

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON TAXATION**

**Seventy-Eighth Session
April 9, 2015**

The Committee on Taxation was called to order by Chairman Derek Armstrong at 12:40 p.m. on Thursday, April 9, 2015, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Derek Armstrong, Chairman
Assemblyman Randy Kirner, Vice Chairman
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Irene Bustamante Adams
Assemblywoman Olivia Diaz
Assemblywoman Jill Dickman
Assemblyman John Hambrick
Assemblyman Pat Hickey
Assemblywoman Marilyn K. Kirkpatrick
Assemblywoman Dina Neal
Assemblyman Erven T. Nelson
Assemblyman Glenn E. Trowbridge

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Russell Guindon, Principal Deputy Fiscal Analyst
Michael Nakamoto, Deputy Fiscal Analyst
Bryan Fernley, Committee Counsel
Gina Hall, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

Bryan Wachter, Senior Vice President, Retail Association of Nevada
Tray Abney, Director of Government Relations, Chamber of Commerce of
Reno, Sparks, and Northern Nevada
Michael (Mike) Cathcart, Business Operations Manager, Finance
Department, City of Henderson
Brian McAnallen, Manager, Government Affairs, Office of Administrative
Services, City of Las Vegas
Ryann Juden, Chief of Staff, Office of the Mayor/City Council, City of
North Las Vegas
Yolanda T. King, Chief Financial Officer, Department of Finance,
Clark County
Dagny Stapleton, Deputy Director, Nevada Association of Counties
Lisa A. Gianoli, representing Washoe County
Scott Scherer, representing eBay, Inc.
Ernie Adler, representing the Pyramid Lake Paiute Tribe
Victoria Carréon, Director of Education Policy, Guinn Center for Policy
Priorities
Ruben R. Murillo, Jr., President, Nevada State Education Association
Joyce Haldeman, Associate Superintendent, Community and Government
Relations, Clark County School District
Al Kramer, Interim Chief Deputy Treasurer-Investments, Office of the
State Treasurer
Lori Chatwood, Deputy Treasurer-Debt Management, Office of the
State Treasurer
John O. Swendseid, Attorney, Sherman & Howard LLC
Carol Howell, Private Citizen, Carson City, Nevada
Kathy Lewis, Clerk/Treasurer, Douglas County
Lindsay Anderson, Director, Government Affairs, Washoe County School
District
Michele W. Shafe, Assessor, Clark County; and representing Assessors'
Association of Nevada
Randi Thompson, State Director, National Federation of Independent
Business

Susan Fisher, representing Southern Nevada Chapter, NAIOP, Commercial Real Estate Development Association
Shannon Hogan, representing Northern Nevada Chapter, NAIOP, Commercial Real Estate Development Association

Chairman Armstrong:

[Roll was called and housekeeping items discussed.] We will be hearing two bills today, followed by a work session. I will open the hearing for Assembly Bill 380.

Assembly Bill 380: Revises provisions relating to sales and use taxes. (BDR 32-964)

Assemblywoman Marilyn Kirkpatrick, Assembly District No. 1:

Assembly Bill 380 is a bill that has been swirling around this building for the last ten years, waiting and hoping that Congress would do its job and take up the issue and ensure that we have a fair marketplace. The folks that invest in brick and mortar buildings in our state are just as competitive as the folks who conduct business online. I do know there are some folks who are opposed to this bill. There are some folks who have asked for amendments, but I have not had time to review them.

This is an issue because we are one of 26 states that are a part of the Streamlined Sales and Use Tax Agreement (SSUTA). That is something that was started many years ago when the Internet became popular across the country. We were one of the first states to participate. You often see bills in the Assembly Committee on Taxation keeping us in compliance with the Streamlined Sales and Use Tax Agreement. That is just collection and enforcement of what the expectation is.

Many folks—Amazon, eBay, Home Depot, and Walmart—do business online. That is today's market, and that is how folks currently shop. I have a daughter who does not even go into a store because she does everything online. I call it laziness, she calls it convenience. It is a difference of opinion, a difference of generations.

Because this is becoming such a great market, it is getting harder and harder to find merchandise in the stores because they put everything online. My daughter shops with Amazon and they do pay the use tax in our state. Currently, we are fortunate enough to have a memorandum of understanding (MOU) with Amazon as a pilot program, and that has been in place for a couple of years.

We keep bringing this issue to the Legislature. The nexus has always been the issue. Amazon did step up and agree to sign an MOU with the state, at the Governor's request, to see if it made a difference with their business model. They will tell you it did not make a difference in their business model. Should this bill not pass, it will put the state in jeopardy for our current MOU pilot program that is in place, which generates about \$27 million each year. More importantly, this is about the policy of this bill.

Currently you are required to pay the use tax using the use tax form; however, there is no enforcement mechanism and we do not collect that tax. I have heard from the Committee for years that we do not collect enough, we do not enforce anything, yet you want me to investigate new revenue. We do not collect what we are supposed to because we tend to not pass the legislation based on policy. We base it on politics and perception.

What I would like to do today, and I hope we have a different direction this session by putting this policy in place, is to ensure that what is rightfully supposed to be collected is collected and is directed to the correct place. The Senate has the exact same bill (Senate Bill 382). We put it in both houses to ensure that this topic was important this session, and that we make the policy right. We were shocked to hear that Congress did not fulfill their agreement last year as they had promised. We are seeing many states throughout the country—such as California, Oregon, and New York—that are now using this very same language to define what nexus is, so the tax can be collected. We took language from the most tested court case across the country, which was in New York, and we brought that language to our state. It has been through court battles, it has been through the U.S. Supreme Court, and we believe it is solid ground for Nevada to rely on. Senate Bill 382 has passed and moved forward with an amendment, which I believe will be presented today. We need to keep this consistent because we have to continue to have this dialogue.

I would now like to review the bill. Section 1 amends Chapter 372 of *Nevada Revised Statutes* (NRS), which contains provisions relating to the Sales and Use Tax Act of 1955 and the state's 2 percent sales and use tax, "by adding thereto the provisions set forth as sections 2 and 3 of this act." I do not believe this is additional revenue for our state; that is not what this is based on. It is based on policy.

I do want folks to be mindful of the current MOU we have in place. I have worked with the Retail Association of Nevada for many years trying to address this issue. With many of their folks, such as Home Depot, Walmart, and Target,

if you were to purchase from them online they currently do pay the sales and use tax. This is just to get the policy right, so people know what the rules are, and to ensure we collect what is rightfully already due.

Assemblyman Kirner:

I know the Governor has an agreement with Amazon, but I thought if there is a facility in the state then they will collect the tax; it is only an issue if you are doing online purchases from some place outside the state. Is that correct?

Assemblywoman Kirkpatrick:

That is correct. I will give you an example. I was buying auto parts for my daughter and was waiting for the part to come. There was a gentleman who was buying something else and the salesman said, "Do you have to have that part today?" The customer said he was not in a hurry. The salesman said, "If you want to save a few bucks, go home and order it online. You will not have to pay the Nevada sales tax." There are bad actors out there.

There is a clear message across the country that if there is nexus in the state you should be paying sales tax; however, we were hoping the federal government would align it so it was very clear. I believe in our state it is an enforcement mechanism. It is currently required for you to pay the use tax; we just do not have the enforcement mechanism.

Bryan Wachter, Senior Vice President, Retail Association of Nevada:

There was some confusion as to whether or not a facility, warehouse, or some other such nexus really proves nexus. It was complicated at the time. We are glad that particular company came with an MOU to the Office of the Governor and clarified that it does, in fact, constitute nexus. This bill and the amendment would further clarify that relationship.

Assemblyman Kirner:

I thought it was the law that if you have a facility here, like Walmart, and you ordered online, by law Walmart would be required to collect the tax.

Bryan Wachter:

We have the same opinion and are glad everyone is on the same page.

Assemblywoman Kirkpatrick:

I would like to have Mr. Wachter walk through his amendment. I believe there is another one from Holland and Hart, but I have not had time to read it.

Bryan Wachter:

The amendment mock-up we are following is "Proposed Amendment 6391 to Assembly Bill No. 380" ([Exhibit C](#)). It is in a little different order than A.B. 380. The first section is a proposed language change. In order to clarify those MOUs, we fully agree that the Executive Branch has the authority to determine those; we would just like to know about them. Section 1 requires notification within 30 days after the Nevada Tax Commission makes a finding or ruling that a retailer does not have nexus to the Legislature if it is in session, or if the Legislature is not in session, it must be reported to the Legislative Commission.

Section 2 is language from the original bill. This defines nexus based on the New York language. This language has been vetted through New York's highest court, and the U.S. Supreme Court decided not to overrule that case. Other than the U.S. Supreme Court actually making a finding, this is the language that has had the most legal oversight. I will say that recently, members of the U.S. Supreme Court have made their opinion known that the *Quill Corp. v. North Dakota*, 504 U.S. 298 (1992) case was perhaps wrong. It would be interesting to see what would happen if the case were to go back to the U.S. Supreme Court. As it stands now, the New York language is the strongest.

The Association asks that we add section 2, subsection 1, paragraph (b), subparagraph (6), which is a general catchall that says, "Conducts any other activities in this State that are significantly associated with the retailer's ability to establish and maintain a market in this State for the retailer's products or services." The idea here is that the market of retail has changed. I had an 1897 Sears Roebuck & Co. catalogue, and I was going to bring it to show that is what our current sales and use tax laws are built upon—catalog sales. We have moved a long way since then. One-third of Americans purchased something on a mobile device during the Thanksgiving holiday weekend last year. Retail sales increased 4 percent last year; online retail sales increased 8 percent. That number will keep going up and as it does, the tax base in this state is going to continue to erode. Sales tax represents the number one tax revenue in Nevada. If you do not fix this through this bill, it will continue to bring in less and less money.

Section 2, subsection 2 talks about how the retailer can rebut the presumption. Most of the language is from the bill. We felt it could be a little simpler, and we would like a retailer who feels they do not need to pay this to prove their actions were not significantly associated with their ability to maintain a market in the state of Nevada.

Section 3, subsection 2 deals with how a retailer might rebut that using the last four quarters of their calendar year to be able to determine whether their sales qualified as retail sales on the Internet.

Section 5 states, "Except as otherwise provided in this section, it is presumed that the provisions of this chapter relating to the imposition, collection and remittance of the sales tax, and the collection and remittance of the use tax, apply to a retailer if...." This language is the same as the previous language but ensures that all NRS statutes are covered. It is the same for all the sections until we get to section 6.5, which deals with the effective date. We want to give retailers the ability to have a 90-day window to determine whether or not they are subject to this. We wanted them to be able to use the last four quarters to rebut. It begins 90 days from passage and approval, but they can use the last four quarters to rebut.

Assemblywoman Kirkpatrick:

I would like to reiterate that this amendment must be cleared with our Legal Division, as they have to defend us if anyone challenges this. I believe our Legal Division has seen this amendment and is working on the language.

Bryan Wachter:

We presented a different amendment but we have worked with the Legal Division to propose this amendment to the Senate Committee on Revenue and Economic Development last Thursday. It was a friendly amendment. It was approved unanimously and moved from the Committee to the floor.

Assemblywoman Dickman:

We have a use tax in this state. Why do we not give the Department of Taxation some teeth to be able to collect the use tax, rather than complicating this as opposed to states that are not going to be doing this. Chances are, if I was going to come to a state to do business, I would not want to deal with all of these different sales tax rates, especially if I were going to do Internet business. I would go to a state that did not require this.

Bryan Wachter:

Many states are moving in this direction. We are not shocked that Congress did not enact this. Congress has not acted or done their job in this particular field for quite some time now, even though in 1992 the Supreme Court told the legislative body to fix the problem. Because it is Congress, we have moved on to the several states to attempt to answer this question.

There is no data to suggest someone would or would not leave. We have seen, in other states, affiliate relationships that have been terminated by the parent company, so they are not captured in this particular language. You might hear further testimony in opposition to that, but I can tell you that other retailers who are already subject to this law have renegotiated and stand ready to renegotiate those affiliate relationships with those whose parent companies have dropped them. I think it is easier to do this in a way that we are just changing the collection allowance. It is not a new tax that is owed.

It is very difficult to find the use tax form. When we simplify this by making everyone collect, we are going to create an equal playing field for everyone. That means the Bike Shop in Henderson does not have an 8 percent price disadvantage to an online bike store, both of which are creating markets in Nevada. One has a physical presence; the other attempts to create the market through electronic means. Currently, the government treats them very differently. We would like to treat them the same and require everyone to have to collect the taxes.

Assemblywoman Kirkpatrick:

I believe this is the simplest way to ensure enforcement because we do not collect the data and we do not know how folks shop. We would have to hire 100,000 tax enforcers to go to every house and see if they have actually completed and submitted their use tax form. I believe that by clarifying the language all businesses will know this is the direction they need to go.

Assemblywoman Dickman:

This seems to me we are making business owners become tax collectors.

Assemblywoman Bustamante Adams:

I know there may be some opposition regarding the affiliate sections of the bill. I would like to hear your arguments as to why we should include the affiliate. I actually think we should so we can be proactive instead of reactive. I would love to hear your thoughts on including this portion.

Bryan Wachter:

Technology has changed the way we do so much in the retail world. When our tax laws were written in 1952 there was no comprehension of the Internet. There was no way that our tax policy at the time could have been written in such a way as to foresee the ability of a retailer to create a market without a physical presence. The fact is that you can do so. You can do it on your phone or your tablet. A company can engage customers, advertise to them, ship to them, and provide discounts to them. We can do everything that a brick and mortar store can do, without having a physical presence, without paying

property tax, and without hiring employees in this state. We can do it with so much less infrastructure that for us it is an equal playing field issue in terms of you are creating a market, you are reaching out to Nevada customers, but you are doing so in a way that was never anticipated within NRS.

We are seeing this move throughout the country, even without Congress acting or identifying that the playing field needs to be level, whether you are an electronic retailer or a brick and mortar retailer. I think the idea that people will leave because of this tax will eventually be moot because more and more states are passing this law. You are not going to be able to escape it from any state.

If you are going to do business in Nevada and sell to Nevada consumers, we would like you to be good corporate citizens and partake in how our laws reach and touch everyone. That is why we feel these online retailers should be treated the same.

Assemblywoman Bustamante Adams:

Can you give an example regarding the affiliate and the nexus for that in layman's terms?

Bryan Wachter:

The idea is, as a retailer in Nevada, I am a resident of the state of Nevada and I sell things through an online portal, or marketplace. I do that by establishing a link to that marketplace, be it Amazon, eBay, Overstock, et cetera. Sometimes when you shop with an online retailer it will say your order is being fulfilled by Amazon, or some other company. It is that other company we are looking at and saying they are residents of Nevada engaging in business. They have a marketplace and are selling to Nevada residents, but we are not requiring them to have the same relationship. This law says you are a resident of Nevada, you have a business, and whether or not you are selling through an online portal does not negate that you are a Nevada business doing business in Nevada. That is the relationship that creates the nexus.

Assemblywoman Dickman:

Is everyone on this Committee aware of how many tax jurisdictions we have? It is different in almost every county. What the retailer is reimbursed to become the tax collector is less than .25 percent to keep track of all the different jurisdictions they sell to.

Bryan Wachter:

Nevada is actually the leader and one of the model states in how we collect sales tax. We do not require a retailer to collect sales tax in 17 different counties, compared to places like Virginia and other jurisdictions where the

counties number in the scores and hundreds and a retailer is responsible for collecting each jurisdiction and then remitting that to the particular jurisdiction. Nevada is a unique state for many reasons and one that other states are looking to, because we have to remit tax to one entity—the Department of Taxation, which is then responsible to remit to the Consolidated Tax Distribution (CTX), or wherever the tax is supposed to go. Nevada certainly makes it easier and is more business friendly because of the fact that we have one tax recipient. The Department of Taxation collects approximately 5 percent of all taxes in this state. They engage the resort association, the retail industry, trucking, et cetera. Many retailers will tell you the reimbursement rate is low, but it is actually something that during the economic downfall the retail industry offered the state help with some of their financial problems.

Assemblywoman Dickman:

I understand that we do not have to remit to each individual county, but we have to collect it based on the sales tax in each county.

Assemblywoman Kirkpatrick:

That is correct, and currently many businesses already do that. I will use myself as an example. I am in the food service business. When we sell to Washoe County, and we sell items such as paper goods that are subject to sales tax, it is a different amount. It is a different amount in Nye County also. So, we currently have that process in place.

We are a state that, quite frankly, never invested in our Department of Taxation. That is one of the first places we cut. In the business world you do not cut your sales people when times are tough; you add more to drum up more business. Since I have been in this state, we have cut the Department of Taxation during the hard times. We have never truly invested in our Department of Taxation. They do collect much less taxes than the businesses do, and I wish there was a magic way to beef up the Department of Taxation.

Getting folks to stay with this state is getting harder and harder. This is one of the negotiated pieces with the Retail Association of Nevada, and we tend to do that often, to give them an allowance so they can help us collect those dollars. They are not doing it for free. Many have said take it away, and others have said it needs to be more. I do not know where the balance is.

We are missing out on an enforcement mechanism, no matter how you slice it, for what we believe is the law today. That is you have to pay use tax on your purchases. I would be glad to hear suggestions, but I have seen this bill come through this building for the last ten years with every excuse under the sun on why it is not time. My nephew works in Santa Barbara, California, as a big tax

attorney. We were discussing this when California signed the Amazon law, and how all of the affiliates said they were packing up and leaving tomorrow. That was four years ago and California has seen less than 1 percent leave their state. Those arguments do not hold true.

Bryan Wachter:

This is why Assembly Bill 57 is so important as it is. It keeps us compliant with the SSUTA, of which Nevada is a member. The idea is to keep all the definitions and tax language similar among the signees on that agreement. By doing this, it is less complicated for these business to understand what we are taxing and what we are doing. The federal bill mandates that the SSUTA actually provide, free of charge, an electronic package to allow businesses to be able to understand the law through all of the jurisdictions.

Assemblywoman Dickman:

To be clear, I was not suggesting that businesses would leave over this. I do think that businesses considering coming here might choose somewhere else. Also, the collection allowance has been cut for the businesses who are forced to collect the tax and remit it.

Assemblywoman Kirkpatrick:

We have tried to give it back. It is on our list.

Assemblyman Trowbridge:

Several places in the amendment discussing sales or similar products, the words "or services" have been inserted. What services are typically available online?

Bryan Wachter:

Services would be if you were to go online and have photographs put into a book, or request research, or some sort of service that was not traditionally a product.

Assemblyman Nelson:

You mentioned that out-of-state businesses were selling to Nevada residents and you called them Nevada residents. Is that by definition? For example, if someone has a presence in California, and they are marketing in Nevada and generating sales in Nevada, I believe you stated they would be considered Nevada residents. Is that correct?

Bryan Wachter:

In this particular language it would only apply the nexus relationship to a Nevada resident who might be selling on an out-of-state marketplace. They would have to be a Nevada resident to collect. If you were a California resident

selling on the same marketplace, this language would not apply. We wish it would. We are getting to a place with this technology where it should, but that is where we need Congress to act.

Assemblyman Nelson:

So we are not trying to collect on out-of-state companies who are selling to Nevada?

Bryan Wachter:

No.

Assemblyman Nelson:

So those states are doing the same thing, collecting on their end?

Bryan Wachter:

Correct.

Assemblywoman Neal:

In reference to the amendment on page 3, line 1, it states, "Uses trademarks, service marks or trade names in this State...." I would like an example of conducting business through the use of that method. Also, on page 3, line 12, in the rebuttable presumption it says it allows "the activities of the component member with the physical presence in this State...."

Bryan Wachter:

The language is consistent throughout the amendment because it replaces in all statutes that are relevant. What the language attempts to do is make it clear that if you are using the branding from an online marketplace or retailer, that it remains consistent that you are engaging in that activity, using those insignia. Just because you may or may not use it does not make a difference as to whether you have nexus.

Assemblywoman Neal:

That goes to my second question about line 12 on how the rebuttable presumption would work when a person can come and say their specific activities of the component member. I am assuming they are challenging on specific activities not being within the nexus, not having a legal relationship, and not having a consistent stream of commerce in the state where they are going to challenge on an activity. For example, if it is a trademark usage and they use it maybe two or three times in a year, or whatever the circumstance,

I am trying to understand how this specific activity rebuttal will work. That is how I understand this. If I do "X," I am going to rebut you on that activity. It seems as though the nexus can be tenuous where there is no consistent stream of activity through that vehicle.

Bryan Wachter:

Section 6, subsection 1, paragraph (b), discusses the criteria for being a retailer that would have to collect. We put a \$10,000 floor during the preceding four quarterly periods. The rebuttable instance would be if a company determined that they were less than the \$10,000 floor, that their activities in the state were less than that amount, that is where the rebuttable presumption would be.

Assemblywoman Neal:

If you look at page 3, starting on line 33, it states, "The collection and remittance of the use tax, apply to every retailer who ... based upon the sale of tangible personal property by the retailer, directly or indirectly refers potential customers, whether by a link on an Internet website or otherwise...." The ambiguity to me is the indirect referral of potential customers by a link on an Internet website. I am wondering if there is not going to be a nexus issue. Who would that be? How far reaching is that?

Bryan Wachter:

I would like to check with Legal Counsel before I answer that question. I can get back to Assemblywoman Neal to answer her question.

Assemblywoman Bustamante Adams:

You touched upon Nevada's involvement in the compact. You mentioned this is to keep uniformity between the states regarding verbiage, so there is no confusion for businesses as they go from state to state, correct?

Bryan Wachter:

Assembly Bill 57 does that. This bill does not keep us in conformity with the rest of the states, although they are moving in that direction. Assembly Bill 57 keeps our definitions similar, which is important as we move to this, to keep it easy for businesses to collect.

Assemblywoman Kirkpatrick:

This bill does attempt to keep us consistent with other states that are moving in this direction. What we do not want to be is the last state to have something on the books that is very clear and concise. The fair market conversation has

been going on for years and in order for us to continue to be a partner as one of the first 26 states to drive that message, that allows us to continue to participate. If and when Congress does something, we will be one of the first 26 states that benefits from that legislation.

Assemblywoman Dickman:

For clarification, if I were an eBay seller living in Nevada and if I sell to customers in Nevada, I collect the tax, but if I sell out of state, I do not?

Bryan Wachter:

That would depend on the other state's law. As more and more states pass this type of language, it is likely you would have to pay that tax also. If this were to pass, that is correct, only if you exceed \$10,000 in four quarterly periods. If you are an eBay seller selling some old books, the likelihood that you will exceed \$10,000 in four quarters would be minimal.

Assemblywoman Dickman:

If I am an eBay seller in another state, am I required to collect Nevada tax if I sell to someone in Nevada?

Bryan Wachter:

No, not with this bill.

Assemblywoman Kirkpatrick:

However, eBay does have some concerns about this because they have so many sellers. That is one of the reasons we added the \$10,000. The everyday person is still subject to the use tax, which is not enforceable, whether you buy it on eBay or somewhere else. Because so many states are going in this direction, someone may be subject to it on the other end if they buy from you. They may see that.

The one thing that we are begging Congress to do is to make it consistent across the nation depending on where you are subject to that portion of the tax. At some point, that is coming. The truth be told, the reason Congress has not passed it is because they are trying to figure out how to get their cut. We have had our own congressional delegation split on the issue until they became part of it. It is a very fluid dialogue, but they would like a piece of it. They have gone to great lengths to define what water means, because apparently people buy water online. I would have never thought that someone does that, but it is becoming normal as efficient shopping.

This is a technology that we have to embrace. If a Nevada resident buys from eBay, they are subject to the use tax. The misnomer is that this is a new tax; it is not. This is enforcing a current tax. I understand it is a little unfair to the businesses to constantly be doing the state's job, but until we can collect the revenue and clarify the law, it is hard to put together an agency that can do that. You will be here much longer than I will, and I implore you to make this something that you pick up to ensure that the Department of Taxation does more than just 5 percent of the collections.

Chairman Armstrong:

I will open it up for testimony in support of A.B. 380.

Tray Abney, Director of Government Relations, Chamber of Commerce of Reno, Sparks, and Northern Nevada:

I will echo all the comments made before me. I appreciate Mr. Wachter's work on this, and also Assemblywoman Kirkpatrick's work session after session.

Just to reiterate what was said, this is not a tax increase. We must provide a level playing field with our brick and mortar businesses. That is all we are trying to do here. We support this and all the efforts when it comes to streamlined sales tax, marketplace fairness, and all the other things we talk about here. We urge passage of this bill.

Michael (Mike) Cathcart, Business Operations Manager, Finance Department, City of Henderson:

We want to be on the record in support. This is a long-term stability thing. Sales tax is a huge piece of the CTX. It is remitted to local government. It is not like we are looking for a windfall, but we are looking for stability. As the economy changes over time, some of this will help with that stability a decade from now.

Brian McAnallen, Manager, Government Affairs, Office of Administrative Services, City of Las Vegas:

We are in support of this bill. We feel this is a fairness issue, as well as an opportunity to balance out and have a broader, fairer tax policy. We have made this a cornerstone of one of our key elements in Washington, D.C., and have previously strongly encouraged our delegation in Congress to pass these bills to allow us to be a part of this. We have historically supported that legislation in Washington, D.C., and would encourage the adoption here.

Ryann Juden, Chief of Staff, Office of the Mayor/City Council, City of North Las Vegas:

We, too, would like to stand with our sister cities in support of this legislation. We think that one of the priorities of the council is to bring stability to the Nevada tax rate. We believe this is something that goes a long way to accomplishing that.

Yolanda T. King, Chief Financial Officer, Department of Finance, Clark County:
Ditto.

Dagny Stapleton, Deputy Director, Nevada Association of Counties:

We want to echo the support that other local governments have discussed on this bill. It impacts the counties the same way. Sales and use tax is an important source of revenue for counties with which they fund critical services.

Lisa A. Gianoli, representing Washoe County:
Ditto.

Chairman Armstrong:

Is there anyone else who would like to testify in support of A.B. 380? Seeing no one, I will move to opposition.

Scott Scherer, representing eBay, Inc.:

I want to discuss two portions of the bill. Sections 2 and 5 address what is known as the controlled group test for nexus, and sections 3 and 6 address what is known as the click-through test for nexus. We have submitted a proposed amendment ([Exhibit D](#)) that would effectively get rid of the click-through nexus but leave the controlled group test for nexus.

The controlled group test would apply to those companies that have a component member of the control group that has physical presence in Nevada, and that tries to avoid taxes in this state by creating a separate company for its online sites. A company may have Acme Hardware with a store in Nevada and then have Acme Hardware Two, LLC, which is technically a separate legal entity but nevertheless is owned and controlled by Acme Hardware. This is the auto parts example that Assemblywoman Kirkpatrick gave. If they have a physical presence here, as stated earlier, they should be collecting and remitting the sales tax. They have nexus here.

The click-through test, however, would create nexus for small companies, small sellers, that are out of state. I have not seen the mock-up, but I have heard the testimony that this would not apply to sellers out of state, so I am anxious to see the mock-up.

The concern in the current language of the bill is that it would create nexus for a small out-of-state seller who currently has no nexus with the state of Nevada simply because they have an affiliate marketer or, as in our case, they sell through eBay. eBay is an online marketplace that provides a platform for a number of small sellers all over the world to sell goods. We are not concerned about eBay and, if and when we have a presence in Nevada, we are willing to collect and remit taxes. We are worried about those small sellers who sell through eBay who would not have a nexus here otherwise. That is our concern with the bill and why we are suggesting eliminating the click-through nexus test.

Chairman Armstrong:

Could you define the small seller? What level of sales would that be?

Scott Scherer:

This bill has a floor of \$10,000 in a year. California has a \$1 million floor. If you take \$10,000, your net margin on that, if you are lucky, is maybe \$1,000 by the time you pay administrative costs to collect and remit the tax. I realize there is a small portion you get to keep, but having to hire someone to perform that task is going to eat up the margin they might have on \$10,000 in sales.

Assemblyman Hickey:

Does eBay have a physical presence anywhere? My understanding is that eBay is essentially an Internet retailer, or a vehicle that exists through and because of the Internet.

Scott Scherer:

Yes, eBay does have a physical presence. They have large processing facilities in Utah and Arizona. Both of those states do not have Internet sales tax. Some of these types of bills have been proposed, but they have not been enacted. We have a small facility in Las Vegas. The company hopes to expand significantly in Nevada in the near future.

Assemblyman Hickey:

That is good for Nevada. My point, obviously, is trying to find tax revenue that is owed under the law. You would agree in general, and I imagine eBay would

agree also, that you would like things to be done fairly. I would like to hear from eBay that within reason you would be supportive of ways for states like Nevada to be able to collect taxes that are owed to it.

Scott Scherer:

Our amendment will keep the controlled group test in there, and we are willing to support that portion of the bill. In addition, eBay is supportive of a federal solution, with appropriate protection for small sellers in place. A federal solution, which has been a long time coming, would put all of the states on an even playing field. Many states have considered this; there are only a handful that have actually enacted it, especially the click-through nexus. That is the New York law. A number of those states have had a negative impact. South Carolina is considering a bill this session. Their legislative staff did a statement of estimated impact. That statement has a number of interesting facts. They quoted the Connecticut Revenue Commissioner, Kevin Sullivan, as saying, "We have not seen any appreciable or demonstrable relationship between the legislation and entities collecting and remitting taxes that were not collecting and remitting before." Performance Marketing, an advocacy association for affiliate marketers, estimated that of the 9,000 Illinois affiliates with 2010 advertising revenue, 6,000 moved out of state or went out of business, and the remaining 3,000 were downsized by the Illinois statute.

It is not just eBay's world; it is a marketing company that might be here in Nevada, or an advertising company that is doing online advertising for a particular out-of-state seller. That situation potentially creates nexus for that out-of-state seller. That out-of-state seller may discontinue that contract with the Nevada business that is doing the marketing or the advertising.

One more quote from the South Carolina statement of estimated impact is, "The District of Columbia's Commission that reviewed its major taxes and considered ways to improve their tax system looked at expanding the definition of nexus to require online retailers with District-based affiliates to collect the District sales tax. The Commission did not recommend this action and found 'Most states that have created such laws have not seen new tax revenue. That is because businesses in those states opt to end commission-based relationships rather than collect the tax.'"

That is the concern. If you have a physical presence here, we are not saying you will move your physical presence out of the state. It is those relationships with independent marketing and advertising companies that might be in Nevada and may be terminated. For many small sellers, as I mentioned earlier, the administrative costs of collecting and remitting the taxes are significant, and attempting to rebut the presumption obviously is going to require you to hire

a lawyer and go into a hearing. Those costs are going to rapidly eat up any profit margin you might have from that \$10,000 annual gross revenue. Our concerns are that it is going to have a negative impact on consumers because they will have fewer choices for the goods that they are seeking; a negative impact on Nevada Internet marketing and advertising companies that do business with out-of-state sellers; and a negative on the state and its economic development, especially when it comes to attracting Internet-based businesses.

There have been similar bills in a number of states; very few have adopted them. Most who have adopted them have not seen any appreciable new revenue, with the exception of California. As I mentioned, they have a \$1 million floor, so they have not seen a significant exodus from that state. New York has not seen a major exodus either. Smaller states, like Nevada, have seen little, if any, additional revenue.

Assemblyman Hickey:

You mentioned that this bill would result in Nevadans having fewer opportunities. In a sense, is it not true that bills like this are trying to do just that? If we end up with uniform laws throughout the states, then we would make it fair because people would not be able to skirt the taxes that are owed.

Scott Scherer:

If everyone would do this, you are correct. But, significant neighbors like Utah and Arizona have very favorable laws for Internet-based businesses and have not passed these laws. It is very easy for companies to move there and do business from those jurisdictions.

Chairman Armstrong:

Is there anyone else wishing to testify in opposition to A.B. 380? Seeing no one, I will move to neutral.

Ernie Adler, representing the Pyramid Lake Paiute Tribe:

The only problem we see with this bill is the distribution mechanism at the end of the bill. Some of these sales will occur on tribal land, to tribal members. We would like to see the money remitted to the Tribe for those sales, and for the most part that can be done by zip code.

Chairman Armstrong:

Seeing no one else wishing to speak in neutral on A.B. 380, would you like to close, Assemblywoman Kirkpatrick?

Assemblywoman Kirkpatrick:

I appreciate all the folks who came in support. I would like to rebut a little on taking us out of the competitive field. Assemblyman Hickey, you are absolutely right, but we cannot always be worried about what other states do not do. In Utah they have state income tax and very high property taxes. They may have a lower sales tax; however, they have many other taxes that Nevada does not have. Arizona is the same. They have state income tax and local taxes that are remitted to different areas. They do have a lower sales tax, but they also have a triple property tax. What I would say to the businesses that have invested in our state, and have been here for the long-term, is just because times have changed and technology has changed that does not mean we should not have some parity across the board. This is about bringing parity so those small boutique shops that are dying on the vine because no one visits them anymore can be competitive with those online shopping sites today. Times have changed and we cannot be worried about folks who will not come here and be a good corporate citizen.

I am more in agreement with Assemblywoman Dickman's argument that we should have more enforcement within our Tax Department, but we cannot do that. Everyone is always trying to get out of paying something. Mr. Scherer has not seen the amendment and I apologize for that; nor have I seen his. I would hope that if this bill moves today, we have time before it gets to the floor to have further discussions. I do believe we have a choice, as a state, and I have been hearing from businesses across the state for ten years that we do not collect what we currently have on the books, so how can you ask me to be part of a discussion of something else. Every single bill I have this session, as I have had in the last five sessions, is to clarify policy for the long-term of the state when it comes to good tax policy.

[[\(Exhibit E\)](#), [\(Exhibit F\)](#), and [\(Exhibit G\)](#) were presented but not discussed, and are included as exhibits for the meeting.]

Chairman Armstrong:

I will close the hearing on A.B. 380 and open the hearing on Assembly Bill 412.

**Assembly Bill 412: Revises provisions relating to public financial administration.
(BDR 31-963)**

Assemblywoman Marilyn K. Kirkpatrick, Assembly District No. 1:

I am here today with Assembly Bill 412 to give you a little bit of history. When I first came to the Legislature the state was booming, things were going well, they had just passed a tax package in 2003, and there was an excess of dollars. But lo and behold, property taxes were rising to the point of

contention. Local governments came to the Legislature asking for some relief. As a freshman I had signed up to be on growth and infrastructure. I liked planning. I liked being all about what should be expected. They had told me all these great stories about how we were going to visit the rest of the state to see how we could economically work together to get things done. After the first meeting and learning about taxes, I realized that I was hoodwinked as a freshman, and I have been on this Committee ever since.

During that session we had many senior citizens, young families, and businesses that were seeing their property tax grow exponentially. I remember an individual from Lake Tahoe, and I am sure our staff members do too, coming and saying that her property taxes were going to be \$80,000 that year. I thought to myself, "Wow, that is double what I make at my work," and I could not imagine how you would have that kind of money lying around. We heard from many of our senior citizens who had worked hard and paid off their houses that they too could no longer afford the taxes, because they jumped up pretty fast. Then Assistant Majority Leader Barbara Buckley and Assistant Minority Leader Lynn Hettrick worked together to come up with what we today call our property tax cap, to try and stop the craziness so people could actually stay in their homes and not lose them.

Assembly Bill 412 is a culmination of many things when it comes to property tax. The things that I do want to reiterate, at least three times throughout this presentation, are:

- This is enabling legislation, which allows the counties to make decisions based on what is best for their county.
- This does not raise residential property tax. I have been strong on that. I do not believe that is what anybody wants to do. Our residents are just now getting back on their feet and staying in their homes.
- This also allows for local governments to borrow, or take a credit, within part of the money that they set aside.

That being said, I would like to give you a little history on why this bill came about. Many of our rural counties are currently at the property tax cap of \$3.64 per \$100 assessed value. We have seen presentations that show they are at the max and there is no room for them to grow. They have seen decreases in their property tax values, because they dipped, and then we put the cap on so this has truly affected their budget making process.

Typically, I would say that I am not the one to go to bat for a local government on their budget process, but I do believe that we, the Legislature, put them into a different situation, and we should try and address that situation.

This bill allows all counties across the state the ability to go 5 cents outside of the cap, as well as outside of the abatement. This is enabling legislation that allows them to do that. This also says the dollars that go outside of the cap or the abatement are not subject to collective bargaining at any time. It says a simple majority of the commissioners must agree to it within the county that chooses to do it. Five cents outside of the cap for every one cent works out on average to about \$84. It is not a huge increase, but it would be a county commission decision. That 5 cents can only be used for things such as public service, indigent care, and schools.

Section 15 of the bill is about the schools and the school boards. I believe that with us passing the bond, I need to revisit that section. It was not my intent to let the school boards raise their own money, and I believe we did that with the bond. So section 15, in light of Senate Bill 119 passing, needs to look much different than the way it currently sits.

The 5 cents is specific to public safety. That is a big concern for many of our counties across the state. It would again allow flexibility for the counties to make determinations based on what is best for them.

This bill is very technical in nature. Currently, if we were to allow local governments to raise up to the 5 cents, they would not see a huge increase. In some counties it would be a very small amount because they would be subject to that 3 percent; however, going outside of the abatement and outside of the cap they would not be subject to that amount, so 1 cent goes a lot farther outside of the abatement and the cap than 1 cent does inside the abatement.

Sections 10 and 14 are regarding issues concerning the State Board of Equalization, which we have learned a lot about this session. There is a provision currently in statute that allows folks to go before the State Board of Equalization and claim a business income loss. There are parameters they have to meet. The problem we are seeing is that it does not reset. Commercial businesses across the state are paying less than the 3 percent cap we put on residential and I do not think that is fair. This would allow for them to come back and get an annual audit. This would allow them to be reassessed because if your business was not good in 2014, and is still not good in 2015, I would think you would have to make a different business decision; however, we have seen some loopholes where it does not reset. If in 2011, as a business, you

went to the State Board of Equalization and said business is really bad and the market conditions are not working—we have seen that happen and rightfully many people should have used it—but the cap starts from that point and never changes, unlike for our homes. If we were to put on a new patio or we were to make improvements, that number does change. That was one of the legislative intents in the 2005 Session. I believe that it should apply to all.

In section 14 there is a technical amendment I need to address, because I do not want to create yet another loophole within the process. I have the word "obsolescence" in there, which is one of the factors determining if there is a tax, and I do not even know if it is an exemption or an abatement, but it is whether or not they get to have the write-off for their business income loss. What I do not want to create is a loophole where we only look at obsolescence and not the other factors that are included. I believe the assessors are here today because of that concern and wanting to ensure that we are not going from one loophole to another.

Section 9 of the bill talks about the ability for local governments to work with the State Treasurer on the Local Government Pooled Investment Fund (LGIP), which is currently money that is put in by the local governments. It will allow a local government to go before them to get a line of credit.

In 2011 we were struggling with dollars so we worked with the local governments. They were willing to give us a line of credit, up to \$160 million, because we believed we were not going to make our cash flow. Fortunately, we did make that cash flow, and we never really had to borrow it. I wanted to ensure some of our local governments that are truly struggling, or are looking to put some different projects in place, have the opportunity to go before the LGIP, which is currently local governments to local governments making that decision. It would take a buy-in of others so it would not be done in a vacuum.

That is the gist of the bill. It is to allow our local governments to recover as we, in the state, are recovering. When local government does better, so do we. This also allows for infrastructure, or the ability for local governments to have some type of credit themselves, to get through the hard times. This allows the business income assessment we do to be a little bit tighter and for an audit on the State Board of Equalization.

Chairman Armstrong:

When you came up with the bill you allowed this to be controlled by the counties and you did not intend it for the school boards. Was there any thought for giving the cities any control over this?

Assemblywoman Kirkpatrick:

There was some thought early on in the discussion to allow cities; however, counties are required by the Legislature to provide many services, and I felt the counties were better suited to take these dollars. The Legislature puts a lot of unfunded mandates on many of our counties. I believe their essential function is to provide services such as public safety and indigent care. Cities are not always responsible for those.

Assemblywoman Benitez-Thompson:

I had a question on the LGIP. It looks like that is a permissive participatory program, so those who have paid in can borrow, and the majority of those who voted in would have a vote to say if that money could be released. Do we have an idea of who actually paid in?

Assemblywoman Kirkpatrick:

There is a list of folks that have paid in. I believe that some of the school districts are participants, and many of the local governments. I am happy to get you a list.

This is enabling legislation. I am a big believer that if local governments work together they can solve some of their own issues. I also believe that many of our local governments have very different issues. What works in Clark County does not work in Eureka County. What works in Washoe County definitely does not work in Esmeralda County. This is to give them that ability.

I am pretty impressed that local governments, in the last couple of years, have worked closer together rather than apart. They are looking at legislation that has policy rather than politics, and I think that by giving them these additional tools it will give them more ability to do this.

Most folks do not realize that any time somebody's bonding rate is affected in our state, everybody loses. So if the bonding rate goes down in any one city in Clark County, everybody's goes down within that region, and then the state also takes the hit. Once we take the hit, everything else around us does too. There is no win when do we not help local government do well because it affects our bottom line.

I think we had a list in 2011 of who could participate, and they participated voluntarily. I believe those that participate should be able to use those funds to help them recover.

Assemblyman Hickey:

You remember Assembly Bill No. 46 of the 77th Session. There was a real fundamental issue going on there. This bill comes at it in another way. The argument of many of us who saw the need for that locally in our communities, but disagreed that state lawmakers ought to be making decisions for individual districts, was that would have raised the tax in one specific county.

On the other hand, this bill is actually saying what some of us said then. It is a better home rule. I probably should not say that, but it does support what I felt at the time, that it was a decision better made by locals. This is not raising a tax. It would enable, or allow, county commissions or contiguous city councils to make that decision at the local base.

In the case of Washoe County last session, for example, we had scores of hours of testimony at the local level that we never had at this body.

Assemblywoman Kirkpatrick:

I am a very good listener. I felt the pain of many legislators wanting to do the right thing. It is ironic that you should use the term "home rule," because I have worked hard not to have, or allow them to have, some. I honestly do believe in the last two years, since we left that legislative session, they have worked hard to prove they are accountable, that they want to hear from the public, and there are some expectations. They have to decide what kind of locality they want to be too. I, which is a shocker in this building, wanted to be able to give them some tools to do exactly what is best for their community.

Assemblyman Kirner:

Would it be better to change the 3 percent and 8 percent restrictions on property tax rather than going this direction?

Assemblywoman Kirkpatrick:

In another lifetime, yes. This is personal to me. We have a commitment to our residents who are still struggling and trying to get back on board. Businesses are doing better. I approached the business community with this 1 1/2 years ago and they were not opposed to it because you will find many of our out-of-state folks that pay property tax are using this loophole to pay less. Many of the businesses that are here today have no problem with this change because it makes sense. We never intended to create any loopholes in 2005. I just think that it is a longer and bigger discussion if we look at changing the caps and trying to insist that everybody is the same at one number or another.

I knew we would have bigger battles this session, but in the interim I wanted to give local governments the ability to get back on track, and especially some of our rural communities. They are stuck; they are in a really bad spot, and have been for some time. I promised my constituents, because their big concern is that if we took the 3 percent off and went against the grain with all local governments when they were talking about that, that we were not ready to be there. They have not fully recovered. For me it may make more sense as policy, but I do not know that our state is ready for that discussion. So, I am willing to give enabling legislation to allow them to continue to prove themselves.

Chairman Armstrong:

Are there any other questions from the Committee? [There were none.] At this point, we will take testimony from those in support of A.B. 412 in Las Vegas.

Victoria Carréon, Director of Education Policy, Guinn Center for Policy Priorities:

We are here to speak to the provisions in the bill dealing with school districts. I know Assemblywoman Kirkpatrick stated that in light of the school rollover bond legislation that was already approved, that part would need to be reanalyzed. We have actually done that and I wanted to share some of those findings ([Exhibit H](#)).

Even with the rollover bonds there are still quite substantial needs for school districts in terms of facilities. For the Clark County School District (CCSD), \$3.8 billion in needs remain that will not be funded by the rollover bonds that were just approved. In the Washoe County School District (WCSD), it is \$514 million that is still unfunded. In our rural districts, the rollover bonds are going to have very minimal impact, and the amount of those needs has not been fully quantified; however, we do know that there is about \$450 million in replacement costs that have not been funded.

As was discussed, there are issues with the existing financing tools. Since many of the small districts are at or near the statutory cap, even if they wanted to go out for more bonds, they could not do so because they are right at those tax caps. The tax abatements constrain growth in the tax revenue, so even if a school district did have sufficient capacity to go out for a new rollover bond, they would be constrained by those tax abatements, and would actually end up, oftentimes, not generating additional revenue.

We think this bill actually has a lot of promise in helping to address these issues because it addresses both the statutory tax cap and the tax abatements. It also ensures that school districts could have a county-by-county solution.

To give you an idea of what this might be able to raise, we looked at the bill language as it was submitted. Three cents on every \$100 of assessed value would generate approximately \$21 million in the CCSD, and it would generate approximately \$4.4 million in the WCSD. Those are annual figures. In the rural districts, of course, it is much less. It ranges from \$19,000 in Esmeralda County to about \$800,000 annually in Douglas County. In our testimony, which we did submit, we have included a chart that shows all of that information (page 2, [Exhibit H](#)).

The districts could bond against that revenue as well. Assuming we are just doing the 3 cents, had even revenue over a 20-year payback, and a 5 percent rate, the CCSD could generate approximately \$250 million. That is still nowhere near the \$3.8 billion they need, but it is certainly an important part of the solution. For the WCSD it could generate \$50 million. For the small rural districts, this would probably still be insufficient to bond any significant amounts.

We do think this could be a very important part of the solution for facilities for school districts. We think that part of the bill should get some consideration by the Committee.

In our report on school facilities we did make a few other recommendations the Legislature could consider. First is creating more of a statewide funding mechanism for school facilities. Second is providing school districts with the ability to create special improvement districts, which they do not have the authority to do now. Third is exploring the feasibility of creating multicounty tax districts for rollover bonds, especially in small school districts. Last is encouraging the Office of Economic Development, Office of the Governor, to conduct a school facilities impact study and develop a funding plan prior to approval of the development incentives.

Chairman Armstrong:

We will come back to Carson City and Ms. Yolanda King.

Assemblywoman Kirkpatrick:

I did want to tell you that Ms. King and I have also talked about an amendment ([Exhibit I](#)) on the redevelopment that is not yet finalized. We have had the discussion, so it is a friendly amendment.

Yolanda T. King, Chief Financial Officer, Department of Finance, Clark County:

First and foremost I would like to thank Assemblywoman Kirkpatrick for proposing a bill that would definitely bring relief to local governments.

Early on in this session you saw the presentation that I gave to you in terms of how the property tax abatements have affected Clark County, and what it looks like in terms of going forward in our revenues. We are essentially back at the 2006 levels with regard to property tax revenues.

As this bill is presented, it definitely will provide that relief. The proposal for no less than 6 percent for commercial properties not only will provide relief for the counties but will provide relief to the cities as well. In terms of increasing the property tax rate, as written that would just apply to those counties.

I would also like to make note, as Assemblywoman Kirkpatrick mentioned, that in 2009 there were some unfunded mandates that were pushed down, specifically in Clark County, and I believe in Washoe County as well. There were about \$22 million in unfunded mandates for services that the county was required to pay for state services, so that \$22 million was an unfunded mandate to Clark County and it did not pass on through to the cities.

In addition, Assemblywoman Kirkpatrick mentioned and is absolutely correct that there are, and is a great need for, additional services that are provided by those counties. The increase in the property tax rate is enabling and it does allow a board of county commissioners to make that decision if they want to increase those rates outside of the abatement.

Tray Abney, Director of Government Relations, Chamber of Commerce of Reno, Sparks, and Northern Nevada:

You may be pleased to know this is a tax bill that the Chamber is not neutral on. I am going to be commenting on just the school capital portion of this bill. Assemblyman Hickey mentioned A.B. No. 46 of the 77th Session, and if you look closely at the walls of this building or the building where the Washoe County commission meets, you will find Tray-shaped dents in them from trying to get that bill through this building and through the commission process.

This bill proposes a property tax increase, the same amount that was in A.B. No. 46 of the 77th Session and, frankly, at least in Washoe County, we are in a crisis mode when it comes to building new schools and maintaining the current ones we have. We are housing children in something like 228 trailers scattered across the district, some of which are 30 years old.

It is imperative that we deal with this problem. It is an economic development issue as we talk about attracting companies and their workforce here. You heard my soapbox speech the other day, but beyond this, we still need to fix property tax as a whole—the system as it stands with depreciation and other

things we have talked about here. As one of the previous speakers mentioned, we probably do need a more long-term complete solution, maybe a statewide funding mechanism. We certainly support any effort, and support this bill today so we can build the schools we need.

Ruben R. Murillo, Jr., President, Nevada State Education Association:

I am speaking in support of the bill. We appreciate Assemblywoman Kirkpatrick bringing this bill up. We do recognize also that the bond rollover money is a good start, but it is not enough. Mr. Abney spoke of the seas of trailers in Washoe County, and if you go through Clark County, there are elementary schools that are completely made up of portables. We are in support of this bill and appreciate your efforts.

Ryann Juden, Chief of Staff, Office of the Mayor/City Council, City of North Las Vegas:

We also support this bill and are excited about the vehicle the bill provides for cities, such as North Las Vegas, that are looking for opportunities to do large infrastructure projects. To dispense with hyperbole, there are a lot of important things going through this building during this session, and we believe our efforts in North Las Vegas to open, and have ready for business, a large-scale industrial space that is turnkey and ready for the next big business that wants to come to southern Nevada are essential. It is essential to have that ready so we do not get continually passed over by businesses that cannot wait for utilities out there. We think this measure provides a vehicle and an opportunity for us to be able to provide that critical thing that is missing from our real estate portfolio in southern Nevada.

Brian McAnallen, Manager, Government Affairs, Office of Administrative Services, City of Las Vegas:

We would like to thank the sponsor for bringing this bill forward, and the previous bill. Like all things Assemblywoman Kirkpatrick works on, this is rooted in well-studied policy changes. We specifically think sections 10 and 14 address some challenges that have existed with regard to the State Board of Equalization and the resets. We also think the 6 percent addition in section 13 will be very helpful to local governments.

We understand she has had challenges with local government home rule in the past and acknowledges that there are some things that are changing and that we do need help. We have had lots of conversations with her in the past with regard to property taxes generally. I think Yolanda King mentioned in the presentation that she made, along with our chief financial officer, Mark Vincent, discussing the property tax situation in southern Nevada, both in this Committee and in the Senate Committee on Revenue and Economic Development. While

we would agree with Mr. Abney that this issue needs to be addressed broadly, and we think it is one certainly that merits the time to do that, this is a great bill and a step in the right direction. We appreciate her efforts to do this and would encourage this Committee to adopt this bill.

Chairman Armstrong:

Before we move on, Assemblywoman Neal has a question for Ms. King.

Assemblywoman Neal:

I was reading your amendment ([Exhibit I](#)) and I am trying to understand the language regarding intent. Is that in relationship to the total sum in assessed value language or aggregate value language we saw in the redevelopment bill?

Yolanda King:

No. The language that I am proposing in the amendment is that if the board of county commissioners decides to increase the tax rates, up to the 5 cents or whatever amount they decide on, that 100 percent of the tax rate increase goes to the county. If there is a redevelopment agency, the incremental growth in value can be distributed to the redevelopment agencies. I am just saying that if we increase the tax rates, none of those monies are going to the redevelopment agencies. They stay with the county.

Joyce Haldeman, Associate Superintendent, Community and Government Relations, Clark County School District:

Ms. Carréon from the Guinn Center actually did a good job of presenting my testimony. We truly appreciate what this body has already done so that school construction can continue in Clark County. This is another tool that might add to funds that would be available to us. We anticipate that the rollover that has already been approved might generate as much as \$4 billion. Given the conditions under which we operate, we have identified over \$7 billion worth of needs in the CCSD, for both new schools and renovation of existing schools.

We appreciate Assemblywoman Kirkpatrick bringing this forward and we think it is a great idea for schools.

Chairman Armstrong:

Would anyone else like to speak in support to [A.B. 412](#)? Seeing no one, we will move to those who would like to speak in opposition to [A.B. 412](#).

Al Kramer, Interim Chief Deputy Treasurer-Investments, Office of the State Treasurer:

I am testifying today in opposition of A.B. 412, specifically section 9 of the bill, because there are still some questions that need to be addressed.

This bill authorizes the governing body of a local government to submit to the State Treasurer and each member of the Local Government Pooled Investment Fund (LGIP) a proposed agreement which, if approved by a majority of the LGIP members, mandates the State Treasurer, in the name and on behalf of the state, to borrow money through the issuance of general obligation (GO) notes to the LGIP.

The LGIP has 86 members; 17 of those members, or 20 percent, have zero or less than \$1,000 on account. While section 9 states a majority of the LGIP members, does this include the members with a zero balance? Would this be better if the votes were based on the amount invested in the LGIP?

The LGIP is subject to reporting rules when the value of the portfolio drops below the dollar per share standard. Securities are valued on a regular basis. Should they be valued higher because interest rates dropped, we would call that an unrealized gain. On the other hand, if interest rates should rise, the security, or loan, would be valued lower, causing an unrealized loss. This could cause the LGIP portfolio to drop below the dollar per share standard and possibly trigger unintended consequences.

Members invest in the LGIP to have an investment vehicle for short-term money that can earn more in a pool aggregated with other members' short-term funds than can be earned by that entity alone. The member dollar balances in the LGIP are subject to change on a daily basis. What if members reduced their holdings in the LGIP to such a degree that the liquidity of the fund was at risk because of the loan? This would require a sale of the loan with the risk that the loan's interest rate would not be high enough to recover the remaining principal. This could result in a fund that failed the dollar per share standard, and we do not know what future interest rates are going to be. If a loan is authorized by the current LGIP membership, future members will be obligated. If the fund balance declined, how will the future members be affected?

Currently, the LGIP can purchase the securities of the State of Nevada or its political subdivisions. The State Board of Finance sets the investment policy for the LGIP. This policy has a restriction on the maturity of securities that can be bought. No security with a maturity from time of purchase of more than two years can be bought. The current policy requires that 50 percent of the fund be held in securities that mature in 90 days or less. Also, the LGIP cannot

have a weighted average maturity of more than 150 days. Therefore, only a relatively small amount of the portfolio could be held in two-year securities and still comply with these investment policy requirements.

Thank you for your time today, and for considering these concerns. I would be happy to address any questions from the Committee.

Assemblywoman Benitez-Thompson:

I have a couple of questions about the LGIP. What is the actual amount in the fund?

Al Kramer:

Right now there is about \$550 million, but lately it has been running about \$500 million. We have a little more in there now, but we know it is going to be withdrawn in the next 10 days.

Assemblywoman Benitez-Thompson:

What is going to be withdrawn in the next 10 days?

Al Kramer:

I understand there is about \$83 million Clark County has that will be withdrawn in the next 10 days.

Assemblywoman Benitez-Thompson:

You are talking about who pays into it. Off the top of your head, do you have an idea of who pays into it? Is it each county or is it cities? It sounds like there is a big mix.

Al Kramer:

There are cities, counties, school districts, general improvement districts, convention centers, and airport authorities. Virtually every political subdivision in the state of Nevada is a member.

Assemblywoman Benitez-Thompson:

You said during your testimony that everyone has a different amount in the fund. Some people have contributed zero, or at different times have contributed different amounts.

Al Kramer:

Eight of those 86 entities have a zero balance right now. They have had balances in the past, but right now they are at zero. Another half dozen have balances of under \$1,000. There are some with \$80 million to \$90 million in it,

and those vary based on their needs. Carson City has \$16 million, but they will vary between \$6 million and \$20 million depending on the time of year, tax revenues, bond proceeds, and that sort of thing.

Assemblywoman Bustamante Adams:

Are your concerns just with the investment fund and not about the other portion of the bill regarding the increase outside of the cap?

Al Kramer:

Yes, that is correct. Section 9 is the area I am concerned with.

Assemblywoman Bustamante Adams:

It seems like your concerns could be addressed. I did not even know the LGIP existed, so it is something new that I am learning for myself. You just want protection for the ones that do contribute to the fund, to make sure there are parameters to ensure it is not depleted, correct?

Al Kramer:

That is correct. My feeling is that the way it is written this would allow for a 30-year loan from a fund that is essentially a short-term investment fund. If I had money in the fund, and I knew that a portion of it was being allocated out 30 years, I might say I would rather invest it myself and not be part of the pool, so I know the liquidity is there when I need it. My fear is that you would drive people away from the fund, when it is a liquidity fund. To be a vehicle for a bond, it would be a 30-year bond, and that is our concern. That is not a short-term application.

Lori Chatwood, Deputy Treasurer-Debt Management, Office of the State Treasurer:

I am also testifying today in opposition to A.B. 412, specifically as it pertains to section 9. As Assemblywoman Kirkpatrick mentioned earlier, we have had language in *Nevada Revised Statutes* (NRS) previously for a state line of credit. It varies significantly from the language that is in this bill.

When the line of credit language is in there, as it had been previously, it was a State obligation for the use of the State, backed by the State, where the terms of the payback and the revenue stream to pay it back were also put into the bill. It was a 5-year payback compared to a possible 30-year payback.

As it is written in section 9, a local government is going to take an agreement to the members of the pool, along with the State Treasurer, and if a majority of those members approve the agreement, the State Treasurer will be mandated to issue a general obligation bond of the State. The LGIP would purchase the

State's GO bond as an investment, and the money from the purchase of that bond would then go to the local government. That governing body is agreeing to repay the principal and interest on that debt [written testimony ([Exhibit J](#))].

Areas of consideration would be if the State is mandated to execute the local government's proposed agreement. What rationale, criteria, or timing are the LGIP members to use to approve the proposed agreement? What do they use to determine whether they want to enter into that agreement? Who are the parties to that agreement? Is the LGIP a party to the agreement on behalf of its members and, if it is, why is that so? The LGIP is purchasing a State GO, not the local government's GO. The LGIP is not affected by the repayment of this debt because it is a State obligation and a State GO.

If the LGIP or its members are not a party to the proposed agreement, or affected by the local government repayment, then why does the approval of the agreement rest with the LGIP members rather than the State, who is issuing the note and putting its full faith and credit behind the repayment of the note?

In section 9, subsection 1, it states the local government will repay the debt; however, there is no clear indication of how that local government will repay the debt. Is the local government issuing a debt instrument, such as a GO bond or a revenue bond, or is it using cash? What authority does that local government have to become indebted? What is the local government's credit rating and/or ability to repay that debt? Will the Debt Management Commission or the State's Department of Taxation review the local government's ability to repay the debt and issue a determination prior to an agreement being presented to the State Treasurer and LGIP members?

Section 9, subsection 3, defines the limitation on the amount of the notes the LGIP may purchase. What happens if LGIP members withdraw a substantial amount of funds between the time an agreement is approved? Is the determination made regarding the amount of notes that may be issued based on the balance in the fund and the closing of the note and the issuance? There could be insufficient funds available to purchase the note.

In section 9, subsection 4, the interest rate must not be less than the rate required to sell the note at par. There is no way of determining at the time of the issuance of the note, say August 2015, what will be sufficient to generate a price at par at some time in the future when the note may be required to be sold in order to provide liquidity to the fund. What if there are no buyers for the note? [Referred to written testimony ([Exhibit J](#))].

In section 9, subsection 5, the total principal of the note issued must be repaid within 30 years. In the LGIP language in NRS 355.167, subsection 5(a), upon deposit the LGIP member must inform the State Treasurer in writing how long a period their money or deposit—since this is their money in the fund, it is not State money—is expected to be available for investment. Does this mean that all the approving members of the agreement must certify that they will leave their money in the LGIP for 30 years until the notes have matured? If those approving members' deposits are not sufficient to cover the cost of purchasing the note, does the LGIP need to wait until enough members with deposits on hand have agreed in writing to leave their deposits in the LGIP for 30 years?

Nevada Revised Statutes (NRS) 355.167, subsection 6, says that if a local government wishes to withdraw any of its money before the end of the period of investment, the State Treasurer is required to sell or liquidate the note. Any penalty or loss of interest incurred must be charged against the deposit of the local government that requested the early withdrawal. For a 30-year investment, the penalty could be greater than the amount of money the local government has had on deposit, or is invested in. What if, again, there are no buyers for that note? How will compliance with this statute be addressed?

In section 9, subsection 6, the notes are GOs of the State. As a GO of the State, it counts against the State's constitutional debt limit utilizing future state debt capacity. We are bound to amortize a GO within 20 years from the passage of the bill, which is in conflict with section 9, subsection 5. It is reported as a debt of the State and included in all debt ratio calculations reviewed by the rating agencies as part of the State's credit rating analysis and credit worthiness.

If the local government failed to make a repayment to the State, what would likely have to happen? The State would have to reduce or forego its future capital improvement and/or other bonding programs since the State's ad valorem revenue affordability would be utilized to repay the notes; or the State would need to identify another revenue stream to pay the debt; or the State would need to increase its ad valorem tax assessment, which is currently 17 cents per \$100 of assessed valuation; and a special session of the Legislature would be required to authorize the new tax levy.

As the body has heard today from the local governments, they are at their tax cap. Should the State need to increase its ad valorem assessment, that would roll downhill and cause many of the local governments who are already at their cap to have to reduce some other area of their funding to allow for the State's increase in its cap. [Referred to written testimony ([Exhibit J](#))].

Additionally, if the local government failed to make their repayment to the State in August, the State General Fund would have to make a loan to the Consolidated Bond Interest and Redemption Fund to cover the payments on that debt until the additional revenue from the increased ad valorem tax could be received, and that could take over a year.

Since it does not state what the local government is borrowing for—how they would be using the money—we would have to assume it is taxable debt and may not qualify under tax exempt debt. With that being a higher rate of interest than tax exempt debt, we would assume that for a \$160 million note, an increase in the State's ad valorem assessment could be up to 2 cents.

Nevada Revised Statutes (NRS) 349.218 says that a note must mature at time or times not exceeding one year from the date or the respective dates of their issuance. So would not the more appropriate debt obligation be a bond, given this is a long-term debt of 30 years for the state?

Chairman Armstrong:

In the interest of time I would appreciate you summing up your testimony. You can submit your notes for the record ([Exhibit J](#)).

Lori Chatwood:

Thank you, Chairman. In the consideration of time I will leave my last question with John Swendseid as our bond counsel.

Article 9, section 4, of the *Nevada Constitution* says that the state shall never assume the debts of any county, town, city, or other corporation. If section 9 of this bill is, in essence, creating a debt of a municipality, and mandates the state to borrow money to originate the funds for the debt, and to levy a tax to pay for that debt, is the State in actuality assuming the debt of the local government?

Assemblywoman Benitez-Thompson:

As you talk about section 9, the ability to borrow from this fund already exists in statute. I would imagine from the way you describe it that no dollars have actually been borrowed because it seems very problematic. Is that what you are saying, that since the fund was set up there actually has been no lending of dollars from this fund?

Lori Chatwood:

The fund is an investment tool for local governments, as our chief deputy, Al Kramer, stated. The local governments put the money in there, which the State invests on their behalf, with the return to be greater than what they could

do individually on their own. The purpose of the fund is mainly as an investment tool. The note language that was previously in there, for 2001, was for the fund as an investment—to purchase a line of credit from the State. So the fund itself had an investment that would have a return greater than most of the investments that it could invest in at that time, and then the State would pay the interest on that note that was purchased. No money was ever utilized, but had it been utilized, it was a short-term debt of five years. It was specified in NRS what the debt was, what the payback stream was, and what the timing of that payback was. Those things are not involved in the language today.

Assemblywoman Bustamante Adams:

Prior to your testimony today, have you had a chance to express your concerns to the bill sponsor?

Lori Chatwood:

I have not.

Assemblywoman Bustamante Adams:

So these may be workable things, putting in parameters that would bring more sense of security, to make sure things were in place so there was no abuse, correct? Would it make you feel more comfortable if those questions you just posed had some answers so it would bring more protection for the State?

Lori Chatwood:

We would be more than happy to consider and look at any language that was proposed and, of course, have it vetted through our bond counsel.

Assemblywoman Bustamante Adams:

You brought up a lot of questions, but do you have suggestions that would be considered a best practice to put those parameters in place?

Chairman Armstrong:

Do you want Mr. Swendseid, as bond counsel, to chime in on that?

Lori Chatwood:

I would prefer Mr. Swendseid answer those questions.

John O. Swendseid, Attorney, Sherman & Howard LLC:

As stated by Ms. Chatwood and Mr. Kramer, I serve as bond counsel to the State of Nevada. I am here only to testify about section 9 of the bill. I do not, in my role as bond counsel, have any problem with the rest of the bill. The testimony you have heard today about the rest of the bill sounds very good.

My testimony should not be viewed as criticism of the bill, but section 9 does have some problems that were alluded to in Ms. Chatwood's testimony.

I brought with me copies of Article 9, Section 3, of the *Nevada Constitution* ([Exhibit K](#)), which is the portion that deals with government debt. It requires that every time the state incurs a debt, which is what this applies to, the debt has to be authorized by law for some specific purpose to be distinctly stated in the law that authorizes the debt. The law has to provide for levying of a tax sufficient to pay the debt back, and to pay the principal back within 20 years.

Based on reading the bill, and from Ms. Chatwood's testimony, section 9 appears to require the State issue a note to the LGIP with a 30-year term, and that it is to be a GO bond of the debt. That would violate this section of the *Nevada Constitution*. The bill would be authorizing the LGIP to acquire a debt that is in violation of the *Nevada Constitution*, which is not a good idea because it may not get paid back if it is in violation of the *Nevada Constitution*.

The law also does not specifically provide the purpose for which the debt was incurred. In the earlier line of credit, it was very specific through the purpose of the debt. It was incurred to provide money to the State General Fund for the State's general operating purposes, which we were not sure we would have enough in the State to do that. That was in the bill before, but is not there now. The purpose of this loan that the State makes to the LGIP is not there.

I do think this has constitutional problems. We do have other programs in the state whereby the State helps local government with financial situations. There is a State bond bank [Municipal Bond Bank] operated by the State, which is designed specifically for providing the State credit behind local government bonds that are incurred for certain purposes. So if the purpose is that the local government needs money is one that fits the State bond bank, that is something that is easily accommodated under existing law. Almost every local government in the state has taken advantage of that at one time or another. It does give a local government, in whatever financial condition they are, access to capital through the State bond bank. There are also other State programs to provide money to local government for various reasons, and I am afraid this might duplicate what we have in the bond bank.

I think it is important for you to realize that as Mr. Kramer and Ms. Chatwood said, the LGIP is a short-term investment pool. Many local governments put money from their own bond issues into that investment pool. They are required

under federal tax law, generally, to spend money from their bond issues within three years. If the investment pool invests all its money in a 30-year state bond, or even a 20-year state bond, it may not be possible for a local government to get its money back in order to spend it on the school building or the county courthouse, or whatever the local government bond money is for. If it cannot get the money, it may fail this federal requirement that it spent its bond money within three years. It is very dangerous for a short-term investment pool like the LGIP to invest money out 30 years, because it means local governments might not be able to spend the money when they need to in order to meet the requirements of some other law.

I did bring copies of Article 9, Section 3, of the *Nevada Constitution* ([Exhibit K](#)), and would be happy to put a copy on file with the secretary. I brought copies sufficient for the Committee if you think that would be helpful. I would be happy to take any questions.

Chairman Armstrong:

Are there any questions from the Committee? Seeing none, we will move on. Would anyone else like to speak in opposition to A.B. 412?

Carol Howell, Private Citizen, Carson City, Nevada:

I am opposed to this bill. I am not an expert in taxes; I normally just fill out the check, sign it, and send it in. I heard Assemblywoman Kirkpatrick say this is not directed at resident homes, but in reading section 1 of the bill, line 7 clearly states that this is to be applied to all taxable property.

If this bill has been amended and I have not seen that amendment I might back off of this, but as it stands now, I am very much against giving the cities, the counties, or a school board the ability to increase taxes on our properties. If you go to another section of this, it gives either/or both the ability to increase the taxes. That tells me that 10 percent is the way it is written. If this thing has to be rewritten, to accommodate these conflicts, I do not know how it goes forward out of this Committee.

As far as sections 9 and 10 go, I pay very close attention to what is going on with our city and our board of supervisors, and I can tell you if you give them the ability to borrow any more money, or tax any more, they are going to do it. I know home rule and I know it is all supposed to be closer to the voters, but I can tell you in the last election the voters voted down an increase in property tax for a redevelopment improvement area. The board came right back and tacked the one-eighth of a percent on, regardless of having lost by about 75 to 1.

You just cannot give it to them. They will go further in debt. They will increase the property taxes. Right now your residents of this state are already paying better than 60 percent of their income in one tax or another. You cannot just keep taxing. It just does not work and I am totally against this.

Kathy Lewis, Clerk/Treasurer, Douglas County:

I am here speaking in opposition to section 9 of this bill.

Chairman Armstrong:

Are your comments similar to what others stated regarding section 9, because we have kind of killed that. If you agree, you can just say ditto.

Kathy Lewis:

Ditto.

Chairman Armstrong:

Is there anyone else who would like to speak in opposition to A.B. 412? Seeing no one, I will move to those in neutral on A.B. 412. The same rule applies; if it is related to section 9, you can say ditto for that.

Lindsay Anderson, Director, Government Affairs, Washoe County School District:

We are here as neutral today, mostly because we feel two different ways. As one of the largest investors in the LGIP, we have the same concerns about section 9. It sounds like some of those issues are going to be addressed.

Obviously, as you heard before, as a result of A.B. No. 46 of the 77th Session and the rollover bond, the need for school construction in Washoe County is our number one priority, so any opportunity to be able to raise revenue to build new schools in our county we would greatly appreciate.

Michele W. Shafe, Assessor, Clark County; and representing Assessors' Association of Nevada:

We are neutral on this bill. We do have concerns with section 14, which we have addressed with the bill sponsor.

Randi Thompson, State Director, National Federation of Independent Business:

I am neutral on this bill. We were adamantly opposed to A.B. No. 46 of the 77th Session. I think this bill does address some of those issues, but we recognize the need for operating and maintenance costs and issues that are facing both Clark County and Washoe County, but the onus is actually put onto either the county school board or the county commission to raise taxes.

So, while it is put on the local officials, to some extent it still circumvents the voters, when it has been tradition in this state to have the voters agree to school bonds.

I am also glad to see some of the issues being addressed in this, such as the monies have to go for school capitalization and cannot be used for other purposes, which I think is a good safeguard to put into place.

I hope we can, at some point during this session, tackle the biggest issue facing property taxes in our state, which I think is depreciation and market value. I really wish we could just get rid of depreciation on the sale of a home and deal with more of a single cap on both residential and commercial properties.

We do acknowledge also that the school boards, both in Clark County and in Washoe County, have lost faith with the voters. Frankly, until those two boards act a little better, I think this is still going to be a concern for voters. With that said, we are neutral on this and appreciate your time.

Susan Fisher, representing Southern Nevada Chapter, NAIOP, Commercial Real Estate Development Association:

We are neutral on the bill. Our owners and our members are evaluating it now. They have multiple sorts of assessments and valuations right now, so it is taking a little bit of time to analyze this. Primarily we want to go on the record today so Assemblywoman Kirkpatrick will let us in the door when we come to talk with her later on.

Shannon Hogan, representing Northern Nevada Chapter, NAIOP, Commercial Real Estate Development Association:

Just to reiterate the sentiment of my colleague, we are also neutral on the bill.

Dagny Stapleton, Deputy Director, Nevada Association of Counties:

We are neutral on the bill, but we really want to start out with thanking the bill sponsor for working on this issue. As you heard previously, we have been before your Committee talking about some of the challenges local governments have with the property tax structure, so we appreciate the work that she has done in addressing this.

To the extent that there are some tools in this bill that would absolutely help some of our counties, we are very interested in figuring out both short-term and long-term solutions to bring stability, predictability, and equity to Nevada's property tax system. The tools in this bill that we are supportive of would

especially help those counties that are at or near the property tax cap, which is nearly half of Nevada's counties. We think this bill could help provide options for those counties.

Lisa A. Gianoli, representing Washoe County:

We are neutral on the bill. Our county commission has not taken a formal position on this, but we appreciate the sponsor and some of the tools that this will give the board the discretion to use in the future if necessary.

Chairman Armstrong:

Assemblywoman Kirkpatrick, we have one more question for you before your final comments.

Assemblywoman Neal:

Is there a reporting mechanism in here, like if the counties or cities enable, or would we find this information on what they do through a local government finance committee?

Assemblywoman Kirkpatrick:

We do see that money within their tentative budgets that they submit. We would definitely see the increases, both in the school district as well as the local governments. There are many different ways to see it; however, I am willing to put a report in it, to ensure that there is some transparency.

Mr. Chairman, I heard you say you did not want to talk about section 9 anymore, but I would like to take ownership of that. As the bill sponsor, I did not give Legal enough details on how to go through that process. I take full responsibility because our Legal Division can only do as much as we, the legislators, give them. It was late and we were out of time. I said, "How about this," and because we have an amazing and wonderful legal staff they will do whatever you ask, but they will not write unconstitutional bills without putting a stamp on it or submitting a letter, so it was never my intent to put something unconstitutional in there. I was just looking for tools.

We do have many local governments that are in a tough situation, with North Las Vegas being one of my own cities in that very same situation. We have Nye County that is in just as bad a situation, but in a different light.

In all the years I have been in this building, local governments are looking out for each other for once. I go back to the point that if one local government does bad, the state does bad, and so does everybody else. I commend them for working together. I have agreed to disagree with them on many different issues, but I want to help them succeed. If we do not get people back to work,

and people do not continue to have economic drivers within our state, the state will never fully recover. We will continue to have to provide services for folks who are not doing better.

I also take full ownership for not reaching out to the State Treasurer's Office and asking them. It was a late night idea. This is no secret and no surprise to many of you, I am sure, but I wanted to have a conversation on how we could give every local government the tools, and they had to rely on each other. I understand that it is a short-term financing system, but it is a risk that the local governments are buying into together, so if they are helping one local government there is some real buy-in.

I am hopeful to have an opportunity to move this to the Assembly Committee on Ways and Means so we can revisit some of the technical parts. I will take the Treasurer's word at face value. Mr. Swendseid and I have worked on many financing projects over the years and I completely respect his opinion. I think that any time we can invest in infrastructure in our state and, as I said—this is not subject to collective bargaining—this is about true infrastructure. This is about making sure that we have the highways to get to where we need to get to, that we have the schools to educate our kids, and that we have the workforce so we can keep up.

If you were on the Interim Finance Committee today, it was disgusting to hear about our information technology system. This allows our schools to stay on the cutting edge, not antiquated, where we are now having to react instead of being proactive. I do not disagree that the local boards should be accountable. They should absolutely be accountable to the constituents they represent, but there is this piece of legislation that you can put in place that gives local government, based on their specific entity, the ability to flourish.

We have heard in this Committee for many years that Nye County does not have the roads. Do you know why? Because their voters do not vote for them. At some point, if we cannot get people out to Nye County, we are just as guilty on the State level because we are creating yet another mechanism for them not to do better.

I understand that local officials have to be held accountable, but they also have to have the tools to be held accountable for. I respect Ms. Howell one million percent. We have agreed to disagree on many issues over time. What I promise to you, Ms. Howell, is this is not for residential on the property tax. This is a loophole that is currently in place that we are trying to correct that many of the businesses are using regarding business income loss. I think what I heard Ms. Howell say is that the residents did not want to have

a property tax increase, but this does allow local governments to have the conversation about their needs, and maybe local government needs to do the same thing.

To give you an example, in Clark County we, the voters, voted to put in flood detention basins. The reason was that it was costing homeowners, and everybody else, a lot of money to clean up after the flood and have their homeowner's association insurance come out and make repairs. Many voters said it was high time that we put that infrastructure in. It is nice not to have my house on Lone Mountain Road under water anymore because we paid just a little bit more, but that is entirely for the local governments to determine if it is in their best interest.

This is enabling legislation. I hope I have the opportunity to continue to work on it. I appreciate the Committee's indulgence and this is the last of my hard discussion, tax conversation policy bills this session. I thank this Committee for enduring six of them.

Assemblyman Trowbridge:

Because this bill impacts local boards of equalization, in the interest of an abundance of caution, I wish to disclose that I serve on the Clark County Board of Equalization. Because this bill impacts me no more than anyone else, and because I own no property other than my home, I intend to vote on this bill unless instructed otherwise.

Chairman Armstrong:

With that I will close the hearing on A.B. 412. We will now move into the work session part of the agenda, starting with Assembly Bill 17.

Assembly Bill 17: Provides for the establishment of a nonprofit entity for certain economic development purposes. (BDR 18-292)

Michael Nakamoto, Deputy Fiscal Analyst:

The work session documents are available in the Committee binders, behind the individual tabs for each bill. They are also available on the Nevada Electronic Legislative Information System (NELIS).

Assembly Bill 17 is the first bill on the work session (Exhibit L). This bill was sponsored by this Committee on behalf of the Office of Economic Development, Office of the Governor (GOED). It was heard in this Committee on February 19.

This bill allows the Executive Director of GOED to propose the formation of a nonprofit entity to be used by the Office for certain economic development purposes. The formation of the entity must be approved by the Board of Economic Development. This bill also revises various provisions relating to the confidentiality of certain records and documents that are submitted to the Office.

There are two amendments (pages 3 and 4, [Exhibit L](#)) that have been proposed to this bill. The first one was proposed by Mr. Hill at the hearing and would revise the confidentiality provisions in section 4, subsection 4, of the bill.

The first amendment would specify that the records and documents that are confidential pursuant to *Nevada Revised Statutes* (NRS) 231.069 are confidential proprietary information of the business, are not a public record, and must not be disclosed to any person who is not an officer or employee of GOED, unless the business consents to the disclosure.

The second amendment was submitted by Assemblywoman Bustamante Adams on behalf of Mr. Hill. This amendment would add a new subsection that would require that a board of directors be created for any corporation for public benefit created pursuant to this act, and it would specify the composition of the board. The board would consist of seven members approved by the Director, with the approval of the Board of Economic Development, as follows:

- Five members from the private sector who have at least ten years of experience in the field of investment, finance, accounting, technology commercialization, or banking.
- One member would be designated by the Speaker of the Assembly.
- One member would be designated by the Senate Majority Leader.

I would note that the proposed language in this second amendment, which is attached to the work session document ([Exhibit L](#)), specifies that the Speaker of the Assembly and the Senate Majority Leader, or the persons designated by those individuals, would serve on the board of directors; however, after discussions between Assemblywoman Bustamante Adams and our Fiscal and Legal staff, the proposed amendment is revised to include persons designated by the Speaker of the Assembly and the Senate Majority Leader, rather than those persons serving in that capacity themselves. So the amendment is based on what is specified in the work session document to that extent, and not necessarily what is in the amendment.

Finally, the amendment would additionally require the board of directors, on or before December 1 of each year, to provide an annual report to the Governor and the Director of the Legislative Counsel Bureau for transmission to the next session of the Legislature, or if it is during an odd numbered year, to the Legislative Commission. This proposed amendment would specify the information that must be included in those reports that are submitted to the Legislature or the Legislative Commission, as appropriate.

Chairman Armstrong:

Are there any questions from the Committee? Seeing none, I would entertain a motion to amend and do pass, with the two amendments submitted, further amended to reflect the change of the composition of the board of directors outlined in the work session document ([Exhibit L](#)).

ASSEMBLYMAN HICKEY MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 17.

ASSEMBLYWOMAN BUSTAMANTE ADAMS SECONDED THE
MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

The floor statement will be assigned to Assemblywoman Bustamante Adams. I will close the hearing on A.B. 17 and open the hearing on Assembly Bill 191.

Assembly Bill 191: Revises provisions governing taxes on fuels for motor vehicles. (BDR 32-667)

Michael Nakamoto, Deputy Fiscal Analyst:

The next bill is Assembly Bill 191, which was heard in this Committee on April 2, and was sponsored by Assemblyman Paul Anderson. This bill makes various changes to the fuel tax indexing provisions that were approved by the Legislature in Assembly Bill No. 413 of the 77th Session. These changes include the following:

- Provisions requiring a statewide ballot question on the November 2016 ballot seeking permission to create an indexed fuel tax rate to be imposed based on the state gasoline and special fuel taxes are repealed.

- Provisions requiring countywide ballot questions on the November 2016 ballot seeking permission to create indexed fuel tax rates are amended to include the state gasoline and special fuel tax rates, in addition to the federal and local rates.
- Certain proceeds generated from the indexed rates based on the state gasoline and special fuel taxes are required to be diverted to the State Highway Fund, for use on transportation projects in the county where the revenue was generated. These provisions apply to revenues generated in Clark County after November 8, 2016, and in any other county approving a ballot question authorizing indexed fuel tax rates after January 1, 2017.

I am not going to go through all of the people who testified, but you can see the list of who testified in support (pages 1 and 2, [Exhibit M](#)).

Assemblyman Paul Anderson testified to an amendment to the bill during the hearing. These are technical amendments to sections 1 and 15 of the bill. These amendments are attached (pages 4 through 7, [Exhibit M](#)) as "Proposed Amendment 6354 to Assembly Bill No. 191." You will note the only thing that is in there are the sections that are going to be amended. These amendments would clarify that the provisions in these sections would only apply to revenues generated from future increases in the state portions of the indexed gasoline and special fuel tax rates that are imposed by ordinance in Clark County after November 8, 2016, or that are imposed by ordinance on or after January 1, 2017, in any other county that approves the question on the November 2016 General Election ballot.

Chairman Armstrong:

Are there any questions from the Committee? Seeing none, I will entertain a motion to amend and do pass with the changes to sections 1 and 15, outlined in the Proposed Amendment 6354 to A.B. 191.

ASSEMBLYWOMAN BUSTAMANTE ADAMS MOVED TO AMEND
AND DO PASS ASSEMBLY BILL 191.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

The floor statement will be assigned to Assemblyman Paul Anderson. I will close the hearing on A.B. 191 and open the hearing on Assembly Bill 372.

Assembly Bill 372: Revises provisions relating to insurance. (BDR 57-1003)

Michael Nakamoto, Deputy Fiscal Analyst:

Assembly Bill 372, the next bill in the work session ([Exhibit N](#)), was heard in this Committee on March 24 and was sponsored by Assemblyman Stewart.

Assembly Bill 372 provides for the establishment of a tax credit program administered by the Office of Economic Development, Office of the Governor for insurance companies that have a home office or a regional home office in Nevada and meet other criteria. A company that is eligible for these credits may receive a credit no greater than 80 percent of the insurer's liability under *Nevada Revised Statutes* (NRS) 680B.027, less any amount of credit that the insurer may receive under current law pursuant to NRS 680B.050.

The bill establishes that the amount of credits that may be issued by the Office of Economic Development in any given year may not exceed the amount by which actual revenues collected pursuant to NRS 680B.027 in the prior year exceeded the forecast for that revenue source that was approved by the Economic Forum pursuant to NRS 353.228.

There are two amendments that are attached to this bill. The first amendment (page 3, [Exhibit N](#)) was submitted by Mr. Musgrove on behalf of the CSAA Insurance Group at the hearing. It would first specify that the year where a credit is not allowed because the actual revenue did not exceed the Economic Forum forecast would not count against the ten-year limit for which the credit would be allowed. It would also add a new section to the bill that would require any insurer approved for a credit for calendar year 2016, in accordance with section 3, to pay a pro rata share of the technology costs incurred by state agencies for the implementation of the act. This section would additionally require that the pro rata share must be paid by each insurer before it can take its credit, and that payment is then added to the amount of the credit that may be taken for that calendar year, so essentially they would pay it and then get it back as additional credits beyond what they would be otherwise entitled to.

The second amendment was also submitted by Mr. Musgrove as a result of the testimony given during the hearing on the bill. It would remove subsections 8, 9, and 10 of section 2. These subsections of section 2 are the trigger mechanism that limit the amount of the credit that may be taken to the amount, if any, that actual revenues generated pursuant to NRS 680B.027

exceeded the Economic Forum's forecast for that revenue source in the prior year. That change is reflected in the mock-up "Proposed Amendment 6092 to Assembly Bill No. 372," which is attached to the work session document beginning on page 4 ([Exhibit N](#)).

Chairman Armstrong:

At this time I would recommend a motion to amend, without recommendation, and rerefer to the Assembly Committee on Ways and Means, with only the deletion of subsections 8, 9, and 10 in section 2, as reflected in the Proposed Amendment 6092 to A.B. 372.

ASSEMBLYWOMAN DICKMAN MOVED TO AMEND AND REREFER
ASSEMBLY BILL 372 TO THE ASSEMBLY COMMITTEE ON WAYS
AND MEANS WITHOUT RECOMMENDATION.

ASSEMBLYMAN HICKEY SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN HAMBRICK WAS
ABSENT FOR THE VOTE.).

I will close the hearing on A.B. 372 and open the hearing on Assembly Bill 399.

Assembly Bill 399: Directs the Office of Economic Development to create a pilot program to encourage the growth of existing businesses in this State. (BDR S-46)

Michael Nakamoto, Deputy Fiscal Analyst:

Assembly Bill 399 was heard in this Committee on March 24 and was sponsored by Assemblywoman Neal. This bill requires the Office of Economic Development, Office of the Governor, in consultation with the College of Southern Nevada, the Nevada Small Business Development Center, and other interested parties, to develop, create, and oversee a pilot program designed to stimulate Nevada's economy. The program is to be designed to provide assistance to businesses that are already located and operating in Nevada, rather than to recruit businesses from other states to relocate to Nevada.

Assembly Bill 399 also requires the appropriation of \$300,000 from the State General Fund to the Nevada System of Higher Education (NSHE) to allow the centers participating in the program to purchase software for a geographic information system (GIS), hire a person to operate the system, and provide other services as are necessary to carry out the pilot program.

There was an amendment that was submitted to the bill, which is summarized beginning on page 3 ([Exhibit O](#)). This was submitted by Assemblywoman Neal at the hearing. There are changes to the pilot program that remove the College of Southern Nevada in subsection 1, paragraph (a), of section 2, and are replaced with a reference to institutions of the NSHE and other Nevada business development centers in Clark County. The requirement for the Nevada Small Business Development Center to mentor and track businesses participating in the pilot program in Washoe County is removed. The amendment adds an economic stakeholder group that consists of economic development entities in southern Nevada, such as the College of Southern Nevada; the University of Nevada, Las Vegas; the Urban Chamber of Commerce; and so on. The Nevada Small Business Development Center would be required to work with the GIS position and the stakeholders group in Clark County to assist businesses that are participating in the pilot program with marketing and other efforts. The pilot program is also amended to require the implementation of a GIS position to provide specialized information to clients of the economic stakeholders group. The system that is created would be administrated by the Nevada Small Business Development Center. Lastly, the definition of "centers" in section 2 is amended to include the Nevada Small Business Development Center and Valley Center Opportunity Zone, otherwise known as VCOZ. I would also note that this bill has been declared as being eligible for exemption by the Fiscal Analysis Division.

Chairman Armstrong:

It is my understanding that there is still a lot of clarification that needs to be worked out in the conceptual amendment to the bill. At this point I would entertain a motion to pass without recommendation and rerefer to the Assembly Committee on Ways and Means, without the conceptual amendment.

ASSEMBLYMAN KIRNER MOVED TO REREFER
ASSEMBLY BILL 399 TO THE ASSEMBLY COMMITTEE ON
WAYS AND MEANS WITHOUT RECOMMENDATION.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will close the hearing on A.B. 399 and open the hearing on Assembly Bill 452.

Assembly Bill 452: Revises provisions relating to property taxes. (BDR 32-847)

Michael Nakamoto, Deputy Fiscal Analyst:

Assembly Bill 452 was heard in this Committee on March 31 and was sponsored by the Assembly Committee on Taxation.

Assembly Bill 452 makes various changes relating to the filing of property tax appeals to a county board of equalization or to the State Board of Equalization. The bill defines the term "owner," for the purposes of determining who may file an appeal, as including any person who owns, controls, or possesses taxable property, or who is otherwise responsible for the payment of the taxes on the property, or is an authorized representative of the property. The bill also requires a county assessor, if he or she objects to a written authorization submitted by a person on behalf of the owner of a property, to give written notice of the objection to the person filing the appeal by certified mail, return receipt requested. If the person filing the appeal submits to the assessor any documentation necessary to cure the objection within seven days after receipt of the notice, the appeal must be deemed to have been filed in a timely manner.

There is an amendment that has been submitted, beginning on page 3 of the work session document ([Exhibit P](#)), from Mr. Finseth and Ms. Reese, based on the concerns that were raised primarily by the county assessors. The amendment makes the following changes to the bill:

- In section 1, the definition of "owner" is amended to include a person who owns, controls, or possesses taxable property. The provisions including persons who are otherwise responsible for the payment of the taxes on the property, or who are authorized representatives of the property, are deleted.
- In section 2, provisions are added allowing the written authorization to be signed by the owner or by a person employed by the owner, or who is an affiliate of the owner acting within the scope of his or her employment.
- In section 2, the provisions relating to the objection of the written authorization by the county assessor are amended to specify that the person filing the appeal must be given written notice specifying the grounds for the objection by certified mail. The provisions requiring that the certified mail be sent return receipt requested are deleted.
- In section 2, the time period by which the documentation necessary to cure the objection to the written authorization must be submitted is, instead of being seven days, changed to five business days.

Chairman Armstrong:

I will entertain a motion to amend and do pass A.B. 452, with only the conceptual amendment attached to the work session document.

ASSEMBLYWOMAN DICKMAN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 452.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will do the floor statement for A.B. 452. I will close the hearing on A.B. 452 and open the hearing on Assembly Bill 380.

**Assembly Bill 380: Revises provisions relating to sales and use taxes.
(BDR 32-964)**

Michael Nakamoto, Deputy Fiscal Analyst:

As a reminder, the Assembly did suspend Rule 57, subsection 4 of Assembly Resolution 1 on the floor of the Assembly last night, thereby waiving the 24-hour requirement for a bill to be held before it is considered for final action by a committee.

That having been said, Assembly Bill 380 was heard in this Committee about three hours ago. It was sponsored by Assemblywoman Kirkpatrick. This bill makes various changes relating to sales and use tax nexus. Sections 2 and 5 of the bill enact provisions based on Colorado law, which create a presumption that a retailer is required to impose, collect, and remit sales and use taxes if the retailer is part of the controlled group of business entities that has a component member who has a physical presence in the state, and that component member with such physical presence engages in certain activities in the state that relate to the ability of the retailer to make retail sales to residents of this state.

I will note that for both of the provisions in here there are duplicated sections amending Chapter 372 of *Nevada Revised Statutes* (NRS), which deals with the state's 2 percent sales tax, and Chapter 374 of NRS, which deals with the local school support tax, as well as any other local sales and use taxes imposed in any county within Nevada.

Sections 3 and 6 of the bill are based on New York law that creates a presumption that a retailer is required to impose, collect, and remit sales and use taxes if the retailer enters into an agreement with a resident of Nevada under which the resident receives certain consideration for referring potential customers to the retailer, through a link on the resident's Internet website or otherwise, and the cumulative gross receipts from sales by the retailer to customers in this state through all such referrals exceeds a certain amount, which is stated at \$10,000 for the preceding four quarterly periods. There are provisions for both of these relating to rebutting these presumptions.

There were two amendments that have been submitted to this bill. The first was the Proposed Amendment 6391 mock-up ([Exhibit C](#)) based on amendments submitted to similar legislation in the Senate Committee on Revenue and Economic Development [[Senate Bill 382](#)]. These were originally submitted by Mr. Wachter on behalf of the Retail Association of Nevada. That particular amendment, if it were approved, would make [A.B. 380](#) and [S.B. 382](#) identical.

The second amendment is from Mr. Scherer on behalf of eBay ([Exhibit D](#)). This amendment would strike the click-through or affiliate nexus provisions in sections 3 and 6 of the bill, and would only leave the controlled group test in sections 2 and 5, based on Colorado law.

The last thing that I would note is that this bill is not eligible for exemption, or has not been declared eligible for exemption by the Fiscal Analysis Division.

Chairman Armstrong:

Are there any questions from the Committee?

Assemblyman Hickey:

Is the bill sponsor comfortable with the eBay amendment?

Assemblywoman Kirkpatrick:

I would like to mirror it the same as is in the Senate. I do believe that there is time to work with the folks from eBay. We had that discussion; they had not looked at the amendment. I would just like to keep it consistent with what is in the Senate, and have the opportunity to work with the eBay folks at a later time.

Chairman Armstrong:

I will entertain a motion to do pass with the Proposed Amendment 6391 to [A.B. 380](#).

ASSEMBLYWOMAN DIAZ MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 380.

ASSEMBLYWOMAN BUSTAMANTE ADAMS SECONDED THE
MOTION.

Is there any discussion?

Assemblywoman Dickman:

I will vote to move it out of Committee but reserve the right to change my vote on the floor.

THE MOTION PASSED UNANIMOUSLY.

Chairman Armstrong:

I will assign the floor statement to Assemblywoman Kirkpatrick. I will close the hearing on A.B. 380 and open the hearing on Assembly Bill 412.

**Assembly Bill 412: Revises provisions relating to public financial administration.
(BDR 31-963)**

Michael Nakamoto, Deputy Fiscal Analyst:

Assembly Bill 412 was heard in this Committee about one and a half hours ago and was sponsored by Assemblywoman Kirkpatrick. It makes various changes relating to property taxes. The key components to the bill are the authorization for counties and/or school districts to impose additional property tax rates that are outside of the statutory \$3.64 cap, and there are also outside of the partial abatements from taxation that were originally approved by the Legislature in Assembly Bill No. 489 of the 73rd Session.

There are also provisions revising a portion of the partial abatements that were approved in the 2005 Session, relating to properties that are not eligible for the abatements on single-family, owner-occupied properties, and/or for those properties that are not eligible rentals under the provisions in Chapter 361 of *Nevada Revised Statutes* (NRS). There are provisions in section 9 relating to loans from the Local Government Pooled Investment Fund (LGIP).

There is one amendment that was submitted by Clark County ([Exhibit I](#)) specifying the property tax revenues that would be pursuant to section 1 could not be for the benefit of any redevelopment agency, organized pursuant to Chapter to 279 of NRS.

The only other note that I would have is that this bill is eligible for exemption, and was declared eligible by the Fiscal Analysis Division on April 1.

Chairman Armstrong:

Are there any questions from the Committee? Seeing none, I would entertain a motion to pass without recommendation, with the proposed amendment, and rerefer to the Assembly Committee on Ways and Means.

ASSEMBLYWOMAN BUSTAMANTE ADAMS MOVED TO AMEND AND REREFER ASSEMBLY BILL 412 TO THE ASSEMBLY COMMITTEE ON WAYS AND MEANS WITHOUT RECOMMENDATION.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

Is there any discussion?

Assemblyman Kirner:

I am going to vote in support of moving it to the Assembly Committee on Ways and Means. This is an issue I went through very specifically with my district. The concept itself is one that concerns me. I do think it is the type of thing that should be taken up by the Assembly Committee on Ways and Means. I will support the referral.

Assemblyman Nelson:

I will say the same thing. Ditto to Assemblyman Kirner. I have some concerns with the constitutionality of the state assuming any debts of the local entities.

Assemblyman Trowbridge:

Ditto.

Assemblywoman Dickman:

Ditto.

Chairman Armstrong:

I think I am a ditto on section 9 as well.

THE MOTION PASSED UNANIMOUSLY.

I will open it up for public comment. Does anyone have public comment, either in Las Vegas or Carson City? Seeing no one, we will close public comment.

Assembly Committee on Taxation
April 9, 2015
Page 56

I thank you today for your patience in getting through all these bills. We are in recess [at 2:26 p.m.] until the call of the Chair.

[The Assembly Committee on Taxation was called back to order at 12:05 p.m., April 10, 2015, behind the bar of the Assembly. The meeting was adjourned at 12:06 p.m.]

RESPECTFULLY SUBMITTED:

Gina Hall
Committee Secretary

APPROVED BY:

Assemblyman Derek Armstrong, Chairman

DATE: _____

EXHIBITS

Committee Name: Assembly Committee on Taxation

Date: April 9, 2015

Time of Meeting: 12:40 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 380	C	Bryan Wachter, Retail Association of Nevada	Proposed Amendment
A.B. 380	D	Scott Scherer, representing eBay	Proposed Amendment
A.B. 380	E	John Doherty, TechNet	Prepared Testimony
A.B. 380	F	John Doherty, TechNet	Letter of Opposition
A.B. 380	G	Net Choice	Letter of Opposition
A.B. 412	H	Victoria Carréon, Guinn Center for Policy Priorities	Testimony
A.B. 412	I	Yolanda King, Clark County	Proposed Amendment
A.B. 412	J	Lori Chatwood, Office of the State Treasurer	Prepared Testimony
A.B. 412	K	John Swendseid	Article 9, Section 3, <i>Nevada Constitution</i>
A.B. 17	L	Michael Nakamoto, Fiscal Analysis Division	Work Session Document
A.B. 191	M	Michael Nakamoto, Fiscal Analysis Division	Work Session Document
A.B. 372	N	Michael Nakamoto, Fiscal Analysis Division	Work Session Document
A.B. 399	O	Michael Nakamoto, Fiscal Analysis Division	Work Session Document
A.B. 452	P	Michael Nakamoto, Fiscal Analysis Division	Work Session Document