

NEVADA LEGISLATURE LEGISLATIVE COMMISSION'S COMMITTEE TO STUDY THE STRUCTURE AND OPERATIONS OF THE NEVADA LEGISLATURE

(Assembly Concurrent Resolution No. 12, File No. 45, Statutes of Nevada 2011)

SUMMARY MINUTES AND ACTION REPORT

The third meeting of the Legislative Commission's Committee to Study the Structure and Operations of the Nevada Legislature was held on Wednesday, April 25, 2012, at 1 p.m. in Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" (Exhibit A) and other substantive exhibits, is available on the Nevada Legislature's website at http://www.leg.state.nv.us/interim/76th2011/committee/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's (LCB's) Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assemblyman Tick Segerblom, Chair Senator Greg Brower Senator Moises (Mo) Denis Senator Mark A. Manendo Assemblyman Jason M. Frierson Assemblyman Lynn D. Stewart

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Donald O. Williams, Research Director, Research Division
H. Pepper Sturm, Chief Deputy Research Director, Research Division
Carol M. Stonefield, Supervising Principal Research Analyst, Research Division
Brenda J. Erdoes, Legislative Counsel, Legal Division
Matt Mundy, Deputy Legislative Counsel, Legal Division
Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division
Brian L. Davie, Legislative Services Officer, Administrative Division
Tracey L. Wineglass, Senior Research Secretary, Research Division

STAFF OF INTERIM LEGISLATURE PRESENT:

David A. Byerman, Secretary of the Senate Susan Furlong, Chief Clerk of the Assembly

OPENING REMARKS

• Chair Segerblom called the third meeting of the Legislative Commission's Committee to Study the Structure and Operations of the Nevada Legislature to order. He introduced Senator Mark A. Manendo who was appointed to the committee by the Legislative Commission on March 29, 2012, to replace Senator Sheila Leslie who resigned from the Nevada Legislature. Chair Segerblom gave a brief overview of the Committee's responsibilities in the Interim and shared that today's meeting would consider the impact of annual sessions on the different divisions of the LCB.

PUBLIC COMMENT

- Chair Segerblom called for public comment; however, no testimony was provided.

APPROVAL OF MINUTES OF THE MEETING HELD ON MARCH 21, 2012, IN LAS VEGAS, NEVADA

• The Committee **APPROVED THE FOLLOWING ACTION**:

ASSEMBLYMAN STEWART MOVED TO APPROVE THE MINUTES OF THE MARCH 21, 2012, MEETING HELD IN LAS VEGAS, NEVADA. THE MOTION WAS SECONDED BY SENATOR DENIS AND PASSED UNANIMOUSLY.

REVIEW AND DISCUSSION OF LEGISLATIVE INTERIM COMMITTEE STRUCTURES

History of the Interim Committee Structure in the Nevada Legislature

Donald O. Williams, Research Director, Research Division, Legislative Counsel Bureau (LCB) provided a brief historical overview of interim committee structure and legislative support staff requirements prior to the creation of the LCB in 1945. He discussed the duties, functions, and responsibilities of the LCB staff, past and present. Mr. Williams explained that with the expansion of LCB interim studies, LCB staffing was increased. He stated that most interim studies were led by interim committees or subcommittees created by bills, resolutions, or actions, of the Legislative Commission. He shared a recommendation from the 1974 Citizens Conference report entitled "Prospect for Greatness" that joint interim committees be initiators of legislation to formulate legislative proposals. He noted that the primary advantage of continuing the membership of committees from session to the interim is continuity and to provide more informed consideration of legislation.

Mr. Williams presented a chart that detailed the legislative history of the establishment of statutory committees, the statute that identifies its authority, the year the committee was established, the legislation that created the committee, and the effective date. He remarked that most interim studies are currently conducted by ongoing statutory

committees, which were created in the 1970s for the purpose of focusing on specific policy topics and provided a list of the 2011-2012 Interim Committees.

- Chair Segerblom agreed with the report offered by the Citizens Conference on State Legislatures in 1974 whose recommendation stated that continuity in committee membership from session-to-session would prove invaluable.
- Mr. Williams discussed the history of changing membership of the interim committees and explained that ongoing statutory committee membership is set by statute and requires the appointment of an equal number of members from each house appointed by their respective leaders. (Please see Exhibit B-2, and Exhibit B-3.)

There was discussion between Chair Segerblom and Mr. Williams regarding the requirement to fund the current model of statutory and interim committees. Mr. Williams responded that legal counsel would address this topic, and clarified that there seemed to be no obligation for the Legislature to approve or fund the current model.

Overview of Interim Committee Structures, Including a Review of Committee Structures in Certain Other State Legislatures

- H. Pepper Sturm, Chief Deputy Research Director, Research Division, LCB, presented an overview of the scope and structure of interim committees in other state legislatures. He compared background information and the results of a survey of the 50 states conducted in 2005 by the Research Division of the LCB with findings in the current 2012 survey also conducted by the Research Division. Mr. Sturm explained that the survey examined common structures that many states use to create the interim study process and shared their response. He mentioned that legislative leadership had the following concerns about the increasing number of interim studies: (1) availability of part-time legislators; and (2) available resources. Mr. Sturm indicated that from 1997 to 2005 the number of interim studies and the number of meetings held nearly doubled. He remarked that states responded to the following criteria in the 2005 survey:
 - 1. Method of conducting studies;
 - 2. Limits to the number of studies;
 - 3. Approving topics for legislative studies; and
 - 4. Methods of selecting members.

Mr. Sturm shared the recommendations adopted by the Nevada Legislature based on the results of the 2005 survey and explained that in 2009 and 2011, two additional ideas were implemented. He noted that additional recommendations related to using standing committees for studies were approved by the Legislative Commission in 2010 for review by the 2011 Legislature as specified in A.B. 578 of the 76th Session (2011). Mr. Sturm added that the measure passed both houses of the Legislature but was vetoed by Governor Brian Sandoval after the 2011 Legislature had adjourned *sine die*. (Please see Exhibit C.)

· Chair Segerblom queried how the budget is allocated between the interim committees.

Mr. Williams, previously identified, responded that the Legislative Commission approves
the budget for each interim committee from the budget that is determined during session
for each statutory committee.

Discussion ensued between Chair Segerblom and Mr. Williams regarding the funding of interim studies within the State budget. Mr. Williams explained that the funding is included in the Legislature's budget within the state budget.

• Chair Segerblom requested a cost analysis of changing from an interim study structure to a statutory committee structure to be discussed at a future Committee meeting.

Discussion ensued between Chair Segerblom and Brenda J. Erdoes, Legislative Counsel, Legal Division, LCB, concerning the legal requirements for statutory committee structure. Ms. Erdoes stated by statute the Legislative Commission has the authority to determine the structure of the interim committees.

Overview of Assembly Bill 578 of the 76th Session (2011)

- Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB, presented A.B. 578 relating to the Legislature and establishing joint interim standing committees. She focused on the review of Section 5 which would have established nine joint interim standing committees and the makeup of their membership. Ms. Stonefield included a copy of the veto letter from Governor Sandoval. (Please see Exhibit D-1, Exhibit D-2, and Exhibit D-3.)
- · Chair Segerblom requested that staff invite the Governor's office to speak at a future Committee meeting regarding the veto of A.B. 578 and ways to accommodate the Governor's concerns and implement the statutory committee structure.
- Ms. Stonefield stated she will convey an official invitation to the Governor.
- Chair Segerblom requested that further discussion regarding the implementation of A.B. 578 by the Legislative Commission be addressed at a future meeting of the Committee.

Discussion of the Structure and Implementation of Interim Committee Days by the Nevada Legislature

- Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB, discussed the proposed structure of interim committee days for the Nevada Legislature. She shared background information relating to establishing committee days from the Oregon Legislature and described the general functions of the Legislative Commission to coordinate and oversee interim studies. Ms. Stonefield reviewed options to consider when implementing committee days, including (Please see Exhibit E-2, and Exhibit E-3):
 - 1. Session committees meeting in the Legislative Building, Carson City;
 - 2. Session committees meeting in the Grant Sawyer State Office Building, Las Vegas;
 - 3. Current interim committees meeting in quarterly committee days; and
 - 4. Other considerations in adopting quarterly committee days: (a) additional demands on time allocations, (b) additional meeting rooms in Grant Sawyer State Office Building, (c) office space in Grant Sawyer State Office Building, and (d) travel expenses incurred during quarterly committee days.
- Brenda J. Erdoes, Legislative Counsel, Legal Division, LCB, stated that statutes currently allow for flexibility in organizing committees. If a request was presented to the Legislative Commission, in her opinion a similar structure to Oregon's committee days could be implemented in Nevada. She explained that the details would have to be presented and reviewed by legislative counsel.

Discussion ensued between Chair Segerblom and Ms. Stonefield regarding the cost of implementing the plans presented. Ms. Stonefield responded that a cost analysis of options and resources was not reviewed. She presented the possible scenarios and the impact on individual committees, interim studies, and staffing as options to consider. Ms. Stonefield shared the current list of the interim committees and explained that some of the committees do not require legislative staffing. (Please see Exhibit E-4.)

There was discussion between Chair Segerblom and Brian Davie, Legislative Services Officer, Administrative Division, LCB, regarding committee room availability. Mr. Davie explained that the Grant Sawyer State Office Building has available space that could be used for committee rooms. He shared that there is room on the second floor with limited seating for possible meetings. Mr. Davie added that there are three additional rooms in the building that could be prepared for videoconferencing.

Discussion ensued among David Byerman, Secretary of the Senate, Chair Segerblom, and Ms. Stonefield, regarding the cost savings that would occur if the meetings were condensed. Ms. Stonefield reiterated that a cost benefit analysis has not been created. Chair Segerblom requested that an estimate be created to analyze the impact on the State's budget for the Legislature.

There was discussion between Senator Denis and Ms. Stonefield regarding office and meeting space availability for joint meetings of the committees. Ms. Stonefield explained that the logistics for the structure of the plan would have to be coordinated and that the benefit to holding meetings in Carson City would be the availability of office space for each legislator.

- Mr. Davie shared that there are areas within the space previously occupied by the Equal Rights Commission in the Grant Sawyer State Office Building that have not been developed.
- Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, commented that the Interim Finance Committee (IFC) is required by statute to meet approximately every 45 days to take action on work programs.
- Senator Denis shared that Oregon had a similar scenario regarding their finance committee.

Discussion ensued between Assemblyman Frierson and Ms. Stonefield regarding whether Oregon realized any cost savings by implementing annual sessions and if adjustments for savings were implemented immediately or if they waited for two years to address any changes. Ms. Stonefield offered to research the cost savings matter with the Oregon legislature.

- Chair Segerblom commented that it would be a great opportunity to hold a joint meeting at the Grant Sawyer State Office Building and provide access to the public and press to participate.
- Senator Denis commented that the Oregon legislators shared that annual session provides more continuity between legislatures because legislators spend a greater amount of time working together.

There was discussion between Assemblyman Stewart and Ms. Stonefield regarding the option to hold two quarterly meetings in Carson City and two meetings in Las Vegas. Ms. Stonefield responded that the design would have to be determined by the Legislative Commission and explained that it is possible to make changes without additional authority through a bill.

REVIEW OF THE BILL DRAFTING PROCESS AND DISCUSSION OF THE OPERATIONS OF THE LEGAL DIVISION, LCB

• Brenda J. Erdoes, Legislative Counsel, Legal Division, LCB, gave a brief overview of the bill draft process and discussed the effects of an annual legislative session on the legal division of the LCB. She shared the timeline involved in the bill draft process during the interim and leading into session from the legislators, the Executive Branch, and legislative measures requested by the Nevada Supreme Court. In addition, she noted, there are bill draft requests (BDRs) on behalf of State constitutional officers, local governments, schools, and other groups. Ms. Erdoes explained that during session the Legal Division continues to prepare BDRs, implement the budget, draft amendments and opinions, and provide legal counsel to staff committees. She remarked that after session the division begins the process of codifying the new statutes, drafting administrative regulations and opinions, and annotations in the NRS.

Ms. Erdoes stated that if the Legislature implemented an annual session the Legal Division would require increased staffing for drafting and reviewing regulations and the Legislative Commission would need to adjust the timeline process for BDRs.

Discussion ensued between Chair Segerblom and Ms. Erdoes regarding hiring and training of additional staff for session. Ms. Erdoes explained that it is not advantageous to the Legal Division to hire attorneys for session because the learning curve is so steep. The Division hires administrative staff and printing staff to ensure bill processing in a timely manner.

There was discussion among Committee members and Ms. Erdoes regarding the financial estimate to incorporate changes within the Division if an annual session was held. Ms. Erdoes queried if the criteria for session would change in regard to the limit of BDRs. Chair Segerblom requested that Ms. Erdoes limit BDRs to a small number to calculate the estimate. Assemblyman Stewart requested that Ms. Erdoes provide a cost analysis for budget bills and a second cost analysis with a limited number of BDRs per legislator.

There was further discussion among Senator Brower, Ms. Erdoes, and Ms. Stonefield regarding the BDR process. Ms. Erdoes explained that S.B. 490 (Chapter 524, *Statutes of Nevada* 2007) revised the BDR limit and the number of measures that could be offered by nonlegislative requesters but increased the number of request by certain legislators. Ms. Stonefield offered a link to a fact sheet titled "Number of Legislative Measures That May Be Requested For Drafting By Entity Nevada Legislature-2013 Regular Legislative Session" http://www.leg.state.nv.us/Division/Research/Publications/Factsheets/BDRCharts.pdf that listed the authorized entity, time frame, number of measures per entity, and legal citation. (Please see https://www.leg.state.nv.us/pivision/Research/Publications/Factsheets/BDRCharts.pdf that listed the authorized entity, time frame, number of measures per entity, and legal citation. (Please see https://www.leg.state.nv.us/pivision/Research/Publications/Factsheets/BDRCharts.pdf

REVIEW OF THE BUDGET PROCESS AND DISCUSSION OF THE OPERATIONS OF THE FISCAL ANALYSIS DIVISION, LCB

- Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, gave a brief overview of the budget process and emphasized the following requirements and deadlines:
 - 1. Agency request;
 - 2. Final electronic version of agency request;
 - 3. Adjusted base budget;
 - 4. Governor's recommended budget;
 - 5. Legislation necessary to implement the governor's recommended budget; and
 - 6. Legislative review of the Governor's recommended budget.

Mr. Combs addressed the impact on the Fiscal Analysis Division and the state budget when considering implementing an annual session, including: (1) annual budgeting; (2) biennial budgeting; and (3) staffing. (Please see Exhibit G.)

There was discussion between Chair Segerblom and Mr. Combs regarding the process that Oregon implemented to execute the transition to an annual session. Mr. Combs stated that he would contact Oregon's Fiscal Division and report his findings to the Committee.

Discussion ensued between Senator Denis and Mr. Combs concerning the impact of annual sessions on the biennial budget. Senator Denis asked, if annual sessions were implemented, would there be the ability to adjust the budget in minor ways. Mr. Combs responded that policies would need to be put in place that would identify special circumstances that would allow for the adjustments.

There was discussion among Senator Denis, Mr. Combs, and Mr. Williams, previously identified, regarding procedures that could be created during the interim to prepare for a possible annual session or that could alleviate the pressures of the budget process during a biennial session. Mr. Williams mentioned Texas as an example. Mr. Combs explained that consideration would have to be given to staffing, shifting workloads, scheduling budget hearings prior to session, and the legal concerns regarding budgets when the Legislature is not in session. He explained that any increase to the length of session would require the fiscal division to add staff to meet deadlines. Mr. Williams explained that the Texas budget is created by the Legislative Budget Board (LBB), and that the governor's budget is secondary. He stated that the staff of the LBB is very large and emphasized that the LCB fiscal staff would have to be increased significantly.

- In response to Chair Segerblom's inquiry regarding facilities available for increased staff, Mr. Combs explained that the space currently occupied by the Fiscal Division is fully occupied.
- Ms. Erdoes remarked that there is warehouse space that could be built to accommodate additional offices fairly inexpensively.
- Assemblyman Stewart requested that staff provide information regarding the ratio of staff per capita in Texas.
- Ms. Stonefield and Mr. Williams will research the ratio of staff per capita in Texas and present to the Committee.

PUBLIC COMMENT

Written testimony was submitted by Knight Allen, private citizen, Las Vegas, Nevada, prior to the meeting and is included in the public record. (Please see Exhibit H.)

Wes Henderson, Deputy Director, Nevada Association of Counties, asked the Committee
to consider not having like committees meeting at the same time as suggested in <u>E-2</u>. He shared that the schedule was cumbersome during session.

There was discussion between Senator Denis and Mr. Henderson regarding joint meetings of committees. Mr. Henderson stated that committees meeting together would create confusion in following the discussion.

Mr. Henderson recommended that the meetings for the north be held during the summer and the meetings in the south be held in the winter.

- Chair Segerblom welcomed Senator Manendo to the Committee.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at $3:07~\mathrm{p.m.}$

| | Respectfully submitted, |
|-----------------------------------|--|
| | Tracey L. Wineglass Senior Research Secretary |
| | Carol M. Stonefield Supervising Principal Research Analyst |
| APPROVED BY: | |
| | |
| Assemblyman Tick Segerblom, Chair | |
| Date: | |

LIST OF EXHIBITS

<u>Exhibit A</u> is the "Meeting Notice and Agenda" provided by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, Legislative Counsel Bureau (LCB).

<u>Exhibit B-1</u> is the written testimony dated April 25, 2012, of Donald O. Williams, Research Director, Research Division, LCB.

<u>Exhibit B-2</u> is a chart dated April 2012, titled "Statutory Committees of the Nevada Legislature Legislative History of Establishment, 2011-2012 Interim," submitted by Donald O. Williams, Research Director, Research Division, LCB.

<u>Exhibit B-3</u> is a document titled "2011-2012 Interim" mentioned by Donald O. Williams, Research Director, Research Division, LCB.

<u>Exhibit C</u> is a document dated April 19, 2012, titled "States Surveyed for 2005 Interim Study Proposal," provided by H. Pepper Sturm, Chief Deputy Research Director, Research Division, LCB.

Exhibit D-1 is a copy of Assembly Bill No. 578 of the 2011 Legislative Session, presented by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB.

<u>Exhibit D-2</u> is a table titled "Assembly Bill 578 (2011) Section Summary," submitted by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB.

<u>Exhibit D-3</u> is a letter dated June 17, 2011, to The Honorable Ross Miller, Secretary of State, from Governor Brian Sandoval, regarding the veto of Assembly Bill No. 578 of the 76th Legislative Session (2011), provided by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB.

<u>Exhibit E-1</u> is a memorandum dated April 17, 2011, to Assemblyman Tick Segerblom from Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB regarding Interim Committee Structure.

<u>Exhibit E-2</u> is a table titled "Interim Committee Days at the Grant Sawyer State Office Building, Session Committees Oregon Model (all members)," prepared by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB.

<u>Exhibit E-3</u> is a table titled "Interim Committee Days at the Grant Sawyer State Office Building, Joint Interim Standing Committees, A.B. 578 Model (8 members)," prepared by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB.

<u>Exhibit E-4</u> is a document titled "2011-2012 Interim" provided by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB.

Exhibit F is a document dated July 2011 titled "Number of Legislative Measures That May Be Requested For Drafting, By Entity Nevada Legislature—2013 Regular Legislative

Session," mentioned by Carol M. Stonefield, Supervising Principal Research Analyst, Research Division, LCB.

<u>Exhibit G</u> is a document titled "Nevada's Budget Process," presented by Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB.

Exhibit H is the written testimony of Knight Allen, private citizen, Las Vegas, Nevada.

This set of "Summary Minutes and Action Report" is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or telephone: 775/684-6827.