

Minutes of the
LEGISLATIVE COMMISSION
Nevada Legislative Counsel Bureau (LCB)
September 18, 2006

The third meeting in 2006 of the Legislative Commission, created pursuant to Nevada Revised Statutes (NRS) 218.660, was held on Monday, September 18, 2006, commencing at 9:07 a.m., in Room 4401 of the Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada with a simultaneous video conference to Room 4100 of the Legislative Building, 401 S. Carson Street, Carson City, Nevada.

COMMISSION MEMBERS PRESENT:

Assemblywoman Barbara E. Buckley, Chair (in Las Vegas)
Senator Mark Amodei (in Carson City)
Senator Steven Horsford (in Las Vegas)
Senator Sandra Tiffany (in Las Vegas)
Senator Dina Titus (in Las Vegas)
Senator Randolph J. Townsend (in Las Vegas)
Senator Valerie Wiener (in Las Vegas)
Assemblyman Bernie Anderson (in Carson City)
Assemblywoman Sharron Angle (in Carson City)
Assemblyman John C. Carpenter (in Carson City)
Assemblyman Garn Mabey (in Las Vegas)
Assemblywoman Peggy Pierce (in Las Vegas),
 alternate for Assemblyman John Ocegüera

COMMISSION MEMBER ABSENT:

Assemblyman John Ocegüera

LCB STAFF PRESENT:

Lorne J. Malkiewich, Director (in Las Vegas)
Brenda J. Erdoes, Legislative Counsel (in Carson City)
Gary L. Ghiggeri, Fiscal Analyst (in Carson City)
Mark W. Stevens, Fiscal Analyst (in Carson City)
Paul V. Townsend, Legislative Auditor (in Carson City)
Donald O. Williams, Research Director (in Carson City)
Risa Lang, Chief Deputy Legislative Counsel (in Carson City)
Marilyn K. White, Executive Assistant (in Carson City)

The agenda is attached as Exhibit A. A packet containing materials for the meeting was provided to commission members and available to the public in attendance. Attendance records are attached as Exhibit B. The meeting was called to order by Chair Buckley.

Item I--Approval of Minutes of the June 1, 2006, Meeting--Assemblywoman Barbara E. Buckley, Chair.

SENATOR TOWNSEND MOVED APPROVAL OF THE MINUTES OF THE JUNE 1, 2006, MEETING. MOTION SECONDED BY ASSEMBLYMAN MABEY AND CARRIED.

Item II--Legislative Auditor:

A. National State Auditors Association Report on Nevada Legislative Auditors' System of Quality Control--Paul V. Townsend, Legislative Auditor.

Mr. Townsend referred to material contained in the meeting packet for this agenda item which included a letter from the National State Auditors Association regarding a recent quality control review that was conducted on the Audit Division. He said that the audits are conducted in accordance with very rigorous professional standards. The standards are developed by the Comptroller General of the United States who also serves as the head of the Government Accountability Office (GAO). A number of the policies and practices in reporting methods are also mirrored after those used at the GAO when it reports to the U.S. Congress. The standards provide a framework for ensuring auditors have competence, objectivity and independence in planning, conducting and reporting on the audits. One of the requirements of the standards is that an external peer review be conducted every three years. The letter contains the results of the most recent peer review. The review was conducted by experienced auditors from the states of New York, Tennessee, Missouri and Arizona. The last paragraph of the letter describes the results of the review indicating the effectiveness of the office's system of quality control. He said that he would like to express his appreciation for the support of the Legislature and the efforts of his staff in achieving the successful outcome of the review.

Chair Buckley offered her congratulations to Mr. Townsend and said, "I think it just confirms what we already know and that is that the division is doing an outstanding job so we appreciate it. It helps us do our work so, thank you."

B. Request for approval of basic audit program (NRS 218.635 and 218.850)--Paul V. Townsend, Legislative Auditor.

Mr. Townsend referred to material contained in the meeting packet which included a letter from him describing the audit program and attaching two schedules. The first schedule contains a list of the audits the division currently has in progress. He expected a number of them to be presented to the Audit Subcommittee in December. He said

there are some that will not be completed prior to the start of the next session so he will be requesting approval to continue with those audits. Schedule 2 is the list of proposed audits for the next biennium. The audits are selected based upon results of a risk assessment the division performs which considers a number of items such as: when the agencies were last audited, the amount of money flowing through the agency, if the agency has a history of past problems and if there have been any indications of legislative concern. All of those items go into determining what audits go onto the list. The division will be performing an Information Technology Security Audit of the Department of Employment, Training and Rehabilitation. The division is just beginning an Information Technology Security Audit of the Department of Health and Human Services. He mentioned that the Information Technology security staff assists on the other audits shown on the plan.

Mr. Townsend noted that under the Cross-Cutting Issues the first item is statewide controls for safeguarding equipment. One thing that was found on a number of audits was that agencies are frequently failing to properly do their inventory counts annually of the equipment they maintain. His office is developing some concerns from a statewide basis and will review it from a cross-cutting perspective because the process is not working, it needs to be reviewed and improvements developed.

Continuing, Mr. Townsend said that the list includes a number of state agencies and all the constitutional officers are included on the plan. He requested approval of the audit review program and noted that he would be happy to answer any questions the members might have.

Mr. Anderson asked if the audits are predicated based upon the timeliness of a regular auditing schedule or is there some problematic reason why some agency is on the list, other than the cross-cutting issues. Mr. Townsend said that when an agency is put on the list, points are assigned to it as the division goes through its risk assessment process which combines a number of different elements. The audit cycle is running on a four to eight year basis on agencies. As a result, the ones shown are on a routine audit cycle.

SENATOR TOWNSEND MOVED TO ACCEPT THE RECOMMENDATION OF THE BASIS AUDIT PROGRAM FOR CALENDAR YEARS 2007 AND 2008 INCLUDING SCHEDULES 1 AND 2 WITH THE CAVEAT THAT ALL THE CONSTITUTIONAL OFFICERS AUDITS ARE IN THE SECOND YEAR. MOTION SECONDED BY ASSEMBLYMAN MABEY.

Under discussion, Mr. Townsend said that he wished to point out that he had a request that the division perform an audit of one of the constitutional officers sooner than that. He has been looking at the Office of the State Controller which does a lot of the accounts receivable and collection of late payments to the state. He asked if that office could be excluded from the motion to perform that audit in the second year.

MOTION WAS AMENDED TO EXCLUDE THE OFFICE OF THE STATE CONTROLLER TO ALLOW AN EARLIER AUDIT TIME.

Mr. Anderson said he recognized that there would be all new constitutional officers but the opportunity to see the functioning of the previous administrative office holder may be an important factor. To assume that in the first six months, a new office holder will bring about a dramatic change in the office that would be reflected in the audit might be somewhat difficult for the Audit Division. He appreciates the senator's caveat in being sensitive to the new office holder but he thought that the audit should go forth for the agency and not for the individual and so he is concerned about that part of the motion.

Senator Townsend said that he was trying to be respectful of the new people coming into the constitutional offices. He asked if the Legislative Auditor could provide some insight on whether the audit will be on the policies and procedures that have been in place by the previous constitutional officers or whether the newly elected officers would be given an opportunity to put theirs in place and then find out if they are meeting the standards. He said he sees both sides, respects both sides and would leave it up to the commission members. He did not know what the schedule was for the offices other than the controller.

Mr. Townsend said that his office would most likely not begin the audits until the start of Fiscal Year 2008 so he would be looking at July 1, 2007, for the constitutional officers with the exception of the controller.

The chair suggested amending the motion to remove the time restriction so that there is the flexibility in case something "comes up" but keeping in mind that it does not want to unduly burden someone who has just taken office, is hiring their staff and learning the job and then get "hit" with an audit.

SENATOR TOWNSEND FURTHER AMENDED THE MOTION TO REMOVE THE CAVEAT OF THE TIME RESTRICTION. AMENDED MOTION AGREED TO BY ASSEMBLYMAN MABEY. THE CHAIR CALLED FOR A VOTE AND THE MOTION CARRIED.

Item III--Progress Reports and Appointments:

A. Litigation currently in progress--Brenda J. Erdoes, Legislative Counsel.

Ms. Erdoes said that there is very little activity since the report at the previous commission meeting. Her office is still "just watching" the O'Connell vs. Heller and the Red Rock Canyon cases and there have been no decisions from the respective courts. In the Enray Pharmaceutical Industry Average Wholesale Price litigation, there was a deposition taken of one of the professional staff of the Fiscal Analysis Division on June 27 and at that time, her office asserted a claim of privilege and objections to

discovery. To date, the defendants have not challenged that claim of privilege or objections to discovery and she thought that would "go fine."

B. Interim Studies in accordance with Rules and Policies and the Legislative Counsel Bureau, Rule No. 6, "Progress reports of studies; completion of studies and distribution of reports; approval required to carry over studies,"--Lorne J. Malkiewich, Director.

Mr. Malkiewich referred to material contained in the meeting packet for this agenda item noting that there are a large number of reports from the various interim and statutory committees. The Legislative Commission does not endorse the reports but merely passes them along to the Legislature. Since most of the committees are subcommittees of the Legislative Commission, this is just a procedural matter of getting the reports to the commission and the Legislature.

Senator Townsend said that in reviewing the interim studies, there was a time line put into the reports with regard to meetings. He notices that the meetings ranged from 45 minutes to 8 hours with the 45-minute meeting being a subcommittee of a committee which held a full meeting that day. He said that perhaps the chairs could be encouraged to not meet until they have a full day's worth of discussion unless it is an absolute crisis. He was not sure whether it is the best use of staff time for a 2-hour meeting, noting that the interim study meetings "soak up" a great deal of staff time. He said that what has happened over time is that many of the committees ask for another meeting or additional time. He urged that in the future the chairs be encouraged to try to fill up the day as best they can and avoid the need for extra meetings.

Mr. Malkiewich recalled that when the committees were set up, one of the things done was to meet with the staff and the chair as this is an issue that has been raised before. Sometimes it can be difficult because there are committees where a full day meeting is expected and it "comes up short." It is one of several directions that are given to committees including something which he was very pleased about and that is the timeliness. Last interim, there were a number of committees which requested extensions and a number of bill draft requests coming in very late. Early this interim, the commission directed the committees to finish on time and indicated that extensions would be "few and far between." The only two committees which received extensions were those where it was "out of their hands" as they were not able to get started early because they did not have their "contractors" on board. The effort was successful this interim and will be considered when the committees are "put together" for the next interim.

Mr. Anderson said he agreed that it is imperative that the interim study chairs be reminded to have a full calendar for the meeting so that the time is useful, but oftentimes it seems chairs anticipate that the public will attend in larger numbers than actually occurs. He also mentioned that in previous interims during the course of the study investigation, an issue was discovered that was not anticipated and necessitated

an additional time period. He said that the committees on which he has served have utilized their time well, even if they were ones that were monitoring outside auditors which are very important. He thought Senator Townsend's point is well made but he wanted to provide a reminder that occasionally things are discovered that the chairs want to bring forward in additional meetings and the commission needs to be sensitive to that situation. With the 120-day regular sessions, legislators no longer have the opportunity to do some of the in-depth exploration that was done in previous sessions.

SENATOR TOWNSEND MOVED TO ACCEPT THE INTERIM STUDY REPORTS.
MOTION SECONDED BY ASSEMBLYWOMAN PIERCE AND CARRIED.

C. Appointment to Advisory Council on Mortgage Investments and Mortgage Lending (NRS 645B.860)--Lorne J. Malkiewich, Director.

Mr. Malkiewich called attention to material in the meeting packet which included a letter to him dated June 7, 2006, from Scott E. Bice, Commissioner, Division of Mortgage Lending. There is a vacancy on the Advisory Council on Mortgage Investments and Mortgage Lending. Mr. Bice submitted the names of three nominees to replace Corrine Dale. The nominees were Stephen Brockman, Laura Lychock and David Goldwater and his recommendation is Stephen Brockman. When the prior vacancy was filled, concern was expressed by the commission that more than one name be submitted and Mr. Bice has submitted three names this time.

While Senator Townsend made a motion to accept the recommendation of Mr. Brockman, the motion was withdrawn until Mr. Bice could be contacted to confirm that the individuals have been contacted and were willing to serve on the council.

The chair moved discussion to the next agenda item and returned Item III. C. prior to Item V. at the end of the meeting. Following is the discussion that took place.

The chair said it has been confirmed that all three individuals have indicated their willingness to serve. The individuals were again identified as Stephen Brockman, Laura Lychock and David Goldwater. Chair Buckley said that she thought Mr. Goldwater would be a good addition because he knows pragmatically how things work in the legislative session by virtue of his years of service. She said that sometimes the boards are really good but sometimes they are impractical and want to change the world in a day and don't realize the benefit of consensus building. However, she thought that all three individuals would be excellent.

Senator Titus said that she agreed with the chair about former Assemblyman Goldwater.

ASSEMBLYWOMAN PIERCE MOVED TO NOMINATE DAVID GOLDWATER.
MOTION SECONDED BY SENATOR HORSFORD AND CARRIED WITH
SENATOR TOWNSEND ABSTAINING AND SENATOR TIFFANY AND
ASSEMBLYMAN MABEY VOTING NAY.

The chair returned to agenda Item V. after the action on agenda Item III. C.

D. Appointment or reappointment of members to Nevada Silver Haired Legislative Forum (NRS 427A.320)--Lorne J. Malkiewich, Director.

Mr. Malkiewich referred to a handout (copy attached as Exhibit C) of a memorandum to him dated September 14, 2006, from Barbara S. Dimmitt, Senior Research Analyst, concerning appointments. The second page contains the nominations being made by senators for approval by the Legislative Commission.

SENATOR TOWNSEND MOVED ACCEPTANCE OF THE NOMINEES FROM SENATORS CARLTON, CEGAVSKE, HORSFORD, RAGGIO, TITUS AND WIENER AS PROVIDED BY MS. DIMMITT. MOTION SECONDED BY ASSEMBLYMAN ANDERSON AND CARRIED.

E. Report of Legislative Commission's Information Technology Subcommittee--Madilyn Zike, Manager of Information Technology Services.

Mr. Malkiewich presented the subcommittee report on behalf of Ms. Zike. A handout was provided (copy attached as Exhibit D) of a memorandum to Chair Buckley from Senator Dean A. Rhoads, Chairman, Legislative Commission's Information Technology Subcommittee. Mr. Malkiewich said at the August 21, 2006, meeting of the subcommittee, it took two important actions. The first was approval of the proposed appropriation request for the next biennium. The subcommittee went over the request in detail and its version was five or six pages long. The request would be transmitted to the Budget Office and included in the "one-shot" appropriations introduced during the next session to be reviewed by the Assembly Committee on Ways and Means and the Senate Committee on Finance as part of the budget proposal. It is submitted as a free-standing bill as it varies from interim to interim because in some interims there are greater technology requirements than in others. The second item concerned the laptop strategy. The subcommittee recommended not updating the laptops currently held by members. The thought was that the laptops only need a bit of an upgrade such as more memory but it was not yet necessary to purchase new laptops. There was some concern that the laptops are a bit heavy and many people are beginning to use smaller laptops. If the subcommittee was going to obtain new laptops, it would probably get the smaller ones. Instead, the subcommittee decided that members could "get another session" out of the current laptops. During the session, the subcommittee would like to do a pilot project with a handful of different laptops, taking a look at smaller ones, and then survey legislators on what is important to them. Members on one of the "money" committees might want a laptop with a larger screen to be able to view the budget and the difference in a few pounds of weight might not be important. Based upon the results of the survey and pilot project, the subcommittee would have an idea of what are the preferences of the legislators prior to purchasing laptops for the 2009 session.

Mr. Anderson inquired if the recommendations would impact the possibility that legislators will not be able to move away from their bill books. He noted that there are several members who rarely use bill books at the present time and feel that the computer is sufficient to provide all the information. Mr. Malkiewicz said he did not think it would impact it at all. One of the first determinations the subcommittee made was that the laptops are fully adequate for "what we have now." There will be new operating systems coming out in the next year and probably another generation of computers following that so the subcommittee felt it was a very bad time to be purchasing new laptops. Another committee is also looking at the possibility of more chamber automation and having amendments and reprints on a laptop instead of hard copies, or at least having that option, and perhaps having it mandatory at deadline times. If anything, these computers would be better than what would be purchased because the offset for lighter weight is a smaller screen. There is no problem with the technology. Staff is planning to upgrade the memory to ensure that there is plenty. The current laptops are perfectly fine machines for everything that is being planned for the Senate and Assembly for the next session.

Mr. Anderson inquired if the changes considered for the chambers are going to be implemented for the upcoming legislative session or not be available until 2009. Mr. Malkiewicz said that his feeling is there is no reason the changes cannot be implemented for the 2007 session. He thought at the first committee meeting the response was very positive and, if anything, the committee was pushing more for the 2007 session than staff was anticipating. Although the Committee to Consult with the Director will be looking at the matter and devising different recommendations, they are really issues for the Senate and Assembly to consider and he thought that both the Chief Clerk of the Assembly and the Secretary of the Senate were moving forward with plans and working with leadership to ensure that the options are available. He said it will be the decision of each house to determine how far it wants to go. He did not think anyone was looking at "going paperless" just yet but believed that both houses were looking at cutting down on paper, particularly near deadline time so they do not have the delays waiting for 100 copies of an amendment to be printed.

Mr. Anderson inquired about security for the informational system itself and the information technology and asked if the committee took up that subject as part of its continuing concern in terms of persons getting in and out of the system because of dated equipment. Mr. Malkiewicz said that a couple of things are being reviewed and one is under hardware and software upgrades and establishing a disaster recovery site. There is also money allocated for enhanced security and while he did not have a detailed "break out" in front of him, it was one of the concerns.

Chair Buckley said that on the subject of chamber reforms, the Committee to Consult with the Director was looking at some technology whereby there would be a computer on each legislators desk and all amendments would be pushed forward and all bills when they are under consideration would be pushed onto the computer. For legislators who do not want the bill books, they will be able to just use the computer thereby saving a

lot of time. She recalled the time spent waiting for bills to be copied as deadlines approach. If only five legislators wish a paper version, then only five copies are printed instead of 42 copies, in the Assembly. It is being looked at as a step forward towards automating and making the process quicker. She said that the Chief Clerk is reviewing wiring in the Assembly chamber and how it can be done and whether the current laptops can be used or another screen would be needed so that legislators have both. The chair asked if Mr. Malkiewich had any additional information on whether the technology can work with the current laptops, whether an additional screen would be needed or if that matter is still under investigation. Mr. Malkiewich responded, "Madam Chair, I think that's the \$64,000 question. If you go with the wireless laptops, you have a couple of concerns. One is the wireless and there is, no matter how much we put new emitter sites up and how much we upgrade the wireless software and hardware in your computers, there is always the danger that you're going to lose that wireless connection. If you are counting on getting that for getting your amendments or your bills, then you may have a problem . . . and there is also the fact that you then would be tying up your computer with the message being sent. The flip side of that is if you put something else on your desk, especially late in session, especially near the deadlines, the desks get rather cluttered even if we are to cut back on, if people were to not have their bill books all over the place, putting a screen on the desk to have this and then use your laptop separately, right there you are taking up a good portion of the space. This is exactly the key issue that we're looking at, is it worth the additional cost to wire and put the screens there and, first of all, do you even want to. Do you want to lose the space to get the screen? Is it worth the increased sense of security knowing that with the hard wiring, you are absolutely certain? Do you want to keep the laptops free, certainly someone could shrink the screen on the laptop if they want to look at something else? The question first of all is, do you want to have the increased security of that and, second, is it worth the additional cost and, if so, we can get those in in time for session." The chair inquired when a recommendation or a cost benefit analysis is anticipated to be ready. Mr. Malkiewich commented that the Committee to Consult with the Director will be meeting on October 5th and it is one of the items that will be on the agenda. He emphasized that it will be a decision for each house and he did not think the committee would make that determination. It will be a forum for staff to provide the technical and practical information and obtain direction from both houses and move forward so that things would be ready for the legislative session.

Senator Townsend asked if there is a consideration for a large screen in each chamber so that if legislators are looking at a bill or an amendment on a computer, that it is capable of being produced on a screen on the wall so that the public in the chambers can actually see what legislators are seeing on the computers on their desks as opposed to them having to go out to the hallway to obtain a copy. He also asked, since people are listening to committee meetings and floor sessions on the Internet, would it be possible or could it be possible for them to "pull up" what is being discussed at the same time. Mr. Malkiewich responded with regard to the wall screen was that there is good news because for reapportionment in 2001, the LCB obtained four large flat screens that are still in use and a couple of them are used for display boards. Something like that might

be available for the chambers or it might be possible to obtain them. His initial concern is that one of the things to be shown would be multi-page amendments which would be sent to legislators and he was not quite sure how something like that would be put on the wall. He said that staff in the Information Technology Services unit were probably listing to the meeting and could take notes and then review what could be done. With regard to the Internet, timing is a huge, huge issue. If an amendment is being released to legislators on the floor of the Assembly or the Senate, when is it released? He said as members are aware, in the hectic last days before deadlines, there can often be many revisions of an amendment and staff needs to make sure that the one that goes to the chamber floor and is sent to the legislators is the correct final version. The timing needs to be worked out very carefully. He did not think it would be that much more of a problem to get it out over the Internet. He reiterated that timing is exactly the issue and when could it be assured that what is getting out is, in fact, the correct public information. It would not be desirable to have a version of the amendment that was not being considered either sent to the legislators' desktops or out to the public. It is a major technical concern.

Senator Townsend said that one of the things that has always been of a concern to leadership is the ability of the two houses to communicate with one another during the end of the legislative session. He inquired if it is possible to view the "board" in each house so that legislators know which measures have "moved," have not moved or been placed on the chief clerk's or secretary's desk so that legislators are not relying on information from persons in the hallway that may or may not be accurate. Each house would know what the other house is doing and at what time. The senator said it has always been troublesome to him because sometimes it is a legislator who has to run down to the other house to be aware of what is going on and to keep the line of communication open between the two houses. He asked if that has ever been discussed. Mr. Malkiewicz said that he believes this is an issue that staff has already made some "strides" on. Currently, the Internet which is available to not just legislators on the chamber floors but to anyone, is updated almost instantaneously when a measure is approved by the Senate or the Assembly. Knowing that legislators need a better list of what is happening perhaps in the final days when there are 100 bills on the General File and some have been taken and some have not, there is a question of wanting to see which bills have been passed. Some of that information has been made available to legislators. He said that he would commit the Information Technology Services staff to work on the matter. He thought that it is something that is technologically not very difficult. It would be a case of what screens legislators wish to see, what reports are wanted and whether legislators want to see all the bills on General File or Second Reading. He noted that the problem with a flat display of action in the other house with people moving around, it is not always easy to determine what legislators would want to put up on the display.

Chair Buckley suggested that the matter be placed on the next commission agenda for further discussion. She said that what Senator Townsend is discussing is looking at the agenda and being able to track what is on it and where it is as opposed to pulling up

each bill draft to look for its current history. She requested that Mr. Malkiewich work with his staff and report back at the next meeting. She said that the "feedback" from the Information Technology Services staff is all positive but she commented, "Let's go ahead and just look at it in its totality."

Item IV--Legislative Commission Policy:

A. Review of administrative regulations--Brenda J. Erdoes, Legislative Counsel.

1. Regulations submitted pursuant to NRS 233B.067

Ms. Lang stated that there are two binders containing regulations at the desks. There are 40 adopted regulations being submitted pursuant to NRS 233B.067 since the last meeting of the Legislative Commission's Subcommittee to Review Regulations on July 14, 2006. There are two regulations, R220-05 and R070-06, that were added after packets were mailed out to members and they appear in the binders. There is also one revised adopted regulation which was re-submitted pursuant to NRS 233B.0675. The Legal Division reviewed each of the regulations and did not identify any that appear to exceed statutory authority and recommends approval of the regulations unless the commission determines that one or more of them fail to carry out legislative intent or conflict with statutes. She said there are representatives in the audience who can answer questions on the text of the regulations or the reasons for adoption if members have any questions concerning any particular regulation. A revised list of regulations was provided as a handout and is attached as Exhibit E.

Chair Buckley asked commission members if there were any regulations to be pulled out to be considered separately with discussions, questions or concerns. The remaining regulations with which there are no concerns will be acted upon as a whole. The chair said she would like to pull R078-06, R114-06 and R147-06. Mr. Carpenter said he would like to pull R155-06. Mr. Anderson said he would like to pull R205-05, R070-06 and R158-05. Ms. Angle pulled R162-06, R154-06, R034-06 and R220-05. Senator Townsend pulled R192-05. Ms. Pierce pulled R104-04. Additionally, R158-06 was pulled. The chair requested in the future, members e-mail Mr. Malkiewich with concerns about any regulations prior to the meeting.

SENATOR TOWNSEND MOVED APPROVAL OF THE REMAINING REGULATIONS NOT IDENTIFIED TO BE HELD FOR DISCUSSION. MOTION SECONDED BY SENATOR WIENER AND CARRIED.

The chair directed attention to Regulation R104-04 from the Board for Financing Water Projects. Leo Drozdoff, Administrator, Division of Environmental Protection explained that the regulation pertains to the Board for Financing Water Projects which is a board that was set up in 1991 to provide grant funds and work in an integrated fashion with the Safe Drinking Water Loan Fund to primarily help small communities. Through the years, the statute has changed a number of times in that more duties and responsibilities

came to the board such as irrigation districts, septic systems and domestic wells. Most recently in the last session, the board was tasked with providing grants to communities pursuant to looking at their water rights. The regulation is a "giant cleanup" and takes many of the existing policies that have come to the board in a piece-meal way and it attempts to put in regulation rather than keeping them in policy, many of which guide the Board for Financing Water Projects.

Ms. Pierce asked if it was correct that this would expand the definition of political subdivisions to general improvement districts. Mr. Drozdoff responded in the affirmative. Ms. Pierce asked why this was never done before. Mr. Drozdoff replied that he could not answer why it was not done before. He said that the program came to the agency in 2001 and the board has given grants to general improvement districts and was based upon direction it had received from the Office of the Attorney General. He said that when the agency reviewed its regulations in total, which was a massive effort that spanned a couple of years to look at everything that was not in regulations that probably should be, it was felt that it should go into the regulations. Further responding to Ms. Pierce, he said that there is a lot that may be debatable as to whether it needs to be in regulation and the agency erred on the side of caution in that regard. If there was any debate, it wanted to make it clear. He said that it is not that the agency has expanded the definition but wanted to make it clear that general improvement districts could be recipients of grants. In response to Ms. Pierce, Mr. Drozdoff said that he did not know why general improvement districts were not included in the original legislation.

Chair Buckley said that it looked like the purpose of the grants were to look at areas where there would be financial hardship such as demonstrated economic hardship and public health issues and now the new factors seem to be more expansive such as water conservation. She asked if Mr. Drozdoff envisioned the criteria in which the awards to different communities would change under the new regulation. She said that it is supposed to help those in need as opposed to helping a community like Summerlin that is very affluent and does not need a grant. She asked if that was going to be the direction or is it going to be opened up to new subdivisions throughout the state. Mr. Drozdoff said that he did not anticipate that anything would change. He said he omitted the issue of conservation in his initial remarks but it was also one of the items the board was tasked with reviewing. The board took a lot of direction from the statutes and has tried, at the direction of the agency, to make many of its policy decisions regulatory and ensure that the regulatory community was aware of them. He said there is nothing in the set of regulations that he believes to be more expansive and he does not anticipate that there would be any change in that focus.

ASSEMBLYMAN ANDERSON MOVED TO ADOPT REGULATION R104-04.
MOTION SECONDED BY ASSEMBLYMAN CARPENTER AND CARRIED.

The chair directed attention to Regulation R158-05 from the Commission of Appraisers of Real Estate. Gail J. Anderson, Administrator, Real Estate Division, Department of Business and Industry, appeared in Las Vegas and indicated that Brenda Kindred Kipling,

Appraisal Officer, Real Estate Division, was present in Carson City. Ms. Anderson explained that the regulation adopts a significant portion of sections which are concerning education requirements that have been adopted by the Nevada Commission for Appraisers of Real Estate. The regulation is to address new qualifications that come into effect January 1, 2008, that were put into place by the Appraisal Qualifications Board of the Appraisal Subcommittee established by the United States Congress. Sections 5, 13, 14, 15 and 16 all concern the educational requirements that pursuant to the regulation adoption be effective January 1, 2007, giving applicants a one-year opportunity to begin meeting the educational requirements.

Mr. Anderson said that he noticed that there was almost a doubling of hours on most of the requirements and he was surprised at the huge educational time forward especially in light of the statement that it was not anticipated that it would cause a lot of hardship. He thanked Ms. Anderson for addressing his first concern. He said that he had a question on page nine, section 10, subsection three of the proposed regulation which addressed the mileage question where current regulations say that an intern must be within 50 miles of a licensed appraiser and the addition of the wording "principal office" of the appraiser and recognizing that quite frequently not everyone lives in the two, three or four major metropolitan areas of the state. He noticed that there appears to be an opportunity to "get out of that" with the new language but he wondered about the necessity of specifying the principal office and what happens when a principal office is in Sacramento, California or outside the State of Nevada. He asked what is the definition of "principal office" as far as the division is concerned.

Ms. Anderson said that the concern of the Commission of the Appraisers was what was stated by Mr. Anderson. Sometimes there were supervisory appraisers that were a great distance from their interns. The requirement of the intern program is to have at least two years of very "hands on" and supervised experience in the appraisal process. The commission wished to address that it would take special permission to supervise someone from a distance exceeding 50 miles, otherwise the expectation was that an office could not be set up in the State of Nevada with a supervisor out of state and just running a business without supervision. That was what was attempted to be addressed by the regulation. She asked Ms. Kindred Kipling to clarify further if she had not stated it accurately.

Ms. Kindred Kipling stated that a large number of disciplinary cases were involving supervisors that were from out of the state who had opened offices in Las Vegas or Reno and were doing their business by e-mail and fax. The supervisory appraisers were not inspecting any of the properties. The interns were essentially running the business. That situation created the need for the change to the regulation. The reason it was changed to "principal office" was that what was happening after the regulation was changed originally is that the appraiser would open an office in Las Vegas and put their intern in charge of the office and then say "that was my office so that's where we're working from." That was the reason for adding the wording "principal office." The reason an exception was needed was so that somebody would be able to apply for an

exception for the more rural counties like Elko and Ely. She said that 50 miles in that small setting is a lot different than 50 miles in an area such as Las Vegas.

Mr. Anderson asked if Ms. Kindred Kipling was of the opinion that the rural areas would still be able to be helped with the particular language and it would be possible to "clean up the bad actors" that are involved. Ms. Kindred Kipling said that is exactly the reason that the provision was added whereby somebody could apply to the Administrator for an exemption and was for the more rural counties so that those interns can obtain their two years and 2,500 hours. It was found that with the 50 mile radius, it was taking the interns a lot longer to get their experience. She thought that the change would allow for the interns in the rural areas to more easily obtain their experience hours.

Mr. Carpenter inquired how long it would take to obtain the permission of the Administrator for the exemption. Ms. Kindred Kipling said that the intern would submit a form and she estimated that it would not take a very long time. Once an exemption was obtained, it would be for the term of the internship and they would not have to get an exemption on a case-by-case or appraisal-by-appraisal basis.

ASSEMBLYMAN ANDERSON MOVED FOR THE ADOPTION OF REGULATION
R158-05. MOTION SECONDED BY ASSEMBLYMAN CARPENTER AND CARRIED.

Chair Buckley directed attention to Regulation R192-05 from the Manufactured Housing Division of the Department of Business and Industry. Senator Townsend said that the reason he asked for the regulation to be pulled was so that he could be enlightened on the issue. He said that under NRS 461 he is very familiar with what the responsibility is and it is the general uniform health and safety requirements. He said "In our research regarding energy, is that we deal an awful lot with people that live in manufactured housing who come in under a number of our opportunities to provide revenue assistance to them when their bills skyrocket. Part of that is because these aren't as insulated as other housing. Are you looking at that in terms of conservation and weatherization with regard to perhaps upgrading those codes? Are you looking at that at all? Do you need statutory authority, do you think, to perhaps help you do that? If that's so far off base here, Renee, I appreciate that but it's become such a concern to those of us who understand this problem that people face that we're trying to get our arms around it from every direction."

Renee Diamond, Administrator, Manufactured Housing Division, introduced Gary Childers, Supervisory Codes and Compliance Officer from the division. Both appeared before the commission in Las Vegas. She explained that the statutory authority is twofold. Under the federal Manufactured Housing Act, all issues related to manufactured homes produced under the U.S. Department of Housing and Urban Development (HUD) Code, which are dwellings, the energy and other issues related to that is preempted from the state. Under NRS 461, which are manufactured buildings, there are codes that are being adopted under the regulation that are more recent than the codes the division currently has. Once the regulation is adopted, the codes relating

to energy, electrical, plumbing and all other facets of factory built buildings, as well as Uniform Building Code homes, will relate to the newer codes which are more energy efficient. As far as current homes in the state, there are a number of agencies that do work on manufactured homes and her office cooperates with them. To work on a manufactured home and keep it in HUD compliance is a "fine line." The office makes sure that folks are licensed and have even expedited licensing for some of their providers. They want to make sure that while trying to fix a home, nobody actually harms it. Her office works with "locals" as much as it can but it does not really have authority except that Mr. Childers approves all plans for manufactured buildings under NRS 461 and he makes sure that they meet the most recent energy codes. Retrofitting is a very touchy subject in manufactured housing because they are engineered to the way they were built at the time. They had a case recently where a park owner wanted someone, upon sale of their used manufactured home, to put T-111 siding on it, which is less porous but the problem was that the home was not built to accept the weight of T-111 siding and in the new homes, there are ventilation systems to take out moisture. If one puts T-111 siding on a used home of a certain age, the moisture stays in it and the home gets "rounded." She said they have to tread very lightly. If someone is going to add to or change dramatically a manufactured home or building, the approvals have to go through Mr. Childers.

Ms. Diamond expressed her appreciation to Legal Division staff who worked with her office as they ended up doing a complete review of Chapters 489, 461 and 461A and staff was outstanding in terms of help to the agency. In addition, she also wanted to remind members that the division has now reduced five categories of fees that are charged as a fee-based agency since the Interim Finance Committee was concerned about the division's reserve fund. She said that both manufacturers and citizens will benefit from that action.

Senator Tiffany said it looked to her like the division is responsible for the specifications if it is going to be manufactured in the state or come into the state. She asked if someone is building a development and it will all contain manufactured homes, does the agency have any oversight. Ms. Diamond said if Senator Tiffany is talking about an actual housing development as opposed to a commercial development, the agency has no authority over the building of the homes and the inspection of the building process as it is all done through HUD. They have inspectors and in-plant inspections and those kinds of oversight. When it comes to the state and is going to be put in place, local government does all the land issues such as grading and so forth. Her agency's authority lies with the placement, installation and connection from the home to the utilities. Its inspection does not vary whether it is on private land, i.e. a development, or whether it is in a manufactured home community. Every home in Nevada is inspected whether it is a new home being placed for the first time or a home being relocated from one place to another. Nevada is a leader in that regard and it has become a model since the federal Manufactured Housing Act was changed and all states will have to have an installation program. Nevada is a model program.

SENATOR TOWNSEND MOVED APPROVAL OF REGULATION R192-05. MOTION
SECOND BY SENATOR TIFFANY.

Under discussion of the motion, Mr. Anderson said his first question deals with the new codes that are going to be adopted and he wants to make sure that they are in compliance with the new international codes that were adopted in the 2003 session relative to additional earthquake requirements, particularly for the attachment and for the supervisory responsibility of the parks when the homes are placed and making sure they are in compliance. He wanted reassurance that was the case. His second question deals with section 29 on page 23 of the regulation and he requested an explanation.

Mr. Childers said that he is the compliance investigator for the division. The division does deal with the attachment of the homes regardless of whether they are on private property or in communities. The attachments are done pursuant to the manufacturer's requirements so that it complies with the HUD regulations.

Mr. Anderson said he appreciates the federal regulations which set a very good standard and he thinks everyone recognizes that the mobile homes that are being created are not being manufactured in the State of Nevada although some are. Living in the third or fourth most active earthquake area in the United States means that there may be an additional program. He was under the impression that the international standards which the counties and cities were asked to bring into code and alignment with were going to be in place. He wanted to assure himself that the agency had also looked at those. Mr. Childers explained that it is a different situation in that HUD creates its own standards and the manufacturers must engineer their product to fit in the areas. The standards offered by HUD are similar and accomplish the same thing as the new international codes that are being adopted. Mr. Anderson said that he is not as much concerned about the mobile home itself as he is the hook-up which is the state's responsibility to supervise. He asked if that is also done by the HUD standard and not by a standard set by the State of Nevada.

Ms. Diamond said part of the adoption of the regulation is a new installation code. Seismic issues are related to the new installation code that will be adopted through the regulation. Additionally, there are a number of codes that were updated nationally but were never updated in Nevada and those are now all updated and seismic is part of some of them. They are related to the installation inspections and will also be related to a permit system that the regulations will adopt so it will be known when homes are being altered or changed as they will have to submit plans to the agency. She emphasized that all of the newer codes adopted nationally do take into account the latest of the seismic matters and the installation code covers every exigency including seismic. Mr. Anderson thanked Ms. Diamond and noted that was the reassurance for which he was looking.

Further, Mr. Anderson asked the representatives to expand the explanation in section 29. He said the section deals with the construction of rooms and garages and

other additions and asked if his understanding is correct that the agency also feels that those are what has to be submitted to it in addition to whatever other standards will take place. Mr. Childers said he wished to explain where the section originated and the need for it. A rather lengthy lawsuit was just finished regarding the addition of a structure to a manufactured home which ended up taking the home out of compliance and doing quite a bit of damage. Section 29 is asking that the division be involved in the plan approvals. The division has no jurisdiction over the construction of the building addition; however, the division wishes to review it to see that the new structure does not affect the integrity of the manufactured home or the manufactured home installation.

THE CHAIR CALLED FOR A VOTE AND THE MOTION CARRIED.

Chair Buckley proceeded to Regulation R205-05 from the Commission for Common-Interest Communities.

Mr. Anderson said that since the regulation was just received the morning of the meeting, he only had the opportunity to do a cursory review. He referred to pages two and three, section 7, subsection 1 and 2, the balance sheets and the footnotes of the impound balances and the relation of the dollars and how the community is informed. He asked if the whole purpose of the regulation is to ensure that it is properly reflected. He noted that one of the "big things" that is taking place in the northern part of the state and probably other parts of the state as well is that older hotels are being converted into common-interest community condominiums. He is concerned about how the community is to be aware of some of the long-term costs of an older building and when it changes from private ownership into common-interest community. He asked if someone could explain if the regulation is going to help or hurt.

Michael Buckley, member of the Commission on Common-Interest Communities, appeared in Las Vegas. Mr. Buckley said that he thought Mr. Anderson was speaking of reserve studies and the regulations do not address reserve studies. Sections 1 through 11 adopt the criteria for the audits and the financial statements that, as of October 1, 2005, associations have to have either audited or reviewed financial statements. The first 11 sections are basically establishing who can do the audit and what has to be in the audit. An element of the audit would be the money in the reserves but it doesn't address reserves other than just requiring the audit.

Gail J. Anderson, Administrator, Real Estate Division, said that she thought Mr. Anderson was addressing some of the conversions of older buildings, whatever type of buildings they are, into housing units. She said that subject is something the division is addressing in the Projects Section of the Real Estate Division. When a developer files for a project that is going to end up being units sold, there is a requirement for adequate funding to be transferred for projected number of units. The division is reviewing and addressing that and there is either a bond or cash in a trust or escrow account for that purpose.

Mr. Anderson referred to page 2 and asked if just the criteria was being set up in section 7 of the accounting guideline, subsection 1., paragraph (e) which says a footnote which states the association is in compliance with paragraph (b) of subsection 2 the statement of revenue and expenses and then on page 3 in section 8., subsection 2., a reserve fund which reflects the accounting transactions pertaining to the long-term major repair and replacement. He said he is trying to understand while it is not articulating what the reserve balance is, it is identifying that there is one. He asked is that the purpose of the regulation and nothing more than that. Mr. Buckley said there already is a requirement in the statute for the reserve fund. What the regulations are now requiring is that those funds be audited or reviewed depending upon the size of the association. Before, there was no requirement for an audit or review of those amounts.

Mr. Anderson asked about the delay in getting the regulation to the members and if it was a problem from the agency or legislative staff. Mr. Buckley said that with the whole issue of auditing and financial statements, there was a lot of input and a number of meetings were held. He said it is a new aspect where people are still debating things such as do you have cash balances, or do you have accrued financial statements. The agency has been "back and forth" to the LCB two or three times with the draft and he thought it was just "the bureaucratic process."

Chair Buckley stated that a proposal will be put in to change the timeline on the regulations so that "we are not crushed in our review." She said it is being considered for the next legislative session.

Mr. Anderson inquired if a time frame is changing from 30 days to 210 days and what happens if someone is trying to sell a piece of property in a common-interest community and the purchaser wants to know when the last accounting was done. Mr. Buckley explained that the timelines are dealing with when the audit or reviewed financial statement has to actually be prepared by the accountant. There was much discussion on the matter and it does not affect the obligation of an association to provide information to the homeowners. The problem is that there is now one rule that applies to all associations so if there is a change in management and there were a number of examples of where the financial statements would take longer. He emphasized that the 210 is the maximum time period for the annual audit. There is also a shorter period for the quarterly financial statements. Mr. Buckley said that it never was 30 days and it started out at 120 days when they had discussions. It is the annual audit when the accountant has to have the financial audit back to the association.

Senator Townsend disclosed that his wife owns a property management company and is a licensed property manager and realtor under Ms. Anderson's purview and it does not affect her or her company any differently than it would anyone else but he wanted his statement on the record.

SENATOR WIENER MOVED APPROVAL OF REGULATION R205-05. MOTION
SECONDED BY SENATOR TIFFANY AND CARRIED.

The chair proceeded to Regulation R220-05 from the Commission on Economic Development. Ms. Angle referred to page 2, section 6, paragraph (a) and (b) and said that it is her understanding that the abatements only go to businesses because paragraph (b) says not single family or multi-family structures or a mobile home and that anyone who wanted to put in environmentally and energy efficiency measures could not get the abatement if they were a private person on their private property.

Kimberly Elliott, representing the Nevada Commission on Economic Development appeared before the members in Carson City. She said that Ms. Angle is correct. It is used for buildings such as malls that are public use type of buildings, hotels, casinos and restaurants. Ms. Angle asked why the abatements are not available to private owners such as if she wished to put solar or geothermal into her home. Ms. Buckley said that she believed it is because it is the way the legislation is written. She said if she recalled correctly, the incentives for large public users were put under the Commission on Economic Development and the incentives for private residences, because those do not fall under the Commission on Economic Development's job duties, were put under some of the public utility statutes. The incentives for new development to be energy efficient were put in another chapter. The program to encourage refrigerator recycling and more energy efficient appliances as part of the Green Leadership in Energy and Environmental Design (LEED) designated buildings was put in another chapter and they are interspersed. The goal from the last legislative session was to try to have the incentives for every different type of user. It is not in this regulation because it is just the one under economic development.

Ms. Angle further asked about the information included in public comment where it mentions that the tax abatements could be up to 50 percent and there would be loss of revenue to schools, police protection and health and safety. She asked if Ms. Elliott had an estimate of how much the loss might be. Joe Reel, representing the Commission on Economic Development appeared in Carson City and responded that he would not have an answer to the question at this time.

Senator Townsend said to be more specific with regard to the issue of why private residences and private buildings not under the regulation that are very small, the answer is very simple. The LEED does not currently have a residential standard and when the legislation was first drafted, it was desirable to have a national standard to which builders could be held. Given the size of the projects being built in the state, having the LEED standard was the way legislators wanted to have it measured. Until there is a residential component, it is difficult. There are multiple opportunities for residential individuals to weatherize and provide conservation and a lot of them are through one's local power company.

**SENATOR TOWNSEND MOVED APPROVAL OF REGULATION R220-05. MOTION
SECONDED BY SENATOR TIFFANY AND CARRIED.**

Chair Buckley turned attention to Regulation R034-06 from the Taxicab Authority of the Department of Business and Industry. Ms. Angle said that she had some specific questions about the regulation. With regard to the safety equipment, she said the regulation said that it would be installed and she would like a description of what the safety equipment involves. She said that she is assuming that it is cameras. She asked how much it would cost per taxi to install. She also wants to go into the rider privacy issues and to whom the tapes would be available, how long they would be kept and is it done any place else. She also wondered why it is a regulation just for Las Vegas and Clark County. Another concern of hers has to do with penalties. There is a fine for not complying or having an effective safety program but it does not say how much is the fine. She also thought that there was a bit of "overkill" in the suspension or revocation of the actual certificate of public conveyance. She requested representatives to address her concerns.

Richard Land, Administrator of the Taxicab Authority appeared before the commission in Las Vegas. He said this is the third version of the proposed regulation. With the assistance of the LCB staff, the authority reached the format before the members. Early in the year, the board of the authority "got into" the proposed regulation and the need to mandate safety equipment because of several fatalities that occurred in the prior couple of years and a significant amount of robberies that had taken place on taxicab drivers. The version addresses not only cameras but floor safes and other measures of taxicab safety issues that can be mandated and accomplished by the various companies. The taxicab industry in Las Vegas had, at the start of the year, some companies that have installed cameras and there are two companies that have not installed anything. Most of the companies did this "early on" and have indicated significant improvements in their safety records, not only in the reduction of crimes but in the care and safety of the drivers themselves. The maintenance costs of the programs have decreased considerably since the cameras were installed. Several of the companies have had reductions in the insurance costs up to \$5 million during the course of the past year. The taxicabs that have cameras installed in them all have a little sign on both sides of the rear doors that say the vehicle is equipped with cameras and, to date, he is only aware of one complaint from a riding passenger about the camera issue. The control of the camera is within the purview of the taxicab authority and the owners. A driver does not have access to the camera. To date, he is not aware of anything significant happening where it was necessary to use any of the information to help "crack" any problems. He said he would turn over discussion to Christine Guerici, the authority's senior attorney general representative to talk about some of the more significant portions of the regulation. Ms. Guerici said that the safety equipment is defined in section 8, subsection 6, and there is a definition for what the safety equipment can be. It can be any mechanical, electronic or other device that, if installed in a taxicab, will aid in the prevention of the commission of a crime against a taxicab driver or passenger or be the apprehension of a person who commits such a crime. The definition was specifically constructed that way so that the companies, the certificate holders, could choose for themselves the type of equipment they wanted to install and what type of equipment they felt would be most effective for their needs. It could be a camera but it could also

be a Global Positioning System (GPS), it could be a floor safe, it could be a partition, it could be whatever they felt was most effective for their needs. It is not necessarily a camera. In response to Ms. Angle's question about why it was just for Clark County, and that it because it is a regulation from the Taxicab Authority which only has jurisdiction in counties over 400,000. With regard to the question about the fine, it is related to NRS 706.885 which allows the authority for violations against a certificate holder to impose a fine of up to \$15,000 or suspend or revoke their certificate.

Senator Titus said she had a question about the section that talks about whether the safety program is effective or not. It is a rebuttable presumption that it is ineffective if the number of crimes committed is substantially higher than the industry average. She asked, "What does that mean?" Ms. Guerri replied, "What that means is that we were trying to find an effective means of holding the companies accountable and determining whether their safety program would be effective. So that if, say we have nine certificate holders who are submitting these forms and one of them has 20 robberies and all the rest have two, there would be a rebuttable presumption that their safety plan was ineffective because their numbers were so different from everyone else's. It was rebuttable because they could come then to us to say, 'Well, our number is 20 because of X, Y and Z.' It was to give the certificate holders the opportunity to have a hearing where it would be determined whether their program was effective and also give them the opportunity to revise their program, to look at their equipment and look at their training to see that they could do something that would bring their numbers in line with the other companies." Senator Titus said that 20 versus two would be substantially higher, but what if it was four versus two, is that substantially higher? She asked, "What is substantially? That's something that is subject to just total discretion, it seems to me. What if one crime is much more heinous than others but there's only one, like a person gets stabbed to death or set on fire? Is that substantially different? That seems just too substantially vague to be able to enforce." Ms. Guerri explained that it was to give the certificate holders the opportunity to come forward and say why their plan was not effective or why it is not substantially higher. It was to give a little discretion because you might have a company which has a higher rate of crime but they have more cabs out or they are operating in a different part of town. They might have a reason for their differences. Senator Titus said that it seems like they would have a reason then to have more safety provisions in place, not a reason to argue why they have more problems. Ms. Guerri replied that was correct but it was to give them the opportunity to make their arguments.

Ms. Pierce said when the possible safety equipment was listed, audio was not mentioned but there is a possibility that there could be equipment that could record conversations in the cabs. Ms. Guerri responded in the affirmative.

Chair Buckley said that the issue has been around for a long time and she thought at one point the direction that the issue was taking was that cameras would be required in taxicabs but no audio recording. She thought that she and Senator Townsend had "made that push" about two years ago. The idea being that a cab driver got burned to

death and testimony was received that other communities were putting that in place. Testimony was received on the appearance. She recalled that on a trip to San Francisco, she interviewed her cab driver who had it. It was seen as a little dome, very non-intrusive. There is a warning on the outside of the cab so the deterrent is "Warning. You're on film." The cab drivers liked and embraced it but it was not seen as intrusive to tourists and other people who might be talking about personal matters inside the cab and might feel uncomfortable. There was some discussion of that model, which she thought made a lot of sense. She asked if the authority felt during the regulatory proceedings that it felt unable to adopt something so clear. She said that, as Senator Titus pointed out, some of it could be "picked apart" because of the language that was chosen. It could be argued "Even though we had two deaths, if you compare it to 20 violent crimes, we still don't have to do anything more effective for our drivers." She asked the representative to address why the issue was not "taken head on" and passed something along those lines.

Ms. Guerri responded that the agency had extensive workshops on the issue, particularly the camera issue. She has been involved for two years and she believed it was two years prior to that. There has been extensive public comment and discussions about the audio, particularly about how the audio was helpful for law enforcement because it could be heard what the suspect was saying in the event that there was a robbery or crime. Someone could be smiling but saying something ominous. There was from the law enforcement side the desire to have the audio for prosecutions so that it could be heard what the person was saying to the driver before the incident occurred. On the "flip side," the audio was looked at for the privacy issues for the persons carrying on a personal conversation. The reality is that the cameras work in a loop so that it is a constant taping and then a re-taping over after a certain period of time. The only time the audio and the image is transferred and downloaded to a computer and viewed is if there is an incident that would trigger someone to download the segment that was taped. It was not as if someone was listening to every single one of the conversations taking place in the cab, it was only if there was an incident where the particular incident was being downloaded. Chair Buckley said, "But they could listen to it and, second, even if they are saying 'Have a nice day,' if you have somebody with a gun or a knife or a pipe assaulting a cab driver, it doesn't matter what they said. You see the commission of the crime. Did you actually have law enforcement at your hearings?" Ms. Guerri replied, "From the law enforcement side, from the taxicab authority." She acknowledged that no Metropolitan Police Department or District Attorney representatives attended.

Lee Roland, Public Advocate, and Gary Peck, Executive Director, of the American Civil Liberties Union (ACLU) of Nevada appeared before the commission in Las Vegas. Ms. Roland said that there are two parts of the regulation that they have significant concerns about and she is sure it would come as no surprise that they were involved continually with the committee hearings. She said, "The primary issue here is that we believe the Taxicab Authority has completely abdicated its responsibility to the public to protect their privacy. They know these cameras are everywhere. They testified that

they are in every company except for two and as opposed to making a regulation that deals with that and then controls the use of those tapes, rather than protect the public from the realistic issues that come out of videotaping passengers, they have instead passed a regulation that uses kind of words and language to avoid that, I believe, because they are concerned about fourth amendment issues. We believe that the better way to be concerned about fourth amendment issues is to responsibly protect that information to make sure it is not abused or used in an inappropriate way. Just as Assemblywoman Angle was concerned about, this regulation does none of that. Primarily, unfortunately, this issue about cameras has been going on for years and at the end of it what we have is a regulation that has a bunch of vague language, is difficult to enforce and does not clear up any of the privacy concerns over audio or video. The issue with audio is that it is now completely allowed under this regulation. It may very well be illegal under state and federal law. So, rather than deal with that issue again, they're allowing this to happen which may be a liability for both the cab companies and for the Taxicab Authority because it's pretty clear from the regulation that what they are requiring is some kind of electronic monitoring and that is evident from the fact that they require a label – labels which give someone informed consent about taping are really only necessary when you've got an electronic monitoring device of some kind. What we basically have is in all but explicit words, a regulation that's requiring cameras but is abdicating any responsibility to deal with the privacy concerns of that and we think that's inappropriate. The second part of the regulation is about the fines, which Senator Titus asked about. Our concern is that this is an open invitation for racial profiling. These kind of regulations have been passed in other cities and it has been an issue. The reason is because there really is racial profiling in public life and there is plenty of evidence that it happens by taxis. The problem with a regulation like this is by blaming the victim, or rather penalizing the taxi companies, what you're doing is providing quite a clear incentive for them to stay out of certain neighborhoods. You just even heard the representative of the Taxicab Authority say they might go to a different part of town. They might pick up different kinds of people. They might not go to West Las Vegas. Certainly, everybody's concerned about safety but a regulation like this that penalizes people for being victims of crimes clearly may have racial implications that I think should be seriously considered before this committee passes that regulation."

Mr. Peck said, "I would just say that I'm not really in the business of reading peoples' minds or figuring out what their motives are but I do think, in response to the question that was asked by the chair about how we ended up in this place after four years of deliberation, a place where it seems to me that the Taxicab Authority has allowed politics to trump good policymaking, I think it's fair to say to anyone who has watched this process unfold that it was a profoundly political one. There were some cab companies that were fighting very hard for a mandated audio and video recording system in every taxicab and there were other taxicab companies that were saying, 'no, absolutely not, it imposes a cost factor on us, it invades people's privacy, it's not even going to be more effective than other kinds of systems.' Then, of course, we came along to raise also emphatically the privacy concerns and I think at the end of the day, politics won out. I think that is terribly unfortunate. I would just reiterate what my

colleague said and that is with respect to these issues, no matter where you fall in terms of your legal analysis or your view of public policy, clearly privacy interests are insinuated in all of this and I think as a regulatory agency, the Taxicab Authority has an obligation to address all of the issues and all of the concerns that have been raised for years about the installation of these devices in taxicabs."

Chair Buckley said that right now the regulation is not effective because we are considering it for adoption today. Right now, without the presence of the regulation being adopted, the Taxicab Authority has decided to not require cameras in cabs to allow people to audio tape and the status quo is there regardless of what the commission does. She stated, "It's pretty apparent to me that the Taxicab Authority is never going to adopt cameras in cabs without audio to protect the privacy of those folks in their cabs. They have had four years for whatever reason, whether it's they don't agree with the policy or politics whatever it is, that's not going to happen. So, if we want more specificity in the law, the Legislature's going to have to do it. That's clear to me. So, my question for you is, knowing that is true, knowing that if we reject this nothing really is going to change because nothing has happened for four years, would the public safety and the driver safety be better with this than with nothing. That's the question for me, knowing that if we reject this, we are not going to see a regulation forthcoming that we approve of, rather we will see nothing." Mr. Peck replied, "I think the answer to that is no. Public safety interests will not be well served by passing this regulation because I quite agree with you. As a practical matter, what we have is the status quo and that's what we're going to have whether you pass this or not. We sat through all the debates and all the discussions. We know what the various taxicab companies are doing and I think that the issue that Ms. Roland raised is a very serious one, it's part of the questioning that Senator Titus was pursuing, that is to say this whole system of enforcement and the imposition of fines. I don't even think it's particularly rational. It's certainly vague. It's not clearly spelled out and I do think the issue of racial and ethnic and class profiling is a serious one, particularly with respect to an industry where there is a long history of these kinds of problems and they're problems that are fairly prevalent. Certainly, this is a scheme that would create an incentive for cab companies to stay out of certain neighborhoods where they believe there were high crime rates and they would be putting their licenses at risk and risking the imposition of fines. I think that is a singularly awful idea."

Ms. Guerri said, "I would just note that, according to their testimony, all companies but two already have cameras so I'm not sure, I wouldn't psychically interpret what's going to happen with the other two companies but clearly this regulation has a very narrow scope."

Senator Horsford said he wished to echo the comments of the chair as to why, after legislative direction, the agency is no closer to the intent of protecting the interests of cab drivers while at the same time balancing the interest of private citizens and customers in a cab. He said that it is somewhat frustrating for legislators to be in this position since ultimately the Taxicab Authority does need to promulgate the regulations.

Based on the comments made, he has serious concerns with several provisions of the regulations as they stand.

Senator Titus said, "I am frustrated too. I don't want to not adopt something that will make cab drivers safer but I don't see this as being the solution so I don't necessarily want to put something in place that has unintended consequences of making it worse. I wish I knew what the cab drivers input had been at the various hearings that the commission held to come up with this kind of solution. Is that on record anywhere?" The chair asked that the Taxicab Authority representatives summarize what they feel is the view of the drivers with regard to the regulation. Mr. Land said that in the many meetings that have been held, especially in the past year, the input from drivers has been one of support, very vigorous support, for this regulation and most have commented about some of the companies wanting floor safes. The drivers were almost unanimously opposed to that except in the final analysis of the proposed regulation to satisfy all of the parties involved, floor safes are mentioned in the regulation. There is a pattern among drivers of rolling up money and sticking it in their shirt pockets. The authority tries to discourage that and the drivers admitted that they would not use floor safes if they had to. Recent surveys indicated that they still do not do it in those cases where floor safes are installed in the cabs. There has been some driver training to get the drivers to "stash" their money in the trunk, under their seat or someplace else other than having it visible in their front shirt pocket or laying on the seat. He said, "I think I am very safe in saying and speaking on behalf of the drivers that it would be a unanimous answer to say that they fully support the cameras."

Senator Townsend asked representatives of the Taxicab Authority if the Legislative Commission chose not to pass the regulation for the reasons that have been articulated but their concern is so great that members asked their counsel based upon the input of the commission to draft a regulation that would meet legislative concerns and submit it to the authority for a quick, open meeting hearing, and the authority could decide whether it is acceptable and return it to the commission. He said at least this way the authority would know that the commission would accept it if it is returned. He asked if the authority would be amenable to holding the hearing as soon as possible. Mr. Land responded, "I think it is probably safe to say, and correct me if I'm wrong, that basically the proposed draft that we have now comes from your staff." The senator said that legislative staff drafts it based upon what the authority gives them. They cannot advocate one way or the other. They are only going to draft what is inside the statutes based upon the input from the agency. He said that it would be the same for legislators. Staff would draft a regulation that would meet legislative intent and the intent of the commission could be provided to the authority so it could hold a hearing and obtain all the input including law enforcement that did not testify previously and then return it to the commission and it could be adopted inside of 30 days. Mr. Land said that he would support doing that very thing. He has not been involved in the process the full length of time that has been mentioned but he agrees that the matter has "gone on far too long." He said that he is unsure that there is a resolution that will satisfy all the parties involved but he is certainly more than willing to go along with the senator's proposal.

SENATOR TITUS MOVED TO DEFER REGULATION R034-06. MOTION
SECONDED BY SENATOR TOWNSEND AND CARRIED UNANIMOUSLY.

Chair Buckley proceeded to Regulation R070-06 from the Commission on Professional Standards in Education. Dr. Keith Rheault, Superintendent of Public Instruction, Department of Education appeared before the commission in Carson City. He said that the regulation revises the conditional licensure requirements. Members may know it better as the "Alternative Route to Licensure." A task force was put together for about one year taking input from the national standards that look at alternative routes, plus all the school districts and arrived at the regulations. He said that he would be happy to answer any questions.

Mr. Anderson said that this is one of the regulations that was provided this morning and he had just a short opportunity to review it. He wanted to make sure that he understood where the regulation was proceeding particularly regarding questions of pedagogical subject related skills that are expected. He asked if it was a reduction in the current requirements and a lowering of the hour requirements before someone could obtain licensure. Additionally, he asked if they would not be monitored on an annual basis even though they do not meet the higher standard. Dr. Rheault responded that the regulation where it looks like it might be reducing the hours, as part of the alternative route 120 hours of instruction is required prior to the individual entering the classroom. The regulation reduces that from 120 to 80 hours where they would be allowed into the classroom and was based upon input from the school districts. The districts found that giving 120 hours in a row to a new person, people who do not have an education background, did not seem as effective as giving them the basics on discipline, grade books and things like that before they entered the classroom and then that very first month finishing up the last 40 hours of instruction, they have experience and have more questions and it seemed to work better. It is required, if a school district hires a person under the alternative route to licensure, that it provides a mentor teacher for the three years that the provisional license is in effect. Further responding to Mr. Anderson, Dr. Rheault said that when the individuals finish their three year alternative route, they end up with a regular license and are required to take all the education course work. What the regulation is doing is based upon recommendations over the first six years of implementing it. In the previous regulations, it shows where the time was reduced from 12 credits to 6 credits the first year. It was based upon input that those are individuals coming to a classroom and have not been exposed to it and 12 credits was too much to ask them of one year. He also noted that 6 additional credits were added the second year. There has not been a reduction of credits, they have just been "spread out" so that it is more easily attained by the individuals coming through the alternative route.

Further, Mr. Anderson referred to the informational statement relative to what background and criticisms that took place was that there were two workshops and two hearings in southern Nevada. He said that he was particularly concerned about criticism (c) on page 2 by Dr. William Speer, Associate Dean for the College of Education at the University of Nevada, Las Vegas, that the competency test and subject knowledge test

was not going to be required in the early part. Dr. Rheault responded that was corrected in the final version. He said that all of the alternative route licenses require the subject matter test be taken before the individuals are allowed to go into the classroom. Only under special, extenuating circumstances could it be waived for six months. It says they must first pass the examinations required. They are all required to take the subject matter test prior to issuing the license.

Senator Titus asked if the regulation would help address some of the teacher shortage problems. Dr. Rheault said, "I see this as just a small piece of addressing the teacher shortage issue. The alternative route licenses have been in place since 1999 and, I think, 98 percent of the teachers that have received this license were employed by Clark County. I think the other 16 districts have less than 10 alternative route teachers in the rest of the state. There has been about 250 teachers in six years that have used this. I think the next best license was the one that was just passed in 2005, that was the special qualifications license where it made it simpler without as much red tape for an individual that has a related background such as an engineer or medical doctor or people with masters degrees and above to come into the classroom sooner with less red tape and we're seeing a lot more interest on that license than this alternative route. But it's just a small piece of the big picture when you need 3,000 teachers and you hire 50 alternative route teachers, it probably isn't the final answer."

Further, Senator Titus asked Dr. Rheault to describe the difference between the alternative route and the one described that is more popular. Dr. Rheault said the legislation passed in 2005 and he believed it was sponsored by Assemblyman Mabey. It allows individuals with masters degrees or higher in related subjects and he sees it primarily being used for secondary teacher licenses to be issued an equivalent license and the commission is to identify which subject areas they may teach. There is a list of about 25 masters degrees primarily in math and science that will be able to issue licenses directly to individuals such as medical doctors, engineers, nuclear physicists, chemists and they will be able to teach specific science and math courses at the secondary level. The licenses can be issued directly to the individual under the alternative route. A district must request to the department that they will employ these individuals, then it can issue the license. In the new special qualifications license, an individual with a masters degree can apply directly for the license, hold the license and then go look for a position within a school district. It speeds up the process. Further responding to the senator, Dr. Rheault said that in the past the conditional license people have come, for example, from the Nevada Test Site that may be closed down that had some math skills or it could have been a Spanish speaking individual. The department has had lawyers apply for elementary bilingual teaching and those were the types of individuals they went through. In most cases, they are the same individuals that have masters degrees or higher that, under the new license, could get a license directly from the department. Senator Titus asked if this license is still needed if the department has the other. Dr. Rheault said that in certain cases, this license could still be used for elementary level positions. They have identified under the special qualifications license, a masters degree that is directly related to elementary teaching just because it covers

English, math, science, social studies, all the areas. The alternative route license could still be used for that purpose.

Senator Tiffany said that one of the shortages is special education. She asked which one of the routes would someone take. Dr. Rheault said that under the new special qualifications, there really is not a way to get a special education license. He said that section 9 of the new regulation addresses the shortage in special education teachers and how they can license through alternative route a number of special education endorsements. The school district in Clark County has used it to license and get qualified individuals teaching special education.

Senator Horsford observed that in several sections of the regulation, there are amendments for kindergarten and making it applicable to pre-kindergarten and early childhood education. He asked if Dr. Rheault could explain why that change is being made and what is the impact. Dr. Rheault responded that previous regulations were listed as kindergarten through 12th grade and the new early childhood license endorsement can be used or is used to service children that are three years and older that are enrolled in special education programs or enrolled early in schools. He thought that in working with LCB staff, the wording has been changed to pre-kindergarten since they do work with individuals below kindergarten. There was not a change in the previous responsibility that the teacher could do with early childhood, it just clarifies it in regulation that they were serving children below kindergarten.

Further, Senator Horsford asked, "In private child care centers that offer early childhood education, is there any new requirement for those teachers under this regulation?" Dr. Rheault responded, "No, that wouldn't affect them. This is only in the public schools where they are falling under one of the federal program requirements."

Mr. Anderson asked if someone was in a "Head Start" program that was receiving federal dollars, would there be some sort of requirement that would now have to be met in terms of licensing for those individuals. Dr. Rheault said that he would have to check that but he did not believe there is a requirement that the licensing commission regulations would interfere with the "Head Start" programs unless they were being operated by the public school system. Other programs would not be included because the only way a child gets in for services that are mandated for public schools is if they qualify under some special education requirements if they are under age five.

ASSEMBLYMAN ANDERSON MOVED APPROVAL OF REGULATION R070-06.
MOTION SECONDED BY ASSEMBLYMAN MABEY AND CARRIED.

The chair directed attention to Regulation R155-06 from the State Board of Education. Mr. Carpenter said that the way the regulation is changed seems so complicated to him and is hard to understand. He wondered about the reason to make it so complicated. Dr. Rheault said that he agreed and would not have anyone look at them to determine how to teach the standards for math. The department has taken the standards and

developed a booklet that it links to which contains definitions and has easy access and that is what needs to be looked at. It takes every one of the standards in the regulations so that a teacher can take the standards, open it up and see what is required for kindergarten in more common language using the standards. He said that the booklet is available on the department's web site but he would be happy to provide copies to any legislators who would like to see it. Further responding to Mr. Carpenter, Dr. Rheault said that common language has been used in certain cases but there are certain words that have to be used that are defined in regulation that do not necessarily translate well to the standards language. The format that is used for individuals to review folds out into two pages and does not fit into the regulations either. He said they understand the need to make it easily usable and have received great reviews from all the math teachers on the revisions that cleaned them up from 1999. He reiterated that the format that will be put out to the public is not going to be the document with the regulations. While it makes them formal and into law, the format that will be put out will be a nice, clean booklet that has already been developed and is being used by teachers.

Mr. Carpenter asked if the regulation has something to do with "No Child Left Behind." Dr. Rheault replied that it does not. This was required to begin development in 1997 under the Nevada Reform Act, although the No Child Left Behind Act does require all of the math standards from kindergarten through grade eight and high school. If they had not already done it, they would have had to do it through No Child Left Behind but it was actually the Nevada Reform Act of 1997 that got the department moving to do them.

Chair Buckley commented that the standards are always something that legislators look at and she thinks there is some discussion about all the boards and commissions as well as how the professional development centers are worked into the overall standards work and teaching training standards. She thought there would be plenty of opportunity to have further input as attempts are made to make it as easy to understand and clear as it can be.

SENATOR TOWNSEND MOVED APPROVAL OF REGULATION R155-06. MOTION SECONDED BY SENATOR TIFFANY AND CARRIED.

The next item was Regulation R078-06 from the State Board of Health. Pam Graham, Chief of the Bureau of Licensure and Certification; Jennifer Dunaway, Health Facilities Surveyor IV; and Cindy Pyzel, Chief Deputy Attorney General, appeared before the commission in Carson City. Ms. Graham stated that the regulation addresses the agencies to provide general care services in the home as a result of Assembly Bill No. 337 which was passed during the 2005 legislative session. It required licensure of personal care agencies by the Health Division. She said that NRS 449.0021 defines an agency and outlines the non-medical activities of daily living that an agency may provide to an elderly person or an individual with mental or physical disabilities. The regulations were developed to address the legislative intent of protecting the client and ensuring the safe delivery of quality care while maintaining the client's ability to direct their own care

and provide instruction to the personal care attendant on the best way to provide their individual activities of daily living.

Chair Buckley said that she had received some concerns from individuals with disabilities about the regulation so she will see if anyone is available in the audience to testify. She asked if anyone had any questions or wished to provide comment on the regulations.

Jon Sasser representing Washoe Legal Services appeared in Carson City. He said that there are three concerns he would like to bring forward about the regulation. He said that he would describe each and then he has people who are experts to provide more in-depth explanation if the chair would like. Mr. Sasser said his first concern is that the regulations conflict with the Legislature's intent and another piece of legislation that was passed during the last session, identified as Assembly Bill No. 126, which amplified further on rights the disability community worked hard on about 10 years ago to allow non-medical personnel to provide certain types of services under NRS 629.091. He said that Paul Gowins who worked long and hard on that legislation is present and can answer any in-depth questions. Mr. Sasser said that section 24 of the proposed regulation forbids the personal care attendant (PCA) to provide any of that list of services which are exactly the types of services which are authorized to be done by a non-nurse, this is an exception to the Nurse Practices Act, by A.B. 126 and by NRS 629.091. He said, "We have the odd situation that the Legislature passed a bill to allow these services and specifically to allow Medicaid to pay for these services and now the agencies that Medicaid turns to to provide the services – PCA services – cannot provide services under 629. That is concern number one." Mr. Sasser's second concern was that the regulations basically deal with one model of delivering services and that is the agency provider model where the agency hires and fires and supervises the PCAs. There is another model that the community has worked on for years to get to provide these services called an ISO, or intermediate service organization, that allows the person receiving the services to actually do the hiring, firing and supervision and performs services such as payroll, background checks, withholding unemployment compensation and so forth. Additionally, he said that Cheryl Dinnell is in attendance and she has some concern about the definition of a microboard which was adopted by the Board of Health that she thinks causes microboards real problems in other arenas. Mr. Sasser stated that is a brief overview of why they are in attendance and available to answer in more depth any questions members have around those three areas.

Chair Buckley said what concerns her is that there are so many different models of delivery of service. If someone needs extensive help with the daily functions of living, they may know someone, they may contract with someone who is using another model. She said, "This is so important for the individual with disabilities, we want them to have control over this decision. I know, Senator Titus, when you chaired that committee, that's what came out to the last legislative session, was empowerment. What I'm concerned about is that while we do want to regulate these agencies that are now coming in to do this, to make sure that they are doing the job the way they should be, we also don't want to force out the home-grown industry that is more consumer

directed with either the amount of fees or the amount of regulation or not taking into account that.”

Mr. Gowins said that he would like to make a couple of comments in general that may help with the decision process and would like to outline his perspective. He said that he sent an e-mail to most of the members the previous Friday and they may wish to read it if they have not already. He said there was a lot of support from the disability community and the bill seemed very simple when it went through and in frustration with the people who worked on it, it was not so simple when it came to the regulations. He said that there are several points and Mr. Sasser outlined most of them. He thinks that the regulations will be very difficult to be very precise in regulating and thought that the Health Division got some lessons on it also. Generally, the bottom line with the “629 items” with which he is most familiar, is that they do not work. He said, “We will be immediately as we were 10 years ago, in implementation if these are adopted today as they stand of breaking the regulation. I don’t think that was the intent but that’s how it comes out. My argument all along on a personal level was that if we regulated the agencies and not the attendants that we would have been in better statute but it seems that there is quite a bit of information in these regs that are directed specifically at what an attendant can and cannot do. There’s quite a bit of regulation dealing with testing and certification which there is no general standard currently that says this is what needs to be in testing. There is a model being developed through the office of disability which is somewhat complete and it has been agreed to as a good model but it’s not complete at this time. There’s quite a bit of vague, how you’re going to hold their feet to the fire on this issue. I think some of my other friends here at the table will agree to that. The frustration I enjoyed was that when working with the departments on this was that they have a direction and they have to abide by. You’ve told them to do something and they must do that. I think that’s the results of what you’re seeing today. They would have liked more direction. We’ve met several times with department heads and they have agreed to look at a bill draft to address some of these issues but you know me, I’m old and cynical and a bill draft can get lost in any pile. So, I would rather that some of the things not happen today and let the bill draft address those that can’t be dealt with in today’s meeting. Overall, I’d like to see some things pulled, especially section 29 but I have other friends that would have other concerns in different sections.”

Chair Buckley said that she knows the division spent a good deal of time on the regulations and sees the number of people that went to the hearing. She did not think the whole regulation needs to be “scrapped” but there just has to be a little more attention to the variety of entities that are directed by it and recognize that there are lot of different models and she wants all of the choices for individuals with disabilities. She said that she would entertain a motion to reject the regulation.

SENATOR TOWNSEND MOVED TO REJECT REGULATION R078-06. MOTION
SECONDED BY SENATOR HORSFORD AND CARRIED.

The chair told the representative of the Division of Health, "We will work with you in terms of streamlining the process to bring it back. We don't want you to start from scratch so if you want to be in touch with our staff, we'd be happy to try to move that long in the next version."

Chair Buckley directed attention to Regulation R114-06 from the Commissioner of Insurance. She said that she asked that the regulation be held because there was a companion regulation which went to the Legislative Commission's Subcommittee to Review Regulations. For those members who serve on the subcommittee, they will recall the discussion centered around the loss ratios, some of the discussions in the formulas and some expert economists provided additional input. No consumers participated in the hearing, only the insurance industry, so the Commissioner is looking at the additional issues. She said that she would move to reject the regulation to keep the two issues together since the concerns are identical.

SENATOR TOWNSEND MOVED TO REJECT REGULATION R114-06. MOTION SECONDED BY SENATOR WIENER AND CARRIED.

The next regulation was R147-06 from the Personnel Commission. Jeanne Greene, Director of the Department of Personnel, representing the Personnel Commission, appeared before the members in Carson City. Ms. Greene asked if the chair had specific questions or wished her to review the regulations. Chair Buckley asked for a brief overview noting that a lot of the concerns were things like reporting to your boss when you got a traffic ticket or a minor event that has nothing to do with your job. She said she heard a myriad of concerns.

Ms. Greene stated, "The purpose of the regulations that are before you today are to clearly define and clarify inappropriate activities of state employees. As you know, state employees perform duties critical to the efficient operation of state government and the health, safety and protection of the citizens of the state. Due to these responsibilities, state employees are expected to act in a fashion which is above reproach and consistent with public trust. Unfortunately, the activities reflected in these regulations have happened and continue to happen during working hours. The regulations alone will not stop employees from making bad choices but they do provide notice to employees of expected conduct and a tool for management to effectively respond to such activity and provide a safe and productive work environment for our employees."

The chair called for questions of members and comment from the public. Jeanine Lake, Senior Employee Representative with State of Nevada Employees Association (SNEA) and American Federation of State, County and Municipal Employees (AFSCME), Local 4041, appeared before the members in Las Vegas. She said that the groups opposed the regulation when it was being discussed in the workshops due to a number of concerns. One concern was that the language was unclear as to just what would allow the appointing authority to dismiss the employee before the employee has even been found guilty. Terminating someone simply for not reporting and for only having a

connection to an arrest before any guilt is even established they feel could lead to lawsuits against the State of Nevada. The proposed regulation is simply arbitrary. She asked how will it be enforced and under what circumstances does an appointing authority determine that the continued employment of an employee would have an adverse impact on the state simply for failure to report or failure to report within the five working days just a connection to an arrest. She asked what criteria are used to determine any adverse impact on the State of Nevada if an employee does receive a conviction of a misdemeanor, especially traffic misdemeanors. In the previous workshops and in the hearing the previous month, there was a lot of concern expressed to the Personnel Commission about the regulation. In the workshops, the majority of people testifying or speaking to the proposed regulation were opposed. In the workshops there was some discussion from the Department of Personnel that they did some research in the state and one county, Douglas County, indicated that it was not an uncommon practice. She asked why the decision was based upon one county in the state. She said that misdemeanors in Nevada could be almost anything and asked where does the appointing authority draw the line and what about an employee's right to privacy. State agencies requiring drivers licenses for work can address traffic misdemeanor concerns within their agency's prohibitions and penalties. She said that every state agency is required to have prohibitions and penalties or, like within the Department of Corrections, administrative regulations. The appointing authority would have the authority to bypass any sort of progressive discipline with the regulation. She feels that it is very unfair and it is, basically, guilty until proven innocent. She said that the president of the union and the president of the local chapter are in the audience if there is an opportunity to address the commission. There is also a correctional officer that would like to express some concerns. In addition, she said that e-mails have also been sent from some state employees.

Harry J. Schiffman, a classified state employee appeared in Las Vegas. He asked why the regulation is being done when there are already codes which address the issues presently "on our books." He also wanted to reiterate that any citation in the state is considered a misdemeanor. He believes that his job, his livelihood, and the welfare of his family could be placed in jeopardy for an offense such as jaywalking. He feels they are walking a "slippery slope" with the code as it gives too much power to the administrators of the agencies which can be used in an abusive fashion against public employees for actions that occur in their private lives. Mr. Schiffman said, "It is my opinion that this proposal is just another tactic by some administrators of state agencies and the Department of Personnel to supervise through fear and intimidation against classified employees. It is also my belief that if the same administrators were subjected to this code, we would not be talking about this today. The change is wrong and it is not needed. I urge you to vote against this indignity and injustice of classified public employees. Thank you."

Aldo Vennettilli, AFSCME International appeared in Las Vegas said that there are several employees that oppose the regulation who are at work and unable to attend the meeting. The regulation is totally directed to classified employees. He said that he does not

understand the scale of justice and how it is leaning to one side. It clearly states for an arrest. The employee has rights as a citizen of the United States to have a fair and just hearing and to be presumed innocent until proven guilty.

Karl Riley, Correctional Officer, Nevada Department of Corrections appeared in Las Vegas. He said that the regulation will violate first amendment rights, fourth, fifth, sixth and eighth because "these people" are going to be able to have control over doing whatever they want to and "fire at will." He said, "This is exactly what they will use it for – their tactics across the state. There is a lot of state employees that don't require drivers licenses either. If this type of regulation goes in place, it gives them total control and they will be used as abuse of power. There's no question about it." He said a progressive discipline system is already in place to take care of things. He stated, "What they want is additional power to be able to do whatever they want to do against that. As this not being a communist country, we are allowed rights to be able to keep things private from public for ourselves and this is what's going to be violated if they are given this power today. Thank you."

Senator Townsend directed his question to Ms. Greene saying that the regulation is quite specific as to what some of the potential violations could be that seem to be more detailed than what the current policy is. He asked what necessitated the policy change and are there activities going on that the department is having a problem with in terms of getting "your arms around discipline?" He asked Ms. Greene to highlight what is the need for the regulation. Ms. Greene said that there are a number of situations that the department has dealt with such as sexual activity on the job, viewing pornography on the job and there were no specific regulations that prohibited that activity and that is why they are coming forth with the proposed regulation. She said that she wished to provide a couple of points of clarification. The regulations before the commission today are only for classified employees and that is because they only have the authority to adopt regulations for classified employees. The governor has indicated that if the regulations are approved, he will issue a policy statement that will apply to all unclassified employees, so everyone will be held to the same standard.

Chair Buckley referred to the summary of the workshops noting it seems that many of the individuals expressed concern about traffic and an arrest for minor things not done on state time. She asked why that is still in the regulation. Ms. Greene said that the proposed language that the department took to the Personnel Commission indicated that only employees whose driving was an essential function of their job would have to report traffic citations. Representatives of some of the employee unions indicated that they felt it was unfair and that it should apply to all state employees because there are many where driving is not an essential function of their job, however, they do use motor pool vehicles when they travel. They felt that it should be applied across the board and the Personnel Commission endorsed that argument and passed the regulation in the format before the members. Responding further to Chair Buckley, Ms. Greene explained it would be more for remedial action. If an employee had a number of traffic citations, the agency could request that they attend a defensive driving class. The chair asked,

"Why is that the role of government? Basically, if your record is poor, DMV will suspend your license. If you're not taking the appropriate steps, if you don't have insurance, then government, as an employer, has a right to be concerned because if you don't have a valid license, you cannot drive. Why would we have government involved in deciding whether you need to take a defensive driving lesson?" Ms. Greene replied, "It's because of the liability to the state. Risk management just put out some information last week that the state paid out over \$1.8 million in costs incurred as a result of vehicle accidents by state employees. So, it's to address the liability to the state." Chair Buckley commented, "Yeah, but that's a huge reach. I have a very good driving record. If I was working for the state, I could have an accident today – I make a mistake, it happens, I cause injury, that doesn't have a nexus between creating a new system whereby your employer gets to decide penalties that are issued under DMV. I see from the comments that even DMV opposed that. I think some of the more specific language about sexual harassment and pornography is good. I think we should have clear statements on that. I think a lot in this is good but I think that certain sections of it went way too far. That's my own view."

Senator Titus said that she also has concerns. She said that Ms. Greene mentioned the regulation was adopted because there had been a problem with some people using state computers to look at pornography but they must have found them and dealt with the problem without the regulation. She asked how it was addressed in the past when such problems were found. Ms. Greene said that there have been a number of situations and the employees were terminated. They did not fight their termination because when someone appeals a termination, all the documentation becomes public knowledge and they did not want it opened to the public. She said that members may recall reading in the newspapers about two correctional officers who were having sex within the institution. One of them was terminated and the other voluntarily resigned. The hearing officer overturned the termination and it was based on that there was no specificity to the regulations to allow for that.

Chair Buckley stated, "It seems ridiculous that you have to pass a regulation saying you can't have sex at work but, whatever." Ms. Greene responded that she agreed.

The chair said that the members could have Ms. Greene look at the problematic sections and work with everybody that is concerned, looking at the number of folks who expressed concerns in the workshops, and bring back another version.

Senator Townsend said that one of the things he wanted to clear up because he happens to agree with the previous speakers was "You've addressed a lot of things in here – a great deal – handguns, threatening people. Are you telling me we don't have regulations about that now?" Ms. Greene replied, "There was another situation at the Department of Transportation where an employee brought a gun into work, made some what he calls 'jokingly threatening remarks' and was terminated. Again, the termination was overturned by a hearing officer. In this case, the Department of Transportation appealed that to district court and district court upheld the termination."

Senator Townsend remarked that it sounds like they have a hearing officer problem not a regulatory problem. Ms. Greene said that they tie everything back to the regulations and that is why they want to make the regulations more specific so that those types of decisions are not overturned. She clarified for the chair that the decision was overturned by the hearing officer and then the district court overturned the hearing officer decision.

SENATOR TOWNSEND MOVED TO REJECT REGULATION R147-06. MOTION SECONDED BY SENATOR TITUS AND CARRIED UNANIMOUSLY.

Regulation R154-06 from the State Environmental Commission. Ms. Angle said she was the member who requested the regulation be held. Her concerns are the fees. It says the regulation addresses fees and that the existing fee structure has been generating approximately \$1,350,000 to \$1,400,000 annually and the new fee structure will increase the amount to \$1,927,000. She said that when there are fee increases such as these that they should be under the purview of the Legislature itself and not under a regulating authority. She asked representatives present to address her concerns.

Leo Drozdoff, Administrator, Division of Environmental Protection said that his division proposed the regulations that were adopted by the State Environmental Commission. The specific issue about fees is a relatively simple one. Three particular situations caused the fee structure to require a second look. First was the shutdown of the Southern California Edison Mohave Generating Station in Laughlin that had been planned for some time but did not occur until the end of the last calendar year. That facility was a large fee payer in the amount of approximately \$350,000. Over the last three years, the federal grants have been cut at the federal level from 2004 to 2006 which is creating about a \$200,000 hole. Additionally, the last fee increase was 10 years ago. The agency recognized that this was "a big deal" and it has been preparing because it was aware that the facility was closing. Mr. Drozdoff introduced the two people in attendance with him as

Mike Elges, Chief of the Bureau of Air Pollution Control, and Jennifer Carr, Chief of Air Quality Planning. He said the individuals completed a year-long time study to determine where the agency was spending its resources so that it did not go forward with a flawed fee proposal. Based upon the time study and the shortcomings in the revenue, an extensive outreach effort was conducted. In addition to the workshops which they always hold, they contacted every major permit holder who would be seeing the "brunt" of the fee increases. The agency also corresponded with trade associations such as Nevada Mining Association, the power plants and so forth. He stated it should be noted that no one spoke in opposition to the fees. He said that it also needs to be understood that much of the work done at the Division of Environmental Protection is carry out both state and federal requirements, meaning that if the division did not exist, much of the work would be delegated "up" to the federal Environmental Protection Agency. He thought most of the large fee payers have operations in other states and they seem satisfied with the approach his agency has taken. A couple of people spoke in favor of the fees and no one spoke in opposition of the fees. Mr. Drozdoff stated, "As to whether they should be before the Legislature or not, again, I think that by-and-large

what you have in our regulated industry is comfort with how the agency conducts its business, knows that they will get a fair hearing and we will absolutely work with anybody who has a concern with this 'reg' or any other."

Chair Buckley said that she assumed the agency would not have been going forward with the increase had the plant not closed and the federal money was cut and the agency is trying to "keep up" with its existing obligations. She asked if that was correct. Mr. Drozdoff replied, "That's correct. Thank you."

Ms. Angle said, "Madam Chair, could I make one comment? I guess my concern is that it's more than just keeping up. This also increases by about \$500,000 the fees. It's not just filling in the gap. It's increasing. The other concern, and probably more to the point in why I would like to see it go before the whole Legislature if we're going to increase fees is that, we know that agencies, businesses do not pay fee increases but customers do and although it says in this note that there will be no direct, I know that the indirect will be to those who are using the service. That's my concern as a representative of the public that these things be vetted, these kinds of fees have impacts on people and I would like to see them vetted in the Legislature as a whole. Thank you."

Chair Buckley asked if, in the statutes, the agency is given a permissible fee range. Ms. Lang said that she did not believe the statute specifies an amount. The chair said that the commission could defer the regulation and ask that the Interim Finance Committee also take a look at it.

Senator Townsend said that based upon page three of the filing statement where it says that it currently raises between \$1.350 and \$1.4 million and the new structure raises approximately \$1.9 million he did not understand the difference. If the agency will lose \$486,000 from the closure of Mohave and it takes them below \$1 million, why they need \$1.9 million. He asked if there were additional responsibilities that require the additional money.

Mr. Elges responded that as Mr. Drozdoff noted, a large percentage of the drop in revenue has to do with the Mohave Generating Station, roughly \$360,000, he thought it was also worth noting that the fee structure has not been modified for 10 years. There have been a significant number of facilities in Nevada that have reduced their air pollution substantially and that has also generated a need to adjust the fees accordingly to balance the needs of the revenue for the program. He reiterated that if one looks at \$360,000 for Mohave, \$120,000 in proposed cuts in federal grant and additional amounts from other facilities that are proposing reductions, that is fundamentally where the difference comes in between roughly \$1.4 and \$1.9 million. He thought the record was clear that the program has grown substantially and the personnel costs are primarily the big difference and the agency has not gone to the regulating community for 10 years to adjust the fees.

Senator Townsend emphasized that he is not disagreeing with the quality of the work or the people employed by the agency but the agency's own analysis does not add up. Mr. Drozdoff said that the \$1.3 million given in the analysis was already based upon Mohave not existing. It was based upon the structure in place after Mohave "dropped out" and if the agency did not do anything.

Senator Townsend asked what the agency's budget was without all the cuts. He asked if none of the cuts were made what would be the revenue that would be generated. Mr. Drozdoff said that if the agency did not increase the fees the revenue would be about \$1.3 million.

The chair said that she would accept a motion to defer the regulation and ask for a financial accounting as she had received e-mails from Interim Finance Committee staff saying that it is not appropriate for the matter to go there. She thought what people are concerned about is if the agency is "doing this" to replace a budget item that is no longer available, people want to see those numbers match up. She said that she would like to see something in writing that could be reviewed by staff.

SENATOR TOWNSEND MOVED TO DEFER REGULATION R154-06. MOTION SECONDED BY ASSEMBLYMAN MABEY AND CARRIED.

Chair Buckley proceeded to Regulation R158-06 from the State Environmental Commission. Mr. Drozdoff said that he thought it might have just been a transposition error as Mr. Anderson had previously asked that R158-05 be held there may have been a communication issue. However, he said that he would be glad to explain the regulation. The chair determined that no members had any concerns with Regulation R158-06.

ASSEMBLYMAN ANDERSON MOVED APPROVAL OF REGULATION R158-06. MOTION SECONDED BY SENATOR TOWNSEND AND CARRIED.

The chair directed attention to Regulation R162-06 from the State Environmental Commission. Ms. Angle said that she requested this regulation be held for discussion. She said that she has some deep concerns about this regulation. She realizes that it is trying to comply with federal regulations but she feels that the magnitude of what is going to happen when it is accepted is going to be borne by those who pay the fees. She said, "Just the idea that we have so many regulations now on emissions that there's a new regulation to have an economic impact on new and existing coal fired, electric units – it just goes on and on in your report and throughout this regulation that, to me, it's onerous. I think something like this it's as onerous as the things like the .08 that we have resisted, different alcohol content for driving, things like that that we have resisted because the impact on our state is going to be so difficult to manage economically that I just would like to see this one discussed at length before the Legislature. We're not bound to take these federal regulations just at face value and say, oh yeah, the feds passed it so we have to have it. I think something that really does affect our energy industry here in the state, we really need to have a little more

discussion on than just here in the Legislative Commission. I would like to see this one go, as I said, there is also a fee increase as well on this one and it's an operating permit of \$2,000 that I'm sure these things are going to be passed on to the consumer. That's my concern with this regulation. Thank you very much."

The chair said that she sees from the workshop notes that states are required to submit the state plan to control mercury emissions from coal-fired plants by November 17, 2006. She said that she believes the power company and others have been involved in this for quite some time. Mr. Drozdoff said that the chair was correct on both statements.

SENATOR TOWNSEND MOVED APPROVAL OF REGULATION R162-06. MOTION SECONDED BY ASSEMBLYWOMAN PIERCE.

Under discussion, Ms. Angle asked what is the penalty if the state does not comply. Mr. Drozdoff said that the penalty is two fold. He said that it is important to note and he would argue that the mercury rule that they have passed is far better than what exists. They have taken the federal requirement and tailored it to meet the needs of the state. As the chair has said, the risk that is run is not only with the federal Environmental Protection Agency implement rule, they would implement their rule which he feels is inferior to the one being proposed. Ms. Angle again asked what is the penalty if the state does not comply. Mr. Drozdoff said that the state could face sanctions and ultimately could face losing its delegation. Ms. Angle asked what that means in terms of dollars and cents. Mr. Drozdoff replied that the dollars and cents would be that the businesses in the state would have to seek their permits from the federal Environmental Protection Agency. He did not know what the "hard costs" were but generally speaking the industry prefers to work with his agency because they are quicker and more attentive. The chair asked, "So the feds would be in charge of our environmental permitting process instead of the state?" Mr. Drozdoff responded in the affirmative. The chair commented, "I don't think we want to go there."

THE CHAIR CALLED FOR A VOTE AND THE MOTION CARRIED.

Senator Titus said that she knows it is a different set of circumstances but since mercury is being discussed she was wondering where things stand on the regulations for the potential storage of mercury at Hawthorne. Mr. Drozdoff explained that those regulations were adopted as well at the last State Environmental Commission meeting, however, those were temporary regulations. They are approved and "on the books" but because of the legislative time frames, the agency will go back to the commission next year. The cap rules were adopted with regard to the storage of mercury. Senator Titus asked if legislation was needed to "fix" that or will they just try to turn the temporary into permanent. He said he did not believe so but he would be glad to share with the senator exactly what was done.

2. Regulations resubmitted pursuant to NRS 233B.0675.

Chair Buckley directed attention to Regulation R023-06 from the Board of Dental Examiners of Nevada. She stated that the board removed the provision that legislators expressed concern on at a previous meeting regarding subpoena power of boards were not authorized by state law.

SENATOR WIENER MOVED APPROVAL OF REGULATION R023-06. MOTION SECONDED BY SENATOR TOWNSEND AND CARRIED.

B. Request from the Nevada Silver Haired Legislative Forum (NRS 427A.320) for funding to be included in budget--Lucy Peres, President.

Lucy Peres, President of the Nevada Silver Haired Legislative Forum, and Thelma Clark and Robert Erickson, members of the forum appeared in Las Vegas. Ms. Peres stated that NRS 427A.320 charges the forum with identifying and acting upon issues of aging persons and the statutes also authorize the forum to submit a report containing recommendations for legislative action. Despite the statutory powers and duties, the forum has received no legislative appropriation since Fiscal Years 2002 and 2003. Operating revenues have been limited to donations which are an uncertain source of funding. The forum has requested that the Legislative Commission include funds in its budget to support the operations of the forum during Fiscal Years 2008 and 2009. A handout containing a memorandum and several spreadsheets containing the forums proposed budget (copy attached as Exhibit F). The forum is requesting \$5,148 for Fiscal Year 2008 and \$8,553 for Fiscal Year 2009. The full text of Ms. Peres' testimony is also included in Exhibit F. A summary report of 19 recommendations was also provided as handout and is attached as Exhibit G.

SENATOR TOWNSEND MOVED APPROVAL OF THE REQUEST THAT FUNDING BE INCLUDED IN THE BUDGET. MOTION SECONDED BY SENATOR WIENER AND CARRIED.

C. Approval of Session Hires for 2007 Legislative Session--Lorne J. Malkiewich, Director.

Mr. Malkiewich referred to material contained in the meeting packet which included a memorandum detailing the remaining session hires. He recalled that at the last meeting the early session hires – those starting between July and September – were approved. The memorandum contains the remainder of the session hires by the LCB consisting of legislative police officers, janitors and others normally hired for a session. He said in the interest of time he would not go through all of them but would be glad to answer any questions.

ASSEMBLYMAN ANDERSON MOVED APPROVAL OF THE REMAINING SESSION HIRES. MOTION SECONDED BY SENATOR WIENER.

Under discussion, Senator Townsend inquired how many people are employed full time at the LCB in the interim when there is not hiring for session. Mr. Malkiewicz said that the staff consists of approximately 280 people. Further responding to the senator, Mr. Malkiewicz said that the LCB adds between 75 and 80 for session but the Senate and Assembly go from a staff of three each to over 100 each. The total added for session amounts to about 280. The senator asked for clarification on some of the positions, one of which was the Lobbyist Center position. Mr. Malkiewicz explained that it was the person who works on the lobbyist registration process registering people, accepting reports and tracking expenditures. Additionally, Senator Townsend asked about a nine-month position in Broadcast and Production Services and five positions in Information Technology Services where three are for one year and two for 10 months and why were they for longer periods of time. Mr. Malkiewicz explained that so members would have a full picture, he included the positions that were previously approved at the June 1 meeting. He said those people are already "on board" for session preparation.

Senator Townsend said he would be glad to support the motion. He said, "One of the things I don't think we do well, and I think the chair is well aware of this, is we don't give enough kudos or support or let the public know how invaluable the people that work in the LCB are and whether it's the full time 280 that we have or it's the people that we bring on during the interim. I just don't think that, and maybe its due to my age and longevity, how long I've worked with some of these folks and how valuable I know they are and the kind of work they do for everybody. I hope the public appreciates what they do because they're doing that work for them and that's crucial. These folks work very, very hard and they don't ever complain and they accomplish a remarkable amount of work and I'm surprised half these people want to come to work there based upon the workload they have but I appreciate it and I'll be glad to support the motion."

THE CHAIR CALLED FOR A VOTE AND THE MOTION CARRIED.

D. Request for bill draft concerning Legislature and Legislative Counsel Bureau--
Lorne J. Malkiewicz, Director.

Mr. Malkiewicz said that this request is something that has been done the past several sessions – just having one generic bill that includes all the various changes that we want to propose concerning the Legislature and the LCB. He said the chair mentioned one of the changes earlier concerning the three-day submission for regulations. He said he will put things like that in there because it affects the Legislative Commission. Rather than having six or seven bill draft requests, there will be one and legislators can remove anything they do not like or add things during session. It has been found that this mechanism works very well for getting minor changes for the Legislature and the LCB.

SENATOR TOWNSEND MOVED APPROVAL OF THE REQUEST FOR A BILL DRAFT. MOTION SECONDED BY SENATOR HORSFORD AND CARRIED.

E. Extension of contract with the Nevada Institute for Children's Research and Policy to continue collecting and analyzing complaints filed by or on behalf of children who are in the custody or under the care of certain governmental entities or private facilities--Lorne J. Malkiewich, Director.

Mr. Malkiewich said that he would try to give the quick explanation for this item. There was a contractor for the study overseeing the children in custody of governmental entities or private facilities. One of the things they were doing was an in-take system which would be desirable to continue through the end of the interim. It would only require another \$31,000 and Senator Maurice Washington has agreed that the \$20,000 remaining in contract money from health care will go. He said, "At this point, I'd just like to request -- we may actually be able to pay for all of it out of the health care contract money but, if not, I'd just like the authority of the commission to pay -- it will end up being no more than \$11,300, probably quite a bit less, and will allow us to continue this service through June 30, 2007, so we can look at it during the session and possibly continue it past that time." He said that Ms. Lang staffed that committee and she could provide more information if there are any questions on what exactly this would do.

Mr. Anderson said that in serving on the committee along with Chair Buckley, he knows the need is great and he thinks it would be an important addition.

ASSEMBLYMAN ANDERSON MOVED APPROVAL OF THE REQUEST. MOTION SECONDED BY SENATOR TOWNSEND AND CARRIED.

At this point in the meeting, the chair returned to Item III. C. and the discussion is placed there for purposes of continuity.

Item V--Informational Items:

The following informational items were included in the meeting packet. There was no discussion on the informational reports.

A. Legislative Committee Reports.

B. Legislators' Travel Reports.

C. Quarterly Reports on Disciplinary Action from the following Boards or Agencies:

1. Board of Dispensing Opticians.
2. Board of Examiners for Alcohol, Drug and Gambling Counselors.
3. Board of Examiners for Long Term Care Administrators.
4. Board of Examiners for Social Workers.
5. Board of Psychological Examiners.

6. Board of Registered Environmental Health Specialists.
7. Board of Veterinary Medical Examiners.
8. Chiropractic Physicians' Board of Nevada.
9. Health Division, Department of Health and Human Services.
10. Nevada Certified Court Reporters Board.
11. Nevada State Barber's Health and Sanitation Board.
12. Nevada State Board of Accountancy.
13. Nevada State Board of Architecture, Interior Design and Residential Design.

14. Nevada State Board of Athletic Trainers.
15. Nevada State Board of Dental Examiners.
16. Nevada State Board of Landscape Architecture.
17. Nevada State Board of Medical Examiners.
18. Nevada State Board of Nursing.
19. Nevada State Board of Optometry.
20. Nevada State Board of Pharmacy.
21. Nevada State Contractors Board.
22. Private Investigators' Licensing Board.
23. Real Estate Division, Department of Business and Industry.
24. State Board of Cosmetology
25. State Board of Professional Engineers and Land Surveyors.

D. Miscellaneous Reports from State Agencies and Others:

1. Report from Nevada State Board of Medical Examiners.
2. Quarterly Report on activities concerning proposed transactions between an eligible customer and a provider of new electric resources from the Public Utilities Commission of Nevada.
3. Report from Department of Human Resources, Division of Health Care Financing and Policy concerning uncompensated care.
4. Copies of correspondence regarding Report from the Las Vegas Monorail Company distributed to members at an earlier date.
5. Report from Department of Business and Industry, Department of Health and Human Services concerning the annual evaluation of programs of energy assistance pursuant to NRS 702.280(2).

Item VI--Public Comment:

Knight Allen, private citizen, appeared before the commission in Las Vegas. Mr. Allen spoke of his concern about the overreaching by the judiciary and the taking control of education funding away from the legislative branch in about 20 other states. The overreaching has gone unchallenged by the legislatures. He said it appears that there is an entire generation of legislators that believes the judicial branch of government is the last word on everything. He said it is true that the judiciary is the final word on many

things but it is not the final word on everything. Mr. Allen submitted his prepared statement and it is included as Exhibit H.

The chair commented that she is hopeful that during the next session tremendous progress will be made on education and education funding by both parties and both houses. She expressed appreciation to the members for their patience on the work involved with the review of regulations and the importance of a legislative check over executive branch regulations.

Mr. Anderson inquired about the progress toward a common format for the Quarterly Reports on Disciplinary Action. The chair said that she discussed the matter with Mr. Malkiewich.

There being no further comments the meeting was adjourned.

Respectfully submitted,

Marilyn K. White
Executive Assistant

Assemblywoman Barbara E. Buckley, Chair
Nevada Legislative Commission