

MINUTES ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS, 55TH LEGISLATIVE
SESSION, MARCH 11, 1969

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

Interested persons who were present at the hearing included:

Dr. Otto Ravenholt, Clark County Health District
Robert Lunche, Engineering Division, Los Angeles County Air
Pollution Control
Frank Pizzimenti, Fredricksen Engineering
Bill Johnson, U. S. Public Health Service
Joe Leisek, Isotopes, Inc.
George L. Vargas, Attorney, representing major oil company interests.
James G. Ryan, Clark County
W. Howard Gray, Attorney, representing the mining industry
Herb Jones, Attorney, representing Titanium Metals and B.M.I.
E. V. Francy, Titanium Metals.

This meeting was called as a hearing on all of the air pollution bills. Prior to the hearing Chairman Hal Smith gave the committee an opportunity to hear Mrs. Moscovich who appeared to present her case with regard to her standing under the Public Employees Retirement Fund. She has an interest in recovering her eligibility. The committee heard her case and advised her when the bills would be heard in detail.

Chairman Smith opened the hearing on AB 403 which removes restriction on regulations for air pollution control and AB 484 which provides for better air pollution control. He offered the floor first to the sponsors of these bills: Assemblymen Bryan and Reid.

Assemblyman Reid stated that the reason for his introducing these bills was that as a native resident of Las Vegas he had seen the changes taking place. He said that when he left the area for a prolonged period he was dismayed to find on his return that the population growth and industrial growth in the area had created a smog problem that threatens the future growth and that he thought the time is now to do something to remedy it.

Assemblyman Bryan also outlined his feelings as a native of the area. He stated that the original bill concerning air pollution contained specific limitations in that the city or county could not specify the type or design for any equipment or construction. He said that AB 403 was permissive in nature but would allow the specification of:

- (a) The type, design or method of installation of any equipment;
- (b) The type of construction of any plant; or
- (c) The manufacturing process, method or fuel used.

He said that he felt now was the time to enact this type of legislation. Both men urged the committee's favorable consideration of AB 403 and 484.

Chairman Smith indicated that Senate Bill 295 also is concerned with air pollution and although not before the assembly yet it would be referred to by those present. This bill would require health boards to require permits for construction, alteration or replacement of buildings or equipment releasing air contaminants.

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Dr. Otto Ravenholt, Clark County Health Officer, was introduced and said he was before the committee to speak in favor of a "permit system" being made a permissible part of air pollution regulations. The reason he said is that in air pollution control the system is preventive and affords a means of stopping air pollution at the source. In Las Vegas Valley at the present time the air is polluted to the extent that it is unattractive and basically less healthy to breathe. The task of controlling the input of air relates to a number of things. How quickly the air clears itself. In the Las Vegas Valley the problem is a basin of air, an enclosed basin of air with an overhang inversion. The problem is growing because the population is growing and also because of the industrial processes that have been developed. It is necessary to evolve an adequate set of regulations and restraints as to what may or may not be done. Also an executive program is needed to enforce what is on the books. With these being accomplished we will still have problems of different perspectives. The bills here would add those tools to the control program. The permits offer an avenue of control that is preventive and easier to enforce and administer. It is much better to control the problem prior to construction. For example, a soft coal power plant is unsuited to the Las Vegas Valley because of its pollution potential. Under a permit system such a power plant would not be permitted. Dr. Ravenholt said that people had been asked to appear on the question of the feasibility of a permit system in the pollution program. Many feel it is not feasible but in practice it has proved to be so. It does require capable staffing and technical review and judgement.

Dr. Ravenholt introduced Robert Lunche of the the Los Angeles County Air Pollution Control agency. Mr. Lunche said that they consider the permit system to be the most significant tool in their arsenal against air pollution. The question that is frequently asked is whether it has chased industry away from entering Los Angeles County. The answer, he said, is an emphatic "no". He said that if they did not have the permit system the air pollution would be so bad that they could not allow any more industry. But he said in the last year they have issued some 10,000 permits. There has been no lack of industrial expansion. But they have expanded under the permit rule system.

Dr. Ravenholt then introduced Mr. Bill Johnson of the United States Public Health Service from Cincinnati, Ohio. Mr. Johnson said that he was recently appointed to the National Air Pollution Control Administration in Washington, D. C. He said there is a bill now before the committee that would improve the Nevada law by providing a permit system as such. He said that there would be problems of administration in regard to industrial development as is often asserted. He said that in the State of New Jersey where this program has been developed the problems of administration did not develop. He said that California has also realized great success with this system. Also, he suggested that it might be worth while for the committee to contact the Montana authorities who have just set up a system and their problems are very similar to those of Nevada. He outlined for the committee the federal program and emphasized that it is left to the Governor's to establish programs that implement the federal program.

Dr. Ravenholt outlined the progress that has been made in Clark

County and what is being done.

Senator Dodge was present and asked permission to question Mr. Lunche. He asked how long the permit system had been operating in Los Angeles County. Mr. Lunche said it had been in effect since 1947. He asked also if he knew how great a number of permits had been rejected. Mr. Lunche replied that about 6% are rejected but that an appeal or review procedure exists and that does not mean that all 6% failed completely. Senator Dodge asked if Mr. Lunche could say what type of industry was involved in the denials. Mr. Lunche answered that all types were involved with no specific industry dominating.

Assemblyman Wood said that many safety devices are being required on vehicles at the present time and that the consumer often finds shortly after purchase that they are inoperable. He asked Mr. Lunche what can be done to protect the consumer before any legislation is passed that would subject him to punitive action. Mr. Lunche replied that there is a certification process in California that is required to provide this. Assemblyman Hilbrecht asked if there any standards set to assure this. Mr. Lunche said that under the certification process there are standards that have to be met.

Dr. Ravenholt indicated to Chairman Smith that the program is presently moving only in the highest priority areas. He said that both AB 403 and 484 are needed as companion bills

Assemblyman Hilbrecht suggested to Dr. Ravenholt that AB 484 was too broad in scope. Dr. Ravenholt agreed that the language should be made more restrictive.

Chairman Smith acknowledged Mr. Frank Pizzimenti of the Fredriksen Engineering firm and asked if he wished to make any comments. Mr. Pizzimenti stated that he and his firm had offered Clark County expertise in this field free of charge and that he was present only as an interested party. It was developed that Mr. Joe Leisek of Isotopes, Inc. and Mr. Pizzimenti's firm are employed to assist industry and others in their testing and feasibility studies.

Attorney W. Howard Gray was introduced. He stated that he represented the mining industry but that the point here was that a decision would have to be made whether you would allow a permit system to be established which in effect prevents the individual to have the right to protect himself. He referred to AB 403, Sec. 1, subsection 2 wherein the extent necessary to control air pollution or reduce the release of contamination is made the ultimate without any regard to checks and balances. He opposed the bill on that ground.

Attorney George Vargas said that other experts were to have been before the hearing and were not able to attend. He said that as a representative of the oil industry he could only comment on the provisions which require motor vehicles to have air pollution control systems installed. This is favored by the industry.

Mr. Herb Jones was introduced from Clark County. He said that he had worked for a year and a half in the program of hammering out an air pollution program for Clark County. Now he said it seems that this work is not enough and that the Health Districts are asking for additional powers. In effect, he said the powers

would place an individual at the mercy of the district decisions in much the same manner as if an outsider were permitted to tell a farmer how to plow his field or to tell an attorney how to argue his case or what curtains he must place in his office. Mr. Jones indicated that such a power if applied to an industrialist planning to invest in an area would be disastrous. He said the real problem is to control emissions into the air and not to dictate how a man should build his plant. He said that a permit system would be far too broad.

Mr. E. V. Francy was introduced as a representative of Titanium Metals. Mr. Francy said he had worked, as had Mr. Jones, in the development of the air pollution program in Clark County. He said that he felt the program was contained in a fine ordinance. It is a good program and should be supported.

Mr. James G. Ryan, also of Clark County, was introduced. He alluded to the recent construction of the California-Edison power plant in the Las Vegas area. He said this plant represents a huge investment and that he felt sure that the plans had met with the approval of the federal standards. He said he objected to the bills on two grounds. One would be a budgetary one in which the costs of hiring expertise support for industry evaluation on a local level would be prohibitive and another was that it was modeled after the Los Angeles program which, he said, has no bearing as a criteria for the development of Clark County.

It was developed that the Claifornia-Edison plant was located outside the Las Vegas Valley and for that reason would not be invokd in the air pollution control for that area. It was suggested that it was so located for that reason.

Chairman Smith recognized the appearance of Senator White from the Senate Committee. Senator White said he had been asked by the Senate Committee Chairman Gibson to appear before the committee. He said that there was a feeling that the authority in these bills would place the health districts in a position of telling industry what they must do and that the health district would not want to be placed in such a position.

Mr. Lunche offered the statement that under a permit system the people who operate it are not judge and jury. He said there are hearing processes and judicial processes. Industry has free choice.

Mr. Ray Knisley was acknowledged by the chair. Mr. Knisley said that he had served on the Greater Los Angeles Chamber of Commerce during the time that the air pollution problem was growing. He said that the committee should beware of putting industry in a straight jacket. There has to be a compromise between the ideal and the practical. If these bills are passed, he said, no industry would come into Nevada.

Chairman Smith thanked all of those for appearing in interest of the air pollution bills and excused them from the hearing.

The committee then invited Mr. Pat Head together with Mr. Fransworth for their comments. Mr. Head represents the Las Vegas Valley Public Service Commission and Mr. Fransworth is one of the new Directors of the Las Vegas Valley Water District.

Mr. Head advised the committee that he had sent a considered opinion to the committee concerning AB 448 which authorizes supervision of rates of Las Vegas Water District by the Public Service Commission. Assemblyman Hilbrecht acknowledged the committee's receipt of the opinion and it was agreed that the intent of AB 448 can be better accomplished in another manner.

Hilbrecht moved AB 448 be indefinitely postponed.
Motion seconded.
Motion unanimously passed.

Mr. Head was next asked to comment on SB 149 which authorizes studies for the development of a water resource plan. Mr. Head said that an amendment to this bill had been prepared in which the State Engineer would be given the authority to make the studies and projections for a comprehensive water resources plan for the entire state. This amendment was submitted to the committee for its consideration. Mr. Head stated that all projects need to be reviewed to see if they are compatible with the state plans.

Mr. Head and Mr. Fransworth were thanked and excused from the meeting.

SB 148 which authorizes refunding of certain North Las Vegas special assessment bonds was brought before the committee for further consideration. Chairman Smith asked Assemblyman Branch if he had any comments. Assemblyman Branch asked Mr. Hilbrecht to read into the record a letter from Mr. Roy E. Nickson, Secretary of the Nevada Tax Commission outlining amendments to SB 148. Mr. Hilbrecht read the letter and a copy is appended as a part of these minutes. Assemblyman Branch then thanked the committee for the protracted consideration this bill has necessitated and stated that he was not responsible for holding the bill in committee until this time. Chairman Smith acknowledged that that decision had been due to the considered judgment of the entire committee and asked his pleasure on the bill. The committee agreed that the amendment in the letter just read would make AB 645 unnecessary. Assemblyman Wood stated that the committee understood the complications of this bill and that Assemblyman Branch had nothing to do with holding this bill in committee. Chairman Smith has made this known.

Branch moved to amend SB 148 and Do Pass as amended.
Getto seconded.
Motion unanimously passed.

Lingenfelter moved AB 645 be postponed indefinitely.
Branch seconded.
Motion unanimously passed.

The committee was next asked to consider AB 484 and 403.

Assemblyman Lingenfelter stated that the air pollution problem, it seemed to him could be handled with the present laws. It was developed that the committee feels that the prime necessity is the setting of standards to be met and in that way the responsibility would be placed on industry to meet those standards. Assemblyman Wood indicated that AB 484 in its present form could

not stand without amendment.

Lingenfelter moved AB 403 be indefinitely postponed.
Branch seconded.
Motion unanimously passed.

Wood moved that AB 484 be postponed indefinitely.
Getto seconded.
Motion unanimously passed.

Meeting was adjourned.

Nevada Tax Commission

CARSON CITY, NEVADA 89701



PAUL LAXALT, Governor, Chairman

ROY E. NICKSON, Secretary

March 11, 1969

The Honorable Norman (Ty) Hilbrecht
Assembly Chambers
State Capitol
Carson City, Nevada 89701

Dear Mr. Hilbrecht:

As requested, I have reviewed Senate Bill 148 and Assembly Bill 645 pertaining to urgent legislative actions to relieve the City of North Las Vegas and the Public Employees Retirement Board from an impending financial crisis. You have further requested that I submit recommendations regarding amendments to these bills for your review.

Without pretense as to a knowledge of the legal or constitutional aspects or ramifications, I would recommend that what I believe to be the intent of Assembly Bill 645 be incorporated into SB 148. Such intent being as described in the preamble to Assembly Bill 645 "WHEREAS, there is also pending an audit of the financial affairs of that city; AND WHEREAS, it is desirable that such audit be completed and the Legislature be informed of its results before enacting any permanent legislation on the subject". Accordingly, I would recommend consideration to amending Senate Bill 148 by adding a new section to include language similar to the following:

New Section: Further provided that the City Council shall implement on or before July 1, 1969, all recommendations made by the independent auditor designated by the Legislature to the extent that such recommendations are approved by the Legislative Commission. Any officer or employee of the City of North Las Vegas who violates this provision is guilty of a misdemeanor and upon conviction thereof shall cease to hold his office or employment. Further provided however, that such violation shall not invalidate the refunding authorization set forth herein for Local Improvement Bonds, Series April 1, 1966.


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This proviso would, I believe, assure the Legislature, the citizens of North Las Vegas and other interested parties that the financial operations of the city are conducted in accordance with sound and accepted accounting principles and standards. I have discussed this proposal with Mr. LeRoy Bergstrom, CPA, and he concurs with the intent thereof.

If I can provide any additional information or assistance, please let me know.

Highest personal regards.

Sincerely,


Roy E. Nickson
Secretary

cc: Assemblyman R. Hal Smith
Assemblyman Dave Branch
Assemblyman Paul May
Assemblyman Art Espinoza

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