

**MINUTES OF THE
SENATE COMMITTEE ON TAXATION**

**Seventy-fifth Session
April 7, 2009**

The Senate Committee on Taxation was called to order by Chair Bob Coffin at 12:47 p.m. on Tuesday, April 7, 2009, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Bob Coffin, Chair
Senator Terry Care, Vice Chair
Senator Michael A. Schneider
Senator Maggie Carlton
Senator Randolph Townsend
Senator Mike McGinness
Senator Maurice E. Washington

GUEST LEGISLATORS PRESENT:

Senator John J. Lee, Clark County Senatorial District No. 1

STAFF MEMBERS PRESENT:

Brenda Erdoes, Legislative Counsel
Russell J. Guindon, Senior Deputy Fiscal Analyst
Joe Reel, Deputy Fiscal Analyst
Kyle Casci, Committee Secretary

OTHERS PRESENT:

Lesley Pittman, Nevada Rental Car Group
Robert A. Ostrovsky, Hertz Corporation
Douglas C. Gillespie, Sheriff, Las Vegas Metropolitan Police Department
George Flint, Nevada Brothel Owners Association
Dennis Hof, Moonlite Bunny Ranch

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Bella Shauna Cummins, Bella's Hacienda Ranch
Deanne Salinger "Air Force Amy," Moonlite Bunny Ranch
Brooke Taylor, Moonlite Bunny Ranch
Kenneth Green, Chicken Ranch Brothel
Suzette Gwin, Moonlite Bunny Ranch
John Rapanos
Reba June Burton
Melissa Farley, Ph.D., Nevada Coalition Against Sex Trafficking
Larry J. Mosley, Director, Department of Employment, Training and
Rehabilitation
Rich Whillock, The Love Ranch
Chloe Daniels, Moonlite Bunny Ranch; The Love Ranch
Kenneth B. Morris, Jr.
Terri L. Miller
Tiffany Goldwater, International Board of National Organization for Women
Norma Ramos, Coexecutive Director, Coalition Against Trafficking In Women
Kenneth Franzblau, Director, Anti-Trafficking Initiatives
Sally Neal
Ray Kornfield
Karen Kornfield
L. Tujani
Daniel Neal Sr.
Crystal Jackson, Desiree Alliance
Barb Brents, Ph.D., Professor of Sociology, University of Nevada, Las Vegas
Kate Hausbeck, Ph.D., Associate Professor of Sociology, University of Nevada,
Las Vegas

CHAIR COFFIN:

The first part of today's meeting will be a work session on previous bills discussed. First, we will talk about Senate Bill 234.

[SENATE BILL 234](#): Makes various changes concerning the short-term leasing of passenger cars. (BDR 43-33)

JOE REEL (Deputy Fiscal Analyst):

During the first hearing, we received a proposed amendment to the bill. That amendment revises procedures for adjustments to an account in order to account for vehicle licensing costs collected over or under the actual costs incurred by the company. Section 4 of the amendment that dealt with weekly

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rentals has since been deleted. Section 6, subsection 2, paragraph (a), removes provisions requiring car rental companies to submit a report to the Department of Taxation. In sections 5 and 9, there are changes to remove the term "or his permittee," so if someone intends to use the vehicle besides the signee, that will be included in part of the contract with the car rental company. The proposed amendment would also repeal *Nevada Revised Statute* (NRS) 482.3157. The language in section 8, subsection 2 of the amendment would address that part of the bill to be repealed.

CHAIR COFFIN:

Section 4 of the amendment was a point of concern. Is it now being deleted?

MR. REEL:

Yes, it is. The car rental industry has agreed to remove that section.

LESLEY PITTMAN (Nevada Rental Car Group):

Yes, it is correct. We have pulled the proposed changes in section 4 out of the bill.

SENATOR CARE:

Is the repeal of NRS 482.3157 an addition to the bill?

MR. REEL:

The bill sponsors indicated they had a desire to repeal that section of NRS.

SENATOR CARE:

Is it fair to say that the language in section 8 rationalizes the deletion of the existing statute?

ROBERT A. OSTROVSKY (Hertz Corporation):

That is correct.

SENATOR CARE:

Will this disclose all charges to the consumer?

MR. OSTROVSKY:

Yes. The new language says we will have to identify and clearly disclose the amount of charges.

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SENATOR CARLTON:

Would the repealed section affect the disclosure of charges in the rental companies' advertisements?

MR. OSTROVSKY:

Our intent was that if you asked for a rental rate, you would receive clear information regarding all terms, all taxes and all fees. We could insert specific language to address rates in advertising.

SENATOR CARE:

What is the present practice for rental agencies and their advertising?

MR. OSTROVSKY:

We do not list any costs in an advertisement. An estimate of cost would have to be done online or by calling an agency for a quote.

SENATOR CARE:

My concern is that the consumer would be aware of all costs.

MR. OSTROVSKY:

Advertisements seen on television are run nationally. Because there are different taxes in different areas, agencies are unable to put costs in their TV advertisements.

SENATOR SCHNEIDER:

Would insurance coverage be limited only to the person who showed their driver's license during registration?

MS. PITTMAN:

There are provisions that permit customers to share coverage with their spouses.

SENATOR SCHNEIDER:

To clarify, spousal coverage is covered in another section of the law?

MS. PITTMAN:

Yes.

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SENATOR MCGINNESS:

The part in section 3 about total amount collected being different and reimbursed; is that like a rebate for the next year?

MR. OSTROVSKY:

The idea was that a good-faith estimate of the amount needed for collection would be made. The estimate is based on the age of the vehicles you have, how many new cars you bring in and the changes in taxes that apply to the car year to year. That was the intent of the language.

SENATOR MCGINNESS:

Has this been done before, or is it something new?

MR. OSTROVSKY:

It is something done frequently in other states.

MS. PITTMAN:

I have provided you with an additional proposed amendment ([Exhibit C](#)) that should shore up the short-term lessor language.

SENATOR MCGINNESS:

Would the Department of Taxation be able to monitor that collection?

MS. PITTMAN:

Each short-term lessor shall report the following to the Department of Taxation: The total amount of money collected from lessees by a short-term lessor for the recovery of vehicle licensing costs. The total amount of fees paid by a short-term lessor for the registration of and the issuance of certificates of title for the passenger cars leased by him including, without limitation, fees for license plates and license plate decals, stickers and tabs and inspection fees.

At the end of the year or on annual basis, the Department of Taxation will look at the difference between what a company charges their customers and what is paid in registration and titling fees.

SENATOR MCGINNESS:

I hope your amendment will address the issue of money evening out after the year ends.

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MS. PITTMAN:

It does because it will provide oversight in accounting as the Department of Taxation will have to support those reports annually.

CHAIR COFFIN:

When we consider this bill, we need to keep in mind the two proposed amendments. What additional amount of money will be yielded to the General Fund of Nevada by this bill?

MS. PITTMAN:

My understanding is it will be an additional \$30 million per biennium to the State General Fund.

SENATOR CARE MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 234.

SENATOR SCHNEIDER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

CHAIR COFFIN:

Now, we will discuss Senate Bill 294.

SENATE BILL 294: Revises the formula for the allocation of money distributed from the Local Government Tax Distribution Account. (BDR 32-1029)

SENATOR JOHN J. LEE (Clark County Senatorial District No. 1):

The Legal Division has written an amendment that would allow us to do the interim study on tax issues, and then it would bring those findings and the bill back to the Senate Committee on Taxation.

CHAIR COFFIN:

Senate Leadership has not given us an answer yet regarding interim study committees. What is our typical policy on study committees?

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BRENDA ERDOES (Legislative Counsel):

This is not a typical interim study committee. The ten members of this committee would be representatives of local governments that receive the different taxes, and a Legislator who serves as chair of the committee would bring the information back to the two taxation committees.

CHAIR COFFIN:

Does this bill make any changes in the law?

SENATOR LEE:

No.

MRS. ERDOES:

Any changes to taxes will be brought to the Senate Committee on Finance, and from there a bill draft request could be drawn up.

SENATOR MCGINNESS:

How does the one Legislator keep the bias of local governments at bay?

SENATOR LEE:

People from within local governments will make up the committee, and they will not be able to hire people to represent them on the committee. It would be a group responsibility to keep all things in check.

CHAIR COFFIN:

We will discuss this bill further on Thursday. Lastly, we will take up discussion on Senate Bill 202.

SENATE BILL 202: Provides the legislative approval required for an increase in the tax imposed pursuant to the Clark County Sales and Use Tax Act of 2005. (BDR S-452)

MR. REEL:

Upon approval of the bill as written, the sales tax increase would be effective as of October.

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CHAIR COFFIN:

During our hearing on the bill, Senator Schneider posed the possibility of having the increase phased in over the next couple of years. Senator Schneider, do you still feel that we would phase in the additional increase?

SENATOR SCHNEIDER:

Yes, I still prefer to do that. Sheriff Gillespie agreed to delay the increase.

SENATOR CARE:

I agree with Senator Schneider.

SENATOR CARLTON:

I am in opposition of this bill because the timing is not right for the sales tax increase.

SENATOR MCGINNESS:

I support this measure because I represent the City of Mesquite, and the city is in support this bill.

SENATOR TOWNSEND:

I support this issue.

CHAIR COFFIN:

Would you accept a deferral of the increase over the next two bienniums?

DOUGLAS C. GILLESPIE (Sheriff, Las Vegas Metropolitan Police Department):

Yes, I am in agreement with accepting the rate increase of 0.125 percent with another 0.125 percent two years later. Would the first increase go into effect in 2010 or in 2011?

CHAIR COFFIN:

It would go into effect in the State fiscal years 2012 and 2013. Are you on a calendar year budget or a fiscal year budget?

MR. GILLESPIE:

We are on a fiscal budget that goes from July to July.

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CHAIR COFFIN:

Could you hire based on the reserves you have and on the basis of knowing you will have the increase coming to you?

MR. GILLESPIE:

I would not look at hiring in advance of receiving the increase, but we could look at projecting our hiring.

CHAIR COFFIN:

It sounds like you are willing to accept the increase whenever it is enacted.

MR. GILLESPIE:

My colleagues and I would like to see the money sooner, but we would all be receptive to receiving the increase whenever your Committee deems it acceptable to enact.

SENATOR SCHNEIDER:

I support the increase as long as we span it out.

SENATOR CARE:

I will support this if it is effective upon October.

SENATOR CARLTON:

I understand what we are looking to do, but we should remember other law enforcement agencies not included in this issue. I am still opposed to the measure.

SENATOR TOWNSEND:

I support this measure. I am disappointed that we are not supporting the bill in its primary form.

SENATOR McGINNESS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 202.

SENATOR WASHINGTON SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR CARLTON VOTED NO.)

SENATOR CARE:

We will now open the hearing on Senate Bill 369.

SENATE BILL 369: Imposes a tax on the use of prostitution services and establishes the Office of Ombudsman for Sex Workers. (BDR 32-1228)

SENATOR BOB COFFIN (Clark County Senatorial District No. 10):

This bill comes about on a vow of mine to find money for the State's budget. In January, I was interviewed by a reporter regarding comments I had made in previous months about the status of the State's budget. During that interview, I was asked, "How do you feel about prostitution control and regulation?" I said we have it, it is legal and I am surprised we do not tax it. Many people are unaware of how little we tax this legalized business. In fact, \$2,900 per year is paid to the State in State Business Tax by the entire industry. This industry has offered in previous sessions to pay more money to the State.

The bill is not something necessarily that the brothel industry or sex workers would prefer. However, the initial language could be changed, and I am open to suggestions and any proposed amendments. Regarding the \$5 excise tax, can we be so proud as to refuse money offered that can be levied on a legal business? The legal business is only the tip of the iceberg when it comes to this profession. More than likely, 95 percent to 98 percent of prostitution is illegal, unregulated, uncontrolled and takes place in the neighborhoods in which we live. This bill does not touch that problem, though, except through the position of ombudsman, who may help those individuals. This bill does not legalize prostitution, it does not encourage, it does not foster the spread of the business, it does not encourage your daughters to go into the business. All that unsupervised, unregulated and unaddressed by this bill is the much larger problem. Nevada has recognized that we will never rid ourselves of prostitution, whether it is legal or not. The regulated, legal business of prostitution has prevented the spread of AIDS.

Another issue not addressed by this bill that could be addressed by the ombudsman is the existence of underage girls in prostitution. I would hope that if the Committee sees it fit to pass this bill, we would expand the duties of the ombudsman who would help organizations that attempt to discourage and save young ladies from prostitution. It is a decision for adults to make, not young people.

There are two major sections of this bill and what it intends to do. In section 30, the position of ombudsman is created and in section 10, the tax is created. To many people, this bill does not go far enough, and to others, this bill goes too far. The State of Nevada owes it to this industry to collect money they are willing to pay to the State. The brothels pay \$100 a year in State Business Tax per institution. The sex workers pay more taxes to the State in Business License fees than the brothels.

SENATOR WASHINGTON:

Have you considered adding to the ombudsman duties of working with law enforcement and the Attorney General's Office on sex trafficking as well?

CHAIR COFFIN:

Yes, I have. If you want to add that duty into the statutes, that would be fine.

SENATOR SCHNEIDER:

The brothel industry is a choice industry in Nevada. All 17 counties in Nevada choose whether they want to have it in their county. Have you looked at enacting the tax in the counties that allow it, and in return having that money go directly into those counties?

CHAIR COFFIN:

I cannot consider that for the reason it would be a nightmare to try to segment out the sources of funds with the expenditure side.

SENATOR CARE:

The way the statute is written makes prostitution legal in 15 counties if they choose to have it.

CHAIR COFFIN:

By statute, it is only prohibited in Clark County. Washoe County is not mentioned in statute, and it relies on a court decision. Some counties allow prostitution in the county but not in certain cities within that county. Then, some cities allow it in their boundaries and the county does not.

SENATOR TOWNSEND:

It could be declared that anyone who is an independent contractor would pay a Modified Business Tax (MBT). That would pick up all those who work in adult night clubs, and perhaps it could address the industry discussed in this bill.

Have you given that type of thought process to what you are trying to accomplish here? You have a specific dollar figure that is equating independent contractors with current businesses under the MBT.

CHAIR COFFIN:

My impression is that most if not all the ladies in the brothels pay the Business License fee. They do not pay the Modified Business Tax because it is payroll to themselves. We collect some, but it is hard to define what we collect.

SENATOR WASHINGTON:

Was there any consideration where the independent contractors would have to pay taxes on gratuities they received in this bill?

CHAIR COFFIN:

No, we did not.

SENATOR WASHINGTON:

We will have to ask individuals from the industry if they are taxed by the Internal Revenue Service (IRS) on gratuities for services rendered and how they pay those taxes if they are taxed.

CHAIR COFFIN:

That is a good question for members of the industry to answer. I have been told they do pay, but I do not know if they are stuck to a percentage.

GEORGE FLINT (Nevada Brothel Owners Association):

To respond to Senator Washington's question, the ladies in the industry fill out an IRS 1099 Form annually. The brothel industry represents the safest approach to one of the world's oldest professions. It is safe for the women and their clients. We represent the only arena of sexual activity in the world that remains AIDS-free. We have not had a syphilis exposure or positive test for 13 years, and gonorrhea is almost a thing of the past. The brothel industry has offered to pay an entrance fee or excise tax since 1991. When things are good, the brothel industry has around 400,000 clients a year. When you take those 400,000 clients times \$5, it would be \$2 million for the State.

DENNIS HOF (Moonlite Bunny Ranch):

I own and operate the Moonlite Bunny Ranch, which has been around for 54 years, and The Love Ranch, which has been in existence 30 years. We are

like everyone else who does not want to pay more taxes, but we want to do the right thing to help the State. We want to help the State just as we help with funding efforts for the over 70 organizations in Carson City and Lyon County. The ladies in this profession come from many different walks of life. The four operating brothels in Lyon County pay almost \$600,000 a year in business license fees and surrounding costs that go toward medical. There is no illegal prostitution in Lyon and Carson because of the legalization in Lyon County.

BELLA SHAUNA CUMMINS (Bella's Hacienda Ranch):
I have provided testimony ([Exhibit D](#)) in neutrality of S.B. 369.

SENATOR MCGINNESS:
Are you aware of any ladies who are clamoring to get out of the industry?

MS. CUMMINGS:
No, I am not.

MR. HOF:
The State should already have a person like the ombudsman in place to help people who have problems and would like to make vocation changes. You could spend money rehabbing the numerous illegal prostitutes. As you well know, there are over 3,000 pimps and 30,000 to 40,000 working girls. You could be taken advantage by people who want to use State services.

SENATOR WASHINGTON:
Some people say if we pass this bill, we will have legitimized the sex industry within Nevada. How do we address the fact that illegal prostitution exists, although it is legal under the guides of choice within statutes, which allow each county to either implement or not implement prostitution within the county's borders? How do you deal with the fact, if upon passage of this bill, we have legitimized the sex industry?

MR. HOF:
As for legitimization, that took place in the early 1970s. We are looking for respectability and acceptability. This bill will do that. It will show that we are trying to give back to the State where we make our money. In regard to illegal prostitution, I find it ironic that the counties that do not want prostitution have it taking place. The legal, rural areas may have the smallest amount of prostitution that takes place in Nevada.

SENATOR WASHINGTON:

If you were in charge, how would you handle the situation of illegal prostitution in Washoe and Clark Counties?

MR. HOF:

I would go to Las Vegas and Reno and ask them if they really wanted to get rid of it; personally, I do not believe they do. People come to Nevada for vices, to drink, gamble and have fun with the ladies 24 hours a day. If those cities really wanted to get rid of illegal prostitution, they could arrest all the pimps and ladies. There is a sentence of 10 years in prison for pimping in Nevada and 20 years on a federal level for pimping underage girls. I would tell them to either use the resources they have to get rid of it altogether or legalize it.

MS. CUMMINS:

We have to start somewhere. Problems never go away unless you work diligently for a solution. It does not mean it will be easy, but it is totally possible one step at a time. You started with having the legal districts, which worked. There are no sex crimes, our kids are safe in school and human trafficking does not exist in those areas.

SENATOR CARE:

I would like to make it clear that my silence should not be construed as to mean that I agree with the comments made by those who have testified so far. I do not agree that it is respectable or acceptable, even though I do know it is legal in our statutes. I do not want my silence to be misinterpreted.

DEANNE SALINGER "AIR FORCE AMY" (Moonlite Bunny Ranch):

I thoroughly enjoy my job and the profession I have been working in for the last 20 years. If \$5 a person can raise \$2 million or more a year for the State, I am in strong support of S.B. 369. To speak from experience, at all the brothels I have worked, we split tips and are taxed on those tips.

MR. HOF:

The independent contractor agreement that we sign with all our ladies requires all tips be turned in and split. Then it is part of the IRS 1099 Form at the end of the year. If we find any lady not turning in tips, she is terminated immediately.

BROOKE TAYLOR (Moonlite Bunny Ranch):

I have been happily working as an independent contractor at the Moonlite Bunny Ranch for three and a half years. I am appreciative to the State of Nevada for allowing me the opportunity to provide my services in a safe and legal manner. I am in strong support of S.B. 369 and the proposed \$5 tax, whether the tax is incurred by us professionals or those who request our services. It is the least we can do to give back to a community which has given so much to us.

SENATOR WASHINGTON:

Do you think the ombudsman position is a good provision in the bill to aid and assist ladies in your profession?

MS. TAYLOR:

Yes, it would be beneficial to ladies of our profession.

MS. SALINGER:

I am sorry the ombudsman position is just now being brought up. It should have been in place a long time ago.

KENNETH GREEN (Chicken Ranch Brothel):

I own the Chicken Ranch, which is a legal brothel in Pahrump. I am in support of S.B. 369. I agree that the tax should be a flat rate, and it should have no involvement with the price of the service involved. Secondly, the tax should only be paid by the customer. One suggestion I would like to make and ask for cooperation on is that you attach a nondescript name to the tax to maintain discretion, which is an important responsibility in our business. I know prostitution is a difficult topic for many people to discuss, but it is a fact of life that does exist. The legal brothel structure is the most effective way for society to deal with the issue of prostitution. It minimizes the negative aspects and consequences that occur in illegal prostitution. It is the best way for government to fulfill its responsibility and oath for the protection of the health, safety and welfare of the community.

SUZETTE GWIN (Moonlite Bunny Ranch):

I have been the general manager of the Moonlite Bunny Ranch for 16 years. I am in support of S.B. 369 because it is a positive thing to contribute to the State via the bill's \$5 tax.

JOHN RAPANOS:

I am against S.B. 369. I will read a statement ([Exhibit E](#)) on behalf of Sister Diane Maguire in opposition to S.B. 369. I will also read a statement ([Exhibit F](#)) in opposition of S.B. 369 provided by Ruthie Kim from the organization Because Justice Matters.

REBA JUNE BURTON:

I have provided a copy of my testimony ([Exhibit G](#)) in support of S.B. 369. I am here on behalf of my 14 grandchildren who need an education. I need the police in my community protecting me. A few days ago, I read that four of you were not in support of this bill. Some of you may not be in support for fear in upcoming elections because it is a prostitution issue. This State has allowed brothels and has enjoyed the money in the counties where they exist. There are bills to increase the liquor tax and cigarette tax because the State needs money. This tax on brothel services will provide us with another way to generate the money our State desperately needs. Do you think that a child will refuse to learn because the money for a textbook came from prostitution, or that a teacher will feel they cannot teach because of where money for their salaries and materials has come from, or the police will not help citizens because of where money for their salaries have come from? No. We should put aside religious and political differences and beliefs to help our State. When a man goes into a brothel, do you really think the extra \$5 is going to make him leave? If he only comes with enough money for a certain type of party, perhaps the \$5 can be used in a reduction of services by giving 13.5 minutes instead of 15. The patrons of prostitutes will be willing to give you this money, so for the sake of the future of our State, please take this money.

MELISSA FARLEY, Ph.D. (Nevada Coalition Against Sex Trafficking):

I have provided a copy of my testimony ([Exhibit H](#)) in opposition of S.B. 369. Taxation is an acknowledgment that the activity taxed is a socially recognized activity. Senate Bill 369 would tax all prostitution services. Prostitution is not a service; it is a form of sexual abuse. In most of Nevada, buying women in prostitution is a criminal activity. Ninety percent of prostitution taking place in Nevada is illegal. It is not the legal prostitution that takes place in brothels. Taxes raised by selling the vulnerable women in prostitution are blood money.

This bill puts the State of Nevada in the position of benefiting from keeping women in prostitution. The State steps into the role of pimp, with a \$5 pimp's cut going to the government. The more money going to the government and

pimps means less money going to the women themselves, who are further exploited so others can profit from their violation. Women and children should not be for sale. They deserve alternatives to prostitution for economic survival. Almost all women urgently want to escape prostitution but feel that they have no options. Prostitution and sex trafficking are connected. Taxing prostitution will function as a legal welcome mat to traffickers. Taxing prostitution sends the message to pimps and traffickers "Come on over to Nevada. We consider you just another businessman here."

In every country where prostitution has been zoned or legally recognized, trafficking into that region has increased, along with the prostitution of children. In 2004, the Churchill County Comptroller found that the cost of related law enforcement expenses exceeded revenue obtained from prostitution. The County was, in fact, subsidizing the industry. County income generated from brothel fees and licenses in Nye County does not cover the expenses of regulating the brothels. Nye County Sheriff Anthony DeMeo said he needed 30 more deputies in 2005 just to keep up with the crime in the county, including the ability to sufficiently regulate the brothels.

Senate Bill 369 is a Trojan horse. One attempt to legalize prostitution in Las Vegas has already failed in this Legislative Session. This second attempt, S.B. 369, was written in a more deceptive way in the hope that no one would read it carefully enough to realize it proposes to tax all prostitution in Nevada—illegal prostitution as well as legal prostitution. The 80 percent to 90 percent of women in prostitution tell us they want to exit. They do not want taxation of their own sexual exploitation. I urge you to vote down S.B. 369, which is an act of legislative pimping.

LARRY J. MOSLEY (Director, Department of Employment, Training and Rehabilitation):

The ombudsman will assist interested sex workers in navigating the various employment and training services available to facilitate transition into occupations where earnings, potentials and job retention prospects result in self-sufficiency. The ombudsman will develop linkage and collaborate with employers and employers' organizations to promote the hiring of sex workers who are seeking a career change and to advocate for job placement.

CHAIR COFFIN:

Based on testimony you have heard today, can you list some more tasks that the ombudsman could do?

MR. MOSLEY:

The ombudsman would work with our Workforce Solutions unit. Ultimately, the ombudsman's main duty would be to provide training and avenues for alternative occupations. In all of our capacities regardless of industry in which a person works, if they are looking to change their occupation, we provide a resource for them to do so.

SENATOR MCGINNESS:

Do you have services available to help sex workers?

MR. MOSLEY:

Yes. There are services available through Nevada JobConnect and our job placement centers.

SENATOR MCGINNESS:

These are not something specific for sex workers but for those searching to change their careers?

MR. MOSLEY:

Yes. We help veterans and people who are laid off with various issues.

RICH WHILLOCK (The Love Ranch):

I am the general manager of The Love Ranch, and I am in support of S.B. 369. It seems to me that the common theme of people who oppose this bill is to ignore the real issues and argue the merits of legalization.

CHLOE DANIELS (Moonlite Bunny Ranch; The Love Ranch):

I work for Mr. Hof and Mr. Whillock at The Love Ranch, and I am in support of S.B. 369. Ladies like myself come here to work free of choice. We get our legal license, and we choose to do what we do. The girls in Korea are taken and forced to work in prostitution; we are not forced to do anything we do not want to do.

CHAIR COFFIN:

If an incident took place where someone was brought here for prostitution against their will, would you be aware of it?

Ms. DANIELS:

Yes, we would know about it. The first thing they do when we come here is check our social security cards and driver's licenses. We have to be legal citizens of the United States. When we go to the sheriff's department, they fingerprint us and run a background check on us. They make sure we are legal and not felons.

Ms. GWIN:

When I talk to a young lady during an interview and I feel this job is not for her, I try to talk her out of it. The people against this bill are confusing illegal prostitution with legal prostitution.

Ms. DANIELS:

To go along with what Ms. Gwin and Mr. Whillock said: As part of the training we give the girls, we tell them that if this is not for them, they are more than welcome to leave. We tell them, "You are an independent contractor—do not do anything you do not want to do."

MR. WHILLOCK:

Many girls in my organization use this job to pay for a college education. If any girl wanted out, we would also assist them in a vocational change.

CHAIR COFFIN:

Is there a constitutional issue if you do not create a broad definition of who is to be taxed?

MRS. ERDOES:

That is not something we researched, but I will look into that for you.

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CHAIR COFFIN:

We have lost the videoconference feed from Las Vegas, so everyone who signed in to testify will have any testimony or articles they submitted entered into the record.

KENNETH B. MORRIS JR.:

Testimony ([Exhibit I](#)) in opposition of S.B. 369.

TERRI L. MILLER:

Testimony and article ([Exhibit J](#)) in opposition of S.B. 369.

TIFFANY GOLDWATER (International Board of National Organization for Women):
Testimony ([Exhibit K](#)) in opposition of S.B. 369.

NORMA RAMOS (Coexecutive Director, Coalition Against Trafficking In Women):
Testimony ([Exhibit L](#)) in opposition of S.B. 369.

KENNETH FRANZBLAU (Director, Anti-Trafficking Initiatives):
Testimony ([Exhibit M](#)) in opposition of S.B. 369.

SALLY NEAL:

Article ([Exhibit N](#)) in opposition of S.B. 369.

RAY KORNFIELD:

Article ([Exhibit O](#)) in opposition of S.B. 369.

KAREN KORNFIELD:

Article ([Exhibit P](#)) in opposition of S.B. 369.

L. TUJANI:

Articles ([Exhibit Q](#)) in opposition of S.B. 369.

DANIEL NEAL SR.:

Testimony ([Exhibit R](#)) in opposition of S.B. 369.

CRYSTAL JACKSON (Desiree Alliance):

Testimony ([Exhibit S](#)) in support of S.B. 369.

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BARB BRENTS, Ph.D. (Professor of Sociology, University of Nevada, Las Vegas):
Testimony ([Exhibit T](#)) in support of S.B. 369.

KATE HAUSBECK, Ph.D. (Associate Professor of Sociology, University of Nevada,
Las Vegas):
Testimony ([Exhibit U](#)) in support of S.B. 369.

CHAIR COFFIN:
There is nobody else signed in to testify in Carson City on behalf of S.B. 369,
I now adjourn this meeting at 3:47 p.m.

RESPECTFULLY SUBMITTED:

Mike Wiley,
Committee Secretary

APPROVED BY:

Senator Bob Coffin, Chair

DATE: _____