

MINUTES ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS, 55TH LEGISLATIVE
SESSION, FEBRUARY 19, 1969

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Present: Smith, Hilbrecht, Wood, Branch, Mello, Dini, Getto,
Lingenfelter, and Bryan Hafen

Absent: None

Chairman Smith opened the meeting by asking Assemblyman Wood to comment on AJR 22 which memorializes Congress to prohibit further social security payments to aliens in foreign countries.

Assemblyman Wood told the committee he had become apprised of this situation through an employee in his household who was an alien but who had insisted that she be given a social security number and have deductions made from her salary. An alien can come to this country and have his visa renewed annually and stay long enough to meet social security eligibility residence and apply for their social security. Then they can return to their native country and receive social security payments. He said that he had discussed this matter with our Congressional representatives none of whom were aware of this loophole. Therefore, he urged the committee to support AJR 22.

The committee then gave consideration to SJR 8 which urges the rescission of a federal order requiring a simplified form of determining the eligibility of welfare recipients. Assemblyman Hilbrecht asked for clarification as to what the resolution addressed itself to. Chairman Smith acknowledged the appearance before the committee of Mr. Ernest L. Newton of the Nevada Taxpayers Association.

Mr. Newton said that the Department of Health and Welfare under Secretary Cohen in the last administration had issued an order to simplify welfare applicants having their eligibility established by "sample" checks of their statements on the application. He said that the State of Utah has countermanded this directive by a statutory provision requiring 100% investigation of the applications. Assemblyman Hilbrecht developed that the federal directive could or could not be applied in each state's administration policy. He suggested that therefore the resolution may not be necessary. Mr. Newton left the meeting and returned later to report to the committee that he had contacted the State Department of Health and Welfare and had found that in this State the practice has been to make 100% investigations of applicants. There is however the growing demands upon the administration for increased staffing and funding for a continuance of this policy. Mr. Newton said he had been advised that to process a welfare application in the initial process consumes four hours of clerical work. Chairman Smith thanked Mr. Newton for his gathering of these facts. It is not known what the policy of the new Secretary of Health, Education and Welfare will be. It was agreed that this resolution could be effective in having Congress investigate the policy.

Lingenfelter moved Do Pass SJR 8.

Getto seconded.

Motion unanimously passed.

Chairman Smith announced again that the hearing on AB 278 declaring the recreational use of water a beneficial use has been set for Wednesday, February 26, 1969.

The committee then gave their consideration to AB 305 which proposes that the electors of the State of Nevada be submitted the question of calling a constitutional convention. It was noted that five members of the committee are among the sponsors of this bill.

Hilbrecht moved Do Pass AB 305.

Mello seconded.

Motion passed over the objections of Lingenfelter, Dini and Getto.

Next the committee considered a series of bills each of which would increase the compensation of county officers. This type of legislation it was developed would be unnecessary if AJR 27 is adopted which amends the Nevada constitution so as to provide that county governing bodies fix their own compensation rates.

AB 307 refers to Lincoln County officer as does AB 308. AB 325 and AB 329 refer to Humboldt County and Lander county officers respectively.

Hilbrecht moved Do Pass AB 307, 308, 325 and 329.

Mello seconded.

Motion unanimously passed.

Chairman Smith asked that Assemblyman Branch explain AB 152 which reduces the residence requirements of North Las Vegas elective officials. Mr. Branch explained that the bill had been amended and in essence provided that the officials have six months residence. The committee developed that this is the same requirement as that imposed upon legislators throughout the state. On the question of whether this was a sufficient length of time it was developed that with the rapid growth of North Las Vegas many longtime businessmen in the city had lived in other parts of Clark County and with the growth have recently in some cases moved their residences to the city. Also another amendment, it was noted is needed to bring the bill into conformity on all of the officials mentioned.

Assemblyman May appeared before the committee to support the presentation of Assemblyman Branch. Chairman Smith asked Assemblyman May if he was prepared to present the map to the committee which would outline the ward divisions of North Las Vegas for election of councilmen as sought in AB 241. It was developed that Assemblyman May did not have the revised map and the committee agreed to defer consideration of AB 241 until a revised map could be produced. Chairman Smith indicated that City Manager Lynch had advised Assemblyman May that the effective date for AB 152 upon approval might affect the forthcoming city election. This possibility was discussed and it was agreed not to amend the bill further.

Dini moved Do Pass AB 152 with the two amendments.

Branch seconded.

Motion passed over the objection of B. Hafen.

Chairman Smith apologized to the committee for not presenting Amendment 1442 to AB 308 before its previous action on the bill.

The amendment was read and the committee agreed that it would not alter the previous action. For the record:

Hilbrecht moved Do Pass AB 308 as amended.
Mello seconded.
Motion unanimously passed.

Chairman Smith asked Assemblyman Wood to offer the committee the amendments that had been drawn for AB 52 which would provide certain legal holidays on Mondays. Assemblyman Wood read one amendment which would add Washington's Birthday, February 22 to the list of holidays in the bill and would further provide that it be observed on the third Monday of February. Another amendment to the bill would delete the Governor's authority to proclaim state holidays at will outside the provisions of AB 52. They were Amendment 1452 and 1453 respectively.

Hafen moved Amendment 1452 be accepted.
Motion was seconded.
Motion passed with Dini not voting.

Mello moved Amendment 1453 be accepted.
Branch seconded.
Motion passed over B. Hafen's objection.

Hilbrecht moved Do Pass AB 52 as changed by the two amendments.
The bill as a whole.
Mello seconded.
Motion passed over B. Hafen's objection. Dini not voting.

In answer to Assemblyman Lingenfelter's question, Chairman Smith announced that SJR 27 of the 54th Session would be considered by the committee on Monday, February 24th.

Assemblyman Roy Torvinen appeared before the committee in support of AJR 21 which memorializes the Nevada congressional delegation to secure rescission of a regulation requiring free legal assistance for welfare recipients. Mr. Torvinen advised the committee that the resolution did not emerge from the bill drafters as he had prepared it. He stated that there was a companion bill in the Senate which had been introduced by Senator Swobe on which he had not been apprised of developments. It was agreed that the committee defer action until the amendments had been prepared.

Chairman Smith then opened discussion to the committee further on the developments with regard to SB 148's refunding of certain North Las Vegas assessment bonds. It was emphasized the delicacy of the negotiated refunding agreement between City Manager Lynch and Mr. Buck of the Public Employees' Retirement Board. This agreement will increase costs to the City of North Las Vegas. No fixed buyers are now known for the Industrial Park involved in the assessment bonds. The priority requirements of the Retirement Board in the agreement circumvent some of the other established priorities. The legal processes required to free the Industrial Park for sale are bound to require 18 months and may even be longer. Alternative methods of refunding the bonds may be developed. The committee was assured that the time factor is not such as to demand committee action prior to receipt

of the complete audit that is now in progress of being made of the financial condition of the City of North Las Vegas.

Mr. Newton said that the Planning Board has resigned the tax rate in the agreement and that the tax rate is not involved. There can never be a debt service charge. He said it is presumed that the Industrial Park land will be eventually sold but there is no guarantee of a buyer. Assemblyman Hilbrecht suggested that perhaps the foreclosure on the bonds by the planning board would be an alternative. Mr. Newton said that you don't generate any cash to pay off the bonds until you find an outside buyer. He also suggested that if there were a default it would throw a cloud on the bond market for Clark County as a whole which would jeopardize other bonding endeavors being sought for school support.

Chairman Smith said that Assemblyman Hilbrecht had received a letter from Clark County Administrator David B. Henry relative to SB 138 which would authorize temporary borrowing by the Las Vegas Valley Water District. This letter suggested that the bill is not sound fiscal policy and could establish an undesirable precedent for all local governments. The letter was read to the committee and is made a part of this record.

Chairman Smith recognized Mr. Ray Knisley, former state senator, and introduced him to the committee. Mr. Knisley said that he had the utmost respect for Mr. Henry but felt that in this matter his views were incorrect. He said that the bill will not increase the overall indebtedness of the Las Vegas Water District. In the bill you are holding to the debt limit imposed by the bonding commission. By taking this method the water district will not be forced to raise their rates. By selling bonds they would have to raise their rates. The objective is not to increase the authorized indebtedness. It is merely to obtain cheaper money with the same security behind it.

Chairman Smith thanked Mr. Knisley and the meeting adjourned.

Office of the County Administrator

CLARK COUNTY COURT HOUSE
LAS VEGAS, NEVADA

February 18, 1969

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Assemblyman Norman Ty Hilbrecht
Nevada State Legislature
Capitol Building
Carson City, Nevada 89701

Dear Assemblyman Hilbrecht:

It is my understanding that S. B. 138 has cleared the Senate, as amended.

S. B. 138 allows the Las Vegas Valley Water District to float negotiable and non-negotiable notes as outstanding contingent liabilities without a vote and without the approval of the Bond Commission. Such notes are redeemable in five years and are secured by the full faith and credit of the District.

County Commissioners are required to levy against taxable property in the district for such revenues as may be required to cover such floating debt of Water District. The law further indicates that such debt shall have priority as indicated in Section 2 of Article 10 in the Constitution. The law further excludes such floating debt from the review and control of the General Obligation Bond Commission.

As you know, the heart of the problem in North Las Vegas is the debt limit of local jurisdictions. Reliable authority points to an aggregate debt for State, County, School District, Special Districts, and Cities not to exceed 10% of the true market value of properties contained within the County.

S. B. 138 is not sound fiscal policy. If this is good for the Water District, then similar legislation will be good for all local governments in Clark County.

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May we respectfully request further discussion of this prior to the final legislative approval on this matter.

Very truly yours,


DAVID B. HENRY
County Administrator

DBH:rme.