscal impact at the State or local level.

Chairman Parks:

Are there comments or questions from the Committee?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS
SENATE BILL 122.

Chairman Parks:

I do have some concerns about the limitations for S.B. 122. I think Mr. Manendo's bill was broader in who it took in. It was a little shorter in the number of years. I know that there was testimony given the other day on A.B. 113. An offer was made by Senator Raggio to amend those individuals who supported A.B. 113 into S.B. 122. I think there was also some discussion relative to persons who had served in Desert Storm. My question is to the maker of the motion. Would he wish to do any form of an amendment relating to the inclusion of A.B. 113?

Assemblyman Hardy:

That is exactly what I would want to do.

Chairman Parks:

The primary differences would then be to make the sponsors of A.B. 113 co-sponsors on S.B. 122 also. In addition, Operation Enduring Freedom and Operation Iraqi Freedom would include Operation Desert Storm. Was there any reference to the numbers of years or any interest in that part?

Assemblyman Hardy:

I would respect what the sponsors wanted to do, and I would appreciate those sponsors being together on what bill proceeds.

Chairman Parks:

The only thing that was left up in the air was the 2 years versus 3 years. I am assuming you will go with the 3 years.

Assemblyman Hardy:

I am going 3 years.

Chairman Parks:

I have to admit that this is money out of each of these individual's pockets. It is not getting anything free. It is just simply having the option to buy at that time.

Assemblywoman Parnell:

My only concern is identifying specific conflicts. To me, legislatively, that is not a very sound policy. I do not know if there is a way to define what we are looking at, rather than identifying one of them and then possibly leaving something out. Two years from now, and in the next 18 months, we might have another conflict, and then we are not covered. I certainly would prefer a more generic form.

Chairman Parks:

I think that was part of the discussion and the difference between the authors of the two bills. There is nothing to say that two years from now, we cannot come back and add another incident or operation. We always have that as an option.

Assemblyman Hardy:

When I applied for my membership in the American Legion, they defined it as "serving active duty during a particular time." It is an option that can be used because there is a time period, and those dates are already in. Someone has those because they are actually written down as to the dates someone would have served active duty. So, if staff or Legislative Counsel Bureau (LCB) wanted to look at it and define it that way, those dates are available.

Chairman Parks:

Are there any further comments? Assemblyman Hardy has moved to amend the bill to include Desert Storm, as well as to amend the bill to include the Assembly members as joint sponsors of the bill. Am I correct? That is his motion.

ASSEMBLYMAN McCLEARY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chairman Parks:

Shall we do S.B. 262?

Senate Bill 262 (1st Reprint): Authorizes remedies under certain circumstances if outdoor advertising structures are obstructed by certain highway construction. (BDR 22-1250)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 262 was sponsored by Senators Raggio and Washington by request. The bill provides that if sound walls or other noise abatement structures within a freeway right-of-way obstruct a billboard's visibility, the city or county shall:

- Authorize the owner—with NDOT [Nevada Department of Transportation], and at no cost to the State or local government—adjust the height or angle or possibly relocate the billboard on the same or another parcel
- Evaluate the sound wall's impact and implement certain design modifications
- May authorize any other relief, consistent with public health, safety, and welfare, as agreed upon by the governing body, NDOT, and the owner of the advertising structure

Billboards may remain obstructed if no feasible solution is found. Local governments may adopt ordinances to implement the bill, and they may include various procedures.

In addition, the bill contains certain exemptions and various clarifications relating to existing signs and other matters. Finally, the measure specifies that the same provisions applicable to local governments also apply to NDOT and the State of Nevada.

Testimony on behalf of the bill was given by Jake Smith for Clear Channel Outdoor. Also testifying in support were the Cities of Las Vegas, Reno, Sparks, Henderson, and the Nevada League of Cities and Municipalities. However, I would note that the city representatives noted some concerns with the language of the first reprint. Apparently, there were some pretty hot and heavy negotiations on the Senate side, so there were some further refinements proposed to the first reprint.

[Susan Scholley, continued.] After further discussions with the City of Las Vegas representative, the proposed amendments had the following two changes. I have attached them to your Work Session Document ([Exhibit B](#)). One is to add this additional subparagraph (f) in these two locations. Committee Counsel and their representatives were able to work out the "or" issue. I would point out that the LCB Committee Counsel will continue to work with the parties on the language you see here to make sure that the language does fit in with the NRS, as well as any other concerns they might have.

The measure passed unanimously in the Senate with one member excused. The fiscal impact might occur at the local level, but there should be no impact at the state government level.

Chairman Parks:

Are there any comments or questions from the Committee? I am looking at my notes, and I am seeing that the City of Las Vegas submitted a proposed amendment dated May 5. They want to take out the words "located along" and put in words to the effect of "adjoin." Did we ever resolve those particular changes? I guess this would be a question.

Susan Scholley:

I do apologize. I am reminded here by Committee Counsel that although the amendments you see in blue on your attachment were once suggested, they are still working on the precise language. Those other minor amendments would also be included. I also believe the "or," to the extent there was the reference to add the additional "ors," would come out. So, I stand corrected.

Chairman Parks:

Is that clear for Committee members?

Assemblyman Goicoechea:

As I understood, they wanted to make sure that the area they were addressing was pretty much adjacent to the sound wall on the highway, rather than having the words say it was impairing something that was three blocks away. Is that not correct?

Chairman Parks:

That is correct.

Cheri Edelman, Legislative Advocate, representing the City of Las Vegas, Nevada:

We agree with that in concept. We wanted to change the words from "along" to "adjoining." My understanding from the LCB is that they have made those

changes. The only changes that were not changed is the “or” but with the understanding that it is either this or that. It is just the way the LCB writes. The additional language that is in the Work Session Document ([Exhibit B](#)) we can support.

[Cheri Edelman, continued.] I believe Mr. Alonso wanted to make a statement on what the intent of that is from the billboard industry.

Alfredo Alonso, Legislative Advocate, representing Clear Channel Outdoor:

As the folks from the cities and counties have indicated, we would like to see this language in there. We understand that there are some issues with respect to drafting, and I want to make it clear that this bill and its intent is simply to give the counties and cities a tool in a cooperative effort to try to fix some of these problems outside of litigation. I think it is a good start to a good relationship in a contentious area.

Chairman Parks:

Are there any questions from the Committee? I do not see any.

Madelyn Shipman, Legislative Advocate, representing the Nevada District Attorneys Association:

I have been doing the reviews of all of the drafts and all of the language to deal with issues that might occur. I know there are some issues with your legal counsel as it relates to the language on this attachment. I want the record to be very, very clear that whatever the ultimate language is—and I think that Mr. Alonso spoke to it—we recognize what is in the balance and what is at stake. I think both sides do, and we are looking at good faith being executed by both sides, meaning the local governments and the industry. It is fully understood that no matter what the ultimate language is, the bill recognizes the fact that if, after attempting to accommodate, there is no accommodation, then the bill shall remain obscure. So, I just wanted to make that very clear.

Chairman Parks:

So that everyone is aware, the wording that we are making reference to appears on both pages 2 and 4. It states, “Any actions authorized pursuant to this section shall comply with applicable local ordinances, federal and State laws, and regulations at any applicable federal and State agreements and with federal and State laws implementing such agreements.”

Alfredo Alonso:

We agree with that statement. Clearly, there is no intent to override any county or local ordinance.

Madelyn Shipman:

The second paragraph references Section 1, and we believe it should reference Section 3, so at least as the proposed amendment language, that second paragraph on page 4, line 10, should reference Section 3 and not Section 1.

Chairman Parks:

Are there any further questions? What is the pleasure of the Committee?

ASSEMBLYMAN CHRISTENSEN MOVED TO AMEND AND DO
PASS SENATE BILL 262.

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Senate Bill 356 (1st Reprint): Revises provisions governing amount of sales and use taxes due on retail sales of vehicles for which used vehicles are taken in trade. (BDR 32-1106)

Chairman Parks:

Yesterday we acted on S.B. 356, which was the automobile trade-in exemption. It is a bill that is still in our possession and has not gone to the Floor. There has been a suggested amendment. I would like to ask the Committee to reconsider S.B. 356. What I would like to do is ask the Committee to act on a motion for reconsideration of S.B. 356 for the purposes of an amendment.

ASSEMBLYWOMAN PARNELL MOVED TO RECONSIDER
SENATE BILL 356.

ASSEMBLYMAN McCLEARY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Assemblyman Richard Perkins, Assembly District No. 23, Clark County:

By way of explanation, it is my intention to amend S.B. 356 or at least make a proposal to this Committee. The sales tax holiday was passed out of the Assembly with a vote of 42 to nothing, but it met its demise a few days ago in the Senate Taxation Committee. As you know, there are deadlines that we all

face, and there was a deadline getting the bill out of Committee this week. That bill will not make it out of the Senate.

[Assemblyman Perkins, continued.] We found S.B. 356 is an appropriate vehicle to have the discussion upon. The reason I have detailed testimony is because the bill was originally heard in the Commerce and Labor Committee in this House. Although it was referred here, it was referred to Commerce and Labor, and this Committee did not have the benefit of their testimony. So, I want to provide that for you. For those of you who have not been to the Legislature before, this is a procedural move that takes place when something falls out on one side so we can then put it back on this side. Because it had such overwhelming support in the Assembly, we hope to find a sympathetic audience with you.

When we sat down to craft the sales tax holiday in Nevada, we wanted to find a way to provide a little extra relief for all Nevadans and, if enacted, would be an additional form of tax rebate. Originally, the sales tax holiday would have taken a measure to the voters that enabled future Legislatures to establish tax-free days. It occurred to me that Nevadans want and need this relief now, so we changed it to do just that. This amendment will establish the weekend of August 26 to 28 of this year as a sales tax holiday for back-to-school shopping. All clothing, computers, and school supplies will be exempt from all but 2 percent of the sales tax. The remaining two percent cannot be repealed, even temporarily, without voter approval. It seemed that this would be the best way to give Nevada's families a little relief right away. This proposal ([Exhibit C](#)) would create the holiday only for this year. It allowed next session's legislators to see how it worked, to look at problems with how it was implemented, and adjust it to work better for our citizens.

The National Retail Federation said that the average family in 2004 would spend about \$219 on clothes alone for one child beginning the new school year. Alone, the savings are only about \$10, but these days \$10 can be stretched a long way. Additionally, a family computer or the latest edition of software starts to add up, and savings could top \$100. Right now, this does not seem like a lot of money. It is a small break from the additional taxes that everyone has to pay. For many of Nevada's families, every little bit helps. This measure would also be a boon for Nevada's business, relief for Nevada's taxpayers, and a windfall for our economy at large.

In other states, people will go in droves from neighboring states to find sales tax holidays. Businesses see record sales in response. There is even a website that catalogues, for the deal-savvy consumers, each state with this holiday and when these dates take place. Extra money for these businesses will allow them

to expand their operations in our state, benefiting our consumers and our economic base.

[Assemblyman Perkins, continued.] Benefits for taxpayers and our businesses translate to a stronger economy across the board. I believe that it is our responsibility to give a little extra money back into taxpayer's pockets. This is just one small part of how we can do that. This effort is not to replace the planned rebate to provide Nevada's hardworking citizens with relief, but rather to supplement it. It is something that taxpayers can count on to help build a stronger business, more savings, and a stronger economy.

Assemblywoman Parnell:

One of the reasons I have supported this idea is because when you look back two years ago and consider who was taxed, it was businesses that were taxed. I think we have to find some way to give back to business by urging our residents to go into stores. I would not even mind if it were broader, such as purchasing cars. It might fit better into this bill if we did include automobiles. I just think it is an attempt to encourage people to visit local businesses and give back. In a sense, it rebates the businesses as well as the individuals.

Chairman Parks:

Are there any further questions from the Committee?

Assemblyman Perkins:

I just want to add again that this amendment gives us another opportunity to have this discussion in the Senate.

Chairman Parks:

I am sure they are looking forward to that. Assembly Bill 320 was a three-page bill. What you are recommending appears to be a little short of all the items that were identified in that bill. Am I correct in that assumption?

Assemblyman Perkins:

Yes, Mr. Chairman, you are correct. That is accurate, and the reason for that is because A.B. 320 itemized what was clothing or not. It was a tad controversial, because there were some things that were included and some things that were not. I have faith in our retailers to know what should be considered an item of clothing and to use their best judgment. That way, we are not including one piece of something for someone and not for somebody else. Some of those arguments were gender-specific, and some of those other arguments were otherwise. So, it was just easier to list it this way.

Assemblyman Hardy:

On computer equipment, for instance, we narrowed the amendment down from the original A.B. 320 bill. Are you looking at the handheld electronic scheduler devices rather than the devices that have cell phones? Is that the intent?

Assemblyman Perkins:

Yes, that would still be the intent. We were still looking for those items that would help our families and our students do better in their schoolwork.

Chairman Parks:

Are there any further comments or questions? I will accept a motion.

ASSEMBLYMAN ATKINSON MOVED TO AMEND AND DO PASS
SENATE BILL 356.

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN CHRISTENSEN
VOTING NO.

Chairman Parks:

Let us jump over to S.B. 409. That was also a bill we've been requested to reconsider.

Senate Bill 409: Revises definition of "state agency" for purposes of installment-purchase and lease-purchase agreements. (BDR 31-1346)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

You'll recall the Committee took up S.B. 409 a day or so ago. The bill permits the University and Community College System of Nevada (UCCSN) to be considered a State agency for purposes of the lease/purchase and installment/purchase agreement provisions in NRS [*Nevada Revised Statutes*]. Payments under the agreement would be made from State appropriations. I won't repeat the testimony. There was an earlier amendment to ensure that prevailing wage applies.

The bill was amended and do passed by the Committee and then reconsidered. The bill is being brought back before you because it was realized that the interim study, with relation to some of these design/build or lease/purchase

issues, was actually the lease/purchase issue. It was not the design/build issue as was stated in some earlier meetings. A conceptual amendment on the creation of an interim study group is attached for your consideration ([Exhibit B](#)).

[Susan Scholley, continued.] Turning to the proposed amendment, the proposal would be to create an interim study group for the purpose of looking at lease/purchase and installment/purchase agreements. This was staff's first stab at throwing some ideas out there, and I would certainly ask the Committee to review this carefully and add, subtract, or modify as appropriate. It would review the laws relating to those and consider how current laws relate to provisions regarding public works and prevailing wage. They would make a determination of how the statutes could be amended to better serve the needs of State and local governments and protect the interest of Nevada's workforce.

In conducting the study, the group would seek information and suggestions from experts in the field of contracting, labor, and purchasing. The study group could consult with the Nevada Public Purchasing Commission, the Local Government Finance Committee, and the State Public Works Board. That study group would consist of representatives with expertise in the fields of labor, public purchasing, contracting, public works project management, and state and local financing.

Also, a proposal would be that the Speaker of the Assembly and the Majority Leader of the Senate would each appoint a legislator to serve with the study group and would consider the qualifications and the experience of the legislator when making the appointment. The study group would then present its recommendations for legislation to the Director of the Legislative Counsel Bureau no later than December 1, 2006, for transmission to the 74th Session of the Nevada Legislature.

Chairman Parks:

Are there any questions or comments from the Committee relative to this proposed study group?

Assemblyman Hardy:

I want to note something about trying to reconsider in order to get design/build also included in the study—at least address it in some way. That is about the extent of my knowledge.

Susan Scholley:

There were originally some statements made in the Committee that there was going to be a proposal to amend S.B. 467 to do an interim study on design/build issues. Apparently, there was a misunderstanding, and the desire on the part of

the community and the representatives was not to do an interim study on design/build; it was to do an interim study on lease/purchase. So, those statements were made. It was miscommunication. We were correcting that. That is why S.B. 409 came back. That is the bill that would be germane to lease/purchase and installment/purchase agreements. So, if there was going to be such a study, an amendment should be made to S.B. 409. Does that make sense?

Chairman Parks:

I know this is the work session, but we do have three individuals sitting in the front row. If there is anything that they would like to add to the discussion, I would certainly accept a brief comment. We are not in the process of reopening the hearing on the bill itself.

Paul McKenzie, Organizer, Operating Engineers Local Union No. 3, Reno, Nevada:

I would like to thank the UCCSN for working with us on our problems regarding this issue. We brought up this issue in order to look at the system problems. The UCCSN was willing to work with us to see if we could find solutions to the system so that everybody could use it and it could run smoothly. We truly appreciate the opportunity for the Committee to consider the interim study group. We don't want to hold up the legislation to help the college if that is the only issue that holds it up—if that group does need a hitch—so it can go through. I just wanted to make sure that we were on the record with that point.

Marcia Turner, Director of Government Relations, University of Nevada, Las Vegas:

First, we would like to thank you for your support of S.B. 409. It is a really good bill. We have had a great collaborative effort with all of the different stakeholders. We would just like to put on the record, on behalf of the UCCSN, that we support the concept of the study, and we are willing to and look forward to participating in whatever way that we can. We appreciate Mr. McKenzie's comments on the concept of the interim study, of putting the interim study forward, and hope it does not hold up the bill with our amendments in regard to the prevailing wage.

Robin Reedy, Deputy Treasurer, Debt Management, Office of the State Treasurer, State of Nevada:

I would like to briefly state the original intent of the lease/purchase legislation. We excluded the university, basically, so that we were not telling the university how to do their job or how they could finance their buildings. It was not intended to exclude them from being able to use the lease/purchase if they chose to do so. However, that was the effect of the language in the legislation.

So, this was just a simple bill to now include them as a defining agency within the bill if they chose to use lease/purchase. I want to make sure that we were able to correct the oversight we made when we originally passed the bill.

[Robin Reedy, continued.] I wanted to also offer one area where we did not again see far enough into the future. The Treasurer's Office will certainly offer to report in a more formal manner the lease/purchases that have taken place in the past. We will briefly let you know we have only done two lease/purchases since the legislation has been in effect. One is the Conservation Building everyone can see rapidly going up here in Carson City, and the other is Casa Grande, a rehabilitation facility in southern Nevada. I only project probably two or three more in the next two or three years. One is a Motor Pool facility, and the other is a northern rehabilitation center. There is also a human resource building going through the CIP [capital improvement program] process, and if it passes, will also be included.

I also want to make sure you understand that the approval process for these lease/purchases is very open. It has to go through the Board of Finance, the Board of Examiners, and it has to be approved through the Interim Finance Committee. All of those are open meetings. It is a very transparent process on the governmental end. It is also transparent because if we issue securities to the public, we have to go through massive rating presentations and legal disclosure explaining every contract in every way. The Legislature is very precise in what they need to know. People who invest their money in these deals are even more precise in what they want to know.

Our office is very used to disclosing everything and anything. We do not stand opposed to having any kind of study. I question how studies work and where the money comes from to pay for the studies. We are on the fiscal side, so those are where we would question. If reporting on a brand new process—and we have only had two so far—and it helps with any discomfort on the part of the Legislature, we are more than willing to set up that process and provide some policy and regulations. We do not want to hold up fixing a mistake. This is a very simple bill.

Chairman Parks:

So, if I am to understand you correctly, under the proposed amendment item number 3 ([Exhibit B](#)), you would gladly serve in the state and local financing area.

Robin Reedy:

We would not only gladly serve, if requested, we would ask that we be placed on it.

Chairman Parks:

Are there any questions by the Committee? What is the pleasure of the Committee?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS
SENATE BILL 409.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chairman Parks:

Let us proceed to S.B. 302.

Senate Bill 302: Removes limitation on county and recreation board in certain larger counties from engaging in certain transactions involving real property. (BDR 20-1060)

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 302 was sponsored by the Senate Committee on Government Affairs and was heard in this Committee on April 22, 2005. The bill eliminates the requirement that the RSCVA [Reno-Sparks Convention and Visitors Authority] obtain the approval of the Washoe County Commission before disposing of land.

Testimony was received from John Sherman, on behalf of the Washoe County Commission, regarding the concerns of the county. They advised the Committee of efforts to develop an MOU [memorandum of understanding] between the county and the RSCVA.

There were no amendments proposed during the hearing, and the measure passed unanimously in the Senate, with Senator Raggio not voting. There was no identified state or local government fiscal impact.

There have been amendments proposed subsequent to the hearing.

Chairman Parks:

I think we are all well aware that the issue that came up after our initial hearing dealt with a parcel of property owned by the RSCVA, most notably the Wildcreek Golf Course. Since our hearing there has been a considerable amount

of testimony. I have invited Assemblywoman Smith, in whose district Wildcreek Golf Course exists, to come forward, and I would like to open the hearing to her.

Assemblywoman Debbie Smith, Assembly District No. 30, Washoe County:

You have been handed an amendment that I am proposing to [S.B. 302](#). I think you have an amendment in your Work Session Document ([Exhibit B](#)). That is not the correct amendment from me. The one I have handed out ([Exhibit D](#)) is the one I would like you to review.

I appreciate you giving me this opportunity to discuss this bill. It did not come to my attention until after the initial hearing of what the impact in my district might be. I have been inundated with contacts from my constituents about the proposed sale of this golf course and, ultimately, the intention by the City of Sparks to do a land trade. This land ultimately could end up in the hands of a developer who will build high-density homes on the property.

So, I set out to try to find someone to slow the process down. There have been a lot of things happening in the southern part of the state that make us fairly uneasy about what is happening with land that is owned by the public. This part of the district is very near and dear to the people who live in my district. This is a beautiful golf course, and I would consider it open space because of the nature of it. There may be constituents in the audience here who, if they are given an opportunity, would want to address this issue. There are people who live in the area who know the history of how the land for this golf course was acquired. My effort was to at least slow this process down to ensure plenty of public input before this land is disposed of.

I present this amendment ([Exhibit D](#)) for your consideration and do hope you will give it that consideration. I hope you give my constituents an opportunity to give the input I believe they deserve.

Chairman Parks:

The document that was handed out to us was prepared for you by the Legal Division. It states, "...may lease to another or sell any retail property located in a city whose population is less than 150,000 without prior approval of the board of county commissioners."

Assemblywoman Smith:

That is correct, Mr. Chairman.

Chairman Parks:

There is another one that was inadvertently placed in the backup material, which also offered an extended portion. I had requested this relative to adding the Legislature by concurrent resolution or other appropriate legislative measures. As I understand, we are not considering that amendment.

Assemblywoman Smith:

What I am offering for you is the amendment that I had originally proposed. I would like to introduce Mike Brierly, who lives in my district and had requested to be able to address the Committee today, since most people were not aware of the first hearing.

Mike Brierly, Private Citizen, Sparks, Nevada:

I have been around Sparks for quite a while, and I just wanted to give you a little background information on this. From the mid-1960s through the mid-1970s, I was an engineer with the City of Sparks. I was instrumental in acquiring this land for the Wildcreek Golf Course. We initially acquired 120 acres from the BLM [U.S. Bureau of Land Management] for open space. Subsequently, we negotiated with the Gault Capurro family in looking at this being a golf course. This came from the request of our mayor at that time, Mayor James Lillard. We looked initially at the city acquiring this Gault Capurro property that would make a hole where the golf course is, and also with the BLM property.

What really put this on fast track was a developer out of Seattle that was proposing a 600-unit mobile home park on this land. We felt that really was not the highest and best use. However, we could not raise enough money up front to make this thing happen. We consulted with the Convention Authority to look at this, and in the interim, Joe Conforte actually purchased this land and held this for a period of time for the community. He actually did a favor for the community. Sparks, in the process of things, felt they could not afford or did not wish to use general obligation bonds at the time to develop the course. We talked to the Convention Authority at that time, and they thought it would be a good project. In those negotiations, the land was around \$3,500 an acre for the purchase price by the Gault Capurro family. Joe Conforte actually sold the portion that was going to be in the golf course at \$500 an acre, in consideration that this would be a golf course and that he could further develop some of the periphery land.

The irony of this whole thing is, because of this land swap, we are going to deplete open space in our community. Washoe County is looking at spending millions of dollars on the west side of town for the Ballardini Ranch. Here we are going to take land out of the inner part of the city to develop more houses.

[Mike Brierly, continued.] Since the acquisition, Sparks gave in excess of 200 acre feet of water rights to the county for this project. We had a few drought years after the course was developed, and it did not have adequate water from the municipal water supply. So, the City of Sparks and the Convention Authority spent millions of dollars to get some water, not only for the parks in Sparks, but for the Wildcreek Golf Course. So, if this was chopped up into houses, this would be a waste of expenditure in that part of town, which would never be recovered.

This swap with Sparks and the Convention Authority has Sparks looking to get a golf course for nothing. When you look at this, it might sound too good to be true. If Sparks can get a golf course for nothing, then that is great. If you take the overall picture of the community, pleading this open space may not be the best for everybody. The D'Andrea golf course that Sparks would get in the scheme of things is presently in a higher income area. The people who bought houses in the area paid additional for their land to be in a private golf course setting.

In the scheme of things with the swap and development, there are going to be extra proceeds from the sale of Wildcreek to a developer, and those proceeds would help redeem some of the debt the Convention Authority has. It is no secret in our community that the Convention Authority has made some mistakes. The biggest one is the bowling alley. This thing is a white elephant and it is not going to recover, so the Convention Authority is looking at getting additional funds to redeem some of their debt.

Wildcreek has paid for itself through the years from its inception. It has actually subsidized Northgate Golf Course, which the Convention Authority cannot sell. There is a deed restriction in it. If they want to discontinue the use of it as a golf course, it reverts back to the developer.

Today, if you want to really look at the Convention Authority budget, they do not have a lot of funds. The biggest part of their budget is redemption of the debt. We have boards that come and go and managers who come and go. As an example, we had a manager who was a proponent of the bowling alley, and now he is not there anymore.

I would appeal to you and the Legislature to give our community some time to sort this out. I am sure there are a lot of people who would like to see Sparks get a golf course, and I do not see anything wrong with that. D'Andrea is a pretty hilly golf course, and I do not think it has lent itself too well as a public golf course. Wildcreek certainly fits the bill better. If the community does not

feel that Wildcreek should continue as a golf course, at least it should be retained for open space. I put a pencil to this project and I was just using some general numbers. It looks to me that there are going to be substantial funds to make this worthwhile for the Convention Authority. Sparks is going to have to grant some high-density zoning to make it work.

[Mike Brierly, continued.] Right now, if you talk with the members of the city council in Sparks, it is a done deal. They think this is such a good project and there is little room for consideration. In the second breath, we are going to have ample public hearings and meetings. So again, I will appeal to you that the Legislature take this under consideration and possibly require the sale of Wildcreek Golf Course be approved by the Legislature.

Chairman Parks:

Are there any questions?

Assemblyman Goicoechea:

Assemblywoman Smith, can you refresh my memory on the makeup of the board of the RSCVA?

Assemblywoman Smith:

I know there are representatives here today, and just my education since this process started, I believe it is a 13-member board. It is made up of some elected officials and some representatives from the industry. I believe it is five elected officials, and the remaining are in private industry.

Assemblyman Goicoechea:

So, the majority are appointees?

Assemblywoman Smith:

Yes, they are.

Assemblyman Goicoechea:

Who holds title to this golf course right now?

Assemblywoman Smith:

It is my understanding that the county holds the title. That is what the initial piece of legislation would change. The county would no longer have to grant any authority to dispose of property.

Assemblyman Goicoechea:

Why did we put the population cap at 100,000? In most of the district and counties I represent, the county does hold title. I guess I would prefer amending

this to make the cap 400,000 in population. Then it would be fine, and the county would be involved in all of them.

Assemblywoman Smith:

My intention was to deal with the property that was held within my district. So the amendment was drafted by Legal to describe the City of Sparks. I was just trying to address the needs that we saw happening with this particular property.

John Sande III, Legislative Advocate, representing the Reno-Sparks Convention and Visitors Authority:

We are in agreement with this proposed amendment by Assemblywoman Smith. We have worked with her and we understand the concerns, and so therefore we would be supportive of this amendment.

Mike Alonso, Legislative Advocate, representing the Reno-Sparks Convention and Visitors Authority:

I would like to answer Assemblyman Goicoechea's question. The population—the 100,000 or more, and less than 400,000—is specific to this fair and recreation board. This is the only fair and recreation board that has had this restriction on it. It does not affect anyone else. It only affects this one.

Assemblyman Goicoechea:

Again, I know Elko County, Lander, Humboldt, and Eureka County and those properties and titles are, in fact, held by the county.

John Sande III:

I am not certain, but I just know that there is no other restriction in the statute. I should point out that legally, the RSCVA—we have done research on this—would own these properties. They were held by the county for a long period of time. Our research indicates that all the money from the RSCVA would be the RSCVA's property. The reason it was put into the county's hands may have been because of bonding requirements and not because of this legislation. Again, this is unique to Reno. All of the money for these projects, to my knowledge, has come from the RSCVA.

Neena Laxalt, Legislative Advocate, representing the City of Sparks, Nevada:

The city also wants to go on record to say that we concur with Assemblywoman Smith's amendment that she has brought forward to you today.

Chairman Parks:

Committee members, what is the pleasure of the Committee?

ASSEMBLYWOMAN PIERCE MOVED TO AMEND AND DO PASS
SENATE BILL 302.

ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Grady was not present for the vote.)

Chairman Parks:

I want to thank you, Assemblywoman Smith, for all the hard effort you expressed, relative to protecting your district and the fine asset Wildcreek is to your district.

It looks like we have four more bills. Let us proceed to Senate Bill 306.

Senate Bill 306 (2nd Reprint): Authorizes pledge of certain sales and use tax proceeds and state funding for certain projects for promotion of economic development and tourism. (BDR 21-1286)

Susan Scholley, Committee Police Analyst, Legislative Counsel Bureau:

Senate Bill 306, in its second reprint, was sponsored by Senator Washington. Senate Bill 306 relates to the use of STAR [sales tax and revenue] bonds to finance certain economic development projects. Further research on what the acronym stands for also shows that in addition to “sales tax and revenue,” the derivation can also be “sales tax anticipated revenue.” I wanted to clarify that for the record.

This measure is concurrently referred to Assembly Ways and Means. Testifying in support of the bill—on behalf of Destination Development, for RED Development—was John Sande, along with representatives from RED Development. Also, there were representatives from the City of Sparks who testified in support of the bill, as did several labor representatives.

The City of Sparks did propose an amendment to clarify the applicability of prevailing wages to this project. I have attached this amendment and a copy of the bill summary to this packet ([Exhibit B](#)). This will give you a recap of the bill, and you will see that it is about two pages long. It is there for your reference.

[Susan Scholley, continued.] The measure passed with 19 yeas in the Senate. Senator Cegavske voted no, and Senator Raggio did not vote. This bill may have a fiscal impact at the local level and a fiscal impact at the state level.

Chairman Parks:

Do we have any questions or comments from the Committee? I have a question. I got a little confused on Section 15, where there was some reference to population. I wanted to clarify that there is no population cap if we were to enact this bill, and that it would be available to all counties.

Eileen O'Grady, Committee Counsel:

Section 5 of the bill defines municipalities, and that is just any county or city in the state. There is no population limitation in any way.

Chairman Parks:

I guess I was thinking that I read there would be a new chapter, and there seemed to be revisions to NRS 271.650, which deals with the same issue. I presumed that it would be deleted out of NRS 271 and placed entirely in whatever this new chapter might end up being. I guess that was where I was confused.

Assemblywoman Kirkpatrick:

I think this is a relatively new thing. I just want to have some clarification and confirm later down the road that this is not going to be used for particular things. I believe it is going to promote tourism. I want on the record that a STAR bond is to promote tourism. I want to clarify that with Legal.

Reading where it says retailer—and you define retailer in Section 374.060—it is broad as far as what a retailer can do. I just want to be clear in my mind that this is to promote tourism only.

Chairman Parks:

There are a number of processes that a body must go through, and I would like to read the bottom of page 3. It says, "The governing body has made a determination, based on one or more reports provided by independent consultants, which were addressed to both the governing body and the board of trustees of the local school district in which the tourism improvement district easily will be located, as to whether the project and financing thereof, pursuant to this chapter, will have a positive fiscal effect on the provision of local government services." It does go on to provide numerous other hoops that must be jumped through in order to assure that, as well as the fact it even involves the Commission on Tourism, the Governor, and possibly the Department of Education and the Department of Taxation.

[Chairman Parks, continued.] There are a lot of hoops on that, and so I think that a facility would be based on the analysis. The handout we received from the RED Development did talk about the impact that it feels there is on tourism.

There was only one area that I saw that might want to have a "may" changed to a "must."

Assemblywoman Pierce:

I have a little discomfort about whether or not this would apply at all to Clark County. This was pitched to us as having to do, as Mrs. Kirkpatrick pointed out, with developing tourism. I have a little discomfort about whether there is any project in Clark County, because as a county that has 38 million tourists a year, I question whether it needs any help in getting tourists to come to their city. I am going to vote for this, but I am going to reserve my right to reconsider when this reaches the Floor.

Assemblywoman Parnell:

I have just a statement of concern, and I know this was all discussed in the hearing. I am concerned about the impact on the school district and local governments. It does say that the school district must receive notice of the time and place of the meeting at which the governing body will be making a determination of the fiscal impact. To me, it is pretty shaky on what difference the school district could really make. I do not think they could overturn a decision, and they would probably just be notified of it.

I do support the concept and I think we need it, and so in general, I like the bill a lot. I would just put a caution to everyone that in every session we impact our local governments, and I hate to see this having that kind of a result.

Chairman Parks:

Are there further comments and questions? What is the pleasure of the Committee? I believe we were given a proposed amendment ([Exhibit B](#)) and I might also ask that since we are requesting an amendment on page 4 of the bill, line 37, it has a reference to "may consider" those comments. I would request we change that to "must consider." Is that acceptable, Dr. Hardy?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS
SENATE BILL 306.

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN McCLEARY
VOTING NO. (Mr. Grady was not present for the vote.)

Chairman Parks:

This is a bill that was concurrently referred to Ways and Means. That closes the discussion on S.B. 306. We will now go to a related bill, S.B. 389.

**Senate Bill 389 (1st Reprint): Creates chapter relating to tax increment areas.
(BDR 22-815)**

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 389, in its first reprint, was sponsored by the Senate Committee on Taxation and was heard in this Committee on May 12. Senate Bill 389 allows a city or county to establish a tax increment area for certain undertakings. The bill was discussed yesterday at some length, so I will not go into that and I will not recap the testimony that was taken yesterday. After the discussion at the work session, the Committee asked for a mockup of the changes that had been proposed from a number of people working on issues related to the project. That mockup is attached to our Work Session Document ([Exhibit B](#)).

Also, since it is going to be a new Chapter in Title 22 of the *Nevada Revised Statutes*, there was also a proposal to add it to the mockup. Although it was not discussed yesterday, there will be a further amendment proposed to add a statement. Essentially, the provisions of NRS 338.010 to 338.090 inclusive, apply to any agreement entered into pursuant to the new chapter of Title 22. This chapter is inclusive for the construction, alteration and repair, or remodeling of a building or facility proposed to be constructed. This would parallel some of the other changes this Committee has added to other bills. Clarifying the prevailing wage would apply to this new chapter.

Chairman Parks:

We did hold this over from yesterday so that everyone would have an opportunity to see the mockup and be able to express any concerns they might have. I know there is still one major issue, and it is on page 3. It is relative to the undertaking and the particular projects that would be inclusive. I would like to ask Ms. Vilardo if she would like to come forward with any comment related to her concerns.

Carole Vilardo, President, Nevada Taxpayers Association:

I know you and I are not quite in agreement on the issue I am going to raise. I still have a concern with the inclusion on page 3, lines 1 through 3, and also again lines 1 through 23, of "electrical." I think that is just so all-encompassing. Even though there has been discussion about trying to narrow it down, my preference would be to see the 257 Committee take a look specifically to what was identified earlier when that bill was heard. They would specifically look at tax increment financing and also if there was a comfort level to add "electricity" as one of the things to be looked at, relative to infrastructure financing. I have a major concern on this, because there are other ways of taking care of the financing of electricity.

Chairman Parks:

Are there any other concerns, or have all the concerns that some expressed yesterday been addressed?

Assemblyman Goicoechea:

I would like to refer back to Ms. Vilardo's comments. As I look at "facility or improvement required for transmission or distribution," I think it clearly protects my concerns, and it does not allow for generation. I do not see how you can read it as transmission or distribution of electrical energy, because it is different than generating. I can live with this bill.

Assemblywoman Parnell:

I would tend to agree with Ms. Vilardo. When you talk about a "facility required for the transmission," that could be very different than a drainage project. I think it is another category of improvement. It would be my recommendation to do pass and amend this bill, deleting on page 3, (g) in line 1, and I see it again on lines 21 through 23. I would suggest that Legal look for other places it might appear in the bill and amend that section out.

ASSEMBLYWOMAN PARNELL MOVED TO AMEND AND DO PASS
SENATE BILL 389.

Chairman Parks:

It only appears in those two locations.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

Chairman Parks:

Does it include the provision for prevailing wage, Ms. Parnell?

Assemblywoman Parnell:

Yes, it does include that provision.

Chairman Parks:

Is there any further discussion on the motion?

THE MOTION CARRIED, WITH ASSEMBLYMAN McCLEARY
VOTING NO. (Mr. Grady and Mr. Claborn were not present for the
vote.)

Chairman Parks:

I believe we are down to one final bill, and that would be S.B. 479.

**Senate Bill 479: Makes various changes to provisions governing Public
Employees' Benefits Program. (BDR 23-609)**

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Senate Bill 479 was sponsored by the Senate Committee on Legislative Operations and Elections on behalf of the Public Employees' Benefits Program. It was heard in this Committee on May 4. There was a second hearing, and I do not recall the date.

Senate Bill 479 makes two minor administrative changes to the Public Employees' Benefits Program. It makes insurance effective after three months of full-time employment, rather than 90 days. It also changes the entities to which notification must be given for retirees desiring to reinstate coverage. It also changes the effective date of reinstatement from March 31 to March 1. Section 4 of the bill prohibits the reentry of a member of an opt-out group under NRS 287.0479 back into the program.

Those in opposition to the bill were Gary Wolff, representing Teamsters Union Local 14; Paul McKenzie, representing Operating Engineers Local No. 3; and Roger Maillard and Danny Coyle, from AFSCME (American Federation of State, County and Municipal Employees) Retiree Chapter. Testifying with concerns and some suggestions were Jim Richardson for the Nevada Faculty Alliance, Marty Bibb for the Retired Public Employees of Nevada, and Nancy Howard from the

Nevada League of Cities. Frank Page also testified as a retired State employee. He retired after 35 years, and he testified in opposition to the change in the definition of eligibility for Medicare retiree status.

[Susan Scholley, continued.] During the hearing, Assemblyman Grady proposed amendments. Chairman Parks appointed a subcommittee, and I have attached to our packet a copy of the subcommittee report ([Exhibit B](#)). Also attached are the amendments provided by Gary Wolff that were brought forward during the hearing of the subcommittee meeting. I will also refresh your memory that, although it is not in Mr. Wolff's amendment, he has also proposed a suggestion to add a hearing officer to the judicial review options. In addition, at the request of the Committee, a mockup has been prepared, which incorporates the Committee's proposed amendments. They are attached ([Exhibit E](#)).

The measure did pass unanimously in the Senate. There was no identified fiscal impact at the state or local government level.

Chairman Parks:

First, let me ask the Committee members if they have any questions. I guess I would ask Ms. Pierce, as the chairwoman of the subcommittee, if this bill appears to address the issues you brought up in your subcommittee.

Assemblywoman Pierce:

Yes, Mr. Chairman. The bill looks good, and it reflects what we brought back from the subcommittee.

Chairman Parks:

Mr. Thorne is in the audience. Sir, did you wish to provide some input? Have you had an opportunity to look at the mockup of the bill?

P. Forrest "Woody" Thorne, Executive Director, Nevada Public Employees' Benefits Program:

As amended, it will require us to do a fiscal note. Our initial review is that the commingling provisions are different, and our budget was closed. That is going to be a \$7.5 million addition. Bringing us under Title 57 will require a different method of handling coordination of benefits with all participants with other coverage, but particularly Medicare retirees. Our initial look at that, without redoing all the actual estimates, is \$12 to \$18 million a year.

The other provisions we expressed our concern about at the subcommittee hearing. I will not repeat those here. The addition of the changes on pages 2 and 3 may have an impact on the local governments, but I do not know what the fiscal impact might be.

Assemblyman Goicoechea:

Again, with the fiscal impacts that we heard the Director talk about, would this automatically go to the Ways and Means Committee? Do we have to address that, because at this point we do not have a fiscal note?

Chairman Parks:

I think that is appropriate to send it to the Floor. All the gears do not line up, so there will have to be a further attempt to do that alignment.

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO
PASS SENATE BILL 479.

ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

Chairman Parks:

I thought that Mr. Wolff's recommendations were in the mockup, but I am informed that they are not.

Susan Scholley:

Mr. Chairman, it is my understanding that Mr. Wolff's amendments are not in the mockup. The Committee Counsel is confirming Mr. Wolff's amendments would have to be acted on separately. You would clarify that you would include those in the mockups. Because of the short timeframe for preparing the mockup, the actual bill will include a number of other sections that would be required for cross-references and consistency. The mockup shows you the basic policy statute changes, but the final amendment that goes to the Floor will actually be longer. There will be other sections that will have to be changed to reference the changes in the bill.

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO
PASS SENATE BILL 479, INCLUDING THE AMENDMENTS OF
GARY WOLFF.

ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Claborn, Mr. Grady, Mrs. Kirkpatrick,
and Mr. Sibley were not present for the vote.)

Chairman Parks:

That concludes the bills I have in front of me. There could be the possibility we might need to call everyone back in for something later. [Meeting was recessed at 11:15 a.m. Chairman Parks called the meeting back to order on May 23, 2005, and roll was called. The meeting of May 20, 2005 was adjourned at 9:23 a.m. May 23, 2005.]

RESPECTFULLY SUBMITTED:

Michael Shafer
Recording Attaché

Linda Utt
Transcribing Attaché

APPROVED BY:

Assemblyman David Parks, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: May 20, 2005

Time of Meeting: 8:16 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B	Susan Scholley / LCB	Work Session Document
SB 356	C	Assemblyman Richard Perkins	Proposed Amendment
SB 302	D	Assemblywoman Debbie Smith	Proposed Amendment
SB 479	E	Susan Scholley / LCB	Mockup and Proposed Amendment