

# Journal

OF THE

## ASSEMBLY OF THE STATE OF NEVADA

---

TWENTY-FOURTH SPECIAL SESSION

---

**THE FIRST DAY**

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CARSON CITY (Friday), June 27, 2008

Pursuant to the provisions of the Constitution and Statutes, the Assembly was called to order by Speaker of the Assembly Barbara E. Buckley at 10:14 a.m.

Madam Speaker requested that Susan Furlong Reil serve as temporary Chief Clerk of the Assembly.

Roll called.

All present.

Prayer by the Chaplain, Terry Sullivan.

Let us pray. Dear Lord, we thank You for bringing us all here safely and ask that You send us home the same way. We especially ask that You guide this august body in making the necessary decisions to bring us out of this budget problem and that we accomplish this in an expeditious and timely manner. This legislative body has certainly cowboyed up, but we still pray for Your help. We also ask for a blessing for each and every person in this building. We ask these things in whose name we pray.

AMEN

Pledge of allegiance to the Flag.

Madam Speaker announced that there would be no temporary organization of the Assembly, and that all nominations were in order for permanent appointment.

Madam Speaker declared that nominations were in order for Chief Clerk.

Assemblyman Ocegüera nominated Ms. Susan Furlong Reil to be Chief Clerk.

Assemblywoman Gansert moved that nominations be closed.

Motion carried unanimously.

Madam Speaker declared Ms. Susan Furlong Reil to be Chief Clerk of the Assembly.

#### MOTIONS, RESOLUTIONS AND NOTICES

Madam Speaker appointed Assemblymen Anderson, Leslie, and Marvel as a committee to inform the Senate that the Assembly was organized and ready for business.

Madam Speaker appointed Assemblymen Ocegüera, Arberry, and Gansert as a committee to inform the Governor that the Assembly was organized and ready for business.

Madam Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 10:17 a.m.

#### ASSEMBLY IN SESSION

At 10:42 a.m.

Madam Speaker presiding.

Quorum present.

Assemblyman Ocegüera reported that his committee had informed the Governor that the Assembly was organized and ready for business.

A committee from the Senate composed of Senators McGinness, Washington, and Mathews appeared before the bar of the Assembly and announced that the Senate was organized and ready for business.

Assemblyman Anderson reported that his committee had informed the Senate that the Assembly was organized and ready for business.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegüera moved that the reading of the Proclamation by the Governor convening the Legislature into a Special Session be dispensed with and that the Proclamation be entered into the Journal.

Motion carried.

## COMMUNICATIONS

## MESSAGES FROM THE GOVERNOR

STATE OF NEVADA  
OFFICE OF THE GOVERNOR  
EXECUTIVE ORDER

## A PROCLAMATION BY THE GOVERNOR:

WHEREAS, Section 9 of Article 5 of the Constitution of the State of Nevada provides that “The Governor may on extraordinary occasions, convene the Legislature by Proclamation and shall state to both houses when organized, the purpose for which they have been convened, and the Legislature shall transact no legislative business, except that for which they were specially convened, or such other legislative business as the Governor may call to the attention of the Legislature while in Session;” and

WHEREAS, general fund revenues for the current biennium have consistently come in at amounts less than the amounts appropriated by the Legislature at its Seventy-Fourth Session and its Twenty-Third Special Session; and

WHEREAS, upon my direction and recommendation and with the approval of the Legislature’s Interim Finance Committee, general fund spending for the current biennium has already been reduced by almost \$914 million; and

WHEREAS, despite such dramatic spending reductions, the State continues to face declines in general fund revenues; and

WHEREAS, the Economic Forum was convened into an emergency meeting on June 20, 2008, and the economic projections from that body establish that the total general fund revenues for the current biennium will continue to decrease, and will be at least another \$275 million less than the total general funds appropriated by the Legislature at its Seventy-Fourth Session and its Twenty-Third Special Session; and

WHEREAS, the general fund revenue shortfall for the current biennium represents the most serious budget crisis in the history of the State; and

WHEREAS, believing that an extraordinary occasion now exists which requires immediate action by the Legislature;

NOW, THEREFORE, I, JIM GIBBONS, GOVERNOR OF THE STATE OF NEVADA, by virtue of the authority vested in me by the Constitution of the State of Nevada, do hereby convene the Legislature into a Special Session to consider the following solutions to the general fund shortfall for the current biennium:

1. An amendment to Nevada Revised Statutes § 353.213 that will ensure at most zero growth in state spending for the biennium beginning on July 1, 2009.
2. Reductions to general fund appropriations made to fund operating budgets from the Seventy-Fourth Session of the Legislature.
3. Reversion to the general fund of any amounts in the Trust Fund for Public Health established in Nevada Revised Statutes § 439.605 et. seq.
4. Reversion to the general fund of appropriations made to the Nevada Department of Transportation pursuant to Assembly Bill 544 from the Seventy-Fourth Session of the Legislature.
5. Budget flexibility for state agencies and departments with multiple budget accounts similar to the flexibility provided to the Department of Corrections in Assembly Bill 628, Section 48 from the Seventy-Fourth Session of the Legislature.

## JOURNAL OF THE ASSEMBLY

6. Transfer to the general fund of the appropriation made in Assembly Bill 617 from the Seventy-Fourth Session of the Legislature.
7. Transfer to the general fund of the amounts in the Fund to Stabilize the Operation of State Government. The Governor hereby declares that a fiscal emergency exists to justify such a transfer pursuant to Nevada Revised Statutes § 353.288(4).
8. Reversion to the general fund of a portion of the appropriations made to the Account for Programs for Innovation and the Prevention of Remediation established in Nevada Revised Statutes § 385.379.
9. An amendment to Nevada Revised Statutes § 422.4025 et. seq. in order to remove the requirement that the Department of Health and Human Services exclude certain prescription drugs from the preferred prescription drug list.
10. An amendment to Nevada Revised Statutes § 281.121 in order to defer uniform allowances.
11. Revisions to the authority of the Treasurer similar to the matters considered in Senate Bill 488 from the Seventy-First Session of the Legislature.
12. Reversion to the general fund of a portion of the funds in the Disaster Relief Account.
13. Amendments to Nevada Revised Statutes § 213.010 to allow meetings of the State Board of Pardons Commissioners (“Pardons Board”) to be held at the discretion of the Pardons Board, and to allow expedited grants of clemency without a meeting of the Pardons Board for persons who have completed their sentence, when victims have not requested a hearing and when the District Attorney and Judge noticed of the application for clemency do not object.
14. Amendments to procedures pertaining to the State Board of Parole Commissioners (“Parole Board”) established in Assembly Bill 510 and Senate Bill 471 from the Seventy-Fourth Session of the Legislature. Specifically, the Legislature shall consider amendments that would provide for the following: automatic parole for inmates eligible for mandatory parole who have not failed a psychiatric panel; a removal of the requirement that the Parole Board maintain minutes, transcriptions or audio recordings of parole hearings; a removal of the requirement that inmates have the opportunity to be physically present at parole hearings and instead allow appearances by telephone or video conference; a removal of the requirement that inmates have the opportunity to have a representative physically present at parole hearings and instead allow a representative to appear by telephone or video conference; a removal of the requirement that the Parole Board provide notice of a parole hearing directly to an inmate and instead allow notice to be provided to the Nevada Department of Corrections and to be posted on the internet; to allow a Parole Board hearing representative or a single member of the Parole Board to recommend parole without a parole hearing for

low-risk offenders where there is no victim notification requirement; and to consider amendments to Chapter 213 of the Nevada Revised Statutes to delay the effective date of provisions governing meetings of the Parole Board and to allow the Board to automatically grant parole to an inmate eligible for parole from a current sentence but who will not be released from incarceration because he has been sentenced to consecutive terms of imprisonment which he has not yet served.

15. Transfer to the general fund of the unspent appropriations made in Assembly Bill 628, sections 37, 40, 42 and 70 and Assembly Bill 629, section 2 from the Seventy-Fourth Session of the Legislature.
16. Transfer to the general fund of amounts in the Fund for a Healthy Nevada established by Nevada Revised Statutes § 439.630.
17. Suspension of the revenue transfer from Unclaimed Property Trust Fund to the Millennium Scholarship Trust Fund for fiscal year 2009 as set forth in Nevada Revised Statutes § 120A.620.
18. An amendment to the sales and use tax act in order to clarify the Legislature's intent with respect to the taxability of free or discounted employee and patron meals.
19. Any other actions directly related to a solution for the projected general fund revenue shortfall for the current biennium.

The Legislature shall consider no matters other than those matters directly related to addressing the general fund revenue shortfall for the current biennium. During the Special Session, the Legislature may also consider any other matters brought to the attention of the Legislature by the Governor. The Special Session shall begin at 10:00 a.m. on Friday, June 27, 2008 and shall end not later than midnight on Sunday, June 29, 2008.

The Legislature may also consider an appropriation to pay for the cost of the Special Session and to pay for any other matters brought to the attention of the Legislature by the Governor during the Special Session.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City this 26th day of June, in the year two thousand eight.

Jim Gibbons  
*Governor*

Ross Miller  
*Secretary of State of Nevada*

Scott W Anderson  
*Deputy Secretary of State*

## JOURNAL OF THE ASSEMBLY

OFFICE OF THE GOVERNOR

JIM GIBBONS  
GOVERNOR

CARSON CITY, NEVADA, June 26, 2008

The Honorable Barbara Buckley, *SPEAKER OF THE ASSEMBLY*, NEVADA STATE ASSEMBLY,  
401 SOUTH CARSON STREET, CARSON CITY, NEVADA 89701

TO THE HONORABLE MEMBERS OF THE NEVADA STATE ASSEMBLY:

The Nevada State Constitution, in Article 5, Section 9, provides that the Governor may on extraordinary occasions convene a special session of the Legislature by proclamation.

As we all know, general fund revenues for the current biennium have been significantly less than the general funds appropriated by the Legislature. The general fund revenue shortfall for the current biennium has been projected to be well over one billion dollars. This is a budget crisis of unprecedented magnitude in Nevada.

Working together, we have already identified and implemented almost \$914 million in spending reductions to address our fiscal crisis. However, as the amount of the budget deficit continues to grow, it has become necessary to convene a special session of the Legislature to help find appropriate and responsible solutions.

I have therefore issued a proclamation calling the Legislature into a Special Session. In that proclamation, I identify several options that will not only solve the current revenue shortfall, but will show our citizens that their elected officials are willing to make the tough decisions necessary to maintain a balanced budget in difficult economic times.

Among those options are areas I believe the Legislature should consider, including reductions to state operating budgets, a fixed cap on spending for the next biennium, budget flexibility for state agencies, the full use of the Fund to Stabilize the Operation of State Government, the reversion of certain endowments, and many other areas where savings can be found. I believe the recommendations will resolve the current revenue shortfall, will help curb state spending that, in hindsight, turned out to be excessive, and will help the State prepare for and enact a responsible and balanced budget for the next biennium. Even more importantly, the recommendations provide a solution that does not involve raising taxes on our citizens.

I have not limited the special session to my recommendations, although the scope of the special session has been otherwise defined and limited in the proclamation. Consider only the matters set forth in the proclamation.

All of our citizens are hopeful that your efforts will meet with success.

Sincerely,  
JIM GIBBONS  
*Governor*

## MOTIONS, RESOLUTIONS AND NOTICES

By the Committee of the Whole:

Assembly Resolution No. 1—Providing for the appointment of attachés.

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, That the following persons are elected as attachés of the Assembly for the 24th Special Session of the Legislature of the State of Nevada: Jasmine Shackley, Lucinda Benjamin, Carole Cavolick, Bonnie Borda Hoffecker, Theresa Horgan, Katelyn Barney, Terry Sullivan, Robin Bates, Sharon Murphy, Barbara Houger and Toshiko McIntosh.

Assemblyman Ocegüera moved the adoption of the resolution.

Remarks by Assemblyman Ocegüera.

Resolution adopted.

By the Committee of the Whole:

Assembly Resolution No. 2—Providing that no allowances will be paid for the 24th Special Session of the Nevada Legislature for periodicals, stamps, stationery or communications.

Assemblyman Ocegüera moved the adoption of the resolution.

Remarks by Assemblyman Ocegüera.

Resolution adopted.

By the Committee of the Whole:

Assembly Resolution No. 3—Adopting the Rules of the Assembly for the 24th Special Session of the Nevada Legislature.

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, That the following Rules of the Assembly for the 24th Special Session of the Legislature are hereby adopted:

#### **I. APPLICABILITY**

##### **Rule No. 1. Generally.**

*The Rules of the Assembly for the 24th Special Session of the Legislature are applicable only during the 24th Special Session of the Legislature.*

#### **II. OFFICERS AND EMPLOYEES**

##### **Rule No. 2. Speaker of the Assembly.**

1. *All officers of the Assembly are subordinate to the Speaker in all that relates to the prompt, efficient and correct discharge of their official duties under the Speaker's supervision.*

2. *Possessing the powers and performing the duties described in this rule, the Speaker shall:*

(a) *Take the chair at the hour to which the Assembly will be meeting, call the members to order and, upon the appearance of a quorum, proceed to business.*

(b) *Preserve order and decorum and have general direction of the Chamber of the Assembly and the approaches thereto. In the event of any disturbance or disorderly conduct therein, order the same to be cleared.*

(c) *Decide all questions of order, subject to a member's right to appeal to the Assembly. On appeal from such decisions, the Speaker has the right, in the Speaker's place, to assign the reason for the decision.*

(d) *Have the right to name any member to perform the duties of the chair, but such substitution must not extend beyond one legislative day.*

(e) *Have the power to accredit the persons who act as representatives of the news media and assign them seats.*

(f) *Sign all bills and resolutions passed by the Legislature as provided by law.*

(g) *Sign all subpoenas issued by the Assembly.*

(h) *Receive all messages and communications from other departments of the government and announce them to the Assembly.*

(i) *Represent the Assembly, declare its will and in all things obey its commands.*

(j) *Vote on final passage of a bill or resolution, but the Speaker shall not be required to vote in ordinary legislative proceedings except where the Speaker's vote would be decisive. In all yea and nay votes, the Speaker's name must be called last.*

3. *If a vacancy occurs in the Office of Speaker, through death, resignation or disability of the Speaker, the Speaker pro Tempore shall temporarily and for the period of vacancy or disability conduct the necessary business of the Assembly.*

4. *If a permanent vacancy occurs in the Office of Speaker, the Assembly shall select a new Speaker.*

*Rule No. 3. Reserved.*

*Rule No. 4. Reserved.*

*Rule No. 5. Reserved.*

*Rule No. 6. Reserved.*

*The next rule is 10.*

### **III. MEETINGS**

*Rule No. 10. Reserved.*

*Rule No. 11. Open Meetings.*

*All meetings of the Assembly and its committees must be open to the public.*

*Rule No. 12. Reserved.*

*The next rule is 20.*

### **IV. DECORUM AND DEBATE**

*Rule No. 20. Points of Order.*

*If any member, in speaking or otherwise, transgresses the rules of the Assembly, the Speaker shall, or any member may, call to order, in which case the member so called to order shall immediately sit down, unless permitted to explain; and if called to order by a member, such member shall immediately state the point of order. If the point of order be sustained by the presiding officer, the member shall not be allowed to proceed; but if it be not sustained, then he shall be permitted to go on. Every such decision from the presiding officer shall be subject to an appeal to the House; but no discussion of the question of order shall be allowed unless an appeal be taken from the decision of the presiding officer.*

*Rule No. 21. Portable electronic communication devices.*

*1. A person who is within the Assembly Chambers shall not engage in a telephone conversation via the use of a portable telephone.*

*2. Before entering the Assembly Chambers, any person who possesses a portable electronic communication device, such as a pager or telephone, that emits an audible alert, such as a ringing or beeping sound, to signal an incoming message or call shall turn the audible alert off. A device that contains a nonaudible alert, such as a silent vibration, may be operated in a nonaudible manner within the Assembly Chambers.*

*Rule No. 22. Reserved.*

*Rule No. 23. Reserved.*

*The next rule is 30.*

### **V. QUORUM, VOTING, ELECTIONS**

*Rule No. 30. Manner of Voting.*

*1. The presiding officer shall declare all votes, but the yeas and nays must be taken when called for by three members present, and the names of those calling for the yeas and nays must be entered in the Journal by the Chief Clerk.*

*2. The presiding officer shall call for yeas and nays by a division or by a roll call, either electronic or oral.*



3. *When taking the yeas and nays on any question, the electronic roll call system may be used, and when so used shall have the force and effect of any roll call under these rules.*
4. *When taking the yeas and nays by oral roll call, the Chief Clerk shall take the names of members alphabetically, except that the Speaker's name must be called last.*
5. *The electronic roll call system may be used to determine the presence of a quorum.*
6. *The yeas and nays must not be taken with the electronic roll call system until all members present are at their desks. The presiding officer may vote at the rostrum.*
7. *Only a member who is physically present within the Assembly Chambers may cast a vote in the Assembly.*
8. *A member shall not vote for another member on any roll call, either electronic or oral. Any member who votes for another member may be punished in any manner deemed appropriate by the Assembly.*

*Rule No. 31. Reserved.*

*Rule No. 32. Announcement of the Vote.*

1. *A member may change his vote at any time before the announcement of the vote if the voting is by voice, or at any time before the votes are electronically recorded if the voting is conducted electronically.*
2. *The announcement of the result of any vote shall not be postponed.*

*Rule No. 33. Voting by Division.*

*Upon a division and count of the Assembly on any question, no person without the bar shall be counted.*

*The next rule is 40.*

## **VI. LEGISLATIVE BODIES**

*Rule No. 40. Committee of the Whole.*

1. *All bills and resolutions may be referred only to the Committee of the Whole or to such committees as may be appointed by the Speaker pursuant to Rule 41.*
2. *The Speaker shall preside as Chair of the Committee of the Whole or name a Chair to preside.*
3. *A member of the Committee of the Whole may speak not more than twice during the consideration of any one question, on the same day, and at the same stage of proceedings, without leave. Members who have once spoken shall not again be entitled to the floor (except for explanation) to the exclusion of others who have not spoken.*
4. *The Chair may require any vote of the Committee of the Whole to be recorded in the manner designated by the Chair.*
5. *All amendments proposed by the Committee of the Whole:*
  - (a) *Must first be approved by the Committee of the Whole.*
  - (b) *Must be reported by the Chair to the Assembly.*
6. *The minutes of the meetings of the Committee of the Whole must be entered in the Assembly's final journal.*

*Rule No. 40.5. Committees.*

*In addition to the Committee of the Whole, the Speaker may appoint such other committees of the Assembly as she determines is necessary.*

*Rule No. 41. Appointment of Committees.*

*All committees must be appointed by the Speaker, unless otherwise directed by the Assembly. The Speaker shall determine the appropriate number of members for each committee and shall designate the chairman and vice chairman of each committee.*

**Rule No. 42. Committee Action.**

1. A committee shall have meetings in accordance with the direction of the Assembly leadership. A quorum of the committee is a majority of its appointed members and may transact business except as limited by this rule.

2. Except as limited by this rule, a simple majority of those present may move, second and pass a motion by voice vote.

3. Definite action on a bill or resolution will require a majority of the entire committee.

4. A majority of the entire committee is required to reconsider action on a bill or resolution.

5. Committee introduction of legislative measures requires concurrence of a majority of the members of the entire committee and requires a commitment from each such concurring member to support final passage. A decision by a committee to request the drafting of an amendment for a bill requires concurrence of a majority of the members of the entire committee and requires a commitment from each such concurring member to support the amendment when it is considered on the floor of the Assembly.

6. The chairman must be present when the committee votes to take any final action regarding bills or resolutions, but the chairman is not required to vote.

7. No member of the committee may vote by proxy under any circumstances.

8. A committee shall not take a vote on the question of whether to exercise its statutory authority to issue a legislative subpoena unless the chairman has informed the Speaker of the intention of the committee to consider such a question.

**Rule No. 43. Subcommittees.**

Subcommittees made up of committee members may be appointed by the chairman to consider and report back on specific subjects or bills.

**Rule No. 44. Reserved.****Rule No. 45. Request for Drafting of Bill, Resolution or Amendment.**

Except as otherwise provided in this Rule, the Legislative Counsel shall not honor a request for the drafting of a bill, resolution or amendment to be introduced in the Assembly, unless it is submitted by the Committee of the Whole, such other committees as the Speaker may appoint, a conference committee or the Governor. The Speaker may request the drafting of one bill for the 24th Special Session without seeking the approval of the Committee of the Whole or any other committee that the Speaker may appoint.

**Rule No. 46. Committee Action on Reports.**

Committee reports must be adopted at a committee session actually assembled and meeting as a committee with a quorum present. Every committee vote on a matter pertaining to a bill or resolution must be recorded. The vote may be taken by roll call at the discretion of the chairman.

**Rule No. 47. Committee Records.**

The chairman of each committee shall keep, or cause to be kept, a complete record of the committee proceedings in which there must be entered:

1. The time and place of each meeting;
2. The attendance and absence of members;
3. The names of all persons appearing before the committee, with the names of persons, firms, corporations or associations in whose behalf such appearance is made; and
4. The subjects or measures considered and action taken.

**Rule No. 48. Disposition of Committee Records.**

All minutes, records and documents in the possession of committees and their chairmen must be filed in the offices of the Legislative Counsel Bureau upon adjournment sine die.

**Rule No. 49. Committee Hearings.**

1. *The presence of a quorum of the committee is desirable but not required to conduct a public hearing. At the discretion of the chairman, members of the committee may attend, participate in and, if applicable, vote during the hearing via simultaneous telephone or video conference.*

2. *Public hearings are opened by the chairman, who announces the subject under consideration and provides for those wishing to address the committee to be heard. These persons shall rise in an order determined by the chairman, address the chair and furnish their names, addresses and firms or other organizations represented. Committee members may address the chairman for permission to question the witness.*

**Rule No. 50. Reserved.**

**Rule No. 51. Reserved.**

**Rule No. 52. Reserved.**

*The next rule is 60.*

**VII. RULES GOVERNING MOTIONS****A. PROCEDURE****Rule No. 60. Entertaining.**

*No motion may be debated until it is distinctly announced by the presiding officer. The presiding officer upon his own motion, or at the request of any member, may direct that the motion be reduced to writing and be read by the Chief Clerk before the motion is debated. A motion may be withdrawn by the maker at any time before amendment or before the motion is put to vote.*

**Rule No. 61. Reserved.**

**Rule No. 62. Reserved.**

**B. PARTICULAR MOTIONS**

**Rule No. 63. Reserved.**

**Rule No. 64. Reserved.**

**Rule No. 65. Indefinite Postponement.**

*When a question is postponed indefinitely, the same question must not be considered again during the 24th Special Session of the Legislature and the question is not subject to a motion for reconsideration.*

**Rule No. 66. To Strike Enacting Clause.**

*A motion to strike out the enacting clause of a bill or resolution does not take precedence over any other subsidiary motion. If the motion is carried, it shall be considered equivalent to the rejection of such bill or resolution.*

**Rule No. 67. Division of Question.**

*Any member may call for a division of the question, which shall be divided, if it comprehends propositions in substance so distinct that, one being taken away, a substantive proposition shall remain for the decision of the Assembly. A motion to strike out being lost shall preclude neither amendment nor a motion to strike out and insert. A motion to strike out and insert shall be deemed indivisible.*

*Rule No. 68. To Reconsider.*

*No motion to reconsider a vote is in order.*

*The next rule is 80.*

**VIII. DEBATE**

*Rule No. 80. Speaking on Question.*

*No member shall speak more than twice during the consideration of any one question, on the same day, and at the same stage of proceedings, without leave. Members who have once spoken shall not again be entitled to the floor (except for explanation) to the exclusion of others who have not spoken.*

*Rule No. 81. Previous Question.*

*The previous question shall be put only when demanded by three members. The previous question shall not be moved by the member last speaking on the question.*

*Rule No. 82. Privilege of Closing Debate.*

*The author of a bill, a resolution or a main question shall have the privilege of closing the debate, unless the previous question has been sustained.*

*The next rule is 90.*

**IX. CONDUCT OF BUSINESS**

**A. RULES AND PROCEDURE**

*Rule No. 90. Mason's Manual.*

*The rules of parliamentary practice contained in Mason's Manual of Legislative Procedure shall govern the Assembly in all cases in which they are applicable and in which they are not inconsistent with the Rules and orders of the Assembly for the 24th Special Session of the Legislature, and the Joint Rules of the Senate and Assembly for the 24th Special Session of the Legislature.*

*Rule No. 91. Rescission, Change or Suspension of Rule.*

*No rule or order of the Assembly for the 24th Special Session of the Legislature may be rescinded or changed without a majority vote of the members elected; but a rule or order may be suspended temporarily by a majority vote of the members present.*

*Rule No. 92. Notices of Bills, Topics and Public Hearings.*

*1. Except as otherwise provided in subsection 3, all committees shall provide adequate notice of public hearings on bills, resolutions or other topics which are to come before the committees. The notice must include the date, time, place and agenda to be covered. The notice must be posted conspicuously in the legislative building, appear in the daily history and be made available to the news media. The daily history must include the most current version of the notice that is available at the time the daily history is created and an informational statement informing the public where more current information, if any, regarding such notices may be found.*

*2. The noticing requirements of this rule may be suspended for emergency situations but only after approval by a two-thirds vote of a committee.*

*3. Subsection 1 does not apply to:*

- (a) Meetings of the Committee of the Whole held on the floor of the Assembly;*
- (b) Other committee meetings held on the floor of the Assembly during a recess; or*
- (c) Conference committee meetings.*

*Rule No. 93. Reserved.*

*Rule No. 94. Privilege of the Floor and Lobbying.*

*No person, except Senators, former Assemblymen and state officers, may be admitted at the bar of the Assembly, except by special invitation on the part of some member; but a majority may authorize the Speaker to have the Assembly cleared of all such persons. No person may do any lobbying upon the floor of the Assembly at any time, and it is the duty of the Sergeant at Arms to remove any person violating any of the provisions of this rule.*

*Rule No. 95. Material Placed on Legislators' Desks.*

*All papers, letters, notes, pamphlets and other written material placed upon an Assemblyman's desk shall contain the signature of the Legislator requesting the placement of such material on the desk or shall contain a designation of the origin of such material. This rule does not apply to books containing the legislative bills and resolutions, the legislative daily histories, the legislative daily journals or Legislative Counsel Bureau material.*

*Rule No. 96. Peddling, Begging and Soliciting.*

*1. Peddling, begging and soliciting are strictly forbidden in the Assembly Chamber, and in the lobby, gallery and halls adjacent thereto.*

*2. No part of the Assembly Chamber may be used for or occupied by signs or other devices for any kind of advertising.*

*3. No part of the hallways adjacent to the Assembly Chambers may be used for or occupied by signs or other devices for any kind of advertising for commercial or personal gain. Notices for nonprofit, nonpartisan, civic or special legislative events may be posted in a designated area of the hallways adjacent to the Assembly Chambers with the approval of the Chief Clerk.*

*Rule No. 97. Petitions and Memorials.*

*Petitions, memorials and other papers addressed to the Assembly shall be presented by the Speaker, or by a member in the Speaker's place. A brief statement of the contents thereof shall be made by the introducer. They shall not be debated on the day of their being presented, but shall be on the table, or be referred, as the Assembly shall determine.*

*Rule No. 98. Request of Purpose.*

*A member may request the purpose of a bill or joint resolution upon its introduction.*

*Rule No. 99. Remarks.*

*It shall be in order for members to make remarks and to have such remarks entered in the Journal.*

*Rule No. 100. Precedence of Parliamentary Authority.*

*The precedence of parliamentary authority in the Assembly is:*

*1. The Constitution of the State of Nevada.*

*2. The Statutes of the State of Nevada.*

*3. The Rules of the Assembly for the 24th Special Session of the Legislature and the Joint Rules of the Senate and Assembly for the 24th Special Session of the Legislature.*

*4. Mason's Manual of Legislative Procedure.*

*Rule No. 101. Reserved.*

*Rule No. 102. Privileged Questions.*

*Privileged questions have precedence of all others in the following order:*

*1. A call of the House.*

*2. Motions to adjourn.*

*3. Recess.*

*4. Questions relating to the rights and privileges of the Assembly or any of its members.*

5. *Motions for special orders.*

*Rule No. 103. Reserved.*

**B. BILLS**

*Rule No. 104. Reserved.*

*Rule No. 105. Substitute Bills.*

*A substitute bill shall be deemed and held to be an amendment, and treated in all respects as such. However, a substitute bill may be amended after its adoption, in the same manner as if it were an original bill.*

*Rule No. 106. Skeleton Bills.*

*The introduction of skeleton bills is not authorized.*

*Rule No. 107. Reserved.*

*Rule No. 108. Reserved.*

*Rule No. 109. Reading of Bills.*

*The presiding officer shall announce at each reading of a bill whether it be the first, second or third reading. The first reading of a bill shall be for information. If there is objection, the question shall be, "Shall the bill be rejected?" If the question to reject fails to receive a majority vote by the members present, or if there is no objection, the bill shall take the proper course. No bill shall be referred to a committee until after the first reading, nor amended until after the second reading.*

*Rule No. 110. Second Reading and Amendment of Bills.*

*1. All bills must be read the second time after which they are reported by committee. Upon second reading, Assembly bills reported without amendments shall be placed on the General File and Senate bills reported without amendments shall be placed on the General File. Committee amendments reported with bills shall be considered upon their second reading, and such amendments may be adopted by a majority vote of the members present. Any amendment which is numbered, copied and made available to all members must be moved and voted upon by number. Assembly bills so amended must be reprinted, engrossed and placed on the General File. Senate bills so amended must be reprinted, then engrossed or reengrossed, as applicable, and placed on the General File.*

*2. Only amendments proposed by the Committee of the Whole, such committee as the Speaker may appoint or a conference committee may be considered on the floor of the Assembly. Such a motion to amend may be adopted on the floor of the Assembly by a majority vote of the members present. Any bill so amended upon the General File must be reprinted and then engrossed or reengrossed, as applicable.*

*3. The reprinting of amended bills may be dispensed with by a majority vote of the members present.*

*Rule No. 111. Consent Calendar.*

*1. A committee may by unanimous vote of the members present report a bill with the recommendation that it be placed on the consent calendar. The question of recommending a bill for the consent calendar may be voted upon in committee only after the bill has been recommended for passage and only if no amendment is recommended.*

*2. The Chief Clerk shall maintain a list of bills recommended for the consent calendar. The list must be printed in the daily history and must include the summary of each bill and the date the bill is scheduled for consideration on final passage.*

*3. At any time before the presiding officer calls for a vote on the passage of the consent calendar, a member may give written notice to the Chief Clerk or state orally from the floor of*

*the Assembly in session that he requests the removal of a particular bill from the consent calendar. If a member so requests, the Chief Clerk shall remove the bill from the consent calendar and transfer it to the second reading file. A bill removed from the consent calendar may not be restored to that calendar.*

*4. During floor consideration of the consent calendar, members may ask questions and offer explanations relating to the respective bills.*

*5. When the consent calendar is brought to a vote, the bills remaining on the consent calendar must be read by number and summary and the vote must be taken on their final passage as a group.*

*Rule No. 112. Reserved.*

*Rule No. 113. Reserved.*

*Rule No. 114. Reserved.*

*Rule No. 115. Reserved.*

*Rule No. 116. Vetoed Bills.*

*Bills that have passed both Houses of the Legislature and are transmitted to the Assembly accompanied by a message or statement of the Governor's disapproval or veto of the same must be taken up and considered immediately upon the coming in of the message transmitting the same, or become the subject of a special order. When the message is received, or (if made a special order) when the special order is called, the said message or statement must be read together with the bill or bills so disapproved or vetoed. The message and bill must be read by the Chief Clerk without interruption, consecutively, one following the other, and not upon separate occasions. No such bill or message may be referred to any committee, or otherwise acted upon save as provided by law and custom; that is to say, that immediately following such reading the only question (except as hereinafter stated) which may be put by the Speaker is, "Shall the bill pass, notwithstanding the objections of the Governor?" It shall not be in order, at any time, to vote upon such a vetoed bill unless the same shall first have been read. No motion may be entertained after the Speaker has stated the question, save a motion to adjourn or a motion for the previous question, but the merits of the bill itself may be debated. The message or statement containing the objections of the Governor to the bill must be entered in the Journal of the Assembly. The consideration of a vetoed bill, and the objections of the Governor thereto, shall be a privileged question, and shall take precedence over all others.*

*Rule No. 117. Reserved.*

#### **C. RESOLUTIONS**

*Rule No. 118. Treated as Bills—Joint Resolutions.*

*The procedure of enacting joint resolutions must be identical to that of enacting bills. However, joint resolutions proposing amendments to the Constitution must be entered in the Journal in their entirety.*

*Rule No. 119. Reserved.*

#### **D. ORDER OF BUSINESS**

*Rule No. 120. Order of Business.*

*The Order of Business must be as follows:*

- 1. Call to Order.*
- 2. Reading and Approval of Journal.*
- 3. Presentation of Petitions.*
- 4. Reports of the Committee of the Whole and Standing Committees.*

5. *Reports of Select Committees.*
6. *Communications.*
7. *Messages from the Senate.*
8. *Motions, Resolutions and Notices.*
9. *Introduction, First Reading and Reference.*
10. *Consent Calendar.*
11. *Second Reading and Amendment.*
12. *General File and Third Reading.*
13. *Unfinished Business of Preceding Day.*
14. *Special Orders of the Day.*
15. *Remarks from the Floor, limited to 10 minutes.*

*Rule No. 121. Reserved.*

*Rule No. 122. Reserved.*

*Rule No. 123. Reserved.*

*Rule No. 124. Reserved.*

*Rule No. 125. Reserved.*

*Rule No. 126. Reserved.*

*Rule No. 127. Reserved.*

*Rule No. 128. Reserved.*

*The next rule is 140.*

#### **X. MISCELLANEOUS**

*Rule No. 140. Reserved.*

*Rule No. 141. Use of the Assembly Chamber.*

*The Assembly Chamber shall not be used for any public or private business other than legislative, except by permission of the Assembly.*

Assemblyman Ocegüera moved the adoption of the resolution.

Remarks by Assemblyman Ocegüera.

Resolution adopted.

By the Committee of the Whole:

Assembly Concurrent Resolution No. 1—Adopting the Joint Rules of the Senate and Assembly for the 24th Special Session of the Legislature.

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the following Joint Rules of the Senate and Assembly for the 24th Special Session of the Legislature are hereby adopted:

#### **APPLICABILITY OF JOINT RULES**

*Rule No. 1. Generally.*

*The Joint Rules for the 24th Special Session of the Legislature are applicable only during the 24th Special Session of the Legislature.*



**CONFERENCE COMMITTEES****Rule No. 2. Procedure Concerning.**

1. In every case of an amendment of a bill, or joint or concurrent resolution, agreed to in one House, dissented from in the other, and not receded from by the one making the amendment, each House shall appoint a committee to confer with a like committee to be appointed by the other; and the committee so appointed shall meet publicly at a convenient hour to be agreed upon by their respective chairmen and announced publicly, and shall confer upon the differences between the two Houses as indicated by the amendments made in one and rejected in the other and report as early as convenient the result of their conference to their respective Houses. The report shall be made available to all members of both Houses. The whole subject matter embraced in the bill or resolution shall be considered by the committee, and it may recommend recession by either House, new amendments, new bills or resolutions, or other changes as it sees fit. New bills or resolutions so reported shall be treated as amendments unless the bills or resolutions are composed entirely of original matter, in which case they shall receive the treatment required in the respective Houses for original bills, or resolutions, as the case may be.

2. The report of a conference committee may be adopted by acclamation, and such action may be considered equivalent to the adoption of amendments embodied therein. The report is not subject to amendment. If either House refuses to adopt the report, or if the first conference committee has so recommended, a second conference committee may be appointed. No member who served on the first committee may be appointed to the second.

3. There shall be but two conference committees on any bill or resolution. A majority of the members of a conference committee from each House must be members who voted for the passage of the bill or resolution.

**MESSAGES****Rule No. 3. Procedure Concerning.**

1. Proclamations by the Governor convening the Legislature in extra session shall, by direction of the presiding officer of each House, be read immediately after the convening thereof, filed and entered in full in the Journal of proceedings.

2. Whenever a message from the Governor is received, it shall be read and entered in full in the Journal of proceedings.

3. Messages from the Senate to the Assembly shall be delivered by the Secretary or Assistant Secretary, and messages from the Assembly to the Senate shall be delivered by the Chief Clerk or Assistant Chief Clerk.

**NOTICE OF FINAL ACTION****Rule No. 4. Communications.**

Each House shall communicate its final action on any bill or resolution, or matter in which the other may be interested, by written notice. Each such notice sent by the Senate must be signed by the Secretary of the Senate, or a person designated by the Secretary. Each such notice sent by the Assembly must be signed by the Chief Clerk of the Assembly, or a person designated by the Chief Clerk.

**BILLS AND JOINT RESOLUTIONS****Rule No. 5. Signature.**

Each enrolled bill or joint resolution shall be presented to the presiding officers of both Houses for signature. They shall, after an announcement of their intention to do so is made in open session, sign the bill or joint resolution and their signatures shall be followed by those of the Secretary of the Senate and Chief Clerk of the Assembly.

**Rule No. 6. Joint Sponsorship.**

1. A bill or resolution introduced by a committee of the Senate or Assembly may, at the direction of the chairman of the committee, set forth the name of a committee of the other House as a joint sponsor, if a majority of all members appointed to the committee of the other House votes in favor of becoming a joint sponsor of the bill or resolution. The name of the committee joint sponsor must be set forth on the face of the bill or resolution immediately below the date on which the bill or resolution is introduced.

2. The Legislative Counsel shall not cause to be printed the name of a committee as a joint sponsor on the face of a bill or resolution unless the chairman of the committee has signed his name next to the name of the committee on the colored back of the introductory copy of the bill or resolution that was submitted to the front desk of the House of origin or the statement required by subsection 4.

3. Upon introduction, any bill or resolution that sets forth the names of primary joint sponsors must be numbered in the same numerical sequence as other bills and resolutions of the same House of origin are numbered.

4. Once a bill or resolution has been introduced, a primary joint sponsor or nonprimary joint sponsor may only be added or removed by amendment of the bill or resolution. An amendment which proposes to add or remove a primary joint sponsor must not be considered by the House of origin of the amendment unless a statement requesting the addition or removal is attached to the copy of the amendment submitted to the front desk of the House of origin of the amendment. If the amendment proposes to add or remove a committee as a primary joint sponsor, the statement must be signed by the chairman of the committee. A copy of the statement must be transmitted to the Legislative Counsel if the amendment is adopted.

5. An amendment that proposes to add or remove a primary joint sponsor may include additional proposals to change the substantive provisions of the bill or resolution or may be limited only to the proposal to add or remove a primary joint sponsor.

#### PRINTING

##### Rule No. 7. Ordering and Distribution.

Each House may order the printing of bills introduced, reports of its own committees, and other matter pertaining to that House only; but no other printing may be ordered except by a concurrent resolution passed by both Houses. Each Senator is entitled to the free distribution of four copies of each bill introduced in each House, and each Assemblyman to such a distribution of two copies. Additional copies of such bills may be distributed at a charge to the person to whom they are addressed. The amount charged for distribution of the additional copies must be determined by the Director of the Legislative Counsel Bureau to approximate the cost of handling and postage for the entire session.

#### RESOLUTIONS

##### Rule No. 8. Types, Usage and Approval.

1. A joint resolution must be used to:
  - (a) Propose an amendment to the Nevada Constitution.
  - (b) Ratify a proposed amendment to the United States Constitution.
  - (c) Address the President of the United States, Congress, either House or any committee or member of Congress, any department or agency of the Federal Government, or any other state of the Union.
2. A concurrent resolution must be used to:
  - (a) Amend these joint rules.
  - (b) Request the return from the Governor of an enrolled bill for further consideration.
  - (c) Resolve that the return of a bill from one House to the other House is necessary and appropriate.
  - (d) Express facts, principles, opinion and purposes of the Senate and Assembly.
  - (e) Establish a joint committee of the two Houses.
  - (f) Direct the Legislative Commission to conduct an interim study.
3. A concurrent resolution or a resolution of one House may be used to:

(a) *Memorialize a former member of the Legislature or other notable or distinguished person upon his death.*

(b) *Congratulate or commend any person or organization for a significant and meritorious accomplishment.*

#### VETOES

##### *Rule No. 9. Special Order.*

*Bills which have passed a previous Legislature, and which are transmitted to the Legislature next sitting, accompanied by a message or statement of the Governor's disapproval, or veto of the same, shall become the subject of a special order; and when the special order for their consideration is reached and called, the said message or statement shall be read, together with the bill or bills so disposed or vetoed; and the message and bill shall be read in the Senate by the Secretary of the Senate and in the Assembly by the Chief Clerk of the Assembly, without interruption, consecutively, one following the other, and not upon separate occasions; and no such bill or message shall be referred to any committee, or otherwise acted upon, save as provided by law and custom; that is to say, that immediately following such reading the only question (except as hereinafter stated) which shall be put by the Chair is, "Shall the bill pass, notwithstanding the objections of the Governor?" It shall not be in order, at any time, to vote upon such vetoed bill without the same shall have first been read; and no motion shall be entertained after the Chair has stated the question save a motion for "The previous question," but the merits of the bill itself may be debated.*

#### ADJOURNMENT

##### *Rule No. 10. Limitations and Calculation of Duration.*

1. *In calculating the permissible duration of an adjournment for 3 days or less, the day of adjournment must not be counted but the day of the next meeting must be counted, and Sunday must not be counted.*

2. *The Legislature may adjourn for more than 3 days by motion based on mutual consent of the Houses or by concurrent resolution. One or more such adjournments may be taken to permit a committee or the Legislative Counsel Bureau to prepare the matters respectively entrusted to them for the consideration of the Legislature as a whole.*

#### EXPENDITURES FROM THE LEGISLATIVE FUND

##### *Rule No. 11. Manner of authorization.*

*Except for routine salary, travel, equipment and operating expenses, no expenditures shall be made from the Legislative Fund without the authority of a concurrent resolution regularly adopted by the Senate and Assembly.*

#### RECORDS OF COMMITTEE PROCEEDINGS

##### *Rule No. 12. Duties of Secretary of Committees and Director.*

1. *Each committee shall cause a record to be made of the proceedings of its meetings.*

2. *The secretary of a committee shall:*

(a) *Label each record with the date, time and place of the meeting and also indicate on the label the numerical sequence in which the record was made;*

(b) *Keep the records in chronological order; and*

(c) *Deposit the records immediately following the final adjournment of the special session of the Legislature with the Director of the Legislative Counsel Bureau.*

3. *The Director of the Legislative Counsel Bureau shall:*

(a) *Index the records;*

(b) *Make the records available for accessing by any person during office hours under such reasonable conditions as he may deem necessary;*

(c) *Maintain a log as a public record containing the date, time, name and address of any person accessing any of the records and identifying the records accessed; and*

(d) *Retain the records for two bienniums and at the end of that period keep some form or copy of the record in any manner he deems reasonable to ensure access to the record in the foreseeable future.*

**LIMITATIONS ON REQUESTS FOR  
DRAFTING OF LEGISLATIVE MEASURES**

**Rule No. 13. Germaneness Required for Amendments.**

1. *The Legislative Counsel shall not honor a request for the drafting of an amendment to a bill or resolution if the subject matter of the amendment is independent of, and not specifically related and properly connected to, the subject that is expressed in the title of the bill or resolution.*

2. *For the purposes of this Rule, an amendment is independent of, and not specifically related and properly connected to, the subject that is expressed in the title of a bill or resolution if the amendment relates only to the general, single subject that is expressed in that title and not to the specific whole subject matter embraced in the bill or resolution.*

**CONTINUATION OF LEADERSHIP OF THE SENATE  
AND ASSEMBLY DURING THE INTERIM  
BETWEEN SESSIONS**

**Rule No. 14. Tenure and Performance of Statutory Duties.**

1. *Except as otherwise provided in subsections 2 and 3, the tenure of the President Pro Tem, Majority Leader and Minority Leader of the Senate and the Speaker, Speaker Pro Tem, Majority Floor Leader and Minority Floor Leader of the Assembly extends during the interim between regular sessions of the Legislature.*

2. *The Senators designated to be the President Pro Tem, Majority Leader and Minority Leader for the next succeeding regular session shall perform any statutory duty required in the period between the time of their designation after the general election and the organization of the next succeeding regular session of the Legislature if the Senator formerly holding the respective position is no longer a Legislator.*

3. *The Assemblymen designated to be the Speaker, Speaker Pro Tem, Majority Floor Leader and Minority Floor Leader for the next succeeding regular session shall perform any statutory duty required in the period between the time of their designation after the general election and the organization of the next succeeding regular session.*

**POLICY AND PROCEDURES REGARDING  
SEXUAL HARASSMENT**

**Rule No. 15. Maintenance of Working Environment; Procedure for Filing, Investigating and Taking Remedial Action on Complaints.**

1. *The Legislature hereby declares its intention to maintain a working environment which is free from sexual harassment. This policy applies to all Legislators and lobbyists. Each member and lobbyist is responsible to conduct himself or herself in a manner which will ensure that others are able to work in such an environment.*

2. *In accordance with Title VII of the Civil Rights Act, for the purposes of this Rule, "sexual harassment" means unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:*

(a) *Submission to such conduct is made either explicitly or implicitly a term or condition of a person's employment;*

(b) *Submission to or rejection of such conduct by a person is used as the basis for employment decisions affecting the person; or*

(c) *Such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive working environment.*

3. Each person subject to these Rules must exercise his own good judgment to avoid engaging in conduct that may be perceived by others as sexual harassment. The following noninclusive list provides illustrations of conduct that the Legislature deems to be inappropriate:

(a) Verbal conduct such as epithets, derogatory comments, slurs or unwanted sexual advances, invitations or comments;

(b) Visual conduct such as derogatory posters, photography, cartoons, drawings or gestures;

(c) Physical conduct such as unwanted touching, blocking normal movement or interfering with the work directed at a person because of his sex;

(d) Threats and demands to submit to sexual requests to keep a person's job or avoid some other loss, and offers of employment benefits in return for sexual favors; and

(e) Retaliation for opposing, reporting or threatening to report sexual harassment, or for participating in an investigation, proceeding or hearing conducted by the Legislature or the Nevada Equal Rights Commission or the federal Equal Employment Opportunity Commission,

↳ when submission to such conduct is made either explicitly or implicitly a term or condition of a person's employment or submission to or rejection of such conduct by a person is used as the basis for employment decisions affecting the person or such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive working environment.

4. A person may have a claim of sexual harassment even if he has not lost a job or some other economic benefit. Conduct that impairs a person's ability to work or his emotional well-being at work constitutes sexual harassment.

5. If a Legislator believes he is being sexually harassed on the job, he may file a written complaint with:

(a) The Speaker of the Assembly;

(b) The Majority Leader of the Senate; or

(c) The Director of the Legislative Counsel Bureau, if the complaint involves the conduct of the Speaker of the Assembly or the Majority Leader of the Senate.

↳ The complaint must include the details of the incident or incidents, the names of the persons involved and the names of any witnesses.

6. Except as otherwise provided in subsection 7, the Speaker of the Assembly or the Majority Leader of the Senate, as appropriate, shall refer a complaint received pursuant to subsection 5 to a committee consisting of Legislators of the same House. A complaint against a lobbyist may be referred to a committee in either House.

7. If the complaint involves the conduct of the Speaker of the Assembly or the Majority Leader of the Senate, the Director of the Legislative Counsel Bureau shall refer the complaint to the Committee on Elections, Procedures, Ethics, and Constitutional Amendments of the Assembly or the Committee on Legislative Operations and Elections of the Senate, as appropriate. If the Speaker of the Assembly or the Majority Leader of the Senate is a member of one of these committees, the Speaker or the Majority Leader, as the case may be, shall not participate in the investigation and resolution of the complaint.

8. The committee to which the complaint is referred shall immediately conduct a confidential and discreet investigation of the complaint. As a part of the investigation, the committee shall notify the accused of the allegations. The committee shall facilitate a meeting between the complainant and the accused to allow a discussion of the matter, if both agree. If the parties do not agree to such a meeting, the committee shall request statements regarding the complaint from each of the parties. Either party may request a hearing before the committee. The committee shall make its determination and inform the complainant and the accused of its determination as soon as practicable after it has completed its investigation.

9. If the investigation reveals that sexual harassment has occurred, the Legislature will take appropriate disciplinary or remedial action, or both. The committee shall inform the complainant of any action taken. The Legislature will also take any action necessary to deter any future harassment.

10. *The Legislature will not retaliate against a person who files a complaint and will not knowingly permit any retaliation by the person's supervisors or coworkers.*

11. *The Legislature encourages a person to report any incident of sexual harassment immediately so that the complaint can be quickly and fairly resolved.*

12. *Action taken by a complainant pursuant to this Rule does not prohibit the complainant from also filing a complaint of sexual harassment with the Nevada Equal Rights Commission or the federal Equal Employment Opportunity Commission.*

13. *All Legislators and lobbyists are responsible for adhering to the provisions of this policy. The prohibitions against engaging in sexual harassment and the protections against becoming a victim of sexual harassment set forth in this policy apply to employees, Legislators, lobbyists, vendors, contractors, customers and visitors to the Legislature.*

14. *This policy does not create any enforceable legal rights in any person.*

Assemblyman Ocegüera moved the adoption of the resolution.

Remarks by Assemblyman Ocegüera.

Resolution adopted and ordered transmitted to the Senate.

#### INTRODUCTION, FIRST READING AND REFERENCE

By the Committee of the Whole:

Assembly Bill No. 1—AN ACT relating to state financial administration; repealing a prospective appropriation from the State General Fund to the Interim Finance Committee; and providing other matters properly relating thereto.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

By the Committee of the Whole:

Assembly Bill No. 2—AN ACT relating to taxation; clarifying the applicability of sales taxes to certain meals provided by business entities to their employees, independent contractors, patrons or guests; and providing other matters properly relating thereto.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

Madam Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 10:58 a.m.

#### ASSEMBLY IN SESSION

At 11:01 a.m.

Madam Speaker presiding.

Quorum present.

Assemblyman Ocegüera moved that the rules be suspended and all bills and resolutions passed or adopted be immediately transmitted to the Senate.

Motion carried.

Assemblyman Oceguela moved that the reading of the histories on all bills and resolutions be dispensed with for the balance of the 24th Special Session.

Motion carried.

Assemblyman Oceguela moved that the Assembly suspend all rules and dispense with the reprinting of all bills and resolutions for the balance of the 24th Special Session.

Motion carried.

Assemblyman Oceguela moved that all rules be suspended, reading so far had considered second reading, rules further suspended, all bills and resolutions considered engrossed, declared emergency measures under the Constitution and placed on the appropriate reading file for final passage or adoption.

Motion carried.

Assemblyman Oceguela moved that Standing Rule No. 92, which pertains to notices of bills, topics, and public hearing, be suspended for the balance of the 24th Special Session.

Motion carried.

Assemblyman Oceguela moved that persons as set forth on the Nevada Legislature's Press Accreditation List of June 23, 2008, be accepted as accredited press representatives, that they be assigned space at the press table in the Assembly Chamber, that they be allowed use of appropriate broadcasting facilities, and the list be included in this day's Journal:

18: NEWS CARSON CITY: David D. Morgan; ASSOCIATED PRESS: Amanda Fehd, Joe Mullin, Brendan Riley; CARSON TIMES: Sue Morrow; CBS NEWS: Blake Hottle, Douglas Longhini, Scott Osterman; CITY LIFE: Steve Sebelius; COVEREDGE TELEVISION NEWS SERVICES: Richard Travis; COX COMMUNICATIONS: Steve Schorr, Richard Travis; DAILY SPARKS TRIBUNE/NEVADALABOR.COM: Andres L. Barbano; HENDERSON HOME NEWS: Derek Olson; HUMBOLDT SUN: Forrest Newton; INDEPENDENT: Gary M.G. Deacon; KJFK-AM: William Puchert; KLAS-TV: Matthew Adams, Matthew Bell, Alex Brauer, Richard Czarny, Jonathan Humbert, George Knapp, Richard Travis; KLVX-TV/IBEX FILMS: Michael Jaymen; KNPB CHANNEL 5: Andrew Cristancho, Dave Santina; KOLO-TV: Edward W. Barnett, Justin Kanno, Ray Kinney, Ed Pearce, Terri Russell; KREN & KAZR Alexandra Limon; KREN 27: Greg Knight; KRNVTV: Emily Bails, Kausik Bhakta, Victoria Campbell, Hetty Chang, Billy Churchwell, Jeff Deitch, Sarah Johns, Chuck King, Rebecca Little, Matt Scholz, Michael Thompson, Elizabeth Wagner; KTVN-TV: Kent Albrecht, Jack Antonio, Bill Brown, Eric Brown, John E. Cruz, Bryan Evans, Jeffrey Foss, David Ratto, Charles Brent Richard, Brandon Rittiman, Louis Sierra, Steve Sonnenburg; LAS VEGAS REVIEW-JOURNAL: Lisa Kim Bach, Molly Ball, Henry Brean, K.M. Cannon, Lynette Curtis, John Edwards, Frank Geary, John Gurzinski, Paul Harasim, Brian Haynes, A.D. Hopkins, Mary Hynes, K.C. Howard, Mike Kalil, Clint Karlsen, David Kihara, John Locher, Alan Maimon, Francis McCabe, Margaret Miille, Thomas Mitchell, Craig Moran, Jane Ann Morrison, Lawrence Mower, Erin Neff, Adrienne Packer, Antonio Planas, Glenn Puit, Keith Rogers, Jeff Scheid, David McGrath Schwartz, John L. Smith, Omar Sofradzija, Carri Geer Thevenot, Gary Thompson, Ed Vogel, Annette Wells, Sean Whaley, Joan Whitely, Charles Zobell; LAS VEGAS SUN: Tiffany Brown, J. Patrick Coolican, Christina Littlefield, Cy Ryan, Joe Schoenmann; MINEWEB: Dorothy Y. Kosich; NEVADA APPEAL: Becky Bosshart, Rhonda Costa-Landers, Geoff Dornan, Terri Harber, Brad Horn, Chad Lundquist, Jarid Shipley; NEVADA NEWSMAKERS: Lisa Jansen, Randi Thompson; NEVADA OBSERVER, THE: Johnny Gunn,

Dennis Locke; NEVADA PUBLIC RADIO: Brian Bahouth; NEVADA SAGEBRUSH, THE: Brian Duggan, Annie Flanzraich; NEWSTALK 780 KOH: Samantha Stone; PBS LAS VEGAS: Samantha Stone; POLYGRAVITY MEDIA LLC (PolitickerNV.com): Joseph Cooper; RENO GAZETTE-JOURNAL: Martha Bellisle, Anjeanette Damon, Guy Clifton, Bill O'Driscoll, Jaclyn O'Malley, Lisa Tolda; RENO SPARKS VIDEO PRODUCTIONS: William G. Pearce, Jr.; SEERENO.TV: Todd Bailey; SENIOR SPECTRUM NEWSPAPER: Chris C. McMullen, Connie McMullen, Tara McMullen; SIERRA NEVADA COMMUNITY ACCESS (SNCAT): Don Alexander, Brett Corbin, Tyler Elliott, Steve Goodin, Charlie Moses, Nadzir Nicaupour, Joel Robertson, Les Smith, Earl Spriggs; SUMMERLIN NEWS: Jamie Helmick; SUN PRODUCTIONS: Sunny Minedew; SUNBELT COMMUNICATIONS: Chase McMullen; TAHOE DAILY TRIBUNE: Dan Thrift, William Ferchland; WE THE PEOPLE: Shayne Del Cohen; ASSOCIATED PRESS: Kathleen Hennessey; KTVN-TV RENO: Scott Hargrove, Ozkar Palomo, Casey Smith, Vanessa Vancour; KVBC-TV: Steve Crupi, Ian Lash; IMPACT: Bill Fine.; LAS VEGAS REVIEW-JOURNAL: John Locher; NEVADA APPEAL: Brad Horn; NEWS 4 RENO/SUNBELT DIGITAL MEDIA: Melissa Sullivan; THE VOICEBOX/WOLFPACK RADIO: Donnell Pike-Anuken.

Motion carried.

Madam Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 11:03 a.m.

#### ASSEMBLY IN SESSION

At 11:05 a.m.

Madam Speaker presiding.

Quorum present.

#### REMARKS FROM THE FLOOR

Assemblyman Oceguela requested that the following remarks be entered in the Journal.

MADAM SPEAKER:

As I said last night, there is no doubt that our state is facing a severe financial crisis, the likes of which maybe more than half of this body has never seen before. Across our state, Nevadans are facing tough times, whether it is in Elko; whether it is in Las Vegas. Our constituents are facing rising gas prices, rising food costs, loss of job opportunities, job slowdowns, worries about whether their business will make it or not. Our state is no different—suffering from severe financial shortfalls which now total over \$1 billion.

It is a sober occasion to be called back for a special session. It is a sober undertaking to reduce budgets when these are all items that we unanimously, by the most part, approved just a year ago. The Governor challenged lawmakers to meet this serious challenge, and meet it we will.

Over the last ten days since the announcement of a special session, leaders of both parties of both houses have worked to present a roadmap to this body for consideration. I want to publicly thank all of the lawmakers who were part of these discussions: Senate Majority Leader Bill Raggio, Senate Minority Leader Steven Horsford, Senator Randolph Townsend, Assemblyman Morse Arberry, Assembly Majority Leader John Oceguela, Assembly Minority Leader Heidi Gansert, and all of the other legislators who worked between the meetings to get the work done to get ideas presented for us to undertake today.

We know that Nevada ranks at the bottom of funding lists, whether it is mental health; whether it is education, autism, cancer. We know we are not at a spot where we all would like our state to be in these rankings, and so that makes our decisions even the more difficult for us today.



Through our work over the last ten days, we are going to present a blueprint, and I would like to highlight some of what is on this list and some of what is not on this list. The first has to do with the cost-of-living increases. There was a great deal of debate about whether we should take the cost-of-living increases away from state employees and teachers. Our discussions were this: Three-quarters of the money that we allocated for the cost-of-living increases goes to teachers. The school districts—because, of course, they have to get ready for the school year well in advance of that school year—already engaged in negotiations with teachers setting their contract pay. They advised us if we took that cost-of-living increase away, they would be in breach of their contracts, would have a very difficult time, and felt that they would have to honor the cost-of-living increases and pay for costly lawsuits.

We were also concerned by input we received from our teachers and our state employees that they were facing the same challenges as everyone else—rising fuel costs, rising food costs—and found it difficult, with a week's notice, to replan their families' budgets. Ultimately we decided, with great difficulty, that the cost-of-living increases would be taken off the table. In the Assembly, we committed to that principle about a week ago and were pleased that the Governor decided to agree with us yesterday.

We also discussed in great detail the securitization plan advanced by our Lieutenant Governor. At one point, we discussed that we very seriously may have to look at it. We weighed the pros and the cons—how much money it would bring in, how much it would cost to bring that money in—and we decided that while we would realize millions, we ultimately would pay by losing about half the funds and then have no funding source left to fund our Millenium Scholarship Program or our Senior Rx Program. Ultimately, we decided not to go forward with it; that it was not a wise investment for our state.

We also discussed at great length the Nevada State Prison issue. There is no doubt that that facility is aging, and of all of the facilities, it is probably the least efficient. But we also did not want to make any hasty decisions. Where would the prisoners go? How many layoffs would there be? Was that the right decision? Were there alternatives? All of that information is going to be gathered. The decision to close is on hold, and this will allow us the opportunity to see whether it is the best decision for our state.

We also discussed the possibility of doing across-the-board cuts versus trying to have targeted cuts. What we finally concluded was that we would target a sum but not engage in across-the-board cuts. We would allow agency directors to work with the Interim Finance Committee [IFC] to try to prioritize to not hurt vulnerable populations, and to present those fully-detailed plans to us through the IFC.

We also developed a full list of cuts to balance the rest of the budget. I do not think anyone in those negotiations—Republicans or Democrats, Senators or Assembly members—liked any one of the cuts on that list. But we must balance the budget, and so we found ourselves trying to choose among those cuts we felt would be the least harmful, and that is what will be presented today in the form of bills. We will have an Assembly Concurrent Resolution which will list the cuts as I just described. We will have mechanical bills transferring the Rainy Day Fund to the state budget; money in the state budget to IFC. We will also have two other matters that are pending that, since we are in session, we felt ripe for consideration. One has to do with the issue of taxation of complimentary items given in the community and how taxes should be assessed on those. The other has to do with the issue of hearings of the Parole Board and deals with the bubble that I think everyone has been keeping up with and how those hearings should be governed.

Half the bills will start in the Senate; half the bills will start in the Assembly. We will use the Committee of the Whole to discuss those bills and then rise up out of the Committee of the Whole to place those bills on General File for consideration. This is not a pleasant special session because of the very difficult decisions we have. It is my hope that in the future, we develop a better financial structure for our state so that we are not in this position again. I thank you all for leaving your homes, coming here, ready and willing to work to make the difficult decisions we have to make in order to have a balanced budget.

I will call on Assemblywoman Gansert.

ASSEMBLYWOMAN GANSERT:

Thank you, Madam Speaker. I agree with you, as I am sure everybody does. No one looked forward to coming here for the special session, but I believe that it is appropriate, and I appreciate that we are here. Given the magnitude of the problem that we face, it is important that we look at this and that many people look at it, and not just a few.

The Governor and the Legislature have taken an incremental approach because the economy has dictated this. This is really the third round that we have been looking at the budget, and we are facing many difficult choices and have tried to do our best at making the sound choices.

One thing we thought was important was that we look at ongoing expenses, not just one-shot money. In what you will see today, there is a combination of both. We are charged with making sound policy and fiscal decisions, and I know we all stand ready to do this in a bipartisan and collegial manner.

It was also important that when we made these decisions, we recognized the public employees and the great respect we have for you. There are no finer employees than the people who are here—the people that have worked hundreds and hundreds of hours to put this together so we can go through this process in a smooth manner. I thank all of you.

We also did talk about the COLA [cost-of-living adjustment]. Looking back, I thought it was important that the State look—and we thought it was important—at ongoing expenditures, and that is why that was on the table for some time. We recognize that there were contracts already out there that would make it difficult. We recognize that public employees are facing the same difficult times that we are facing with gas prices and food prices and everything that is uncertain. I appreciate that we looked at it in a very tough manner and that we did eventually move it off the table; again, showing our respect and admiration for our public employees and recognizing that they, too, need funding.

I also appreciate the K-12 and the higher ed teachers. We have tried to not affect some of those budgets as much as others during this process. This was a time when we moved from a deficit of \$913 million to over \$1.2 billion, where there was a greater effect, and we did have to look at the across-the-board cuts.

Again, the choices we make are very difficult, but they are essential—that we balance this budget. I am proud that we are here working together to come to these solutions, and I thank everyone in this body for being here today.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegüera moved that the Assembly resolve itself into a Committee of the Whole for the purpose of considering Assembly Bills Nos. 1 and 2.

Motion carried.

#### IN COMMITTEE OF THE WHOLE

Assemblywoman Buckley presiding.

Quorum present.

Assembly Bill No. 1 considered.

ASSEMBLYMAN ARBERRY:

Thank you very much, Madam Chair. This will be very brief. We are moving \$36 million from the State General Fund over to Interim Finance so we can manage any shortfalls.

CHAIR BUCKLEY:

Thank you, Assemblyman Arberry. Is there anyone else who would like to provide testimony on Assembly Bill 1? Seeing none, we will close the public hearing on Assembly Bill 1 and will consider Assembly Bill 2.

Assembly Bill No. 2 considered.

ASSEMBLYWOMAN McCLAIN:

Thank you, Madam Chair. BDR [Bill Draft Request] 3218, which is now Assembly Bill 2, is related to the Nevada Supreme Court's recent interpretation of the Sales and Use Tax Act in the case of the *Sparks Nugget v. State Department of Taxation*, 124 Nevada Advance Opinion No. 15 that was issued March 27, 2008. In that case, the Supreme Court determined that under the constitutional tax exemption for food for human consumption, a business is exempt from paying use taxes on complimentary meals that it provides to its patrons and employees. However, the Court has also determined that such complimentary meals may be subject to sales taxes if the business receives consideration from its patrons and employees in exchange for providing the meals.

Assembly Bill 2 clarifies that when a business provides complimentary meals on a regular basis, the business receives valuable benefits for providing those meals including the increased goodwill of its patrons and the convenience of having its employees remain on-site during their meal breaks. Because the business receives valuable benefits for providing those meals, the bill clarifies that those valuable benefits constitute legal consideration, and the provision of the complimentary meals results in taxable transactions that are subject to sales taxes. Because the bill is simply clarifying existing law, not changing it, the bill applies both prospectively and retrospectively. However, the bill does not apply if the collection of taxes with regard to the complimentary meals is prohibited by other laws such as by an applicable statute of limitations.

Finally, the bill applies to any administrative proceedings or court proceedings that are pending when the bill is enacted. Thank you, Madam Chair.

CHAIR BUCKLEY:

Thank you, Assemblywoman McClain. Questions or comments to Assemblywoman McClain? Is there anyone in the audience who would like to provide testimony on Assembly Bill 2? If you do, we have a witness table conveniently located in the center of the room. Seeing none, the Chair will close the public hearing on Assembly Bill 2.

Committee, the Chair is willing to accept a motion on Assembly Bill 1.

Assemblyman Ocegüera moved to do pass Assembly Bill No. 1.

Assemblyman Arberry seconded the motion.

Motion carried.

CHAIR BUCKLEY:

The Chair will accept a motion on Assembly Bill 2.

Assemblywoman McClain moved to do pass Assembly Bill No. 2.

Assemblyman Conklin seconded the motion.

Motion carried.

On motion of Assemblyman Ocegüera, the Committee did rise and report back to the Assembly.

#### ASSEMBLY IN SESSION

At 11:22 a.m.

Madam Speaker presiding.

Quorum present.

#### REPORTS OF COMMITTEES

*Madam Speaker:*

Your Committee of the Whole, to which were referred Assembly Bills Nos. 1, 2, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

BARBARA E. BUCKLEY, *Chair*

## GENERAL FILE AND THIRD READING

Assembly Bill No. 1.

Bill read third time.

Roll call on Assembly Bill No. 1:

YEAS—42.

NAYS—None.

Assembly Bill No. 1 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered immediately transmitted to the Senate.

Assembly Bill No. 2.

Bill read third time.

Remarks by Assemblymen Carpenter and McClain.

Assemblyman Ocegüera requested that the following remarks be entered in the Journal.

ASSEMBLYMAN CARPENTER:

What happens to those entities that have already filed a suit and been ruled on by the Supreme Court? Will they be able to get that money back or just what will happen?

ASSEMBLYWOMAN MCCLAIN:

Thank you, Madam Speaker. It is my understanding that it will affect anything that is pending at the moment.

Roll call on Assembly Bill No. 2:

YEAS—42.

NAYS—None.

Assembly Bill No. 2 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered immediately transmitted to the Senate.

Madam Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 11:28 a.m.

## ASSEMBLY IN SESSION

At 12:51 p.m.

Madam Speaker presiding.

Quorum present.

## INTRODUCTION, FIRST READING AND REFERENCE

By the Committee of the Whole:

Assembly Bill No. 3—AN ACT relating to state financial administration; requiring the transfer of certain money to the State General Fund; and providing other matters properly relating thereto.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

By the Committee of the Whole:

Assembly Bill No. 4—AN ACT relating to health care; revising provisions governing the list of preferred prescription drugs to be used for the Medicaid program; and providing other matters properly relating thereto.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegüera moved that the Assembly resolve itself into a Committee of the Whole for the purpose of considering Assembly Bills No. 3 and 4.

Motion carried.

#### IN COMMITTEE OF THE WHOLE

Assemblywoman Buckley presiding.

Quorum present.

Assembly Bill No. 3 considered.

ASSEMBLYMAN ARBERRY:

Thank you, Madam Chair. Assembly Bill 3 is a bill that will remove some of the funds in the reserves from some of the accounts in agencies such as the Disaster Relief Fund, the Mortgage Lending Division, and also some of the reserves from the deposit of radioactive waste. The agencies will still have money in their reserves; we are just taking some of it to help balance the budget.

CHAIR BUCKLEY:

Thank you, Assemblyman Arberry. Assemblyman Goicoechea?

ASSEMBLYMAN GOICOECHEA:

Madam Chair, am I the only one that has the numbers wrong on the bills?

CHAIR BUCKLEY:

I thought I was the only one who had the numbers wrong on the bills.

ASSEMBLYMAN GOICOECHEA:

Could we reflect that in the record?

CHAIR BUCKLEY:

Yes, it is correctly reflected on the screen, but on your desk, if you will switch the numbers on the two bills, we would appreciate it. Thank you for that clarification.

Are there any members who have any questions for Assemblyman Arberry on Assembly Bill 3? Is there anyone who would like to provide public testimony on Assembly Bill 3? Seeing none, I will close the hearing on Assembly Bill 3 and open the hearing on Assembly Bill 4.

Assembly Bill No. 4 considered.

ASSEMBLYWOMAN LESLIE:

Thank you, Madam Chair. This bill relates to one of the cost-saving measures that is in the budget of the Department of Health and Human Services. It would allow any prescription drug to be placed on the preferred drug list, and it will create cost efficiencies.

CHAIR BUCKLEY:

Thank you, Assemblywoman Leslie. Are there any questions or comments by committee members? Is there anyone who would like to provide public testimony on Assembly Bill 4? Seeing none, the Chair will close the public hearing on Assembly Bill 4 and go back and consider Assembly Bill 3. The Chair would be happy to entertain a motion.

Assemblyman Arberry moved to do pass Assembly Bill No. 3.

Assemblyman Horne seconded the motion.

Motion carried.

CHAIR BUCKLEY:

We will now consider Assembly Bill 4. The Chair would entertain a motion.

Assemblywoman Leslie moved to do pass Assembly Bill No. 4.

Assemblywoman Parnell seconded the motion.

Motion carried.

On motion of Assemblyman Ocegueda, the Committee did rise and report back to the Assembly.

#### ASSEMBLY IN SESSION

At 12:56 p.m.

Madam Speaker presiding.

Quorum present.

#### REPORTS OF COMMITTEES

*Madam Speaker:*

Your Committee of the Whole, to which were referred Assembly Bills Nos. 3, 4, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

BARBARA E. BUCKLEY, *Chair*

#### GENERAL FILE AND THIRD READING

Assembly Bill No. 3.

Bill read third time.

Roll call on Assembly Bill No. 3:

YEAS—42.

NAYS—None.

Assembly Bill No. 3 having received a constitutional majority,

Madam Speaker declared it passed.

Bill ordered immediately transmitted to the Senate.

Assembly Bill No. 4.

Bill read third time.

Roll call on Assembly Bill No. 4:

YEAS—42.

NAYS—None.

Assembly Bill No. 4 having received a constitutional majority,

Madam Speaker declared it passed.

Bill ordered immediately transmitted to the Senate.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, June 27, 2008

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day adopted Assembly Concurrent Resolution No. 1.

SHERRY L. RODRIGUEZ  
*Assistant Secretary of the Senate*

Madam Speaker announced if there were no objections, the Assembly would recess until 1:45 p.m.

Assembly in recess at 1:05 p.m.

ASSEMBLY IN SESSION

At 2:15 p.m.

Madam Speaker presiding.

Quorum present.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, June 27, 2008

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bill No. 1; Senate Bills Nos. 1, 2.

SHERRY L. RODRIGUEZ  
*Assistant Secretary of the Senate*

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 1.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

Senate Bill No. 2.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegüera moved the Assembly resolve itself into a Committee of the Whole for the purpose of considering Senate Bills Nos. 1 and 2.

Motion carried.

IN COMMITTEE OF THE WHOLE

Assemblywoman Buckley presiding.

Quorum present.

Senate Bill No. 1 considered.

CHAIR BUCKLEY:

As Chair of the Committee, I will open the hearing on Senate Bill 1.

ASSEMBLYMAN OCEGUERA:

I am not sure if everyone has the Senate bills.

CHAIR BUCKLEY:

They are in the folders. If you do not have one, raise your hands.

ASSEMBLYMAN OCEGUERA:

Sorry, Madam Chair. We were very efficient. They were in the folders.

CHAIR BUCKLEY:

Our staff continues to amaze us and we are very appreciative.

Who would like to present Senate Bill 1? How about Assemblyman Arberry?

ASSEMBLYMAN ARBERRY:

Thank you, Madam Chair. As you know, Senate Bill 1 is the Rainy Day Fund, and we are raining and it is storming outside, so we are moving it from the State General Fund so we can make it a better place to survive.

CHAIR BUCKLEY:

Questions for the sponsor or the presenter of the bill? Would anyone like to provide testimony on Senate Bill 1? Seeing none, the Chair will close the hearing on Senate Bill 1 and open the hearing on Senate Bill 2.

Senate Bill No. 2 considered.

ASSEMBLYWOMAN LESLIE:

This bill provides the Department of Health and Human Services some flexibility to move money within budget accounts. It is particularly important in times like this when the Medicaid caseload is growing, the welfare caseload is growing, and yet our current law has a cap that actually prohibits the Director from coming to the IFC [Interim Finance Committee] and requesting more funds. If we pass this, if he has extra savings in Mental Health or some other division within the Department, he will be able to move that money to cover the growing caseload. Now he cannot do that without coming to the IFC through the usual process, presenting the work program, and having it reviewed by our staff and approved by the IFC.

This is something we have not done in the past. I think we should go ahead and give it a try this time, but it does only last through this interim because what we are actually doing with this bill is amending the back language in the Appropriations Act. When the current Appropriations Act ends on June 30, 2009, this provision will also end.

CHAIR BUCKLEY:

Thank you, Assemblywoman Leslie. Questions of the Committee for the Assemblywoman? Would anyone from the public like to provide any testimony on Senate Bill 2? Seeing none, the Chair will close the public hearing on Senate Bill 2, and I will go ahead and return to Senate Bill 1. The Chair would be ready to entertain a motion.

Assemblyman Arberry moved to do pass Senate Bill No. 1.

Assemblyman Conklin seconded the motion.

Motion carried.

CHAIR BUCKLEY:

I will now call for the vote on Senate Bill 2. The Chair would be happy to entertain a motion.



Assemblyman Mabey moved to do pass Senate Bill No. 2.  
Assemblyman Atkinson seconded the motion.  
Motion carried.

On motion of Assemblyman Ocegüera, the Committee did rise and report back to the Assembly.

#### ASSEMBLY IN SESSION

At 2:10 p.m.  
Madam Speaker presiding.  
Quorum present.

#### REPORTS OF COMMITTEES

*Madam Speaker:*

Your Committee of the Whole, to which were referred Senate Bills Nos. 1, 2, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

BARBARA E. BUCKLEY, *Chair*

#### GENERAL FILE AND THIRD READING

Senate Bill No. 1.  
Bill read third time.  
Roll call on Senate Bill No. 1:  
YEAS—42.  
NAYS—None.

Senate Bill No. 1 having received a constitutional majority,  
Madam Speaker declared it passed.  
Bill ordered transmitted to the Senate.

Senate Bill No. 2.  
Bill read third time.  
Roll call on Senate Bill No. 2:  
YEAS—42.  
NAYS—None.

Senate Bill No. 2 having received a constitutional majority,  
Madam Speaker declared it passed.  
Bill ordered transmitted to the Senate.

Madam Speaker announced if there were no objections, the Assembly would recess until 3:30 p.m.

Assembly in recess at 2:24 p.m.

#### ASSEMBLY IN SESSION

At 7:34 p.m.  
Madam Speaker presiding.  
Quorum present.

## MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, June 27, 2008

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bill No. 3.

Also, I have the honor to inform your honorable body that the Senate on this day passed Senate Bills Nos. 4, 5.

SHERRY L. RODRIGUEZ  
*Assistant Secretary of the Senate*

## MOTIONS, RESOLUTIONS AND NOTICES

By the Committee of the Whole:

Assembly Concurrent Resolution No. 2—Expressing the reductions in expenditures approved by the Nevada Legislature during the 24th Special Session.

Assemblyman Ocegüera moved that the resolution be referred to the Committee of the Whole.

Motion carried.

## INTRODUCTION, FIRST READING AND REFERENCE

By the Committee of the Whole:

Assembly Bill No. 5—AN ACT relating to state financial administration; authorizing allocation of the proceeds of certain general obligation bonds to the Department of Transportation for the construction, reconstruction, improvement and maintenance of highways; and providing other matters properly relating thereto.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

Senate Bill No. 4.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

Senate Bill No. 5.

Assemblyman Ocegüera moved that the bill be referred to the Committee of the Whole.

Motion carried.

## MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Ocegüera moved that the Assembly resolve itself into a Committee of the Whole for the purpose of considering Assembly Bill No. 5; Assembly Concurrent Resolution No. 2; and Senate Bills Nos. 4 and 5.

Motion carried.

## IN COMMITTEE OF THE WHOLE

Assemblywoman Buckley presiding.

Quorum present.

Assembly Concurrent Resolution No. 2 considered.

CHAIR BUCKLEY:

I will now open the hearing on A.C.R. 2. Assemblywoman Leslie?

ASSEMBLYWOMAN LESLIE:

Thank you, Madam Chair. This is probably the saddest measure of the day, but we all know these are difficult times. What this resolution represents is our plan to reach the projected shortfall—if you flip to the last page, the big number is over \$275 million.

Some of the things in this resolution you have heard about previously or you are about to hear about in the bills coming up as far as the policy. Those other bills are companion bills to this resolution, giving the authority in some of the statutes for us to be able to make some of these budget reductions. I am not going to go through every single one, but I will be happy to answer questions if there is something in there that you need more information about.

The first one in point 1 on page 2 is the additional reductions of \$106 million in the budgets of state agencies. What that represents is the reduction from the 4 percent across-the-board cut that the Governor was talking about. This represents the 3 percent targeted budget cuts that we have agreed to with the Senate. How this is going to work is the agencies are going to be asked to reduce their 4 percent budget reduction plan that they submitted to the Budget office, to their recommendations for how, specifically, they would cut to 3 percent. Those work programs will be prepared in the next few weeks, and they will come to an Interim Finance meeting for further review and approval. The total amount of the budget cuts totals the \$106 million that you see there, and it is about 3 percent for state agencies.

Let me go through this, and then I will come back to any questions that you have.

There are some budget reductions that occur in the tobacco funds in a couple of places. Number 2, you will see the \$27.3 million from the Trust Fund for Public Health. This is the trust fund that was set up to be funded over time with 10 percent of the tobacco money. What we are doing is removing the principal that is currently available in that fund, and over time it will be replenished. The authority for the Trust Fund for Public Health will remain, but we will be sweeping that fund to get the money to meet the deficit.

The one right below it, number 3, you will see a redirection of \$4.4 million, and that is the estimated receipts that the Trust Fund would have received for the next fiscal year. So we are taking the money that is in it now, we are taking the money for next year, and then hopefully after that the economy will have improved and that 10 percent of the tobacco funding will go into it every year, and it will build up from there.

Number 4 is what you heard a lot of testimony about in the Senate today; you will hear some more in a minute. That has the trigger for the \$47 million reduction in the textbook funding.

Number 5 is the estimated amount from the tax amnesty program—about \$4 million.

Number 6 is the unclaimed property. Back in 2005, we agreed to transfer \$7.6 million in the next fiscal year from the Unclaimed Property Account to help extend the life of the Millennium Scholarship. By taking that money, we are not taking a scholarship away from any student. It simply will reduce the amount of time in the future—in the next decade—when the Millennium Scholarships will run out. Hopefully by then the economy will have improved, and we will again be able to start contributing General Fund dollars to the Millennium Scholarship Program.

There are some minor things in there. Number 9, Project Challenge, that reversion of \$600,000 means that we are not starting our own Project Challenge program here in Nevada, but there is still money in that account, and we will continue to send youth who want to participate in Project Challenge to the Arizona program as we always had done. It just means we are not creating a new program in Nevada.

Number 10, again goes back to some of the tobacco settlement payments. We are redirecting \$4.2 million there. We think there is going to be a way, working with Mr. Willden, to extend the most critical grants. It is not sweeping all of the money; there is still

a lot of money left there, but you may see a reduction in tobacco cessation programs. We pledge to work with Mr. Willden to make sure that the senior independent living programs continue, and I think most of the grants will be able to continue.

In Number 11, we have taken some reserves from the Senior Rx Program. Any senior who is enrolled right now in that program will continue to be enrolled in that program. This is a reserve amount that we are taking.

There are some other reversions in the next few points that we have already talked about earlier today.

I might note as Chair of the Legislative Committee on Health Care that you will see on Number 15 that I and both my colleagues from southern Nevada were very frugal with our money, and we are reverting \$200,000 from the Legislative Committee on Health Care this interim.

The other reversions we've already talked about. Probably the last thing I would need to comment on is under "Resolved" on page 4 where it talks about the Department of Corrections. What the next couple of paragraphs represent is instead of closing the Nevada State Prison in Carson City, we are directing the Department of Corrections to come back with some alternatives and a plan for outlining capacity and projected occupancy of all of the correctional facilities. Those plans will come back to the Interim Finance Committee. We will look at their alternatives, we will look at the work programs that they bring back, we will review those, and then the Interim Finance Committee will approve the work programs. So there will be legislative oversight over any direction that the prison changes—any reductions in the Department of Correction's budget.

Again, that totals over \$275 million. We have Fiscal staff here to help answer any specific questions that you might have on any of these items, Madam Chair.

CHAIR BUCKLEY:

Thank you, Assemblywoman Leslie. Questions of the committee for Assemblywoman Leslie? I think I will ask Paul Dugan if he would come down. Paul, you had signed in to testify on the other bill, but because the textbook issue is in this concurrent resolution, I would ask that you provide some testimony about the textbook issue since it has been much discussed in the building today.

PAUL DUGAN, PRESIDENT, NEVADA ASSOCIATION OF SCHOOL SUPERINTENDENTS:

Assembly Chair, members of the Assembly. For the record, my name is Paul Dugan, and while I am Superintendent for the Washoe County School District, I am here tonight as the incoming President of the Nevada Association of School Superintendents. First, I would like to thank the leadership of this Assembly and the leadership of the Senate for including our own leadership of the Superintendents' Association in these discussions prior to today. That would include involving the outgoing President, Mary Pierczynski, Superintendent of the Carson City School District; and the incoming Vice President for the Association, Walt Rulffes, Superintendent of Clark County School District.

I also would like to thank this Assembly and the Senate and the Governor for maintaining the cost-of-living allowance not only for our teachers and our administrators, but equally if not more importantly, for our bus drivers, custodians, and teacher assistants. We believe that these cost-of-living allowances were negotiated in good faith, and we appreciate your willingness to leave those intact.

Having said that, I understand with the seriousness of the economic situation and the challenge you have, clearly K-12 had to bear a significant amount of these cuts. We did, in fact, agree with the textbook cuts as presented. We believe back in 2003—as you know better than I—when the Assembly and the Senate passed additional funding for textbooks, every district in this state received a benefit that was considerable, and since 2003 until now, every district is much better off with regards to its ability to provide textbooks and instructional materials and hardware to our students. We look at this as a moratorium for one year. This will not mean that students do not have textbooks. What it may mean is that in some districts, it may be necessary to postpone the adoption of new textbooks, but students will continue to have textbooks—they just may not be as recent as we would all like them to be. But I want to assure the Assembly, as I did in the Senate, that there will be no complete stopping of devoting money toward textbooks

and other materials. We understand the difficulty that you have here tonight, and again, we appreciate our involvement, and we support the temporary cessation of half the funds to the textbook account. Thank you very much.

CHAIR BUCKLEY:

Mr. Dugan, if you had your choice between stopping cost-of-living increases or increasing class size or further cuts to the classroom and taking away half the textbook money for one year with a trigger so that if things are better it gets restored, which do you choose?

PAUL DUGAN:

We choose the textbooks.

CHAIR BUCKLEY:

Any other questions from any committee members? Assemblyman Hardy?

ASSEMBLYMAN HARDY:

Thank you, Madam Chair. We have heard in the building a question about how much money goes to each child and will that preclude computers and other informational opportunities per child. Could you address the actual money that goes to each child as it would be reduced to half the amount that was originally proposed?

CHAIR BUCKLEY:

Thank you, Assemblyman Hardy. Mr. Dugan?

PAUL DUGAN:

Assemblyman Hardy, while I am certainly not an expert on the minimum expenditure requirement, my understanding is that currently we have a total textbook budget of approximately \$90 million, which is being recommended to be cut by \$47 million. The additional money that will remain will be designated to go for textbooks, and hardware in all of our 17 districts. I am not aware of the exact amount of per-pupil funding. The number that comes to my mind is that \$50 number. In essence, whatever Washoe County School District's portion of the \$47 million is—when we are told what that amount is—we will use that money to spend on textbooks, hardware, and instructional supplies. I apologize for not knowing the exact number.

CHAIR BUCKLEY:

Assemblywoman Smith, do you know the exact number per student?

ASSEMBLYWOMAN SMITH:

Thank you, Madam Chair. Currently, the number works out to a little over \$200 per student. It varies by district. That is in the category that we call "fenced off" for textbooks, instructional supplies, and instructional hardware. I will provide some further information when we actually hear the bill.

CHAIR BUCKLEY:

Thank you, Assemblywoman Smith. Any further questions for Mr. Dugan? Assemblywoman Gansert?

ASSEMBLYWOMAN GANSERT:

Thank you, Madam Chair. I am looking at the numbers. This is just a one-year moratorium and it looks like last year you had almost \$91 million. Was all that money spent?

PAUL DUGAN:

Correct.

ASSEMBLYWOMAN GANSERT:

That was spent. Okay. As far as an example of what may happen in Washoe County, what is the plan with this deferral?

PAUL DUGAN:

I think what will occur in Washoe County is that we will continue to postpone the adoption of our K-5 textbook. That will mean we will continue to use what we currently have, and we will just postpone for another year the adoption of our science textbooks. In other districts, it could include postponement of adopting others, whether it be math or social studies or whatever, but we view this as a postponement.

ASSEMBLYWOMAN GANSERT:

Again, for Washoe County, it is just one textbook or one point of curriculum—the science is what you are planning? So everything else is on track for what you wanted to do?

PAUL DUGAN:

That is correct.

ASSEMBLYWOMAN GANSERT:

So just the science textbook. Again, the superintendents brought this, I believe, to leadership when they were asked their preference as far as cuts?

PAUL DUGAN:

That is correct.

ASSEMBLYWOMAN GANSERT:

It is obvious that all these cuts are very, very difficult and this one in particular so I appreciate the sensitivity of it and you for testifying. Thank you.

CHAIR BUCKLEY:

Thank you, Assemblywoman Gansert. Any other questions for Mr. Dugan? Assemblyman Munford?

ASSEMBLYMAN MUNFORD:

I know that the superintendents and all the other administrative personnel support this textbook idea, and I do, too. But I just wanted to know if there was any reaction from the general classroom teacher. I hear everyone else talking about it. What did the classroom teachers say and their preference? I know they probably want the COLA, but they did not know about the textbooks. I just want to know what their feelings might have been.

CHAIR BUCKLEY:

Mr. Dugan?

PAUL DUGAN:

Thank you, Assemblyman Munford. You are correct. The teachers and the administrators and the classified employees, all of whom benefit from the 4 percent COLA, made it very clear that that was their number one priority, partly because we had in good faith negotiated with them and ratified a contract and felt that that was the right thing to do.

As far as what their feelings are about the textbooks, my assumption would be—because we really did not have the time as this came to discussion to poll our teachers—but I have no doubt that our teachers in the Washoe County School District, if given the choice between the COLA and the postponement of textbook adoption for a year, the overwhelmingly vast majority of them would support the moratorium for one year on the textbooks.

CHAIR BUCKLEY:

Thank you, Assemblyman Munford. Any other questions for Mr. Dugan? Mr. Dugan, thank you for your testimony. Is there anyone from the public who would like to provide testimony on Assembly Concurrent Resolution No. 2? Are there any Assembly members who would like to present further questions to the sponsor or to our Fiscal Analysis Division? Assemblywoman Leslie?

ASSEMBLYWOMAN LESLIE:

Thank you, Madam Chair. I neglected to say—and I do want to get this on the record—in Number 1, the additional reductions of \$106 million in the budgets of state agencies, does indeed

include higher education and K-12. That is about a 3 percent reduction in the operating budgets of all state agencies.

CHAIR BUCKLEY:

If I understand it, the target is \$106 million, and it does not necessitate an across-the-board cut. It allows the flexibility that if one budget item is being hurt and would be draconian—to have the flexibility, as long as it balances, subject to working with the Interim Finance Committee. Is that correct?

ASSEMBLYWOMAN LESLIE:

That is my understanding as well. The Interim Finance Committee will look at each work program after our Fiscal staff has had the opportunity to go out and meet with the different agencies. All of that will be brought forward to IFC at a meeting—probably mid- to late July—and those final approvals will be made in that process.

CHAIR BUCKLEY:

And the addition of these other items, these other cuts, reduce the overall impact on all of the agencies. I think most folks know that education is 55 percent of our budget, health and human services is 20 percent, so it is hard to exempt these important agencies from cuts because they represent so much of our budget.

Other questions, comments? Assemblyman Hardy?

ASSEMBLYMAN HARDY:

Thank you, Madam Chair. I take it, then, that that flexibility that we are talking about in this particular budget is extended to each and every one of the ones we are talking about in this process, for the record?

CHAIR BUCKLEY:

For all of the additional reductions of the \$106 million. Everything that is included in that.

ASSEMBLYMAN HARDY:

I would ask for all of the other numbers 1 through whatever—that the agency has that same ability as we have talked about, with the flexibility of moving, or is it just the Health and Human Services and the Education?

CHAIR BUCKLEY:

Assemblywoman Leslie?

ASSEMBLYWOMAN LESLIE:

Thank you, Madam Chair. Yes, those comments reflect Number 1 only; just the state agency—the flexibility.

CHAIR BUCKLEY:

We do have an accompanying measure, however, that we have approved with regard to Health and Human Services that allows flexibility between budget accounts if it is brought to IFC through the transitory language that was approved today.

ASSEMBLYWOMAN LESLIE:

Correct.

CHAIR BUCKLEY:

Assemblyman Stewart?

ASSEMBLYMAN STEWART:

Thank you, Madam Chair. As the most recently retired teacher in the body, I am going to risk speaking for the teachers of Nevada and say that I think this difficult situation—the textbook solution—is the best solution. If I am wrong, I hope they will all email me as they have about the COLAs.

CHAIR BUCKLEY:

Thank you, Assemblyman Stewart. Assemblyman Beers?

ASSEMBLYMAN BEERS:

Thank you, Madam Chair. I agree with my neighbor. In a difficult situation, this looks to be the best. As one who has spent some time in the classroom and will be doing that again, I am probably going to be pushing the yellow button because of potential conflict of interest. But I have also seen the newer textbooks, and I have seen some of the older textbooks. Quite frankly, I would rather teach out of the older textbooks, so there you go.

CHAIR BUCKLEY:

But Pluto is not a planet anymore. Assemblyman Horne?

ASSEMBLYMAN HORNE:

Thank you, Madam Chair. I would like to draw your attention to item Number 5, the estimated revenues of \$4 million from the tax amnesty program. I understand we are in very tough times, but I just want to put on the record that a majority of our business owners, who are also suffering during these economic times, are paying their taxes. They are doing the right thing, and they are not getting a break. This \$4 million is an estimate from the ones who are not doing the right thing. The policy basically says, "Please. You are not paying your taxes, but we are having a tough time. Could you just pay the principal you owe, and we will forget about the rest?" They are getting a reward for not doing what everybody else is doing when probably the posture that should be taken is, "Everyone is carrying their load but you. Buck up or we are coming after you." This is simple. I understand why we are doing it; I just don't like it.

CHAIR BUCKLEY:

I would also note, however, that we are not establishing the tax amnesty program through this resolution. That was established by Executive Order. All we are doing now is collecting the money.

Assemblywoman Gansert?

ASSEMBLYWOMAN GANSERT:

Thank you, Madam Chair. I was looking at item Number 7. Given that we are draining the Rainy Day Fund and so many other things, I wanted to make sure that we are able to recognize that we are taking \$4 million from the Disaster Relief Account, but I believe we still have over \$5 million.

CHAIR BUCKLEY:

Five million, six hundred thousand dollars is still remaining.

ASSEMBLYWOMAN GANSERT:

Then on Number 13, the \$4 million from the fund for the care of the sites for the disposal of radioactive—I am understanding that is not Yucca Mountain money?

CHAIR BUCKLEY:

That is Beatty money, and there is still is a balance, Assemblywoman Leslie, of —

ASSEMBLYWOMAN LESLIE:

—of \$9 million, and we have been told that is sufficient.

CHAIR BUCKLEY:

Thank you. Assemblyman Christensen?

ASSEMBLYMAN CHRISTENSEN:

Thank you, Madam Chair. I have a quick question probably best directed to the Minority Leader. With respect to the disaster relief money—because I think we need to have funds there in case bad things happen—to put that in perspective, the \$5 million that we would have left over after this \$4 million is reverted, what was the State's cost on the Fernley incident?



ASSEMBLYWOMAN GANSERT:

I believe that came out of another account. I was thinking it was \$1.7 million or was it \$1.2 million? Was that out of the homeowner account? I think Mark Stevens may be able to answer that.

CHAIR BUCKLEY:

Assemblywoman Leslie?

ASSEMBLYWOMAN LESLIE:

I believe we have not made an appropriation from the General Fund for the Fernley disaster.

CHAIR BUCKLEY:

The homeowner disaster fund—do we know what the balance is? We will check into it and make sure everyone knows.

ASSEMBLYWOMAN GANSERT:

I thought it was the homeowner disaster; so it is not that account? I think the account we were talking account—Disaster Relief—was more for fires and things like that.

CHAIR BUCKLEY:

Right. We have set up several different funds over the sessions. I am not sure of the exact name, but it is basically for homeowner disasters.

Any further questions? Assemblyman Carpenter?

ASSEMBLYMAN CARPENTER:

Thank you, Madam Chair. In regard to the disaster relief for homeowners, most of you probably know there was an earthquake in Wells. We had a fundraising project to help the people refurbish and repair their homes. We were able to raise in the neighborhood of over \$400,000 and so it just goes to show you that if you put your mind to doing something and do it on the local level, you really do not have to come to the State for help. I just wanted to mention that. Thank you.

CHAIR BUCKLEY:

Any further questions or comments on Assembly Concurrent Resolution No. 2? Seeing none, I will close the public hearing on A.C.R. 2, and I will open the hearing on Assembly Bill 5.

Assembly Bill No. 5 considered.

CHAIR BUCKLEY:

Assemblyman Atkinson?

ASSEMBLYMAN ATKINSON:

Thank you, Madam Chair. Assembly Bill 5 authorizes allocation of the proceeds of certain general obligation bonds for certain projects of the Department of Transportation. Further, pursuant to paragraph 18 of A.C.R. 2, Assembly Bill 5 allows for—because we are cutting \$50 million from highway construction and maintenance projects—this allows for the Department to bond up to \$20 million so they will have the money to continue with projects. Thank you.

CHAIR BUCKLEY:

Thank you, Assemblyman Atkinson. Assemblywoman Gansert?

ASSEMBLYWOMAN GANSERT:

Thank you, Madam Chair. I have one question. It was my understanding that the \$50 million was primarily coming out of maintenance from northern Nevada roads. Do we have anything that says the \$20 million that we are giving in bonds has to go towards those same projects versus being shifted somewhere else?

CHAIR BUCKLEY:

Assemblyman Atkinson?

ASSEMBLYMAN ATKINSON:

Thank you, Madam Chair. I am reading it, and it does not directly say that, but I am assuming that that would be the idea from the Department of Transportation. The Director is here.

CHAIR BUCKLEY:

We have the Director in the audience, but I understand the intent of the bonds was to help replace some of the General Fund money, and obviously if most of it came from northern Nevada, the bond money would be spent there as well. I assume it would be done on the prioritization basis that the Department undertakes.

Susan, if you would just identify yourself and comment on the question, please?

SUSAN MARTINOVICH, DIRECTOR, DEPARTMENT OF TRANSPORTATION:

Thank you, Madam Chair. Susan Martinovich, Director of the Department of Transportation. Assemblywoman Gansert, yes, that would be the intent. Right now, we have utilized the funding we received from A.B. 544 towards our I-15 design/build project. That project was awarded; it is out on the street. We need to pay that; it is a priority project for the State for the I-15 corridor. We need to supplement that \$50 million from state money to pay for that project. The only things we have left are preservation projects and those projects—we didn't just say, "Let's take them out of the north." They were prioritized. We have a very extensive pavement preservation process. Every road is evaluated every year and then prioritized based on condition, based on volumes of traffic, based on a magnitude of items. The next projects that were ready to go and based on the priority were primarily in northern Nevada and in Eureka and Mineral Counties. Those are the ones that we do have to postpone, so any money we get back will definitely go back into our pavement preservation program.

ASSEMBLYWOMAN GANSERT:

Since they are at the top—or they are in the queue now, will they be back in the queue so when the money is available again those will go to the top?

SUSAN MARTINOVICH:

Not necessarily. What we will do is reevaluate the other system and roadways. Definitely they will be ready to go, but we do reevaluate. If there is a roadway that has a higher traffic volume and a higher priority, it would be moved up, but those projects will still be in the queue, and as funding is available, we work down that.

ASSEMBLYWOMAN GANSERT:

It was my hope that there would be a deferral and that the lineup would pretty much stay the same. Thank you.

CHAIR BUCKLEY:

Assemblywoman Smith?

ASSEMBLYWOMAN SMITH:

Thank you, Madam Chair. My concerns are much the same as my colleague's from Washoe County. If I understand this correctly, the changes will go to the Board of Examiners and then IFC. Is that right?

SUSAN MARTINOVICH:

That is my understanding of the bill. We would work through there and then through IFC, and as part of that, we would have the list of projects we were expending this funding towards.

ASSEMBLYWOMAN SMITH:

So we would have further opportunity to review that. Thank you.

CHAIR BUCKLEY:

Any further questions? Thank you very much, Susan, for your testimony. Are there any further questions, comments on Assembly Bill 5? Anyone like to provide testimony from the

audience on Assembly Bill 5? Seeing none, I will close the public hearing on Assembly Bill 5 and open the hearing on Senate Bill 4.

Senate Bill No. 4 considered.

CHAIR BUCKLEY:

Assemblyman Parks, would you present this bill?

ASSEMBLYMAN PARKS:

Thank you, Madam Chair. Senate Bill 4 suspends for a period of one year the procedural provisions approved in section 10.5 of Senate Bill 471, which was approved last year. That section provided statutory rights to inmates eligible for parole—you can read them on page 3 of the bill; it is the language that has been stricken. I would like to offer some background as to how this legislation came into effect because I think it plays very strongly in where we are at this point.

It is my understanding that not so many years ago, the Parole Board operated under the open meeting law. Gradually over recent years, the Parole Board ceased to follow the open meeting law when conducting their parole hearings. Last year in committee, we heard testimony on Assembly Bill 416, a bill brought to the Assembly by our colleague from Assembly District 6, Assemblyman Munford. In that bill, section 25 called for the Parole Board to comply with the open meeting law. The language in front of you tonight would make it easier for the Parole Board to hear parole applications and move through the backlog of inmates waiting for their parole hearings. At this time, there are approximately 900 inmates eligible for parole hearings, and this bill would hopefully speed up the process and move those eligible—and I must emphasize, qualified—for parole out of prison.

As for savings, there are assumed to be some anticipated savings that would be realized in the Corrections budget; however, there are no savings that have been calculated at this time. With that, Madam Chair, I will yield the floor.

CHAIR BUCKLEY:

We have two witnesses signed in to testify, Dorla Salling and David Smith, if they would please come up to the podium. We thank you for coming to our Assembly Chamber, and we appreciate you being here today. Please identify yourself for the record, and if you would give us your position on the bill and your thoughts with regard to it, we would appreciate it.

DORLA SALLING, CHAIR, NEVADA BOARD OF PAROLE COMMISSIONERS:

Thank you, Madam Chair and members of the Assembly. For the record, I am Dorla Salling, chair of the Nevada Board of Parole Commissioners, and with me today is David Smith, who is the management analyst for the Board and does all of our statistical projections.

The Board was invited to prepare some suggestions that perhaps would alleviate the backlog of parole hearings. We did do that, and as a result of working with the LCB [Legislative Counsel Bureau] Fiscal and Legal staff, I believe that the bill as you currently see it was created. The Board would be in favor of this. As Speaker and as Mr. Parks have identified, we do presently have a backlog of 900 inmates who are eligible for parole. We believe that the passage of this bill would allow us to get rid of that bubble, hopefully once and for all, and do so in a manner that would protect public safety, which we believe is paramount. We would do that and then go back to being able to see inmates face-to-face. It is certainly not our intention—even though the bill says that we would be exempt until July 1, 2009, we would just utilize this provision to get through the backlog, which we anticipate perhaps being able to do in three to four months, then go back to what we had been doing, seeing a majority of the inmates in a face-to-face manner and hopefully within two or three months of their eligibility, thereby giving them the opportunity to prepare their parole plans and go out into the community if they are going to be paroled in a timely manner.

Where the savings would come in, as Mr. Parks identified, would be those inmates that are going to be paroled would get out on time and be out. Those who are not going to be paroled then could be denied as they would otherwise. Mr. Smith, as our statistician, may have something to add. I would certainly invite your questions.

CHAIR BUCKLEY:  
Assemblyman Anderson?

ASSEMBLYMAN ANDERSON:

Thank you, Madam Chair. I am concerned about this particular issue. The Legislature has had an ongoing discussion. If you may recall, Ms. Salling, we had an interim study committee that I believe Mr. Horne chaired between the 2005 and 2007 Sessions, which my colleague from Elko County, Mr. Carpenter, and I served on. Then we had the Select Committee, which Mr. Parks chaired and which Mr. Carpenter and I again served on, as did Ms. McClain. There is an ongoing committee that Justice Hardesty has been meeting monthly on, and you are a member of the Advisory Commission on the Administration of Justice. So this is an issue we have been following now for some time.

I think you had the opportunity to go to Interim Finance at an earlier time—earlier than November—to take up this question, in part to get additional funding if it was necessary to hold hearings, to get it expedited. That would be the first of my questions: Why didn't you approach one of the Interim Finance Committees to bring this about? Maybe you could help me with that first one.

DORLA SALLING:

Through the Chair to Mr. Anderson. Mr. Anderson, we have been to Interim Finance a number of times to tap the money that was set aside for that purpose. We have gotten money. Senate Bill 471 did not go into effect until October 1. We did get the money; we are in the process of hiring. Fortunately or unfortunately, depending upon how you want to look at it, the personnel rules within the state of Nevada are very involved. You cannot just get the money and hire people. These positions to expedite the hearings require going through the Personnel Department—they have all been very, very helpful, but everything has to go through the Budget office and the process that is set in place—and there is just a number of levels of things that have to be done.

We did get money. We have hired a number of the positions, but unfortunately, as I testified before the bills were passed, it all takes time. Meanwhile, the Board has worked 8 hours, 10 hours, 12 hours a day, as fast as we could to get the hearings done.

ASSEMBLYMAN ANDERSON:

I guess that is where part of my frustration comes from, Madam Chair. Knowing that the bill had passed and there were going to be potential problems and knowing that hiring and staffing were problems, rather than preparing for legislation that you saw was coming, you waited until its implementation date and final passage, and I am greatly concerned that this is your excuse as to why we now have this bubble.

DORLA SALLING:

Through the Chair to Mr. Anderson, that is not correct. I am sorry that you are misinformed. I met with members of the Senate and with members of the Assembly during the last session when there was some discussion regarding the possibility of passing an open meeting law, which actually Senate Bill 471 has a number of those provisions in it. Senate Bill 471 itself was passed in the last day of the session, and we were not asked for any input whatsoever. Then in the fall before October 1 when this was to become effective, I met with the leaders of the Legislature and the Governor to explain what this was going to mean to us and that it was—in fact, I believe I am quoted numerous times saying it was going to be a train wreck because we could see that this would happen—that, coupled with A.B. 510, which doubled credits of so many offenders, as soon as those laws came into effect, we were behind the first day they became effective. And there is no way that seven people could ever catch up. Again, we will eventually catch up without this bill or with this bill, but we were asked to provide a solution, and we came up with something, and then it has been revised. If you would like to pass it, we will do everything we can to implement. But that is certainly your call.

ASSEMBLYMAN ANDERSON:

I will not take umbrage at my lack of knowledge on the three-year trek and the passage of Assembly Bill 416, which we anticipated in this House was going to go through. While it came

back in the special session as an additional piece of legislation and thus you can use the dates, in reality I think you were at the hearings in the Assembly Chamber and in the Select Committee where these issues were discussed.

The other question I want clarified if we are going to move forward with this piece of legislation is about these 900 individuals who are in the bubble. All this will do is provide them with a hearing. It does not mean that they are immediately going to get out onto the street. If the denial rate holds true, we might only anticipate maybe 10 percent of these might be favorable. Is that an incorrect assumption?

CHAIR BUCKLEY:  
Ms. Salling?

DORLA SALLING:

Through the Chair to Mr. Anderson, yes, it is. Our parole grant rate on the mandatory release inmates is running around 60 to 70 percent. On the discretionary inmates, it is running around 50 percent. Of course, we have no way of knowing until we see these people if we are going to parole them or not parole them; again, public safety being the main concern. If it holds true, 50 percent of those people will be seen much sooner than they would have otherwise.

ASSEMBLYMAN ANDERSON:

So then if we pass S.B. 4, we will have what we have been looking for now for three years, that is, an opportunity that these people will absolutely have a hearing. And you are in a position to see that happen in what kind of a time frame?

DORLA SALLING:

Through the Chair to Mr. Anderson. Inmates have always had parole hearings, and the majority of them have always been seen face-to-face. The history of it is the only reason—

CHAIR BUCKLEY:

Ms. Salling, we do not have time for the history of it. If you could just answer the question, please.

DORLA SALLING:

Yes, they will have the hearings that they have always had and we should reduce the bubble.

ASSEMBLYMAN ANDERSON:

And what is your anticipated level of reducing the 900 number by?

DAVID SMITH, MANAGEMENT ANALYST, BOARD OF PAROLE COMMISSIONERS

Mr. Anderson, David Smith for the record. I want to be clear on this. What this language will do is allow the Board to conduct the hearings *in absentia*. Currently, the Parole Board has to provide personal hearings for these inmates. Each month that we hold hearings, more inmates become eligible for parole. What our intention would be is for the next two to three months, we would still schedule a hearing, victims would be allowed to testify at the hearing, and the inmates would not be there. The Board would deny parole to those inmates who they believe are not suitable for release on parole and grant parole to inmates who are low risk or who are suitable for parole. By doing this, we can handle a large number of cases in a day. Once we have the backlog caught up and we have a reasonable lead time for the remaining people, as we go forward every month we will resume the videoconference hearings, the face-to-face hearings, and allow the inmates to participate again in the hearings.

ASSEMBLYMAN ANDERSON:

Thank you. Thank you, Madam Chair.

CHAIR BUCKLEY:

Thank you, Assemblyman Anderson. Assemblyman Horne?

ASSEMBLYMAN HORNE:

Thank you, Madam Chair. Just for clarification to make sure after this year has gone by where you are allowed to eliminate this bubble and these provisions would come back into

effect—you are going to have that additional time to hire personnel to aid you in conducting these parole hearings, and we are not going to have another bubble. We are not going to come back in 2011 saying we need to repeal it again because we have a bubble because we have not been able to hire anybody, et cetera, et cetera.

DAVID SMITH:

Mr. Horne, over the years the Parole Board has increased its caseload because of prison population—

CHAIR BUCKLEY:

Mr. Smith, I am sorry, but I am going to have to ask you to answer the question, please. Will this additional year allow you to hire the staff so that when you approach the implementation date, you will be able to start fresh and not have an additional bubble?

DAVID SMITH:

Provided the prison population does not outgrow the resources that the Board has, the answer would be yes, we would be able to do that.

CHAIR BUCKLEY:

Thank you, Assemblyman Horne. Any further questions of the witnesses? I do not see any. Thank you very much for your testimony.

Is there any other committee member that has a question of the sponsor? Seeing none, I will close the public hearing on Senate Bill 4 and open the hearing on Senate Bill 5.

This is the textbook bill. Assemblywoman Smith, I know I probably will not have the same testimony, we will just reflect it in this bill, but are there any additional comments you would like to make with regard to this bill?

### Senate Bill No. 5 considered.

ASSEMBLYWOMAN SMITH:

Yes, thank you, Madam Chair. I just wanted to clarify. As we have already heard in the previous bill when we discussed the textbook issue, there will be \$47 million—hopefully just delayed—in textbook money. This bill does a couple of things that are important to this issue. It is the only item we have in the upcoming cuts that actually has a trigger mechanism built in. If you look at section 4, there is a provision in the language that if the Economic Forum numbers come in at a certain rate, this money can be replenished, and if it does not all come in, it can be replenished at a proportionate rate.

The second item gives the districts some flexibility. As we previously mentioned, the money for textbooks, instructional supplies, and instructional hardware is typically fenced off so that the districts are required to spend that money appropriated every year just on those items. If they do not spend that money down, it does not go to other items; it gets reverted. We wanted to give them some flexibility because if money comes in late in the year, they may actually have problems in the middle of the year spending that money down. This provision would also allow them to carry that money over into the next year and proceed with a textbook adoption process or something to use that money in the following year.

Madam Chair, I just wanted to comment personally that I would never have thought that I would have to stand up and talk positively or encourage a vote on such a bill where we are eliminating this size of money from textbook and instructional supplies for K-12 education. We have been working diligently with the districts, as Mr. Dugan indicated, to find solutions that will best fit the situation for the districts and allow the very best opportunities to continue for our students and for the teachers. These—as we have heard over and over and over today—are very hard decisions, and we are pitting one bad opportunity or decision against another. With that, I think the good news with this bill is that we do have the trigger mechanism in place, and I am optimistic and hope that the revenue will come in and that we will be able to replace most, if not all, of this money by the end of this year. Thank you, Madam Chair.

CHAIR BUCKLEY:

Thank you, Assemblywoman Smith. Comments or questions on Senate Bill No. 5?

ASSEMBLYMAN ANDERSON:

While we are still in committee, I feel somewhat compelled to speak in support of this issue, although it is near and dear to my heart. The textbook question, I think, is always an important one as a classroom instructor, although now retired for much, much longer than my colleague from southern Nevada— apparently for four years now.

The reality is that not only are there classroom textbooks, but there are library books that are lost that some of the funding comes for. In those very, very poor and disadvantaged educational settings, the library is oftentimes a place of refuge for students who need to pick up something to keep themselves aware of what is going on in the world around them. I think this, however, is a very, very needed thing. The most important thing you can put in front of a kid is the opportunity to learn, and that usually comes from a teacher. That interaction between a student and the teacher is most important, and I think we need to keep that in mind as we deal with this particular part of the budget crisis.

CHAIR BUCKLEY:

Thank you, Assemblyman Anderson. Are there any further questions or comments on S.B. 5? Is there anyone from the public that would like to offer testimony on S.B. 5? Seeing none, I will close the public hearing on S.B. 5, and I will bring all four bills back to committee.

Let us start by considering Assembly Bill 5. This is the NDOT [Nevada's Department of Transportation] bond bill.

Assembly bill No. 5 considered.

Assemblyman Ocegüera moved to do pass Assembly Bill No. 5.

Assemblyman Conklin seconded the motion.

Motion carried.

Assembly Concurrent Resolution No. 2 considered.

CHAIR BUCKLEY:

Let us consider Assembly Concurrent Resolution No. 2. The Chair will entertain a motion.

Assemblyman Conklin moved to adopt Assembly Concurrent Resolution No. 2.

Assemblyman Ocegüera seconded the motion.

Motion carried.

Senate Bill No. 4 considered.

CHAIR BUCKLEY:

Let us consider Senate Bill 4. This is the bill on the Parole Board. Since we are not on the Floor but in a committee, I will just put in my two cents' worth on this bill. Assemblyman Anderson, I do not think you were misinformed. I think there are two schools of thought on this bill. I think one school of thought is that the Parole Board did not like the bill we passed last session, did not make it to the first Interim Finance Committee, did not look at alternative solutions like hiring hearing officers—that ultimately they landed on many months later—and by those actions created a bubble where people were not getting their hearings as required. I have talked to several members in this body who feel that way.

There is another school of thought that they are very busy, they have a great workload and it was a major change, and they just did not have sufficient time, and that caused the bubble. I think that would accurately reflect their position. And I think some of the opponents or critics of the Board do not want to give them more time because they felt if the Board had worked harder, they could have done it right the first time. My concern is if people are losing their right to a hearing, the ones that are being punished are the individuals, and we would not be punishing the Parole Board by not extending it; we would be punishing those people who are now in the bubble and are being delayed hearings that they should be entitled to under law.

Either way, we certainly can all vote our consciences and make the best decisions with what we have. I know Assemblyman Carpenter, Assemblyman Munford, Assemblyman Horne, Assemblyman Anderson, probably most of all Assemblyman Parks, and others, have worked on this issue, have received emails, have just worked so hard on it, and I know you are all frustrated. This gives us an opportunity to see if this is the right thing as we go forward. Obviously, it will be reexamined next session as well.

Pleasure of the committee?

Assemblyman Marvel moved to do pass Senate Bill No. 4.

Assemblyman Stewart seconded the motion.

Motion carried.

CHAIR BUCKLEY:

We will now consider Senate Bill 5.

Senate Bill No. 5 considered.

Assemblywoman Smith moved to do pass Senate Bill No. 5.

Assemblyman Munford seconded the motion.

Motion carried.

On motion of Assemblyman Ocegüera, the Committee did rise and report back to the Assembly.

#### ASSEMBLY IN SESSION

At 8:35 p.m.

Madam Speaker presiding.

Quorum present.

#### REPORTS OF COMMITTEES

*Madam Speaker:*

Your Committee of the Whole, to which was referred Assembly Bill No. 5, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee of the Whole, to which was referred Assembly Concurrent Resolution No. 2, has had the same under consideration, and begs leave to report the same back with the recommendation: Be adopted.

Also, your Committee of the Whole, to which were referred Senate Bills Nos. 4, 5, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

BARBARA E. BUCKLEY, *Chair*

#### MOTIONS, RESOLUTIONS AND NOTICES

By the Committee of the Whole:

Assembly Concurrent Resolution No. 2—Expressing the reductions in expenditures approved by the Nevada Legislature during the 24th Special Session.

WHEREAS, In the past year, the economy of the United States has experienced a significant downturn and has been destabilized further by a home mortgage crisis and an increase in the price of gasoline that has risen by over 40 percent; and

WHEREAS, The serious downward movement of the national economy has, in turn, had a negative effect on the economy of this State, particularly in that the tax base of the State is reliant predominantly upon revenues collected from the imposition of sales and gaming taxes,



both of which are susceptible to decline during times of economic hardship because they are related to discretionary consumer spending; and

WHEREAS, The preceding, and other, factors have led to a significant reduction in the revenue that the State was projected to receive during the 2007-2009 biennium; and

WHEREAS, Notwithstanding the significant reduction in the revenue that the State was projected to receive during the 2007-2009 biennium, the vicissitudes of the national economy have continued to impose greater financial burdens upon the residents, businesses and governmental entities of this State; and

WHEREAS, The Nevada Legislature has thus been required to make difficult but thoughtfully considered fiscal decisions during this period of economic uncertainty; and

WHEREAS, Combined with other fiscal initiatives, the Nevada Legislature has approved specific reductions in expenditures to ensure that the government of this State is able to continue to operate effectively and to serve the residents, businesses and governmental entities of this State; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the Nevada Legislature has determined that the following reductions in expenditures for Fiscal Year 2007-2008 and Fiscal Year 2008-2009 are necessitated by the downturn in the economy to replenish the State General Fund:

1. Additional reductions of \$106,000,000 in the budgets of state agencies;
2. Reversion of \$27,300,000 from the Trust Fund for Public Health created pursuant to NRS 439.605;
3. Redirection of \$4,400,000 in estimated receipts of the Trust Fund for Public Health for Fiscal Year 2008-2009;
4. Contingent reduction of \$47,995,714 in the amount previously appropriated for textbooks, instructional supplies and instructional hardware pursuant to section 15 of chapter 343, Statutes of Nevada 2007, at page 1560;
5. Estimated revenues of \$4,000,000 from the establishment of the tax amnesty program;
6. Elimination of the requirement to transfer \$7,600,000 for Fiscal Year 2008-2009 from the Abandoned Property Trust Account pursuant to subsection 5 of NRS 120A.620 to the Millennium Scholarship Trust Fund created pursuant to NRS 396.926;
7. Reversion of \$4,000,000 from the Disaster Relief Account created in the Fund to Stabilize the Operation of the State Government pursuant to NRS 353.2735;
8. Reversion of \$330,757 of the appropriation to the Interim Finance Committee for Fiscal Year 2007-2008 and Fiscal Year 2008-2009 for allocation to the Division of Child and Family Services of the Department of Health and Human Services pursuant to section 39 of chapter 350, Statutes of Nevada 2007, at page 1704;
9. Reversion of \$600,000 previously allocated to Project ChalleNGe resulting from the placement of participants in out-of-state programs;
10. Redirection of \$4,200,000 of the portion of the tobacco settlement payments for Fiscal Year 2008-2009 not allocated to the Senior Program and the Disability Rx Program that would have been deposited in the Fund for a Healthy Nevada created pursuant to NRS 439.620;
11. Transfer of \$3,000,000 from the amount held in reserve for the Senior Rx Program;
12. Reversion of \$3,500,000 from the revolving account within the State General Fund established pursuant to section 5 of chapter 432, Statutes of Nevada 2005, at page 1933, by the Division of Emergency Management of the Department of Public Safety for grants to persons who own and occupy homes damaged by a disaster;
13. Transfer of \$4,000,000 from the Fund for the Care of Sites for the Disposal of Radioactive Waste created pursuant to NRS 459.231;
14. Transfer of \$4,000,000 from the amount held in reserve for the Central Repository for Nevada Records of Criminal History created pursuant to NRS 179A.075;
15. Transfer of \$200,000 from the Legislative Committee on Health Care;
16. Transfer of \$800,000 from the amount held in reserve for the program to issue revenue bonds for industrial development described in NRS 349.400 to 349.670, inclusive;
17. Transfer of \$3,500,000 from the Fund for Mortgage Lending created pursuant to NRS 645F.270; and

18. Reversion of \$50,000,000 from money appropriated pursuant to chapter 372, Statutes of Nevada 2007, at page 1736, which may be partially offset by authorization of the reallocation of not more than \$20,000,000 in general obligation bond savings to the Department of Transportation for highway construction and maintenance projects; and be it further

RESOLVED, That in effecting the additional reductions to its expenditures, the Department of Corrections shall, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, develop and analyze all feasible alternatives to the closure of a prison facility to accomplish the reductions, including, without limitation, a plan outlining the capacity and projected occupancy of each correctional facility and, if any recommendation includes the closure of a facility, a transition plan for the employees of the Department who work at the facility; and be it further

RESOLVED, That the Department of Corrections shall provide to the Interim Finance Committee the alternatives to the closure of a prison facility developed in consultation with the Budget Division and Fiscal Analysis Division and recommendations concerning those alternatives; and be it further

RESOLVED, That the aforementioned reductions in expenditures total \$275,426,471.

Assemblyman Ocegüera moved the adoption of the resolution.

Remarks by Assemblyman Ocegüera.

Potential conflict of interest declared by Assemblyman Beers.

Resolution adopted and ordered transmitted to the Senate.

#### GENERAL FILE AND THIRD READING

Assembly Bill No. 5.

Bill read third time.

Roll call on Assembly Bill No. 5:

YEAS—42.

NAYS—None.

Assembly Bill No. 5 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 4.

Bill read third time.

Remarks by Assemblyman Carpenter and Madam Speaker.

Assemblyman Ocegüera requested that the following remarks be entered in the Journal.

#### ASSEMBLYMAN CARPENTER:

Thank you, Madam Speaker. I just really have to rise in opposition to S.B. 4. I have great concern. The Select Committee on Corrections worked long and hard to come to a compromise with the Parole Board so that they would not have to conduct a full-scale, open meeting law hearing. I just believe it is a simple act of fairness that you tell a prisoner whether he is going to be paroled or whether he is going to be denied. That is the way we do things in this country and we should do them.

We get a lot of letters from prisoners and their families, and one thing they are most concerned about is that the Parole Board never gives any recommendations or advice to the prisoners of what they can do to help themselves at the next hearing. The bill we passed provides for that, which I think is only right. I heard them say they are down to 900 now. In our other committee on administration of justice, we have heard that they have been as high as 1,600, so they are making progress.

The procedures are in place now to notify the prisoners of when the hearings will be and that they can have a representative there to speak for them or they can speak for themselves. The

extra personnel have been hired. I know that they have conducted over 250 hearings with the personnel that have been hired. I believe that they can hold these hearings by videoconferencing throughout the State.

There is nobody around who is harder on crime than I am, but on the other hand, I think that people who have served their time and have tried to mend their lives, amend their way of doing things—we need to give them a chance. I think the bill we passed, that is what it does. I just hope some of you will join me and some of my other colleagues and vote against this to send a message to the Parole Board that we are watching them, and we expect them to follow the wishes of the Legislature. Thank you.

Madam Speaker requested the privilege of the Chair for the purpose of making the following remarks:

Thank you, Assemblyman Carpenter. We understand your frustration.

Roll call on Senate Bill No. 4:

YEAS—28.

NAYS—Allen, Anderson, Beers, Carpenter, Goedhart, Grady, Horne, Mabey, Ocegüera, Ohrenscha1, Parks, Parnell, Weber, Womack—14.

Senate Bill No. 4 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 5.

Bill read third time.

Remarks by Assemblymen Mabey, Anderson, Beers, and Madam Speaker.

Potential conflict of interest declared by Assemblyman Beers.

Assemblyman Ocegüera requested that the following remarks be entered in the Journal.

ASSEMBLYMAN MABEY:

As I sat upstairs and listened to the other body, a familiar statement that I often use in surgery came to my mind, and the statement is “The enemy of good enough is better.” Sometimes when we are operating, we will get into some bleeding and we will do our very best to stop it, but it seems the more we do to try to stop it, the worse it gets. Finally, you have to just make the decision that you did the best you could and you let the body heal itself. That is the way I feel today with this bill and the other bills. It is time to get the patient off the table. We did everything we could. We did the right thing today. I know we worked hard during the regular session. Our side strived to get more career and technical education; the other side of the aisle here, full-day kindergarten; and the Governor and the Senate tried for empowerment. All of it seems like it went up in smoke, but that is life. I think we did the best we could, and I think it is time that we accept that our state is in trouble; our economy is bleeding. I think in a few months, hopefully with a little tincture of time, we will do better; our state will be better. If not, I am comfortable that we will do the right thing and help our state. Thank you.

Madam Speaker requested the privilege of the Chair for the purpose of making the following remarks:

I would just like to add my comments. I think I was one of the many also listening to the Senate debate, and the debate became very acrimonious and heated. I think that is probably extremely normal because you are fighting between saving textbooks, saving raises, preventing layoffs, and they are all things that we should not be doing. They are all terrible choices, so if you saw me a bit passionate last night, it is because I believe we should never have to make these kinds of choices ever again. If we cannot stabilize our financial structure and overhaul what we are doing, we are going to continue to have terrible choices like this.

ASSEMBLYMAN ANDERSON:

I wish I did not have to stand in this body a second time to speak to what I believe was going to be a cut to education that would never have to be taken again. Several sessions ago, my colleague from Battle Mountain indicated to this body when we made some serious cuts to education that those dollars would be returned. Education is still struggling to catch up with those dollars.

We have made huge strides for public education and class-size reduction—meaningful change for individual kids. Library textbooks mean a great deal. Library books to a child are the end of the world—a chance to read puts a child by himself on the path to education. However, this is still the right cut to make at this particular moment in time. This is the cut that bleeds, as my friend from the south so eloquently talked about the patient. We need to get this out. We need to solve the problem for all the kids in every one of the classrooms. Education has to heal itself. It will survive. We have to help them in our next session. We have to make this a high priority. I do not think we are abandoning them. I hope we are going to only delay—and it is only that, a delay—but it is a hard cut to make.

ASSEMBLYMAN BEERS:

Thank you, Madam Speaker. As I stated before, this is not a bill I can vote for or against, but those of you who can, should. Like Dr. Mabey said, it is a hard decision. I have been in the classroom, and I have seen the effect that a good teacher can have with kids. You can give them a lot of information that is not in the textbooks. The teacher is the important thing, and we can make up for this next session. We had avenues of funding that we could have looked at during the last session, and because we were afraid of the 600-pound gorilla, we let them slide by. We can look at them again. Let us do the right thing, get this done, and come back and do the right thing next time.

Roll call on Senate Bill No. 5:

YEAS—40.

NAYS—Manendo.

NOT VOTING—Beers.

Senate Bill No. 5 having received a constitutional majority, Madam Speaker declared it passed.

Bill ordered transmitted to the Senate.

Madam Speaker announced if there were no objections, the Assembly would recess until 10 p.m.

Assembly in recess at 8:58 p.m.

#### ASSEMBLY IN SESSION

At 9:59 p.m.

Madam Speaker presiding.

Quorum present.

#### MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, June 27, 2008

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bill No. 5.

Also, I have the honor to inform your honorable body that the Senate on this day adopted Assembly Concurrent Resolution No. 2.

SHERRY L. RODRIGUEZ  
*Assistant Secretary of the Senate*

## REMARKS FROM THE FLOOR

Assemblyman Ocegüera requested that the following remarks be entered in the Journal.

Madam Speaker requested the privilege of the Chair for the purpose of making the following remarks:

Before we adjourn, I would like to thank our staff. We are so appreciative to you, Susan; to our tremendous Front Desk staff who dropped everything to come back in for this special session with very little notice. We would like to thank our LCB staff. I do not know why they work for us. I truly do not. They are so incredibly talented; they are so incredibly dedicated. I feel so guilty when I see the bags under their eyes and realize that they have worked 20-hour days every day. Just in one week, our Fiscal staff had to get ready for the Economic Forum—it takes them weeks to get ready for it, but they got ready for it in four days. At the same time, they were preparing for a Public Works committee meeting, an IFC meeting, and a special session. Every analyst in that division—the ones we never see who do so much work—we just truly appreciate you. Anyone listening on the Internet or if it is played back, please accept our tremendous gratitude from the whole body.

The same is true for Legal. Brenda Erdoes and all the folks we do not see drafting the bills all night long. Again, we are so appreciative, and that goes for the entire Bureau whether it is Research, Audit, Administration—there is so much work in getting this done that we do not even see. We are so incredibly grateful.

I also would like to publicly thank our school teachers, our administrative professionals in schools, our state employees. There was so much angst out there; so much concern about the economy; so much concern about the cost-of-living increases. We argue about what is right; what is wrong, but I think I want every single one of them to know how much we appreciate them. Our state employees—with the hiring freeze some are doing the work of two to three people—and we are ranked fifty-first in public employees per capita. Our state employees felt so unappreciated with the debate, and that was never what it was about for anyone. On behalf of everyone in the Assembly, we want to thank our state employees, thank our teachers, thank our bus drivers for everything they do for our children and for our state.

I also would like to thank our school administrators, our superintendents, our school boards of trustees who work so hard to minimize the cuts in the classroom and for working with us to get the best information. Better decisions are made when you collaborate, when you ask people what will work. We are so thankful that when we did that through emails, day or night, they were answered, and we appreciate you collaborating with us.

I also would like to thank all of the state employees and teachers who sent in tips to us through email, on the phone. Part of the budget savings in the plan adopted tonight—over \$55 million of that came, from tips from state employees and teachers. We have received tips on how to save money, ideas on things we normally do not hear that much about, so I really would like to thank them. I would also like to note that, as a result of getting all this great information, I have requested LCB to set up a tip email hotline on the LCB website. People can remain anonymous and give us tips on how we can manage more efficiently or good ideas that normally do not get to us. So I would like to publicly thank those employees who sent us their thoughts and ideas.

Lastly, I would really like to thank every member in this body for your hard work and for your collegiality, for disagreeing without being disagreeable; for tackling incredibly tough issues; expressing your opinions with passion, with commitment, but with caring that we, as a body, make our best decisions on behalf of all the people in the State. I am proud to be the Speaker of the Nevada State Assembly and serve with colleagues like you. Thank you very much. With that, I will open it up for any other remarks.

## ASSEMBLYMAN OCEGUERA:

Thank you, Madam Speaker. Today, we were asked to make some serious and difficult decisions. There is no doubt Nevada is in the midst of one of the most trying economic times in recent history. Our efforts today were focused on solving the immediate problem at hand. But

going forward, we must decide if we are willing to continue living with cuts in essential services that dramatically impact the lives and wellbeing of our fellow Nevadans—cuts in education, public safety, human services, mental health, and other programs so vital to so many. These cuts are not simply numbers and percentages on paper. They have real impact on real people to whom we have a sober obligation.

We have experienced unparalleled growth, and our state's economic system is in desperate need of repair. An overhaul of our state government is needed to meet our growing needs. I am committed to addressing that larger issue when we return in February. That will be an opportunity to decide what kind of state we want Nevada to be. It will be a time to pull together to ensure we are doing all we can to provide for quality education, solid infrastructure, and vital social services while keeping our businesses thriving and competitive. Together, I hope we will work towards meaningful and practical solutions that our fellow Nevadans expect and deserve. Thank you, Madam Speaker.

ASSEMBLYWOMAN GANSERT:

Thank you, Madam Speaker. I want to thank everyone for working together today in a collegial manner to solve this budget crisis. I am also very proud that we did so without raising taxes because right now we, as a state, are at a crisis point, but so are individuals. People are paying more for gas, for food, for so many things, and I believe it was critical that we addressed these problems without increasing the burden on them. I appreciate the cooperation because every single cut was difficult; it was hard. Services may be reduced but we worked together to make sure that what we brought to the table was the most palatable. We had a great deal of input. At the beginning, we talked about how many people were involved in these decisions. I want to thank this body, and I appreciate that we were able not to put any further burden on the taxpayers.

Madam Speaker appointed Assemblymen Ocegüera, Arberry, and Gansert as a committee to wait upon His Excellency, Jim Gibbons, Governor of the State of Nevada, to inform him that the Assembly was ready to adjourn *sine die*.

Madam Speaker appointed Assemblymen Anderson, Leslie, and Marvel as a committee to wait upon the Senate to inform that honorable body that the Assembly was ready to adjourn *sine die*.

A committee from the Senate, consisting of Senators Nolan, Beers, and Carlton, appeared before the bar of the Assembly and announced that the Senate was ready to adjourn *sine die*.

Assemblyman Anderson reported that his committee had informed the Senate that the Assembly was ready to adjourn *sine die*.

Assemblyman Ocegüera reported that his committee had informed the Governor that the Assembly was ready to adjourn *sine die*.

Assemblyman Ocegüera moved that the Twenty-Fourth Special Session of the Assembly of the Legislature of the State of Nevada adjourn *sine die*.

Motion carried.

Assembly adjourned at 10:15 p.m.

Approved:

BARBARA E. BUCKLEY  
*Speaker of the Assembly*

Attest: SUSAN FURLONG REIL  
*Chief Clerk of the Assembly*