MINUTES OF MEETING ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS, 55TH LEGISLATIVE SESSION, MARCH 20, 1969

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

Chairman Smith called the meeting to order and introduced Assemblywoman Tyson to comment on AB 681 which authorizes transfer of certain state land to Clark County Association for Retarded Children.

Assemblywoman Tyson placed before the committee a recorded survey map of the property as well as an overlay map showing the property in relation to the whole metropolitan area. She said that the bill had been presented to her by the State Department of Conservation and Natural Resources. She stated that the legal description of the property as designated in the bill had been checked for its correctness. She urged the committee to give favorable consideration to the bill and was excused.

AB 663 which revises provisions relating to the regulation of accountants was before the committee for a hearing.

Among those present were:

Melvin T. Brunetti, Legal Counsel for Nevada State Board for Public Accountants
A. V. Gibbons, Chief, Audit Branch, Atomic Energy Commission
Warren Bates, Internal Revenue Service
Larry Richardson, Internal Revenue Service
W. William Geyer, C.P.A.of Freemonth, Hancock, Geyer and Audrain, Reno, Nevada - President Nevada Association
Al Hyman, City Auditor, Henderson, Nevada

Mr. Gibbons was asked to make his comments on AB 663. He told the committee that he was addressing himself to that portion of the bill which would enable public servants engaged in the work of auditing and accounting to become eligible in Nevada to receive Certified Public Accountant status. He said that there are 40 states in which this is possible but the requirements of the Nevada State Board for Public Accountants have not allowed evaluation of the government service work to count toward the service requirements demanded for a Certified Public Accountant. He stated that he, himself, was a Certified Public Accountant but that he had found many cases within the Atomic Energy Commission workers where people doing all of the same type of work as a C.P.A. could not qualify and as a consequence they were transferring to areas where their experience could be credited to C.P.A. qualification. This presents a recruiting problem to the government agency in Nevada.

Mr. Melvin T. Brunetti was invited to comment. He said that as Legal Counsel for the Nevada State Board of Public Accountants he had been asked to draw AB 663 by the Board. He said that Mr. Newell F. Hancock, President of the Board, who was not able to be present, had asked him to appear on his behalf. The intent in drawing the bill had been to remove much of the deadwood and to strengthen the language applicable to non-Nevada accountants. It was developed that there is reciprocity between the states with regard to recognizing a qualified CPA from another state but that Nevada has felt that this reciprocity is not warranted in all cases. The Board has endeavored to upgrade the requirements.

Mr. C. William Geyer, C.P.A., and Nevada Association President introduced himself to the committee and stated that it is known that the Association has not had time to formulate an official position with regard to the bill. Presently, the membership is divided on some of the issues presented both in qualification requirements and the recognition of government workers.

Assemblyman Hilbrecht inquired as to the exact differences between Public Accountants and Certified Public Accountants from a professional standpoint. It was developed that the service requirements and educational requirements are more stringent for Certified Public Accountants.

Former Assemblywoman Flora Dungan who is a Public Accountant was asked to comment from that professional standpoint. She said that she felt that the Public Accountants should be contacted for their feelings on this bill. She said that if government employees were allowed to qualify that the ranks of them leaving government service for private practice should be considered.

Mr. Warren Bates and Mr. Larry Richardson, both of the Federal Bureau of Internal Revenue, supported the comments of Mr. Gibbons in stating that if those engaged in government accounting could seek qualification the quality of their work would be improved by the incentive provided. They, too, acknowledged that many leave Nevada in order to qualify in other states. It was developed that that portion of the bill which pertained to this type of evaluation was copied exactly from the California law.

Mr. Al Hyman, City Auditor of Henderson told the committee that he, like Mr. Gibbons, could attest to the fact that many areas of government accounting are as complex and exacting as the work of a C.P.A. and that it is desirable that those people be allowed to have their credentials of service evaluated.

The committee agreed to withhold action on AB 663 until Monday, March 31 to allow both the Public Accountants and the CPA's to formulate a position on the bill and inform the committee.

Mr. John Bullis, C.P.A. of Reno appeared before the committee and apologized for having been delayed. He stated that in his opinion the people who work for the government do not get the service experience that is required in private practice for evaluation and certification. He opposed the bill and made his position clear to the committee.

All who appeared were thanked for their presentations and excused.

The committee was asked for its position on AB 458. The bill has been amended and reprints were circulated to the members of the committee. Assemblyman Bryan Hafen presented to the committee as case from his personal experience where an agency had been brought into court and forced to pay auditor costs that were extremely high. He said he thought that the selection of the auditor should be left on the local level.

The committee discussed the changes that had been made in the bill and the precautions that were taken to leave the Nevada Tax Commission on an advisory level and not on policy-making level.

Mr. Clay Lynch, City Manager of North Las Vegas, stated that the committee should give consideration to placing the audit costs on the same level as the auditor determination. If selection of the auditors is made on a state level the costs should be met on a state level.

Hilbrecht moved to amend AB 458 and Do Pass as amended.
Motion seconded.
Motion passed over objection of Bryan Hafen.

Assemblyman Lingenfelter said that his Education Committee had SB 72 and that this committee has before it AB 302 and AB 188 all having to do with participation in state group insurance plans. He said that SB 72 was confined to school districts. Also AB 302 provides the same intent but includes all government units.

Lingenfelter moved to postpone indefinitely AB 188.
Motion seconded.
Motion unanimously passed.

Lingenfelter moved Do Pass AB 302.
Branch seconded.
Motion unanimously passed.

Assemblyman Wood was asked to comment on AB 699 which increases compensation for the Storey County officers. He advised the committee that it was drawn as were the other county officer compensation bills and urged its support.

Wood moved Do Pass AB 699.
Branch seconded.
Motion unanimously passed.

Senator Hug was invited before the committee to comment on SB 199 which provides a procedure for school districts to lease or rent real property under a certain rental value. He said the bill was requested by the Washoe County School District to allow the placing of acquired land to productive use until such time as it is going to be utilized for school construction. When the property is valued at less than $2500 this bill would allow this without going through the required procedures and red tape set up for more valuable pieces of real estate. Assemblyman Wood said that he did not approve of the school districts getting involved in the real estate business.

Senator Hug was thanked and excused from the committee.

Lingenfelter moved Do Pass SB 199.
Motion seconded.
Motion unanimously passed.

Assemblyman Norman Glaser was called before the committee to comment on AB 709 which provides for the perpetuation of public land survey corners. He said that this problem arises from many of the very old surveys in some areas of the state where the marking of survey corners was not substantial and through the years they have been obliterated or have become obscure. He said that the surveyor firms have been contacted and that though the bill provides for punitive measures and the recording and payment of fees it is still favored because in the long run it is going to save money by setting up concise survey corner markings. In the future as the plan is followed it will not be necessary to redetermine the corners at additional cost as it is at the present time.

Lingenfelter moved Do Pass AB 709.
Motion seconded.
Motion unanimously passed.

Assemblyman Jacobsen appeared before the committee on behalf of AB 682 which increases compensation of Douglas County officers. Mr. Jacbosen told the committee that the officers had requested a $3,000 per year raise but that the bill offered $2,000 for all officers except the Sheriff. The officer it was developed has been derelict of duty and was not granted any consideration in the bill.

Dini moved Do Pass AB 682.
Branch seconded.
Motion unanimously passed.

Chairman Smith said that Senator Titlow had been advised that the committee did not seem favorable to SB 178 and SB 244 which he had presented.

SB 178 would increase powers of town boards of unincorporated towns. B. Hafen moved Do Pass SB 178. Motion failed a majority.

Hilbrecht moved SB 178 be postponed indefinitely.
Motion seconded.
Motion passed over objections of Mello and Branch.

SB 244 places certain public utilities owned by towns under the jurisdiction of the Public Service Commission.

Hilbrecht moved SB 244 be indefinitely postponed.
Dini seconded.
Motion passed over

Chairman Smith advised the committee that AB 402 was being withdrawn by the sponsor, Assemblyman Reid.

Hilbrecht moved AB 402 be indefinitely postponed.
Motion seconded.
Motion unanimously passed.

AB 400 which authorizes volunteer firemen to join the Public Employees' Retirement System was considered by the committee.

Dini moved to amend AB 400 and Do Pass as amended.
Branch seconded.
Motion unanimously passed.

Meeting adjourned.