The

Journal of the Assembly

OF THE

THIRTIETH SPECIAL SESSION

OF THE

LEGISLATURE OF THE STATE OF NEVADA

2016

BEGUN ON MONDAY,
THE TENTH DAY OF OCTOBER
AND ENDED ON FRIDAY,
THE FOURTEENTH DAY OF OCTOBER

ARRANGEMENT AND CONTENTS OF VOLUME

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ASSEMBLY LEGISLATIVE CALENDAR

Calendar Day	*Date*	*Page Number*
1	October 10, 2016	1
2	October 11, 2016	66
4	October 13, 2016	68
5	October 14, 2016	208

LISTING OF ASSEMBLY BILLS AND ACTIONS THEREON

(Where a roll call vote was taken on final passage, such action is denoted by an asterisk following the page number.)

No. *Summary, Introducer and Page Reference*

1 ....Enacts the Clark County Crime Prevention Act of 2016. Fiscal Note: Effect on Local Government: No. Effect on the State: No. Committee on Committee of the Whole, 11, 12, 46, 69, 76, 89, 97*, 98, 208, 269.

LISTING OF ASSEMBLY RESOLUTIONS AND ACTIONS THEREON

(Where a roll call vote was taken on final passage, such action is denoted by an asterisk following the page number.)

ASSEMBLY CONCURRENT RESOLUTIONS

No. *Summary, Introducer and Page Reference*

1 ....Adopts the Joint Rules of the Senate and Assembly for the 30th Special Session of the Nevada Legislature. Committee on Legislative Operations and Elections, 5, 66.

ASSEMBLY RESOLUTIONS

No. *Summary, Introducer and Page Reference*

1 ....Provides for the appointment of attaches. Committee on Legislative Operations and Elections, 5, 66.

2 ....Provides that no allowances will be paid for the 30th Special Session of the Nevada Legislature for periodicals, stamps, stationery or communications. Committee on Legislative Operations and Elections, 5, 66.

3 ....Provides for the appointment of an additional attache for the Assembly. Committee on Legislative Operations and Elections, 66, 269.

LISTING OF SENATE BILLS AND ACTIONS THEREON

(Where a roll call vote was taken on final passage, such action is denoted by an asterisk following the page number.)

No. *Summary, Introducer and Page Reference*

1 ....Enacts the Southern Nevada Tourism Improvements Act. Fiscal Note: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes. Committee on Committee of the Whole, 68, 98, 134, 161, 194, 208, 213, 268, 269*.

ELECTED OFFICERS OF THE NEVADA STATE ASSEMBLY

Thirtieth Special Session, 2016

Title	*Name*	*Mailing Address*
Speaker	John Hambrick	1930 Village Center Circle, Suite 3-419, Las Vegas 89134-6245
Speaker pro Tempore	John C. Ellison	P.O. Box 683, Elko 89803-0683
Chief Clerk	Susan Furlong	401 South Carson Street, Carson City 89701-4747

PERSONNEL OF THE NEVADA STATE ASSEMBLY

Thirtieth Special Session, 2016

Name and Party	*District*	*Mailing Address*
Anderson, Elliot T. (D)	Clark (Part), No. 15	3135 South Mojave Road, Unit 227, Las Vegas 89121-8315
Anderson, Paul (R)	Clark (Part), No. 13	7322 South Rainbow Boulevard, No. 51, Las Vegas 89139-0400
Araujo, Nelson (D)	Clark (Part), No. 3	P.O. Box 295, Las Vegas 89125-0295
Armstrong, Derek (R)	Clark (Part), No. 21	2480 West Horizon Ridge Parkway, Suite 140, Henderson 89052-2719
Benitez-Thompson, Teresa (D)	Washoe (Part), No. 27	P.O. Box 5730, Reno 89513-5730
Brunetti, Dominic G. (R)	Washoe (Part), No. 25	333 Holcomb Avenue, Third Floor, Reno 89502-1665
Bustamante Adams, Irene (D)	Clark (Part), No. 42	3800 Reflection Way, Las Vegas 89147-4442
Carlton, Maggie (D)	Clark (Part), No. 14	5540 East Cartwright Avenue, Las Vegas 89110-3802
Carrillo, Richard (D)	Clark (Part), No. 18	4819 Diza Court, Las Vegas 89122-7574
Diaz, Olivia (D)	Clark (Part), No. 11	P.O. Box 365072, North Las Vegas 89036-9072
Dickman, Jill (R)	Washoe (Part), No.31	1344 Disk Drive, No. 201, Sparks 89436-0684
Dooling, Victoria A. (R)	Clark (Part), No. 41	2505 Anthem Village Drive, Suite 492, Henderson 89052-5505
Edwards, Chris (R)	Clark (Part), No. 19	6088 Riflecrest Avenue, Las Vegas 89156-4778
Ellison, John C. (R)	Elko, Eureka, Lincoln (Part), White Pine, No. 33	P.O. Box 683, Elko 89803-0683
Fiore, Michele (R)	Clark (Part), No. 4	9085 West Rosada Way, Las Vegas 89149-3556
Flores, Edgar (D)	Clark (Part), No. 28	P.O. Box 42302, Las Vegas 89116-0302
Gardner, David M. (R)	Clark (Part), No. 9	9661 Waukegan Avenue, Las Vegas 89148-5744
Hambrick, John (R)	Clark (Part), No. 2	1930 Village Center Circle, Suite 3-419, Las Vegas 89134-6245
Hansen, Ira (R)	Esmeralda, Humboldt, Lander, Mineral, Nye (Part), Pershing, Washoe (Part), No. 32	68 Amigo Court, Sparks 89441-6213
Joiner, Amber (D)	Washoe (Part), No. 24	P.O. Box 9810, Reno 89507-0810
Jones, Brent A. (R)	Clark (Part), No. 35	4497 Via Bianca Avenue, Las Vegas 89141-4256

Kirner, Randy (R)	Washoe (Part), No. 26	18124 Wedge Parkway, Suite 519, Reno 89511-8134
Moore, John (R)	Clark (Part), No. 8	5155 West Tropicana Avenue, No. 2020, Las Vegas 89103-7006
Munford, Harvey J. (D)	Clark (Part), No. 6	809 Sunny Place, Las Vegas 89106-3637
Neal, Dina (D)	Clark (Part), No. 7	3217 Brautigan Court, North Las Vegas 89032-6030
Ohrenschall, James (D)	Clark (Part), No. 12	P.O. Box 97741, Las Vegas 89193-7741
O'Neill, Phillip "P.K." (R)	Carson City, Washoe (Part), No. 40	1216 Sonoma Street, Carson City 89701-6175
Oscarson, James (R)	Clark (Part), Lincoln (Part), Nye (Part), No. 36	P.O. Box 1600, Pahrump 89048-1600
Seaman, Victoria (R)	Clark (Part), No. 34	8808 Rozetta Court, Las Vegas 89134-6179
Shelton, Shelly M. (R)	Clark (Part), No. 10	845 South Kenny Way, Las Vegas 89107-4437
Silberkraus, Stephen H. (R)	Clark (Part), No. 29	P.O. Box 530364, Henderson 89053-0364
Smith, Stephanie S. (D)	Clark (Part), No. 1	6615 Tufted Duck Way, North Las Vegas 89084-2203
Spiegel, Ellen B. (D)	Clark (Part), No. 20	2764 North Green Valley Parkway, No. 327, Henderson 89014-2120
Sprinkle, Michael C. (D)	Washoe (Part), No. 30	P.O. Box 51202, Sparks 89435-1202
Stephens, Kyle J. (R)	Clark (Part), No. 5	P.O. Box 81048, Las Vegas 89180-1048
Stewart, Lynn D. (R)	Clark (Part), No. 22	2720 Cool Lilac Avenue, Henderson 89052-3836
Swank, Heidi (D)	Clark (Part), No. 16	546 Barbara Way, Las Vegas 89104-2858
Thompson, Tyrone (D)	Clark (Part), No. 17	117 Fox Crossing Avenue, North Las Vegas 89084-5207
Titus, Robin L. (R)	Churchill, Lyon (Part), No. 38	P.O. Box 377, Wellington 89444-0377
Trowbridge, Glenn E. (R)	Clark (Part), No. 37	1965 Verbania Drive, Las Vegas 89134-2579
Wheeler, Jim (R)	Douglas, Lyon (Part), Storey, No. 39	P.O. Box 2135, Minden 89423-2135
Woodbury, Melissa L. (R)	Clark (Part), No. 23	P.O. Box 401508, Las Vegas 89140-1508

ATTACHÉS OF THE NEVADA STATE ASSEMBLY
Thirtieth Special Session, 2016

Name	Title
Lucinda Benjamin	Assistant Chief Clerk, History Clerk
Jason P. Hataway	Journal Clerk, Media Clerk
Susan Hoffman	Recording Clerk
Robin Bates	Sergeant at Arms
Mary Matheus	Deputy Sergeant at Arms
Vickie Kieffer	Assistant Sergeant at Arms
Trinity Thom	Assistant Sergeant at Arms
Michele Burke	Executive Assistant to Assemblyman John Hambrick, Speaker
Celssie Hardy	Executive Assistant to Assemblyman Paul Anderson, Majority Floor Leader
Mary Lee	Executive Assistant to Assemblywoman Maggie Carlton, Co-Minority Floor Leader
Sylvia Dominguez-Curry	Executive Assistant to Chief Clerk

EXPLANATION OF AMENDMENT LANGUAGE

Thirtieth Special Session, 2016

EXPLANATION: Matter in (1) bold italics is new language in the original bill; (2) variations of bold underlining is new language proposed in a particular amendment; (3) strikethrough is deleted language from the original bill; (4) double strikethrough is language proposed to be deleted in a particular amendment; (5) double underlining is deleted language in the original bill that is proposed to be retained in a particular amendment.

Journal

OF THE

ASSEMBLY OF THE STATE OF NEVADA

THIRTIETH SPECIAL SESSION

THE FIRST DAY

CARSON CITY (Monday), October 10, 2016

Pursuant to the provisions of the Constitution and Statutes, the Assembly was called to order by Speaker of the Assembly John Hambrick at 8:15 a.m.

Assembly called to order at 8:15 a.m.
Mr. Speaker presiding.
Roll called.
All present and three vacant.
Prayer by the Chaplain, Richard Snyder.

Almighty and everliving God, we thank You for this new day and for Your presence among us. We ask Your blessing on the members of the Nevada Assembly and all those who work in this building. Help us all to remember always that what is important to You is not the winning or the losing, but how the game is played.

AMEN.

Pledge of allegiance to the Flag.

Mr. Speaker appointed Assemblymen Stewart, Kirner, and Swank as a temporary Committee on Credentials.

Assembly in recess at 8:18 a.m.

ASSEMBLY IN SESSION

At 8:22 a.m.
Mr. Speaker presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your temporary Committee on Credentials has had the credentials of the respective Assembly Member appointees under consideration and begs leave to report that the following persons have been and are duly appointed members of the Assembly of the 30th Special Session of the Legislature of the State of Nevada: Dominic Gaetano Brunetti, Stephanie S. Smith, and Kyle J. Stephens.

LYNN STEWART, *Chair*

MOTIONS, RESOLUTIONS, AND NOTICES

Assemblyman Stewart moved the adoption of the report.

Motion carried unanimously.

Mr. Speaker appointed Assemblymen Stewart, Stephens, and Ohrenschall as a committee to escort Chief Justice Parraguirre of the Supreme Court of the State of Nevada to the rostrum to administer the oaths of office to the Assemblymen.

Chief Justice Parraguirre administered the oaths of office to the Assemblymen.

Assemblyman Paul Anderson moved that Chief Justice Parraguirre be given a unanimous vote of thanks for administering the oath.

Motion carried unanimously.

The appointed committee escorted the Chief Justice of the Supreme Court to the bar of the Assembly.

Mr. Speaker requested that the Chief Clerk call the roll of the 39 Assemblymen, and the three Assemblymen appointees.

Roll called.

Present: Assemblymen Elliot Anderson, Paul Anderson, Araujo, Armstrong, Benitez-Thompson, Brunetti, Bustamante Adams, Carlton, Carrillo, Diaz, Dickman, Dooling, Edwards, Ellison, Fiore, Flores, Gardner, Hambrick, Hansen, Joiner, Jones, Kirner, Moore, Munford, Neal, Ohrenschall, O'Neill, Oscarson, Seaman, Shelton, Silberkraus, Smith, Spiegel, Sprinkle, Stephens, Stewart, Swank, Thompson, Titus, Trowbridge, Wheeler, Woodbury.

Mr. Speaker appointed Assemblymen Oscarson, Brunetti, and Neal as a committee to inform the Senate that the Assembly is organized and ready for business.

Mr. Speaker appointed Assemblymen Armstrong, Wheeler, and Benitez-Thompson as a committee to inform the Governor that the Assembly is organized and ready for business.

Assembly in recess at 8:38 a.m.

ASSEMBLY IN SESSION

At 8:49 a.m.
Mr. Speaker presiding.
Quorum present.

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

A committee from the Senate composed of Senators Hammond, Lipparelli, and Parks appeared before the bar of the Assembly and announced that the Senate was organized and ready for business.

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

COMMUNICATIONS

OFFICE OF THE GOVERNOR

CARSON CITY, NEVADA, October 10, 2016

THE HONORABLE JOHN HAMBRICK, SPEAKER OF THE ASSEMBLY, NEVADA STATE ASSEMBLY,
401 South Carson Street, Carson City, NV 89701

TO THE HONORABLE MEMBERS OF THE NEVADA ASSEMBLY:

Nevada continues to feel the effects of the worst economic crisis in the history of our State. While we work together and continue to emerge from this economic crisis, Nevada must expand its economic opportunities and provide greater diversification of its workforce.

Before us is a rare opportunity to seize the moment and raise Las Vegas, already the best in the world, to the next level of entertainment and hospitality. The approval of the convention center expansion, construction of a potential NFL stadium, and funding more police on our streets to secure our community will open new doors for Las Vegas, bring thousands of Nevadans jobs and cement our leadership position in hosting conventions, entertainment and tourism. Understanding that an extraordinary occasion exists, this opportunity requires immediate action by the Nevada State Legislature.

Article 5, Section 9, Subsection 1 of the Nevada Constitution provides that the Governor may, on extraordinary occasions, convene a Special Session of the Nevada State Legislature by proclamation. I have issued a proclamation calling the Legislature into a Special Session. In that proclamation, I identify a number of items to consider which will allow new businesses to move to and flourish in Nevada.

Sincere regards,
BRIAN SANDOVAL
Governor

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that the reading of the Governor's proclamation convening the Legislature into a special session be dispensed with and the proclamation be entered into the journal.

Motion carried.

STATE OF NEVADA
OFFICE OF THE GOVERNOR

A PROCLAMATION BY GOVERNOR BRIAN SANDOVAL
TO CONVENE A SPECIAL SESSION OF THE NEVADA STATE LEGISLATURE

WHEREAS, the new Nevada economy requires a careful balance of growing and attracting businesses that bring innovative and new technologies and diversify our tax base while at the same time supporting and expanding our foundation as the world leader in gaming, tourism, and entertainment;

WHEREAS, the continued safety of residents and visitors is a top priority for this State and integral to our economic growth;

WHEREAS, an extraordinary occasion exists that requires immediate action by the Nevada State Legislature;

WHEREAS, Article 5, Section 9, Subsection 1 of the Nevada Constitution provides that "the Governor may, on extraordinary occasions, convene the Legislature by Proclamation and shall state to both houses, when organized, the business for which they have been specially convened;"

WHEREAS, Article 5, Section 9, Subsection 2 of the Nevada Constitution further provides that a special session convened by the Governor "the Legislature shall not introduce, consider or pass any bills except those related to the business for which the Legislature has been specially convened and those necessary to provide for the expenses of the session;" and

WHEREAS, Article 5, Section 1 of the Nevada Constitution provides: "The supreme executive power of this State, shall be vested in a Chief Magistrate who shall be Governor of the State of Nevada."

NOW, THEREFORE, I, BRIAN SANDOVAL, GOVERNOR OF THE STATE OF NEVADA, by the authority vested in me by the Constitution and laws of the State of Nevada, do hereby convene the Nevada State Legislature into a special session to begin at 8:00 a.m. on Monday, October 10, 2016. During this special session, I ask the Legislature to consider the following:

1. Imposing a lodging tax on the gross receipts from the rental of transient lodging to finance the expansion and the renovation of the Las Vegas Convention Center.
2. Providing a method to finance the construction and the operations of a National Football League stadium project or a college football stadium project in Clark County, including the imposition of a lodging tax on the gross receipts from the rental of transient lodging, and the creation of a Public Stadium Authority Board to manage the operations of such a facility.
3. Authorizing the Clark County Board of Commissioners to increase the sales and use tax in order to employ and equip additional law enforcement officers, including a means for distributing tax proceeds within Clark County.

FURTHERMORE, during the Legislature's deliberations, I respectfully request that they stand in recess from an appropriate time before sundown, Tuesday, October 11, 2016 to an appropriate time after sundown, Wednesday, October 12, 2016 in recognition of Yom Kippur.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Nevada to be affixed at the State Capitol in Carson City, this 9th day of October, in the year two thousand sixteen.

Brian Sandoval
Governor

Barbara K. Cegavske
Secretary of State

Scott Anderson
Deputy Secretary of State

MOTIONS, RESOLUTIONS AND NOTICES

By the Committee on Legislative Operations and Elections:

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

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, That the following persons are elected as attaches of the Assembly for the 30th Special Session of the Legislature of the State of Nevada: Robin Bates, Lucinda Benjamin, Michele Burke, Sylvia Dominguez-Curry, Celssie Hardy, Jason Hataway, Susan Hoffman, Vickie Kieffer, Mary Matheus and Trinity Thom.

Assemblyman Paul Anderson moved the adoption of the resolution.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

This provides for the appointment of the attachés to help with the 30th Special Session.

Resolution adopted.

By the Committee on Legislative Operations and Elections:

Assembly Resolution No. 2—Providing that no allowances will be paid for the 30th Special Session of the Nevada Legislature for periodicals, stamps, stationery or communications.

Assemblyman Paul Anderson moved the adoption of the resolution.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

This provides that no allowances will be provided for periodicals, stamps, or stationery for this special session.

Resolution adopted.

By the Committee on Legislative Operations and Elections:

Assembly Concurrent Resolution No. 1—Adopting the Joint Rules of the Senate and Assembly for the 30th Special Session of the Nevada Legislature.

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the following Joint Rules of the Senate and Assembly for the 30th Special Session of the Legislature are hereby adopted:

APPLICABILITY OF JOINT RULES

Rule No. 1. Generally.

The Joint Rules for the 30th Special Session of the Legislature are applicable only during the 30th Special Session of the Legislature.

CONFERENCE COMMITTEES

Rule No. 2. Procedure Concerning.

1. In every case of an amendment of a bill, or joint or concurrent resolution, agreed to in one House, dissented from in the other, and not receded from by the one making the amendment, each House shall appoint a committee to confer with a like committee to be appointed by the other; and the committee so appointed shall meet publicly at a convenient hour to be agreed upon by their respective chairs and announced publicly, and shall confer upon the differences between the two Houses as indicated by the amendments made in one and rejected in the other and report as early as convenient the result of their conference to their respective Houses.

2. The report shall be made available to all members of both Houses. The whole subject matter embraced in the bill or resolution shall be considered by the committee, and it may recommend recession by either House, new amendments, new bills or resolutions, or other changes as it sees fit. New bills or resolutions so reported shall be treated as amendments unless the bills or resolutions are composed entirely of original matter, in which case they shall receive the treatment required in the respective Houses for original bills, or resolutions, as the case may be. A conference committee shall not recommend any action which would cause the creation of more than one reprint or more than one bill or resolution.

3. The report of a conference committee may be adopted by acclamation. The report is not subject to amendment.

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

MESSAGES

Rule No. 3. Procedure Concerning.

1. Proclamations by the Governor convening the Legislature in special session must be filed and entered in the Journal of proceedings.

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

3. Messages from the Senate to the Assembly shall be delivered by the Secretary of the Senate or a person designated by the Secretary and messages from the Assembly to the Senate shall be delivered by the Chief Clerk of the Assembly or a person designated by the Chief Clerk.

NOTICE OF FINAL ACTION

Rule No. 4. Communications.

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

BILLS AND JOINT RESOLUTIONS

Rule No. 5. Signature.

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

Rule No. 6. Joint Sponsorship.

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

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

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

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

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

PUBLICATIONS

Rule No. 7. Ordering and Distribution.

1. The bills, resolutions, journals and histories will be provided electronically to the officers and members of the Senate and Assembly, the staff of the Legislative Counsel Bureau, the press and the general public on the Nevada Legislature's Internet website.

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

RESOLUTIONS

Rule No. 8. Types, Usage and Approval.

1. A joint resolution must be used to:

(a) Propose an amendment to the Nevada Constitution.

(b) Ratify a proposed amendment to the United States Constitution.

(c) Address the President of the United States, Congress, either House or any committee or member of Congress, any department or agency of the Federal Government, or any other state of the Union.

2. A concurrent resolution must be used to:

(a) Amend these Joint Standing Rules which requires a majority vote of each House for adoption.

(b) Request the return from the Governor of an enrolled bill for further consideration.

(c) Request the return from the Secretary of State of an enrolled joint or concurrent resolution for further consideration.

(d) Resolve that the return of a bill from one House to the other House is necessary and appropriate.

(e) Express facts, principles, opinions and purposes of the Senate and Assembly.

(f) Establish a joint committee of the two Houses.

(g) Direct the Legislative Commission to conduct an interim study.

3. A concurrent resolution or a resolution of one House may be used to memorialize a former member of the Legislature or other notable or distinguished person upon his or her death.

4. A resolution of one House may be used to request the return from the Secretary of State of an enrolled resolution of the same House for further consideration.

5. A resolution of one House may be used for any additional purpose determined appropriate by the Majority Leader of the Senate or the Speaker of the Assembly, respectively.

AMENDMENTS

Rule No. 9. Germaneness Required.

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

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

3. This Rule must be narrowly construed.

ADJOURNMENT

Rule No. 10. Limitations and Calculation of Duration.

1. In calculating the permissible duration of an adjournment for 3 days or less, Sunday must not be counted.

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

EXPENDITURES FROM THE LEGISLATIVE FUND

Rule No. 11. Manner of Authorization.

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

RECORDS OF COMMITTEE PROCEEDINGS

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

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

2. The secretary of a committee shall:

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

(b) Keep the records in chronological order; and

(c) Deposit the records upon their completion with the Director of the Legislative Counsel Bureau.

3. The Director of the Legislative Counsel Bureau shall:

(a) Make the records available for accessing by any person during office hours under such reasonable conditions as the Director may deem necessary; and

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

Rule No. 13. Reserved.

ANTI-HARASSMENT POLICY

Rule No. 14. Maintenance of Working Environment; Procedure for Filing, Investigating and Taking Remedial Action on Complaints.

1. The Legislature hereby declares that it is the policy of the Legislature to prohibit any conduct, whether intentional or unintentional, which results in sexual harassment or other unlawful harassment based upon any other protected category. The Legislature intends to maintain a working environment which is free from sexual harassment and other unlawful harassment. Each Legislator is responsible to conduct himself or herself in a manner which will ensure that others are able to work in such an environment.

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

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

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

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

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

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

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

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

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

4. Retaliation against a person for engaging in protected activity is prohibited. Retaliation occurs when an adverse action is taken against a person which is reasonably likely to deter the person from engaging in the protected activity. Protected activity includes, without limitation:

(a) Opposing conduct that the person reasonably believes constitutes sexual harassment or other unlawful harassment;

(b) Filing a complaint about the conduct; or

(c) Testifying, assisting or participating in any manner in an investigation or other proceeding related to a complaint of sexual harassment or other unlawful harassment.

5. A Legislator who encounters conduct that the Legislator believes is sexual harassment, other unlawful harassment, retaliation or otherwise inconsistent with this policy may file a written complaint with:

(a) The Speaker of the Assembly;

(b) The Majority Leader of the Senate; or

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

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

6. The Speaker of the Assembly, the Majority Leader of the Senate or the Director of the Legislative Counsel Bureau, as appropriate, shall cause a discreet and impartial investigation to be conducted and may, when deemed necessary and appropriate, assign the complaint to a committee consisting of Legislators of the appropriate House.

7. If the investigation reveals that sexual harassment, other unlawful harassment, retaliation or other conduct in violation of this policy has occurred, appropriate disciplinary or remedial action, or both will be taken. The appropriate persons will be informed when any such action is taken. The Legislature will also take any action necessary to deter any future harassment.

8. The Legislature encourages a Legislator to report any incident of sexual harassment, other unlawful harassment, retaliation or other conduct inconsistent with this policy immediately so that the complaint can be quickly and fairly resolved.

9. All Legislators are responsible for adhering to the provisions of this policy. The prohibitions against engaging in sexual harassment and other unlawful harassment which are

set forth in this Rule apply to employees, Legislators, lobbyists, vendors, contractors, customers and any other visitors to the Legislature.

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

Assemblyman Paul Anderson moved the adoption of the resolution.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

Assembly Concurrent Resolution 1 sets out the joint standing rules for both the Assembly and the Senate for the 30th Special Session.

Resolution adopted and ordered transmitted to the Senate.

Assemblyman Paul Anderson moved that for the balance of this special session, all bills and joint resolutions be considered engrossed and declared emergency measures under the *Constitution*, and placed on the appropriate reading file for final passage.

Motion carried.

Assemblyman Paul Anderson moved that Assembly Standing Rule No. 52.5, which pertains to notices of bills, topics, and public hearing, be suspended throughout the 30th Special Session.

Motion carried.

Assemblyman Paul Anderson moved that Assembly Standing Rule No. 57.4, which pertains to final committee action on a bill or resolution, be suspended throughout the 30th Special Session.

Motion carried.

Assemblyman Paul Anderson moved that persons as set forth on the Nevada Legislature's Press Accreditation List of October 10, 2016, be accepted as accredited press representatives, assigned space at the press table in the Assembly Chamber, and allowed use of appropriate broadcasting facilities.

AHORA LATINO JOURNAL: Mario DelaRosa; AMERICAN BRIDGE: Brandon Turner; ANDE ENGLEMAN, FREELANCE (RAN Newsletter, KNPB, Channel 5): Ande Engleman; ASSOCIATED PRESS: Lance Iversen, Michelle Rindels, Riley Snyder, Scott Sonner; BRASS CANNON PRODUCTIONS: Keith Wood; CAPITAL PUBLIC RADIO: Kyril Plaskon; COVEREDGE TELEVISION NEWS SERVICES: Kausik Bhakta, Dan Bryant, Ryan Coleman, Tracey Frohn, Robert Gatti, Andrew Gray, Randy Hunter, Mark Materne, Robert Noble, Jim Parker, Bill Pearce, Keith Taylor, Richard Travis; ENVISION VIDEO: Eric Darensburg; FORTUNE MAGAZINE: Peter Elkind; JOE SACCO PRODUCTIONS: Joe Sacco; KKLH CUMULUS MEDIA: Samantha Stone; KKOH RADIO: Daniel Burel; KLAS-TV: Chris Maathuis, Mark Mutchler, Ian Russell, Patrick Walker; KNPB CHANNEL 5 PUBLIC BROADCASTING: Brent Boynton, Rebecca Cronon, Jeremy Dunn, Alex Muench, Dave Santina; KNPR NEWS: Joe Schoenmann; KOLO 8 NEWS NOW: Edward Barnett, Chris Buckley, Jennifer Carruthers, Michael Cooper, Ben Deach, Paul Harris, Sarah Johns, Ray Kinney, Rebecca Kitchen, Colin Lygren, Ed Pearce, Terri Russell, Sydnee Scofield, Stanton Tang, Catherine Van; KRNV NEWS 4: Alexandria Cannito, Madison Corney, Jeff Deitch, Roger Duplessis, Joe Hart, Terri Hendry, Ryan Kern, John Linn, Melissa Matheney, Steven Neils; KSNV NEWS 3: George Romero; KTNV-TV: Mason Agnew, Bryan Callahan, Steven Smallwood, Riley Snyder; KTVN CHANNEL 2 NEWS: Arianna Bennett, Bryan Hoffman, Ryan Canada, Amanda Ketchledge, Luis Latino, Mark Conon, Zac Mooney, Paul Nelson, Ky Sisson, Gaby Taffola, Gene Vance; KUNR 88.7 FM, RENO PUBLIC RADIO: Michelle Billman, Noah Glick, Ahn Gray, Will Stone; KVVU-

TV: Kevin Bolinger, Luis Marquez, Miguel Martinez-Valle, Kurt Rempe, Faith Tanner; LAHONTAN VALLEY NEWS: Steven Ranson; LAS VEGAS REVIEW-JOURNAL: Benjamin Botkin, Sandra Chereb, Steven Ranson, Steve Sebelius, Sean Whaley; LAS VEGAS SUN: Megan Messerly, Kyle Roerink, Cy Ryan; LET'S TALK NEVADA: William Hurd, Rudy Moertl; LISA J PHOTOGRAPHY: Lisa Tolda; MINEWEB.COM: Dorothy Kosich; NEVADA APPEAL: Brad Cockman, Geoff Dornan, James Grant, Taylor Pettaway, Adam Trumble; NEVADA BROADCASTERS ASSOCIATION: Adrienne Abbott, Mary Beth Sewald; NEVADA MEDIA ALLIANCE: Gabriella Benavidez, Ashton Blake, Conner Board, Rayna Charnley, Nicholas Coleman, Kailee Gett, Nicole Kowalewski, Carolina Lopez, Kortney Melchiorre, Annalise Mishler, Carolina Lopez, Nohemi Sandoval, Ryan Smith, Alex Stewart, Drake Stewart, David Thompson, Vanessa Vancour, Walanya Vongsvirates; NEVADA PHOTO SOURCE: Tim Dunn; NEVADA PRESS ASSOCIATION: Kevin Clifford; NEVADA SAGEBRUSH: Breanna Denney, Blake Miller; NORTHERN NEVADA HOPES: Clinton Demeritt; PETER WINTER: Peter Winter; RALSTON REPORTS: Jon Ralston; RECORD-COURIER, THE: Kurt Hildebrand; RENO GAY PAGE: Paco Poli; RENO GAZETTE-JOURNAL: Andy Barron, Jason Bean, Marcella Corona, Anjeanette Damon, Ray Hager, Jason Hidalgo, Trevon Milliard, Bill O'Driscoll, Seth A. Richardson, Benjamin Spillman; RENO PUBLIC RADIO: William Stone; REUTERS: Steve Keegan; SPARKS TRIBUNE: Andrew Barbano; STEALTH REPORTER, THE: Todd Bailey, Theresa Catalani; TASMAN PACIFIC MEDIA GROUP: Donna Andres, Peter Hutchinson; TRUCKEE MEADOWS COMMUNITY COLLEGE: Tim Ill; UNIVISION NEVADA: Laura Calzada, Ivet Contreras; VEGAS PBS: Elizabeth Thompson; VEGAS VOICE, THE: Dan Roberts; VETERANS REPORTER: Chuck Baker.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee of the Whole:

Assembly Bill No. 1—AN ACT relating to taxation; enacting the Clark County Crime Prevention Act of 2016; authorizing the Board of County Commissioners of Clark County to enact an ordinance imposing a sales and use tax for the purpose of employing and equipping additional police officers in the County and the incorporated cities in the County; establishing requirements for the contents of any ordinance imposing the tax authorized by this act; requiring the County to contract with the Department of Taxation for the performance of all functions relating to the administration or operation of the tax; establishing the method for determining the allocation of the proceeds of the tax among the police departments in the County; providing for an initial allocation to the Las Vegas Metropolitan Police Department for the purpose of law enforcement and crime prevention in the portion of the County defined as the "resort corridor"; establishing the permissible uses of the proceeds of the tax; establishing requirements for the approval of any expenditure of money allocated to a police department from the proceeds of the tax; establishing certain reporting requirements concerning expenditures by a police department of money allocated to the department from the proceeds of the tax; and providing other matters properly relating thereto.

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

Motion carried.

Assemblyman Paul Anderson moved that the Assembly resolve itself into a Committee of the Whole for the purpose of considering Assembly Bill No. 1

Motion carried.

COMMITTEE OF THE WHOLE IN SESSION

At 9:10 a.m.
Chair Armstrong presiding.
Quorum present.

Chair Armstrong announced if there were no objections, the Committee of the Whole would recess subject to the call of the Chair.

Motion carried.

Committee of the Whole in recess at 9:10 a.m.

COMMITTEE OF THE WHOLE IN SESSION

At 9:35 a.m.
Chair Armstrong presiding.
Quorum present.
Assembly Bill No. 1 considered.

CHAIR ARMSTRONG:

At this time, I would like to call the Assembly Committee of the Whole to order. To give everybody a time frame of what is going to happen, we are going to have the presentation followed by the actual bill so that we can ask a lot of questions regarding the bill. The intent is to go until we are done, or we will go until it is time to break for lunch. If we are not done by 12:30 p.m. or 12:45 p.m., we will break for lunch so that we can be back for the next presentation.

With that, I would like to open the hearing for Assembly Bill 1.

JEREMY AGUERO, PRINCIPAL ANALYST, APPLIED ANALYSIS:

It is a pleasure to be here today. I am joined here this morning by Sheriff Lombardo and Rich Hoggan from the Las Vegas Metropolitan Police Department.

I was retained by the Governor's Office of Economic Development to staff the Southern Nevada Tourism Infrastructure Committee. As I think most, if not all, of the members are well aware, the SNTIC [Southern Nevada Tourism Infrastructure Committee] was created by Executive Order 2015-09 in July of 2015. That executive order was subsequently modified in July of 2016 as the Southern Nevada Tourism Infrastructure Committee evaluated tourism infrastructure and the needs of southern Nevada. It indicated in multiple cases that public safety was a principal concern overall.

My role here today is to provide a general overview, both in terms of background and the bill that has been submitted to you here today, as well as to answer any questions. I will go through that in some detail, respecting the fact that Sheriff Lombardo will answer any questions in terms of some of the background and provide some of the key points that were considered by the Southern Nevada Tourism Infrastructure Committee before forwarding this idea and concept to this Committee.

With your permission, Mr. Chair, I would like to go to the Southern Nevada Tourism Infrastructure Committee Recommendation Summary that has been provided to all the Assembly members in the handouts [Appendix A].

CHAIR ARMSTRONG:

For all of the members who received binders, it is under the Crime Prevention Act tab.

JEREMY AGUERO:

In that Recommendation Summary, I will start with the first non-title page, which is the actual recommendation from the Southern Nevada Tourism Infrastructure Committee [Appendix A]. The Southern Nevada Tourism Infrastructure Committee "recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percentage point," or one-tenth of 1 percent, "with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population." This is a quote directly out of the Southern Nevada Tourism Infrastructure Committee's report. Again, I am not going to go through all the details of that specific report, only this particular recommendation.

There are four general items I would like to overview with the Assembly today [Appendix A]. The first of those is the recent history of police staffing and funding for southern Nevada. The second is incremental police funding proposal, which is what is proposed by the Southern Nevada Tourism Infrastructure Committee, and how it would work. The third is a brief discussion of resort corridor police funding. Finally, the fourth is incremental community police funding for the Clark County Crime Prevention Act, as proposed and presented here this morning.

Page 3 is simply a transition page. Page 4 is the historical Las Vegas police staffing ratios. You will notice that in the bill, as it has been presented, there are a number of declarations relative to police staffing. I will certainly defer to the Sheriff and Mr. Hoggan relative to the history of that and exactly how some of those numbers play out. In terms of presenting here today, I think what is important is that the Las Vegas Metropolitan Police Department has established a staffing ratio of 2 officers per 1,000 residents. This is relatively consistent and, as a matter of fact, slightly below the national average for large police departments across the United States. Recent history has led to continued population growth, although revenues have struggled to keep pace with that growth. As a result, we have had a hard time maintaining that number of officers per 1,000 residents.

The Las Vegas Metropolitan Police Department is funded through a number of revenue sources, not the least of which are property taxes and allocations that come from local governments, principally Clark County and the City of Las Vegas. Those areas, too, have struggled to see their revenues stabilize and continue to match growth. Today, the Las Vegas metropolitan area is the fifth-fastest-growing metropolitan area in the United States. Today, visitor volume is at the highest level it has ever been in southern Nevada's history. The disconnect between those two things has meant more demand, although less revenue, for police officers.

Page 5 of the summary that is before you is the history of the More Cops sales tax, which has come up a great deal as part of this discussion. I want to make sure that I walk through this very briefly so that the history is consistent and clear on the record. In November of 2004, Clark County voters approved increasing the sales tax up to one-half of 1 percent to hire and equip additional police officers. In the 2005 Session, the Legislature passed the Clark County Sales and Use Tax Act of 2005. This is often referred to as the More Cops Act, authorizing a 25 percent increase in the sales tax for additional police officers. By a 25 percent increase, I mean 0.25 percentage points. In 2005, the Clark County Board of Commissioners enacted the full authorized increase of 0.25 percent. In the 2013 Special Session, the Legislature authorized an additional 0.15 percent increase in that sales tax. In September of 2015, the Clark County Board of Commissioners enacted a 0.05 percentage point increase in the sales tax. The authority to enact the remaining portion of what was allowed, 0.1 percent, expired on July 1, 2016, which is part of the reason we come here today.

Incremental police funding begins on page 6 of my presentation [Appendix A]. The incremental police funding recommendation is shown on page 7. I think it is a relatively straightforward way to look at it. Incremental police funding is to increase the sales tax in Clark County by 0.1 percentage point to hire and equip additional police officers. We will talk more about this concept of additional police officers as this bill has significant "will not supplant or replace" language included throughout. The current sales tax that is dedicated specifically for police officers is 0.3 percent. The increase would be 0.1 percent for the new sales tax rate of

0.4 percent. I would like to call your attention to the map on the right-hand side of the document, which shows that this applies to the entirety of Clark County, all areas of Clark County as a whole.

Page 8 shows the distribution for those additional dollars. Incremental sales tax revenue generated from the increase will be distributed in two ways. One of those allocations will be for resort corridor police funding. The Sheriff and others came before the Southern Nevada Tourism Infrastructure Committee and talked about the importance of southern Nevada's tourism industry, some of the events that are going on around the world, the need to protect both visitors and residents through our economy, and the specific needed allocations for that resort corridor. The first element of that would be roughly $7.9 million—I will call it about $8 million—that would be dedicated specifically to the resort corridor. The remaining money, $31.3 million, which is the other portion of the allocation, would be dedicated throughout the totality of Clark County—neighborhoods, residential areas, and businesses would all be covered, just like the map I showed you on the prior page [Appendix A]. In total, the estimated revenue is $39.2 million from that one-tenth of 1 percent increase in the sales tax rate.

The third section of the presentation deals specifically with the incremental resort corridor police funding. I will draw your attention to page 10 of the presentation. We are talking now, for a moment, about the resort corridor allocation. This portion of the incremental sales tax would be dedicated specifically to the resort corridor to provide increased public safety in the resort corridor. Revenue for that allocation is developed by formula. That formula is based on the number of visitors who come to southern Nevada. It is very difficult to write a formula into a bill. I wanted to go through the process of calculating that and show you how it will work because I think it is certainly not simple, but I think it is simpler than it might otherwise appear by just reading the bill.

The reality is that southern Nevada is unique for any number of reasons, but one of the principal reasons that it is unique is that somewhere between 17 and 18 percent of the people who put a head in a bed, on any given night in Clark County, are not residents of Clark County. That number—that nonresident population, if you will—is larger than almost anywhere else in the entire United States in terms of the share of the underlying population. That means that some of the statistics that we see about Nevada, or about southern Nevada, are oftentimes skewed because they will count all of our crimes, but they do not often count all of the physical people. They do not adjust for a full-time equivalency population. For that reason, oftentimes statistics about the state of Nevada, and Clark County specifically, can be somewhat problematic. In order to determine what this allocation should be, we calculate that full-time equivalency population, and we calculate what visitors make up of that full-time equivalency population. That is a percentage. That percentage is roughly 20 percent, and then we use that percentage to say, of this new $39 million that is going to be generated, we are going to apply that share and put it into the areas that are needed most in order to protect that tourism-related economy and those areas where, frankly, tourists visit most often.

So how does that formula work? Step number one is shown at the bottom of page 10. We take the daily population share, about 17 percent, and we multiply that by 1.15 percent. Now, why would we multiply that by 1.15 percent? The answer is, the way we spend our money as residents is a little bit different than how visitors spend their money. You will notice that when we take a look at, for example, the sales and use tax, food for home consumption is exempt from the tax, but eating out is not exempt from the sales tax. If you are a visitor, your likelihood of eating out is a lot more. I will tell you that that is absolutely a feature of our sales tax. It is by design because one of the premises of good tax policy is your ability to export it to people other than your full-time population. We are doing that here. This gets us a visitor share of taxable retail sales of roughly 20 percent. I will tell you that we looked at it over the past five years. There are some years where it falls in the 19 percent range. There are some years where it is a little bit higher—about the 20 to 21 percent range. However, these numbers do not fluctuate that much, so that 20 percent is a relatively stable number overall. We then calculate the resort corridor's police funding by taking that 20 percent, multiplying by the $39.2 million, and that results in roughly $8 million dedicated to this resort corridor area.

Jumping forward, page 11 provides a little bit more insight relative to the resort corridor area. The other portion of the legislation that is in front of you is section 8. I realize folks have not had a whole lot of time to go through it in detail, but section 8 attempts to take these two maps that have been presented here today [Appendix A] and put them into writing. It talks about moving

along certain streets, certain rights-of-way, and all of those types of things. Essentially, the area that is presented on the left side of this page is what we generally refer to as the Las Vegas Strip. You will notice there are some little areas that are added on the left-hand side of this map. Those are areas along the Flamingo corridor, where there are significant properties as well. The Sheriff indicated to the Southern Nevada Tourism Infrastructure Committee that it is important to make sure that along the Strip, where this concentration is needed, that we include the front doors and the back doors of properties, and we extend out along this portion of the Strip that is very close to it. On the right-hand side, you will see the downtown Las Vegas area which, again, is essentially more of a rectangle but is specific to this area of high frequency. Sometimes we call this the Freemont area; oftentimes it is referred to as the downtown area. But this is the area that could be generally agreed to by the local governments as well as the Las Vegas Metropolitan Police Department.

Finally, page 13 looks at incremental community police funding. The second tier—the other 80 percent of the allocation, if you want to think about it that way—is that the sales tax is ultimately distributed to local police agencies. This is not only going to include the Las Vegas Metropolitan Police Department but also the Henderson and North Las Vegas Police Departments and some of the smaller area police departments as well. That $31.3 million is allocated between the Las Vegas Metropolitan Police Department and the other police departments, generally based on the numbers that you see on the right-hand side. That allocation is based on the population of those individual areas.

The final page in my presentation is page 14, which looks at the outcome of this additional funding. The incremental sales tax is estimated to support more than 300 additional police officers throughout Clark County. Certainly, the Sheriff and Mr. Hoggan would be happy to talk through any of the staffing numbers that are out there, but that means an additional 66 police officers for the resort corridor, including both the downtown and the Strip area. Community-wide, it means roughly 245 additional police officers throughout Clark County.

With your permission, Mr. Chair, I think it would be appropriate at this time for me to turn the discussion over to the Sheriff to talk a little bit about some of the background and some of the reasoning behind why this recommendation was ultimately brought forward to the Southern Nevada Tourism Infrastructure Committee.

CHAIR ARMSTRONG:

Thank you, Mr. Aguero. For everyone's reference, we are going to hold off on questions until we get specifically to the bill. We are going to allow the presentations. I think a lot of the questions might be addressed by Sheriff Lombardo, Mr. Hoggan, and Mr. McBeath down south. We will allow them to get through their presentations, then we will go through the specifics of the bill and ask those technical questions that I am sure you have.

JOE LOMBARDO, SHERIFF, CLARK COUNTY:

Thank you for the opportunity to speak to you today. I am representing southern Nevada public safety as a whole. One of the things I want to talk about is the need. Why is this bill being brought forward and what was the discussion associated with the infrastructure committee that led to this bill being brought forward?

One of the things I want to provide clarification for on the front end is in regard to testimony associated with the Convention Center and the stadium. I would like you to separate those in your mind. Obviously, they are separated via bills, but separate them in your mind and figure out the need for public safety outside of those two projects. Depending on which direction those go, that is on its own. This bill needs to stand on its own—which it obviously is because it has been separated—but the need was there prior to the discussion about the Convention Center and the stadium.

Why do we need more police officers? Mr. Aguero talked about the population increase, approximately 32,000 to 34,000 year over year in southern Nevada. When we in policing talk about fighting crime—no matter if it is my agency or any agency—we talk about officers per 1,000 residents. The national average, as you see in your bill, is right around 2.1. It fluctuates between 2.1 and 2.2, depending on when you look at it. My number associated with LVMPD

[Las Vegas Metropolitan Police Department] is 1.7. You will see those numbers identified in the bill.

What does that mean? Ideally, the police theorists, when they talk about fighting crime, consider what the ideal number is to have a positive effect—in other words, a proactive versus a reactive position when you are fighting crime. That number is 2.0. If you look at Mr. Aguero's presentation and specifically at the officers per 1,000 residents through time, specifically the years 2007 through 2011 [Appendix A], that is where we crested that 2 officers per 1,000 residents. If you look at the crime numbers within Clark County directly associated to that crest of 2 officers per 1,000 residents, you can see that the bar is decreasing associated with crime. Then after 2011, when the population increased and with the downfall of the economy and the inability to hire folks, the bar started to increase. So I am a firm believer that cops make a difference and that magical number of 2 officers per 1,000 residents does make a difference in how we fight crime.

Other jurisdictions closely mimic my jurisdiction when we talk about crime numbers. Within my jurisdiction, year to date, in 2016, violent crime is up approximately 14 percent. When I talk about violent crime, I am talking about homicides, sexual assaults, assaults, robberies—those types of crimes committed against persons. In the previous year, we were up approximately 11 percent. So crime is going in the wrong direction. Subsequently, our officers per 1,000 residents is going in the wrong direction. You can see in 2015, we had the luxury of the 0.05 percent increase enabled by the Clark County Board of Commissioners. I was able to hire 133 police officers associated with that increase. Your question probably is, Well, crime is increasing, but you increased your staff. Well, it takes me approximately a year—a little over a year; I would be more comfortable with 18 months—to have a full-fledged police officer hit the streets and have a direct effect on what we are trying to accomplish. Other jurisdictions, as I mentioned earlier, mimic about the same numbers associated with crime. There are representatives here today if you ask specific questions to those jurisdictions regarding the approximate revenue that will be generated, what officers per 1,000 residents that will bring them to, and whatever crime number is associated with that.

Additionally, we talk about the resort corridor in the bill. I am sure a lot of questions will come forward in reference to the resort corridor. Why did we separate the resort corridor from the rest of the county? Well, in years past, especially in the original throes of More Cops, I had the autonomy and the ability to distribute police officers as I saw fit, adjusted accordingly for crime. In other words, considering population and crime numbers is how I would distribute my police officers. As we progressed through time, with the increase to 42 million visitors, crime has exponentially increased within the corridors you see on the maps provided [Appendix A]. What number am I comfortable with? I am comfortable with 6.5 percent of my total work product associated with the resort corridor on the Strip and about 2.5 percent associated with the Downtown Area Command. So a total of 9 percent in total calls for service. I average around 600,000 calls for service per year, so we are looking at 54,000 calls that are directly related to that 42 million visitors. My officers-per-thousand ratio does not include that 42 million visitors.

Quite often, I am asked, How do you compare to other jurisdictions that have a tourism economy base? The two in particular that I use are New Orleans and New York, in particular Times Square. Times Square has 100 officers at any point in time to address the issues of Times Square, which is around 15 square blocks. That is a 24/7 staffing model. New Orleans has 100 officers during the peak times associated with that area, and that is about 1.5 square miles. The jurisdiction designed in this resort corridor overlay [Appendix A] is approximately six square miles, and at any point in time, I have 80 police officers. More importantly, that is only on Fridays and Saturdays. If you look outside of Fridays and Saturdays, it is a lot less than that. So I cannot provide the police presence or the police service that is needed within that area with my current staffing numbers, hence the resort corridor carveout. The design is to put those officers associated with the revenue generated directly on the ground within that area in order to provide that police protection.

Mr. Aguero alluded to the increase in threats associated with the resort corridor and my ability to respond and mitigate if, in fact, something does happen. Directly related to events across the nation and across the world, most of the carnage associated with those was outside the actual event. It was the inability of the police force to respond in a timely manner. So I cannot provide a 24/7 boots-on-the-ground presence without an increase in police officers. That is my intent—

one is prevention and one is timely response. That is the reason behind the resort overlay. Well, how did you come up with the resort overlay, Sheriff? That is based on internal measures. I would use suspicious activity reports associated with the resort corridor and that would be why it shows it going west on Flamingo to address those properties with those boundaries and subsequently the boundaries associated with the downtown area.

That gives you a good picture of the reason why and the need for it. I think it is also important for me to elaborate that we—as well as the other police departments within southern Nevada—are doing a good job, but we cannot continue at this rate. One of the questions that is presented is how this increase in police is going to provide protection toward the stadium. It is not. The protection for the stadium is provided by private security, then they will be like any private vendor that we accommodate police presence for. They will contract with us on an overtime basis. The staffing model is defined by NRS [*Nevada Revised Statutes*]. We provide additional police officers for those types of events, so it is not going directly toward stadium protection.

That gives you a good overview on why this is needed. In southern Nevada, we have Mr. Bill McBeath. He is the CEO [Chief Executive Officer] of the Cosmopolitan. I brought him forward to address the Assembly to describe the environment associated with the resort corridor.

BILL MCBEATH, CHIEF EXECUTIVE OFFICER, THE COSMOPOLITAN OF LAS VEGAS; AND CHAIRMAN, FISCAL AFFAIRS COMMITTEE, LAS VEGAS METROPOLITAN POLICE DEPARTMENT:

I am here in a dual capacity. I am currently the CEO of the Cosmopolitan in Las Vegas. I have been in leadership positions as President and Chief Operating Officer of CityCenter, Bellagio, Mirage, and Treasure Island, so I have been a big part of the growth on the Strip. I understand how important the resort corridor is to the state—its tax implications—and the importance of the safety, not only of our guests, but of our employees. I am also the Chairman of the Fiscal Affairs Committee of the Las Vegas Metropolitan Police Department, where we provide the oversight of all the fiscal operations and budgeting, including staffing.

We talk about the minimum standard of 2.2 officers per 1,000 residents. When we see the large-city standard of 2.2 officers per 1,000 residents and we are at an anemic 1.7—Mr. Aguero, as he always does, put it perfectly in perspective. With the full-time equivalency population, you are adding an additional 17 percent on top of that. That is a very inefficient metric. When you see the delta between when we did hit the 2 officers per 1,000 residents and the reduction in crime rates and you see the increase in crime rates as we went away from it, there is a linear relationship. So this is not subjective. This is something that we have to do. I am not a believer in management by anecdote, but in my capacity—not only with Sheriff Lombardo but also with the two previous sheriffs—I have voiced my concern, and sometimes displeasure, about what I feel is the safety environment for our guests and for our employees.

One of the things that makes Las Vegas great as a tourist destination is its critical mass. There have been tens of billions of dollars invested in Las Vegas in the greatest hotels in the world—150,000 rooms—but what ties it all together is the critical mass. There are great hotels and great casinos just about anywhere in the United States right now, but what differentiates us is that critical mass. What links that critical mass to our success as a tourist destination, I believe, is the pedestrian access to flow unimpeded between all these great resorts, attractions, and sights. Honestly, I do not feel safe some days when I walk across the walkway to go to Crystals, a five-star couture shopping mall, to the Bellagio. If you have read Malcolm Gladwell's *The Tipping Point: How Little Things Can Make a Big Difference*, there is a point in time where someone is going to go back home to Green Bay, Wisconsin, or Houston, Texas, and say, I just do not feel safe in Vegas anymore. I think we are getting close to that. I think the greatest deterrent is seeing our officers in the public space.

As you know, the Strip is so important to the resort industry that we spend $1.5 million per year of our own money supplementing officers on the Strip in an extremely inefficient model—all overtime, 40 officers, and they are basically working Fridays and Saturdays between April and November. Why have we invested these dollars? Because we understand how important it is. Anecdotally, when I go to New York and I walk around Times Square, you cannot go 25 feet without seeing an officer. In my conversations with Sheriff Lombardo over the last year, I have said that even with the Safe Strip project, I do not see the boots on the ground. I do not see the

officers who I believe would be a deterrent to crime and some of the nefarious things that are happening on our Strip.

I do not have much more to add than that. I thought Mr. Aguero did a wonderful job in the presentation. As always, Sheriff Lombardo backed it up. He has done a great job as Sheriff. He is committed. He understands the importance of the safety of our employees, our residents, and, as important, the lifeblood of the economy in Nevada: tourism. The only thing I question—I love the ratio—is if we have enough cops and if we are allocating enough cops for the Strip corridor because I believe it is that important.

CHAIR ARMSTRONG:

At this point, I would like to switch gears and go to the bill itself. I think there are some natural pauses in the bill so we can stop and ask questions. I think the first pause is after section 7. The first few sections are over intent and then some definitions. I believe Mr. Aguero will cover each section.

JEREMY AGUERO:

The bill that has been provided to you is identified as AB 1. It is referred to as the Clark County Crime Prevention Act of 2016. I do want to note that this is enabling legislation, that this is giving the Clark County Board of Commissioners the ability to do the things that we have talked about today, as opposed to this body specifically increasing the sales tax for the purpose of providing additional police officers.

Section 1 simply identifies the name of the act. Within section 2, there are a series of legislative declarations. As this is a special act, it is required that there be a special purpose for it. I will not go through each one of these, but this series of declarations identify the swift population growth occurring in southern Nevada; the importance of the visitor economy and the number of visitors who are coming to southern Nevada; the interrelationship between our broader economy, both as a state and as a county, and that visitor economy; and it ultimately indicates that such an act like this is warranted.

Sections 3 through 7 are a series of definitions. Those definitions define any number of things in the bill—the Board of County Commissioners, the County Treasurer who will obtain the money, the Department of Taxation, and those type of things. The most important element of that, of course, is defining the resort corridor.

Mr. Chair, I believe you said you wanted to pause at the end of section 7. That is where I am. I want to get your permission before going forward and having a conversation about the resort corridor itself.

CHAIR ARMSTRONG:

At this time, I would like to stop and pause. If any of the members have questions relating to sections 1 through 7 of the bill, I would take those questions at this point.

ASSEMBLYMAN JONES:

You talk about the ratio—2 officers per 1,000 residents—and how we have increased population. But if we are increasing population, are we not also increasing sales tax and property tax revenues? You talk about the increased value, but where is the overall budget and how it fits in? You are basically asking for a 25 percent increase in the sales tax over previous, but there is no mention of all the other expenses and where they are tied to. If we are continuing to grow, does your sales tax not increase and your property tax not increase? Why do we need to keep adding more money?

JEREMY AGUERO:

That is an excellent question. This is something that has affected the state of Nevada for some time, relative to some of the budget deficits we have dealt with over the better part of the past ten years. They are also affecting the Las Vegas Metropolitan Police Department and other local government entities.

There are three primary sources of revenue for the state of Nevada: one is the sales tax, the second one is the gaming tax, and the third is the property tax. The Las Vegas Metropolitan Police Department benefits from the property tax and the sales tax. Those three sources of state revenue have some structural challenges associated with them. With the gaming tax, it is pretty easy to

see. We have made huge efforts to diversify our economy away from gaming and tourism. If we do that and we have a disproportionate share of our revenue base for the state government that is dependent upon that, we are going to have fewer dollars distributed over more people. That is sort of irrelevant for our conversation today.

The second piece is the sales and use tax. Our sales and use tax has also been dealing with some pretty significant erosion. Our sales and use tax is different than the sales and use tax in some other states in that it only applies to goods sold at retail, which means that services are not subject. Now, if we go back to the 1950s and 1960s when the sales tax in the state of Nevada was ultimately conceived, the vast majority of our expenditures were on goods. Today, that is not the case. The majority of our expenditures are on services, so the sales tax has struggled to keep pace with population growth and visitor volume growth as a result of that disconnect.

Most important for our conversation here today is the fact that the property tax is failing to keep pace. In 2005, facing what were skyrocketing property taxes and property valuations throughout the state of Nevada, the state of Nevada implemented what are sometimes referred to as the secondary property caps. People refer to them as the 3 and 8 property caps. I am happy to spend whatever time you would like to talk about going through those, but what I can tell you is that what we unintentionally did in drafting that was create a one-way ratchet. Essentially, property taxes can fall as fast as property values can fall but can only increase by somewhere between 3 and 8 percent. In Clark County this year, that number will actually be lower than that because of a secondary calculation of increase of 0.2 percent. That property tax is a critically important element of state and local government funding. Remember that the way the police department works is that it gets a huge chunk of its funding directly from Clark County and Las Vegas, so if that revenue does not get generated, they not only lose the revenue that is directly dedicated to them, but Clark County and the City of Las Vegas are less able to dedicate their shares of Las Vegas Metropolitan Police Department back to them. I can assure you that the disconnect between our property tax means that what used to be the single most stable, most dependable source of revenue that we have in the state of Nevada no longer is. As a matter of fact, this year, we will abate roughly $700 million—probably a little bit more than that by the time it is done—but $700 million a year as a result of those abatements. A fairly healthy chunk of that would have otherwise gone to local governments and the police department, and it is a big reason why we are here today.

ASSEMBLYMAN JONES:

You are not providing your actual budget numbers, so are you saying that your actual budgets have declined over time and the actual amount that is going to the police department has been declining?

RICH HOGGAN, CHIEF FINANCIAL OFFICER, LAS VEGAS METROPOLITAN POLICE DEPARTMENT:

Yes, our budgets, particularly during the downturn, decreased. At the peak, we had about a $60 million decline in our operating budget and significant reductions in the More Cops sales tax revenue as well.

ASSEMBLYMAN JONES:

I do not think you answered my question directly. In the last few years, has your budget been declining? You talked about the recession. I think you alluded to that. In the last few years, has your budget actually been declining, or has it been increasing?

RICH HOGGAN:

Since Fiscal Year 2015, our budget has been increasing; however, we have not yet gotten back to the number of officers that we had previous to the downturn, let alone the officer-to-population ratio that we had previous to the downturn as well.

ASSEMBLYMAN THOMPSON:

My question is directed to Sheriff Lombardo and Mr. McBeath in Las Vegas. This is a general question, then I will have a follow-up. Can you please explain the collaboration, if any, with the Strip and the downtown security officers with the Las Vegas Metropolitan Police Department and the qualifications for those security officers? Are they certified through POST [Peace Officers'

Standards and Training Commission]? I know some carry guns, so on and so forth. Can you give us a general overview? I am sure I will have a follow-up question.

JOE LOMBARDO:
I think the first question was, What is the collaboration? Are you referring to the communication or the relationship between them and us?

ASSEMBLYMAN THOMPSON:
If you are at one Strip property, is there a connection? Are you communicating together and collaborating together? The officers who are inside the property are protecting the inside and the outside of the property, so is there some type of collaboration? Do you all meet and strategize?

JOE LOMBARDO:
Yes, absolutely. The security directors meet on a monthly basis. Additionally, if you go to a higher level, I meet with the corporate security on a monthly basis. They provide funding for a member to participate in the fusion process, which is the intelligence center through which we distribute all communications, all crimes, and all hazards associated with the resort corridor and all of Clark County. They provide staffing for that, and they are part of that critical reach communication stream.

Additionally, we do critical tactical exercises to include the security personnel on a regular basis. So I would say the communication on a daily basis with our troops on the ground occurs daily, but the overall picture is probably the most robust in the nation as far as collaboration. If my numbers are correct, it is approximately 17,000 professional security officials in all of southern Nevada, not just the Strip. That participation creates a significant amount of work for us to respond to. So in other words, if an individual is acting up within the casino environment, they are taken into custody within that facility. It requires Metro [Las Vegas Metropolitan Police Department] to respond in order to further the investigation associated with that individual. I would describe it as very robust. As far as their qualification when they bring them on as full-time employees, I cannot speak to that.

ASSEMBLYMAN THOMPSON:
Do any of those security officers have peace officer rights or abilities?

JOE LOMBARDO:
No.

ASSEMBLYMAN THOMPSON:
So it has to be a clear distinction that there has to be a police officer that would have to intervene if the crime that you are talking about—because I heard you say it was homicides, so on and so forth. Only a police officer can.

JOE LOMBARDO:
Yes, a police officer would have to engage or intervene at a certain point. They would take the individual into custody. If it is a misdemeanor, they can do what we call summons in lieu of arrest or part of that program. It becomes a citizen's arrest. The police department has to engage with anything outside of a misdemeanor. Even if it is a misdemeanor, the police department would have to walk them through the paperwork and meet them at the jail in order to incarcerate the individual.

ASSEMBLYMAN ELLIOT ANDERSON:
I have a couple questions, one for Sheriff Lombardo and one for Mr. Aguero. Mr. Lombardo, I will start with you. I think local governments are going to be asking for a lot from us, including next session. They are going to be coming to us for property tax help, and Mr. Aguero knows about that as well. He has given plenty of presentations on that subject. Before we start talking about all these taxes, I am wondering what it is that you are doing to change your policies and procedures before you ask us to raise taxes.

I have spoken with a number of constituents who are concerned about violent crime. Having worked on the Strip as a security officer for several years, I certainly understand the need on the Strip as well. But a number of your officers have come to me and told me that, for example—and

I do not know, I am not a police officer, so I would like your opinion on it, too—but they said they think disbanding the gang unit was a bad idea. They think we could be doing more without a tax increase. So I would like to hear what you have to say about that since you are here asking us for more revenue, and you will likely be coming back next session asking us for property tax help as well.

JOE LOMBARDO:

That is a great question. I will start by saying I did not disband the gang unit. The individuals who conveyed that to you are misinformed. We redistributed the individuals who have gang expertise into the area commands—specifically, into the neighborhoods. They were no longer centralized as a unit because that changed the environment with gang members. Gang members do not operate similar to what they have done in the past, where it was territorial in how they function and how they commit their crimes. Now it is more of a hybrid, where they are more concerned with revenue streams versus geography. As a result of that, we changed their MO [modus operandi]—in other words, their operating space or how they conduct themselves. We basically took a centralized unit and distributed them into the area commands outside of the centralized units, where they could have a smaller geography of responsibility and have a better effect in general. But they did not remove themselves from gang investigations or what they do as a profession or expertise.

In the totality, I also decentralized a majority of the police officers out into the area commands so that we have a more timely, quality investigation for individuals who become victims. Prior to decentralization—I am sad to say, but it is probably normal in a police environment—we had about a 3 percent solvability factor. As a result of decentralization, we are up in the 11th percentile now. So we are doing better with the resources we have.

Being effective and efficient is my priority because we have limited funds, so I think it is more important to operate on the front end—in other words, be proactive versus reactive in order to prevent crime. We quite often get the same concerns from the other parts of the criminal justice system—the DA's [district attorney's] office's inability to prosecute and the Department of Corrections' inability to incarcerate. More cops make a difference with prevention versus responding, putting handcuffs on individuals, and incarcerating them. It becomes a circular logic. Subsequently, that presence that Mr. McBeath described has a calming effect, and it has a positive effect on how we address crime.

ASSEMBLYMAN ELLIOT ANDERSON:

Sheriff, maybe I missed it. Before seeking money, what have you done to be proactive rather than reactive? What steps have you taken before coming and asking for a tax increase?

JOE LOMBARDO:

When you are describing steps, are you talking about other revenue streams or operations?

ASSEMBLYMAN ELLIOT ANDERSON:

Have you changed any policies or procedures to try to adapt to the crime rate? I am looking to see if you have done anything else in terms of changing your procedures, maybe just to try to provide more effective policing in the wake of this crime increase. Have you changed anything?

JOE LOMBARDO:

Absolutely. The breadth of what I just described was encompassing those changes in the crime environment and how we address that, and they show positive effects. I will use homicide as a number. At the beginning of the year, January 2016, we had an increase of 67 percent in homicides. If you look at year to date, in October, that is down to 24 percent. You can see the same numbers associated with other violent crime, so a decrease in totality of violent crime. We were in the 22nd percentile at the beginning of the year, and now we are at 14 percent. Additionally, I am proud to say that for property crimes, we are flat in that we have had no increase. We had an increase in 2015, and in 2016, we are flat. We have no increase in 2016 associated with property crimes. So that is a matter of using intelligence. We have a more robust intelligence arm associated with the police department—in other words, working smarter. We have put more individuals in defined areas where the crime is increasing.

Additionally, we put the neighborhood engagement teams together. That is another result of decentralizing the gang unit. The neighborhood engagement teams are proactive teams of officers—ten per squad, three separate squads—that we put directly into the high-crime neighborhoods based on intelligence. So we are adjusting accordingly because criminals adjust accordingly. I think we are doing a pretty good job staying on top of that.

ASSEMBLYMAN ELLIOT ANDERSON:

Mr. Aguero, the other question I have is for you. One of the things that we have often tried to avoid in tax policy in this state is to earmark. For example, one of the few areas that we do it is—and the relationship is not as great anymore—where we have gas taxes going into the State Highway Fund. There is a direct correlation between the people who use the roads and the amount of construction needs—or at least there used to be, before more fuel-efficient vehicles. So when looking at this measure, I was thinking about whether a room tax may be a more effective method to fund taxes on the resort corridor, considering that our need for security will be directly related to the amount of people who are on the resort corridor. I guess I am curious, why sales tax, which is often a regressive tax? The people who have lower income have to pay a larger amount of their income. People who are staying on the Strip obviously want to be in a safe place, and we want them to be in a safe place. That seems like that might be a good revenue stream to fund more police officers for the Strip.

JEREMY AGUERO:

I do not take issue with any of the tax policy comments that you just made. In a perfect world, would I prefer for taxes to be general and not earmarked? Yes. That is good tax policy, and I will never back away from that.

With regard to the second portion of your question, in terms of why sales tax, I think there are a couple of reasons. Number one, there is a first-tier and a second-tier distribution associated with this, which includes both the resort corridor as well as all the properties outside of the resort corridor. By properties, I mean houses, office buildings, industrial centers, hospitals, and schools. The reality is that the nexus between the demand for services and the revenue was more closely associated with the sales tax than it is the room tax.

In addition to that, I think as the Southern Nevada Tourism Infrastructure Committee considered it, there was also the feeling that it is not just hotels. We talk a lot about economic diversification in this state, but economic diversification is happening in many ways, not the least of which is within the resort corridor itself. The resort corridor has a lot more shopping, entertainment, movie theaters, and all types of things. The ability to get participation from a broader cross section of consumption within that resort corridor made logical sense.

The last component of your question deals with the regressivity associated with the sales tax itself. There are some elements of sales tax that I do believe demonstrate some regressive tendencies; however, we believe that about 24 percent of the sales tax is generated by the tourism industry in total, and that is sort of broadly defined. The ability to export those collections to nonresident consumers has actually lowered the tax burden for individual residents. You are absolutely right that the sales tax in and of itself has some regressive attributes, but I think that if you look at an individual taxpayer in Nevada who is at the lower end of the income spectrum, their tax burden is lower as a result of the fact that we are shifting more of our taxes to visitors, more so than other states, because we have the luxury to do it.

ASSEMBLYMAN ELLIOT ANDERSON:

Mr. Aguero, I think that while that is true, it is also not great tax policy to base our funding streams upon everybody else's disposable income, is it not? We saw that in the Great Recession. We had a 37 percent structural deficit. Not many people were here in this body in 2009. The only reason I know that is because I was here in a different capacity, and I remember those discussions and how painful they were—doubling people's tuition and that sort of thing. Is it wise to forget those lessons and keep shifting to everybody else's disposable income?

JEREMY AGUERO:

That is a very fair question. I do not necessarily think that we are seeing it entirely differently from one another. In terms of tax policy, do I think that it is a virtue as opposed to a vice to export

our tax burden? I do think it is a virtue. I do not think it is a vice. I think our tax system reflects our economy. We have this giant engine, and its contribution to our schools, roads, health care system, and public safety is a reflection of that.

Your point relative to the economic downturn, and our state's continued overdependence on a relatively narrow economic base, continues to bother me. Economic diversification absent fiscal diversification is going to lead to continued fiscal uncertainty for our state. I fear that that is what we are going to have for some time on a go-forward basis because our state is changing along those lines, and that is just who we are.

There are other taxes, including ones that were debated in the 2015 Session, in which exportability was an essential component of those taxes because our business tax in particular did almost none of that previously. You are right that that creates a risk for us as a state. It does, and I understand and accept that, but the ability for us to lower the tax burden on every man and woman who is here, to have lower tax burden on businesses because we have this unique economic engine that allows us to export such a large share, is something that I think is healthy and a contributor to the positives in our fiscal system.

ASSEMBLYMAN KIRNER:

I am switching off the taxing. Over the course of several legislative sessions, we have increased the authorization for Clark County to, in fact, raise funds for the police force. I do not know because I am from the north here, but the rumor that I get is that that money was not used wisely. You did not hire the number of cops that were allegedly promised. I would like you to comment on that if you can, and maybe you can also add context of how difficult it is to add police officers. You mentioned it takes anywhere from a year to a year and a half. I do not know what kind of turnover you are having. I do not know how all those things match up, but I would appreciate your comments based on our past authorizations that we have made through More Cops.

RICH HOGGAN:

I would like to address that question. I think the issue you might be referring to in terms of the idea that we did not meet the initial idea of the More Cops sales tax is probably the result of an article that appeared in the *Las Vegas Review-Journal* last week. That article mentioned that when we put forward the tax in 2005, we had projected that by this point, we would have hired considerably more officers than we have to date. What that article failed to mention is that we did not receive the full amount of tax that those projections were based off of. When we made those projections, they were based off the assumption that we would receive the full 0.5 cents that the voters approved in 2004 when, in fact, to date, we have received 0.3 percent of that 0.5. If you extrapolate out to 0.5, from the 774 positions we have now, you would see that we would have met those hiring projections that we made in 2005, but we did not. However, we have done a pretty good job with the revenue that we have had now, getting to the proportional level that we would have received if we would have had the 0.5. I think that is important to say. I feel very confident in saying, with the amount of revenue we have received, we have met the projections that we initially made.

To your question about the ability to hire the officers, I think that is important because when the tax was levied, we projected and planned for the fact that we would not hire 600 people. The initial projections were 600 people with that initial 0.25 percent that the Legislature levied in 2005. You cannot hire 600 people all at once. I wish we could, but we cannot. We knew that, and we knew that we would be hiring over time. We engaged in a very aggressive hiring schedule, and we did eventually come close to meeting that goal until the downturn happened.

To best answer your question, I can point to the current calendar year. In the current calendar year, we have had 187 positions added to our budget through a combination that included the additional levy that the Board of Commissioners approved beginning in January. We had the additional 0.05 percent, which is a third of what the Legislature authorized in 2013. In addition to that, we had additional positions through the original More Cops sales tax added, as well as through our general fund, for a total of 187 positions this calendar/fiscal year.

In addition, we have, of course, attrition. We anticipate that during the course of this calendar year, we will have about 160 officers leave our department for one reason or another. We anticipate that between the additional positions and the attrition positions, there will be about

350 people that we have to hire during the course of this calendar year. We believe that we are going to be successful in doing that. We are largely successful in doing that in October, through the next academy that is starting in October, and believe that we actually have the recruits available now from our last academy in December, which should bring us pretty close to full staffing.

So the best way to answer that question is that we have done it this calendar year. We have met those expectations. These are considerably more positions than what we have added before, so we will continue that very aggressive hiring schedule. We have staffed up for it. We will continue to staff up for it. We have had to, obviously, add recruiters. We have added more staff to our academy. The Sheriff can make that happen even more quickly. That is one advantage of being in a paramilitary organization—things happen very quickly when he says that they will.

So we have been successful to date, but the challenge we will have is with recruitment. We can train them; we just need to recruit them. We have been at a little bit of an advantage over other agencies that have been experiencing some real problems. Perhaps you have read some of that in regard to recruiting police officers. Knock on wood, we have been successful to date. We anticipate we will continue to do so, but it will take some time, to answer your question, Assemblyman. It takes about a year, as the Sheriff mentioned earlier, from the time a person is hired to the time they are operating independently. As the Sheriff mentioned, probably another six months beyond that—they might be operating independently, but a little bit more time under their belt does not hurt, either.

JOE LOMBARDO:

I would like to provide further clarification on that 18 months. When I talked about 18 months, I was talking about the initial application process, then the testing, then the background check. That can last between three to six months before we bring on an individual. The academy is six months, then field training is six months. But as a matter of hiring numbers, the day we bring them into the academy is counted against the books. So when I am talking about 18 months, that is when they are independent and operating on their own outside of training.

ASSEMBLYMAN OSCARSON:

While I recognize this is enabling language, is the Board of Commissioners on board with doing this?

JOE LOMBARDO:

The Chair of the Board of Commissioners was part of the Southern Nevada Tourism Infrastructure Committee. The Chair eventually voted for moving forward with this at a unanimous vote. I can speak to that because it is a matter of record.

In my walking of the halls, I have gotten a positive meeting with them and, yes, I can comfortably say that there is support from the Board of Commissioners. I can understand your angst because of what has occurred in the past, but a couple of the county commissioners have said it publicly, via the media, that the environment in policing has changed and the need for an increase in police is different than it was prior. Additionally, Ms. Yolanda King, the county CFO [Chief Financial Officer], is present. If you would like to give her the ability to address that, she would be more than happy to.

CHAIR ARMSTRONG:

I am not sure if it is appropriate at this time to try to project whether other county commissioners approve or not, especially since we are debating the bill and there might be changes at this point as well.

ASSEMBLYWOMAN CARLTON:

Mr. Aguero, when we were talking about the property tax cap and the impact it has had on providing services—you always talk so fast, so I always have to go back and get you to say it for me twice. The amount that you said was $700 million?

JEREMY AGUERO:

Yes, that is correct. About $700 million a year, although I will tell you that I think it is actually going to be higher than that this year. But, yes, that is pretty close.

ASSEMBLYWOMAN CARLTON:
You are calling that an abatement associated with the cap?

JEREMY AGUERO:
Yes, that is also correct.

ASSEMBLYWOMAN CARLTON:
Can you tell me how much of that abatement is taken by the Strip corridor?

JEREMY AGUERO:
I would not know that off the top of my head.

ASSEMBLYWOMAN CARLTON:
Could we get that information? This resource is going toward the resort corridor, so I am trying to figure out how the abatement affects the outlying areas versus the resort corridor because that is the economic engine, so it would seem that it would be a huge plus for the corridor.

JEREMY AGUERO:
Sure. I will make that request from the County Treasurer and see if I can get those numbers.

ASSEMBLYWOMAN CARLTON:
I appreciate that. To the Sheriff, how will this scheme impact 311 calls? Those are the complaints that I am getting from my constituents because they call 911 and get switched to 311, and 30 minutes later, they are still on 311. It is a quality-of-life issue, especially on the east side. I am wondering how these sales tax dollars, which my constituents will pay, will affect 311 calls.

JOE LOMBARDO:
The monies generated from the Clark County Crime Prevention Act of 2016 and More Cops do not enable me to hire folks within the dispatch center. We staff the dispatch center with civilian employees, noncommissioned employees. We went through a software upgrade recently on the 911 side. You may have heard some issues associated with the 911. We got our arms wrapped around that. That was not based on personnel. That was based on technology. Everybody knows that technology can create a giant issue for us. Subsequently, we have had problems with 311, which is human capital. You are correct. In today's numbers, we are averaging about 30 minutes of wait time for nonemergency calls. That is directly related to human capital. We have graduated 42 dispatchers two weeks ago, and we currently have—Mr. Hoggan, if you could help me.

RICH HOGGAN:
We have another academy of 24 beginning this week.

JOE LOMBARDO:
Subsequent to their graduation, those numbers will be adjusted according to the human capital provided so that the tax is directly related to commissioned police officers, not civilians.

ASSEMBLYWOMAN CARLTON:
I understand that. I was hoping we could get a better answer. That is the problem that I have. The thing I am hearing from my constituents is with neighborhood services—derelict cars, parties at midnight, and they have to get up for work at 5 a.m. That is the quality of life that I am hearing from my folks. The fact that they will be paying for this but not getting the service they want gives me a little bit of pause.

JOE LOMBARDO:
I do not want to muddy the waters. The quality-of-life issues are very important to us, but they require a commissioned police officer to respond to them. There are two issues associated with that: one is the wait in reference to 311; and then once the call is generated, it still requires a commissioned police officer to respond to it.

ASSEMBLYWOMAN CARLTON:
I will tell you that on burglary calls—and it has happened to me, and it has happened to family members—I did not get a commissioned officer. I got a cadet. I am just saying that we are going

to be paying for services that my constituents do not feel like they are getting. I understand that there are issues, but if there is nobody there to answer the phone, I cannot get the cop, so I need somebody to pick up the phone. I have concerns that we have people sitting on 311 for so long. I hope we can address that in the future as we move forward and address some of the other problems.

JOE LOMBARDO:

Your concern is my concern. As I said, the human capital issue is being addressed, and we should have positive outcomes associated with that.

ASSEMBLYMAN EDWARDS:

I was very pleased to see the breakdown between the resort corridor and the outlying areas, and that all the different areas will be receiving, or have the ability to receive, additional police protection. My initial question is, if the outlying areas are able to hire people faster than Metro, can they bring those people on board perhaps faster than you may expect? Is there any reason that they would not be able to immediately hire people once they have them identified?

JOE LOMBARDO:

No. I believe once the tax rolls start to receive monies associated with the tax increase, they can hire immediately. I cannot speak to their hiring practices, their ability, or their timelines, but they still have to attend a POST-certified academy, which is approximately six months, and then they provide field training commensurate to us, but they can hire immediately. If you look at the picture overall, the issue is not bringing people in. I have not heard of any concerns in any other jurisdictions with the inability to hire people once they have the available positions.

ASSEMBLYMAN EDWARDS:

I have a second question for you regarding—I hope I am saying this right—the category I versus category II police officers. Is there a proportional amount of category I versus category II because we do not need to have category I in every case? Is there a distinction made, and is there a cost differential because of that?

JOE LOMBARDO:

Yes, there is a distinction made between categories I and II, and the difference is their ability to investigate certain levels of crime. An example would be school district police. My department hires category I. It would be cumbersome to have a limitation on their ability to investigate any crime. It would have to be differentiated through the communications center. It would not be effective and efficient for us to operate in that manner.

ASSEMBLYWOMAN NEAL:

I am going to be asking questions from section 2, subsection 3, paragraph (b) of the bill. I have a couple of issues. I am trying to get comfort around what I feel is special legislation and the distinctions of this visitor volume. I was looking at the visitor volume statistics through LVCVA [Las Vegas Convention and Visitors Authority]. I looked at pre-recession data, so I am going to start there.

In 2004, we had roughly 37,388,000 year to date. I am going to skip to 2008. In 2008, we had roughly 37,481,000 year to date. That is visitor volume. Then I am going to skip to 2011. The recession hits. We have roughly 38,928,000. Skipping to 2013, I see roughly 39,668,000 year to date. Then I get to 2015, which then says year-to-date visitor volume was roughly 42,312,000. Then I get to 2016, which then has roughly 28,811,000 year to date. Mind you, the year is not over.

I am trying to get an understanding for the constitutional distinction we are making in the history of visitor volume to where this particular piece of legislation is now needed. It says increased annual visitors to Las Vegas. I need help understanding the difference between 2004, which came before the Clark County Sales and Use Tax Act of 2005, and now, when that rises to the level where we need a caveat such as this bill. That is question number one.

JOE LOMBARDO:
I am trying to wrap my mind around the question as presented. So the concern is why the resort corridor is carved out and what has changed in the tourist volume to justify that?

ASSEMBLYWOMAN NEAL:
Yes.

JOE LOMBARDO:
Okay. There are two reasons. One, as you already described, is the continual increase in the number of visitors associated with Las Vegas and southern Nevada, being 42 million.

Let us just remove ourselves from the inside of the casinos. Let us talk about the outside of the casinos. At any point in time, if you walk down Las Vegas Boulevard within those parameters described, it is cumbersome. What is going on as far as pedestrian traffic and criminals looking for victims and associating with that massive pedestrian traffic has increased commensurate to the increase in visitor volume as far as total tourism. I provided some numbers, and that was in totality on the front curtilage of the properties and the interior of the properties—6.5 percent associated with Las Vegas Boulevard and 2.5 percent associated with the Freemont Street descriptive. That equates to a big number. That is why, when I talk about increase within those boundaries, officers are needed—because of the mass of numbers associated with those calls for service. So in totality, there are 54,000 calls for service year over year, and it increases around 4 percent per year. That requires a lot of human capital to respond to that.

An additional factor is the threat environment that is occurring across the world and the nation. We have had four-plus here domestically within that last 12 months, and it is no secret that the resort corridor is on the minds of the terrorists who intend to do us harm as a nation. Quite often, we have suspicious activity reports that are generated through Homeland Security and the fusion system, and those are directly related to that resort corridor overlay. That overlay was not arbitrary. That is where we have the mass of casinos. It is based on the intelligence I have received in the last four years in terms of the number of suspicious activity reports that are generated by the general citizenry and the employees who occupy that environment.

ASSEMBLYWOMAN NEAL:
I was looking at the crime statistics. When you go to the Las Vegas Metropolitan Police Department site, it leads you to the uniform report, which is the annual statement of crime in the state. I was curious. I did see an increase in crime in certain categories. It was nominal, but it was there.

They had some police employment data, so I need you to help me make the distinction. This was statewide. I am aware that we are talking about Clark County, but statewide in 2014, it said that there were 5,432 full-time sworn law enforcement officers, and that was an increase of 60 from 2013, which gave a ratio of 1.91 officers per 1,000 residents. Then for 2015, the report says statewide there were 6,253 full-time sworn law enforcement officers in Nevada, and that was an increase of 821 from 2014. The ratio was 2.18 officers per 1,000 residents. I need you to delineate the statewide number from the Clark County number, and why you guys are at the ratio that you are, being that we have the majority of the population. Is that a fair question?

RICH HOGGAN:
I am at a little bit of a disadvantage because I have not seen that statistic. For those same periods, in Fiscal Year 2014, we had 2,555 authorized positions, which is a ratio of about 1.74. That is just for the Las Vegas Metropolitan Police Department and excludes the other southern Nevada jurisdictions. We are currently at 2,848 authorized positions, which is a ratio, when we are fully staffed, of 1.83. Again, I cannot speak to the other jurisdictions, but in southern Nevada, that is where we stand.

I hear what you are saying because we are about half that total number you are reading. I am going to assume that that includes the Nevada Department of Public Safety officers, Taxicab Authority, and others that perhaps are not necessarily included in our direct services numbers. But for the citizens of unincorporated Clark County and the City of Las Vegas, the officers who are responding to the calls for service are the numbers that are reflected in the numbers I gave you. That is the best answer I can give you.

ASSEMBLYWOMAN NEAL:

This is related to section 2, subsection 3, paragraph (c) of the bill, where we state that the current funding sources for law enforcement within Clark County have proved inadequate. I was looking back at the minutes from 2013, when this awesome piece of More Cops legislation came to my second session. In the April 2 hearing, you guys had stated on the record that you had $456 million in revenue at that period of time, but that it took $502 million to run the police department and that you guys had taken a hit in the ad valorem. I started looking at the Clark County audit reports. I will just stick with 2015. This was just the revenues that came in. For 2015, the actual budget number—not the final budget, not the original budget, but the actual monies that came in, including ad valorem and the other financing sources—was $502,709,000, with a little bit of change on the end.

My question is, if in 2013 you needed $502 million to adequately run the police department and then in 2015 your revenue was more than $502 million, what has changed and what is going on this year, where this $502 million that you cited in 2013 is no longer good enough to sustain the needs presented under this current piece of legislation? I need to understand, and I need you to delineate how much money you need now because this is the $502 million that you needed in 2013. You have it in 2015, so I need help understanding.

Here is what was so interesting—in 2013, you guys said that you had the $456 million available, but the actual budget audit said that there was $473 million in the actual budget as of June 30, 2013. It gave me pause and I wanted to ask. Help me rationalize these numbers.

RICH HOGGAN:

When we came forward in 2013, one of the numbers we were talking about was the fact that, as you mentioned, the revenue that was coming to the Las Vegas Metropolitan Police Department—both from the commitment that could be made from our funding sources at the city and county, combined with the reduction in property taxes that we received directly—was short of the amount of funds that we needed in order to retain the current number of positions that we had. The reason that that came up in that session in particular was not only to paint this picture that we did not have sufficient resources to be able to add officers, but at that point, we did not have sufficient resources to retain the officers that we had.

I think it was mentioned earlier that there are a lot of new faces here, so for those who were not around then, there was a request made in that session to lift what is called the supplanting provision that existed in More Cops to make up that deficit between the amount we needed to retain those officers, due to the limited funding sources from the funding sources I mentioned earlier, and what we actually had available. That was part of the enabling legislation that occurred in that session. So for three fiscal years, we were allowed to essentially move expenditures out of our operating fund and into our More Cops fund in order to retain those officers. We only exercised that in one year, and that was in Fiscal Year 2015. Without that, we would not have been able to retain those 148 officers.

To your point, during the downturn, we did what most other agencies did—during the fiscal year when there were vacancies that occurred, we did not fill them. We saved money during that fiscal year from not paying those salaries and benefits. We used that savings to make up the shortfall in the next fiscal year. That is why you are seeing those difference in revenue numbers. The revenue that the police department contributed in those fiscal years probably also included our fund balance contribution that we contributed by virtue of the fact that we did not have sufficient revenue from our funding sources. So we were kind of making up that difference in order to retain the positions any way we could. It was a combination of the supplanting provision, and it was a combination of not filling attrition positions. That is why we had such a large decline in the number of officer positions during the downturn.

ASSEMBLYWOMAN NEAL:

I just want to get it straight. The $502 million that was part of the 2015, you are saying that that was created because you guys cut? Is the $502 million the sufficient amount of money that you need to run the agency, which was stated in 2013?

RICH HOGGAN:
In that fiscal year, the $502 million was not sufficient. I mentioned earlier that the Legislature, in Senate Bill 1 of the 27th Special Session, allowed us to supplant. That was the fiscal year where we supplanted. We moved out salary and benefit expenditures of 148 officer positions into the More Cops fund. That was about $20 million. Point of fact: In that fiscal year, what we needed to have to retain the number of officers that we had in that fiscal year was about $20 million more than that—$522 million.

ASSEMBLYMAN HANSEN:
After hearing from my colleague from District 15 and now from District 7, it seems to me that there are a lot of angles to this bill. I am wondering, Mr. Aguero, why does this have to be done in a special session? Why now? In your earlier testimony, you made it very clear that this was not directly tied to the stadium. I am wondering, since February is not far off, why do we have to make a rush decision on this right now when there are so many obviously excellent angles that we should, as a legislative body, deliberate on?

JEREMY AGUERO:
My only answer, sir, is that it was part of the proclamation and part of the Southern Nevada Tourism Infrastructure Committee's recommendations and the ones that were chosen by the Governor to come forward here today.

ASSEMBLYMAN HANSEN:
My follow-up question on that is, I had the Legislative Counsel Bureau pull up the top 100 salary and benefits packages for Metro. For example, the top-paid person is a police lieutenant, Mr. Flynn, who makes a little over half a million dollars a year, including getting paid $48,000 in overtime. As I go down this list, that is not all that out of the ordinary. There are several who are in the $10,000 ranges on overtime in the top 100. I am wondering how I could go back to taxpayers and say, Hey, you know what? These guys have really sharpened their pencils. We went through a terrible recession, yet we see these kinds of figures. If you were to show this to the average person and ask them if these people need an additional sales tax increase, I think you would have a pretty strong backlash. We talked earlier about policy, sharpening pencils, and so forth. Can you guys really justify $48,000 in overtime and a salary of half a million dollars for a lieutenant?

RICH HOGGAN:
The numbers you are referring to are reflective of a separate pay that was afforded to employees when they leave. In other words, any accumulated sick and vacation leave that they had under the collective bargaining agreement was eligible to be paid out. The person you specifically mentioned had a rather large accumulation of leave, which was paid out. He was also in a position where he received a large amount of overtime in that particular fiscal year. I think it is notable, in the public documents that are out there on salary and benefits, that a lot of those top 100 are, in fact, one-year payouts. The numbers are high. There is no doubt about it. When you see some of those accumulated sick and vacation leave payouts, that is not reflective of the average pay and benefits of police officers across the department. In our current fiscal year, the average salary of a police officer—including any shift differential, average shift differential, average assignment differential pay—is $87,000.

JOE LOMBARDO:
I would like to respond additionally to Assemblyman Hansen's question. Directly to the overtime statement, on average, we are responsible for policing over 3,300 special events outside of our normal operating as a police department. A lot of officers receive overtime via those special events. The reason why I say that is because the private entities that contract with us to provide a police officer presence pay for that overtime. So a lot of that overtime that you described could be a result of participating in those special events.

I can give you an example. The Electric Daisy Carnival is a three-day event where officers receive 12 to 14 hours per day of overtime to provide that level of protection. That is not on the backs of the taxpayers; the private entity pays. It also is part of what Mr. McBeath described

earlier in his presentation piece. What we are required to do—because with my existing resources, I cannot give a level of security that I am comfortable with in the resort corridor—is what he described as the Safe Strip program. Safe Strip operates between the summer months and during some of the spring and fall months. Officers are paid on an overtime basis to provide protection in front of the particular casinos that participate in that program. On average, officers get 8-, 10-, or 12-hour shifts associated with that. That happens every weekend. So a lot of those overtime numbers have a very good descriptive associated with them.

ASSEMBLYMAN HANSEN:

I realize this was in the proclamation and, therefore, the Governor wants us to deal with it now. But there is nothing in our responsibilities for a special session that mandates we vote this thing up or down. I think the things that have been brought forward in the questioning here, especially from my colleagues from Districts 7 and 15, are the kinds of things we need to thoroughly vet. I understand where you are coming from with these salaries and overtime packages. Of course, I am not from Clark County, so I am a little bit out of the loop on this as far as who will actually pay it. But as far as somebody in public office going back to the taxpayers and saying, Okay, the reason we are going to increase your sales tax on everybody in the county is because we have a shortage of police officers, but we are paying one police officer half a million dollars. How many other cases are there like that? When you look at the top 100, there are a substantial number of them getting over $50,000 a year in overtime pay. If NPRI [Nevada Policy Research Institute] gets a hold of that and puts that out there for all of my colleagues running for office—it is a very legitimate concern for the average voter, not only in Clark County but in the state of Nevada as a whole.

Mr. Chair, I would encourage this body not to vote on this until we have a greater opportunity to thoroughly vet all of these questions. This, frankly, does not belong in a special session. In my opinion, it is an abuse of process, trying to rush something through when we need a lot more opportunity to deliberate and hear from all sides of the issue.

ASSEMBLYWOMAN DIAZ:

I do not mean to beat a horse over and over about the tax, but I wanted to make the point that in my Assembly District, I have a pretty significant number of people living below the poverty level. It is close to 50 percent in Assembly District 11.

I keep coming back to this question about the abatements of the property tax and why we are losing money there. We are not really aiming to fix that so that we start capturing that money that is currently not being captured, yet we are trying to plug this hole on the backs of my constituents, who are already in the hole. There are no conversations about raising the minimum wage or getting equal pay for equal work, so they are not getting any kind of love to help them contribute in this manner. I cannot wrap my head around why we are not plugging the hole the way it needs to be plugged. If there is a shortfall in the revenue for the property tax, that is what we should be looking at, or another way that makes more sense and does not necessarily put it on the backs of my constituents.

I also wanted to have you clarify what these amounts per agency mean, because I do not think the body has heard. What does $23 million going to Metro mean, and can you spell it out as far as how many additional people will be patrolling in Henderson, Mesquite, and North Las Vegas as a result of the increase? We have not really heard the net effect on our communities.

JEREMY AGUERO:

I think the first element was more of a comment than a question. If there is a question there, I am happy to respond about the property tax if there is anything specifically you would like me to address.

With regard to the second question regarding the allocation of the resources, what we do have today is what was provided on the last slide of the presentation overview [Appendix A]—about 300 additional police officers total in Clark County; about 66 police officers in the resort corridor; and about 245 new officers distributed throughout the entire community. I will defer to the Sheriff or to Mr. Hoggan relative to the distribution of that, but I can tell you—based on the testimony that was presented, the questions that were asked, and the direction of the members of the Southern Nevada Tourism Infrastructure Committee—the objective is for those dollars to be individually

distributed where they are needed most, based on our community. I think we have heard some things here today about neighborhoods and what is going on, and that would ultimately be the objective. I will defer to the Sheriff on that.

JOE LOMBARDO:

I could provide you some numbers for the other jurisdictions, but I can speak to the specifics associated with my jurisdiction.

We are looking at a total of 265 officers to obtain through the 0.1 percent increase in the sales tax. Of those 265 officers, 66 officers would be deployed in the resort corridor. Of the 66 officers in the resort corridor, 12 of those officers would be in the downtown area, so 44 of them would be within the Strip area. If you look at the outlying areas—in other words, the remainder of my jurisdiction in Clark County—we have eight geographic areas, with the number of 199 officers to work with, so approximately 25 police officers per station. For Henderson, the expected revenue is $4.2 million, for an additional 26 police officers. For North Las Vegas, the expected revenue is $3.5 million, for an additional 15 police officers. For Mesquite, the expected revenue is $300,000, for an additional 2 police officers. For Boulder City, the expected revenue is $200,000, for an additional 1 police officer. Mr. Aguero's presentation brought that down into the total dollars. I gave you approximates, but he took it all the way out to the dollar.

ASSEMBLYWOMAN TITUS:

I appreciate the opportunity to ask you folks some questions, and I appreciate your being here.

As a wife of a retired sheriff, I certainly understand that running a department is infinitely greater than just the boots on the ground and the number of police officers that you have. I am wondering how much you have budgeted for the ancillary services that come with the additional police officers: holding stations, dispatch officers, vehicles, body cameras, booking stations—all of those things that are needed as you add more personnel. What percentage of this budget goes to that, as opposed to the actual numbers of police officers?

RICH HOGGAN:

For these additional officers, we figure that on a per-officer basis, the initial first-year costs are $115,000. That includes salary and benefits expenditures and such things as their equipment, vehicles, radio, body cameras, and all of those associated expenses for those officers in that first year. Regarding the percentage of our budget that is dedicated to support services, I will have to get that for you. I do not have that off the top of my head.

Let me just say this: The Las Vegas Metropolitan Police Department has civilianized, if you will, as many positions as we can. For support positions that do not require a sworn law enforcement officer to pursue, we have a civilian doing that job. That increases the capacity of the officer to perform services in the community, rather than at a desk, and it actually lowers our costs.

In terms of some of the ancillary costs, like the buildings and so forth, thanks to the downturn, we have plenty of space for them to land. At this point, we do not anticipate a great impact to our support services in terms of the civilian jobs that support them. I think we are at the point we need to be—short of ancillary positions, like information technology and so forth—but I think we are about where we need to be to move this forward.

ASSEMBLYWOMAN TITUS:

I am curious about average response times, from the time a call goes to 911 to the time the officer arrives on the scene—not necessarily 311 calls because I understand there have been long waits, unfortunately, for those in Clark County. I am not a resident there, but I am, however, concerned about the safety of Nevadans in general and certainly our visitors. I am wondering if that average response time has increased or decreased over, say, the last five years, if you have any of those statistics.

JOE LOMBARDO:

I can address that question. I cannot address it to the absolute, but I can give you a good picture of the overall changes associated with 911.

If you look at the average response time over the last five years, it has decreased. To the best of my recollection, if you use the five-year window, we were averaging right around 14 minutes, and we are right around the 9-minute response time now. That is also directly related to calls for service. All the way up until this current fiscal year, we have had an increase in calls for service, but we have done better in responding because I was able to open a substation in the middle-west part of town. Subsequently, that decreased the area responsibility of an individual police officer and their ability to respond to a call. You would think that the calls for service are increasing, so how could the response times be decreasing? Because we adjusted that geography in order to accommodate that response. So we are averaging right around 9 minutes, to the best of my recollection.

ASSEMBLYWOMAN TITUS:

Earlier, you mentioned Homeland Security and the increasing need for vigilance of potential terrorist threats on our wonderful Las Vegas, and it certainly would seem like it potentially would be a target. Do you get any money from the Homeland Security department?

RICH HOGGAN:

There is a twofold answer to that question. We have the Southern Nevada Counter Terrorism Center, which bears the responsibility for most of the counterterrorism efforts that we undertake. That is funded, in part, with direct contributions from our operating fund. That represents about $12.5 million of our total general fund budget this year, which is about $552 million. In addition, that is supplemented with grant funding from the Office of Homeland Security, which is administered by the Division of Emergency Management. That comes to us in one of two forms: through State Homeland Security Grant funds and Urban Area Security Initiative funds, which are unique to southern Nevada.

As some of you may know, grant funds cannot be used to supplant your budget. They need to be used to augment, or add to, your budget. We have utilized those funds to do just that: enhance our counterterrorism posture. Specifically, we have used it, and continue to use it, for response vehicles, response equipment, and predictive policing software. We have used it to enhance the camera system that is up and down the Strip and the downtown area. I hope that addresses your question.

ASSEMBLYMAN SPRINKLE:

My question is for Sheriff Lombardo. Almost an hour ago, you answered a question from one of my colleagues and spoke very favorably about how you decentralized and how you have been able to spread out your resources and truly provide a better level of service to all of the coverage area for Metro. You just talked about a decrease in response times and some of the other benefits that we have seen from that. Yet in your opening statement and given what I am seeing in this bill, you are advocating for tying your hands as the head of your department and limiting where you are able to put these new police officers within this corridor. I am wondering why it is that while you have shown reason for being allowed to allocate your resources where you feel they need to be, this potentially could very much limit where you are allowed to put resources at any given time.

JOE LOMBARDO:

I appreciate that question, and I will answer it in two ways. One is, I am not able to allocate my resources how I would like to within the resort corridor. I have a duty to supply police service throughout the entire Clark County, as I do in the resort corridor.

Here is an example of what is occurring in the resort corridor. At any point in time, those professional security officers can take an individual into custody and then wait for our response to do a follow-up investigation and eventually incarcerate the individual. On an average, if you used a four-year window versus a five-year window, four years ago, those security guards would probably have waited anywhere between 30 minutes to an hour for us to respond. In today's numbers, it is not uncommon for them to wait for four-plus hours for us to respond to their calls for service. I am not giving them the service that would be appropriate for those types of calls.

Additionally, Mr. McBeath explained the Safe Strip program, and I will repeat it because I provided some clarification on that. The Safe Strip program requires me, with hat in hand, to go

to each individual CEO of those properties and ask for supplemental funding in order to supply a police officer at the front of their property. I personally do not think that is good government. I personally think that the police department should be funded appropriately so I can provide those services that I provide in the Safe Strip environment through normal budgeting procedures. The reason why I say that is, I cannot provide a police officer 24/7 in an environment that has 42 million visitors participating in it. I have to provide a police officer on a random basis—driving by, going from call to call—versus being proactive.

So to answer your question, Assemblyman, I am not providing the service that they deserve—and the rest of the county deserves—with the current resources that I have.

ASSEMBLYMAN SPRINKLE:

Maybe I missed it, but I do not think I heard the answer as to why restricting where these police officers are going to be is a better alternative than still allowing you to decide where they should be. I understand your assessment. I understand everything that you just said regarding that kind of influx of tourists on any given day. I understand that. What I am saying is, should that not be left up to you and your administration to figure out the best utilization? Why should we, as the Legislature, be putting down these parameters of specific zone requirements for these police officers, even as enabling legislation?

JOE LOMBARDO:

Part of it is that omnipresence piece. Police officers are the same as any other employee. You give them direction. Hopefully, they act on that direction. They are also very proactive in what they do. For me to create the environment that I desire to have in the Freemont Street area or on Las Vegas Boulevard, I have to be able to place those officers there appropriately and where they are needed 24/7. Quite often, I get pulled in many directions associated with my police officers—via the Board of Commissioners and the City Council—to place police officers in various hot spots, or there may be a perception that the officers are needed in another particular location. It has been stated that tourism is the mother's milk of our economy, that it is the economic engine. With enabling legislation, I have the ability, the autonomy, and the authority to tell other people pulling me in all different directions that it is defined to support the police officers within that boundary, and that is where those police officers are going to remain.

JEREMY AGUERO:

I would like to add that from the Southern Nevada Tourism Infrastructure Committee, as the committee who was debating this, there was the belief that sufficient allocations were not there today and that there was a need for a specific allocation to address a specific issue in that area. Existing funding today—with the restrictions the Sheriff just went through in terms of various area commands and trying to have proportional distribution—is not resulting in sufficient allocations to these areas. Therefore, drawing these boundaries would get past that particular issue and ensure that those allocations are where they are needed.

ASSEMBLYMAN SPRINKLE:

I appreciate that. Sitting in this seat here, I still take pause in telling you how to do your job.

I want to talk about mutual aid. Is this legislation going to prevent North Las Vegas from helping Metro when they make that specific request because of where these dollars are allocated and what this piece of legislation is saying? Say that you have so many resources in the corridor at one time, and a domestic starts up in some outlying area, which is one of the most dangerous situations for our police officers. Are our guys and girls on the streets going to know that they have the support through these mutual aid agreements from other jurisdictions if they need it?

JOE LOMBARDO:

Help me understand. Are you asking about whether Metro is providing support to the outlying jurisdictions, or whether the outlying jurisdictions are providing support to Metro?

ASSEMBLYMAN SPRINKLE:

Honestly, it is either way, but what I am specifically getting at is whether there is anything in this legislation that is going to limit current mutual aid agreements that you have with other jurisdictions.

JOE LOMBARDO:

No, sir, there is not. As a matter of clarification, we have mutual aid agreements across the board with all jurisdictions, but by proximity, the Strip and Freemont Street are not bordering any outlying jurisdictions. As a matter of practice, even without this legislation, those officers who would help and respond to the outliers would be in direct vicinity to that jurisdictional boundary. As a matter of practice, we do not over-converge our resources. In other words, a critical incident may happen at the border of North Las Vegas and my jurisdiction. We would not put all hands on deck at any point to assist that because we are afraid of lacking police resources if another event were to take place at another location. We have had great practice with that. We do it on a regular basis, and the communication is very robust. Quite often, it is them calling upon us, versus us calling upon them. I do not see any issue associated with it.

ASSEMBLYMAN ELLISON:

I would like to go back to the briefing book [Appendix A]. I was not here in November 2004 or in 2005, but I was here in 2013 and 2015. One of the questions that arose after 2013 was in regard to some of the money that was appropriated to Clark County for the new officers that actually did not go to hiring more officers. It went for salaries and benefits. Is that true or not true? That is one of my questions.

My colleagues from Districts 7, 15, and 32 had very valid points and concerns. When we first heard about this bill and that this was going to be heard today, we did not see the bill at that point in time. We heard that there was going to be an increase in officers for safety on the Strip due to the new stadium. Now when we have the bill, we are talking about $31.3 million dollars for all of Clark County and $7.9 million for the Strip. I would like you to break that down and address that for me.

RICH HOGGAN:

I will address your first concern. Mr. Aguero might be best to address the second question. With regard to the use of the More Cops sales tax funds, the short answer is no. The revenue derived from the More Cops sales tax was not used specifically to pay for salary and benefits increases. Like most public agencies in Nevada, we are subject to the provisions of NRS Chapter 288, the collective bargaining agreement. Nothing occurs within that negotiating process that results in an increase in salary and benefits as a result of additional revenue. We have officers who are paid from our operating fund. We have officers who are paid from the More Cops fund. That additional revenue was not a factor in collective bargaining negotiations, because it is really about the resources that are available as a whole.

I will add, if I may, that specific to this legislation, there is an important provision that specifically addresses that concern. There is a prohibition in what is being proposed today that would prohibit the funds generated from this additional sales tax to be used to pay for salary and benefits increases for officers who are currently employed by the Las Vegas Metropolitan Police Department.

In addition to that, during the last session, there was a change in NRS 354.6241, as it relates to the ability to pay, that looks specifically to the fund balance. Regarding the ability to pay that a public entity evaluates in terms of the negotiating process, that ability to pay is fund balances in the general fund. The budgeted ending fund balance in the general fund is not to exceed 25 percent. Our budgeted ending fund balance in our operating fund, out of a $552 million budget in Fiscal Year 2017, is $868,000, or 0.16 percent. So the ability to pay is not going to be a factor in our collective bargaining negotiations. Does that help with that question, sir?

ASSEMBLYMAN ELLISON:

So when the Clark County Board of Commissioners enacted the 0.05 percent increase in sales tax in 2015, did that go strictly for officers?

RICH HOGGAN:

Yes, sir. Regarding the 0.15 percent that was in enabling legislation in 2013, in January of this fiscal year, the Clark County Board of Commissioners levied a third of that, or 0.05 percent. That has resulted in the addition of another 133 officers. It did not go to pay for salary and benefits

increases for all of our existing officers; it went strictly for the salary, benefits, and related equipment for those additional 133 officer positions.

ASSEMBLYMAN ELLISON:
Thank you, and if you could answer the question regarding page 8 [Appendix A].

JEREMY AGUERO:
I thought the additional question had to do with the structure and the choice of how it is done. You said additional pay date.

ASSEMBLYMAN ELLISON:
Correct.

JEREMY AGUERO:
I will try to answer the question, and if I am answering the wrong question, please interrupt and stop me.

The Southern Nevada Tourism Infrastructure Committee was not designed to look just at the Las Vegas Metropolitan Police Department and police protection generally, or just conventions and stadiums. As a matter of fact, its mandate was broader than that. It included the airport, roads and highways, convention centers, and the like. There were multiple things. Among those was pedestrian movement within the resort corridor, and that is when the Sheriff first came to testify about some of the challenges and risks that exist within that resort corridor in the context of some of the tragedies that have happened here in southern Nevada and around the country. I think awareness was heightened relative to that all together.

That was during the first third of the Southern Nevada Tourism Infrastructure Committee's meetings. They met for 16 months. After that, they started to go from the information-gathering phase to the solution development phase, if you will. In doing that, one of the things that the committee continued to come back to over and over and over again was the need to have increased protection for police. They asked us to go through a number of different alternatives—what would increasing business licenses do? How could we do that? What if we had some kind of SID [special improvement district] or linear foot kind of program? We went through a number of different iterations before we ultimately came down to something that was sales tax-related.

When the committee got to sales tax, it originally just looked at that resort corridor and said, Let us just increase the tax within that resort corridor. The problem with that is, administratively, it would be difficult. There would also be externalities in terms of someone being on one side of the boundary or another side of the boundary and facing a lower tax rate. That was a problem for the committee. In addition to that, there is also something called the streamlined sales tax act. I know the Legislature has considered that at some point in the past, but one of the key provisions of that is that you do not want to have two different tax rates within a single jurisdiction, so Clark County would not want to have two separate tax rates within its jurisdiction. The consideration of all of that—the need for police protection on and around the Strip and all of the considerations and context—is why this bill was ultimately drafted in the way that it is. That is the history that got us to where we are.

The second element of your question has to do with the context in which it was presented to you, that this is to increase police protection for a stadium. I will echo the comments made by the Sheriff earlier: That is just not the case. The goal was to think of police protection as a core element of infrastructure within our tourism-based economy, within that geographic area, and as an independent element. As the Sheriff said, increased police protection required for stadium- or convention-related activities is separate and apart from what we are talking about here today.

ASSEMBLYMAN ELLISON:
This is an enabling bill, so if this bill comes back to Clark County and they say no, it is going to cut it down to 0.05 percent. Are you going to address the issue around the downtown area or just try to divide it around the whole city? Where is the biggest need that you are looking to address?

JOE LOMBARDO:

What I would do is similar to what I did with the original, when we had 0.15 percent enabled by the Legislature, and then subsequently the Board of Commissioners enacted 0.05 percent. It would be similar to that. I would distribute it according to the language that is before you. In other words, the numbers would obviously not be the numbers that I am seeking, but I would distribute them evenly across the board. I would not pick one over the other.

CHAIR ARMSTRONG:

There are a number of legislators who have questions. I want to make sure we get all questions answered, and I do not want to limit the questions because they have all been really good. At this point, I would like to get through the rest of the language of the bill, then open it up to legislators for general questions.

JEREMY AGUERO:

I will walk through the balance of the sections of the bill for the Assembly.

Section 8 deals specifically with the map boundaries. It is extensive language. The staff of the Legislative Counsel Bureau are remarkable for any number of reasons, but they assure me that the language that is provided in the bill matches our map. We have tried to verify that, and it certainly seems accurate, as all of their work almost always is.

Section 9 allows Clark County to adopt an ordinance to impose an additional 0.1 percent, or one-tenth of 1 percent, on taxable retail sales. This would take the taxable retail sales tax rate from 8.15 to 8.25 percent within Clark County. Section 9 also establishes a formula for distributing the increase resulting from this tax, both inside and outside of the resort corridor. We have talked about that here today, but section 9 specifically lays out the mathematics associated with that. I certainly did my best and will also extend my thanks to the Legislative Counsel Bureau for trying to make it as clean as possible in terms of laying out that mathematical formula. It is the same mathematical formula that I showed you in the handout materials earlier today [Appendix A].

Sections 9 through 12 establish the permissible uses for this particular tax component. They also indicate that the money cannot be used to replace or supplant any funding that exists for police departments today. As a matter of fact, the local governments are required to make specific findings in that regard. To the extent that they do not make the findings in that regard, the monies that they would have received are not to be allocated. If they do not make those findings, other police departments that have made the appropriate findings can essentially apply for the residual funds.

In addition, sections 9 through 12 specifically state—and I know it has been stated here before, but to make sure the record is clear—that this is to hire and equip additional officers for the purposes of increasing public safety and preventing crime on a go-forward basis.

Section 13 establishes quarterly and annual reporting requirements to show that not only has the money been spent appropriately, but also the effects of the money that has been spent. Are they delivering on the intended purpose? Are we getting more police officers into the field?

Finally, Mr. Chair, sections 14 through 19 establish the general provisions for governing the administration and distribution of the proceeds. These are essentially requiring where the tax is delivered—to the appropriate treasurer—and how they are ultimately distributed once those findings and requirements are ultimately met.

That is a general overview of the major sections of AB 1. I stand ready to answer any additional questions the body may have.

CHAIR ARMSTRONG:

We will now open it up to questions. We will go until about 12:30 p.m., at which time we will break for lunch in preparation for the other presentation. If we are not done with this, we can come back. We have lots of time to make sure we answer everyone's questions.

ASSEMBLYMAN ARAUJO:

Assuming this were to pass and the county approves it, what is our plan to hire Nevadans? More specifically, what are we going to do to ensure we are hiring folks in the community who look like us and are representative of the communities we are looking to serve?

JOE LOMBARDO:

That is a great question, and it is fairly simple for me to answer that. In years past, we have tried to recruit nationwide, and we have had poor results associated with that. The reason why I say we had poor results is twofold: one is that family members tend not to want to uproot and move to another state; and two is that it is a profession that requires a certain type of person to participate in it. So we were not successful outside of Clark County and/or the state of Nevada. As a result of that, we adjusted our recruiting methods related to direct vicinity—not to go outside of Phoenix, not to go outside of Los Angeles, but more importantly, to stay within Clark County. We have proven we have had better success hiring from within the state of Nevada. I think that is because they understand the culture, and they understand the nuances of the police department. I am sure my public safety brethren would agree with those statements.

The other piece of that is, within LVMPD [Las Vegas Metropolitan Police Department], we have done a robust effort to diversify our police department. I agree with your description—for us to be successful as public safety, our police department has to look like our community. Where we are lacking is with the Hispanic race. We have not been very successful in hiring Hispanics or Latinos, depending on your descriptive. We are approximately 18 percent Hispanic, while Clark County is right around 30 percent Hispanic. As far as the other cultures and the other races, we are mirroring our community.

What are we doing about that? We have redirected our recruiting efforts so that recruiters look like that community and that culture. Additionally, we have gone out into the public. We have the Metro Multi-Cultural Advisory Council that assists us. Community leaders assist us in that because we cannot do it on our own. We ask the community to provide us assistance in that respect. We are seeing a positive effect. An example I will give you is our Explorer program. That is for younger adults, between the ages of 18 and 21. We bring them into the police environment and run them through different scenarios and operations to give them an understanding of policing. Right now, we are in the 70th percentile in Hispanic participation in that program.

ASSEMBLYMAN ARAUJO:

I would like to see a stronger effort in setting goals that could be measured and that we can hold you accountable to so that we can go back to our community and say, Hey, we are working for you, and we want to make sure that you have the best relationship you can with our public safety officers because we believe that it can happen. One of the key components to that is making an extended effort to ensure we are making that a top priority and not just saying that we are going to do it and hoping for the numbers to come, but actually doing everything we can to ensure that it becomes a practice that is known across the board throughout the state.

ASSEMBLYMAN MOORE:

My question is for Sheriff Lombardo. Thank you for being here today. In your opening statement, you said that this bill stands on its own and that it is not connected to the stadium or the Convention Center deal at all. Should either one of those pass this body, do you anticipate, at a future time, coming back to the Legislature or to the county and asking for more money? Do you anticipate that need at all?

JOE LOMBARDO:

No. Let me provide some further clarification regarding that statement because it has been brought up a couple of times. Yes, I stated that it is standing on its own, but Mr. Aguero eloquently explained the intent of the Southern Nevada Tourism Infrastructure Committee and the tourism safety aspect. That is what I mean by it stands on its own. The police department, and public safety in general, needs the increases in order to provide that safe environment so we can ensure that we have that 30 percent return volume associated with tourism. That is what I meant when I said it stands on its own. Outside of coming back to this, I cannot say that I would do that.

ASSEMBLYMAN MOORE:

Section 10, subsection 1 says, "A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed

in the County . . .." Could you break that down for me? I am particularly interested in the "stored" and "used" portions of that.

JEREMY AGUERO:

The state of Nevada has a retail sales and use tax. They are parallel provisions as they exist today. Let us imagine that I am building something within this corridor, and I purchase the materials from somewhere out of state. If I bring those materials into the state and use them here, I am required to pay the sales tax. They are parallel provisions that exist in all of the sales tax that we have in the state of Nevada today.

ASSEMBLYMAN O'NEILL:

I have a couple questions for Sheriff Lombardo. Hopefully, they should be short answers.

What will the 66 officers you are anticipating hiring for the resort corridor on 24/7 assignments do for increasing personnel per shift? How are you going to allocate them? Are you anticipating they will be assigned two-man cars? Having experienced both New York and New Orleans police work, they put officers on the street on foot beat patrols—in a much smaller area, admittedly. They have had a true impact. How are you going to allocate that personnel?

Also, I know some agencies, when they have specific funding like this, will not allow their officers to respond outside of their assigned district, area, sect, or whatever you may call it. Will that also be the case here?

JOE LOMBARDO:

Assemblyman O'Neill, you always have great questions. I appreciate that. Let us use the number 66 as part of the formula. I anticipate that 8 to 10 police officers would go to the Freemont Street corridor. The original iteration of the language was 12 officers, but that included supervision. I do not anticipate supervision being part of that formula on Freemont Street because they could be absorbed by existing squads, so I am more comfortable using 8 to 10 officers. That gives you approximately 46 officers within the Strip corridor. Divided by 7, that would be 6 across the week. The reason why I used 7 is for 7 days per week. Those officers would supplement our existing squads.

I currently have 176 police officers directly related to the Convention Center Area Command and are responsible for five and a half square miles associated with that area command. That is commensurate with the casino environment and some associated neighborhoods in the direct vicinity of the Convention Center Area Command. They would be deployed on foot. The cars are not anticipated to be part of the equipment package associated with those individual police officers—perhaps bicycles, but the intent is to have officers on foot, similar to what you described.

ASSEMBLYMAN O'NEILL:

Will they be allowed to respond outside of their assignments?

JOE LOMBARDO:

No. As a matter of practice, we work off a sector beat format. Officers are required to remain within the parameters of those sector beats. Quite often, they will be called out of those sector beats for officer safety reasons to assist in other calls. That would be the exception to the rule.

ASSEMBLYMAN O'NEILL:

Mr. Aguero, I apologize for not being an economist or mathematician. In reading section 9 quickly, is my understanding correct that the allocation for the additional funds will be based upon a formula of static population for the city, plus their estimated tourist population?

JEREMEY AGUERO:

You are close. The calculation will not just be for the city but for the entire county. It will be countywide. That will be done every year. The analysis is such that after three years, if the Board of Commissioners believes that that formula needs to be modified to be more reflective of the intent of the act, then they can make modifications to that. That would be the idea that if someone builds a hotel just to the north end of the Strip or to the south end of the Strip, you would want the ability to do that with the input from the Sheriff. But that calculation is intended to happen every year, although those numbers are large enough that the difference should be modest.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I have a couple questions on section 9. I want to talk a little bit more about employing and equipping officers and what that encompasses and includes. I am assuming that we are also talking about all the costs and expenses for training the officers. We know that, because of the Department of Justice and their recommendations, there has been success in reducing the number of incidents regarding excessive force and that a lot of that has been due to training. You talked earlier about a ramp-up in hiring. Talk to me about the provisions that are going to be put in place to ensure that the diligent training that has been in place will continue to be in place, so that we know that our community will not have to deal with excessive force situations down the road.

RICH HOGGAN:
With regard to the first part of your question, in terms of what additional equipment that entails, I can talk about it in today's world. It is interesting to note the difference between what an officer was equipped with in 2005 and what they are equipped with in 2015. Nonetheless, that would include their mobile radio, their portable radio, and related software licenses. A mobile radio is in a vehicle, if they have a vehicle. Another difference in technology is that each of the officer's vehicles are issued a tablet computer now. It is Internet-accessible so that they can file crime reports and access information online. That includes a body camera, vehicles, and the associated equipment in the vehicle.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
So when you hire an officer now, what percentages do you imagine being allocated for equipment versus the actual hiring and training of a person? What is the split in cost when you hire someone?

RICH HOGGAN:
We figure roughly that the total amount of the cost for an officer is about $115,000, and about $55,000 of that is for their equipment, particularly their vehicle.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I know we are going to get to the training piece, but since we started out on equipment, talk to me a little bit about the ancillary needs in order to ensure that the public is being protected. I want to talk specifically about the sexual assault kits. There is a large working group trying to address the backlog of more than 7,000 untested kits. Incrementally, through grant money, we are chipping away at that, but that is absolutely an issue, especially for the predominantly female class of victims who are assaulted. It is one thing to file a complaint and to have an officer take a complaint; it is a very different thing to ensure the kit is actually going to be tested. Finding a source of dollars to ensure that has been difficult. So, talk to me. Would testing of the evidence that is collected be considered within the sphere of equipment for an officer to do the job of protecting the public?

JOE LOMBARDO:
Yes, you are correct. The number is more in line with 6,500 versus 7,000. Moving forward, we have a plan with the funding stream that was provided to test those kits. We anticipate a three-year window for all the kits to be completed with full testing. I recently talked to the Attorney General, who was talking in concert with the county, to ensure we have money in place, as you describe, to continue that program outside of a grant or any other source of revenue that we cannot depend on. There were assurances made that we could hire the appropriate support personnel to test those kits moving forward. You had described police officers doing that. We do not do that in our police department. That is bifurcated by our lab personnel, more in line with scientists who have that expertise and are required to do that analysis. We have commitment to bring resources forward, outside of overtime as opposed to a regular full-time employee, to address that issue.

CHAIR ARMSTRONG:
I have a comment on that because I am also part of that working group. Most of those kits are sent out of state, so they are tested through agreements that are contracted and negotiated

separately from that. Since we brought that up, I would like to commend the Sheriff and the Attorney General for working on getting those extra funds.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
And to also commend the large working group of diligent stakeholders who have been advocating for this conversation for a long time.

CHAIR ARMSTRONG:
Absolutely.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I think it begs a question of the type of equipment and things that are needed for police officers to do their job and see through the life of a case. It follows into the language later in section 9, subsection 7, where we talk about staffing allocations. The language on supplanting is also within this section. Would supplanting necessarily be taken in the context of the department's own budget and resources? So not supplanting by the county in terms of the dollar amount allocated to your department, but once you get the department's budget, the ability to allocate resources as needed for the civilian jobs to make sure that 311 is operated and for follow-through with sending these kits off to a laboratory for testing. As I read this, I do not read it to say that you cannot adjust and augment, once you have the dollars, your own division's needs and where you put those dollars.

RICH HOGGAN:
You are exactly right, Assemblywoman. That supplanting provision is sort of a one-way provision. Specifically, we cannot reduce our operating budget with the dollars that are received for this revenue. It is exactly like the language that exists in the More Cops provision. That has not prohibited, nor will it prohibit, us from increasing expenditures in our operating budget for the things you have mentioned. As a matter of fact, people often think of the Las Vegas Metropolitan Police Department as police officers. Of course, that is a large part of what we do, but there is a tremendous amount of support across the agency from a lot of support roles, as you mentioned. One of those would be our forensic lab, for example, in addition to our crime scene investigations unit, dispatch center, records unit, and so forth. Those are not affected by this. We can still increase our operating budget to address those areas of concern going forward.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
The other question on section 9 is regarding the formula and the allocation of the formula. So you work through the formula to come up with a round number of what the pie will be that will then be distributed. So the first distribution is going to go to the resort corridor, and then you have listed out in language the subsequent allocations. What do you imagine that first distribution would look like in terms of percentage of the whole? Would it be 5 percent? Fifty percent? What should the public expect to see in those distributions?

JEREMY AGUERO:
That distribution should be somewhere between 19 and 21 percent of the total money.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Will the 80 percent left over be allocated to the cities?

JEREMY AGUERO:
Community-wide.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
In the numbers that you give us for the new officers, is this total or is this annually? When you talk about 66 officers in the corridor, is that 66 officers per year?

JEREMY AGUERO:
In perpetuity. It is a recurring perpetual revenue source, and that would be the number of officers that would be supported.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
So if the formula had an increased number of visitors and there were more dollars available than were anticipated, would there be the discretion to go up to 70 officers?

JEREMY AGUERO:
Yes.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Or is that 66 almost like a cap?

JEREMY AGUERO:
No.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
So it would be an infinite number of officers as dollars allow?

JEREMY AGUERO:
I think you have it exactly right. The idea here is that as demand increases, as revenue increases, as that shift happens between—I think we all hope the resort corridor continues to grow and flourish. The only thing that would be affected would be the slight allocation between those two. I would be very surprised to see that allocation ever go below 15 percent or ever higher than 25 percent.

CHAIR ARMSTRONG:
With that, I am going to cut you off because I want to get more people involved before we go to lunch.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I have two quick questions because I held a lot of questions. We need to get into section 9, and the presenters are on section 9. The last question is more rhetorical, but I feel like we have to have it on the record.

The preamble to this language—specifically, section 2, subsection 5, paragraphs (a) and (b)—talks about the special allocation and a sense of urgency and why we need to be so diligent on this. Looking at how we are allocating the dollars, the resort corridor is first. It strikes me that this is the first time that we will be codifying in NRS [*Nevada Revised Statutes*], through this preamble, a distinction that there is a class of people worth protecting and lives that are more valuable than anyone else's in the state. With it being a tourist corridor, that is the first and foremost area to be paid out. We are creating a distinction where it could be argued that the life of a tourist is inherently more valuable and more deserving of protection than any other resident in the state of Nevada. I worry about creating that distinction in NRS, and I want you to speak to that.

JEREMY AGUERO:
I am so glad that you asked that question. I have heard that a few times. I will be honest with you, I think it is careless drafting on my part. Those two allocations are simultaneous. Those two allocations are not tier 1 and tier 2, or group 1 and group 2. In terms of the drafting relative to the Southern Nevada Tourism Infrastructure Committee, I could have just as easily put the community-wide allocation first, put the balance of it afterwards, and reversed the calculation. The intent was solely to have this allocation to protect this portion of our economy that is critically important. Should this body, or a group of legislators, feel that it is important to ensure that we are not codifying anything—because it was never the intent of the Southern Nevada Tourism Infrastructure Committee, nor anyone who has brought this bill forward today, to ever leave anyone with the impression that somehow there are two groups, and one is more important than the other.

I certainly do not speak for the Sheriff, but what the Sheriff brought up to the Southern Nevada Tourism Infrastructure Committee and what Mr. McBeath brought up before is critical, which is that it is not just about the visitors. This is also the place where the vast majority go to work every single day. Protecting them as they go to and from work—all of those types of things—is critically important. If you think about the entire resort corridor, it is almost the size of the island of

Manhattan. That is the place where more people are employed, more wages and salaries are paid, and more investment is happening. Mr. McBeath talked about billions of dollars. That investment has been $50 billion in that corridor alone. Yes, the manifestation of that is 40 million-plus visitors who are coming in, and protecting them so, as the Sheriff said, they come back, but getting them to come back means that about a third of our population has somewhere to go to work tomorrow. That is critical.

Again, I appreciate your asking that question. If it would please this body, I would be more than happy to work through that to make sure that we are not leaving any legacy here because I would never want to leave anyone with the impression that that was the case.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Let it never be implied on the record that you were being anything less than diligent in affirming Nevadan lives in statute.

Lastly, in section 11, the county can bond against these dollars that are raised, correct?

JEREMY AGUERO:

No.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

No? So section 11 is specifically saying the dollars raised through this cannot be bonded against?

JEREMY AGUERO:

Yes.

ASSEMBLYMAN MUNFORD:

I want to make a comment, not ask a question. I am in support and endorse the need for more cops on the streets. I represent historic west Las Vegas, which has a stigma attached to it—drugs, crime, gangs, and so forth. But my residence was burglarized three weeks ago, and it was burglarized at 3 a.m. I was in my bedroom, but I heard the burglar out in my residence. Of course, my wife was there also. It makes me think about how I am up here at the special session and my wife is at home alone. I know I reached out to some of the cops who work for the Sheriff, and I wanted to appeal to them for more presence in my area while I am up here. For the last six sessions that I have been up here, I have always asked for that assistance. Until it happens to you, you do not realize how you need more police officers around you and there to protect you. Thank you.

ASSEMBLYWOMAN SPIEGEL:

I do have a number of questions, most of which are technical. The first thing is that in section 8, in the language that describes the maps of the resort corridor, I did not see anything that spoke about what would happen if a street name were changed. Having the boundaries set in statute by street names that can change is something that I think is problematic. That is my first point.

My second question comes from both section 9, subsection 7, paragraph (a) and section 12, subsection 2, paragraph (c). There is language that talks about the funding not being used to pay salary or salary increases for any person employed. With the way it is written, I can read it two different ways. When it gives the "before October 1, 2016" date, one way of reading it is, I believe, the way it is intended—to say that anyone who was hired prior to October 1 cannot be eligible to have a salary increase. But the other way of reading the language exactly as it is written is that before October 1, you could not do this, and after October 1, you can. I would like to see that language clarified, if possible.

The third issue I have comes from section 9, subsection 7, paragraph (b), subparagraph (1). I am concerned by the language that says, "Must be used solely for law enforcement and crime prevention . . .." I know this has come up before from some of my colleagues; however, I am concerned that by just having the language as it stands, it will not be clear to future legislators and future people reading this that those funds can and should be used for equipment and training, including cultural sensitivity training, de-escalation training, and the equipment that was laid out before. I would like to see that specified a little bit more.

The last thing is just a question I had from the prior discussions. Sheriff Lombardo, you said before that you do not converge your resources in an effort to be as efficient as possible with the police force that is out there. There are anecdotes, such as the one we just heard from our colleague in Assembly District 6, where there is clearly not enough police who are present, but there are times when we feel there are too many police officers who are coming out.

Just by way of an anecdote, this past Friday, I got a call from somebody who was working on my political campaign and was told that somebody called law enforcement and said that there was suspicious activity in a neighborhood. That suspicious activity was somebody walking around in a campaign T-shirt, knocking on doors, handing out campaign literature, and taking down information on their iPad based on the conversations they were having with people. The jurisdiction I spoke with afterwards said that two squad cars were deployed. However, four squad cars showed up. As I am reading this bill and thinking about the needs, I am thinking to myself, If four squad cars are coming out to talk to a campaign worker who is campaigning during campaign season, do we really need more cops, or do we need to be redeploying the cops that we have and working more efficiently?

JOE LOMBARDO:

I will take the last question first, if that is okay. I am a little hamstrung by your presentation because I do not know the details that were presented to the dispatcher and eventually to the police officer that justified their response numbers. When I talk about over-convergence, I am talking about a large number of police officers. I guess it is an individual's perception as to what a large number of police officers is, but in that case, given what we deal with on a daily basis, I would not describe it that way.

Additionally, a police officer would traditionally get a call for service. The number of officers that respond depends on what level the call is—0, 1, 2, or 3. I operate in a single-officer unit, so a large portion of our calls requires an additional police officer to assist with officer safety. Additionally, our officers are required to monitor their radios at all times. Two individual police officers may have responded to that call, depending on the details of the call, but the other two may have been in the area, not assigned to a call, who chose to stop by. Perhaps they thought that they were closer in proximity. That is a common situation. That is the best explanation I could give you about that situation.

As far as an example, I myself was also a victim of what you described. I was in Henderson campaigning, and I was put on the hood of a car. I know exactly what you are talking about. Mr. Aguero will address the other issues.

JEREMY AGUERO:

Assemblywoman Spiegel, the last three questions you had related to the street names, the October 1 language, and the law enforcement crime prevention needing to include the things we have talked about here today so that it is not misinterpreted at some point down the line.

I do not disagree with anything you said. I think the right thing for us to do is circle back with the Legislative Counsel Bureau and make sure these things are written to assure proper interpretation on a go-forward basis. If any changes are required, we will bring back an amendment.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

I know a lot of my questions have already been asked. Sheriff, my colleague from Henderson posed a great question. I was under the assumption that you oversee all of Clark County. I know that is wrong and that you have other colleagues who are responsible for Henderson, North Las Vegas, and Boulder City. Did they testify during the infrastructure meetings?

JOE LOMBARDO:

No, they did not.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

What is their opinion about this proposal, and are they in support?

JOE LOMBARDO:

Yes, they are in full support. I met with each agency head individually and together as a whole. They expressed to me their full support as well as the support of the overseeing governing bodies associated with those jurisdictions.

As a matter of clarification, yes, you are correct that I do have support in the incorporated cities of Boulder City, Mesquite, North Las Vegas, and Henderson, but my jurisdiction does encompass all of Clark County. It is a matter of semantics. A better way to describe it is similar to the question that was presented before about whether I stay in my jurisdictions. I have jurisdictions in all of Clark County. More often than not, the other jurisdictions are required to stay within their jurisdictional boundaries, but because we are category I police officers, we can cross borders easily. When called before a governing body to answer to the responsibility, you are correct. My responsibility is approximately 1.5 million folks who are within my jurisdiction.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

Thank you for that clarification. Mr. Aguero, it expired in July of this year, so what happens if this does not go forward? How does that impact the flow of money for this proposal?

JEREMY AGUERO:

Those are two separate issues—one is the original More Cops element that will expire in 2025. We will progressively have less and less capacity, if you will, in that particular piece. The question you asked is what happens if this does not pass. It will mean that we have roughly $39 million fewer dollars and roughly 300 fewer police officers on the streets of Clark County.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

Section 2 talks about visitor volume and the importance of our bread and butter in southern Nevada, the entertainment capital of the world. I think what gets lost is the fact that you mentioned that the environment has changed in that area, Sheriff. I cannot remember the wording that you used, but you talked about the presence of activity and that it is important for police officers to be seen in that area. If you could expand on that, I would appreciate it.

JOE LOMBARDO:

Let me start with the back end of that presentation piece: being seen. Omnipresence is a greater benefit to public safety and police work in preventing crime versus police officers responding to crime. In that respect, an individual contemplating a criminal act or an act of terrorism tends to change their mind or look for an easier target if there is a police officer who provides that omnipresence.

The other piece of that is suspicious activity reporting, which is a matter of protocol. We participate in the If You See Something, Say Something campaign as part of a U.S. Department of Homeland Security initiative. We train and provide information to all citizens of the community, particularly to the employees based within that casino environment or any business. We ask them and the professional security officers to call the fusion center to express any information they may have or that they perceive to be nefarious. A suspicious activity report is generated, and detectives within the counterterrorism section follow up and investigate those reports. As a result of what has been going on over the last 12 to 24 months worldwide and in the continental United States, those suspicious activity reports have increased exponentially. That is what we ask individuals to do: provide us that information. Subsequently, those reports have increased. Some of them have proven to be accurate in the description in terms of the reason why people called in, and some of them have not. But the ones that are more accurate, which require more investigation, follow-up, and possible disruption, have increased. That is the reason for that statement I made.

ASSEMBLYMAN PAUL ANDERSON:

Gentlemen, you have been in the hot seat for a little while, and I appreciate your time and your details. A lot of my questions have also been answered through questions from my colleagues, so I appreciate how much technical detail they have jumped into. I did want to clarify a couple things as quickly as I can.

My colleague talked about how this is tied to the More Cops ballot measure that passed through the ballot process and then sort of trickled down to the authority of the Board of Commissioners

in a couple different streams. I would like clarification on how this is different from that or how tied this is to that ballot measure.

I believe you already answered the idea that with these additional cops, we are not going to have additional administrative and HR [human resources] burden. Or, if you think we will, please clarify that.

JEREMY AGUERO:

With regard to the old More Cops and this one, there are many similarities. I do think that the concept of crime prevention is broader in this particular bill. I think that the creation of a district that recognizes a specific allocation for the economic viability of the resort corridor, including the downtown area, makes this bill distinct. I also think that the other provisions, like the sunset that existed in the More Cops, are not there. Are they similar? Yes. Do they have a similar purpose? Yes, they are similar in purpose. But I do think this is broader in some ways—again, when it comes to the concept of prevention as well as addressing crimes that are out there. I also think that it is more specific in ways because it has specific allocations associated with it.

With regard to the additional piece, in terms of how the dollars will be expended from an administrative standpoint, I think Mr. Hoggan would be appropriate to answer that.

RICH HOGGAN:

In terms of the administrative capacity to absorb the additional positions, we think we are in pretty good shape to be able to do that without too much impact. This fiscal year, we have beefed up our recruitment unit, we have beefed up our HR unit, and we have also increased the staff at the academies. I suspect that we are going to have to put additional resources at the academies and have more academies than we had initially planned, so there may be a temporary diversion of officers to train these employees. That includes the other training associated with it, including some of the training we have talked about today—reality-based training, cultural sensitivity training, et cetera. So there may be some minor impact in terms of temporarily shifting resources, and some small number of civilian positions will have to be added to support the additional recruitment, but it is pretty negligible.

ASSEMBLYMAN PAUL ANDERSON:

I think there was a question about urgency. Why now? Why do we have to be in a special session doing it? I think it is a valid question. The idea that it is because it is on the agenda is, I guess, one answer. As you have spoken about other items, I think I heard it: the increased threats that we are talking about. Many legislators in this building sit on committees that also hear about homeland security and other things that are going on. There is the idea that we are quite behind on a ratio of officers to citizens. According to the last report I saw, there are 3,000 new people moving into Las Vegas monthly. That, I believe, is where we are today. That only increases that burden.

I am still looking for more reasons for why there is an urgency. Surely, the committee went through a lot of this stuff. Many of us sat through some of those committee hearings. A couple of our folks sat through all the hearings. Could you talk to that urgency question a little bit more and give us a sense of why now?

JEREMY AGUERO:

Perhaps my last response was not comprehensive enough relative to the "why now?" question. Through the testimony that was received by the Southern Nevada Tourism Infrastructure Committee, I do not want to minimize the fact that the timing has everything to do with the committee completing its work, and that is why we are here today.

All of that having been said, the urgency has been here a long time before now. The Las Vegas Metropolitan Police Department, and sheriffs prior to Sheriff Lombardo, have come before and raised the flag about this potential problem happening, as revenues were declining but population was increasing. You said it exactly right: 3,000 people every month are moving into our community. That is increasing demand while, frankly, revenues are not keeping pace. At the same time, we had a projection for visitor volume that we beat by a large number last year, and my guess is that we are going to do the same thing this year.

Assemblywoman Bustamante Adams went back to this question of how things have changed. Again, it is not that it is the urgency at this particular moment in time as much as it is that we have seen a mounting of these factors that keep coming together. She asked the question about what has changed. I think that was also asked by Assemblywoman Neal. The industry itself is just different. I know a lot of us have been in Nevada for a very, very long time, and we remember the old moving walkways that used to go into casinos and never come out of them. I think the one at Caesars Palace was the one that was totally infamous, right? You go in and good luck trying to find your way out. Today, that is not the case at all. Today, the average visitor who comes to southern Nevada visits 5.3 different properties—5.4 depending on what numbers, but 5-plus every time. That means that they are walking, driving, and moving from one place to another. The number of folks who are coming to Las Vegas to gamble is shrinking, while the numbers that are coming for special events and other activities are increasing dramatically. Combine that with the fact that the makeup of the resort corridor has also been increasingly diversified. I talked about restaurants and shopping, but it is also a timing issue. I remember a sheriff prior to Sheriff Lombardo talking to me about how staffing was becoming increasingly difficult because now we have nightclubs that go much longer and later than the Strip. The Strip used to have a lull period. That lull period has gotten much different.

I do not want to leave you with the idea that there was some single, individual event. The Sheriff put it in the context of the things that have happened in southern Nevada, around the world, and in the United States. I can certainly tell you that that was something that was discussed among the Southern Nevada Tourism Infrastructure Committee, and that was a reason why they asked the Governor to extend the executive order such that they could consider this issue. They thought it was that important. It was not a single triggering event, but rather all of these things. The Sheriff impressed upon that committee that there is a clear and present risk that exists within our resort corridor and a clear and present need within the community and that if we do not take steps, then we are increasing the vulnerability. That was very persuasive to that committee and, ultimately, what brings this recommendation today.

CHAIR ARMSTRONG:

With that, there is probably a clear and present need to take a break at this point. We are not closing the hearing. We are going to move into recess until the call of the Chair. We still have more questions and public comment to do on this bill. We are definitely not closing the hearing. At this point, we are going to move into recess until the call of the Chair.

Chair Armstrong announced if there were no objections, the Committee of the Whole would recess subject to the call of the Chair.

Motion carried.

Committee of the Whole in recess at 12:38 p.m.

COMMITTEE OF THE WHOLE IN SESSION

At 5:16 p.m.
Chair Armstrong presiding.
Quorum present.
Assembly Bill No. 1 considered.

CHAIR ARMSTRONG:

There are still a number of questions by legislators regarding AB 1, so we are going to make sure that all the questions from legislators are answered, then we will open the hearing to public testimony. With that, I am going to open it back up to questions from legislators. We are going to start with Assemblyman Edwards.

ASSEMBLYMAN EDWARDS:
I have a couple of questions that I think are fairly easy and painless, but I would really like to know the answers. My first question revolves around when you take the census that you talked about for determining who gets how much money—Mesquite, Laughlin, Boulder City, Henderson, and so forth. My concern is that Mesquite has a drop-off of about 35 to 40 percent of its population in the summertime when all the snowbirds go away. I need to make sure that when the census is taken, it is taken in January, February, or March so that everybody gets counted. Is that doable?

JEREMY AGUERO:
The answer to that question is yes. The population estimates that are going to be used for the distribution of revenue are those that are published by the Office of the State Demographer, consistent with *Nevada Revised Statutes*. They are adjusted for the population as it exists so that it is properly allocated.

ASSEMBLYMAN EDWARDS:
That is good to hear because we have had some problems with that up in Mesquite because of the snowbirds.

JEREMY AGUERO:
Yes, sir.

ASSEMBLYMAN EDWARDS:
The second question is, there is going to be a time delay between the taxes being approved, collected, and then people being recruited, hired, and so forth, so there is going to be a certain amount of money that will already be in the coffers but not expended simply because nobody is on salary yet. Depending on if it is three months or six months, that could be anywhere from $10 million to $20 million. Can you tell me what happens to that money? Does it go back to the general fund? Does it get disbursed? What happens in that case?

RICH HOGGAN:
It is an excellent question and one that, as we are nearing full staff on it, we have been wrestling with lately. Because it takes so long to put an officer through training—we talked about it earlier that by the time we recruit them, which is an extensive recruitment process with background investigations and so forth, and to have them out on the street, that whole process from being recruited to being an officer is about a year and a half. That is a long way of saying that we are starting to over-hire in the anticipation that we are going to lose people in the academy. To that point, if this bill passes as it is currently configured, we will undertake a hiring process and a recruitment process immediately so that we are ready to go when the tax receipts are finally received.

ASSEMBLYMAN EDWARDS:
I understand that, but there is still the probability that you are going to end up with $10 million to $20 million before you have to expend any money. What happens to that $10 million or $20 million?

STEVE SISOLAK, CHAIR, BOARD OF COMMISSIONERS, CLARK COUNTY:
The money is collected immediately upon the increase. You have that basically right, Assemblyman. The money also has to be allocated for the infrastructure of the officers—you have to buy cars, you have to buy cameras, and you have to buy all the equipment that is associated with it. So there is a major outflow at one time for that, in addition to the payroll that is ongoing. In order to outfit this many individuals, we have the capital costs, in terms of buying the vehicles, and that is where the money will go.

ASSEMBLYMAN EDWARDS:
Just as a point of clarification: I thought earlier we had talked about each officer being priced out at $150,000 to make sure that those costs are covered. Was that not correct?

JOE LOMBARDO:
It was $115,000. The officers intended for the resort corridor are not going to be in possession of a vehicle, so it will be a difference in the equipment allocation on those numbers.

ASSEMBLYMAN EDWARDS:
I still do not quite understand what happens to that $10 million or $20 million.

STEVE SISOLAK:
You are right that it is confusing. When we hire the recruits and they go through the academy, they are technically on payroll at that time. So if we are going to start in January, they will put out a hire list, and we will have an academy ready to go. Once you are accepted into the academy, you have the immediate outlay of the cash in order to train those officers. So there is going to be expense from day one when the first academy starts to pay those individuals to go through the academy. They are paid a different rate, but that is what they get. Does that answer it? No?

ASSEMBLYMAN EDWARDS:
There is still a gap of at least three months, and that three months would equal out to $10 million. I do not know if you guys have an answer for that or not. Perhaps we have to revisit this, but I am trying to make sure that $10 million does not go away.

CHAIR ARMSTRONG:
To interject, I think what Assemblyman Edwards is looking for is how the money is going to be spent for those first few months so he can have a grasp on that and make sure that there is not some revenue that we are not expending or that there is going to be a gap. I would ask that the panelists bring some information and talk about how the money will be spent during the first few months.

JOE LOMBARDO:
Assemblyman Edwards, we have existing lists associated with those positions. We continually have a number of individuals on the hiring list that we can immediately draw from so when we are aware of funds that are available, we can immediately stand up an academy through adjustment of internal resources. We can hire those folks right away. Additionally, all of those monies will be encumbered in the long term because the intent is to fund those officers through the fruition of their careers. So that money would not be stagnate at any point in time.

ASSEMBLYMAN BRUNETTI:
My question relates to AB 1, the sales tax increase, with a reference back to Senate Bill 1. Section 34, subsection 4, paragraph (d) of SB 1 reads: "From the proceeds remaining after the payments required by paragraphs (a), (b) and (c), to make a payment in an amount not to exceed $4,000,000 . . .." Can you describe the delineation between the sales tax increase and that $4 million?

JEREMY AGUERO:
Yes, sir, I can. Just to make sure that we are clear, the reference is to Senate Bill 1. In that section of Senate Bill 1, there is something called the waterfall. The waterfall essentially says that once all of the bonds are 100 percent paid—in terms of the principal, interest, and any debt reserve that is required by the issuer or the county issuing those bonds—then whatever is left over from the bond coverage that was mentioned a little while ago can be allocated through a waterfall, which is how whatever is left over must be spent. That waterfall then requires for up to $2 million of those dollars to be spent on the administration of the Stadium Authority itself. After 100 percent of that is paid, in the event that there is a breach of contract or something along those lines, the Stadium Authority can utilize those monies to essentially operate the stadium and make sure that it does not become defunct. Then after that, the Stadium Authority is required to put $9 million a year into a second reserve fund until the county has two times the average annual bond coverage.

After all of those things are done, if there is any money remaining—and I do think that there will be—there are two other payments that happen: the first is to the Las Vegas Metropolitan Police Department for increased activity within the resort corridor; and the second is $3.5 million to UNLV [University of Nevada, Las Vegas]. The thinking from the Southern Nevada Tourism

Infrastructure Committee is that if there are excess funds that are the result of revenues coming in over expectations, there are issues in terms of increasing the amount of reserves and making sure that we go even further to shore up the police protection within that resort corridor.

STEVE SISOLAK:

In addition to Mr. Aguero's explanation, the More Cops sales tax is for actual men and women on the street—boots on the street, as we would call it. The $4 million waterfall will also allow for the installation of a system of covert and overt cameras on Las Vegas Boulevard that will be connected to the fusion center. The LVPPACE [Las Vegas Police Protective Association Civilian Employees] individuals who will be monitoring those cameras can immediately direct an officer to a location where there is any potential incident and provide the gathering of evidence for prosecuting any crimes. All of the covert/overt operations that are of the technological nature, and the civilian employees who will be responsible for monitoring that, will be paid out of the waterfall from the stadium.

ASSEMBLYMAN THOMPSON:

I have two questions. If we could look to section 9, subsection 5 of Assembly Bill 1 as well as page 13 of your slide [Appendix A], which is where you show the breakdown of the funding for the $31.3 million. It seems like it is a simple equation based on population. My question is, Why is there no consideration for calls for service as well as if there is such a thing as a universal crime rate that all of the municipalities weigh in on? The reason why I say that is because one size does not fit all for every community. A good analogy is what we are doing with our school districts right now—if there are *x* number of kids in the school, then we give them *x* amount of money. It seems equitable. Well, it is not. There are some other variables based on where the school is and so forth. That is also the case with communities. Was there a consideration for that? If not, I would love to see something like that captured in that section.

JEREMY AGUERO:

I think the way it is designed is actually close to what you are looking for. You are right that section 9 goes through this process of allocation, and you are right that the allocation process is twofold: the 20 percent we talked about and the 80 percent we talked about. Twenty percent is going to go to this resort corridor we have defined, and the other eighty percent is going to be distributed for community policing and related activities.

Now, what you just mentioned is, when we are talking about community policing activities, I want to know that those dollars are being allocated based on where they are needed most, whatever that measure is. Now, I would love to sit here and tell you that there is a uniform, perfect metric. At least I am not aware of one, but the Sheriff may have some thoughts on that. I think what is particularly important is that the money is being directed to each one of those individual police departments to be used as they see fit within that police department for community policing. So, North Las Vegas gets a piece of it; they get their money. Henderson gets a piece of it; they get their money.

ASSEMBLYMAN THOMPSON:

I understand that, but that is where I am trying to go with it. There may be a greater need in the city of North Las Vegas than in the city of Boulder City, so on and so forth. Yes, we will look at the population, but now we need to look at who is getting all the crime calls, who has the highest crime rate, and who is having the most challenges as a police department. We have to figure out how to measure that universally, and that is what I would love to see in here. Again, going back to the school district, that funding formula was created in 1967, the year I was born, and we are still trying to figure it out. Now we have the opportunity to create the equation and make it right.

JEREMY AGUERO:

Forgive me for misunderstanding your question. You are absolutely right that the allocation among the jurisdictions is based solely on population.

ASSEMBLYMAN THOMPSON:

The second part is, this is called the Clark County Crime Prevention Act of 2016. I was wondering if there were any considerations made—and this is something that I would like for us

to consider—to include juvenile probation and/or parole. We need to really look because if we are calling it prevention, we need to look at our younger kids who are entering into the system. Delinquency potentially leads to that pathway of crime. If we are truly going to call it a prevention act, are we looking to carve out some dollars, especially that 80 percent, to go towards our juvenile justice systems?

STEVE SISOLAK:

I was not here for this morning's questions, but to give a basic background on this, when we came up with this proposal at SNTIC [Southern Nevada Tourism Infrastructure Committee], the resort community had come to me and said, Look, we have a problem with presence on Las Vegas Boulevard. You are 100 percent right—there are calls for service and then there is presence, and while we do not have the amount of calls for service on Las Vegas Boulevard, they want a presence. They want people to walk out, see officers, and have people available to respond to crime. At that time, we talked about potentially adding a separate subdivision of Clark County and collecting a tax in that subdivision. We decided against that; it would be better to do it countywide.

The Sheriff is responsible for both the city of Las Vegas and unincorporated Clark County. Once you get into the amount that is allocated to the Sheriff, that money stays away from Las Vegas Boulevard and Freemont Street. The Sheriff has complete discretion in terms of how to allocate that. The hope is that while we cannot use this money for juvenile justice and detention, we hope to be able to use an increase of General Fund money to fund those a little bit better.

ASSEMBLYMAN THOMPSON:

With all due respect, Commissioner, I understand what you are saying, but there is an opportunity. We are writing the policy now. I think that this is something that we need to consider because it is real. When we are dealing with our young people in the community, they are great kids, but they go down the wrong pathway. If we are going to truly use that word "prevention" without just making it a cute word, then that is where we need to put some of the dollars. I am not talking about the corridor money. The corridor money is the 20 percent. I am talking about the 80 percent. The way it is labeled is "community police funding" [Appendix A]. That should be a part of community policing.

ASSEMBLYMAN GARDNER:

I have one question about section 13, subsection 3. This is the reporting requirement. Is this reporting requirement only for this section of the More Cops tax, or would it be for the entirety of the More Cops tax? If it is not for the entirety of the More Cops tax, is there some other reporting on that other stuff?

JEREMY AGUERO:

What is contained in section 13 is specific only to the Clark County Crime Prevention Act that we are talking about here, but I will tell you that this section was patterned almost exactly after the reporting requirements that exist. So those already exist today. We are just saying that you have to do this, with a couple of other nuances included in here.

ASSEMBLYMAN SPRINKLE:

I have a couple other questions. One is back to what I was talking about earlier. Specifically, it is in regard to budgeting and where this money goes. When we are talking about the carveout for the corridor and Metro [Las Vegas Metropolitan Police Department] as a whole, what is that going to look like in your budget so that there is oversight, transparency, and we can see how many dollars are for which of those two areas?

RICH HOGGAN:

That is an excellent question. This is designed much like the More Cops sales tax in that the revenue received from this fund is required to be segregated from our operating fund and reported out separately. We present our budgets every year to the Fiscal Affairs Committee, and they are subsequently reviewed by the Board of Commissioners and City Council. We submit our general fund budget, and we submit our More Cops fund budget. In this case, we would also be required to submit yet a third budget for the crime prevention tax.

Specifically in regard to the delineation between the community portion and the resort corridor portion—at least as it relates to the Las Vegas Metropolitan Police Department—we would have an operating fund. We would receive the revenue in two separate sub-funds and report it out that way—again, much like we do with the More Cops, where we had the initial 0.25 percent and an additional 0.05 percent. We report those out separately to our funding bodies. Also, as you can see in the legislation, there are quarterly reporting requirements. We would report it out the same way, where we report the revenue and expenditures relative to the Strip corridor and the revenue and expenditures relative to the communities, as well as the number of officers hired during that particular quarter.

ASSEMBLYMAN SPRINKLE:
Perfect. So that tracking will be obvious between the two? It would be completely separate?

RICH HOGGAN:
Yes

ASSEMBLYMAN SPRINKLE:
That leads me into my second question. A lot of what we have heard today in testimony has been about hiring. I would like some clarification on section 12. It talks about what the authorization in subsection 1 of section 9 is specifically for; however, if I am reading this correctly, that can be changed by the city councils of the different jurisdictions or the Board of Commissioners if they deem it necessary and appropriate. Am I reading that correctly, that this is giving those oversight bodies the authority to change what we are trying to do in this legislation?

JEREMY AGUERO:
The only thing this body is giving the local governments authorization to do is enact the revenue. Once that revenue is enacted, each one of the local governments that has its own police department will be required to have certain findings to essentially adopt it, if you will. What section 12 specifically requires is that every year, they make those findings. It is not allowing them to change anything. They are going to have to make those individual findings that say, in no uncertain terms, that the money is being spent as directed in what is here in AB 1. If they do anything to deviate from that, they do not get the money, and some other police department can utilize that same money for a purpose that is consistent with this act.

ASSEMBLYMAN SPRINKLE:
I guess I am misreading this then. Section 12, subsection 1 says "unless the expenditure has been approved" by those different jurisdictions. What I am getting at is, we keep hearing about how this is supposed to be putting more cops on the street, but if the city council or, depending on the jurisdiction, the Board of Commissioners feels that there are other needs for this money, then they have the authority to use that money for things other than hiring new police officers.

JEREMY AGUERO:
Let us look at the language. If there is something I am missing in terms of your question, I want to make sure that we are clear. I am on page 10, line 9, dealing specifically with after the bodies have all said that they are going to go forward with this. It then says, "The body designated pursuant to subsection 1 shall approve an expenditure of money allocated to the police department from the proceeds of the tax authorized . . . of this act if the body determines . . .. " So the only way they can make this allocation is if the body specifically determines that "(a) The proposed use of the money conforms to all provisions of this act," meaning that they can only use it for the purposes that have been specified, and "(b) The proposed use of the money will not replace or supplant existing funding for the police department." They cannot use it to replace funding. They cannot reduce funding from somewhere else. For example, it was just stated that the county and the city will not be able to reduce funding levels for the Las Vegas Metropolitan Police Department because this act has passed. Finally, "(c) The proposed use of the money will not be the payment of salary or any increase in salary for any person who is employed by the police department before October 1, 2016." The point made earlier by Assemblywoman Spiegel is that we need to make sure we get some clarification on that so it is clear. I understand what you are saying, that that could be read one of two ways.

Hopefully, Assemblyman Sprinkle, that answers your question. These determinations must be done in order for them to be able to expend even the first dollar of that money.

ASSEMBLYMAN SPRINKLE:
Your explanation on the record certainly helps.

ASSEMBLYWOMAN NEAL:
I have a question from section 10, and it is probably the whole section. I was looking at the Clark County Sales and Use Tax Act of 2005, and section 10 is almost identical; there are some word changes. There are three questions I have out of this section.

The first question is, in the actual act, this particular required ordinance section, where it is about imposing the tax on gross receipts, has an effective date through September 30, 2025. That is the expiration that is listed in the 2005 legislation. That is my first question.

When you go to page 9, lines 19 and 20, I am confused about the statutory construction of the language. If the act was approved in 2005, and now you have language that says if a person—this is on the refund provision—were entitled to a refund and the tax was entered into on or before the effective date of the tax, then *x*, *y*, *z*. What I am trying to get an understanding of is when it is effective. Are we going all the way back to 2005? Is the time starting October 1, 2016? When does it start? It seems to be in conflict, number one. I do not really know what this provision means because you just inserted it under a new name, yet it is the same language from the 2005 act. So that is the first part of the question.

JEREMY AGUERO:
I think I understand the question. The brief answer is, this act becomes effective upon passage and approval. That is in section 20 of the document you have been provided. I think that your questions are largely based on the concept that this provision that you are reading today would modify, or in any way relate to, the act in 2005, and that is not the case. This is a stand-alone piece of legislation, wholly separate from the More Cops Act. When you referred to the sunset provision included in section 10 of that act—we will refer to that as the More Cops Act—that act will sunset in 2025. The revenues that we have talked about earlier today will sunset in 2025. When we talk about the other provisions in terms of page 9—I moved in my bill, so I do not know exactly where you are talking about—where it is referring to the act, it is referring to the Clark County Crime Prevention Act of 2016, not the More Cops Act of 2005.

ASSEMBLYWOMAN NEAL:
I am trying to understand the provision on lines 11 through 18, where it says that "a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720." There is already in existence a refund provision where they will not get a refund from the 2005 act. Now you are going to start a new set of folks who will not get a refund under the Crime Prevention Act of 2016 if it passes. Technically, we are dealing with one that does not have an expiration date and one that does. The original 2005 act expires in 2025, and now we have this particular bill right here, which has no expiration date, which says "on or before the effective date of the tax." To me, there are two actions that are occurring: one that is in the future, which technically is right now, and then one that already started 20 years ago. Do you understand what I am saying? So are we saying that any person who was involved in this and had some kind of tax that was owed to them will not get a refund so that they do not take away from the sales tax that will go to the cops?

JEREMY AGUERO:
The sales tax in and of itself is somewhat complicated. It has a number of parts to it. You have the state sales tax, which is 2 percent. You have the local school support tax. You have the basic city-county relief tax. You have the supplemental city-county relief tax. You have the county options. You have More Cops. At the end of the day, every one of those pieces of the tax, the pieces of the sales tax, adds up today to about 8.15 percent. All of them have this exact same provision. So if tomorrow we were to get rid of the local school support tax or a portion of the tax that was going to whatever the sales tax has been increased for, that provision would have to follow it so that the entirety of the sales tax can be treated the same way. This provision is merely

to make sure that this one-tenth of 1 percent mirrors the other 8.15 percent that exists in the sales tax today.

ASSEMBLYWOMAN NEAL:

I am always about the language and what it means so that I can understand it. Somebody has to implement it one day, and they have to understand if it is a conflicting provision.

If you look at line 1 on page 9, where it says that the provisions are substantially similar to those contained in Chapter 374 of NRS [*Nevada Revised Statutes*], what is confusing to me is that we are exchanging words. Everybody keeps saying that this is a new piece of legislation, but it is inserting whole paragraphs from the 2005 act. If it is not, then I am blind because I am reading it on the screen. When I pull it up, all of that language is there, minus one word. In the original language, it says that the provisions are substantially "identical," not "similar."

JEREMY AGUERO:

The language that you are looking at there, page 9, lines 1 and 2, do not amend any existing statute in the state of Nevada today—at all, zero. This will be a whole new portion of our sales tax, just like when More Cops was passed in 2005 and it was a whole new piece of law that we wrote in—or you wrote in, forgive me. I am not trying to sound presumptuous.

On page 9, the language that says provisions substantially similar to those in Chapter 374 of NRS, that is what is required for Chair Sisolak and his colleagues, or whomever else ultimately passes it, to adopt it into their ordinances. When they are applying it, they are required to make sure that whatever they put into the local government ordinances match.

The third thing that you said is that here we are saying substantially "similar," and in the other one we had "identical." That is a fair point. I would have to get together with the Legislative Counsel Bureau. I do not remember whether that was language that was submitted to them or language that was changed, but I think you are right. If we are going to have parallel provisions for this portion of the sales tax and that portion of the sales tax, respecting the fact that this does not amend anything, we do probably want it to be the same. I think that is something we probably need to follow up on.

ASSEMBLYWOMAN NEAL:

This is my last question. I know I said my questions were from section 10, but there is one from section 9, subsection 6, where it is talking about if the Board determines that there is a rational basis for modifying the amount of the formula. I need to know, for my own edification, what is the criteria that creates this rational basis? Is there case law? Where is this coming from?

JEREMY AGUERO:

That is an excellent question. The reality is, one of the things that we were concerned about was that in drafting the bill, it would be so rigid that the local governments would not have the ability to go in and make a slight adjustment. Let us say that a hotel was constructed right on the border of something and should have been included and was not. I realize that I am not telling you anything you do not know, but the resort corridor evolves rapidly. It seemed appropriate to allow some type of adjustment. You are right, a rational basis is a subjective term. It is not an objective term in terms of what could happen. The problem is, when we try to think of objective ways to do it—new hotels being constructed, visitor volume goes up by 15 percent—we just do not know what is going to happen 10, 15, 20 years from now that is going to require the local governments to come in and make an adjustment.

You are right. It is not perfect. It is not formulaic like those other ones we have in there but, hopefully, it will provide the local governments sufficient discretion to make an adjustment that would be necessary and appropriate to accomplish the task of the act.

ASSEMBLYMAN OHRENSCHALL:

I have a few questions. My first question goes back to the questions from this morning. It is for Mr. Aguero, and it is a follow-up to Assemblyman Elliot Anderson's question about looking to the sales tax for this funding and the regressivity of the sales tax and how it takes a bigger bite out of the budget of working-class families who are struggling.

The Sheriff said earlier today that when you look at Times Square and other popular resort areas, he felt that the proportion of police to the native population and the tourists was much higher. I wondered if the Southern Nevada Tourism Infrastructure Committee looked at those jurisdictions that have better-policed resort corridors. Are those jurisdictions funding it on a sales tax, on their locals, or are they looking into another funding mechanism? Did the Southern Nevada Tourism Infrastructure Committee look at how they are funding police presence in those resort areas? Is there anything else that the committee considered?

STEVE SISOLAK:

Assemblyman, we looked at a dozen proposals for this. We looked at TIDs [tax incremental districts] with front footage, with acreage, and with so much of a setback. We looked at a tax on alcoholic drinks because there is a nexus between alcohol and crime. There were so many things that we looked at in terms of a funding source.

Sales tax is not the most stable. You are absolutely right, and sometimes people do not use that. Property tax is, obviously, the most stable. You are going to be hearing about that in the next legislative session, we are well aware, dealing with the property tax situation.

The sales tax was the one that we thought we could implement in the fairest and quickest way. When you got to the Strip, they did not want to go through the machinations of having to define a TID and to tax that. The casinos, quite frankly, were concerned that they were the ones paying all the time, and a lot of the retail places—I am talking about the shopping centers on the Strip, the bars and nightclubs, and those sorts of things—were not paying their fair share. We looked at something we thought would be more comparable. When we got into delineating that area, we got into the tax act where we did not want two taxes in one jurisdiction but only one countywide.

You are right that the sales tax is regressive. We are well aware of that. This was just viewed as the best resort at the time. We looked at what other options were available.

JEREMY AGUERO:

The other half of your question was the comparability between jurisdictions. The brief answer to your question is yes, we attempted to look at different jurisdictions relative to how they fund their police departments. What we found is, if you see how one police department is funded, you have seen how one police department is funded. They are unique. They are different. Many states have a personal income tax, corporate income taxes, and those type of things, some of which are allocated to public safety. They allocate it in different ways. Even trying to compare it to our own police department—when we have allocations, for example, for the Las Vegas Metropolitan Police Department, which essentially splits revenue from two different places—was an extremely difficult exercise to get anything that was meaningful.

ASSEMBLYMAN OHRENSCHALL:

I guess my only concern is how this will affect working-class families and folks who may not go to the Strip very often.

Regarding the staffing, I think one of my colleagues brought up their concern about whether dedicating these officers to the resort corridor might leave the other neighborhoods to which Metro provides service short-staffed. Assemblyman Thompson brought up the calls for service versus staffing the area commands on raw population. Do you think that by dedicating the officers here in the resort corridor, there could be a problem with all the other areas Metro takes care of that are not the Strip? How do you see that balance playing out? I wonder what your comments are, Sheriff.

JOE LOMBARDO:

That is a very fair question. The design of the resort overlay was to adjust for the lack of police services associated with that particular area. As you move outside of that—I hope Assemblywoman Neal does not get upset with me when I talk about the previous More Cops—but in terms of the autonomy with that, the ability was given to me, the Sheriff, to distribute those individuals. Assemblyman Thompson asked how we are figuring that out. Are we utilizing calls for service, or are we doing it strictly off population? No. There is a combination of different factors that we adjust for in regard to the outlying areas outside of that resort corridor overlay. Those factors are calls for service, types of calls for service, the natural ability to handle particular

types of calls for service, and the geography of the particular area. We put all the formulas together to determine our staffing model. If you look at my eight remaining area commands, not all of them have the same number of police officers. We utilize those different aspects as far as crime and population within that formula. I use 25 officers per area command, but it may not necessarily mean that. It may mean one area command may have 40 officers and the other may have 20 officers. I work through those nuances, and we make adjustments on a yearly basis to address crime.

ASSEMBLYMAN OHRENSCHALL:
So, Sheriff, you do not think that this will leave the outlying areas that Metro takes care of short-staffed or waiting longer than they would otherwise have to?

JOE LOMBARDO:
No, absolutely not.

ASSEMBLYMAN ELLIOT ANDERSON:
I have a very quick question for Mr. Aguero and then a different question for the Sheriff. I am looking at page 6, the language about what is being used to make the estimates. It is in section 9, subsection 4, paragraph (a), subparagraph (3). It talks about where we are going to get the estimates from for the resident population. I have heard concern that the Office of the State Demographer underestimates the population in southern Nevada. Have you heard any of those criticisms, Mr. Aguero? You deal in numbers, so I would be curious as to why that was selected and whether there is a potentially more accurate determination.

JEREMY AGUERO:
Yes, sir, I am aware of those criticisms. Yes, sir, I believe that from time to time, the State Demographer's Office has underestimated our population. Yes, sir, I believe that, particularly when the census adjustment comes through, those things happen in places like Mesquite. The estimates that are included in the section that you indicated are the state population estimates that are uniformly developed for each jurisdiction. They are the official state estimates. If you are asking me the question about whether those have some shortcomings associated with them from time to time, yes, sir, I think that they do, but I also believe that they are probably the best available estimates that we have that the state utilizes.

ASSEMBLYMAN ELLIOT ANDERSON:
Sheriff, a while ago, my Democratic colleague from Sparks talked about mutual aid, and I think the basis of that is obvious. Boundary lines should not arbitrarily decide who gets service or not. If someone's life is threatened, my God, we should be crossing that boundary line, and I think that is what you said. You said that category I police officers are allowed to cross lines. I am pretty sure that you said they could cross lines, but subsection 7 of section 9 says that the funds allocated "pursuant to paragraph (a) of subsection 3 must be used solely for law enforcement and crime prevention within the resort corridor." Now, that to me looks like we are creating a specific jurisdiction in law and that if you use funds in violation of that, then you would potentially be on the hook for those funds.

I have a problem with that because not only could that cost someone their life, but you are talking about the Convention Center Area Command. How are they going to know what budget accounts because the Convention Center Area Command has other areas besides the resort corridor? They have that narrowly defined resort corridor in our bill, but their command is a lot larger. So how is this, in practicality, going to work? If there is a shooting in Las Vegas, if there is somebody, say, doing it in my district, which is not that far from the Strip—say, at Desert Inn Road and Eastern Avenue—it is still going to say "Las Vegas" on that headline. They are still going to say that Las Vegas had a shooting, and that could still hurt our tourism. So why are we talking about restricting what your officers can do in a bill? I do not understand that.

JOE LOMBARDO:
That is a fair question. Assemblyman O'Neill had asked how I would deploy those officers. The ideal intent is to put those officers on foot to create that omnipresence and a quick, reactive force in case of a critical need. Those officers would not have the ability to respond in an

appropriate amount of time without the aid of a vehicle. So the only limitation with that particular language is in that resort corridor. Officers in the other area commands have a greater deal of mobility. They have a greater deal of mobility to move around, and we ask them to do that. We assign them to a sector beat, but just like anything associated with public safety, if an emergency occurs and an officer or citizen needs assistance that requires more police officers than what that particular area command can handle, it is an automatic adjustment. It is supervised, handled, and managed by the supervision that is in the field.

ASSEMBLYMAN ELLIOT ANDERSON:
If you feel comfortable with it, then I think that is good. I do not know how the remedial provisions of More Cops work, but I know for a fact that there are clawback provisions in here. I do not completely understand them, so I sure hope that we have that figured out in case your officers need to step off the resort corridor. Let us say that there is a bomb a couple of blocks west of the Strip, and your officers respond on foot patrol. That is an extreme example, obviously, but I get very nervous when I see us tying the hands of law enforcement like this.

JOE LOMBARDO:
That is a fair question. It is an event that could happen; it is not that obscure. The ability for police officers to move on Las Vegas Boulevard on a Friday night—I do not know if you have had the opportunity to be there, but it is very difficult for them to go ten feet. So to think that they would be able to respond in a timely manner by the nature of being in a vehicle versus being on foot or being defined by a boundary is not going to make a difference in our response because all those areas adjacent to that area you described will be responding accordingly.

ASSEMBLYMAN JONES:
My question is on the financing. It concerns me that as the budget has been increasing, you have been increasing officers. If there are approximately 3 million people in the Clark County region, that would be about 6,000 officers for a 2-to-1 ratio. Is that correct?

JEREMY AGUERO:
The southern Nevada area has 2.1 million people, not 3 million people. It is a little smaller. Your math would be right, of course, just at a lower base. When we are talking about the Las Vegas Metropolitan Police Department, it covers about 1.56 million people, or roughly 74 percent of the base population.

ASSEMBLYMAN JONES:
So about 3,000 officers then?

JEREMY AGUERO:
For a 2-to-1 ratio?

ASSEMBLYMAN JONES:
Yes.

JEREMY AGUERO:
Yes.

ASSEMBLYMAN JONES:
My concern is what my colleague from District 32 brought up, which was the whole thing about the one officer who was paid $500,000 last year. My colleague passed around a page, and it shows that more than 900 officers were paid more than $163,000. There are 900 officers on there, and the lowest one of that 900 was paid $163,000, so that means that approximately one-third of your force is paid over $163,000 per year. To me, that does not seem like there is a loss of funding for officers at that rate.

My colleague from District 20 mentioned the four police officers showing up, and my anecdote is that this legislative session, a gentleman had his house raided by SWAT—which would have probably been pretty expensive—to obtain a laptop. I wanted to ask, Do you also intend to use some of these funds to wiretap other legislators during the session, like what was done last session?

CHAIR ARMSTRONG:
That is an inappropriate question. I am not going to allow that.

ASSEMBLYMAN JONES:
Okay. What about SWAT raiding for a laptop? Is that an appropriate allocation of resources?

CHAIR ARMSTRONG:
That is not appropriate, either. You do not have to answer those questions.

ASSEMBLYMAN JONES:
Okay. Is asking about the $163,000 inappropriate, too, Mr. Chair?

CHAIR ARMSTRONG:
No. You can answer that question.

STEVE SISOLAK:
I am very familiar with Transparent Nevada. I have spent a lot of time on there myself. Sometimes those numbers are mind-boggling. Unfortunately, some of those extremely large payoffs are a result of contractual negotiations that occurred over a period of time. I would say that perhaps an overly generous amount of vacation and sick time was allowed to be carried forward. When it is bought out all at one time, that comes to an enormous payout. We have made attempts through the recent contract negotiations to address some of those so that you cannot carry forward quite as much, and the buyout will not be as high. But when you are dealing with those, I would question how many of those 900 officers are still employed with the Las Vegas Metropolitan Police Department. Those are usually end-of-career service buyouts that resulted in exaggerated payoffs—which they get, absolutely, but they were accumulated over a 25-year period of time. So if they accumulated $10,000 per year, that adds up to $250,000 at the end of a 25-year career. That is why they appear so large.

ASSEMBLYMAN JONES:
I can understand that if we are talking about 100. But 900? We are talking about almost a third of the force making more than $163,000. It seems to me that we should be getting more efficient with that. I am all for policemen making a decent wage, but a third of the force making $163,000—and multiple people making $500,000, $400,000—just seems to me a little excessive. I think that we should be worrying about getting more efficient with that instead of imposing another regressive tax upon our people of southern Nevada.

STEVE SISOLAK:
I understand the question. It is fair criticism. The unfair part about it is that when Transparent Nevada reports those figures, those are inclusive of benefits, and the benefits sometimes will approach 50 percent on a lot of these contracts. There is just no other way to do it. I am the first one to admit that when I sat down in my first Fiscal Affairs meeting and went through this, I was shocked at some of the contract negotiations that occurred over a period of time.

Change does not happen overnight. This Sheriff, in particular, has made tremendous efforts to adjust some of those, but the $163,000 is inclusive of benefits. I do not know what officer category that is, but the regular rank and file are not making that kind of money.

CHAIR ARMSTRONG:
I think that there is a question as it relates to PERS [Public Employees' Retirement System].

ASSEMBLYMAN KIRNER:
I am somewhat familiar with PERS, but maybe you can clarify some things. I think if an officer works a special event and they get paid, that payment comes through the system, but that is not PERS-eligible salary.

STEVE SISOLAK:
Assemblyman, you are right. That is not PERS-eligible. It would be overtime.

ASSEMBLYMAN KIRNER:
When somebody gets paid a week's vacation or whatever, is that PERS-qualifying?

STEVE SISOLAK:
That is a benefit that is PERS-eligible.

ASSEMBLYMAN KIRNER:
In many school districts that I am familiar with, particularly up here in the north, where I work, the school district pays both the employee's and the employer's share of PERS in lieu of salary increases over the years. What is it in the Metropolitan police force?

RICH HOGGAN:
We are structured very similarly to the school district that you mentioned. The clearest way is to give an example of when there is a PERS increase. As you know, PERS is bifurcated. There is a portion for first responders that is a different rate than for civilians, but the application is the same in either case. If there is an increase in PERS—let us say it is 1 percent, for example—the totality of our wage scale on the amount per hour is reduced by 0.5 percent for the member, then the police department picks up the other 0.5 percent. Essentially, the employee is paying half and the employer is paying half at that point.

ASSEMBLYMAN KIRNER:
You talked about when it increases, but right now, my memory says it is about a 40.5 percent contribution. What portion are you paying versus the employee?

RICH HOGGAN:
The employee is paying half of it. You have to go back in time to see that as each one of those increases happened, the overall pay structures went down by half a percent.

ASSEMBLYMAN KIRNER:
So when we look at the 900 employees who are making more than $163,000, a big piece of that is the benefit piece, and then there is another big piece of it that is called "other." I presume "other" is when they are working a special event or something like that. That is really out of your control in terms of how much they make. Is that a fair conclusion?

RICH HOGGAN:
The "other" pay is inclusive of several things. It is inclusive of the separation pay that we talked about earlier. As Commissioner Sisolak mentioned, we have taken steps to begin to curb that with the cooperation from our unions. In addition to that, it also includes longevity pay; it includes shift differential pay, which is if they are working graveyard or swing shift; and it includes assignment differential pay, which would be if there is a detective, for example, and additional pay is associated with an assignment. I want to address longevity pay as well. That is a provision that is part of our collective bargaining negotiations in an effort to try and turn this ship around a little bit. That is no longer paid to employees hired after July 1, 2013. Anyway, "other" pay is inclusive of several different pays, including payouts, longevity pay, shift differential pay, and assignment differential pay.

ASSEMBLYMAN KIRNER:
It clearly is confusing, and I am sure it is a collection of many collective bargaining agreements. As most of this body knows, I have concern about the sustainability of PERS. That is why I was asking about what fits in, what does not, and all that sort of stuff, but we can do that off-line. That is not part of this bill.

ASSEMBLYMAN O'NEILL:
I have two questions. The first one is for Mr. Sisolak. If this bill passes, it goes into effect upon passage. How long do you think it will be before the Board of Commissioners takes it up for action?

STEVE SISOLAK:
That would depend on how quickly the Sheriff asks for us to take it up. I would assume that he would ask for it to be taken up very quickly. It would be my hope that we would probably take it up in the month of November.

ASSEMBLYMAN O'NEILL:
Sheriff Lombardo, in the earlier session, you testified that you are recruiting more within the state with better success than going out of state. Going out of state, are you still reaching out to our veteran communities? They may be stationed in a variety of places across our country. I am curious to make sure we are still reaching out to veterans for this opportunity.

JOE LOMBARDO:
Absolutely. We recently went to a nationwide testing program, which does reach out to the military force. It gives the ability for a member of the military or a member of another police department to take a test online. It notifies them that we have positions available. They can test online, so they do not have to travel to Las Vegas in order to test. We are predominately reaching out to the military branches to achieve success with those individuals.

ASSEMBLYMAN WHEELER:
I know that life insurance and medical insurance for police officers are a very large part of the budget, not just PERS. I am wondering if you could tell me how much of that is a percentage on an average basis. I know that it is very expensive for high-risk operations.

RICH HOGGAN:
The benefits for an officer, as a proportion of salary, is about 55 percent. As we have talked about earlier, 40.5 percent is the PERS contribution, and the remainder would be accumulation of health insurance costs, workers' compensation, unemployment, et cetera.

CHAIR ARMSTRONG:
With that, I think you have answered all the questions. I would like to thank the panel for taking the time to review the bill and answer the questions.

At this point, we will move to the public testimony portion of the bill. We are going to go to those in support, opposition, and neutral. If you are speaking in support and you are in Carson City, please move to the top steps, and the Sergeant at Arms will bring you down. If you are in the south, we will come to you at the time we finish each section here. At this time, the Sergeant at Arms will bring folks down three at a time to speak in support of AB 1.

TROY TANNER, POLICE CHIEF, MESQUITE POLICE DEPARTMENT:
I am in support of the More Cops bill and how it is distributed to support all of our agencies in our communities.

Mesquite is in the north corner of Clark County. We currently have 1.38 officers per 1,000 residents. If we were to pass this second amount, we would move to 1.48 officers per 1,000 residents, which would allow us the opportunity to do more community policing and also to take a more proactive approach to our policing.

Just like the Las Vegas Valley, we are seeing an increase in calls and incidents in our area. Our population has increased by about 5 percent recently. We have more visitors than we have had in the past, according to the Las Vegas Convention and Visitors Authority. We are up to about 1.2 million visitors per year, so we also have an increase in that area.

We have great communication in southern Nevada among all of our agencies. We meet often and work on upcoming events and upcoming problems. We all support one another, help each other, and we do have mutual aid agreements between all of our departments. We constantly get phone calls from each other to assist when a major incident or a violent crime occurs.

I want to publicly thank the Las Vegas Metropolitan Police Department for putting this bill together to benefit all of us in making our communities and our police departments safer, including for the visitors.

ALEX PEREZ, POLICE CHIEF, NORTH LAS VEGAS POLICE DEPARTMENT:

I am also here in strong support of this bill. To paint the picture of how More Cops has benefited our city, I will give you a little background on our numbers and how the hiring has benefited our community.

Currently, our ratio of officers per thousand is 1.25. We will be adding eight positions from this last More Cops initiative, and I approach it very conservatively to make sure that the funds will cover the positions. With the new academy hires, we will raise our ratio to 1.31 with a total of 292 officers.

Moving forward with this bill is a huge part of the success that I see for the future of North Las Vegas and ensuring the community enjoys a good quality of life. Public safety is a part of that cornerstone. It is important that people find their homes the way they left them when they return from a hard day's work. It is appreciated by all. Again, the quality of life in our city is key, and that is why I support this bill.

MIKE RAMIREZ, REPRESENTING NEVADA ASSOCIATION OF PUBLIC SAFETY OFFICERS; LAS VEGAS POLICE PROTECTIVE ASSOCIATION; AND PEACE OFFICERS RESEARCH ASSOCIATION OF NEVADA:

I am representing law enforcement in the state of Nevada. I am representing NAPSO [Nevada Association of Public Safety Officers]; LVPPA [Las Vegas Police Protective Association]; PORAN [Peace Officers Research Association of Nevada]. With that being said, out of the roughly 9,000 officers in the state of Nevada, we represent roughly a little over 8,000 officers, and I am speaking on their behalf. We thank Metro for bringing this bill forward. We are in full support of it and anything to get more officers out there.

There was a question about recruiting and trying to get folks here. I have a magazine here that I will show for the record. [Mr. Ramirez held up a magazine.] In the last five pages of it, there are half a dozen agencies in California that have signing bonuses of $10,000 with starting pay of $90,000, competing with the Las Vegas Metropolitan Police Department, which starts officers out at $50,000. We definitely need more officers out there.

I believe Assemblyman Elliot Anderson asked about borders and whether officers can move outside the borders. To answer that—and I believe the Sheriff answered it, but also from the men and women out there, who I speak with every day—we have what they call "in the box" at the Las Vegas Metropolitan Police Department. Every day, a station has a squad of 12 or 14 officers. If something were to happen in one area, as you described, that squad goes to that one area because you do not want to leave the other areas alone. So if we have a Mumbai situation where there are multiple attacks, we have that in place so that officers can still keep protecting the neighborhoods they work in but also go to the areas where needed if an event were taking place. I hope that helps answer your question as far as the boundaries, Assemblyman Anderson.

When I was hired on a while ago, the unknown was the car stuff—you pull someone over, and you do not know what is in there. You have no idea. You do not know who you are dealing with. Now you see the unknown. You have to worry about someone sniping you. You cannot even get a drink, like the Phoenix officers who were in the parking lot of a convenience store and got ran over by that gentleman a couple days ago. Two officers went into a domestic call and got murdered in Palm Springs. It is definitely getting tough out there, I can tell you that.

I appreciate the Sheriff bringing this forward to get more officers out there to help the officers we currently have. I can tell you, as Assemblyman Thompson said, the wait time, the response time—that all takes effect. When you do not have enough officers, unfortunately, the neighborhoods, the communities, and the citizens are the ones who get hurt because if I am an officer, per our policy, if there is a domestic violence at Assemblyman Hambrick's house—I am just making that up; I am not saying there is—I cannot go there alone. I have to wait until there is a free officer. Who knows what is happening there? Everyone is affected by this. Therefore, the more officers we get, the better it is for us, the community, the neighborhoods, as well as the tourists who, ultimately, keep this state going. With that being said, I want you all to know that we are in full support of it, and we thank the Sheriff and Metropolitan for bringing this bill forward. Thank you.

CHAIR ARMSTRONG:
There were a few members who were not called on. I want to make sure that their questions were addressed. Assemblyman Thompson, did you have a question?

ASSEMBLYMAN THOMPSON:
I wanted to follow up on my colleague's question. Earlier this morning, the Assemblyman from District 3 talked about what we are doing for recruitment. I appreciate all that you do, but when we talk about trying to recruit people who look like people in their own communities, and with a lot of the national and local things that are happening with police and community relations, can you share with us some of the truly creative things—because you cannot just post it, and you cannot just put it in the newspaper. What are you really doing to get the people in the communities who look like each other and who are from the same cultural areas excited to be in law enforcement?

ALEX PEREZ:
That is an excellent question. Serving in a community that is very diverse and working for a department that did not reflect the community, I took it upon myself to take the extra steps that are needed to be at outreach events. I personally attend many myself. I go to the junior high schools. I go to CSN [College of Southern Nevada] of North Las Vegas. I go wherever I can. I am recruiting everywhere. As I say, "All is fair in love and war and recruitment." If you find talent somewhere, you try to bring them into the fold and present them the opportunities that they might not be aware exist in a career in law enforcement. It is a pretty popular choice for youngsters, until they start making decisions where they can no longer follow through. Those are choices that affect their backgrounds. A message I pass down to my command staff is that it is incumbent on all of us to do our best for our department to grow in that regard.

If you will indulge me for one more second, our Explorer program had fallen by the wayside. We revamped it and got it going again, and I can tell you that it is reflecting the communities and interests. I do not know how much of that has to do with me being the Police Chief, growing up in North Las Vegas, and happening to be Latino—maybe it does; maybe it does not. The point is, it is my push, and that is the message that gets into the community.

TROY TANNER:
I would also like to answer that. We have a large Explorer program, and we do a lot of social media. We have a lot of followers. We have probably worked harder than ever. I did recruiting years and years ago, and we found people in each group to go out into the community. We do a lot of community programs—more than most places I have seen, in fact. We do a graduation night. We do several programs. Metro has a large Explorer program for dispatchers. We have cherry-picked our last three out of there, and then we utilized them to find all their friends and other people in the academy in order to get locals to stay in Nevada. We get a lot of people from Utah. Our pay is a little bit better than Utah, so it has gotten more comparable in the Valley down here.

We have found really good recruiters, and we have worked harder than ever in our history as far as recruiting. We are competing against each other now. It is hard to find good applicants. They have a hard time making it through the recruiting process and also the background. The majority fall out on the background process. We work extra hard on recruiting in every area of the department. We have dispatch recruiters, we have correction recruiters, and we have police officers who do recruiting, and then all of our community programs—getting out and doing National Night Out and things like that. So we are all over. We attend everything we can attend. We invite people, and we have a large Explorer program.

ASSEMBLYWOMAN FIORE:
I have a couple of questions. I want to start out by saying, first of all, that I support our Metro police agency. I really do not think most of us here in the Chamber are aware that our Metro police, in April of 2014, prevented a Nevada massacre because then-Sherriff Doug Gillespie and Sheriff Lombardo stopped the BLM [Bureau of Land Management] from firing upon Americans. I have to bring that to most of your attention. People do not realize that it was not the unarmed cowboys on horses who stopped the BLM; it was our Metro officers.

Mr. Ramirez, I heard you say that you were here representing a lot of officers, like 9,000. Did LVPPA and NAPSO join forces?

MIKE RAMIREZ:
Correct. This legislative cycle, we all decided to come together as one. Instead of having ten different people fighting the same battles, we thought that one voice would be better. I hate to say it, but we looked to the firemen because they had one voice. You have a question about fire or anything related to fire—Rusty McAllister. You know that. We are trying to get to that point, so for this go-around, we are all coming together to make sure we are all on the same page so that all of you folks do not have to know—is he law enforcement? Are they law enforcement? We are all together as one. So the short answer is yes, Assemblywoman Fiore. We have joined together to form a coalition.

ASSEMBLYWOMAN FIORE:
For this special session, or from here forward?

MIKE RAMIREZ:
From here forward. For the special session and moving forward.

ASSEMBLYWOMAN FIORE:
This is, like, the third time I have heard in our Chamber that we want police officers to police our neighborhoods with folks who look like ourselves. I question that because I think diversity in all areas need to come together. Do you guys have a graph representing if you are in a Hispanic area, a Black area, a white area, a yellow area, or a red area? Do you guys have a chart of your officers in the neighborhoods and what we all look like? Do you have a blond chick in my area?

ALEX PEREZ:
Assemblywoman, we do not in North Las Vegas. However, in the North Las Vegas Police Department, we assign an officer. You have heard the term "boots on the ground." If I get a pair of boots on the ground in a district, that is a good thing. There are parts of North Las Vegas that are predominantly Spanish-speaking, and I utilize my Spanish-speaking officers in those areas strategically, which makes sense. I think it is important that we all learn to communicate and work together and provide service to a community as a whole.

I have one more comment I would like to put on the record, and that is speaking to the relationship that we have with Sheriff Lombardo. I can tell you that in the last handful of years or more, the relationship has grown. It is a collaborative spirit of communication that has benefited the Valley as a whole. I do not say it tongue in cheek when I say it was not always that way. It just was not. It is appreciated that we have come together for the benefit of our citizens across the Valley. Be it a good day or a bad day, we come together.

JAVIER TRUJILLO, REPRESENTING CITY OF HENDERSON:
I would like to take this opportunity to thank all of you for hearing this bill and particularly Sheriff Lombardo. The City of Henderson certainly appreciates the great relationships we have with the other jurisdictions. Sheriff Lombardo, no hard feelings on your experience while campaigning in Henderson.

I am here to express our strong support from the City of Henderson. It is our understanding that the revenue estimated to be received by Henderson is about 4.2 percent. Currently, we have 352 officers in our staff complement. We have a population of 293,880. When you go back to the Great Recession, when a lot of things were frozen, we have actually seen an increase in population by about 14,000 or 15,000, so we would certainly welcome this additional funding, should this body approve it. This funding would allow us to increase our police officer-to-resident ratio of 1.20 to 1.29. With that said, we certainly support you supporting this measure.

BRIAN MCANALLEN, REPRESENTING CITY OF LAS VEGAS:
We are here in support today of AB 1 and would ask for your support in passing this measure.

Public safety is a priority for the City of Las Vegas and for our City Council. The budget for Metro comprises about 40 percent of our budget right now. Of course, the Sheriff and all of our Metro officers supply our police force as well as that in the unincorporated part of Clark County.

Our population, like Henderson's, has increased over the last several years. We are up to about 634,000 people today. The Downtown Area Command and the Bolden Area Command serve not only Freemont but also the surrounding neighborhoods. With increased crime and the increased visitor volume—and certainly the increase in our residential neighbors—we would like to see this bill passed during this special session. I know that there have been comments questioning whether we should wait until session in February to begin this process. As it was pointed out by the Sheriff and the Chair of the Clark County Board of Commissioners, if this bill were to pass in this special session, we would likely see an ordinance from the Clark County Board of Commissioners in November. That would certainly start the process going forward. If we were to wait until session, that is four months away, and by the end of session, you have another four months. After the county has an opportunity to put an ordinance together, you are looking at nine or ten months before we would be in the process to get something implemented. The time is now.

I think you heard from the law enforcement folks, the previous panel, and the Sheriff that the threats are ever-increasing, and we need to be cautious of that. There have been significant threats where Las Vegas has been mentioned in different periodicals from terrorists over the last several years. We have to keep that in mind as we try to prepare and get ourselves where we need to go. We are constantly seeking federal support for equipment to prepare our police force. We think that Metro has done a fantastic job getting ready, but we need more boots on the ground. As we face retirements and turnovers, it is increasingly important that we get these academies open and get the people out there to protect not only our largest investment—the convention centers and the Strip corridor—but also our neighborhoods. We would ask for your support. Thank you.

STEVE SEROKA, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a retired colonel, United States Air Force, after 30 years of service on active duty and recently the Vice Chairman of the Nevada Employer Support of the Guard and Reserve. I want to say that I am in support of AB 1.

I wanted to share a bit of perspective from my roles on active duty, interacting with our military forces, and interacting with Metro as part of our community. I probably will not be helpful in saying that some of my best friends are with Metro. That does not always come across the best, but I support Metro and how they react and how they are always the utmost professionals, both when they are on active duty and as they recruit a diverse crowd from the military—from the Guard, the Reserve, and from the active duty. It has been a pleasure to see recruits coming right out of the military. By definition, it is a diverse crowd. Metro has a lateral training program that brings them on board in a rapid fashion. We have an exceptionally professional Metro police force. This would just continue that sustained professionalism that we all respect, knowing that is critical to the support and defense of our folks in southern Nevada.

With that, I just want to say thank you and I support AB 1.

CHAIR ARMSTRONG:

Thank you for that, and thank you for your service.

Do we have anyone else in Carson City who would like to speak in support? Is there anyone down south who would like to speak in support? At this point, we are going to move to testimony in opposition to AB 1. If you are in opposition, please line up at the top of the steps, and we will bring you down three at a time.

ED UEHLING, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

Let me say at the beginning that it is true that Sheriff Lombardo is doing an excellent job. He really did save that situation up in Bunkerville. He has cut the number of people being killed by policemen from virtually one a month to two so far this year. However, I have several comments about this bill on both a macro level and on a micro level.

First of all, as was said earlier, this really has no business even being on the SNTIC [Southern Nevada Tourism Infrastructure Committee] agenda or in a special session. The committee is called the Southern Nevada Tourism Infrastructure Committee. It had three jobs to do when it was formed. One was to resolve the traffic congestion problem and make it easy for people to get from the airport to the Strip and to the Convention Center. The second one was to improve the Convention Center by modernizing it so that it can accommodate the conventions. The third was to build a stadium. Well, they forgot about the really important one, which was the congestion,

and concentrated on the stadium. Then someone came up with the bright idea that we are going to need more police if we are going to build a stadium, so let us put the police as an infrastructure issue.

That is how this started, and now it has morphed into general funding for the police. That will interfere with the existing funding for Metro, which is shared 60 percent by the county and 40 percent by the city. They have their mechanisms for funding this. There is really no rush. It has not been discussed here, but it is my understanding that there is $100 million sitting in the reserves of Metro that can be used for funding this. There is really no rush for dealing with this. The rush is totally contrite.

On a micro level, what I see happening is what is happening with government in general—they just want more money. The solution to every problem of government is more money. What the county is trying to do is keep the jails full and make laws that put nonviolent people in jail and complicate their lives with incredible fines. When you go around the resort area, it is just amazing how you see the number of people who are having their cars taken away, towed away, and who are being put through the system. As a person who rents apartments, I know how these people are suffering, yet they are supposed to pay for not only this but $750 million that all of us agree we want a stadium for.

The Board of Commissioners passes laws every meeting criminalizing people's conduct that is not criminal. Last Tuesday, they created about 50 zones where people cannot stand any longer, and that will create more criminals. They have arrested 240 people on the Strip for selling things or for entertaining. Rather than arrest all these people, why not give them business licenses and let them participate in some of the growth of the economy and of tourism?

On a macro level, that is the real danger of SNTIC—it has, in essence, formed a cartel of resorts that is approved by the government. These six hotels come together and say, Okay, we have decided that the public should pay the major share of the new stadium, $750 million. Well, how hard is it for these resorts to make that sort of a decision? But it is not going to end there. They are going to prevent competition. Already they will not let people rent out their rooms. When I was a kid growing up in Boulder City in the 1940s and 1950s, we would rent rooms to tourists, but now that is against the law. You get a $1,000-per-day penalty if you do something like that, and no hotels are being built.

CHAIR ARMSTRONG:
Mr. Uehling, I would like the testimony to be related to this bill.

ED UEHLING:
As I said, my problem is that we already have too many people in jail, and we are creating laws that will result in a lot more people being in jail. That is unfortunate.

HOLLY WELBORN, POLICY DIRECTOR, AMERICAN CIVIL LIBERTIES UNION OF NEVADA:
I am testifying in opposition to AB 1 unless it is amended. I have some ideas for amendments that we can propose, and I would like to tell you why [Appendix B].

Before I talk about the policy implications of AB 1, I do want to start by saying that an increase in police force, in conjunction with a rise in the population, actually protects the civil liberties of individuals in the community, but it is after we look at how those resources are distributed. So best practices—both through our organization and other organizations that we work with—determine that, yes, you should increase police force based on population, but you should also consider the needs of those particular communities. Is there more crime happening in one particular area? What types of crimes are happening in that particular area? From sitting here today and hearing a lot of the testimony around AB 1, I am not sure that that assessment has been made. We would definitely like to see an assessment of how resources are distributed.

I would also like to say that we win the most and we are in the most agreement with law enforcement when it is focused on the interactions that law enforcement has with the individuals who they deal with on a daily basis. Our national organization just had a blog that was released on the Las Vegas Metropolitan Police Department [LVMPD], talking about LVMPD as a model for police interactions and a way to address officer-involved shootings. They get involved in a 48-hour brain dump, meaning that within the first 48 hours of an officer-involved shooting, they

have a discussion with all parties involved. It has led to a lot of positive solutions that other municipalities are looking to.

I discuss that right now because that is the lens through which we should be addressing resources for law enforcement and addressing any kind of tax increases for patrol units on our streets. One way to address that with this particular bill would be to require body cameras on each new officer; to make sure that there is some provision for training, whether that is de-escalation training or cultural sensitivity training; and then also to provide that there are cameras on the dashes in each of these vehicles. That takes into account that forward-looking approach where we are not just looking at law enforcement in particular and not just looking at protecting the safety of the community but also protecting the rights of the individuals who police interact with.

CHAIR ARMSTRONG:

Is there anyone else who would like to speak in opposition to AB 1? Seeing no one, we will move to those who want to speak in the neutral position to AB 1. Would anyone like to speak neutral to AB 1?

We are not taking action on the bill at this point. We are going to take a motion to rise and report back to the Assembly. The amendment process for this bill will work as follows: I expect that both caucuses will meet between now and sometime tomorrow to go over the bill. There will be an opportunity to go back into the Committee of the Whole to discuss possible amendments for the bill. We will or will not take action at that point.

At this point, I would entertain a motion to rise and report back to the Assembly.

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

ASSEMBLY IN SESSION

At 6:57 p.m.

Mr. Speaker presiding.

Quorum present.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman O'Neill, the privilege of the floor of the Assembly Chamber for this day was extended to Al Kramer.

On request of Assemblyman Wheeler, the privilege of the floor of the Assembly Chamber for this day was extended to Jennifer Baker, Nathan Baker, and Dan Schwartz.

Assemblyman Paul Anderson moved that the Assembly adjourn until Tuesday, October 11, 2016, at 11 a.m., and that it do so in the memory of former Assemblywoman Peggy Pierce.

Motion carried.

Assembly adjourned at 7:02 p.m.

Approved: JOHN HAMBRICK
Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly

THE SECOND DAY

CARSON CITY (Tuesday), October 11, 2016

Assembly called to order at 4:10 p.m.

Mr. Speaker presiding.

Roll called.

All present except Assemblywoman Benitez-Thomson who was excused.

Prayer by the Chaplain, Richard Snyder.

Creator God, source of liberty and life, we give You thanks for this new day and for the many blessings bestowed upon us. Grant us all Your wisdom and grace to face the challenges before us.

AMEN.

Pledge of allegiance to the Flag.

Assemblyman Paul Anderson moved that further reading of the Journal be dispensed with and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, October 10, 2016

To the Honorable the Assembly:

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

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

By the Committee on Legislative Operations and Elections:

Assembly Resolution No. 3—Providing for the appointment of an additional attache for the Assembly.

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, That Mary Lee is elected as an additional attaché of the Assembly for the 30th Special Session of the Nevada Legislature.

Assemblyman Paul Anderson moved the adoption of the resolution.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:
This provides for the appointment of an additional attaché for the 30th Special Session.

Resolution adopted.

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Concurrent Resolution No. 1 and Assembly Resolutions Nos. 1 and 2.

Assemblyman Paul Anderson moved that the Assembly adjourn until Thursday, October 13, 2016, at 8 a.m.

Motion carried.

Assembly adjourned at 4:17 p.m.

Approved: JOHN HAMBRICK
Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly

THE FOURTH DAY

CARSON CITY (Thursday), October 13, 2016

Assembly called to order at 8:22 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Richard Snyder.

Loving God, we thank You for the opportunities of this new day. We ask Your grace in guiding us, and we ask Your blessing on all those who serve in and for the Nevada Assembly. May the better angels of our nature prevail this day.

AMEN.

Pledge of allegiance to the Flag.

Assemblyman Paul Anderson moved that further reading of the Journal be dispensed with and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, October 11, 2016

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bill No. 1.

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that persons as set forth on the Nevada Legislature's Press Accreditation List of October 13, 2016, be accepted as accredited press representatives, assigned space at the press table in the Assembly Chamber, and allowed use of appropriate broadcasting facilities.

KPIX-5: Christin Ayers, Mackenzie Stock; KNPR PUBLIC RADIO, CDC GAMING REPORTS.com: John L. Smith; KSNV-TV: George Enrique Romero; KTNV-TV: Mayson Agnew; KTVN-TV: Brandon Fuhs; KVVU-TV: Kurt Rempe; LAS VEGAS REVIEW-JOURNAL: Heidi Fang, Ed Graney, David Guzman, Richard N. Velotta, Matt Youmans; LAS VEGAS SUN: Jackie Valley; LOS ANGELES TIMES: David Montero.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 1.

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

Motion carried.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that the Assembly resolve itself into a Committee of the Whole for the purpose of considering Assembly Bill No. 1

Motion carried.

COMMITTEE OF THE WHOLE IN SESSION

At 8:31 a.m.
Chair Armstrong presiding.
Quorum present.
Assembly Bill No. 1 considered.

CHAIR ARMSTRONG:

Good morning, everybody. I would like to call the Assembly Committee of the Whole to order. This morning, we have a work session for Assembly Bill 1. There are several amendments. I have asked the Sheriff and Mr. Aguero to walk us through those amendments, answer any questions, and make any clarifying statements.

With that, I am going to open it up to Mr. Aguero to walk through the amendments.

JEREMY AGUERO, PRINCIPAL ANALYST, APPLIED ANALYSIS:

As indicated, the request was made for the Sheriff and I to walk through the amendments that have been presented to you [Appendix C]. There are a few categories of amendments. The first is an amendment that essentially eliminates any concept of priority—ordinal or otherwise—in the distribution of funds. You will see many changes throughout. I will reference those as we go through. There are references that are essentially providing points of clarification, including points of clarification specific to reporting requirements. With that, I will begin at section 2 and come back to the digest if there are any questions relative to that.

Section 2, subsection 2 includes the declarations that essentially establish the need for a special act. There are a number of clarifications that are included here. The primary clarification is that protecting the resort corridor is just as important to residents of southern Nevada as it is to the tourists in southern Nevada. You will notice in section 2, subsection 2, paragraph (a) a reference to the fact that more than 300,000 workers within southern Nevada are either directly or indirectly tied to that tourism industry, many of whom travel directly there each and every day.

Section 2, subsection 3 is the same portion of the bill that deals specifically with the declarations. This is just another reference to further clarify the importance of workers within the resort corridor and the resort corridor's production from an economic standpoint.

You will notice that the words "and unparalleled" have been struck from section 2, subsection 5, paragraph (a). The word "unique" was sufficient, and there was potential for "unique and unparalleled" to be redundant. As a matter of clarification, one of those words was removed.

In section 2, subsection 5, paragraph (a), the language "to benefit the residents of that local and special area" has been removed. Again, it was unnecessary language to point out that the need is specific not only to the resort corridor but also to the entire area, both of which serve residents in particular and tourists in some cases.

Sections 3 through 8 are all definitions. You will notice that section 8 has been revised. This is the section that defines the resort corridor. You will recall that this is relatively long language that essentially goes over each roadway and things like that. The language that has been added to the beginning is "unless otherwise specified in an ordinance adopted by the Board pursuant to subsection 7 of section 9 of this act." I will talk about that section when we get there, but it essentially allows, after three years, the Board of Commissioners to make adjustments to what is defined as the resort corridor if the Board has a rational basis to do so. I will talk a little bit more about that when we get there.

The question also came up from the Assembly relative to what happens in the event that a name of a road changes at some point in time. I did have the opportunity to circle back with the Legislative Counsel Bureau on that particular issue. Their response was that this boundary is

created at the time at which this act is enabled. As a result of that, the roads are where they are today, and in three years, if something is different, the Board of Commissioners has the ability to make such an adjustment.

Carrying forward to section 9, which deals with the imposition of a 0.1 percent tax for employing and equipping additional police officers, I will reference subsection 3. These changes are all in the same vein as what I referenced a moment ago—all references to an initial or a first allocation have all been removed from this bill in its entirety. The allocation to the resort corridor portion and the allocation to the community policing portion are now simultaneous in the bill. They will happen at exactly the same time, without any identification, ordinal ranking, or preference of any kind. That was never the intent, but I think it is much clearer now, given the input from this body.

Moving forward to section 9, subsection 7, we are still in the portion of the bill that deals with the imposition of the 0.1 percent tax. There is also the formula that has been included in that tax as well. This is the reference from the maps section, which was section 8 that I referenced just a moment ago, within the sections that deal with definitions. This new language now reads: "On or after the date that is 3 years after the effective date of this act, the Board may, once in each even-numbered year, reconsider the boundaries of the resort corridor . . . " as set forth in section 8. So after three years, the Board of Commissioners can look at the resort corridor area and determine whether it needs to be adjusted. There is some additional language that provides how they can do that: "If the Board determines, including, without limitation, after consideration of the number of calls for service in the resort corridor and outside the resort corridor, that there is a rational basis for modifying the boundaries of the resort corridor, the Board may adopt an ordinance revising the boundaries of the resort corridor. The Board shall, at least 12 months before adopting any such ordinance, provide notice to each affected local government and police department in the County of its intent to revise the boundaries of the resort corridor." The concept that notice needs to be provided to all affected jurisdictions remains in the bill, and a new concept, dealing specifically with the calls for service being part of that determination, was not provided the last time we overviewed this bill and has been added to this section of the bill.

Carrying forward to section 9, subsection 8, the question came up from this body relative to this idea that the tax cannot be used to pay existing police officers who were hired prior to October 1, 2016. It cannot be used for salary increases or additional funding for those police officers. The question was raised that this could be essentially read two ways. It has now been revised to add the language "must not be used to pay salary or salary increases for any person who is employed by the Las Vegas Metropolitan Police Department before October 1, 2016," which provides the clarification. Thank you for that. It is something that I missed in going through it, so I think that is helpful. The same provision is included in other places throughout this document, but most specifically in that section.

Carrying forward to section 12, subsection 2, paragraph (d), you will find that the community policing portion of the funds that are generated by this levy and go to each one of the jurisdictions—that is unincorporated Clark County, the Las Vegas Metropolitan Police Department, as well as the police departments of North Las Vegas, Henderson, and some of the other smaller cities—are monies that are distributed among those jurisdictions based on population. However, a comment was provided and has informed what is provided here. Once those dollars are allocated to each one of those jurisdictions, those additional officers need to be allocated within those jurisdictions based on two considerations: one is the population within those areas—where are the people living; and the second is the calls for service within the county or the incorporated city. Again, this concept of the calls for service being utilized to allocate where those resources are distributed within each police department's jurisdiction has been added to section 12 of the amended Assembly Bill 1.

The next revision to bring to your attention is found in section 13, subsection 3. This subsection provides that all of the reporting requirements that are required of the police department today continue to be required. However, the idea is that any additional requirements that are created by this additional tax be reported in a manner consistent with the Clark County Sales and Use Tax Act of 2005, including the use of existing forms that are already being used to report by the police departments. Certainly, all the reporting needs to be continued. The idea is to make that as streamlined as possible by using the current process and forms to get that done.

Under section 13, subsection 3, paragraph (b), subparagraph (2), that reporting needs to include the "total number of police officers hired by the respective police department, the number of those officers that are filling authorized, funded positions for new officers and demographic information regarding those officers reported in a manner consistent with the current policies of the respective police department concerning the reporting of such information."

Mr. Chair, that is an overview of the amendments as currently provided [Appendix C]. Thank you again for the opportunity. We look forward to answering any questions the body may have.

CHAIR ARMSTRONG:

There are a few amendments, and we do have some questions. I am going to open it up for questions.

ASSEMBLYMAN ARAUJO:

I see some of the changes under section 13, but when we had the hearing, my biggest question was in terms of what efforts we were going to make to ensure that the folks who we recruit look like the community that we are going to serve. I do not see that addressed here. Before we vote, I need you to help me understand what you currently do and what you plan to do better in recruiting, getting out into the community, talking to young folks, and getting them the incentives that they need to work in the streets that they have grown up in so that the officers who we do recruit are reflective of the community that we serve.

JOE LOMBARDO, SHERIFF, CLARK COUNTY:

That is a good question. I gave some contemplation to that question when you asked it before, and I agree with you. I probably did not answer it completely. More importantly, what we, as a police department, have done in the past—and I am sure the other jurisdictions can speak to the same—is, we have left it to the community to act on their own. In other words, we were hiring come one, come all. We would not make that extra effort to explain the profession to the different cultures. We would not make that extra effort to explain that the police were not the bad guys. We had that attitude of, Okay, we are advertising, we have openings, and it is incumbent upon them to come. But there was a lot of ignorance to what we do as a profession and how we conduct ourselves, plus the perception that is driven by the media.

As a result of that, in my department—I cannot speak to the other ones—we stood up a unit called the Office of Community Engagement. The Office of Community Engagement is made up of officers who are specifically assigned to do that community outreach. Their task and their mission, including the recruiting section of the police department, is to go out into the neighborhoods, recognize who the community leaders are, and ask for their assistance in that effort. We do specific recruiting efforts in each one of those neighborhoods of different cultures. We have seen some definitive success with that.

Including the mission of the Office of Community Engagement in police work is quite often a good idea. Community outreach is often brought forward by an individual officer, but there is no sustainability with that because the officer either transfers or they go a different route in their career. That idea is lost with that transfer of that police officer, so we said that we needed some more sustainability in that respect. So when those ideas come forward, the Office of Community Engagement becomes the parent, and they ensure sustainability, similar to what we did in the past with D.A.R.E. [Drug Abuse Resistance Education] and those kinds of programs.

I did give you a statistic regarding our Explorer program. I believe 70-plus percent of the youth involved now with that program are Hispanic. The Explorer program is basically a baby incubator—it teaches the ins and outs of the police profession with the hope that participants will decide to make that decision to be a police officer.

We changed our attitude because we had this ignorance—well, we are advertising, and we cannot lead a horse to water. But I think it is more of an education piece to get them comfortable with the profession.

ASSEMBLYMAN ARAUJO:

If I could just add that we need to not just say that; we need to also be proactive about it. I strongly believe that we could do better. The proof is in the pudding. I really hope that the extended effort is done in a strong, proactive way because we do have folks who want to serve.

We just need to show them that it is possible, they can do it, it is available, and they have an ability to truly serve their community and be the best advocates for that community.

JOE LOMBARDO:
I absolutely agree.

ASSEMBLYMAN EDWARDS:
I want to briefly revisit something that we had discussed a bit before. Section 9, subsection 4, paragraph (a), subparagraph (3) discusses the estimates for the resident population. Again, I have to make sure that the Mesquite residents that are known as snowbirds are actually included in the estimates so that we get the population right for Mesquite. Can you tell me a little bit about how we are going to account for the snowbirds in the bill?

JEREMY AGUERO:
The process that is used by the State Demographer to capture the population as completely as possible is the process that is used here. The problem is that a snowbird can mean different things—some folks stay longer; some folks stay shorter. Exactly the way they are captured is never going to be perfect. All of that having been said, I think this issue relative to the non-full-time population is something that the State Demographer has been trying to take up, and he is trying to do a better job at being able to capture the equivalent population to the best of his ability.

I want to make sure that I am clear here: We are not making any adjustments for part-time visitors who are in the Mesquite area. We are not accounting for half of a person because they live there half of the year. But we are using the state's accepted methodology relative to estimating the population to the best of the State Demographer's ability. The reality is, that same formula also has to apply to all of the other jurisdictions, so it is the one that we are readily able to do. I do not want to leave you with the impression that we are going to capture every snowbird who is going to be in Mesquite—or in any other jurisdiction for that matter. But I do believe that the State Demographer is making progress in that regard.

ASSEMBLYMAN EDWARDS:
I would hope he is making progress because this has been a long-standing problem for the folks up there, and they seem to be cut out of some of the benefits that they should be receiving as residents of the county. So we need to take a look at this and make sure that we do capture them in one fashion or another.

ASSEMBLYMAN ELLISON:
I like the changes that have been implemented in the bill. Question one is, if you go back and look at section 9, subsection 7, it tells you about the boundaries being changed after three years. Could the county commissioners, at any point in time, go back and also change that formula all over the boundaries of the city? Can you address that?

JEREMY AGUERO:
The allocation is to the city. So even if the City of Henderson's, for example, or North Las Vegas' boundaries were to change, because it is allocated to the city, it would automatically be addressed. This is only the case in which that resort corridor, to the extent that a hotel, for example, were built on the far north or south end of the Strip and they needed to extend it—or the Strip extended east or west, for example, and the same thing downtown—they would have the ability to affect that change. Notably, the boundaries of the resort corridor only abut unincorporated Clark County and the City of Las Vegas, so the Board of Commissioners and the city council would have the best ability to make those adjustments. But in terms of the allocations for community policing that are going to each one of those jurisdictions, those would be based on those jurisdictions' political boundaries, whatever those may be tomorrow or 20 years in the future.

ASSEMBLYMAN THOMPSON:
I want to go to section 9, subsection 7. My colleague just referenced that area of the bill. One thing that is really important is that we have to look at real-life case studies from our community. The last sentence says, "The Board shall, at least 12 months before adopting any such ordinance,

provide notice to each affected local government and police department in the County of its intent to revise the boundaries of the resort corridor." The missing link is the community. We need to have that in there.

F Street is the reason why I say the real-life case study. Even though ordinances, in general terms, will say homes or businesses within 500 or 1,000 feet of the affected area, we are looking at a bigger piece than that. Again, we need to learn our lessons. As a result of not putting in the proper notification for F Street, the street was closed. It cost the state more than $12 million. We need to get something in there that talks about that. It also speaks to an even bigger picture about trust with our law enforcement community because if this is done and then the community finds out in a reactive way, it will further the divides. Can you please speak to that and why that is not included in here and/or the consideration to put it in there?

JEREMY AGUERO:

It was not intended to not include that. At least in the theory as it was presented here, the idea would be that by notifying each one of the jurisdictions, those jurisdictions would then be in the best position to notify the residents within each one of those jurisdictions. To your point, I am assuming that the missing link that you were just talking about is spelling that out and making it very clear that that communication level has to happen. I am only explaining what the intent of the revision was and letting you know that that portion you talked about was not intentionally omitted. It was just the idea that that is how it would take place.

ASSEMBLYMAN THOMPSON:

I understand that, and I appreciate your telling me that that is not the intention, but we really do need to put it in there because in most of the ordinances, like I said, state or county government is going to do what they are only allowed in ordinance. So if it says that they are only supposed to identify 500 to 1,000 feet, that is two or three households, whereas this is going to potentially affect hundreds or thousands of people. I know it is tough sometimes to have these big community meetings, but it is necessary to get those done on the front end. It makes better relationships with our law enforcement and, believe it or not, the people in the community might have some good input into what is really going on. I know we have the amendment here. I do not know how we would address this, but that is really important.

ASSEMBLYWOMAN SPIEGEL:

I have a two-part question on section 9, subsection 8. It says that the moneys that are allocated "must be used solely for law enforcement and crime prevention." I was wondering if that definition—for lack of a better term—will allow for the use of funds for cultural sensitivity and de-escalation training as well as equipment, including squad cars, body cameras, and dash cams? If so, what are the plans for implementing those elements as well?

JOE LOMBARDO:

You are absolutely correct that it does include both of those aspects. I hate to use the word "assumption," but it has been part of pattern and practice in the previous legislation associated with More Cops. Equipment is included in the totality of that package and distribution. As far as training, that is more of a wider breadth across the entire police department, not just for these specific officers. It is mandated by the federal government and the local government that officers are provided that training.

JEREMY AGUERO:

I also wanted to point out that at the beginning of section 9, the reference is for "the purposes of employing and equipping additional police officers," so the concept of equipping precedes all of those other sections and is included there.

ASSEMBLYWOMAN SWANK:

I had a question about the source of the funding. This will be funded through sales tax, so I am hoping you can talk me through the process of how you made that decision. Why not property tax or a luxury tax on high-ticket items, like hotel rooms and expensive vehicles? We know that sales tax is borne mostly by the poor. The higher our sales tax, the harder it is for those folks to make

ends meet. I am wondering if you could talk me through that process of why sales tax specifically was decided on and not something that would be more of a luxury tax or a property tax.

JEREMY AGUERO:

The Southern Nevada Tourism Infrastructure Committee—and, preceding the creation of that committee, law enforcement—has been asking this question for some time. In asking that question, they have evaluated and considered a number of different alternatives—increasing things like liquor and cigarette taxes, sales taxes, and property taxes. Consideration was given to creating a special improvement district around the resort corridor and creating a special assessment or something along those lines.

In going through each one of those, there were reasons why various ones did not work. You bring up the one that comes to mind immediately: the property tax. The problem with the property tax is that by increasing the property tax rate, because of the abatement structure that currently exists, you do not generate any additional revenue from the property tax as a result. We looked at things like business licenses within the area, but the ability to differentiate and identify all the business licenses through Clark County was extremely difficult, and it was not significant enough to base a tax on that.

Having gone through each one of those things, the committee ultimately came down to a couple of options. The one that they went with for a number of reasons was the sales tax. Reason number one was that a significant share of the sales tax is borne by the tourist industry. Depending on what set of estimates you look at, somewhere between 22 and 25 percent is borne by that group of consumers. In addition to that, while we certainly recognize some regressive features of the sales tax, the features that have been designed into the sales tax that essentially put more of the burden on visitors and less of the burden on consumers also weighed into this. These are things like food for home consumption, prescription drugs, and gasoline not being included in the sales tax. These are things that oftentimes we see visitors spending their money on and generating more of those dollars.

In addition to that, as part of the Southern Nevada Tourism Infrastructure Committee's deliberations, there was also a desire to get greater participation from the businesses in the resort corridor. As we attempted to go through business licenses, we found that there were something like 3,000 business licenses that are within the resort corridor itself, with something like 46 major hotels and casinos. So the idea was also to find a way to get greater participation for consumption and activity throughout the resort corridor. Something like the room tax, gaming fee, or slot fee—those types of traditional gaming-related fees—would essentially focus on certainly larger businesses but a more narrow section of that resort corridor. So that was the thought process.

CHAIR ARMSTRONG:

We did cover that during the hearing. Commissioner Sisolak talked about the process for selecting sales tax during our last hearing.

ASSEMBLYWOMAN SWANK:

I think this opens up a broader discussion. For too long in Nevada, we have looked to sales tax as a way to fund our projects and our programs. We need to think hard about that because that is running a lot of our state on the backs of the poor. That is not a good long-term solution and not one that we should be proud of as a state.

ASSEMBLYMAN FLORES:

I wanted to follow up with the question that my colleague from Assembly District 3 had, which talked about the DNA of law enforcement reflecting the community that it represents. Obviously, that is very important in my district.

You had mentioned, Sheriff, that about 70 percent of those who go through the Explorer program currently identify as Hispanic, Latino, et cetera. I wanted to get an idea of how many of those individuals who go through the Explorer program go on to become officers. The reason I want to know that is because I want to know how much of an indicator that is, so that when I go back to my district, I can tell them that we foresee in the future that law enforcement will make up your DNA.

JOE LOMBARDO:

Thank you for the question. I cannot answer that. The reason why I cannot answer that is because we have not had a definitive amount of data to answer that question. Here is why: Those significant increases in percentages are in the short term; they have happened in the last two years. The problem is that participation in the Explorer program terminates at the age of 18. Some folks may try to go in at the age of 19, but you cannot get hired as a police officer until you are 21. So we have that delta associated with when they are away from that environment and whether they come into the police environment subsequent to their termination. I do not have a complete data set associated with that.

Where I do have a complete data set is with the corrections side of the house. As the Sheriff, I am responsible for the corrections, and we have seen a significant increase in Hispanic or Latino commissioned officers associated with the corrections side. I believe we are going in the right direction, but I cannot answer it completely at this point.

ASSEMBLYMAN OSCARSON:

I appreciate the comments about Mesquite from my colleague from District 19. In rural areas, as you know, we are sometimes challenged with manpower issues and those kinds of things. I am grateful for what you provide there, but I want to make sure that we are cognizant of those areas that are away from the Strip, including Logandale; Overton; Moapa Valley; Coyote Springs, which is probably getting ready to explode here with the Faraday project; as well as the Providence area in Las Vegas, which has many special events that require additional services from your department and its members. While I understand the importance of the services that need to be happening on the Strip, as many of my colleagues have mentioned here, there are other areas that are important as well. I would appreciate consideration for the men and women who serve in those areas and need additional support during events that happen in those areas.

JOE LOMBARDO:

Yes, you are correct. One of the things that drives our staffing model is officer safety. Officers in the rural areas operate quite often on their own, but that is not a good police model. We rely on their relationships with the community out there, so it benefits in that respect. We distribute based on rooftops and calls for service. We already have additional police officers in the works to cover the Coyote Springs development.

CHAIR ARMSTRONG:

I see no further questions. At this point, I would entertain a motion to amend and do pass Assembly Bill 1, as amended by Amendment No. 7, which you have on your desks.

ASSEMBLYMAN PAUL ANDERSON:

Mr. Chair, I move to amend and do pass Assembly Bill 1.

CHAIR ARMSTRONG:

Do I have a second? I have a second. Is there any discussion on the motion? Seeing none, all those in favor, say aye. Those opposed? The motion passes.

At this point, I would entertain a motion to rise and report.

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

ASSEMBLY IN SESSION

At 9:07 a.m.
Mr. Speaker presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee of the Whole, to which was referred Assembly Bill No. 1, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DEREK ARMSTRONG, *Chair*

GENERAL FILE AND THIRD READING

Assembly Bill No. 1.

Bill read third time.

The following amendment was proposed by the Committee of the Whole:

Amendment No. 7.

AN ACT relating to taxation; enacting the Clark County Crime Prevention Act of 2016; authorizing the Board of County Commissioners of Clark County to enact an ordinance imposing a sales and use tax for the purpose of employing and equipping additional police officers in the County and the incorporated cities in the County; establishing requirements for the contents of any ordinance imposing the tax authorized by this act; requiring the County to contract with the Department of Taxation for the performance of all functions relating to the administration or operation of the tax; establishing the method for determining the allocation of the proceeds of the tax among the police departments in the County; providing for an ~~[initial]~~ allocation to the Las Vegas Metropolitan Police Department for the purpose of law enforcement and crime prevention in the portion of the County defined as the "resort corridor"; establishing the permissible uses of the proceeds of the tax; establishing requirements for the approval of any expenditure of money allocated to a police department from the proceeds of the tax; establishing certain reporting requirements concerning expenditures by a police department of money allocated to the department from the proceeds of the tax; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill enacts the Clark County Crime Prevention Act of 2016. **Section 9** of this bill authorizes the Board of County Commissioners of Clark County to adopt an ordinance imposing a tax on the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent for the purpose of employing and equipping additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department. **Section 9** establishes a formula for the allocation of the proceeds of the tax which takes into account the number of visitors to the portion of the County known as the "resort corridor" and provides ~~[first]~~ for an allocation of money to the Las Vegas Metropolitan Police Department for the purpose of law enforcement and crime prevention in the "resort corridor." The formula ~~[then]~~ **additionally** provides for ~~[allocation]~~ **allocations** of the

~~[remaining]~~ proceeds of the tax among the police departments in the County in the same ratio that the population served by each police department bears to the total population of the County. **Sections 9 and 12** of this bill establish the permissible uses of the proceeds of the tax**,** and **section 9** also provides that the money allocated to a police department from the proceeds of the tax must not supplant, replace, offset or otherwise reduce police funding allocations from other sources or be used to pay salary or salary increases for any person **who is** employed by the police department before October 1, 2016. **Additionally, section 9 authorizes the Board of County Commissioners, under certain circumstances, to consider and revise the amount and formula for the allocation of the proceeds of the tax and the boundaries of the "resort corridor." Section 10** of this bill sets forth certain provisions which must be included in an ordinance imposing the tax. **Section 12** provides for the approval of any expenditure of the allocations from the proceeds of the tax and requires the relevant entity authorized to approve expenditures to make certain findings before giving such approval. **Section 12** also provides for the reallocation of the proceeds of the tax to a different police department if the entity authorized to approve expenditures by a police department does not make the requisite findings. **Section 13** of this bill establishes quarterly and annual reporting requirements concerning the expenditure of any money allocated to a police department from the proceeds of the tax **[.] and requires that these reports be submitted to the Department of Taxation on the same forms as the relevant reports required by the Clark County Sales and Use Tax Act of 2005. Sections 14-19** of this bill establish provisions governing the administration and distribution of the proceeds of the tax.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. This act may be cited as the Clark County Crime Prevention Act of 2016.

Sec. 2. 1. The Legislature hereby finds that:

(a) For more than three decades, the State of Nevada has been one of the fastest-growing states in the United States in terms of population, with the overwhelming majority of this population growth occurring in Clark County, Nevada, a region that is projected to add over 3,000 new residents each month for at least the next 10 years.

(b) Clark County is positioned to continue as one of the fastest-growing areas in the nation, and it is both the home to and the social, cultural and recreational arena and marketplace for a booming population of over 2.14 million residents, with over 2.08 million of those residents living and recreating within the Las Vegas Valley urban area.

(c) The Las Vegas area is also a getaway to over 42 million tourists annually who visit for the world-class entertainment, hospitality, gaming, fine dining and shopping and who want to experience and enjoy the world-famous, unique

and incomparably distinctive Las Vegas Strip, known as the heart of the Entertainment Capital of the World.

(d) The number of tourists visiting the Las Vegas area is expected to increase annually, with some projections estimating nearly 1 million additional visits each year.

2. The Legislature hereby finds that ~~[~~:

~~(a) Because the Las Vegas area is the most visited and economically significant tourism market within this State, the tourism industry within the Las Vegas area is critically important to the economy of that local area and this State, and the continued growth and success of the tourism industry within the Las Vegas area is particularly vital to the general welfare and prosperity of that local area and this State.~~

~~(b) A]~~ **a** significant part of the continued growth and success of the tourism industry within the Las Vegas area depends upon safety and security of the millions of residents who call the Las Vegas area home **, the over 300,000 workers who are employed directly and indirectly in the tourism industry in the Las Vegas area** and the millions of visitors who travel to the area, all of whom want to enjoy and experience living **, working** or recreating in the Entertainment Capital of the World in a safe and secure environment without fear of crime or violence.

3. The Legislature hereby finds that:

(a) The number of police officers needed to protect the residents of **, workers in** and visitors to Clark County has not kept pace with the growth in the population of the County or the increase in annual visitors to the Las Vegas area. Nationally, there is an average of 2.1 police officers per 1,000 residents, but in Clark County, there is an average of 1.7 police officers per 1,000 residents, without adjustment for the millions of annual visitors who it is estimated account for nearly 17 percent of Clark County's full-time equivalent population base.

(b) As a result of the millions of annual visitors to the Las Vegas area, the law enforcement agencies within Clark County experience unique ~~[and unparalleled]~~ demands on their limited and strained resources, and the crime rate within Clark County and its resort corridors is increasing, which undermines the safety and security of the residents of **, workers in** and visitors to the Las Vegas area and places an unacceptable level of risk upon the continued growth and success of the tourism industry within the Las Vegas area.

(c) The current funding sources for law enforcement agencies within Clark County have proved inadequate, which makes it increasingly difficult for those law enforcement agencies to dedicate sufficient resources in the areas of the County where they are most needed without depleting those resources in other areas of the County.

4. The Legislature hereby finds that it is in the public interest and beneficial to the public health, safety and welfare to authorize additional funding sources for law enforcement agencies within Clark County.

5. The Legislature hereby declares that:

(a) Because the law enforcement agencies within Clark County experience unique ~~[~~and unparalleled~~]~~ demands on their limited and strained resources, it is necessary to enact a law of local and special application to authorize additional funding sources for those law enforcement agencies in order to remedy and redress local and special problems and circumstances within Clark County, which are found nowhere else within this State**.** ~~[, and to benefit the residents of that local and special area.]~~

(b) Therefore, given that a law of local and special application is necessary to remedy and redress local and special problems and circumstances within Clark County, which are found nowhere else within this State, ~~[~~and given that such a law is necessary to benefit the residents of that local and special area,~~]~~ a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

Sec. 3. Except as otherwise provided in this act or unless the context otherwise requires, the **words and** terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

Sec. 4. "Board" means the Board of County Commissioners of Clark County.

Sec. 5. "County" means Clark County.

Sec. 6. "County Treasurer" means the Treasurer of Clark County.

Sec. 7. "Department" means the Department of Taxation.

Sec. 8. "Resort corridor ~~[".]~~ **," unless otherwise specified in an ordinance adopted by the Board pursuant to subsection 7 of section 9 of this act,** means the following areas of the City of Las Vegas, the Town of Paradise and unincorporated Clark County:

1. The area beginning at the point at which the centerline of South Las Vegas Boulevard intersects the centerline of St. Louis Avenue, then proceeding southeast 2,300 feet perpendicular to South Las Vegas Boulevard and then proceeding southwest then south 2,300 feet parallel from the centerline of South Las Vegas Boulevard until reaching the centerline intersection of Reno Avenue, then proceeding west along the centerline of Reno Avenue to the centerline intersection of Haven Street, then proceeding south along the centerline of Haven Street and continuing through at a distance 1,380 feet parallel to the centerline of South Las Vegas Boulevard to a point 1,380 feet east of the centerline intersection of South Las Vegas Boulevard and West Russell Road, then proceeding west to the centerline intersection of South Las Vegas Boulevard and the centerline of West Russell Road, then proceeding west along the centerline of West Russell Road to the eastern edge line of Interstate 15, then proceeding north along the eastern edge of I-15 to the centerline intersection of West Flamingo Road, then proceeding west along the centerline of West Flamingo Road to the centerline intersection of South

Valley View Boulevard, then proceeding south along the centerline of South Valley View Boulevard to the centerline intersection of West Nevso Drive, then proceeding west along the centerline of West Nevso Drive and continuing 1,378 feet west to a point at the centerline intersection of West Nevso Drive and Arville Street, then proceeding north along the centerline of Arville Street to the centerline intersection of West Flamingo Road, then proceeding east along the centerline of West Flamingo Road to the centerline intersection of Wynn Road, then proceeding north along the centerline of Wynn Road to the centerline intersection of West Viking Road, then proceeding east along the centerline of West Viking Road to the centerline intersection of South Valley View Boulevard, then proceeding north along the centerline of South Valley View Boulevard to the centerline intersection of West Twain Avenue, then proceeding east and southeast along the centerline of West Twain Avenue to the centerline intersection of Dean Martin Drive, then proceeding northeast along the centerline of Dean Martin Drive to a point where it intersects with a line 2,300 feet parallel to South Las Vegas Boulevard, then continuing northeast along the line 2,300 feet parallel to South Las Vegas Boulevard until it intersects a point 2,300 feet perpendicular to South Las Vegas Boulevard at the centerline intersection of South Las Vegas Boulevard and the centerline of St. Louis Avenue, and then proceeding 2,300 feet southeast to the beginning point at the centerline intersection of South Las Vegas Boulevard and the centerline of St. Louis Avenue.

2. The area beginning at the point at which the centerline of Stewart Avenue intersects the centerline of North Main Street then proceeding southeast along the centerline of Stewart Avenue to the centerline intersection of North 8th Street, then proceeding southwest along the centerline of North 8th Street to the centerline intersection of East Bridger Avenue, then proceeding northwest along the centerline of East Bridger Avenue to the centerline intersection of South Main Street, then continuing northeast along the centerline of South/North Main Street to the beginning point at the centerline intersection of Stewart Avenue.

Sec. 9. 1. For the purposes of employing and equipping additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department, the Board may enact an ordinance imposing a tax on the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent.

2. Before enacting an ordinance authorized by subsection 1, the Board shall hold a public hearing to present its plan for implementing the tax.

3. Except as otherwise provided in subsection 6, the proceeds from the tax authorized by subsection 1, including interest and other income earned thereon, must be allocated ~~[as follows:~~

~~(a) An allocation must first be made to the]~~ **to:**

(a) The Las Vegas Metropolitan Police Department for public safety in the resort corridor, in an amount determined in accordance with the provisions of subsection 4.~~[.~~

~~(b) After the allocation is made to the Las Vegas Metropolitan Police Department pursuant to paragraph (a), allocations must be made to the]~~ **; and**

(b) The Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department in amounts determined in accordance with the provisions of subsection 5.

4. Except as otherwise provided in subsection 6, to determine the allocation to the Las Vegas Metropolitan Police Department made pursuant to paragraph (a) of subsection 3, the Board shall:

(a) Obtain in October of each year:

(1) The estimate of the volume of visitors to the County for the immediately preceding calendar year, as published by the Las Vegas Convention and Visitors Authority;

(2) The most recent estimates available of the average length of stay for all visitors to the County, including the average number of days per trip and the average number of nights per trip, as published by the Las Vegas Convention and Visitors Authority; and

(3) The most recent estimate of the resident population of the County, as published by the demographer employed pursuant to NRS 360.283.

(b) Estimate the full-time population equivalency of the County by dividing by 365 the combined sum of:

(1) The product obtained by multiplying the estimate of visitor volume obtained pursuant to subparagraph (1) of paragraph (a) by the average length of stay per visitor, which the Board shall determine by adding the average number of days per trip and the average number of nights per trip obtained pursuant to subparagraph (2) of paragraph (a) and dividing that number by 2; and

(2) The product obtained by multiplying the resident population of the County obtained pursuant to subparagraph (3) of paragraph (a) by 365.

(c) Estimate the portion of the full-time population equivalency of the County attributable to visitors by dividing the number obtained pursuant to subparagraph (1) of paragraph (b) by the total number of person days in the County, which is the sum of the numbers obtained pursuant to subparagraphs (1) and (2) of paragraph (b).

(d) Multiply the quotient obtained pursuant to paragraph (c) by 1.15.

(e) Multiply the number obtained pursuant to paragraph (d) by the total amount of the proceeds collected from the tax authorized by subsection 1 and allocate this amount to the Las Vegas Metropolitan Police Department as required by paragraph (a) of subsection 3.

5. Except as otherwise provided in subsection 6, the allocations made to the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las

Vegas Police Department pursuant to paragraph (b) of subsection 3 must be in the same ratio as the population served by each police department bears to the total population of the County. As used in this subsection, "population" means the estimated annual population determined pursuant to NRS 360.283.

6. The formulas used to calculate the allocation of the proceeds of the tax authorized by subsection 1 are effective for 3 years after the effective date of this act. On or after the date that is 3 years after the effective date of this act, the Board may, once in each even-numbered year, reconsider the amount of and formulas for calculating the allocations of the proceeds of the tax. If the Board determines that there is a rational basis for modifying the amount of or formulas for calculating the allocations of the proceeds of the tax, the Board may adopt an ordinance revising the formulas for calculating the allocations of the proceeds of the tax. The Board shall, at least 12 months before adopting any such ordinance, provide notice to each affected local government and police department in the County of its intent to revise the formulas for calculating the allocations of the proceeds of the tax.

7. **On or after the date that is 3 years after the effective date of this act, the Board may, once in each even-numbered year, reconsider the boundaries of the resort corridor. If the Board determines, including, without limitation, after consideration of the number of calls for service in the resort corridor and outside the resort corridor, that there is a rational basis for modifying the boundaries of the resort corridor, the Board may adopt an ordinance revising the boundaries of the resort corridor. The Board shall, at least 12 months before adopting any such ordinance, provide notice to each affected local government and police department in the County of its intent to revise the boundaries of the resort corridor.**

8. The proceeds of the tax authorized by subsection 1 and:

(a) Allocated to the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 must be used solely for law enforcement and crime prevention within the resort corridor, must not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, within the resort corridor, and must not be used to pay salary or salary increases for any person **who is** employed by the Las Vegas Metropolitan Police Department before October 1, 2016.

(b) Allocated to the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department pursuant to paragraph (b) of subsection 3:

(1) Must be used solely for law enforcement and crime prevention within the respective portions of the County, must not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, for police protection in the County or any incorporated city in the County, and must not be used to pay salary or salary increases for

any person **who is** employed by the respective police department before October 1, 2016.

(2) Includes the resort corridor and must not be discounted, offset or otherwise reduced based upon the allocation made to the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 or the allocation or distribution of any other revenues dedicated to law enforcement and crime prevention in the resort corridor.

~~[8.]~~ **9.** The taxes imposed by an ordinance adopted pursuant to subsection 1 and allocated in accordance with subsection 3 must be used only in accordance with the provisions of subsection ~~[7]~~ **8** and for the purposes set forth in section 12 of this act unless the Legislature changes the use. The Board shall, before submitting to the Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 295.230, asking whether the uses of the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

Sec. 10. An ordinance enacted pursuant to subsection 1 of section 9 of this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent.

2. Provisions substantially similar to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that any amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with the provisions of this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all functions incident to the administration or operation of the tax in the County.

5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed on the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted on or before the effective date of the tax if the bid was afterward accepted and, pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of the tax becomes effective, which

must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

Sec. 11. An ordinance amending an ordinance enacted pursuant to section 9 of this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is necessary.

Sec. 12. 1. A police department shall not expend money allocated to the police department from the proceeds of the tax authorized by subsection 1 of section 9 of this act unless the expenditure has been approved:

(a) For the Boulder City Police Department, by the City Council of the City of Boulder City;

(b) For the Henderson Police Department, by the City Council of the City of Henderson;

(c) For the Las Vegas Metropolitan Police Department, by the Metropolitan Police Committee on Fiscal Affairs;

(d) For the Mesquite Police Department, by the City Council of the City of Mesquite; and

(e) For the North Las Vegas Police Department, the City Council of the City of North Las Vegas.

2. The body designated pursuant to subsection 1 shall approve an expenditure of money allocated to the police department from the proceeds of the tax authorized by subsection 1 of section 9 of this act if the body determines that:

(a) The proposed use of the money conforms to all provisions of this act;

(b) The proposed use of the money will not replace or supplant existing funding for the police department; ~~[and]~~

(c) The proposed use of the money will not be the payment of salary or any increase in salary for any person who is employed by the police department before October 1, 2016 **~~[.]~~ ; and**

(d) The proposed use of the money is based upon a consideration of the distribution of the population within the area of the County or incorporated city served by the police department and the distribution of calls for service within the area of the County or incorporated city served by the police department.

3. To make the determination required by paragraph (b) of subsection 2, the body designated pursuant to subsection 1 must find that:

(a) The amount approved for expenditure for the support of the police department for the fiscal year, not including any money allocated to or expended by the police department pursuant to the provisions of this act, is equal to or greater than the amount approved for expenditure for the support of the police department in the immediately preceding fiscal year; or

(b) The amount approved for expenditure for the support of the police department for the fiscal year, not including any money allocated to or expended by the police department pursuant to the provisions of this act, is less than the amount approved for expenditure for the support of the police department in the immediately preceding fiscal year and the body projects a decrease in its receipts of revenue in the fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.

4. If the body designated pursuant to subsection 1 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.

5. If the body designated pursuant to subsection 1 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body must retain the proceeds from the tax authorized by subsection 1 of section 9 of this act and allocated to the police department for that fiscal year in the special revenue fund created by the body pursuant to section 17 of this act. Any other body designated by subsection 1 which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County Treasurer requesting approval for the use by the respective police department of any portion of those proceeds in accordance with the provisions of this section.

6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the body which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from the tax authorized by subsection 1 of section 9 of this act as approved by the County Treasurer for use by the body which submitted the request pursuant to subsection 5.

7. Notwithstanding the provisions of subsection 4 of section 17 of this act, a body designated pursuant to subsection 1 that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the body designated pursuant to subsection 1 which submitted the request pursuant to subsection 5, which shall deposit the money in the special revenue fund created by the body pursuant to section 17 of this act.

8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 1, Fiscal Year 2015-2016, except that:

(a) If, in any subsequent fiscal year, the amount approved by the body for expenditure for the support of the police department that subsequent fiscal year, not including any money allocated to or expended by the police department pursuant to the provisions of this act, exceeds by more than 2

percent the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved by the body for expenditure for the support of the police department, not including any money allocated to or expended by the police department pursuant to the provisions of this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes Fiscal Year 2015-2016, but is subject to subsequent revision pursuant to paragraph (a).

Sec. 13. 1. A body designated pursuant to subsection 1 of section 12 of this act that approves an expenditure pursuant to section 12 of this act shall, for the relevant period, submit to the Department the reports required by this section, which must include, without limitation, the information required by this section and such other information relating to the administration of the provisions of this act as may be requested by the Department.

2. A body designated pursuant to subsection 1 of section 12 of this act shall submit the reports required by this section on or before:

(a) February 15, for the 3-month period ending on the immediately preceding December 31;

(b) May 15, for the 3-month period ending on the immediately preceding March 31;

(c) August 15, for the 3-month period ending on the immediately preceding June 30;

(d) November 15, for the 3-month period ending on the immediately preceding September 30; and

(e) August 15, for the 12-month period ending on the immediately preceding June 30.

3. Each report submitted pursuant to this section must be submitted on a form provided by the Department**, which must be the same form as the form provided for the relevant report required by section 13.5 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as added by chapter 545, Statutes of Nevada 2007, at page 3422, and amended by chapter 497, Statutes of Nevada 2011, at page 3160,** and must include, with respect to the period covered by the report:

(a) The total amount of the allocation received by the respective police department from the proceeds of the tax authorized by subsection 1 of section 9 of this act;

(b) A detailed description of the use of the money allocated to the police department, including, without limitation:

(1) The total expenditures made by the police department from the allocation;

(2) The total number of police officers hired by the respective police department**_**, **~~[~~and~~]~~** the number of those officers that are filling authorized, funded positions for new officers**_~~[~~,~~]~~** **and demographic information**

regarding those officers reported in a manner consistent with the current policies of the respective police department concerning the reporting of such information; and

(3) A detailed analysis of the manner in which each expenditure:

(I) Conforms to all provisions of this act; and

(II) Does not replace or supplant funding or staffing levels, which existed before October 1, 2016, for the respective police department;

(c) An analysis of the manner in which each expenditure is being used to prevent crimes and the effectiveness of each expenditure in preventing crimes; and

(d) Any other information required to complete the form of the report.

4. The Metropolitan Police Committee on Fiscal Affairs shall:

(a) Prepare and submit separate reports as required by this section for the expenditures approved from the allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraphs (a) and (b), respectively, of subsection 3 of section 9 of this act; and

(b) In addition to all other information required by this section, include in each report submitted pursuant to this section evidence that the expenditures from allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 of section 9 of this act are not offsetting, supplanting, replacing or otherwise reducing the amount of money allocated to the Las Vegas Metropolitan Police Department pursuant to paragraph (b) of subsection 3 of section 9 of this act for expenditure on law enforcement and crime prevention in the resort corridor.

5. The Department may review and investigate the reports submitted pursuant to this section and any expenditure of any proceeds from the tax authorized by subsection 1 of section 9 of this act.

Sec. 14. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to the provisions of this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit all money received pursuant to subsection 1 with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. Each month, the State Controller shall, based upon the collection data provided by the Department:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund an amount equal to 1.75 percent of all fees, taxes, interest and penalties collected pursuant to the provisions of this act during the immediately preceding month to defray the cost to the Department of collecting the tax authorized by subsection 1 of section 9 of this act.

(b) Transfer to the Intergovernmental Fund for remittal to the County Treasurer an amount equal to all fees, taxes, interest and penalties collected pursuant to the provisions of this act during the immediately preceding month less the amount described in paragraph (a).

Sec. 15. The Department may redistribute any proceeds from the tax, interest or penalties collected pursuant to the provisions of this act which is determined to be improperly distributed, except that no such redistribution may be made of amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

Sec. 16. 1. The County Treasurer shall deposit all money received from the State Controller pursuant to paragraph (b) of subsection 3 of section 14 of this act into the county treasury for credit to a fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act.

2. The fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act must be accounted for as a separate fund and not as part of any other fund.

3. The County Treasurer shall distribute the money deposited in the fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act to the appropriate accounts in accordance with the allotments required by subsection 3 of section 9 of this act.

Sec. 17. 1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into one or more special revenue funds created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act.

2. The Las Vegas Metropolitan Police Department shall create a separate fund, deposit into that fund and account separately for money received pursuant to paragraph (a) of subsection 3 of section 9 of this act.

3. Each special revenue fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act must be accounted for as a separate fund and not as part of any other fund.

4. Interest earned on the money in any special revenue fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act must be credited to the fund. Any money remaining in a special revenue fund at the end of any fiscal year must remain in the special revenue fund and does not revert to the county treasury.

Sec. 18. In a proceeding arising from an ordinance imposing the tax authorized by subsection 1 of section 9 of this act, the Department may act for and on behalf of the County.

Sec. 19. 1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.

2. This act must not be construed to prevent the exercise of any power granted by any other law to the County, the Board or any officer, agent or employee of the County.

3. This act must not be construed to repeal or otherwise affect any other law or part thereof.

4. The provisions of this act are intended to provide a separate method of accomplishing the objectives of this act, but not an exclusive method.

5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the application of the provisions of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 20. This act becomes effective upon passage and approval.

Assemblyman Armstrong moved the adoption of the amendment.

Remarks by Assemblyman Armstrong.

ASSEMBLYMAN ARMSTRONG:

This amendment removes the provision requiring the first allocation of funds go to the Las Vegas Metropolitan Police Department. It allows for the modification of the boundaries of the resort corridor by the Clark County Board of Commissioners once in each even-numbered year beginning three years after the effective date of the bill. It provides that the proposed use of the money must be based on consideration of the distribution of the population within the area served by the police department and the distribution of calls for service within the area, and adds demographic reporting requirements for officers hired under the provisions of the bill.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that the Assembly dispense with the reprinting of Assembly Bill No. 1.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 1.

Bill read third time.

Remarks by Assemblymen Armstrong, Carlton, Elliot Anderson, Fiore, Seaman, Titus, Swank, Hansen, Sprinkle, Shelton, Smith, Carrillo, Dooling, Neal, Thompson, Edwards, Silberkraus, Gardner, Stewart, Flores, Ellison, Paul Anderson, O'Neill, Ohrenschall, Diaz, and Bustamante Adams.

ASSEMBLYMAN ARMSTRONG:

Assembly Bill 1 enacts the Clark County Crime Prevention Act of 2016. The bill authorizes the Board of Commissioners of Clark County to adopt an ordinance imposing a sales and use tax of one-tenth of 1 percent for the purpose of employing and equipping police officers in Clark County and the incorporated cities in the county.

The bill establishes a formula for the allocation of a portion of the proceeds of the tax to the Las Vegas Metropolitan Police Department for the purpose of law enforcement and crime prevention in an area defined in the bill as the resort corridor. The formula also provides for an allocation of the proceeds of the tax to the police departments in the county based on each entity's share of total population. The bill requires the relevant local government entity authorized to approve expenditures of the allocations from the proceeds of the tax to make certain findings before giving such approval, including that any money allocated to a police department from the proceeds of the tax must not supplant, replace, offset, or otherwise reduce police funding allocations from other sources or be used to pay salaries or salary increases for any person

employed by the police department before October 1, 2016. Additionally, the proposed use of the money must be based on a consideration of the population and distribution of calls within the service area of each law enforcement entity.

Finally, the bill authorizes the Board of Commissioners, under certain circumstances, to consider and revise the amount and the formula for the allocation of the proceeds of the tax and the boundaries of the resort corridor beginning three years after the effective date of this bill.

ASSEMBLYWOMAN CARLTON:

I rise in opposition to Assembly Bill 1. The concerns I have are around the 311 system and whether all employees of these local jurisdictional police offices will be treated the same way.

The way we get our police officers to the door is through 311. I had the same concerns when we did the More Cops bill a number of times. I realize this is now the Clark County Crime Prevention Act, but if we cannot contact them, talk with them, and get them to our doors—and I have always advocated that when we provide funding for an agency, we treat all employees the same. I believe that the guys out front with the badges and the guns could not do their jobs without the people who stand behind them. I think they should be included in this funding since they are also contributing.

As I have for the last decade that this funding scheme has been around, I want to point out the fact that our DPS [Department of Public Safety] officers and our Highway Patrol officers who stand next to officers from Henderson and Las Vegas at the scene of a crime or accident are treated totally differently. They do not receive any of this funding, yet they are there to back up these guys. I feel there is an inadequate sharing of the revenue stream.

ASSEMBLYMAN ELLIOT ANDERSON:

I rise in support of Assembly Bill 1. I share many of the concerns of my colleague from Assembly District 14. I have called in noise complaints at one in the morning five or six times in the past six months. My constituents are not being adequately served by 311. I cannot even get a call to my door when I ask for it. I am voting for this, though, in large part because my constituents have told me loud and clear throughout this campaign cycle that they want more cops on the streets. They are concerned about the violent crime wave. I am listening, and I definitely see that we have had an increase.

I will say on the record that I do expect the Sheriff to serve our constituents more effectively. We are just not getting the service, and I have my own experience with that. I will also say that I appreciate the movement on the resort corridor boundaries. I think for the first time in history, the Legislature has legislated a beat. It is very important that the beat is able to change. Allowing the Board of Commissioners, by ordinance, to reconsider those boundaries is very important. We cannot tie the hands of law enforcement and tell them where they have to go and what they have to do. We need to trust law enforcement to make those decisions about staffing ratios. I would say, though, that law enforcement needs to do a better job of serving my district and my own community.

My yes vote is in large part based upon the willingness to change and my constituents.

ASSEMBLYWOMAN FIORE:

I rise in support of Assembly Bill 1. First, blue lives matter. I am just going to say that right now on the floor of this Chamber. When you have law enforcement and county sheriffs who support their citizens, the citizens and lawmakers need to support them, too. There have been sheriffs who have handed their elected positions over to the federal government, and some of the outcomes have been fatal. We have a sheriff, David Ward, in Burns, Oregon, who did just that. Under his watch, a man named LaVoy Finicum was murdered.

The Bureau of Land Management, BLM, has become quite aggressive across our nation, from continual harassment of our indigenous Native Americans to our ranchers protecting their livelihood. It is up to us to ensure our communities have the resources needed to protect their citizens from domestic terrorist agencies, such as the BLM. Most of my friends in this Chamber were not in Bunkerville in April 2014. Sheriff Joe Lombardo and Sheriff Doug Gillespie were there, along with several of our law enforcement agencies. Our Clark County sheriffs stopped the Nevada massacre the BLM had planned. As the body camera footage from the BLM gets unsealed and released to the press and the public, the words I just spoke will be verified.

ASSEMBLYWOMAN SEAMAN:

I rise in support of Assembly Bill 1. History shows that public safety is of the utmost importance to our constituents, and I believe they want us to do more to keep our streets and communities safe. Going back to 1996, the voters overwhelmingly approved Question No. 19 to increase property taxes for purposes of public safety funding. The voters in unincorporated Clark County voted yes 62.93 percent, no 37 percent; Las Vegas voted yes close to 64 percent, no 37 percent; and North Las Vegas voted yes 62 percent, no 37 percent. Eight years later, in 2004, the voters of Clark County approved Advisory Question No. 9, which asked about an increase in the sales and use tax in Clark County of up to half a percent for the purpose of hiring and equipping more police officers to protect the citizens of Clark County.

Despite other efforts to invest in public safety—namely, Senate Bill 1 of the 27th Special Session in 2013—crime continues to rise. According to recent published reports, homicides are on a path to increase by over 100 percent from 2015 to 2016 in Clark County. I believe there is a direct relationship between crime in our communities and the number of police we have on the streets. To reduce crime, we need to invest in more police officers. That is why I am voting yes on AB 1, and I urge you all to do the same.

ASSEMBLYWOMAN TITUS:

I must rise in opposition to Assembly Bill 1. Article 5, Section 9, Subsection 1 of the *Nevada Constitution* provides that the "Governor may, on extraordinary occasions, convene the Legislature by Proclamation and shall state to both houses, when organized, the business for which they have been specially convened." Sheriff Lombardo has stated that this bill is not related to the stadium, and he further stated his officers' response time to 911 calls has decreased from 14 minutes to 9 minutes, making it obvious to me that there is no extraordinary occasion that requires this bill to be passed now.

I am a strong supporter of law enforcement—I am married to a retired sheriff who served for 35 years. But I am an even stronger supporter of accountability. The citizens of Clark County voted to support the More Cops act in the past, when there was a sunset to it. Those same voters should be allowed to voice their opinions and vote on whether or not they feel their monies were well spent and whether this act deserves further support with an increase in sales tax. I must be a no vote on this.

ASSEMBLYWOMAN SWANK:

I, too, rise in opposition to this bill. I represent District 16, which has the Las Vegas Strip right in the middle of it. I understand, and I do believe that we need a greater police presence on the Las Vegas Strip. However, the rest of my district has a lot of low-income folks who live in it. As I said earlier, the source of this funding—a sales tax—is a big burden for them.

Further, I agree with my colleague from District 38 that there is no extraordinary circumstance here. There is no reason why this had to be part of this special session. It could have been part of the 2017 Session. I think then we could have had the time to thoroughly think through how to best fund a better police presence on the Las Vegas Strip and in a way that does not overburden the poor. I cannot support a bill that will overburden those low-income folks across our city at a time when we are just coming out of a recession.

ASSEMBLYMAN HANSEN:

I rise in opposition to Assembly Bill 1 as well. My colleague from Smith Valley said what I was going to say. I voted for this in 2011 and in 2013. I am an absolute supporter of law enforcement, but this does not belong in a special session. The evidence presented to make it seem like an extraordinary situation was exceptionally weak. I will say, too, on the whole sales tax idea—California is now pushing 10 percent in most of the state for sales tax. We are constantly incrementally inching that up. We have a situation in Washoe County where one of our biggest auto dealers is moving his operations to Lyon County because of the constant tax increases. He loses a competitive edge. For those of you who drive between Reno and Carson City, you will notice a dramatic difference in the price of gasoline. Again, that is a tax issue. When I am in Carson City, I buy my gas to save money. While we are certainly looking at this as a law enforcement issue, I think the accountability side of it needs to be looked at a lot more carefully, especially this constant ratcheting-up of the sales tax.

Also, if you look at the salary and benefits packages that Metro [Las Vegas Metropolitan Police Department] has—my colleague from Elko pointed out to our Caucus that in the rural parts of the state, we are losing law enforcement officers because we cannot, frankly, compete with the salaries in those other areas. My colleague from southern Nevada also mentioned a very similar situation between Highway Patrol and Metro. The reality is, the increases we have given in the past have been disproportionately used to increase salary and benefits packages—and I know there are all sorts of amendments in this to prevent that. While I do not blame the cops in the least for taking advantage of that, our job is to be the fiscally responsible folks and to oversee how that money is being spent. When you looked at the benefit and salary list I passed around, the amount of money being given to Metro is just not fair to the other parts of the state. Elko is losing its cops because they are all going to move to Vegas where they can make more money. I would urge my colleagues to think about that. This is a substantial tax increase. Indeed, it is enabling, but they are going to see this as us—another $31 million.

I would also point out that this special session is going to cost several hundred thousand dollars, and we have now spent three days on a bill that very easily could have been handled in the normal session, starting in February.

My vote is for all the reasons above, mainly on the principle that we should support the *Nevada Constitution*, which we all swore to uphold. This is not extraordinary. This could have waited. As fiscal watchdogs, I urge my colleagues to vote no for all of the above reasons.

ASSEMBLYMAN SPRINKLE:

I rise in support of Assembly Bill 1. I will not reiterate what you have just heard as far as this not needing to be in the special session. I still have significant concern over that as well. The other concern I have with this bill, as I stated during our questioning, is that I do not believe it is our right—and it certainly is not our responsibility—to be telling our Sheriff how he should deploy his forces to best protect the area he is sworn to serve. I think this bill does that, especially with the downtown corridor, and I do not like that.

However, with all of that being said, in 2007 and 2008, we all saw an incredible economic downturn. I am here to tell you right now that along with our amazing state employees, it was public safety that stepped up first. These were organized labor unions that stepped up and were willing to give up the benefits they had already negotiated and contracted so that the local jurisdictions could stay solvent and continue to do what they needed to do. These individuals took upwards of 15 and 16 percent cuts. Now is the time for us to give back to them. I say that, too, for our state employees. But as for this bill, I believe that anybody who is willing to put a badge on their shirt and square off with someone with a gun who is trying to commit a felony crime should be getting the compensation they deserve. We need to step up now and take care of these men and women.

ASSEMBLYWOMAN SHELTON:

I stand in opposition to Assembly Bill 1 for all the reasons that my colleagues in Districts 38, 16, and 32 mentioned. I do not believe this is the right time to bring this forward to the people of Nevada. First of all, we just got done passing the largest tax increase in the history of Nevada. Now we are coming back to the taxpayers and saying we need more money for this. This is not the right time to do this. We are going to have a huge hole that we are going to have to plug this coming session. This is putting a huge burden on this state.

I have two points to make for the people who are saying this will be absorbed by our tourists. First of all, that is shooting ourselves in the foot. Second of all, if you look back to the 1950s and the arguments that were made in support of the first sales tax in Nevada, that was one of the arguments that was used to get the sales tax passed. The argument was that the tourists would pay for the sales tax. We all know how that turned out.

As far as the enabling part of this bill, I know a lot of people depend on the enabling provision because you can push the big responsibility off on someone else, but this is where we need to take the responsibility ourselves. The Board of Commissioners has said that they will pass this if we allow them to. This is no longer something we need to keep pushing off on somebody else. We need to take a stand here. We need to stand up for the people of Nevada today.

ASSEMBLYWOMAN SMITH:

I rise in support of the opposition who are speaking against this bill, for all the reasons that have been stated. First and foremost is the sense of urgency. Why in a special session? Why is someone like me here deciding this? This is an ongoing situation. It seems to follow the pattern we use for all our state's issues—education, mental health, transportation. We string a bunch of taxes together and never really come up with a coherent plan for funding. We all recognize that public safety is an obligation of government and a priority. It begs the question: Why are we not addressing this in a different manner?

I am from North Las Vegas. In North Las Vegas, we have already bonded and put extra money on our own property tax specifically for public safety. Every time the sales tax goes up, we are paying on both sides of it. None of the other entities in our county has done that. We have attempted to address this—which, again, leads to a broader tax policy discussion.

I absolutely agree that we are inching our way toward a 10 percent sales tax, which I find extremely onerous. We have a lot of people who are in poverty. We have heard a lot about the need for jobs, but everyone who has to purchase anything—unless it is one of the other items mentioned previously—has got to pay that sales tax. I know Mr. Aguero said that 25 percent of this will come from tourists, but whenever I pay my bill, I pay 100 percent of my sales tax. I do not get a reduction on that. When our car broke down last year and we had to buy a new car, that was a big chunk of money that we paid in sales tax. It is burdensome.

Most of all, this needs to be addressed comprehensively and not rushed through in a special session. We need to support the men and women who are out there and we need to support our community, but we need to make sure we are not burdening people unfairly throughout the state.

ASSEMBLYMAN CARRILLO:

I rise in support of Assembly Bill 1. In District 18, which the Boulder Strip runs through, you hear a lot of sirens, and that is pretty normal right now. We have seen the crime rate go up. We see the police responding to crime, but they are not able to keep up with the volume. It is not because they do not want to serve. It is because their resources are stretched to capacity, and they need more boots on the streets. Police officers have shared with me that community policing is crime prevention in action. We need more cops to see that become a reality in District 18. My constituents have a reasonable expectation to feel safe in their community. I believe this is the first step in the right direction to give them that safety and peace of mind. Let us give our officers the tools they need.

ASSEMBLYWOMAN DOOLING:

I rise in support of Assembly Bill 1. Over the past decade and a half, all Americans have been more and more aware of the threats to our national and local security. These threats come from both foreign terrorists and political extremists here in our own country. Acts of terror and violence have taken the lives of many of our fellow citizens and police officers and have inspired fear and concern in the hearts of millions of others.

We all realize how important it is to protect our citizens and the millions of visitors who come to our state each year. The need to protect our central resort corridor from security threats has strained the capacity of our local law enforcement agencies. As police officers, squad cars, and police detectives have been diverted to meet these very real and critical threats, fewer resources have been available to serve the neighborhoods where most people live. Even in neighborhoods like Henderson that are considered safe and peaceful, crime has increased. We have seen an upsurge in burglaries, car break-ins, robberies, vandalism, and acts of domestic violence. In other words, we need a greater police presence in our own neighborhoods.

Assembly Bill 1 would enable us to protect both the tourist areas that are so critical to the economy of southern Nevada and the neighborhoods where our constituents live. It will provide the manpower, equipment, and resources to protect against acts of mass violence and terrorism and simultaneously secure our residential areas against the threat of crime and disorder. I represent District 41, which takes in a very small part of the resort corridor and the city of Henderson. I urge you to vote in support of this important measure, because if it takes a year to get an officer on the streets, we need to do this now.

ASSEMBLYWOMAN NEAL:

I rise in support of Assembly Bill 1. I struggled with this bill, and I agree with my colleague that the evidence of urgency was not necessarily as distinctive and as heavy as it should be. I started off the hearing looking for the holes in the argument, referring back to the budget. The thing I had to weigh was that when we had this bill in 2013, we kicked it down to the Board of Commissioners, and they did not give them all of the money. They gave them some of the money. When we set up the Clark County Sales and Use Tax Act of 2005, we said that you should come back in 2013, and we would revisit it. Then we shoved our duty down to the Board of Commissioners. They got some—but not all—of the money. Then I found out that the Sheriff was going around like a pauper, hat in hand, and begging for money from gaming, which I do not think any elected official should ever have to do. Ever. I thought about what we should have done in 2013. We should have kept it here. We should have made a decision to give them that 15 cents, and we did not.

I hate section 8. I want it deleted in its entirety because I do not believe there should be a special force for the Strip. There is no way I would ever see that as a public policy I would support. I have a little bit of comfort from the provision that allows the Board of Commissioners to go back and review, look at those boundaries, and change those boundaries so that we are not going to be hog-tied forever. There is a need. It is not necessarily an urgent need that rose to the level of a proclamation, but we are here.

I am going to vote in support knowing that number one, Sheriff Lombardo and the Sheriff of North Las Vegas, where I live, are going to be diligent about what they do for communities of color. They are going to show respect for communities of color. They are going to understand this vote was not taken lightly. They are going to comport with what the Department of Justice told them to do and also any additional activities that will serve the greater and best interest of Clark County. That is why I am going to vote yes today.

ASSEMBLYMAN THOMPSON:

I rise in support of Assembly Bill 1. There are a few reasons I want to stress. First, I was born and raised in the city of North Las Vegas, and I am very proud to represent a key part of North Las Vegas. We have talked about Sheriff Lombardo, but we also have a great sheriff in North Las Vegas, Sheriff Perez, with whom we have a good working relationship. There is a need for more police officers. When I walk door to door in my community or if I am at the grocery store—a lot of times, people do not understand what an Assembly representative does, but they know I represent something. They always share that they want their communities to be safe. That is why I feel very secure in supporting this bill.

I also want to applaud my colleague from Assembly District 27 for pointing out that when we talk about the resort corridor, it is not just about the tourists. It is about ensuring our workers, the people coming from the various parts of southern Nevada, are safe in that corridor. Most importantly, I am really glad that we were able to talk about that 80 percent allocation in the formula and to clarify that we are not just looking at pure population. We are looking at calls for service. That is what truly makes a difference.

Lastly, to echo my colleague from Assembly District 3, I want to stress that diversity is so important. It is important for us to convey to our young boys and young girls that having a career in law enforcement is great. We know there are some divides out there with the relationships, and this is the opportunity to bridge that gap. I am committed to continuing to work with law enforcement to make that happen. I urge everyone to support Assembly Bill 1.

ASSEMBLYMAN EDWARDS:

First, I want to agree with my colleague from District 41 regarding the increased threats from terrorists and the upticks in crime. I think both of those are very important issues that we have to deal with in a very fast fashion. Assembly Bill 1 is not meant to be a total solution; it is meant to implement the will of the people. That is what we are supposed to be doing here as their public officials and elected representatives. This does not resolve all the problems that the police are going to need us to resolve, but it does resolve some.

Some will say that there are not extraordinary circumstances for having this here in a special session. I submit to you that we are extremely late in getting this done, and there should be no reason for any further delay. Our constituents asked us to get 100 percent of what they believe is

necessary to help the police—not 33 percent, as was delivered. Therefore, I urge everyone in this Chamber to vote yes and support the will of the people as it was expressed to us not just once, but twice, and here again today.

ASSEMBLYMAN SILBERKRAUS:

I rise in support of Assembly Bill 1. Over the last two years, I have had the pleasure of talking to many people in my district and districts across southern Nevada. One thing I have noticed as time has progressed is that crime has become an issue for our communities. Many members of my community, and the communities that surround us, do not feel safe or as safe as they have in the past.

Just to put a real face on this, in the last week, there was a robbery two blocks from my house. There was a violent assault in the local park of the representative from District 22, where a UNLV [University of Nevada, Las Vegas] professor was brutally attacked. Just this week, the local Walgreens, where our families shop, was robbed at gunpoint. The Dairy Queen, where families go, was robbed at gunpoint. To the representative from District 20, Sweet Addiction, the ice cream parlor where our families go to have ice cream sandwiches and that services all of our districts, was brutally robbed at gunpoint. In my own district, just blocks from there, a woman was robbed at gunpoint in her driveway, where the assailant stole her car.

These incidents are not acceptable. Our constituents deserve better. They deserve to be protected, and if our law enforcement officers say this is what they need to be able to protect us and to protect our constituents, then tomorrow is too late. Today is the day to vote on this, and I will be proudly supporting AB 1.

ASSEMBLYMAN GARDNER:

I rise in support of Assembly Bill 1. I was not planning to speak until my colleagues from the north kept talking about there being no reason for this. My colleague from Assembly District 29 talked about some of the things that are happening in my district. Multiple times, I have had constituents answer their doors with guns because we are having trouble getting the response times we need in the outskirts of Vegas.

I am thankful that the Clark County Board of Commissioners approved the More Cops tax after the last session. I have more cops in my area, and they have a smaller district to cover. They used to have basically the west side of Vegas in the southwest command. Now it is a lot smaller, so I am thankful for that. We need this. It is going to take nine months to a year to get more cops in my area. I need them now. I think this is too late already. I am in support of this, and I ask everyone else to support it. There is definitely a need right now.

ASSEMBLYMAN STEWART:

I rise in support of Assembly Bill 1. I am a strong supporter of law and order, and I am strong enough to pay an extra 10 cents on every $100 I spend. I do not think my constituents will mind that, either. I do not mind kicking the can down to where it belongs: with local government. I believe the Clark County Board of Commissioners should be able to make the decision for Clark County.

Finally, in a selfish way, the timing of this—I am one of the aged ones, along with my colleague from District 6. We, and others who are of our age, do not have much time left, so we want those cops out there as soon as possible.

ASSEMBLYMAN FLORES:

I rise in support. Like many of my colleagues, I was conflicted about whether there was a sense of urgency for this. I questioned whether or not a special session was warranted for this conversation. I have spoken to my constituents and listened to stories of convenience stores and restaurants constantly being robbed at gunpoint, to the point that a lot of the 7-Elevens in Assembly District 28 have chains on the refrigerators because of how often they are hit by small groups of gangs. I came to the realization that public safety is always an emergency and is always a priority. If there is an opportunity to have more law enforcement in my district, patrolling those small businesses and taking care of those families, then it is my obligation and my priority to make sure I vote in favor of protecting them.

ASSEMBLYMAN ELLISON:

I rise in support of Assembly Bill 1 for several reasons. Number one, I really appreciate what my colleagues from Districts 38 and 32 said. We are here for a certain reason. One of my colleagues said that while it does not belong in this special session, we are here with it. We are going to have to deal with it one way or the other.

This is an enabling bill, and the voters voted twice on this. I would feel like a hypocrite if I said yes or no to something that has already been voted on by the people. I think that is what we have to stand for. That district stood up and said they want this tax for the police. I think it is important that we respect and honor that.

ASSEMBLYMAN PAUL ANDERSON:

I think a lot of great comments have been made, so I will be brief. I voted against the More Cops bill in 2013. That was because I could not get on board with the plan that they had at the time. The revised versions that include protections for how this money will be used—not supplanting other means—makes me feel much more comfortable with how all of the sheriffs intend to go through with this.

I did want to say thank you to my colleagues for all of the input they have given on this bill. We have improved AB 1 from its original form. I am grateful that we will have extra police presence on the resort corridor. The other 245 officers who will be deployed across the valley are critical to the safety and protection of our citizens. We will have ongoing discussions, and we will certainly have to talk to our voters about what this means. They did vote for this, and this is the remaining 0.1 percent that they had agreed to.

As far as the rush argument, I am sensitive to that. I also recognize that during a special session, we get a select couple of bills to focus on, oftentimes more than we do during regular session. We have a singular focus, and we keep our eye on the ball in a very targeted way. I appreciate the opportunity to spend the time and get into the detail. This came through a long committee hearing process in the south, with all the stakeholders present and represented there. I appreciate their efforts. I certainly thank my colleagues who have given some great input into the amendments that came about. I support AB 1. I support our officers who protect and serve, and I would urge my colleagues to do the same.

ASSEMBLYMAN O'NEILL:

I stand in support of Assembly Bill 1. It is not simply because I was a cop for 40 years and it is part family. I understand how long it takes to get a well-trained officer on the street. I left a good-paying job back East in Miami, Florida, to come out West to Nevada for a lifestyle I wanted that I was not getting there. I settled in Carson City and northern Nevada for the last 36-plus years. It was my choice to take less money for the lifestyle. Las Vegas Metro and other agencies may pay better. That is a different issue than what we can address here—it is called collective bargaining, and it is for management and employees to address.

What I do know is that we have an opportunity. As a northerner, I do not know Clark County's total issues—good or bad. What I do know is that for the last several years, the voters of Clark County have asked for more cops. The Clark County Board of Commissioners has come before us saying they would like to enact that. Our constituents from the south, in the great majority, have asked us to enable the southerners to do that. I think I should recognize their knowledge, their day-to-day experience, and their life in Clark County. In turn, when we have an issue in the north, I ask that they trust we northerners may know what is necessary for the rurals and the north and that they partner with us to address those. I urge all of us to come together as one and vote yes for AB 1.

ASSEMBLYMAN OHRENSCHALL:

I rise in support of Assembly Bill 1. I think it would be hard for any of us from southern Nevada who follow the news not to realize that the need is there. That is why I am voting for it. I do have concerns that I want to put on the record.

First, my colleague from Assembly District 15 brought up his concerns about the first statutorily defined beat in Nevada history. That was a concern I brought up, and I asked Sheriff Lombardo whether that would lead to longer response times for residents and businesses outside of the resort corridor. A big part of my district is in unincorporated Clark County, and that was a

concern my colleague from Assembly District 14 brought up. The Sheriff said that no, it would not lead to longer response times. I hope that will be the outcome and that when the Legislature meets again in February, we are not going to hear that response times have increased in our unincorporated areas. I do hope the Sheriff works very hard on that.

Another concern that was brought up by my colleague from Assembly District 16 is the regressivity of the sales tax. I asked Mr. Aguero about why the Southern Nevada Tourism Infrastructure Committee settled on the sales tax rather than another funding source, and it seemed like his answer was that they felt it was more stable. I am worried about that. I am worried about raising the sales tax and looking to that as a funding source. I hope that in the future, we will look somewhere else to try to fund our officers who are so desperately needed.

My colleague from Assembly District 20 brought up her concerns about cultural sensitivity training and de-escalation training for our officers. She asked Sheriff Lombardo. The Sheriff responded that it is already federally mandated, and we do it. That is great. I just hope that in the future, Metro and our other law enforcement agencies will go beyond what is federally mandated and try to make sure our officers get that training. That has become such a big issue down south, and there is no question it is needed.

My colleague from Assembly District 18 brought up issues that ring true in my district as well. I will be voting for this. I urge the body to vote for it, but I do hope the concerns that are not in the language of the bill but that are in the testimony are addressed and that we do get good results from this.

ASSEMBLYWOMAN DIAZ:

I reluctantly rise in opposition to Assembly Bill 1. Like many of my colleagues have expressed, we have all been torn between both sides of this decision. I want to make it perfectly clear that I am not against having more law enforcement and more bodies patrolling areas that desperately need it. However, unlike my colleague from Assembly District 7, I cannot continue to kick this can down the road.

I have been an elected official since 2011 and have served many sessions. We continually say that we have to do more with less, that we are going to get to it tomorrow, that it does not matter that many of our students are failing in our school system. It has gotten to the point where everything is in a state of urgency—our mental health crisis from shipping our patients outside of our state. Why have we not been called to a special session to attend to matters that affect our everyday Nevadans? That is where I am torn right now.

I have to say, enough. We cannot keep putting it on the backs of people who cannot afford it. I would be more open to supporting this bill if there were shared accountability. In this bill, there is only a regressive sales tax. That means that the poor people in my district have to share. I understand the quote we got that shows 22 percent of it will be paid by tourists, but the majority is still going to come from Clark County residents. That should not be happening.

Why do we continually rubber-stamp these things as a Legislature? Why do we let ourselves be put in a corner and told that this is the only solution, when we can come together as a body and make brave decisions about what we need to see a better Nevada? I was given those opportunities when I was young, and I am here to protect and uphold those opportunities for those coming behind me. Because I think this is a very regressive way of doing this, because I am tired of kicking that can down the road, and because I think we can do better for Nevadans, I am a no.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:

I rise in support of Assembly Bill 1. I want to thank the Speaker, the Majority Floor Leader, and the Chairman of the Committee of the Whole for working with my Caucus members to include the amendments. Thank you to all our Caucus members who stayed late at night to work with the Sheriff, to work with Legal, and to make sure we got the policy right. I am proud of the job they have done.

Roll call on Assembly Bill No. 1:

YEAS—35.

NAYS—Carlton, Diaz, Hansen, Shelton, Smith, Swank, Titus—7.

Assembly Bill No. 1 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

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

Assembly in recess at 10:01 a.m.

ASSEMBLY IN SESSION

At 10:18 a.m.

Mr. Speaker presiding.

Quorum present.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that the Assembly resolve itself into a Committee of the Whole for the purpose of considering Senate Bill No. 1

Motion carried.

COMMITTEE OF THE WHOLE IN SESSION

At 10:28 a.m.

Chair Armstrong presiding.

Quorum present.

Senate Bill No. 1 considered.

CHAIR ARMSTRONG:

Before we start the hearing on Senate Bill 1, I want to give a timeline of where we are at and where I think we will end up. This will be a little bit different than what we did for Assembly Bill 1. For AB 1, we allowed the presenters to do the presentation and go through part of the bill, then I opened it up for questions. This time, I am going to allow them to do the presentation, go through the whole bill, and then I will open it up for questions. I wanted to let everyone know what is going to happen. The intent is to break at 2 p.m. for lunch.

With that, I am going to open the hearing on SB 1. Welcome, Mr. Hill, Mr. Aguero, and Mr. Hobbs. Whenever you are ready.

STEVE HILL, EXECUTIVE DIRECTOR, OFFICE OF ECONOMIC DEVELOPMENT, OFFICE OF THE GOVERNOR:

I am the Executive Director of the Governor's Office of Economic Development, and I also had the honor of being the Chair of the Southern Nevada Tourism Infrastructure Committee.

Fifteen months ago, the Governor formed the Southern Nevada Tourism Infrastructure Committee for the purpose of reviewing and potentially making recommendations to him regarding convention centers, stadiums and event centers, the airport, pedestrian movement, roads, transportation, and mass transit. The committee was made up of 11 members, including representatives from the gaming, tourism, and hospitality industry, as well as Kristin McMillan, the CEO [Chief Executive Officer] of the Las Vegas Metro Chamber of Commerce; Mayor Goodman, the Mayor of Las Vegas; Chairman Sisolak, the Chairman of the Clark County Board of Commissioners; and President Jessup of UNLV [University of Nevada, Las Vegas], who was also the Vice Chair of the committee. We also had a technical advisory committee made up of the people who really make this happen in southern Nevada, including the County Manager; the City Manager; Rossi Ralenkotter with the LVCVA [Las Vegas Convention and Visitors Authority]; Tina Quigley with the RTC [Regional Transportation Commission] of Southern Nevada; Rosemary Vassiliadis with the Airport Authority [Clark County Department of

Aviation]; and Mr. Hobbs, who is with me here today along with Mr. Aguero. Mr. Hobbs was a member of the technical advisory committee. Mr. Aguero and Applied Analysis served as staff for the committee. I want to thank all of those people for the exceptional amount of work they did. We would not have made the progress we made without their significant efforts.

Over those 15 months, we had 16 public meetings. There were approximately 100 hours of meeting time in those 16 meetings, and the result of that effort produced five recommendations to the Governor. I want to point out that each one of those five recommendations was unanimous. Three of those recommendations are the subject of this session, one of which you just passed out, and I thank you for that. It was an important recommendation, and we think that is important legislation. We appreciate your support of that measure.

Two of those recommendations are before us today in SB 1. The first is with respect to the expansion and renovation of the Las Vegas Convention Center. The Convention Center is really the lifeblood of the tourism and hospitality industry in southern Nevada. Approximately 17 percent of visitors who come to southern Nevada come because a convention is being held. Parts of that facility have been in existence for nearly 60 years. The facility was built in pieces over time. While it has served its purpose exceptionally well, allowing Las Vegas to be recognized as the capital of the convention industry for each of the last 20 years, the facility is tired. It does not present Las Vegas the way we need Las Vegas to be presented, and it is in need of a complete rehabilitation, redesign, and expansion.

The project itself, in the recommendation and in this bill, would entail a 1.4-million-square-foot expansion, with 600,000 square feet of that expansion being for exhibition space. The remaining 800,000 square feet would be for meeting rooms, a location large enough to host what is known as a plenary session—where you can get everyone who is attending a convention in the same location for a keynote speech or a major presentation—as well as back-of-the-house functions, such as food service. The existing facility is 3.2 million square feet, with 1.9 million square feet of that being for exhibition space.

The project would be done in four phases, with the expansion done first in order to allow the room necessary to not lose space, as we would close a third of the facility at a time—the south hall, the central hall, and the north hall. We would take about 600,000 square feet of exhibition space out of the market for some period of time, do a full rehabilitation, bring that phase back up, then take the next phase down. So the total expansion and the additional square footage would not be available for approximately seven years. It is about a seven-year project.

The other part of the recommendation is the potential construction of a stadium that could house an NFL [National Football League] team. The stadium would be at that stature. It would be an approximately 65,000-seat stadium. This would be a $1.9 billion project. It would only be done if an NFL team commits to come to Las Vegas within the first 18 months of the passage and enactment of this legislation. Following those 18 months, if an NFL team has not committed to Las Vegas, then UNLV would have the opportunity to build a smaller college football stadium at a location that would need to be determined.

A stadium like this fills the only remaining gap in the entertainment portfolio in southern Nevada. Las Vegas is the global leader in tourism and hospitality. That industry supports more than 400,000 people in this state, but we do not currently have the events center or stadium that would allow us to host the largest events in the world. This would be an opportunity to close that gap, to provide job security for that enormous workforce, and to start another reinvention of the tourism and hospitality industry in southern Nevada.

As the committee started its work, we were told that there was an approximately $1.2 billion funding shortfall for the Las Vegas Convention and Visitors Authority for their project. Through the work of the committee and in working with local governments and the LVCVA, we were able to reduce that funding gap significantly. Funding the $1.2 billion would have required a room tax increase of approximately 1.35 percent. Through that work of reducing the funding gap, where we found existing sources for a large portion of that funding, that 1.35 percent room tax increase was reduced to 0.5 percent. Additional bonding revenue will only be $420 million, rather than the $1.2 billion that we started with. I want to thank the committee and all involved in that process for their significant efforts along those lines. It was exceptionally important. That allows the 0.88 percent that is recommended on the Strip for the stadium in addition to the 0.5 percent that is recommended for the Convention Center to be basically the same amount that we started with just

for the Convention Center. So the work of the committee really helped make the possibility of these two exciting projects happen.

In the other house on Monday, I was able to say that Monday was the fifth anniversary of my being in this job. It offers, at least me, the opportunity to look back on the leadership of the Governor, the decisions that this body has made, and the support that you have shown for economic development over the past five years. It stands out to me. In 2011, you changed the way economic development happens in this state. In 2013, you supported our efforts to secure a test site for unmanned aerial vehicles in Nevada, an effort that was ultimately successful. It has seen the growth of a new industry in the state. You funded the Knowledge Account and the significant projects that have come from that. In 2014, the entire state came together to attract Tesla to northern Nevada. That project has already made a major difference in the economy in northern Nevada and is helpful across the state. In 2015, you supported changes to data center and aviation abatements that have allowed, in just this short period of time, more than 15 aviation companies to commit to coming to or expanding in Nevada. It has resulted in Switch expanding three billion-dollar facilities in both the northern and southern portions of the state. They are connecting those data centers with state-of-the-art high-speed fiber. They are connecting the K through 12 system to that fiber. We are the most connected state in the country and the most connected location in the world. That would not have happened if it had not been for the decisions you made during the 2015 Legislative Session. Just ten months ago, we came together to bring Faraday to southern Nevada and open the Apex area for additional manufacturing jobs.

The work you have done, the leadership the Governor has shown, and the work of many Nevadans across the state, including regional development authorities, businesses, local governments—the willingness to try to find a way to say yes has allowed this state to change. We are diversifying our economy, but the tourism and hospitality industry is still, and will be, the foundational economic pillar in Nevada. It is critical that we continue to help drive that industry forward. It employs, as I said, more than 400,000 people. For perspective, we have 1.3 million jobs in this state. It is the critical industry in this state. The two projects contained in this bill are the two projects that will help drive that industry forward. They will create 14,000 jobs. They will create 25,000 years of construction work. It will bring in more tax revenue that is being raised in order to create these projects. It will provide UNLV with a world-class place to play football, helping to drive not only the sports programs at UNLV forward, but the University itself. We would certainly appreciate your support for this bill.

With that, I would like to turn the microphone over to Mr. Aguero with Applied Analysis, and he will walk through the presentation that is in the binders we provided you [Appendix D].

JEREMY AGUERO, PRINCIPAL ANALYST, APPLIED ANALYSIS:

As Mr. Hill indicated, my role today is to walk you through this presentation deck that has been provided to you, providing a few of the highlights relative to the structure of SB 1 and some of the background underlying that structure. There are two presentations that have been provided to you in your document [Appendix D]. The first one I am going to go through is entitled "Recommendation Summary: Las Vegas Stadium Project." The second one has the same title but only refers to the Convention Center expansion and renovation project.

Starting on page 1 of that document is the Southern Nevada Tourism Infrastructure Committee's actual recommendation. This is from that group's final report. That report is about 3,000 pages long, so we decided to pull out the pieces that were specific to these recommendations. As Mr. Hill indicated just a moment ago, it outlines the structure, the amount of public money, what is going to be built, and the amount of tax that would be required to make all of that happen. This is outlined in detail in SB 1. I know we are going to talk about that a great deal, so I will not spend a whole lot of time there.

Page 2 is the second portion of that same recommendation, which deals specifically with what happens in the event that an NFL team does not come to southern Nevada. In the event that that happens, SB 1 provides for the opportunity for the construction of a 40,000-seat collegiate football stadium, in which case the tax rate would be reduced, and UNLV would be required to identify and raise $200 million in private funding in order to support the development of that. The bonding component, the public component, of that has a maximum of $300 million.

With that, there is a significant amount of underlying data relative to the project in and of itself. There are six major areas in the presentation deck that is before you. I am going to walk through each one of them, just to provide a general overview of how the proposal works and what its component parts are.

I am going to fast-forward to page 5. This is the NFL stadium, the UNLV collegiate stadium, and the Las Vegas Convention Center bond repayment. I indicated a moment ago that the primary goal of Senate Bill 1 is the construction of a 65,000-seat NFL stadium in southern Nevada, allowing for a broad cross section of events to occur there. That having been said, the collegiate stadium is shown in the middle box, the slightly darker blue box. In the event that neither of those things happen—either the NFL team does not make it or, for some other reason, criteria are not met and the collegiate stadium is not constructed by the University of Nevada, Las Vegas—the available funds that exist would be shifted to the Las Vegas Convention Center for bond repayment or, in this case, early bond repayment of the Convention Center expansion and renovation project debt financing. In the event of that, the room tax would also sunset at that point as well.

Page 6 shows the timeline for the development. This slide is particularly helpful for understanding how all the pieces and parts begin to work together. On January 1, 2017, this initial period gets started in which a clock starts ticking, a stadium authority board is created, a tax is imposed, and revenues are put into a fund that will ultimately be used for the construction of the NFL stadium, a collegiate stadium, or, if none of those go forward, the repayment of debt for the Convention Center project that we will talk about in a moment. That is a 12-month timeline that the developer and the NFL have to make all of the commitments that are necessary. That includes getting the permission of the NFL to move a team to Nevada; putting in place a development agreement that is detailed and has a number of key provisions, which we will talk about more; and putting in place a lease agreement that provides for the operation of the stadium project itself. To the extent that 12 months is not enough, there is the provision for a 6-month extension of that. In the event that those things do not occur, UNLV then has 24 months to raise the $200 million necessary. So you can see the timeline as it exists, starting January 1, 2017, and completing July 1, 2020. Of course, it was important to the Southern Nevada Tourism Infrastructure Committee that a timeline was set so that progress could be measured and monitored on a go-forward basis.

Page 7 is the general structure of the NFL stadium recommendations. This outlines the parties involved and how they relate to one another. At the top of the page, in the light blue color, is the Las Vegas Stadium Authority. It provides stadium oversight. It also owns the stadium. This has been a point of question, both in the media and from general questions that have been received. This is a public stadium that a private developer, or developers, is investing in. The Stadium Authority properly sits atop the hierarchy that is presented on page 7.

You will notice on the left-hand side a line connecting the Las Vegas Stadium Authority to the Stadium Events Company. That Stadium Events Company is designed to run the day-to-day operations of that stadium. Their job is essentially to lease that stadium out. When there is a concert or a major event, their job is to make sure that it is operated, maintained, and that they are the point of contact for all of that activity. Section 29, subsection 3 of Senate Bill 1 requires the operating lease between the Stadium Authority and the Stadium Events Company and outlines exactly how that relationship will work.

Preceding that relationship, of course, is the construction of the facility itself. On the left-hand side of the same chart, you will see a relationship between the Las Vegas Stadium Authority and the developer partners. The developer partners are charged with the construction of the stadium itself. They are required to build it. They are responsible for any cost overruns that come from it. They are charged with constructing that facility. This requires a development agreement between the Stadium Authority and the developer partners. More of the detail of that will be discussed as we walk through the specific sections of SB 1.

At the bottom of this same slide [Appendix D], you will see the Raiders organization. They are required to execute a 30-year stadium lease. The reason for that 30 years is because it is coterminous with the length of the bonds that are proposed as part of the project. That means that in the unlikely event, for whatever reason, they were to leave after five years, they would continue to have to make lease payments for 30 years on that facility. As part of the testimony that came

through the Southern Nevada Tourism Infrastructure Committee, they also noted that the National Football League will require the team to execute a non-relocation agreement. We sometimes think about that as a multipart agreement. If someone is the developer, they are going to want to know that that NFL team is going to stay. That is why they are willing to make such an investment. The entities that they are going to have a lease with are the operating company and the Stadium Authority.

Going forward to page 8 of the same presentation, we can look at the general structure of the stadium recommendation and how the stadium itself is funded. This flowchart, if you will, looks at the process in terms of how we raise enough money in a public-private partnership to fully fund a $1.9 billion stadium. At the base of it is the fact that room taxes are imposed. It is a 0.88 percent room tax within a specific primary gaming area. We will talk more about that area as we go through the presentation. Then there is a 0.5 percent tax that is applied in a 25-mile area that we refer to as the stadium district. The center point for that district is where the Board of Commissioners meets. That is because it is something that is stable, so we can measure against that. That amount of money will generate roughly $50 million per year. The $50 million per year does not get us the $750 million that we need. We have to essentially borrow the money through the bond markets. Those bonds will be issued by Clark County. They will be general obligation bonds. We will essentially pledge that $50 million in order to secure that $750 million debt, if you will. When that $50 million comes in, that $50 million will not go directly to the Stadium Authority. I think that is very important to note. We have received some questions about it, so I wanted to point this out. Those monies go directly to the Clark County Treasurer, who is an ex officio member of the Stadium Authority. That way, the protections of an elected official—monitoring and viewing those dollars coming in, ensuring that reserves required by those bonds are maintained, ensuring that those bond payments are always the first priority of any of those dollars that go forward—are provided through the County Treasurer.

Immediately below the Clark County Treasurer box is the Stadium Authority. The Stadium Authority is an administrative public body that is charged with overseeing the stadium operation, both in terms of its construction and its ongoing operation. It will have a waterfall of revenue. You have probably heard that term as we have walked through this or as you have looked at that particular section in SB 1. I will talk about that a little bit more in a moment. That gets us the public contribution: $750 million for the stadium project.

On the far right-hand side, you will see the darker blue boxes that reflect the private sector's contribution of $1.15 billion for the stadium project. That is a combination of the Raiders, who have committed to $500 million toward the deal, as well as the balance of that, $650 million, from the Adelson family. Again, any cost overruns that are the result of the project are the sole responsibility of those dark blue boxes on the far right-hand side of this chart.

Page 9 of the presentation is the waterfall that I just mentioned. I want to make sure that I am also clear about this. This waterfall only applies to those monies after the principal and interest on the bonds have been paid and any required reserve by the bonds have been fully funded. These include an operating budget for the Stadium Authority not to exceed $2 million per year. In the very unlikely event that the stadium operator breaches its contract and walks away for some reason, those monies in the waterfall can also be used to mitigate that and fill any gap. The alternative to that would be to essentially put the stadium itself in harm's way or shut it down, which seemed like worse options. Again, this only applies in the event that there is a breach of contract, where essentially an emergency is created and we need to have incremental funding in order to keep business going. Those monies can be shifted as part of the waterfall.

Contribution to the Las Vegas Metropolitan Police Department is shown on your document [Appendix D]; however, that was removed by the Senate as part of their amendments, so I will skip over that. As I mentioned, the expectation is that there are likely to be reserves that will be required by the bonds as part of Clark County's normal bonding process. However, in order to ensure that the security of this funding is significant and far-reaching, there is a second reserve that is created out of the waterfall, and that is funded at $9 million per year until such time that two years' worth of average debt service is held in a reserve account. That means that in the extremely unlikely event that we have two years in which there is no revenue whatsoever generated by room tax in Clark County, we would be able to continue to make the debt payments on these bonds.

Payment to UNLV is listed in the fifth item for demonstrated losses due to the closure of Sam Boyd Stadium. The University of Nevada, Las Vegas provided the committee information relative to the non-football events and some relative to football events. It was clear that the closure of the Sam Boyd Stadium could have a negative impact on UNLV, respecting the fact that the opening of a new stadium could have a very positive impact on UNLV. To ensure that the negative impact is mitigated, the committee believed that when Sam Boyd Stadium closes, the Stadium Authority should consider up to $3.5 million a year for up to ten years to mitigate any of those losses.

There is also an additional contribution to a capital fund of about $5 million per year that is shown in the sixth item. Any funds that are not expended as a result of this waterfall, 10 or 15 years down the road when room taxes have hopefully beaten expectations and there is additional revenue, have to be used to buy down the amount of debt—essentially, pay it off early or reinvest in the project. At the point when those bonds are paid off, the amount of the tax is automatically reduced to one-eighth of 1 percent, which is the amount required to fund the Stadium Authority and the amount required to continue to fund the required capital as well.

On page 10, you will see the UNLV payment from the waterfall. Sam Boyd Stadium hosts a number of events. Those events generate about $3.5 million in net annual revenue. When the Las Vegas stadium is operated by a private operator, Sam Boyd Stadium will close. University of Nevada, Las Vegas football revenues are expected to improve, but the goal was to make sure that UNLV was protected as part of that transition. That was contemplated as part of the deal.

I will jump past the stadium rendering, although I do think it is important to understand that as part of the development project, the development agreement requires that the developer build something that is consistent with a top-tier, premiere NFL stadium. I think most of us are probably familiar with what those stadiums look like. This is a rendering of what one might look like in southern Nevada. That is a very high standard. It is probably the highest standard you can have in the construction of a stadium project. They are required to demonstrate their ability to do that to the Stadium Authority, pursuant to section 29, subsection 2 of SB 1.

The stadium funding comparison is something that took a fair amount of conversation at the Southern Nevada Tourism Infrastructure Committee, regarding how much the public would be contributing in Nevada versus how much the public has contributed in other areas around the United States. We refer to that as an XY plot. I am sure there is a better way to state something like this—scattergram or something like that. Of the two axes that you see, the bottom axis is the amount of population in each one of these areas. On the axis that runs up and down, you will see the public share of the contribution for a number of public stadiums that have been built over a long period of time. You will see where the Las Vegas stadium fits in, at the $1.9 billion level and the 39 percent contribution.

Now, there has been a lot of discussion about the fact that there are some on the far right-hand side of our chart, but you will notice that there is an indirect relationship, if you will. The line moves from the top left down to the right. As population gets larger, the amount of the contribution tends to get smaller. Why is that? That is generally because in very large areas—places like New York, San Francisco, or Atlanta, for example—there are very large corporate bases. The ability to sell many more corporate suites at higher rates have a tendency to provide a greater offset to the project. You will notice that if we look at our comparable markets relative to size, we are relatively competitive with—if not superior to, in some ways—those particular projects.

Going forward to page 13, I am going to shift to the issue of public oversight, structure, and responsibilities. This has been a significant issue brought before the Southern Nevada Tourism Infrastructure Committee, with a fair amount of debate relative to this. There will be a seven-member committee—two members appointed by the Board of Commissioners, three by the Governor, and then two public-at-large members appointed by the other five members. The one member who is missing from here and who I probably should have included is the one ex officio member: the Clark County Treasurer.

Jumping forward to page 15, what are the roles and responsibilities of the Stadium Authority? It is a public body subject to state open meeting laws and all other laws applicable to governing public agencies. It owns and oversees the stadium. It also owns the land underlying the stadium. It must approve the location. It must approve the development plan. It must approve the operating agreement. It manages the waterfall and makes sure that there is sufficient revenue there. It

manages the stadium capital improvement fund and related expenditures. It is required to approve the capital program for the stadium, to which the developer is required to contribute.

Under the collegiate stadium, there is a nine-member board. Four members are appointed by the Board of Regents; one member is appointed by the Governor; one member is appointed by the Board of Commissioners; one member is appointed by the Las Vegas Convention and Visitors Authority; and two public-at-large members are appointed by the first seven members of the board. Again, there is an ex officio member: the Treasurer of Clark County.

I will jump forward to the next section—contributions of and benefits to each party—on page 17. Page 18 provides an illustration for what I have already told you before in terms of where the funds come from, but at the bottom of page 18, there is a fairly helpful illustration in terms of where those monies go. The expected cost for the actual stadium is $1.325 billion. This would be the hard and soft costs of the stadium. Land, infrastructure, and site costs are another $375 million. That includes the underlying land of the stadium. It includes the developers' commitment to work with Clark County, the Department of Transportation, and others relative to both on-site and off-site infrastructure as well as site improvement costs that they are required to include. That is $375 million for those expenditures. There is the inclusion of a practice facility that is $100 million, and then there is a contingency at $100 million. Combined, those total $1.9 billion.

Page 19 is the stadium operating estimates. This is sometimes referred to as the pro forma that looks at the revenues expected to go into the stadium project, the expected costs, and how those costs will ultimately be used. The stadium operator, the Stadium Events Company, bears the operating risk. In doing that, they get the revenues. They also bear the cost of the expenditures and are able to take the net operating income as a return on investment. The estimate that was provided to the Southern Nevada Tourism Infrastructure Committee suggested that the project would host 46 events. There were some folks who said that that was woefully too high, that there was no way that they were ever going to get 46 events. There were others who said it was woefully too low, that really the number of events would be significantly higher, particularly if you start looking out into the future. There were 51 separate models that were constructed to do stress tests. As a result, the committee asked for a number of those tests, which looked at different options and tested what happens if ticket prices go up or if the number of events goes down. These are three of the scenarios that were run—one at 30 events, one at 46 events, and one at 62 events. You will see that the total amount of attendance is different between those scenarios. In each scenario, it shows how much is expected from facility revenues, suite sales, concession, merchandise, and parking. The total event revenue is summed there: roughly $32 million in the base case. Then we have non-event revenue that was provided to the committee in terms of naming rights, catering, advertising, stadium tours, and the like. Those are also listed there. If we add those two together, they add up to total revenues. We then have the estimated cost to operate the stadium. That number is roughly $22.1 million per year. What is left over is $20 million. We refer to that as net operating income, or income that is available for distribution to the developer for their investment. If we look at the private sector investment at $650 million, that $20.4 million equates to 3.1 percent per year. At the higher end of the spectrum, it is 5.2 percent. On the lower end of the spectrum, it is 1.4 percent in terms of potential return on investment.

Jumping forward to page 20 are the benefits to the Stadium Authority or, as we think about it, the benefits to the public. Benefits include significant economic activity—jobs and income for working families. I am going to talk about that in a moment. There will be additional tax dollars for education and state and local governments. Another benefit is that the stadium is publicly owned—the public is putting in $750 million and, in return, getting a $1.9 billion asset that produces significant economic activity each year. The state of Nevada gets an NFL team. The University of Nevada, Las Vegas gets a new home to play home games. That is an important component, as President Jessup has indicated, of moving forward and becoming, hopefully, part of a Power Five conference. Another benefit is new and expanded events that we cannot host today. The committee took significant testimony over multiple days regarding events that are currently at Sam Boyd Stadium. Those who gave testimony complained about the fact that they actually have to charge higher ticket prices because of the capacity and configuration. Events that go to those places have to invest millions of dollars every time they come because the facility itself cannot handle it, and they are essentially trying to configure it to make it work. Other new events

would come to the stadium. As Mr. Hill indicated a moment ago, there are events we just cannot get today because we do not have a venue that is competitive with ones of this size. Then another benefit is, ultimately, filled hotel rooms. Mr. Ralenkotter and folks at the LVCVA always talk about heads in beds. That is always a significant consideration.

What do the stadium events look like? What does the profile look like for those stadium events? Those are provided on page 21. They include not only NFL and UNLV games, but also neutral site football and college football bowl games. They include stadium concerts, international soccer matches, and other major events that we are not getting in southern Nevada today as a result of limitations of existing facilities.

On page 22, we have provided a brief summary in terms of the economic impact of the facility based on the base-case scenario. We estimate the economic impact will be roughly $620 million. That is based on about $417 million of direct spending from incremental visitors, and I will talk about those incremental visitors in a moment. The number of new annual visitors is 450,000. The number of new additional room nights—because folks stay more than one night—is 708,000. The number of construction jobs, which are measured in person years of employment, is almost 19,000. The number of permanent jobs is 6,000, with an average wage of about $38,500. In terms of the fiscal impacts to the state, the expected number is roughly $12.5 million and to local governments, $22.5 million. Those two numbers combine to $35 million, with $13.4 million of those dollars going to education.

Page 23 are the numbers that I think have been, at least in some national media reports, somewhat misconstrued. At the end of the day, when we are thinking about economic impact, we are only considering the incremental economic impact from a visitor who says to us that they would not have come to southern Nevada, they would not have come to Las Vegas, but for a special event that draws them there. How do we know that type of information? Through survey data. The Las Vegas Convention and Visitors Authority does that work on things like the rodeo and NASCAR [National Association for Stock Car Auto Racing]. We have done work on major special events—things like combat events, like the UFC [Ultimate Fighting Championship]—and then we also can look at the existing facilities. What do our arenas, showrooms, and those type of things do now? We know, based on evidence that we have, that those numbers are as high as 80 percent for tickets being sold to nonresident consumers. We looked at the attendance that was estimated for each event in terms of what we thought we could potentially get from folks who are out of town and who are making the choice to get in a car or get on a plane and come to Las Vegas to see that event. This is what the numbers look like. The estimated attendance is 1.97 million. The estimated attendance that is expected to come just from visitors is 818,000. The estimated visitors that we are saying would not have come to Las Vegas otherwise is only 451,000 of the 1.9 million attendees that are expected to attend events every year at the stadium. We believe this is a conservative estimate, and we believe it is appropriate. It is also very inconsistent with other estimates that are done across the United States in terms of when they estimate their economic impact. I understand that those economic impacts are oftentimes suggested to be very aggressive, and I will tell you that if we pull those visitors out of our economic impact, it would be negative. It is not, because we have 150,000 rooms in southern Nevada, we have a competitive advantage in this sector of our economy, we are leveraging it from an economic development standpoint, and it cuts us quite apart from what we have seen in other areas.

I would direct your attention to the next page, page 24, dealing specifically with that economic impact. At the top of that page is the economic impact that you will commonly hear in other areas. The one that we use is the one at the bottom right. Now, I am not going to spend time going over this again. I have probably made my point stronger than I needed to, but having said that, I do think that focusing on only the incremental economic impact is an important element of understanding that we do believe that these impacts are going to be more significant than in other areas as a result of that.

In addition, I would like to draw your attention to page 25 [Appendix D], which looks at the fiscal implications associated with the stadium project. Page 25 shows a $35-million-a-year incremental fiscal impact. What is not included here may be more important than what is included. Because we did not know exactly how it would work, we have not included the modified business tax in this calculation and we have not included the commerce tax—both of which would apply. If I had to estimate that for you here today, I believe it would be somewhere between $7.5 million

and $10 million, in addition to what I have shown here. Because the Southern Nevada Tourism Infrastructure Committee was not comfortable with us making any estimates in which we could not have a relatively reasoned and strong backup, we did not include those taxes in these numbers.

Page 26 takes us to the fourth section, which deals specifically with the funding recommendation. I alluded to this at the beginning. I will only touch on it here. The resort corridor tax will be 0.88 percent. Outside of the resort corridor but within 25 miles—so eliminating outlying areas—will be 0.5 percent. Anything outside of 25 miles sees no increase. This is sufficient to fund up to $750 million in a public contribution. The expectation is that the tax will come online within four months of passage and approval. The funds will be used both for PAYGO [pay-as-you-go] funding—that is cash that is collected that goes directly into the project—as well as the repayment of bonds. This is the number that is sufficient to ensure not less than 1.5 times coverage. That coverage is significantly higher based on all of the estimates that have been provided. What does that 25-mile ring look like? That is provided on page 28 for your reference.

In the event that the NFL stadium is not constructed but the collegiate stadium is constructed, for whatever reason, the amount of the tax is reduced to 0.375 percent, or three-eighths of 1 percent, and the tax outside of the resort corridor is reduced to 0.25 percent, or one-quarter of 1 percent. This is intended to fund up to $300 million for the construction of a collegiate stadium by UNLV. The tax rate becomes effective only if the NFL stadium does not move forward. The funds are also used for PAYGO and the replacement of bonds and similarly require strong coverage of 1.5 times.

I also got the question this morning relative to what happens if we keep relying on the room tax and we keep ratcheting up that room tax. It is a concern. It is one that came up at the Southern Nevada Tourism Infrastructure Committee and one that has been raised by the national media from time to time. This chart shows you where we lay out relative to that. Our rate, currently at 12 percent, is among the lower rates of major cities across the United States. We would go to 13.38 percent, which would keep us very competitive overall nationally.

An additional consideration was transportation and other stadium-related infrastructure. As I alluded to before, section 29, subsection 2 of SB 1 requires a development agreement, and that development agreement contemplates infrastructure, including transportation.

Page 32 talks about the movement and the unique nature of building something adjacent to the Las Vegas Strip or the resort corridor. There is incredible flexibility and a huge concentration of population in a very small area. An estimated 42 percent of stadium event attendees will be by those who take advantage of transportation options within the resort corridor—taxis, ride-hailing services, monorails, and other types of transportation. I would bring your attention to the note at the bottom of page 32: "The developers are required to pay for added infrastructure costs that result from the construction and operations of the stadium." This idea is contemplated. There is multimodal activity within the resort corridor, which is shown here on this exhibit.

In addition to that, how do you get that funding? How do you get those payments? On page 33, there is an example of a high-impact project. Essentially, a major project—like the stadium we are talking about—has to go through this process with Clark County. They have to contemplate the incremental costs for infrastructure, and the developer either has to develop that infrastructure, or they are effectively sent a bill for the cost associated with the construction of that infrastructure. We have shown this on pages 33 and 34 so that you have an example of exactly how that works.

Finally, I would like to talk for a moment about the risks and mitigations associated with the stadium project. A couple of deal points that I think are important—one is that the Oakland Raiders and the Adelson family will contribute $1.15 billion. The costs of any construction overruns, as I have alluded to before, are the responsibility of the private developer. The same thing is true with the stadium operating company. The Stadium Authority is a public body subject to the Open Meeting Law and is required to approve the location, the development plan, and the operating agreement. The NFL team is required to execute a non-relocation agreement. The first $100 million of costs are required to be paid by the developer, and the county bonds require 1.5 times coverage and include a reserve fund that can be as much as two years of those debt payments.

What happens if the room tax does not meet expectations? There are many things: the reserve fund, the additional dollars that are out there—all of those things that we have already talked about

here. The only issue that I think we have not talked about is what is on page 38, where a stress test was created to look at what happens in the event that the Great Recession that we just weathered were to happen again. We essentially modeled the decline of 24 percent in one year, followed by an 8 percent decline in the next, which is consistent with what we saw during the Great Recession. That is what is reflected here, indicating that we would still have sufficient coverage without even going into the reserve fund to fully fund the project.

What happens in the equally unlikely event that the developer fails to perform? First, the public would have all the rights and remedies of any contracting party. Second, all of the assets are owned by the Stadium Authority. So the land that is contributed as well as the assets would inure to the benefit of, and be owned by, the Stadium Authority. Third, the NFL team would have to continue to pay on its 30-year lease. Fourth, the public Stadium Authority has the ability to identify and simply contract with another vendor. Fifth, if the stadium operator fails to perform, the room tax bond coverage funds, available to fund all bond payments, would ultimately be used.

Mr. Chair, I appreciate the opportunity to have presented this. I will turn it over to Mr. Hill to present on the Convention Center expansion and renovation.

STEVE HILL:

If I could ask the Committee to turn to the first tab in your binder [Appendix E], I will walk through the recommendation and the portion of the bill related to the Las Vegas Convention Center expansion and renovation. In the bill itself, this begins in section 53 and runs through and includes provisions in the final section of the bill.

On page 1 [Appendix E], we have extracted the recommendation that the Southern Nevada Tourism Infrastructure Committee made, and that is that the room tax be increased by one-half of 1 percent in Clark County to contribute to the funding of the 1.4-million-square-foot expansion and the renovation of the 3.2-million-square-foot facility that is currently in place.

On page 2, you will see a table of contents that outlines the five key considerations in this recommendation. Before skipping ahead to page 4, it might be helpful if you glance at page 5, which is an overhead view of both the current Convention Center as well as the potential expansion locations. The Convention Authority refers to this entire program in four phases. Phase 1 was the purchase of the Riviera and the land associated with the Riviera land, so you can see that on the left side of the page. That is Las Vegas Boulevard running through that corner and the 26 acres included in that Riviera purchase.

Phases 2 and 3 are what are contemplated in the recommendation and what were the focus of the Southern Nevada Tourism Infrastructure Committee's work. Phase 2 is the construction of the expansion. That is in that darker blue location, which is currently the gold parking lot for the Convention Center on the east side of Paradise Road. Once that facility is constructed and operational, then Phase 3 would be implemented.

Phase 3 would renovate, in three approximately equal phases, the current facility. You can see that, for example, the little red box would allow access to the convention facility from the east side, which is currently not available. That orange line is a connector that connects the north hall, the central hall, and the south hall. For example, if food service is needed in the south hall of the current facility, the only way to get food to the south hall is to put it on a cart, take it outside, wheel it across the front of the Convention Center and over to the south hall, take it through the door, and serve it. Those types of problems that have been created somewhat naturally, because the facility has been constructed piecemeal, would be resolved as a result of this renovation.

Moving on to page 6, there is a depiction of what the new facility may look like. Page 7 includes further representation of what the expansion and the renovation would provide.

Page 9—we have discussed some of the issues and the reasons for why this project is needed. The facility lacks technology, connectivity, and other amenities that, frankly, our competitors across the country and across the globe have and that our visitors expect when they come to Las Vegas. The south hall is constrained by height and weight restrictions as well as the serviceability that I discussed previously. Many of the large trade shows—and we heard from seven or eight of the trade shows that take up the entire facility now—are simply running out of room and need that expansion to continue to grow. Those space limitations inhibit the bookings of additional shows.

On page 10, you can see the timeline for the construction of the current facility. The central hall was originally started in 1959. It is 57 years old. It has never had a major renovation. I think this shows the piecemeal fashion of the construction projects that have been built over the years. They were necessary. They were the right decisions at the time, but the facility now requires all of those areas to be coordinated and brought into the 21st century and to a standard of what Las Vegas wants to present to our customers and what our customers expect.

On page 11, you can see some of the quotations that came from the committee meetings. We had representatives of those customers and of those trade shows come to the committee and make a very strong case as to why this project is necessary. Earlier, Mr. Aguero showed you a list of room taxes. Those same cities are looking to knock Las Vegas and Nevada off its perch as the number one destination for conventions in the United States, and they are investing heavily to do that. You can see the state-of-the-art facilities they are building in order to become the number one destination as well. We need to make sure that does not happen. We need to bring our facility up to those same standards. Orlando, Chicago, New York, Los Angeles, and Houston are all investing roughly equivalent amounts of money in order to try and knock us off that perch. We need to make sure that does not happen.

From a funding standpoint, as you can see on page 14, the bottom line on the project will be approximately $1.4 billion over the course of that roughly seven years. As I said, when we started, we thought we needed about $1.2 billion to contribute to the cost of this project and add to the existing sources that the LVCVA had. When we started, the existing revenue source would have been approximately $200 million. As I said, through the work of the committee, working with local governments to allow the cap on the local government collection allowance, as well as working with the LVCVA through its existing revenue sources and budget, we were able to save approximately $700 million to $750 million that is now available to be put toward that project, which reduces the amount of room tax necessary.

Just briefly on the collection allowance cap—currently, local governments in southern Nevada are permitted to receive, and do receive, 10 percent of the room tax that is allocated to the LVCVA. Right now, that amount is approximately $25 million, just a little less than that. We worked with local governments to allow us to cap that amount at roughly the current amount, $25 million, so that as the room tax grows, that additional revenue can be put toward this project. That is one of the revenue sources for the construction of this project that everyone involved in this conversation worked together to help make available.

On page 16, you will see a graphical chart depicting how the oversight committee, which was recommended by the Southern Nevada Tourism Infrastructure Committee, would operate. The seven members would be appointed by the Governor. The experience and expertise they would bring are outlined in the bill. There would be five executives who understand how to build convention centers and have experience doing that in the hotel/resort industry and two members with experience in the financing of those types of projects.

The oversight committee would be staffed by the LVCVA. In a prescribed timeframe, they would be provided recommendations that they would be charged with reviewing. That oversight committee would then respond to those recommendations and would either approve or disapprove of that recommendation. If they approve, the project simply moves forward. If they disapprove, the Board of Directors of the LVCVA would have two options. One option would be to revise their recommendation to the oversight panel and work with the oversight panel to achieve approval of that recommendation. Alternatively, if they felt that the recommendation they had made to the oversight panel was justified, they have the ability to override the response from the oversight panel through a two-thirds majority vote by the Board of Directors. If they choose that course, they are required to put that step in their minutes. They are also required to report the fact that they have overridden the recommendation from the oversight panel to the Legislature and to the Governor.

On page 18, we have outlined the economic and fiscal impacts that the Convention Center project would bring. Those impacts are generated in the same way that Mr. Aguero described with respect to the stadium. We would bring nearly 8,000 new jobs to southern Nevada. There would be nearly 14,000 years of construction employment as a result of this project. There would be an annual economic impact of $800 million and over 1.1 million additional room nights. From a fiscal standpoint, there would be nearly $50 million annually generated in new tax revenue.

Approximately $15 million of that would go to the State General Fund. Almost $20 million of that would go to education.

Mr. Chair, I would like to turn the microphone back over to Mr. Aguero to walk through the bill itself.

JEREMY AGUERO:

Mr. Chair, thank you for the opportunity to walk the Committee through the first reprint of SB 1. With your permission, I am going to go directly to page 5 and skip over some of the introductory sections.

Section 1 provides the name of the act. It will be referred to as the Southern Nevada Tourism Improvements Act, which includes both elements that Mr. Hill and I went over. The declarations and legislative findings are in section 2. Importantly, this is a special act, so these particular provisions outline the importance of the tourism economy, including the infrastructure that drives that economy.

I will fast-forward to section 3. Section 3 begins a series of definitions. These are the definitions that are used throughout the document, including defining the Board of County Commissioners, the Board of Directors, stadium terms—all of those types of things. I will try to point any of that out where it becomes particularly important or may be confusing because some of the sections use terminology that can be a little bit similar. Those definitions go from section 3 through section 20. Section 20 goes all the way to page 9.

Starting in section 21 is the creation of the stadium district. As I alluded to a moment ago, that is a 25-mile ring from the center of Clark County, where the Board of Commissioners holds its meetings. That is set at one point in time and is then used for the creation of the NFL [National Football League] stadium district. I would also like to point out in section 21, subsection 4, lines 33 and 34, the concept that the County Treasurer is the ex officio member. You will see this concept throughout. I am not going to point it out all the way through, other than to point out that the ex officio member being part of the fiscal oversight process is included throughout.

As we continue to section 22, the Board of Directors of the Stadium Authority is created. Three members are appointed by the Governor, two members are appointed by the Board of Commissioners, and two represent members of the public. Additional language at the bottom of page 10 states that two of the members to be appointed—one by the Governor and one by the Board of Commissioners—must reflect those taxpayers who generate the most room tax and who would contribute significantly to the project.

Section 23 is the timing and terms of those Stadium Authority appointments. It requires the Governor to make his appointment not less than 30 days after the effective date. You will note in section 23, the terms are staggered. That is why those dates are different throughout there—in order to ensure we are not rolling over the Board of Directors in its entirety throughout the process. Section 23, subsection 3 indicates that there are four-year terms for those folks. Section 24 deals with the appointments of the Stadium Authority members. Again, who is going to be the chair, the vice chair—all of those types of things—are set forth in section 24.

Section 25 of the bill outlines the significant responsibilities of the secretary of the Board of Directors. Keeping minutes, audio recordings, and all the things we have come to expect from public meetings are required by section 25. Section 26 of the bill refers to the Stadium Authority's ability to hire and direct its staff—again, not unlike any other public agency. Section 27 is the Stadium Authority's general powers. It may sue and be sued, adopt bylaws—things like that.

Section 28 begins the sections that have the general powers of the Stadium Authority. I generally take sections 28 and 29 together. Section 28 allows the Stadium Authority to sue and be sued, to receive property, to apply for gifts, to receive audits—things such as that. I will point out that the Stadium Authority, under section 28, subsection 7, may consider and approve or disapprove an annual capital improvement budget for the NFL stadium project. Again, that is an important responsibility.

There are three subsections in section 29. Subsection 1 deals with a series of certifications, subsection 2 deals with a development agreement, and subsection 3 deals with a lease agreement. I will take each one of these in turn, although I will attempt to be brief.

Section 29, subsection 1 deals with a series of certifications. Has the NFL approved the team to move? Has that team elected to move to southern Nevada and made that clear? In addition to

those elections, has the developer, under paragraph (c), demonstrated to the satisfaction of the Board of Directors that it can successfully develop and, under subparagraph (4), provide the Board adequate financial security for the performance of their financial obligations? You will see this referred to later on, but I wanted to point it out here as well.

In section 29, subsection 2, you will see the development agreement. The development agreement is essentially what has to be developed. You will see references to the site, the overall design, and what it has to have in terms of fit and finish. You will see periodic progress reports. I wanted to draw your attention to paragraph (f), as it requires any and all development and construction cost overruns to be the sole responsibility of the developer partner, with the sole exception that after a development agreement is entered into and there is some change that is required by the Stadium Authority, then that would be open for negotiation. Paragraph (g) refers to other sections that we will talk about in a moment, including things like prevailing wage and the small business requirement, which you may have heard about. Paragraph (h) is worth pausing on. This deals specifically with requiring the developer to contribute adequate contribution to off-site infrastructure, as determined to be necessary for the project by the Department of Transportation, the county, or a municipality in which it exists. Other paragraphs in section 29, subsection 2 require that liens are not carried forward and that multimodal facilities are taken into consideration.

Section 29, subsection 3 is the operating agreement. This is for the operations of the stadium after it is constructed. It includes making sure that the Stadium Events Company has full operating control, that there is no interference with the manner in which it is programmed for events, and that they can retain folks to run the day-to-day operations. It requires the minimum standards for maintenance and construction. It requires that the stadium developers are liable—that is in paragraph (f). I want to make sure that I point that paragraph out, which states that the agreement must state that "the Stadium Events Company and the developer partner are liable jointly and severally for the operating losses of the project or the Stadium Events Company," essentially saying that the public is not responsible for the fact that there are annual operating losses at the facility.

The agreement to have cooperation between the University of Nevada, Las Vegas and the stadium begins in paragraph (g) and continues through paragraph (j). It provides for home field access to the facility. It requires for the dates to be set. I am not going to repeat what President Jessup indicated in some of his testimony before this body earlier, but this was a long discussion between the University of Nevada, Las Vegas and the developers to get to a point where everyone agreed that this was in the best interest of all parties.

Continuing to page 18, we have more information relative to that agreement, including simultaneous access and things such as that. I did want to point out a few things in paragraphs (k), (l), (m), and (n). Number one is the existence of an audit that is required—that is in paragraph (k) as well as paragraph (l). Under paragraph (m), the term of any lease agreement must be 30 years. Under paragraph (n), the ownership interest can be transferred at one point in time.

Section 29.5 is the concept of the community benefits plan. Subsection 1 creates that plan. Subsection 2 creates enforcement for that plan.

Section 30 relates to confidentiality. This is a public body. It has all of the required reporting requirements, open meetings, and all of those types of things. Subsection 4 allows for confidentiality for proprietary or confidential information. It could be a trade secret or something that could potentially put a party in an unfavorable competitive position. It is a narrow carveout, but it does exist there because there is sensitive information that will come before the Stadium Authority.

Section 31 deals with the provisions of *Nevada Revised Statutes* Chapter 338. This is the public works law. It essentially exempts the project from almost all elements, barring the prevailing wage component of Chapter 388.

Section 31.5 is the section that was also added during the discussions in the Senate. It deals with a small business hiring requirement. There are a number of specific provisions here, but essentially 15 percent of the work constructing and operating the project must go to small businesses. In subsections 2, 3, 4, 5, and 6, all of those are defined—what a small business is; the fact that the small business has to have worked in Nevada for four years; the fact that its principal business must be in this state; the fact that it gets to take advantage of the bond insurance that the

general contractor has; the fact that it cannot, under subsection 4, discriminate in the way that it hires its employees; that it will require mentorship programs; that it will provide all required records; and, in subsection 7, if the general contractor fails to follow these, they are in material breach of contract. Subsection 8, I will argue, is equally important. Subsection 8 deals with the fact that in the event that we cannot get 15 percent in some area of construction, the Stadium Authority has the ability to waive that requirement where there is sufficient evidence to do so. For some very specific subcontractors, we may not be able to get to that level, and we wanted to be cognizant of that.

Section 32 deals with the sale of personal seat licenses. You will hear these referred to as PSLs. Overall, the section essentially creates a construct where those PSLs are owned by the Stadium Authority but are given to a third party to be used for sale to generate revenue for the project. That revenue is attributable to the NFL team. This allows us to, frankly, save money by going through this process. There are portions here that I think are particularly important. Subsection 5 specifically says that none of this can be considered debt for the Stadium Authority. The Stadium Authority could only be sued for specific performance, which is to say that if we are going to sell seats, we actually have to give them the seats.

Section 33 imposes the tax—0.88 percent within the primary gaming corridor and 0.5 percent in the balance of the area within the 25-mile ring surrounding that property. In subsection 5, the primary gaming corridor is defined. You can think about it generally as the Las Vegas Strip area. It is defined as the area that generates the most amount of gaming revenue. According to the Nevada Gaming Abstract, that is the Strip area by a very significant margin. Subsection 6 requires that the tax itself is reduced at the point of which bonds are paid, from 0.88 percent to one-tenth of 1 percent.

Section 34 provides for the uses of the room tax. Section 34 is segmented into three component parts: what we do with the money before the bonds are issued; what we do with the money after the bonds are issued; and what we do after the bonds are paid off in whole. Before the bonds are issued, the Stadium Authority can spend up to $1 million for the administrative costs of operating. Once the bonds are issued, we pay the bonds, make sure the reserves are fully funded, and then fund the waterfall that we talked about previously. After the bonds are paid off, we simply pay for the operating costs and the capital requirements of the Stadium Authority. That is what happens throughout the totality of this section.

Section 35 begins at the bottom of page 29. These are the special provisions for any agreement between the Stadium Authority, the developer partners, or the Stadium Events Company. They provide that the amount of debt can never be more than $750 million. They also indicate that that amount needs to include the PAYGO cash. If any money is collected and used toward the stadium, then that must also be included in terms of that value. Subsection 1, paragraph (c) also requires that all land, improvements, and other property of any kind included in the total cost of the stadium need to be solely owned by the Stadium Authority. The same section requires that land and improvements are provided as required, so forth and so on.

I do want to draw your attention to section 35, subsection 2, which requires that the initial payment for construction is $100 million. It requires that anything after that is pro rata until the last $50 million is required, at which time the public money is required to fund the project, which would be the county in that case.

Section 36 requires the issuance of general obligation bonds. There are a series of determinations that have to occur. The development agreement has to be executed. The lease agreement has to be executed. There needs to be demonstrated sufficient revenue for 1.5 times coverage. The contract for the construction of the stadium must be a guaranteed maximum price contract so that the cost of the project cannot be a variable. The prime contractor has to provide adequate security for the project. The developer partners must provide the necessary financial commitments, including the four items that are listed in subparagraphs (1), (2), (3), and (4) of section 36, subsection 1: an irrevocable deposit of cash; closed construction debt financing; approved financing through the G-4 or subsequent program from the NFL; and an irrevocable letter of credit.

Section 37 relates to the dissolution of the Stadium Authority Board of Directors once its work is completed or in the event that the requirements are not met. Page 36 begins section 38 of the bill, which is the election to pursue a collegiate stadium by the President of the University of

Nevada, Las Vegas in the event that an NFL stadium is not constructed. Section 38, subsection 1 says that the President of the University may elect to do that. Subsection 2 requires that any money that was not spent by the Stadium Authority as a result of the NFL team not coming must be transferred to the University in a similar account to be used similarly. Subsection 3 also relates that if the collegiate stadium is not constructed, the Convention Authority is to receive those funds, which is exactly what we talked about previously. Subsection 4 requires the University to generate $200 million in public funding in support of that project.

Section 39 creates a collegiate stadium district in exactly the same fashion as we talked about previously. Subsection 2 creates the Campus Improvement Authority, which is very similar to what was created in terms of the Stadium Authority that we talked about a moment ago. The makeup of its Board of Directors is a little bit different. One member is appointed by the Governor, four are appointed by the Board of Regents, one is appointed by the Board of Commissioners, one is appointed by the Convention and Visitors Authority, and two public-at-large members appointed by the other members. There are nine, instead of seven, members. The vast majority of the sections are identical there as well.

Section 41, which begins on page 39, is the appointment of the Board of Directors of the Campus Improvement Authority. You will notice that there are staggered terms. You will also notice that, in subsection 3, there are four-year terms, which is very similar to what we talked about previously. Sections 42 and 43 are the appointments of chairs and vice chairs and the roles and responsibilities of the secretary. Section 44 simply states that the Campus Improvement Authority can retain its staff.

In very much the same way as was set forth previously with the Stadium Authority, section 45 lays out the similar powers of the Campus Improvement Authority. Section 46 provides general powers. These are almost exactly the same as what you saw before; however, subsection 1, paragraph (c), subparagraph (2) calls for the construction of a 40,000-person stadium that is consistent with the best standards of collegiate stadiums in comparable universities.

Section 47 is the Campus Improvement Authority's ability to spend the money to develop the stadium. Section 48 includes the same provisions that we talked about earlier relative to *Nevada Revised Statutes* Chapter 388, referring to public works. Section 48.5 is the same language we talked about a moment ago related to the small business requirement. It is similarly required of the collegiate stadium.

Section 49 is a noninterference requirement for the Board of Regents. Section 50 is the imposition of the lower tax rate that we have talked about before. That tax rate is not 0.88 percent and 0.5 percent. It drops to three-eighths of 1 percent and one-quarter of 1 percent. You will notice that, in subsection 6, it drops to one-tenth of 1 percent at the point of which those bonds are constructed.

The Campus Improvement Authority's use of funds is in section 51. Those are the same as we have talked about in other places. Section 52 includes the determinants required to issue the bonds themselves. These are all very similar to what we discussed a moment ago in terms of the Stadium Authority. The only difference is the requirement to generate $200 million in private funding for the college football stadium.

In section 53, we begin the discussion of the Convention Center and the discussion of the stadium itself. Section 53 is the creation of the oversight committee. Mr. Hill talked about that in terms of who the committees would be and how they would be structured—professionals who have experience in cost estimating, construction, and the development of such facilities.

Section 54 is the Convention Authority's responsibility to provide support to the oversight panel, and section 55 is the oversight panel's approval and disapproval, both of the plans and of the bonds. Mr. Hill went over the flowchart relative to that [Appendix E]. This is merely that flowchart in words. I think it is easier to see in the flowchart than it is here.

Section 56 is the collection allowance, essentially holding local governments harmless, roughly where they are today, and saying that any monies over $25 million would be directed toward the project. Sections 58 and 59 are parallel sections, simply requiring that the tax is increased, both by the county and by local governments. Section 59 also provides for the required size and construction of the facility itself.

Section 61 provides for the issuance of the general obligation bonds for the project in a fashion that is very similar to what we have discussed previously. Section 61.5 is the same small business

requirement we saw in both the NFL stadium project as well as the collegiate stadium project. Finally, section 62 includes the effective dates.

Mr. Chair, I appreciate your indulgence and look forward to any questions.

CHAIR ARMSTRONG:

Thank you for that, Mr. Aguero. To go over my intent, I want to make sure that everybody gets their questions asked. I know that people will have multiple questions, so my intent is to have multiple rounds of questions. If you have a question and a follow-up, that is okay, but not multiple questions. At this point, I want to make sure that everybody gets to ask questions in multiple rounds. If you have questions, light it up.

The first question comes from Assemblywoman Spiegel.

ASSEMBLYWOMAN SPIEGEL:

As I looked at the benefits of the stadium that were listed on page 20 of the presentation [Appendix D], the majority of those benefits that were there would accrue regardless of how a potential stadium would be financed. For example, new economic activity, jobs, and income for working families would accrue if we had a publicly financed stadium, a partially publicly financed stadium, or an entirely privately financed stadium. The only benefit I could see that could only be present with a public investment is that it would be a publicly owned stadium. Everything else would be present in some form or another, regardless of the financing arrangements of a proposed stadium.

This bill calls for the public to invest 39.5 percent of the monies but have 0 percent of the profit. I was told that the reason for no public participation in the profits is that there really would not be any. The pro formas given in this presentation cause me some concern. I think that some of the ancillary revenues are actually understated, leading to the statement that there would not be profit, whereas I do think that there would be. Let me give you an example. It was said in the pro formas that the naming rights were projected to be between $1.7 million and $2.1 million per year, given scenarios A, B, and C. But markets like Jacksonville have $4.3 million a year in naming rights, and Indianapolis has $6.1 million per year in naming rights. Both of those markets are smaller than ours.

Given all of this, I am wondering why this cannot be structured as a true public-private partnership and give financial participation relative to each party's investment. So that would be 39.5 percent to the public, 34.2 percent to the Adelson family, and 26.3 percent to the Raiders or whichever NFL team would come here and take up that part of the equation.

STEVE HILL:

I may miss one of the answers, so please remind me if I do. The stadium opportunity that we have is available because of a series of opportunities all occurring at the same time. The Southern Nevada Tourism Infrastructure Committee was in place in order to work through this project. The Raiders expressed interest in coming to southern Nevada. The stadium financing itself is a very unique structure in that it has three different investors: the public, the developer, and the team. Most, if not all, stadiums only have two. It is either the public or the team. The interest rates at this point are historically low. That provides the capacity, with a smaller room tax, in order to make this work.

All of those things came into play to allow this opportunity to be brought forward. A part of that is that the three different sources of investment funding have different motivation for wanting to make the investment. The team wants to have a new stadium, a stadium that allows it to maximize its revenue on game day and throughout a season. That includes the majority portion of the naming rights for the stadium. That is a part of the agreement that would be made between the events company, which would be the developer, and the team. It was modeled this way in that operating pro forma. Frankly, the developer in this case is not getting a market return on their investment. That is really not a possibility.

We talked through the Southern Nevada Tourism Infrastructure Committee meetings about a profit-sharing opportunity and what a reasonable return on investment would be. That conversation was in the 9 to 10 percent return on investment before the committee thought it was fair to ask for a portion of the profit. That amount was not necessarily agreed to by the developers at the time. That type of agreement would allow approximately $60 million—maybe

$65 million—of annual profit to be earned by the developer investing the $650 million. So you can see that our projections of $20 million would have to rise to $60 million in order to even start thinking about profit sharing.

Clark County has a number of those agreements through the airport. Because the airport owns land, they have developed similar agreements. With the way those agreements work, if the developers do not achieve their annual return on investment—$60 million—in any given year, then it would be added to what they would be entitled to in subsequent years. It seemed far-fetched that the developer could return what would be considered a market return on their investment. Therefore, the committee made the recommendation that profit sharing should not be included. Additionally, the developers are bearing all of the risk of any shortfall. That was the rationale behind that recommendation.

ASSEMBLYWOMAN SPIEGEL:

Given your statement that there is no anticipated profit—and there could be some conjecture on either side, let us say. But if that feeling is really there, then why would it not be possible to write something in, even if you believe it will be de minimis? It is something that could give the public some confidence in making this investment.

STEVE HILL:

It is certainly not that it would not be possible. It would require an additional layer of oversight and auditing just to prove the point. And this is not speculation. It will not happen. They will not, anytime in the near future, be able to come anywhere close to those profit numbers. In the meantime, the gap between what they are able to generate and what the threshold would be for that profit sharing would accumulate along the way. Within the 30-year lease, it is not going to happen.

CHAIR ARMSTRONG:

Mr. Hill, if you could talk about the process of the Southern Nevada Tourism Infrastructure Committee going through and considering something like a tax increment area and how that affected the deal. That was taken out as well so that the state would receive more tax revenue generated from that.

STEVE HILL:

Yes, you are correct. As we looked at the opportunity for profit sharing, we reduced the potential up-front money, which would have the effect of reducing the room tax needed to fund the bonds that would provide the up-front funding. In the scenario we looked at, that was reduced from $750 million to $550 million. That would have the offsetting effect of requiring the developer to increase their initial contribution from the $650 million number to the $850 million number.

We looked at then trying to help generate enough profit through the stadium operations in order to achieve some level of potential profit sharing. We did so by modeling a tax increment district around the circle of the stadium so that the taxes that were generated because of the events in the stadium would—instead of flowing to the state, the K-12 system, or local governments—be retained by the developers in order to provide a reasonable return on investment. That was difficult to do. We are not quite sure we got all the way to the point that they would have achieved what the market would consider a reasonable return, but it had the effect of reducing the level of tax revenue that would be available for education and other services. So the committee made the decision. We heard feedback from a number of people that the idea of reducing the up-front contribution to the cost of the project—the benefit of which would have been reducing the room tax—and adding a tax increment district—the cost of which would have been to services—was not preferable to eliminating those parts of the recommendation and going back to the $750 million number. But all of the taxes that are generated as a result of this project would then go where they typically go.

ASSEMBLYWOMAN NEAL:

I had a question on section 28, but it is related to the powers that I believe are in section 21. In section 28, subsection 3, you guys laid out that these are the powers—acquire by purchase, condemnation, and also dispose of any right, title, or interest in land or improvements. Because

the Stadium Authority is being positioned as a government entity or equivalent to a government entity, does that mean that you can do a taking of property? Because it says you can condemn, and it says you can dispose of any right, title, or interest in land. You also can do any associated air rights or personal property.

The reason why I ask this is because when you defined the stadium district boundaries, it was all of the county, all of the unincorporated parts of the county. I need clarification specifically on that and how these powers are limited. What is the breadth and scope of these powers?

JEREMY AGUERO

This was a section that was specifically put in by the Legislative Counsel Bureau to provide the broad powers available to essentially a public body. They are then limited by the powers that are enumerated in section 29, in terms of what the Stadium Authority can actually do. The idea was that at the point when land, for example, is gifted directly to the Stadium Authority at no cost, this provision—which, in my understanding, exists in many other places in Nevada statute—would allow for something like that to happen.

ASSEMBLYWOMAN NEAL:

Chair Armstrong, I wanted clarification on section 21. I think it would be for the Legal Division to break down section 21, subsection 3, paragraphs (a) and (b), as well as subsection 5. I need to get a full understanding of the political subdivision and the sovereign immunity statute that he plugged in under NRS [*Nevada Revised Statutes*] Chapter 41. If we could have that, I will wait and other people can have their questions.

CHAIR ARMSTRONG:

The answer is yes. Someone from the LCB [Legislative Counsel Bureau] Legal Division will be here to answer that question, but we will go to other members and then circle back to your question.

ASSEMBLYMAN O'NEILL:

I have a question on section 29, subsection 2, paragraph (h). It reads, "Provide for an adequate contribution by the developer partner for the construction or improvement of any infrastructure . . .." The first part of this question is, who defines "adequate"? *Black's Law Dictionary* defines it as just "sufficient." Has NDOT [Department of Transportation] looked at any of these proposed sites and outlined what they believe are the adequate improvements? If there is a disagreement between NDOT's definition of "adequate" versus the developer's, who is the final judge on that?

STEVE HILL:

The project will go through the same type of process that any major project would go through in southern Nevada. In this case, Clark County defines projects of this scope as high-impact projects. There is an entire process that a high-impact project must go through in order to achieve a building permit. Part of that process is going through a traffic study involving all the entities that would be providing the infrastructure necessary to make that project not only happen, but work.

The result of the traffic study is one of two things or both. One is that the developer of the project would be required to build a piece of infrastructure if they were solely responsible for the need for that portion of the infrastructure. An example is if a road needed to be widened. At this point, this project is intended to be built on what has been known as the Russell 62-acres. The west border of that piece of property is Polaris Avenue. The county could say that Polaris Avenue needs to be widened. The developer could provide that widening, or they could pay the county to build that additional set of lanes on Polaris. Alternatively, a mile away, they may be adding 16 percent to the traffic load on an intersection and, therefore, may be required to pay 16 percent of a stoplight that may have to be installed. They would get an invoice, and they would have to cut that check.

So they are either going to have to build the infrastructure themselves or contribute their proportional share in the terms of an invoice they will receive and a check they will cut. If they will not do that, they will not get a building permit at the end of this high-impact process. Therefore, those entities that are responsible for providing that infrastructure are ultimately the entities—in this case, Clark County would be the entity that would be the decider in any dispute.

ASSEMBLYWOMAN SWANK:

I hope we could talk a little bit about the makeup of the Stadium Authority. I know we have talked about this before, but if we could talk about it again, that would be great.

Section 22 states—and as you have in your visual in the packet [Appendix D]—that three members of the Board of Directors are appointed by the Governor and that one of those is the chair of the Stadium Authority; that two members are appointed by the Clark County Board of Commissioners; and that at some point after that, those five members will then appoint two other members. I know in the packet it says public-at-large members, but I think we need to be a little bit more clear here in that they are not necessarily at large and that there is significant consideration given to a National Football League team.

Then in section 22, subsection 1, paragraph (c), subparagraph (2), sub-subparagraph (I), the person or persons have demonstrated to those members that the person or persons can enter into a lease. Can you clarify who that refers to at this point in time?

STEVE HILL:

Certainly. What you have pointed out is accurate. As it is currently in the bill, the Governor would appoint three members to the Board of Directors. The Board of Commissioners would appoint two members. The Governor and the Board of Commissioners are each required to use one of their appointments to appoint a representative from a company that contributes the largest portion of the room taxes collected, generated, and paid in southern Nevada. So the Governor would appoint one of those positions, and the Board of Commissioners would appoint one of those positions. Once the five members of the Board of Directors are appointed by the Governor and the Board of Commissioners, that group of five members would then take into consideration the recommendations of an NFL team that has shown both the ability and the willingness to move to southern Nevada and appoint two additional members.

The experience and expertise that the Southern Nevada Tourism Infrastructure Committee thought to be necessary for providing the correct oversight of the Stadium Authority are delineated in the bill so that people who would be appointed would need to fall within those criteria. I hope that answers your question, Assemblywoman.

ASSEMBLYWOMAN SWANK:

I am wondering who qualifies for that second position. If an NFL team—we know we are looking at the Raiders. Who qualifies for that other position?

STEVE HILL:

All members of the Board of Directors would need to be residents of Clark County. In addition to that, there is a list of criteria. They have to meet one of those. There are different needs that the Board of Directors of the Stadium Authority may have. They need to at least qualify under one of those criteria.

ASSEMBLYWOMAN SWANK:

Let us move on. If we look at the whole makeup of this seven-member board, one member is appointed from the recommendation of an NFL team; one is this member who is not identified; and two members are from the big casinos with the room tax, which they need to have representation. My concern here is, of course, Clark County, because Clark County is doing the bonding, and Clark County bears a lot of the risk inherent to this. At best, on a seven-member board, they have two representatives, but one of those people must be from one of the large casinos. At best, they have two people. I want to make that clear.

I want to shift to another section, which is related. If we look at section 29, subsection 2, paragraph (f), this has to do with cost overruns. I know there are a lot of people out there saying that the developer is on the hook for the cost overruns, but if we look at line 45 and on to page 16, there is an exception: " . . . except that any cost overrun must now . . .." This goes contrary to what Mr. Aguero just said, where that would be up for negotiation. It is a "must." It is not a "shall." It is not a "can." It " . . . must not be the responsibility of the developer partner if the cost overrun is caused by a change . . . mandated by the Stadium Authority . . .." Correct me if I am wrong, but that means that the Clark County taxpayers who, at best, have only two people representing their interests on the Stadium Authority, will pay for any cost overruns that are

mandated by the Stadium Authority, on which there is the NFL team, two members from the large casinos, and one from this unidentified entity. Yet the taxpayers are going to be the ones to pay those overruns.

STEVE HILL:

In section 35, subsection 1, paragraph (a), the bill also limits the contribution that the Stadium Authority can make to the project. It is that $750 million number. The Stadium Authority will not have the authority to cause other entities' funding to be committed to the project, so they cannot just commit Clark County's money in addition to that limit. I understand your point from a representation standpoint, but there is not going to be funding available for the Stadium Authority past that $750 million number.

ASSEMBLYWOMAN SWANK:

Why is this in the bill then? If there are no cost overruns that will be attributed beyond that $750 million and we are pretty sure that $750 million is committed for this project, I do not know why there is any mention of cost overruns being under the Stadium Authority's purview if those cannot exist beyond the $750 million.

JEREMY AGUERO

To provide some degree of clarification, you were referring to section 29, subsection 2, paragraph (f), in terms of the exception. The portion you read says: " . . . except that any cost overrun must not be the responsibility of the developer partner if the cost overrun is caused by a change in development or construction mandated by the Stadium Authority . . .." I believe your point—and please correct me if I am wrong—is that it is saying, Hey, they are going to come with the stadium project and if there is any change order, we are on the hook for that change order. The clause after that is operative relative to the discussion here, which says that that occurs "after the execution of the development agreement."

From that standpoint, it would mean that the developers come to the Stadium Authority and say, This is what we are going to build. The Stadium Authority has approved the site, the plans, and the maximum price construction contract, and the developer has provided all of the information that was just provided by Steve Hill. In the event that the Stadium Authority then comes by at some point after that, then that could potentially be a split cost if it happened after the development agreement was already executed and the project was underway. The exception to that is anything that relates specifically to building safety.

The other thing that I would note is that the full financing is still a consideration that is set forth in sections 35 and 36. Those are maximum amounts of $750 million. To the extent that the actual amount, after all is said and done, comes out to $650 million, theoretically, there could be some capacity—I do not expect that to be the case, which I believe is why Mr. Hill indicated the protection, but I wanted to make sure that I clarified that.

CHAIR ARMSTRONG:

Mr. Aguero, could you cover the change to this section that was made in the Senate that removed "or another governmental entity," which I think further protects the public?

JEREMY AGUERO

Yes, Mr. Chair. I will be happy to do that. In the original draft that was before the Senate, there was language that said any additional cost after that development agreement, that was either by the Stadium Authority or any other governmental entity, would become that. That was stricken out of there. It was a drafting error. It should not have been there in the first place. A Senator caught it, and it has been corrected and removed.

ASSEMBLYWOMAN SWANK:

I would feel a lot more comfort if there were wording in there that mentioned that this is not in excess of that $750 million the taxpayers would already be paying. Anyone who has ever been involved in any construction project knows that there are change orders that happen all the time throughout the entire process. The fact that some of those change orders could be mandated by the Stadium Authority, on which the taxpayers have almost no representation, I find to be extremely disturbing.

ASSEMBLYWOMAN SHELTON:

I assume everybody is going to be talking about the stadium, so I want to focus a little bit on the Convention Center. They were able to come here and speak to how well the Convention Center is doing and how they have reached their capacity. I am wondering why they, being around for 57 years, cannot stand on their own two feet at this point. Why are they not able to take this project on themselves?

STEVE HILL:

The scope of the project and the associated cost of the construction simply is not something that can be done within the LVCVA's [Las Vegas Convention and Visitors Authority's] current budget. Their ongoing construction projects, over the course of 50-some-odd years, have been much smaller in nature. They have used the revenue they have—at least part of the revenue they have—to bond against those projects. It is why they have a couple hundred million dollars of capacity to add to the project. But in order to do a full renovation and not potentially lose a good portion of the major conventions we have by removing a third of the facility at a time and cutting down the size of what is left, they have to build the expansion first. That is an $860 million project. That would be the largest project they have done, I believe. Once that is opened, it will basically serve as replacement space for the three phases of the rehabilitation that the existing facility needs to go through. Simply the scope of the project that is necessary at this time is not something their budget is equipped to deal with.

ASSEMBLYWOMAN SHELTON:

Through your negotiations with them, was it discussed that maybe they would put in a bigger portion so the taxpayers would not have to take on such a large burden?

STEVE HILL:

Yes, and that is what I was describing earlier. They contributed a larger portion to this out of their operating dollars, which is what allowed that savings I referred to earlier in my testimony, where the room tax was reduced from 1.35 percent down to 0.5 percent. There was a savings of approximately $800 million in that entire effort, a portion of which is an additional set of savings through the LVCVA and the conversations we had with them.

ASSEMBLYWOMAN SHELTON:

I believe in your statement, you were talking about how you did the amendment and now 15 percent of the jobs are going to be Nevada jobs, they are going to be small business jobs. But in section 61.5, subsection 8, that requirement of subsection 1 can be waived "if a general contractor presents proof satisfactory to the Convention Authority." I am wondering if we could put the intent on record so that the people know the intent and cannot come back later and say that they were just picking and choosing, and if they do not have a friend next to them or a friend that is involved in the situation, they are not going to get the job. I wonder if you could speak to the intent of that.

STEVE HILL:

This particular section was not a recommendation of the Southern Nevada Tourism Infrastructure Committee. It was an addition during the Senate process, but I do think I understand the intent.

For projects of this scope, often a small subset in the largest of the contractors and subcontractors throughout southern Nevada repetitively have the opportunity to do this work, and it is very difficult for smaller contractors or suppliers to break into those opportunities. I think the motivation behind this portion of the bill, which was an amendment in the Senate, was to bring some leverage and some focus, a real outreach effort, to get those smaller businesses involved. I think the thresholds in the bill recognize that it takes some level of experience, and therefore some level of revenue, in order to have the expertise to participate on a project of this size and this level of complexity. But the 15 percent number is a very strong participation number. This is the first time we have done this. We are not positive that, as Mr. Aguero said earlier, we can find enough of those subcontractors, so we wanted to make sure we did not create, in the first time that we have done this, a situation where it is impossible to do and there was no way out. But what this does do, I think, is broaden the opportunities for businesses of all sizes in Nevada.

ASSEMBLYMAN OHRENSCHALL:
My questions have to do with section 29. My first question is on page 16, lines 10 through 14, and it is a follow-up on my colleague from Carson City's question about the "adequate contribution" language. I had attended some meetings in Las Vegas prior to the session. I understood that the developers would pay for all the infrastructure to the stadium, whether it is increased ramps or extending the monorail out there. Was I incorrect in that assumption? I am a little troubled by "adequate contribution." I am wondering if you could elaborate on that, and then I have a question on page 15 as well.

STEVE HILL:
Frankly, that understanding was inaccurate. I think the representation they made, the representation we asked them to make, was that they would pay for the portion of the infrastructure that they were responsible for creating the demand for. That does not mean they are responsible for 100 percent of every project that has to be built in the future, nor then would they be responsible for 100 percent of the cost. The high-impact process and the traffic study that will be done through Clark County will ensure that, at the end of the day, the fact that the stadium is there means that they will have paid the portion of the demand costs that the stadium causes.

ASSEMBLYMAN OHRENSCHALL:
Does the Southern Nevada Tourism Infrastructure Committee have any idea what the dollar amount of infrastructure improvements to the stadium will be? It seems like I-15 [Interstate 15] already gets backed up both ways at different times of the day. I can imagine that, if there is a big game, it is going to be a real mess.

STEVE HILL:
The Department of Transportation has done some preliminary work on the outlook for the I-15 corridor. They have projects in the queue for the demand that they had already anticipated, so those projects could be accelerated, if necessary. But that traffic study that the stadium will go through will take all of that into consideration. At the end of that, the developers are required to, and have committed to, pay for those costs. Until recently, we did not even have locations that were preferable, so we do not really know exactly what those costs are. But the stadium cannot get a building permit without going through that process and agreeing to it.

ASSEMBLYMAN OHRENSCHALL:
But a lot of those costs will be borne by the taxpayer?

STEVE HILL:
Not necessarily. The additional costs caused by the developer will be borne by the developer.

ASSEMBLYMAN OHRENSCHALL:
My question on page 15 has to do with section 29, subsection 1, paragraph (c), subparagraph (4). Again, the drafting language is "adequate." The developer must provide to the Board "adequate financial security for the performance of the financial obligations." I am a little concerned about the wiggle room in "adequate." Is there a danger to our bond ratings if "adequate" is not really adequate?

GUY HOBBS, MANAGING DIRECTOR, HOBBS, ONG & ASSOCIATES, INC.:
I have been excitedly waiting for a question about bonds and credit ratings, so thank you very much for that.

With respect to the county's position, I would like to reiterate a few things that may have been said earlier, but because I think there is a tremendous amount of importance related to the assurances that the county, as the issuer of the bonds, has; the security that is in place that could bear upon the taxpayers; and all of the questions we have received in that particular area, I want to cover all of the protections and assurances that exist. I will also touch on the county's credit rating as part of that.

As Mr. Aguero and Mr. Hill have undoubtedly mentioned, the first protection the county has is that the county would not be issuing any bonds unless the private parties were going to actually perform. There is adequate language in the bill draft that requires performance on the part of the

private developer as well as the team well in advance of the county ever issuing those bonds. It is fairly rigorous language.

The second level of protection that the county has, and I think it was mentioned earlier, is that even when bonds are issued, the first $100 million of spending that is done on this project needs to be done by private dollars before public dollars are expended, which essentially buys the developer into the project before the public actually spends any of the bond money.

Beyond that, as has been mentioned, we have included in the language a requirement for a minimum of 1.5 times coverage. For those who are less familiar with the term "coverage," whatever we are expecting the debt service to be in any given year, we are requiring that our projections indicate we will receive 50 percent more revenue than what is required to pay the debt. There will be a minimum of 1.5 times coverage, which is very adequate and very customary coverage that we use with bond issues. With the general obligation pledge as a part of this, the market would not require that level of coverage because the county's full faith and credit would be pledged, but the county would require that level of coverage to provide assurance to itself that the flows of revenue will actually meet the needs of servicing the debt.

As Mr. Aguero and Mr. Hill also mentioned, we are going a bit above and beyond what is customary and ordinary in the case of the debt service reserve funds. We expect the first year of debt service reserve funds, which is a significant amount of money, to be funded at the time we issue the bonds to fund the project. So once those bonds are issued, that money will be deposited and set aside as the first one-year reserve. It is set at average annual debt service. We have a slightly ascending debt schedule—the debt goes up as the room taxes rise over time. We are selecting average annual debt, so it is certainly not the lowest point in the debt service curve; it is the midpoint in the debt service curve, pre-funded by the bonds. The second year of debt service reserve is to be funded by the waterfall that Mr. Aguero spoke of a bit earlier—$9 million a year, up until the point we have two full years in reserve. So there will be 1.5 times coverage and two full years of debt service reserves.

Now I will segue to the credit rating side of the world. We have actually gone through some of the formulas that are used by Moody's Analytics as well as Standard & Poor's. We are quite familiar with those because we go to the rating agencies quite often. Whenever one of the agencies or government entities in southern Nevada or northern Nevada is issuing debt, we generally have the opportunity to visit with those good folks at the rating agencies, and we know the types of things they consider when they render their ratings. We place a very high premium. I can say "we" in this case because I also serve as the financial advisor to Clark County, and I am very familiar with Clark County's standards. They currently have an Aa1 credit rating. That is a very, very high credit rating. I believe it is at parity level with the state's credit rating. It is a very high investment grade, and we would want to maintain that credit rating. So we want all of the assurances and security that are a part of this to be adequate to maintain that credit rating and not have anything cause a reduction in the credit rating because, as you all know, the credit rating directly translates into the cost of borrowing. Any reduction in our current credit rating would signal an increase in the borrowing cost for the public or whoever the repayment source may be.

I hope that I have touched on your question. Again, I feel very good about the credit rating. One other thing to add about that—maybe I am taking this opportunity a little bit further than your question—but the current debt capacity for Clark County is approximately $7.1 billion. Current debt outstanding for Clark County is $1.5 billion, so there is quite adequate capacity within the overall debt capacity of the county. Now, in addition to the $1.5 billion that is currently outstanding, the county does have plans, as most local government agencies around the state do, of perhaps issuing more debt for more projects in the future. In considering that and having discussions with the county representatives, it would appear that even with the contemplated debt that might be issued over the next few years, the county would probably be no closer than 50 percent of its overall debt capacity, so that also should not be an issue.

CHAIR ARMSTRONG:

Assemblyman Ohrenschall, before you respond and ask a follow-up, I was excitedly waiting for a bonding question as well, and I would like to bring up someone from the county to give an overview of what Mr. Hobbs said as well. At this time, I would like to bring up Ms. Yolanda King from the county.

Welcome, Ms. King. At this point, I want you to respond to Mr. Hobbs' overview and give your thoughts on the bonding and the bill as well.

YOLANDA KING, CHIEF FINANCIAL OFFICER, DEPARTMENT OF FINANCE, CLARK COUNTY:

Mr. Hobbs gave a very extensive overview of what the bonding requirements are and what is included in the bill. As he mentioned earlier, there are some uncustomary requirements with regard to bonding that are in this bill that we normally do not have with any of the bonds we issue for Clark County. Specifically, I call it debt reserve number one and debt reserve number two. We have not ever required two types of debt reserves when we issue bonds. The fact that this bill requires, through the waterfall, for us to have that second reserve gives us that additional coverage and assurance with regard to debt service, should something go awry and we need to be able to cover those bonds. So with the things that are in place right now, as Mr. Hobbs mentioned, we would have two years of debt service, which would cover your principal and your interest payments over a two-year period should anything happen, for instance, in the economy.

Another thing Mr. Hobbs mentioned was the coverage. Currently, the coverage is 1.5 times. As he mentioned, that is collecting 50 percent more than what is needed for the debt reserve. By the way, the 1.5 times coverage is generally what we require when we issue bonds for Clark County. We have had situations within the county where we have backed those debt service payments with room taxes. We have had the 1.5 times coverage. During the time of a recession—to give you an idea of how far those revenues dipped—it went down to, I believe, 1.17 percent of coverage. So even though the recession hit and room tax revenues declined significantly, there was still enough coverage to be able to cover those debt reserves for all the bonds that we had issued at that point in time. Again, that gives us additional securities in that we will be collecting more than what is required to pay the debt service.

Lastly, Mr. Hobbs mentioned that when we fund the debt service, we will pre-fund another year of debt service. So I am very comfortable with the securities that are in place right now. Like I said, that second year of debt reserve specifically gives us even more comfort that should something occur where we need to make those debt service payments, we will have reserves in place to be able to do that.

CHAIR ARMSTRONG:

Thank you for that, Ms. King. Did you have a follow-up, Assemblyman Ohrenschall?

ASSEMBLYMAN OHRENSCHALL:

My only question is regarding "adequate financial security" in section 29. If the unelected Stadium Authority Board of Directors comes up with a number that is not satisfactory to the Clark County Board of Commissioners, is that just something that they have to live with, or is there any process by which they can say, Hey, we do not think that is enough, we do not think that is adequate? Is there any oversight that the Clark County Board of Commissioners will have over this unelected Stadium Authority Board?

JEREMY AGUERO

The portion of the bill you are looking at is section 29, which deals with these preliminary determinations. Those are things that have to happen in advance of us even getting to a development agreement or master lease agreement. Before any of the bonds come in, you have to have both of those agreements in place, then all of the determinations Mr. Hobbs and Ms. King alluded to would have to be part of that bonding process. So it is just one hurdle in terms of even being able to get to where we are going to talk to you about a development agreement and a lease agreement on the facility.

CHAIR ARMSTRONG:

I am going to do something a little bit different. I know I have about half the board lit up for questions. I think this bonding section is important to take as a whole. I know that I have talked to other members who have significant concerns. I am not sure if I will be able to do it or not up here, but I would like to see if there are any other members who have questions specifically related to bonding. We can try to do most of those questions right now since we have Mr. Hobbs and Ms. King up here. I know Assemblywoman Benitez-Thompson had her name up. After her question, if somebody else has a bonding-related question, I would like you to raise your hand.

I will call on folks that way so we can take this bonding section as adequately and as seriously as needed.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Thank you, Chair. I appreciate your due diligence on this conversation. In section 36, I am wondering about some of the exemptions we are allowing from bonding statutes. There are two specifically—the exemption from the debt management commission and the exemption from a debt limit ceiling. Having this proposal exempt from going to the debt management commission means a couple of different things. It means that the commission does not get to give input, and that commission consists of members of the school district and the five largest incorporated cities in Clark County. Also, there is an exemption from the annual statements that are supposed to be generated and reported. I am wondering why there is an exemption from the debt management commission and the good fiscal policies that seem to be in place there.

The other exemption is from NRS Chapter 244A, which is exemption from the debt ceiling, allowing the county to take on more debt than it can pay. If we are not expected to hit even 50 percent of bonding capacity with these projects and future public works projects, why even venture into the realm of eliminating a debt ceiling? In fact, I think most of the public and many of those elected have problems with Congress always moving around the debt ceiling. This completely takes the cap off. I would like comments for the record on these exemptions.

GUY HOBBS:

To the second question first—with regard to the bonding capacity, which I am presuming is synonymous with the debt ceiling—I believe that the Southern Nevada Tourism Infrastructure Committee did not want to otherwise inhibit Clark County from being able to do other necessary public projects, whether they be parks and recreation-, public safety-, or public works-related. I believe that was the reason why they included the additional exemption from the bonding capacity. As I discussed with you a little bit earlier, as it is, the bonding capacity is large enough to accommodate this, but I am speculating to you that the Southern Nevada Tourism Infrastructure Committee's reasoning was that they did not necessarily want this project to otherwise inhibit the county's ability to pursue other capital projects.

CHAIR ARMSTRONG:

Mr. Hobbs, just for clarification because I am not sure exactly what you testified the first time—is this $750 million outside the current bonding capacity for Clark County?

GUY HOBBS:

Mr. Chair, there is an exemption for bonds issued by the county for stadium-related purposes from what the bonding capacity is otherwise. Yes, sir.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

The point is, what we have in place with the debt management commission allows a wider voice, including school districts and other municipalities, to have a part in this process. I think it also allows for some checks and balances. One of the comments you made, particularly about rating agencies, is that we know what they do so we can pretty much do it ourselves. I would argue that these checks and balances are prudent fiscal policy when it comes to how we bond and manage those dollars. If we speculate that we will not get above that 50 percent mark, then why even risk exempting the project from Chapter 244A? The language in Chapter 244A is great. It says that " . . . any board, upon behalf of the county . . . may issue the . . . general obligation bonds . . ." but that a county "shall not become indebted by the issuance of bonds or other securities constituting an indebtedness, whether the bonds are issued hereunder or under a special or local law . . .." That is really great fiscal policy about certain measures we talk about here—15 percent of total assessed value. Can you speak more specifically to those statutes and those pieces of those statutes that do not seem applicable, in your view, to this legislation?

GUY HOBBS:

I will attempt to do that, and certainly if I fall short, please let me know. One of the reasons that the debt management commission exists is to determine whether there would be adequate capacity under the constitutional and statutory caps that exist on property taxes if all of the

overlapping entities—the school district, counties, cities, and any other entities that may overlap those—were to all need to resort to the general obligation property tax commitment part of it. That is one of the real reasons for that commission's existence, and that goes back probably more than three decades, when it was previously called the general obligation bond commission.

In this particular case, when you think about all the timelines—and perhaps harken back to the one slide that Mr. Aguero went through [Appendix D]—there is a very specific timeline for all of the things involved in the stadium endeavor. Presuming there is the legal ability to move forward because of your consideration of this bill, the NFL team would be planning on doing things in the very early part of the year—perhaps in January—in terms of applying for relocation. Right after that, the owners of the NFL teams would be voting. Once that is done, it triggers a lot of the other items in this bill, particularly the bonding part of it because the bonding part does not begin until all of those other steps are taken and those commitments are made.

If we were to reach a point in that process, such as at the debt management commission, where the outcome is less than certain, then it would probably make it very, very difficult for those prior steps to even be taken. I am not sure that the team or the developers would make a commitment unless they knew at a given point in time that they had a full go, if you will, on the project. It is hard for me to imagine the debt management commission not approving something that has had all of the transparency that this has, but it does remain out there as a potential place where the entire progress of this project could be stalled. That is one of the reasons for the exemption on that part.

CHAIR ARMSTRONG:
Is there anyone else who has a question related to the bonding for the project?

ASSEMBLYMAN SPRINKLE:
You have to help me here a little bit because this is not my forte, but I have some questions as far as this bonding goes.

To the point of the debt limit, it seems to me that we have that for a reason. I think that is what my colleague was going toward with her questions. If we are going to open a general obligation when there is no debt limit, is that not trying to get around the policies we have been putting in place for years? I would like to hear your comment on that. More specifically, if there is no debt limit on the general obligation and we are utilizing those, what does that do to the overall rating for Clark County, and what does that do to the ability to raise revenue for future projects? Again, we are getting around the debt limit with these general obligation bonds, but we are still going to have to do other projects in the future. If Clark County does not have as decent of a rating as it does now, is that not going to hurt potential projects in the future?

YOLANDA KING:
If you look on page 35 of the bill, yes, there is an exemption from the debt capacity for Clark County. If you look on page 35, line 8, there is somewhat of a capacity that is written into this bill that essentially says that the stadium bonds cannot exceed the 5 percent of the assessed valuation. So although it is being exempted from the county's debt capacity, there is still a limit, if you will, within this law that says you cannot exceed 5 percent of the assessed valuation.

With regard to your second question about how this looks with regard to Clark County, the credit rating, and what that does, we are currently under review with our financial advisors. Obviously, as Mr. Hobbs mentioned, we have the potential of needing to issue additional bonds in the future. Obviously, we would not want that credit rating downgraded as a result of issuing bonds for other entities without being able to take care of what we need to issue in Clark County. I have asked those financial advisors to look and give me a sensitivity-type test that says, at what amount does that push, or may push, the county's credit rating down? In other words, at the point where it could be downgraded. We are trying to do our due diligence and determine what this looks like for us. At this point in time, we have added some things reflecting what we potentially may need to issue over the next three to five years. I have not gotten those results back from the financial advisors, but please be assured that that is a concern of mine, and I want to make sure that if we need to issue something in the future, that will not affect our credit ability.

Additionally, as Mr. Hobbs mentioned, I do not foresee that would or could—because in addition to the stadium bonds issuance, that would take us to about half of our debt capacity.

So we would still have quite a bit of capacity even with issuing the bonds in addition to what we potentially would like to issue in the future.

ASSEMBLYMAN SPRINKLE:
I do appreciate that. What I just heard you say, though, is that right now, we are going over a bill that we are potentially going to be voting on very soon, and you have the concerns that I raised, but there is really no way for you at this point to give us the absolute assurances that the rating would not be affected by what we may be doing with this project today.

YOLANDA KING:
No, at this point, I cannot give you those assurances. But as I mentioned, we have preliminarily taken these bonds into consideration in addition to what we would like to issue in the future. There is a scorecard, if you will, that is used by those rating agencies. We have plugged in the assumptions of what we potentially may do and what that looks like on that scorecard. The scorecard essentially evaluates if the credit rating will go down at a particular point, depending on what the scorecard looks like. So we are plugging in the different types of assumptions to determine what that looks like. But, no, I cannot give you that absolute assurance.

ASSEMBLYWOMAN DIAZ:
While we are discussing all the ramifications and what is at stake for the public, I think we have only thrown out the figure of the $650 million, potentially topped at $750 million, but we have not discussed what that means at maturity and how much money that really is. As anyone who has taken out a home loan knows, you do not just pay for the house at the value you purchased it; it is going to compound and accrue over time. I would like to have a realistic assessment of, and for my constituency to know, how much that total number will be. If we bond to $750 million, given the market right now and the interest rates, what are we looking at?

GUY HOBBS:
Let me make one comment in advance of that because I think it goes to the point of what you are asking—how much would we actually be bonding? I know the number we have been talking about is $750 million. That is the public's level of contribution. With market issues being part of the consideration—numbers, obviously, can change—my guess is, at this point in time, we would probably issue debt in the realm of $560 million to $575 million, not $750 million. The reason for that is, with the way the cash flows work in the bill, the room tax will go into place and accrue for some number of months, and that cash will be available to help fund the project, reducing the amount that is needed to be borrowed from the $750 million maximum public contribution. Very commonly today, too, when we issue bonds, they are issued with the premium structure, meaning we adjust the coupons to make it more attractive to the investors. The investors, in turn, give us more money than the par value. So between those two factors—both the accrued cash and the premium structure—I am estimating today, subject to change as the market may change, that we would actually be issuing somewhere in the ballpark of $560 million to $575 million.

If that were the case, a rough number of payback on that would probably be in the $1.2 billion range over the course of the 30-year term of the bonds. However, I will remind all of you that essentially what we are committing to this is an annual cash flow. We are committing an annual cash flow over the 30 years of whatever the room tax rate would generate, which is approximately $45 million or so in the early years, rising probably closer to the mid $60 million by the later years. That is what we are committing. And, yes, it does absolutely include both the payment of principal and interest.

ASSEMBLYWOMAN DIAZ:
Could you tell me what the maturity on this bond would be? Could you give us an idea? I know you cannot give me a specific interest rate, but where are we at? Then I have a question about something else for Ms. King.

GUY HOBBS:
Obviously, these are things we have modeled over and over again to come to the numbers that are part of this bill. Let me be clear about the term on the bonds. There has been some confusion as to whether or not these are 30-year or 33-year bonds. They are 30-year bonds. Our existing

laws do not allow us to go beyond 30 years anyway. I think the reason why 33 years crept into the discussion is that we were going to accrue the tax revenue for a period of time prior to the actual issuance of the bonds. But the term on the bonds is a maximum of a 30-year term.

Guessing interest rates is more of an art than a science. We do that all the time. In this particular case, we have taken what we refer to as current MMD [municipal market data] or current rates for a "double A" credit issuer, such as Clark County. We have added 50 basis points, or 0.5 percent, of interest to that as a cushion because we are not issuing today. We are issuing at some point in the future, and we wanted to give ourselves a little bit of a hedge against growth and future interest rates. The true interest cost that came out of the back end of running all of those calculations was just under 4 percent as a cost of capital. Again, that is assuming a premium structure, a 30-year term, and current market, plus 50 basis points.

To hopefully add additional comfort to you, we also ran it at current market rates plus 100 basis points in the event that the market fell away a full percentage point before we issued. We were still in excess of the coverage that is required by the statute, 1.5 times. So we have given ourselves sufficient latitude in the way we have modeled this, and we presume that the interest rate would be approximately 3.9 percent as a true interest cost.

ASSEMBLYWOMAN DIAZ:

Ms. King, can you explain how this bonding capacity—taking on up to $575 million, which eventually will accrue up to $1.2 billion—will work with the fiscal note we are seeing now, where there are going to be monies that now are not going to be coming to the county as a result? Can you explain to this body how they work?

YOLANDA KING:

The fiscal note is different from the bonding capacity question you have. The fiscal note refers to section 56 in the LVCVA portion of the bill. Currently, between the county and the cities, 10 percent is essentially taken off the top of all the room tax collections that are collected throughout Clark County. So 10 percent is taken off the top, and it is provided to the cities and the county in the form of a collection fee, if you will. This language will cap the amount of that collection fee that is received by the cities and the county to $25 million. Currently, I believe in Fiscal Year 2016, that amount is at $25 million. The intent of the language is to essentially hold harmless the cities and the county on the room tax collection fees. That is the reason why it was capped at $25 million.

The reason for the fiscal note from Clark County is, the bill essentially says that any dollars above the $25 million will be used as part of the LVCVA's funding model for their financing. If you look at the point of origin with regard to who collects the room tax collection fees, Clark County currently collects 92 percent of the room tax collections throughout Clark County, including with the cities. So the greatest effect on not collecting the growth would be on Clark County because there is an interlocal agreement right now between the county and the cities that essentially outlines how those room tax collection fees will be distributed. As of 2006 or 2007, that distribution had changed to essentially say that it will be distributed based on point of origin. Before 2006, it was essentially based on population. Going forward, with the change of the interlocal agreement, that agreement held harmless the cities with what they were currently collecting. The intent was that over a period of time, as that room tax collection amount grew, Clark County would eventually get to the point of being able to collect roughly 90 percent of those room tax collections. We are not at that point where we are receiving the 92 percent because the recession hit in 2006, 2007, and 2008. Therefore, there was no growth in room tax collections, so that greatly slowed the amount of collections we are supposed to receive.

Moving forward to today, if that amount is capped at $25 million and the county, based on point of origin, is supposed to receive the growth of those room tax collections going forward, we would be the entity that is most affected. So the table you have in the fiscal note essentially says that if, for example, the growth in the room tax will be $2.5 million in year one, instead of the $2.5 million being distributed to the cities and the county, that now goes to the LVCVA for their financing model. Of that $2.5 million, which is the growth, Clark County would not receive roughly $1 million of that. The number grows over a period of time because, remember, we are supposed to at least get 92 percent of that growth over a period of time. That is why the number

is such a large number. Additionally, I estimated the fiscal impact over a 30-year period as opposed to what it would look like annually because, obviously, it increases over a period of time.

I am sorry. I know that was a long-winded conversation of the collection fee. Like I said, we collect most of those collection fees if it is based on point of origin, so we would be the entity that is most impacted. As you can see from their fiscal notes, the other entities would not be impacted. It definitely would just be Clark County.

ASSEMBLYWOMAN DIAZ:

Do you, the county, feel that you have enough protection in this language? As I was doing my own research and reading about stadium projects and lots of other cities' endeavors into this type of a project, it was clear that a lot of teams hop around, move around, and find new homes because they get tired of their old location, they just do not like where they landed, or they do not grow a following. There is a plethora of reasons why people decide to bail on a city and move on to a new stadium. If there were a legal battle that ensued as a consequence of a team pulling out of the transaction—let us say that team *x* comes, we start everything, we are halfway built, then somehow, someway, something else happens along the way. Legally, who is on the hook for figuring out who is going to pick up what piece? How are we going to finish this project because one of the investors is no longer a part of the deal?

YOLANDA KING:

There are some added protections with regard to the developer, the developing partners, and what that looks like if, for whatever reason, they do not complete or adhere to their part of the deal. As Mr. Aguero mentioned earlier—it is actually in section 36 of the bill—there are four options, if you will, that require the developing partners to provide assurances that their portion of the project costs are covered. One of the options includes the letter of credit, which would essentially assure that their portion of the project would be secured by a letter of credit. Another option is that it could be secured by cash. So there are additional assurances in here that require the developing partner to adhere to what their commitment is on the $1.1 billion they are required to provide. That is an added protection with regard to essentially assuring that the project does get completed. In addition to that, we mentioned that the developing partners will be required to purchase the land. They also will be required to pay the first $100 million, excluding the land. Essentially, they put more skin into the game early on so that we have those assurances that the project will be completed going forward.

ASSEMBLYWOMAN DIAZ:

My colleagues have already brought this up, so I do not want to belabor it, but in section 29, a few of my colleagues have already expressed that they are a little uneasy with the language " . . . except that any cost overrun must not be the responsibility of the developer partners if the cost overrun is caused by a change in development or construction mandated . . .." I could see this very easily becoming a way to say, It is not mine, this came up, this is not my responsibility, I am not covering this. I am just saying, in light of this being in here, that is a possibility. The responsibility could get shifted, and someone is going to have to be in the middle of deciding who is going to pick up the tab.

CHAIR ARMSTRONG:

Are there any further questions related to bonding?

ASSEMBLYMAN STEWART:

Mr. Hobbs, in light of the fact that the revenue streams are conservatively estimated and you say we are actually only going to borrow $560 million, is there a realistic chance that we may pay off this debt earlier than the 30 years?

GUY HOBBS:

Mr. Aguero spoke earlier of the waterfall that is built into the bill. The last item in the waterfall, should the revenue be sufficient to move through the other buckets and get to the bottom end of the waterfall, allows for either additional capital expenditure on behalf of the stadium or early redemption of the bonds. So the opportunity has been recognized that if, in fact, revenues materialize to a certain point, we should have the authorization to redeem the bonds before their

maturity date. Again, we have made certain revenue estimates, and at this point, it would be hard to say to you that we believe the bonds can be redeemed before the 30-year term, but if the actual revenues outperform the projections that have been made, it is certainly a possibility to redeem them early.

ASSEMBLYMAN STEWART:
In your opinion, is it a realistic possibility?

GUY HOBBS:
It certainly could be. Again, as you noted, the projections are, we believe, conservative projections based on historical room tax collections. I think there is a fair chance we could be in the position of redeeming bonds at some point in time before the final maturities.

ASSEMBLYMAN HANSEN:
We have been talking extensively about the potential risk to Clark County and that if the room tax rates fall, we are going to have a couple years' worth of revenue to perhaps cover that. We are also talking about the fact that the stadium is going to be a moneymaker. It will be an extremely successful stadium, as everybody has been saying. The question in my mind is, Why do we need to put the Clark County people on the hook at all? If this thing is going to make the type of money we are talking about, why do we not use revenue bonds, which are repaid from the revenues that are generated by the stadium? We could very easily avoid potentially losing Clark County's credit rating—the 50 percent that was brought up. We could place all of the burden on the people who are more than willing to invest in this thing because, clearly, if you are a capitalist and you are a venture capitalist, the opportunity to purchase these types of bonds in something that is so clearly going to be successful for at least 30 years is something they should be anxiously engaged in. Why do we need to use the taxpayers on the general obligation side of this, putting the Clark County people on the hook if this thing does not, in fact, end up being a big moneymaker, or if the room taxes go south? Why should this thing not be entirely paid for by the revenues that the stadium itself generates?

STEVE HILL:
Let me make an attempt to answer your question, which I may not have understood well enough. One, the developers are not willing to invest more into the stadium. They will cover the cost overruns. They will invest this amount. It is not a good investment for them. They are doing it for some return on investment and for other reasons as well. Owning a stadium is not a moneymaking venture, and it is certainly not a moneymaking venture to have invested the entire $1.9 billion in order to attempt to make a profit on that.

The public's interest and the considerations we looked at in the Southern Nevada Tourism Infrastructure Committee is that the public investment helps to create jobs, helps to create more tax revenue than is raised through the room tax, and provides UNLV a place to play football. This body has heard, and the Southern Nevada Tourism Infrastructure Committee certainly heard, that UNLV has a problem with Sam Boyd Stadium and that, at some point, in some manner, it really needs to get fixed. I think most people would agree with that. Building a college football stadium—which would be an open-air stadium and would not provide the same opportunity for job generation, hosting events, and those types of things—would cost $580 million. So a portion of what the public is investing here is an offset for UNLV to allow them to play football. The idea that anybody is going to invest that level of money in order to just turn an operating profit, though, is not possible.

ASSEMBLYMAN HANSEN:
You are basically saying, then, that the stadium overall is not financially viable in a free market sense and that we have to have the taxpayers pay a substantial portion of this to break even.

The question I have is, you have a 35,000-seat capacity stadium right now. If you built a new one at 50,000 seats or whatever you think could work, why could that not be used for a Toby Keith concert or, in the off-season, why could that not be used for baseball and things like that? It is a publicly held facility in both cases, so why, if it were publicly held by UNLV, could UNLV not make a similar arrangement to what we are trying to do here through the governing authority to raise revenues to pay the thing off?

STEVE HILL:

With respect to your first statement, the point I was making is that the benefits that come from the stadium are not simply benefits that come through the operating income statement. There are benefits for the Raiders. There are benefits to the public that are not simply operating the stadium for a profit.

The real answer to the Sam Boyd Stadium question is, nobody wants to do it. It is not happening. That seems to be proof that that is not going to work.

ASSEMBLYMAN HANSEN:

To me, it seems like there is limited discussion on possibly reducing the risks to the taxpayer. If this thing does not work out for whatever reason—say a more significant economic recession were to occur and it affects the reliance on room tax to pay that bonding capacity back—it is going to fall on the backs of the Clark County taxpayers.

In my town of Sparks, we went through the whole Sparks downtown redevelopment situation. We built a theater. Obviously, it was much smaller in scale, but the fact is that the downtown trench, the Reno Aces ball stadium—every one of those things has actually ended up being a substantial money-loser. I was involved with all of those and heard all the rosy scenarios and the wonderful things they were going to do for us economically. I am very nervous about saying, Well, everything is going to work out great, and worst-case scenario, it can fall back on the taxpayers. Because that is, in fact, what is happening in northern Nevada.

Now, 20 years has passed since the 1996 decision to build the movie theater, parking garage, and so forth in downtown Sparks, all under the idea that we are going to revitalize downtown, this is going to work out, it is going to attract anchor businesses, and so forth. Those things do not always work. When you study this whole stadium issue, across the nation, you find very consistently that these things flop. That puts the taxpayers on the hook for the liability end of it, but all the profit on this entire thing goes to the NFL and to the Raiders. To me, this thing makes no sense, from a taxpayer perspective, to require all the liability to be held in place by the taxpayers, and then turn around and have all the profits for this thing—as you said earlier, the investors in this, the private sector people, all are bearing a very large risk, and that is why they have to have things like the ability to name the stadium and all of the profits from the concession stands and parking. All of the profit side of this thing is guaranteed to protect the risk that these people are assuming by investing in this. What is protecting the risk to the taxpayers when you are asking them to kick in basically three-quarters of a billion dollars, $750 million?

STEVE HILL:

Regarding the comment that the taxpayers are bearing all the risk, they are bearing the risk of the investment that they are making. The developers are bearing the risk of the investment that they are making, as is the team. The team's investment is not only the half a billion dollars they will put into that stadium, but it is also a potential relocation fee. So it could be several hundred million dollars higher.

Each one of those entities would receive benefits as a result. The Raiders will have a place to play, a place to sell those suites, and a place to sell those naming rights in order to both make money and increase the value of the team. The developers, as I said, are both accepting the responsibility for any cost overruns in the construction, as well as accepting the risk of any operating losses. Frankly, I would doubt that there would be operating losses. The operation of the stadium is such a small financial venture that there is not much risk on the downside, and there is not much benefit on the upside.

As I said, the public gets something different out of that. If that deal structure changed, the stadium is not going to happen. The decision that all of you have to make is, are the 14,000 jobs; the opportunity to move the most important industry forward in Nevada; the security that comes from having these additional drivers of visitation to southern Nevada and providing that security to 400,000 people in the industry, which really underpins the economy in Nevada, worth it?

ASSEMBLYMAN HANSEN:

In the interest of time, Mr. Chair, I do not want to go on. I will come back later if we have a chance.

The one question you just brought up is in regard to the cost overruns. The project is estimated at $1.9 billion dollars. If, in fact, it goes beyond that, all of those additional costs will be borne by the developers, correct?

STEVE HILL:
That is correct.

ASSEMBLYMAN HANSEN:
But if, in fact, it comes in at $1.3 billion or $1.4 billion, like several other stadiums have in recent times, the $750 million is not going to be proportionally reduced. My understanding is that no matter what, the taxpayers are going to be forced to pay $750 million, even if the stadium comes in at, say, $1.5 billion, correct?

STEVE HILL:
Technically, that is correct.

CHAIR ARMSTRONG:
We kind of got offtrack. I am still trying to make sure we are asking the bonding questions. Does anybody else have any questions related to bonding?

ASSEMBLYWOMAN NEAL:
I am trying to simplify this in my mind, and I need you to simplify it. Make it a math problem because, ultimately, we are talking about LVCVA bonding, which is a certain amount, plus the bonding for the stadium. Is that true?

YOLANDA KING:
It is not a requirement that Clark County shall issue the bonds for the LVCVA.

ASSEMBLYWOMAN NEAL:
So there is only a "shall" related to the stadium and a "may" related to the LVCVA?

YOLANDA KING:
Yes.

ASSEMBLYWOMAN NEAL:
Okay. Let us say that the "shall" and the "may" happen. What is the total bonding amount that will occur for the two projects?

GUY HOBBS:
Again, on the stadium side, which is the "shall" side of it, we are estimating $575 million or so in par value for that piece. On the Convention Authority side, I believe earlier testimony indicated that the room tax piece would provide bonding for up to $420 million. Now, I do not think it has been fully determined whether or not those are done as general obligations through the county or as revenue bonds of the Convention Authority. One of the things that does need to happen is, the Convention Authority will need to meet with the county, and the county will need to make a determination as to how much additional general obligation bonding it can absorb without there being any negative impact on its credit rating. I imagine that it would end up being part general obligation and part revenue bonds at the end of the day, but as far as the split between the two, that would be hypothetical only.

ASSEMBLYWOMAN NEAL:
In both sets of sections of the bill, whether you are in the 30s or the 60s, you are exempting either project from the bond indebtedness. That is what I saw in section 61, subsection 2, paragraph (b), on the LVCVA part. For my own education in my legislative cycle, is there a prudence rule associated with exempting not just one project, but two, from your bond cap? What is the prudence rule?

Also, if more room tax comes in above your projections, will you be able to bond for more money? Will you be funding the total interest on both? I am assuming that there is going to be an interest payment, so what will be the total interest and the payment of what that will be? I am talking about both, regardless of if it is a "may" or "shall." You are asking us to move a bill

knowing that there is a "shall" and a "may." I want to be crystal clear on what that looks like because it has not been clear to me in this whole discussion. Do I need to restate what I am asking?

JEREMY AGUERO:
Yes, please.

ASSEMBLYWOMAN NEAL:
You are basically exempting two projects from your indebtedness. Is there a prudence rule out there that I should be aware of? I could just write it down.

Second, if the room tax increases above your projection, will you be able to bond for more money under that general obligation bond, under the "shall"? Or, under the "may," if it ends up being a general obligation and a revenue bond—whatever it is—will you be able to say, We saw more money come in, so now we are at $850 million or now we are at $650 million on this side?

The other part is, are you funding the total interest? If I were to do an addition problem, would I have the $480 million, the $580 million, plus $20 million that was not discussed in the hearing?

GUY HOBBS:
I think Mr. Aguero was taking notes so that I have all three of those questions in front of me. As far as what you are referring to as a rule of prudence about the total bonding capacity, the way I would describe that to you is, in managing the county's credit rating, Ms. King and the rest of the finance staff over there go through the process of meeting with the rating agencies probably on an average of at least once, maybe twice, per year, updating the credit rating agencies with regard to how revenues are performing within the county and other significant changes that might affect the finances of the county. I would say that the rule of thumb that the county probably would use in a case like this, if any level of issuance of debt would have a negative impact on that credit rating, that is probably where they would begin to draw the line. Now, if it were something that was an essential public project that could not wait until a later time, they might still go forward with it with the knowledge that the credit rating could be at risk. However, they try to generally manage these kinds of things by managing the credit rating. I cannot give that to you as a specific percentage of the bonding capacity. Remember, too, that Nevada's bonding capacity is the way Nevada wrote its bonding capacity—it is a percentage of the total assessed valuation, which really means nothing by way of reference to the total amount of revenues and expenditures that the county may have. It is a standard that was set many, many, many decades ago. It really is managed more by maintaining the credit quality of the county. At this time, as Ms. King mentioned, we are having meetings to discuss just that, and we will have meetings with the rating agencies coming up. Since the stadium issue is one that we have referred to as a "shall," we do not see that necessarily negatively impacting the county's credit rating. The final arbiters of that, however, will be the rating agencies. We do not necessarily see it as negatively impacting the county's credit rating.

To your second question with regard to if more revenues come in, can you bond for more, if I got the essence of the question. With regard to the stadium, no more than $750 million of public funds, whether it be by cash that is collected before the bonds are issued or from the bond proceeds, can be contributed to that project. So there would be no reason to bond anything additional at that point. If we had additional revenue coming in, going to an earlier question, we would look to the waterfall and, hopefully, be able to redeem some of those bonds before they are actually due and save some of that interest cost. That would be the hope on that.

ASSEMBLYWOMAN NEAL:
For the LVCVA, if more room tax comes in, will you be able to bond for more? I know that is up in the air, but you have it in this bill—whether it is enabling or not, whether or not it is a "may" that we pass down to the county. The question is, What is the scenario associated with that? If there is more room tax that comes in, will you be able to bond for more than what you are thinking in your head as of today?

JEREMY AGUERO:
The LVCVA model works a little bit differently than the stadium model, and I think this is the point you are bringing up. The way the LVCVA model works is that all the room tax revenue comes in at the top of the LVCVA. The LVCVA has a number of expenses: it has to operate the

facilities, it has marketing and advertising—those types of things. The LVCVA maintains a relatively high coverage ratio because of the way it is ultimately structured. Your question is, What happens if the room tax revenue generates twice as much as what we are expecting? The LVCVA would not be able to use these particular funds because they are specifically restricted to the use of this particular facility. But that does not mean that other LVCVA funds could not be bonded for some other purpose at some point in the future because we are only looking at a sliver of their component. In pages 55 to 58 of the bill, there are specific things they can use this particular component of the tax for—the construction and expansion of the facility—and things they specifically cannot use this component of the tax for—essentially to offset other debt or something along those lines.

As a point of clarification, I want to make sure we are clear. I think there was a little bit of confusion on a previous question. This is "shall, shall" on both sides.

ASSEMBLYWOMAN NEAL:
Lastly, are you funding the total interest on the bond?

GUY HOBBS:
Yes, absolutely. If we issue the debt, we are agreeing to a contract with those who buy the bonds to repay both principal and interest. It is a contractual obligation. All of our modeling is fully funded, both return of the principal as well as payment of interest.

ASSEMBLYWOMAN NEAL:
I have a quick question related to what you are saying. You are talking about collecting this room tax and, I am assuming, getting the maximum amount of whatever that is. I need a clarification on section 33, subsection 8, paragraph (a). I thought about this when you were talking about making sure you get the maximum amount of room tax so that your projections work. The language in there says, "'Gross receipts from the rental of transient lodging' does not include the tax imposed or collected from paying guests pursuant to this section." That threw me way off because I thought, Who is not a paying guest? What does that mean in terms of your collection rate? Is there a different bifurcated collection rate I need to have in my mind about a nonpaying guest who is staying somewhere?

JEREMY AGUERO:
The language is a little bit unclear. The intent here is that we are not going to impose a tax on a tax. So let us imagine that you had a $100 room rate, and you had a 10 percent tax. It would be $110 that you would end up paying. We would not then apply the 10 percent also on the $10 tax because that is actually the amount you are paying for the room. This exists in every section the room tax is imposed so that it is consistent. The intent is to make sure that we do not get into that circular funding formula where you are trying to impose a tax on a tax and you can never actually calculate it.

CHAIR ARMSTRONG:
I would like to bring down Mr. Powers for Assemblywoman Neal's previous question.

KEVIN POWERS, CHIEF LITIGATION COUNSEL, LEGAL DIVISION, LEGISLATIVE COUNSEL BUREAU:
Before I answer any questions, it is always appropriate for the LCB [Legislative Counsel Bureau] Legal Division to provide our disclosure. The LCB Legal Division is a nonpartisan legal agency. We do not support or oppose any particular piece of legislation, viewpoint, or policy. Instead, we provide the Legislature with objective legal advice regarding issues of law, such as the constitutionality of legislation and the meaning and interpretation of statutory language.

Thank you, Mr. Chair. I am open to any questions the members have.

ASSEMBLYWOMAN NEAL:
What I am seeking here, so we do not get it crossed, is what this legally means and what the implications may be. In section 21, subsection 3, paragraph (a), you have "body corporate and politic." When I looked it up, that meant we are giving government powers—not general government powers, but government powers—to an entity. I wanted that spelled out. I also

wanted clarification on paragraphs (a) and (b), which have an "and" conjunction. So the Stadium Authority is a body corporate politic and a political subdivision. Then in paragraph (b), there is the word "coterminous," which means that although the boundaries are the same, they are not meant to be—I do not know what it is meant to be because it seemed like it was a government inside of a government. Then in subsection 5, there is the insertion of NRS [*Nevada Revised Statutes*] Chapter 41, entitling the Stadium Authority to all rights, privileges, and immunities recognized by law. I want that clear on the record as to what that means.

KEVIN POWERS:

We will start with a brief background discussion of the division of sovereignty in a state. Each state in the United States is a sovereign entity. It controls its own jurisdiction within its borders, but a state cannot operate unless it delegates certain portions of its sovereignty to entities that carry out specific functions. In Nevada, our *Constitution* requires the state to be divided into counties. Each of those counties is a political subdivision. The *Constitution* also authorizes the Legislature to create municipal corporations, or cities. Those are also political subdivisions. Those political subdivisions carry out specific governmental functions on behalf of the sovereign power of the state. In addition to counties and cities, there are also special districts that the Legislature can create, and those would also be political subdivisions.

The language you have in section 21 is typical language you will find in all of our special local acts creating special districts, such as airport authorities, sewer districts, and water districts. There are railroad districts. For example, here in Carson City, there is the reconstruction of the Virginia and Truckee Railroad. That is a special district. All of those districts are political subdivisions. If you look in those special and local laws, this is the language we use to create a political subdivision—a body corporate and politic; and a political subdivision. The goal here is to ensure that the language makes clear that this is a political subdivision of government, exercising governmental powers on behalf of the government. However, when the Legislature creates any political subdivision, that political subdivision only has the specific powers that the Legislature gives it and no more. That is why, in this legislation, we spell out exactly what this political subdivision, the stadium district, can do.

Taking the language that Assemblywoman Neal mentioned: " . . . the boundaries of which are coterminous with the boundaries of the stadium district." In other words, the stadium district does not have jurisdiction beyond the boundaries set forth in this act. So the boundaries set forth in this act is that the stadium district exists within a radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings. Those are the boundaries of the political subdivision, the stadium district. It has jurisdiction within those boundaries, but its jurisdiction does not extend beyond those boundaries. Therefore, its jurisdiction is coterminous with the geographical boundaries set forth in the legislation: the circle with a radius of 25 miles.

That brings me to the language in section 21, subsection 5. This language is to ensure that the officers and employees of the Stadium Authority, because it is a political subdivision, are subject to, must comply with, and are entitled to all rights, privileges, and immunities recognized by the law of the state. This is not an exhaustive list, but some of them listed here provide that political subdivisions, because they are acting on behalf of the state, are entitled, as any other state or local government, to sovereign immunity. Sovereign immunity is simply that an entity of the state is not subject to liability in court for damages or other remedies unless the Legislature has specifically waived a portion of that sovereign immunity. In this state, in NRS 41.035 to 41.039, the Legislature has waived the portion of the sovereign immunity for the state and its political subdivisions, allowing private parties to sue political subdivisions, but in those provisions of the law, the Legislature has put limitations on what a person can sue the government for. In particular, there is a limitation on the amount of damages a private party can recover from the government in an action against the government.

In addition, this also lists some of the other statutes that political subdivisions must comply with: Chapter 239, the public records law; Chapter 241, the open meetings law; Chapter 281, the general law governing public officers and employees; and Chapter 281A, the ethics in government law. This provision is saying, except as specifically provided in this act, that the stadium district is a political subdivision subject to all laws that apply to any other political subdivision in this state. However, to the extent that this act contains exceptions or special provisions, those

exceptions or specific provisions take precedence. So this essentially establishes the stadium district, establishes the rules of law that govern the stadium district, and makes sure that this act, where it is different, takes precedence over those general laws.

ASSEMBLYWOMAN NEAL:

I need a quick clarification. You said that the coterminous boundaries are only the 25-mile radius. So is there a typo in section 21, subsection 1, paragraph (a), in terms of the stadium district encompassing all property located within the county, the unincorporated city in the county, and the 25-mile radius?

KEVIN POWERS:

It is not a typo because you have to read the introductory preposition "within" with each of the paragraphs, paragraph (a) and paragraph (b). So the stadium district consists of all property located within the county, including an incorporated city within the county and within a radius of 25 miles from where the Board of County Commissioners holds its regular meetings. "Within" applies to both. In other words, you start with the county and then the stadium district, within the county, is that 25-mile radius circle.

ASSEMBLYWOMAN NEAL:

Mr. Powers, the way I read this and the way I interpret this is that we are giving private persons government powers. With the way the bill lists who can be a member of the Board of Directors and make decisions and the way it lists who will be a part of this, it is built around how much room tax they pay. It is built around all of these other factors that are not necessarily indicative of public persons. It also says that if public persons are appointed, they shall consider the recommendations of the NFL [National Football League] team. So not only does it say that you are going to get your public members, but the "shall" basically says that you will have them, but they need to do what the NFL says. Are we allowing private persons who may have interests in gaming or other things to have government powers and run a quasi-public agency?

KEVIN POWERS:

The short answer is no, and I will explain that answer. Every board that serves as the head of a governing body of a political subdivision is made up of private individuals. We are all private individuals. When we get appointed to serve on a board, then we perform a public function, but we are still all private individuals. Any district that exists out there—whether it is a general improvement district, an airport authority, a water district, or a sewer district—has individuals from the private world—everyone is a private individual—appointed to serve on those boards. They are then public servants who carry out a public function while they are serving on the board, but they do not lose their status as a private citizen or a private individual.

On this particular board, those members who may be recommended by the resort casinos that generate the most game tax revenue are private individuals. Once they become appointed to the board, they are public servants for the purpose of that board and, therefore, carry out public functions and have public powers. That is no different from all of you sitting here. You are all private citizens, but when you come into this building, you are public servants. When you vote on legislation, you are performing a public function. At the same time, you still remain private individuals who are private citizens.

CHAIR ARMSTRONG:

With that, the time is 1:54 p.m. I said we would break at 2 p.m. for lunch. I think this is probably a good stopping point. I intend to gavel back in at 2:45 p.m. We are in recess.

Chair Armstrong announced if there were no objections, the Committee of the Whole would recess subject to the time of 2:45 p.m.

Motion carried.

Committee of the Whole in recess at 1:55 p.m.

COMMITTEE OF THE WHOLE IN SESSION

At 2:46 p.m.
Chair Armstrong presiding.
Quorum present.
Senate Bill No. 1 considered.

CHAIR ARMSTRONG:
I would like to welcome everybody back to the Assembly Committee of the Whole. We lost one of our presenters, Mr. Aguero, temporarily, but I would like to move to any questions related to UNLV [University of Nevada, Las Vegas]. I have Dr. Jessup here to answer some of those questions. We will take questions regarding UNLV at this point.

ASSEMBLYWOMAN SWANK:
I am not exactly sure which section of the bill this is in, but it has to do with the composition of the Campus Improvement Authority. I believe there are four Regents on the Campus Improvement Authority. I know we have nine Regents who are wholly from Clark County. I am wondering why it was not specified that those four Regents should be from Clark County?

LEN JESSUP, PRESIDENT, UNIVERSITY OF NEVADA, LAS VEGAS:
That is a good question. I am working from memory on the language. I suspect you are right that it was not specified. I think the assumption would be that they would be the ones with a vested interest, so the selections would come from the southern Regents. But I think you may be right. We have several in the north who understand the issues around athletics and the stadium well. If one of them were chosen, I think that, ultimately, it would be fine.

ASSEMBLYWOMAN SWANK:
I would imagine that there might be a bit more comfort if it was specified that those four members, or even three of the four members, should be from Regents whose districts are wholly within Clark County.

STEVE HILL:
The only thing I would add to President Jessup's comments is that the Southern Nevada Tourism Infrastructure Committee—and this would be an answer that would apply in a couple of different situations—attempted to refrain from encroaching on the responsibilities of other organizations or bodies that we considered outside of our purview. That was one of the reasons why we did not go so far as to make that recommendation. I think that President Jessup described the rest of it accurately, but I understand your point.

ASSEMBLYMAN O'NEILL:
Mr. Jessup, following up on my colleague from the south's question in regard to representation, currently, the Stadium Authority is made up of various components, with two people who will be chosen who have backgrounds in NFL this and NFL that. This is also going to be the home stadium for UNLV. The state is putting money into it from taxpayers. The University of Nevada, Las Vegas has said before that they need to get out of Boyd and that they do need a stadium. During discussion with the Southern Nevada Tourism Infrastructure Committee, and even now, was there consideration to have a representative from UNLV sit on the Stadium Authority? It is going to be your home stadium along with the Raiders and along with others. You should be sitting there, and I would like to know if there has been discussion to that fact and what it may have been.

LEN JESSUP:
There was considerable conversation in the committee about who each of those Stadium Authority board members ought to be. There were conversations about whether or not the University should be specifically mentioned or not. I think everyone agreed that for the folks who would be appointing board members, like from the Governor's Office and from the county, the overriding and most important factor was finding people who were knowledgeable about running

a venue, whether it is NFL or not. No matter what the events were, people who were knowledgeable about running venues like this would be able to make smart decisions about the operation of the venue, policy, and so forth.

From our point of view at the University, we were comfortable that the folks who had the appointing authority for those positions would choose people to be in those positions who would be sensitive to the University as one of the primary tenants of the building. I was ultimately comfortable with the way the language was adopted around those choices.

ASSEMBLYMAN O'NEILL:

I will say that I am not. I would like to see a UNLV representative sitting on that board. Since it is a home stadium for UNLV and we are requesting taxpayers' money—it is nice to hear that they will think about you, it is nice to hear that they will consider you, but it is nice to have somebody there. I appreciate your input on that, and I will discuss it further with my fellow Assembly colleagues.

ASSEMBLYMAN SPRINKLE:

My question is in regard to section 52, way towards the end. Early proposals, when they were talking about the UNLV stadium, had $200 million and a matching public funding of $200 million. Obviously, that has been increased by $100 million in this legislation. I am wondering exactly what the rationale was to increase that by $100 million. On top of that, now the public funding for this is going to be, obviously, more than what would be coming from whatever revenue sources you or others were able to secure to get to that initial $200 million.

LEN JESSUP:

We were looking at some benchmark stadiums around the country that were collegiate stadiums built relatively recently that would make sense for us. For example, one of the stadiums that was of interest was the stadium for Baylor University down in Texas. That is an example of a really good benchmark. We went and looked at it. Using that and other benchmarks and considering the cost for building those stadiums and carrying those costs forward with inflation—how much it would be to build them in today's dollars and how much it would be to build in Nevada dollars, with the rules and the constraints in the state of Nevada—we thought that $500 million sounded like the right number, given the kind of stadium we want to build. Baylor's stadium is a 45,000-seat open-air stadium. That was an example of the model carried forward that we thought would probably cost around $500 million. That is how we arrived, from our point of view, at a number reflecting what it would take to have what we wanted.

We felt comfortable with the $200 million being included from the point of view that (a) we thought we needed to have some skin in the game, and we thought that was appropriate to include in the model from the University; and (b) given the 24-month window we were given in the option in the language, we were confident that that is something we could put together. We could put together the financing at that level over 24 months. In the language, you will see the combination of private giving, naming, other sponsorships, and the other elements we would have at our disposal to put together our side of the financing.

ASSEMBLYMAN SPRINKLE:

Thank you for that. It is a good explanation. My only other question for you is the rationale for a $500 million stadium. This is certainly not meant to be mean since I am from the north, but what are the attendance rates? From what I have been told, attendance rates have traditionally been relatively low for UNLV football games. What is your feeling as far as how a new stadium can potentially drive those attendance rates up? Why do you feel comfortable with this high of a level of public funding for games and events that traditionally have not brought in a lot of people?

LEN JESSUP:

Our attendance varies from year to year with the performance of the team. In the most recent period, we have been averaging about 15,000 attendees per game. We expect that, as we move to the new stadium, the attendance will go up for a variety of reasons. One is because it is a newer, nicer venue. It is a nicer experience for people on game day. Two is, the locations we are talking about are much easier to get to and easier to get in and out of than Sam Boyd Stadium. In addition, being able to play in a newer and better facility helps us to recruit better athletes. That leads to

better performance, and then that draws attendance, and that starts the flywheel turning. We are confident that attendance will go up.

CHAIR ARMSTRONG:

Dr. Jessup, I have a question. This got hung up in the Senate as well—the explanation for UNLV and what would be considered fair rent. I was wondering if you could give your input as to the discussion and UNLV's role in that as well.

LEN JESSUP:

There was a lot of conversation around this in the Southern Nevada Tourism Infrastructure Committee. The reason we settled on the language around rent that we did was because we will not be able to accurately and completely determine what the rent ought to be until probably 12 to 18 months down the road or later, once the actual costs of operating the new facility are known variables. There is a lot that goes into rent that is yet to be determined. You have to know the costs of operating the facility in order to assess a fair and reasonable rent for the University or for anybody. That was why we determined to leave the language as we did and say that it would be a fair and reasonable rate when we get to that point down the road. You have to get through this process, the Stadium Authority Board has to be created, an events company has to be created, there needs to be a better sense of the hard costs of building the facility, there needs to be a better sense of what the operating costs of the building will be, and then you can sit down and determine with a tenant what fair rent ought to be for them.

It is hard to put a number on that now. The committee decided it was better to have that language fair and reasonable rent and fair and reasonable accommodations for the University when we get to the point when we can determine that. Some numbers have been used as a hypothetical, but we have not had any negotiations over an amount for the rent. We are waiting until we get to the appropriate time to do that down the road.

Does that answer your question, Mr. Chair?

CHAIR ARMSTRONG:

Yes. Thank you for that. Additionally, you may want to give some input as to the up-to-$3.5-million payment for UNLV as well.

LEN JESSUP:

The $3.5 million offset is for things we do at Sam Boyd Stadium now. We net about $3.5 million from non-football events each year. The agreement was, with the new facility, we would stand down from those activities, and we would help move all of those events and all of that associated revenue over to the new facility. We were compensated for that in the language you see in the bill. We are very happy with the offset language.

We think it is fair to the University, and the way we are being treated is fair for helping to move that revenue over. It gives a built-in set of events and set of revenues to start with for the new facility, so it is good for the overall success of the new facility as well. That was the ethos behind that offset language, and I think it is fair to the University. I am happy with that offset.

CHAIR ARMSTRONG:

Thank you for that, and thank you for the input.

ASSEMBLYMAN ELLIOT ANDERSON:

I do not understand. I know you guys had this whole process but, just to be frank, your university has been held up as a big reason to do this and a big reason why it is a great thing for the Legislature to do. It is honestly hard for me to fathom you paying rent whatsoever and certainly even harder to fathom not defining what that rent would be and leaving it open to interpretation. Why do we not say that UNLV would pay the actual costs associated with doing those games? I understand that you had this process, but it is one of those things that everyone scratches their head over and says, What? We are going to charge UNLV rent? We are calling this a public stadium, and it is being held up as a public stadium, but then we are charging a university to pay rent.

LEN JESSUP:
I appreciate the question, and I appreciate the support for the University. Thank you. You captured pretty well the tone and tenor of the conversations around this in the Southern Nevada Tourism Infrastructure Committee. In fact, those were pretty close to the words used in the committee. The sense was that we have to make sure the University pays a rent for the usage of the facility that is fair and that covers the cost for the day. There was no intent to profit from the University's use of the facility. It was just too difficult, especially now, to determine—because you have to determine on the cost side what you are going to pay for. You are going to pay for the police, the parking staff, and the staffing in the building. You have to figure out how much to contribute toward the maintenance of the building, power, water, and all the other things that happen in the building that day. It also goes hand in hand with all of the revenues for the day. What would be the decisions made around the revenues that would be captured that day? It is a multivariant problem, and all those things are not going to be known for probably another year or two. That was why it was left more general, but it certainly was the intent that we would be willing to cover the costs for that day.

ASSEMBLYMAN ELLIOT ANDERSON:
President Jessup, I always have this struggle when we are talking about what we potentially write in a statute or in a bill. We have this discussion when we are defining crimes. Prosecutors say, We would never charge it that way. But the only power I have is what the law says, so it is very difficult for me to give up on these sorts of things because it is my only shot to define the law. I would certainly hope that no matter what happens on SB 1—it is a head-scratcher to have it in there that you would pay rent. I hope you continue those conversations with the proponents and the developers.

LEN JESSUP:
I wholeheartedly agree, and we will do that. We will continue the conversations here as well.

ASSEMBLYMAN KIRNER:
I am not sure if this question should go to President Jessup or you, Mr. Hill. It concerns the $3.5 million that would go to the University. Is that a guaranteed number? Does it fall under the waterfall conditions? Can you speak to that for a moment, please?

STEVE HILL:
The $3.5 million is the capped amount. It is the highest amount that could be paid to UNLV as a function of closing Sam Boyd Stadium. As President Jessup recently mentioned, they currently make a $3.5 million profit on the events outside of football that they have at that stadium. So that is the starting point for the calculation that goes into what that profit recovery would be. That would then be offset by the additional profit they would make on their football games at the new stadium. So to the extent that their profit on football increased by $3.5 million, that would then offset the $3.5 million that they would lose at Sam Boyd Stadium. That payment is part of the waterfall structure. It is somewhat down the waterfall structure. Although we do think it is likely that money will be available when it is needed, in the event that it is not, there is still a responsibility of the Stadium Authority Board to make that payment to UNLV once that funding is available. So if it is not available in a current year and there is, let us say, a $2 million shortfall, then the next year, if they are owed the $3.5 million, they would be owed $5.5 million. So it would carry forward until they are paid.

ASSEMBLYMAN KIRNER:
If I understand you correctly, that is a debt that lives on until it is paid. So maybe it is not a guarantee, but it is virtually a guarantee at some point.

STEVE HILL:
Yes, that is correct.

ASSEMBLYMAN EDWARDS:
Assuming that SB 1 is approved, I actually would hope that this plan B of a collegiate stadium does not come to fruition because I would want plan A to work. I would also mention that I would

much rather have a discussion about a collegiate stadium in the regular session, where we would have more time to listen to what your plans are and so forth, but I also recognize that the Executive wrote the proclamation and not myself.

What I would like to know is, what is the worst-case scenario for Sam Boyd Stadium as far as how much longer it can be used? I do have a question after that.

LEN JESSUP:

That is a good question about the facility. We have been using, as I mentioned before, Sam Boyd Stadium now for well over four decades. It has served us well, and we owe a great debt to the Boyd family for that opportunity. We have just completed a significant $72.5 million renovation to Thomas and Mack. We cannot go much longer before we are going to have to do that for Sam Boyd Stadium. The infrastructure is just old. We would have to put significant money into that facility just for basic infrastructure. We would have to start thinking about making those kinds of improvements in the near future, probably in the next three to five years. We would rather not do that, quite frankly. It would be better to spend those dollars on a venue like the one we are talking about today.

ASSEMBLYMAN EDWARDS:

I would agree that a new venue with the NFL approach is preferable for a variety of reasons. I will be honest with you, my constituents have been concerned about the fact that we gave UNLV $100 million for the medical school, $50 million for hospitality, $20 million for the GME [Graduate Medical Education]. Those were all education-related and oriented toward degrees. My constituents can understand that, but they are truly hard-pressed to understand the idea of spending $560 million—even if you get $200 million, they are still spending $360 million—for a stadium. Especially when there are so many other needs that have been talked about in the world of education, this is kind of a hard sell. What do you recommend I tell my folks?

LEN JESSUP:

That is a valid question and a good question. First, I would say that my preference is also plan A. I think it is ultimately better for the University and better for the community. It is a win-win for everyone. The collegiate option, though, is still a valuable option. We would continue, for example, to bring in events outside of football, and that would be enhanced in a newer facility that is closer to the campus and closer to the Strip. In the collegiate stadium, there would still be inherent economic value for the community that would go beyond the things the University does in terms of academics and its own athletics.

The second thing is that it would provide a better game day experience, both for the athletes and for the fans. It would enhance the experience for everyone who interacts with athletics at the University. I think either of the options would help the University become more attractive for a Power Five conference. There are benefits, both financially and academically, to the University in making that move in terms of what it would do for our brand, reputation, and ability to draw students and faculty from around the country. I think there is still value, both academically and financially, in the collegiate stadium option.

ASSEMBLYMAN OHRENSCHALL:

My question has to do with the different monies the University would have to pay and come up with in terms of trying to use the NFL stadium. Is that something that is in the UNLV budget now? Is it money that would need to be raised through fundraising? In either case, what do you see as the opportunity cost of those monies you would have to pay to use the stadium if this passes and it gets built? What programs might not be funded? What buildings might not get built?

LEN JESSUP:

I want to make sure I understand the question. Are we talking about the collegiate option or playing in the new NFL facility?

ASSEMBLYMAN OHRENSCHALL:

Perhaps either. If you do not mind answering for either. I am wondering if you have this in your budget or if it is money you need to raise through fundraising.

LEN JESSUP:
For the games we would play in the NFL facility, what we would pay to cover costs of playing in the facility would come out of the revenues we would generate from the game in the facility. So those payments would be self-sustaining.

In terms of the collegiate option and the $200 million we would have to come up with in the 24-month window, that $200 million would be a combination of private gifts, naming for the stadium, and other kinds of sponsorship opportunities that would go along with the stadium. We could also presale suites and loges—those kinds of things—and have payments up front that would also be part of coming up with the $200 million. So that would not come out of existing budgets at the University. This would be, in a sense, a capital campaign of its own that we would fundraise around and create a financing package for.

ASSEMBLYMAN OHRENSCHALL:
Does that seem realistic to you, raising that amount of money if it is plan B and the collegiate stadium?

LEN JESSUP:
Yes.

ASSEMBLYMAN ELLISON:
I have a couple of questions. I do not know where you want me to start, but if you go back through the book about the Convention Center [Appendix E].

CHAIR ARMSTRONG:
Assemblyman Ellison, we can go back to the Convention Center, but do you have a question regarding UNLV?

ASSEMBLYMAN ELLISON:
Well, I have a question about both. I have three questions—one pertaining to the Convention Center, one pertaining to the stadium, and one pertaining to UNLV. Do you want me to ask the UNLV question? I am more than happy to.

CHAIR ARMSTRONG:
Yes, and then we can come back to the others.

ASSEMBLYMAN ELLISON:
Why is the UNLV collegiate stadium in this bill instead of being in a stand-alone bill during the 2017 Session? If you look back on page 2 of the stadium exhibit [Appendix D], it says, "If an NFL team does not commit to relocate to Southern Nevada within 18 months . . .."

CHAIR ARMSTRONG:
Are you asking why the collegiate stadium contingency is part of this bill?

ASSEMBLYMAN ELLISON:
Why can it not be in a stand-alone bill by itself and why was it not heard back in the 2017 Session? That is number one. Number two is, it is kind of hard to support UNLV for extra funding when they kicked every community college under the bus. Every time the community colleges ask for a stand-alone, they get denied. Every time they ask for anything from UNLV, they get smashed. Maybe you can answer that. I am not a big supporter right now of UNLV, if you have noticed.

STEVE HILL:
I will answer your first question, and I will ask President Jessup to address your second question. The reason that these are both in the same bill is that the financial model that would allow for the University's stadium to be built is linked to the NFL portion of this proposal. The bill would allow the tax to start to be collected soon—probably in February—and that tax would be collected along the way. If the NFL proposal did not go forward and we moved into the college football stadium proposal, the room tax level would drop, but the funding that had been generated along the way would be used in order to partially help fund the college stadium proposal. Doing

that helps keep the room tax increment at a lower level and provides the opportunity for the college football stadium following the NFL option.

Part of the charge of the Southern Nevada Tourism Infrastructure Committee was to look for those event centers and find a set of proposals that gave the highest and best opportunity for not only UNLV football, which President Jessup mentioned, but all of the events that are currently held at Sam Boyd Stadium. Many representatives of those events appeared before the Southern Nevada Tourism Infrastructure Committee. They are looking for an event facility that is closer to the Strip. They are looking for a larger facility that provides a better experience. There is benefit there as well. Those two reasons are why it is part of the recommendation.

ASSEMBLYMAN ELLISON:
I would like to ask the question about the community colleges.

LEN JESSUP:
I appreciate the question and the concern. I am coming up on two years on the job now, and I can tell you that, at least since I have been here, the relationship with the community colleges has been good. In particular, along with CSN [College of Southern Nevada] and President Richards, we now have an example of clear articulation to help students make the transfer like I did—I am a former junior college student from California who went to one of the Cal State campuses after. So we have taken steps to build that clear articulation for CSN students coming to UNLV. We have advisors at CSN to help work with the CSN advisors and make sure students take the right classes to get over to us.

In addition, within the last six to eight months, we have added a guaranteed admission policy. If students apply to us and they do not meet the requirements for getting into UNLV but their requirements are suitable for getting into CSN, then we work with CSN to have that student admitted to both schools. Upon successful completion of coursework and requirements at CSN, they are already admitted to UNLV. They just finish the requirements over there, and when they are ready, they come right over to UNLV.

I appreciate the concern. I think the relationship is getting much better. Through that guaranteed admission program, we have pushed a good 200 to 300 students over to CSN just in this last cohort that came in this fall. I recognize that there is more work to be done to continue to build a good relationship with the community colleges and CSN in particular. I commit to you that we will keep working on it.

ASSEMBLYMAN ELLISON:
It is a big concern for the rest of the state of Nevada that we get crumbs. We have some of the best turnouts for job positions in the state of Nevada. I hope you guys take that into consideration.

LEN JESSUP:
Yes.

ASSEMBLYWOMAN SPIEGEL:
I had a couple of questions about plan B, the University stadium piece. If I missed it in some of the materials, I apologize. If we build the plan B stadium, would it be possible to use that stadium to try to attract something like Major League Soccer and other events? What would happen with revenues that came in from that? What would they be used to fund within the University?

LEN JESSUP:
The short answer is yes. That could and will be done with either plan A or plan B. There will be buildings constructed to be able to take in rugby and soccer. There are ways you can do that with the design of the field and the structure around it. We do that now in Sam Boyd Stadium. That is how we are able to accommodate rugby and soccer out there. Our intention would be to do that with the plan B collegiate stadium, and I know it is the intention for the NFL stadium to take advantage of that as well.

ASSEMBLYWOMAN SPIEGEL:
What would you use those extra revenues for? Have you had discussions internally about what kinds of programs or buildings or where you would be allocating those funds?

LEN JESSUP:
Under the collegiate option, we would operate the building a lot like we operate Sam Boyd Stadium now. Right now, we are using the $3.5 million that we netted on the non-football events largely for athletics so we do not have to draw that money from academic programs in order to support athletics. I expect that is what we would continue to do under the new model.

ASSEMBLYMAN HANSEN:
I am trying to get my hands around this lease arrangement. So you have the Stadium Authority who leases the facility—which you call the NFL facility—to the Raiders, and then the Raiders turn around and charge rent to UNLV to use the facility. If I am the UNLV controller and I have to make the check out, who am I making the check out to? Do you pay it back to the Stadium Authority, or do you pay it to the people leasing the stadium?

STEVE HILL:
Actually, the Stadium Authority Board would contract with a stadium events company. That, in all likelihood, would be Mr. Adelson and the Raiders in some type of partnership. So there would be an entity responsible for operating the stadium. Their investment in the stadium allows them to operate that and generate the $20 million profit.

ASSEMBLYMAN HANSEN:
In other words, the check that is going to be made out by UNLV is going to go to the person who is leasing the stadium. So the Raiders, in effect, get paid by UNLV to use the stadium.
The other question is, in the same arrangement, do the Raiders also pay to lease the stadium? Who do they make a check to?

STEVE HILL:
Yes, they do. It is the same type of arrangement for them.

ASSEMBLYMAN HANSEN:
I know, but since they are the ones controlling the entity in charge of the concessions, are they, in effect, paying themselves for the use of the stadium? What I am getting at is, does it ever go back to a neutral fund that is actually controlled by the taxpayers?

STEVE HILL:
The operations of the stadium do not.

ASSEMBLYMAN HANSEN:
Okay. So UNLV, to rent the stadium, will actually be paying the Raiders to use the public stadium, which is not the NFL stadium. At least in my understanding, it is a public stadium that the NFL will lease.

ASSEMBLYMAN ELLIOT ANDERSON:
I have the same thought my colleague from Sparks, on the other side of the aisle, had. I see a requirement for UNLV to pay rent, but I do not see an actual requirement in the bill that the Raiders would have to pay it. I am assuming it is another one of those "trust us" concepts, that the Stadium Authority would do that. I am just noting that I have not been able to find that in the bill, but that is not my question.
We are getting into whether this is a public stadium. There are parallel sections: section 31, subsection 1, paragraph (c), subparagraph (2) in the NFL language, and then the equivalent is section 48, subsection 1, paragraph (c), subparagraph (2) in the UNLV project. Basically, how the provisions work with Chapter 338 is that there is a general exemption from Chapter 338, but then those sections I cited rope in a few of those Chapter 338 provisions. It is basically an exception to an exception, and that includes prevailing wage. It says, "…required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090…." I think that is actually a good provision because that allows prevailing wage, as I understand it, for those

contractors. That is good. However, what I see is that it stops before it gets to NRS 338.125, which is fair employment practices.

Of course, we have Title VII federally that would still apply; we cannot create an exemption to federal law. My concern is that our fair employment practices in construction provision is much broader than Title VII. For example, it explicitly includes protections from discrimination based upon sexual orientation, gender identity, and those other things. Again, we are calling this a public stadium, but we are not giving those contractors protection based upon discrimination for gender identity and sexual orientation. There are other provisions that are not in Title VII that are included in NRS 338.125, which this bill, both in the NFL section and the UNLV section, would exclude. Can you please explain the thought process of not including that?

STEVE HILL:

I cannot. The intent of the Southern Nevada Tourism Infrastructure Committee was solely to allow the developer to choose a contractor to build the stadium without being required to go through the public bidding process, simply because there are very few contractors that build stadiums. When you are building that level of a facility, being able to choose the general contractor is something we thought was important.

In regard to the method for writing that section, I will either have to get back to you with the answer for that, or you may want to ask your legal counsel.

ASSEMBLYMAN ELLIOT ANDERSON:

We have talked about the 46 events that the economists are projecting. If we look at that, six of those would be considered UNLV home games. I do not want to repeat the discussion we have had about how UNLV's football team can improve. We will always have the Fremont Cannon. I do not know that we will grow overnight. I thought it would make the session that much easier if I brought that into the debate.

I started thinking about those economic studies. I have been told about a thousand times this session that we are different, that Las Vegas is different. To a point, I think I am willing to concede that. We are not Cleveland. I get that. We are going to do better than Cleveland. We are going to do better than a few other cities. I guess I am wondering, how much better? When I started thinking about that, if we are going to make all of that work and do better than Cleveland, we are going to have to have a lot of people traveling and bringing their disposable income to Las Vegas for those six UNLV home games. As a two-time alum, I am now starting to worry about going to the stadium and having it be basically an away game in my own town.

I do not know how many people know this, but we only took pictures of Sam Boyd when Wisconsin came to town because they filled up the stadium in red. If we are going to make these economic predictions work for those 6 games out of the 46 events, at least for a while, until we can start drawing attendance, we are going to be outnumbered at our own stadium. If we are not outnumbered in our own stadium, then for 6 games out of the 46 events, we are going to—it is just not going to work based on the projections. We will not be different, at least for those six games. Are you following this line of questioning?

STEVE HILL:

Yes, I think I understand your point. The projections around the 46 events were not necessarily done with some kind of general average. They were done on an event-specific basis. There was virtually no economic credit given to the UNLV games at the stadium. Less than 5 percent of the attendees at UNLV games were projected to come from out of town specifically for the game. While those games are there and the 6 games are certainly included in the 46 events, there is very little contribution from an economic impact standpoint that comes from the UNLV games at the stadium.

LEN JESSUP:

What I would add to what Mr. Hill said is that I am with you. I understand the concern, and I think it is a valid one in the sense that this venue, just like it will be for the NFL team, is going to be attractive to the fans of the opposing teams. I think it will become more attractive for the fans to come along with the Mountain West teams that travel to Las Vegas. I think we are going to be more attractive in terms of drawing more interesting preseason teams to Vegas to play in the venue.

So your concern is a valid one. We are probably going to have more opposing fans in the stadium, and I do not think we shy away from that at UNLV. I know that Coach Sanchez does not. I mean, that just puts the pressure—good, healthy competitive pressure—on us to put a good team out on the field, do well, and draw our own fans to outcompete in the stands like we hope to do on the field. I understand the concern.

ASSEMBLYMAN ELLIOT ANDERSON:
Thank you, Mr. President. Go Rebels.

ASSEMBLYMAN FLORES:
I am having a hard time convincing myself. You touched on the issue previously, but I am trying to get a longer explanation so I can feel a little bit more comfortable. I am looking specifically at section 34, subsection 4, paragraph (d). Specifically, I am looking at the ten years where UNLV is going to be getting up to $3.5 million. There are two caveats in there. Number one is, you are not first in getting paid. There is a line of payment. Other payments go out, and if there is remaining money, then UNLV gets up to $3.5 million. Then we cap it at ten years. The reason I am having such a difficult time with that is, right now, if we keep everything at Sam Boyd, as long as you keep getting those events, those contracts, and the commitments to those tournaments, UNLV will have that in perpetuity. It is something you negotiated and something you brought to the table. Now we are saying that we are going to give you that for ten years, and then we are going to stop. I am having such a hard time understanding why we are going to stop. That is the first time we have a real number. Everything else are projections, but that $3.5 million is money that UNLV can say, Look, here are our books, and we can show you how much we have earned in the past. We finally have a real number, and then we are going to cap that.

If you could help me put all of this together in terms of how the discussions went. I understand that when you are at the negotiation table, everybody brings what they have to the table and comes to an agreement. It is not always perfect. I understand all of that, but if you could just go through that rationale, please.

LEN JESSUP:
Mr. Hill, feel free to add to what I might leave out.

The two things I would say is, first, the assumption that we would just continue at the $3.5 million level ad infinitum could be challenged because, as we talked about earlier, as our facility continues to age, our ability to attract tenants to use the stadium will go down over time. The facility is aging significantly.

Second, ten years seemed like a reasonable amount of time. As we were having conversations about this, that seemed like a reasonable amount of time for our football team performance, and the revenues associated with that, to improve over the decade and offset the revenue that we are being compensated for. That is how we arrived at the ten years. There was a lot of conversation about determining the right period of time.

As we touched on earlier—and this is why I would have to defer to Mr. Hill—you can think of that as the counting window, but that debt does not go away. If, for some reason, the waterfall is slow, that is still a debt that will be repaid. It is a debt that has to be repaid even after the ten years. We were confident with that, too. I am confident that the waterfall will work, but that language helps me to be even more confident and secure that we will be compensated for that money that was lost, even if the waterfall is a little tardy in making its payments.

ASSEMBLYMAN O'NEILL:
If I understand correctly, UNLV owns Sam Boyd Stadium now. Is that correct, Mr. Jessup? Who manages the events and activities that transpire there? I assume UNLV must manage them. Where is that assigned within the organization?

LEN JESSUP:
That is correct. We own the facility, and we manage it. It is through our event group that does both Sam Boyd Stadium and Thomas and Mack. It is within our business and finance function.

ASSEMBLYMAN O'NEILL:
Would that organization be brought to the new stadium?

LEN JESSUP:
No. It is not our expectation that any of those personnel would move over to the new events company, but there will be a neat and complete handoff of the events. My team will help move those events over to the new facility, and then we will deploy those personnel in other ways.

ASSEMBLYMAN SPRINKLE:
I wanted to follow up on one of the questions my colleague asked earlier in relation to NRS Chapter 338, the contracting requirements. Let me just say, I am very supportive of this part of the bill. Obviously, it makes sense for our labor, specifically NRS 338.0117, which talks about the 50 percent requirements of employees having Nevada driver's licenses or ID cards. That is relevant and important. We built that into some of the past legislation we have done in special sessions.

My question to you is, what happens when these requirements are not fulfilled? What is the fallback? What will happen to the event company if they do not adhere to these statutes?

STEVE HILL:
I am not an attorney, but I will give you what I think the answer is. We can also ask your staff about that as well.

This is for the contracting portion of the bill. The developer and their contractors would have to follow this law. In the event that they do not—I guess it would depend on what the violation would be—but the person or the organization that was damaged would have the right to sue and contest that and cause that organization, the developer, to perform. The state Labor Commissioner, who oversees the prevailing wage implementation, would also have the ability to weigh in.

CHAIR ARMSTRONG:
Mr. Powers, would you like to answer?

KEVIN POWERS:
Could I have the question repeated, please?

ASSEMBLYMAN SPRINKLE:
My question is in regard to NRS Chapter 338 as it is cited in this bill. If, after the construction work begins or even after it has concluded, those requirements are not met, what kind of recourse is there, and what kind of consequences will there be for those companies that should have been adhering to NRS?

KEVIN POWERS:
As was mentioned, there would be opportunity for someone harmed by the failure to comply with the prevailing wage laws as in Chapter 338 to take civil action against the contractor who violated those provisions, and that civil action would include your normal common law remedies—damages, specific performance, the potential recision of the contract. In addition, NRS Chapter 338 has its own particular remedies. I cannot cite those off the top of my head, but because we incorporate the prevailing wage statutes in this legislation, then all the remedies available, both under the common law and NRS Chapter 338, would be available to the party who was harmed by the contractor that violated those prevailing wage provisions.

CHAIR ARMSTRONG:
I do not see any other UNLV questions. We are going to switch out some speakers. I wanted to open it up for questions to some other folks. We are going to bring down Danny Thompson, Jan Jones Blackhurst, Sean Stewart, and Rossi Ralenkotter. Three out of the four of these folks were able to testify when the Senate held its hearing, so we were able to hear their testimony. I know there was a lot of interest in asking questions to these folks. I am really happy they agreed to come back and answer any questions this body might have.

With that, my screen is cleared of questions. If you have specific questions for these folks, go ahead and press your button.

ASSEMBLYWOMAN TITUS:

Thank you, Mr. Chair. I appreciate your thoroughness in allowing all of us to have a chance to ask really important questions.

This question may also be for Steve Hill. One of the arguments in favor of this bill has been jobs, which I am hearing very little about in this afternoon's questioning. There is very little detail about the types of jobs. As a physician, I am concerned about the health of Nevadans—not just five years from now, but in ten years, twenty years, and even more. I certainly understand that there will be good construction jobs that pay well during the building process, but after it is completed, what types of jobs will be created? Does the service industry pay enough to cover the health care costs and education needs of the employees and their families who will be moving here and employed here? Or will, once again, the state of Nevada just be adding to our terrible statistics of being at the bottom of most, if not all, of the negative statistics in health care and education?

DANNY L. THOMPSON, EXECUTIVE SECRETARY-TREASURER, NEVADA STATE AFL-CIO:

Mr. Chair, I can tell you unequivocally that any jobs at this point are going to be good jobs. Specifically, construction workers generally make an affordable wage with real benefits that include health insurance, health care, and pension payments.

One of the problems for a Las Vegas worker—specifically a construction worker, but not just construction workers but all workers who have pension plans—is that when the recession happened, we had the retirees out there drawing their pensions. You had the workers doing the work and paying into the pension plan, and it was okay. But when you stop paying into the plan and there is only money coming out of the plan, you have pensioners, like me soon, who are going to face a cut in their pension because they have not been able to have the number of hours to maintain their plan. So we are not just talking about the work. You have heard from the building and construction trades that unemployment ranges from 20 to 80 percent, depending on the craft. There is not just that side of it; the other side of it is that nobody is paying into the pension plan, and the pension plans are suffering. There are no jobs for apprentices, so the apprentice programs go away and our trained workforce disappears. One of our problems today and one of the problems with Tesla was that the apprenticeship programs were so drained of apprentices that they had to rush to start them up again.

There is no question that those jobs are going to be created. When you create that stadium and expand the Convention Center, all of the businesses that are associated with that—the new mechanics have to have buildings, they have to have employees. All of that starts rolling down the hill. Ms. Jones Blackhurst can talk specifically to the service trade jobs.

JAN JONES BLACKHURST, EXECUTIVE VICE PRESIDENT, GOVERNMENT RELATIONS AND CORPORATE RESPONSIBILITY, CAESARS ENTERTAINMENT:

I am always amazed, not even just in Nevada, but when I travel the country and people talk about gaming jobs, they make an assumption that somehow these are lower-paying jobs. The average person in the gaming industry earns over $50,000 a year with full benefits and health care. The jobs run the gamut—they are everything from marketing jobs, legal jobs, management jobs, engineering jobs, and technology jobs. I do not see that there is any difference when you look at the jobs that will run a project of this size and scope, not just in making it run, but the small businesses that are providing the goods and the services in those big facilities. Those are not just service worker jobs. If you look at the jobs that then program this facility, what that brings in, these are huge jobs.

I said it yesterday and I believe strongly that this project is going to be the economic development jump start that begins room development once again on the Las Vegas Strip. There has not been a major infrastructure project in Las Vegas in almost a decade, except for The LINQ. We did that for about half a billion dollars. This project creates the new demand for new people coming to Las Vegas, that begins having us not just reinvesting in our room product but adding to our room product. That creates a whole other level of new jobs. This project is a job creator, a quality job creator, a job creator that funds businesses in Nevada, which, as I said before, is our number one priority. I think it is one of the foundations of the tourism industry. Without it, we are still going to be a good destination, but I am not sure that we are going to be the number one destination.

ROSSI RALENKOTTER, PRESIDENT AND CHIEF EXECUTIVE OFFICER, LAS VEGAS CONVENTION AND VISITORS AUTHORITY:

I have a couple comments on jobs as well as some of the conversation that has gone on this afternoon.

Our side of the project will create about 14,000 construction jobs during both the expansion and renovation of the Convention Center. After those are completed, the number of permanent jobs that will be created will be about 8,000. When you look at 40 percent of the employment base in southern Nevada being in the tourism and resort industry, we need to make sure that we have the adequate employees to fill those jobs and that we are also able to grow the economy itself. As we also talked about, it is the small businesses that service those conventions and special events that come into Las Vegas each and every year. That helps the economy, and that is more job creation as we look forward. For example, the GES [Global Experience Specialists] and the Freeman Company, which do the striking and the setup of the conventions, offer a lot of high-paying jobs. There will be more conventions. We have identified 30 conventions that we cannot handle now but will be able to come to Las Vegas as a result of our expansion and renovation.

I would also like to comment on the conversation that President Jessup had. There was a discussion about special events that are at Sam Boyd Stadium. The Las Vegas Convention Center has been part of creating and bringing more special events into Las Vegas for the last 30 years. We were the organization that initially went out to get the National Finals Rodeo, which made the month of December a profitable month and brought more and more visitors to Las Vegas. When you look at the statistics of those people who come into town for special events, 80 percent of the attendees are from out of town. Another reason for the stadium part of it is the Las Vegas Bowl, which was started by the Convention Center. It is 25 years old this year. We have had five of the last six games sell out. I do have some tickets available for anybody who wants to buy for this year's game, but we cannot expand that and have more people coming in without a new facility. We put a lot of the events that are at Sam Boyd Stadium now down there.

It really is a combination of bringing more people in at strategic times. It is all about jobs—we talked about that before. Regarding the economic impact, when Wisconsin used to play UNLV in a home and away situation, Wisconsin would bring 24,000 or 25,000 people to Las Vegas. We have that opportunity as we move forward with the stadium.

SEAN STEWART, EXECUTIVE VICE PRESIDENT, NEVADA CONTRACTORS ASSOCIATION:

I represent the Nevada Contractors Association, comprising about 600 general contractors, subcontractors, and suppliers. I think an aspect we have not talked about yet is what these contractors do when they are successful. Most of these contractors are major donors to the University. They are also involved in the industry, and they put back into the economy. Many of our contractors are some of the biggest developers in the Valley as well.

I echo what was said today. Not only is this money creating jobs and putting people to work, but the money that is made by the contractors who build these projects is invested back into the community. That has a rippling effect that I do not think we can measure.

ASSEMBLYWOMAN TITUS:

I get that the contracting jobs are great jobs. I get that they are going to have very good jobs during the building process, and I appreciate that your retirement is going to be better and that the investment in the community is good. Again, my concern is after the construction is done. Ms. Jones Blackhurst mentioned that the average pay in the industry is about $50,000. I can tell you that one of my many jobs when I was an undergrad at UNR [University of Nevada, Reno] was carrying change at the Mapes, so I am acutely aware of the gaming industry from an insider's view, at least from the change girl view. I was not making $50,000, I will tell you that. I am wondering about the average job when the construction is done. If it is $50,000 a year, I am impressed.

JAN JONES BLACKHURST:

I said that was the average, and that is because of the misconception that the only jobs in the gaming industry are service jobs. The service jobs are very good jobs, but there is a whole range of employment across a broad spectrum of job opportunities. I think you will find exactly the same thing in the stadium. It is not just service workers who are running a stadium. There are

people who have to program the stadium. There are marketers who run the stadium. There are small businesses that supply the stadium. It is an economic food chain that not only creates jobs but gives people who have businesses an opportunity for those businesses to grow.

DANNY THOMPSON:
I do not think we can give you an absolute number, but I will tell you this—any job that is created in Las Vegas has to be competitive with the prevailing wage there, which, in the hotel industry, is a union wage. It is a very good wage. It is a livable wage. So whatever jobs are created will have to be competitive with that rate in order to attract people. That is what we see.

ASSEMBLYWOMAN TITUS:
Do we have a figure of median salary for the industry in general?

DANNY THOMPSON:
I do not have a number off the top of my head, but I can get that to you.

CHAIR ARMSTRONG:
I want to tell everybody where we are at and give people a heads-up, especially those at the Grant Sawyer building and those here who have been patiently waiting for public comment. I intend for questions to go until 6 p.m., at which point we will open up for public comment. The folks down there can plan on that. I am going to move on to the next question.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:
Mr. Ralenkotter, you talked about the 8,000 permanent jobs. Can you tell me what that looks like? What is the lowest wage and what could be the highest range?

ROSSI RALENKOTTER:
I do not have the wage information, but I can tell you that it is the full gamut of the jobs in the resort industry that Ms. Jones Blackhurst mentioned—service-level jobs, entry-level jobs, all the way up to sales managers, engineers, and so forth. If you look at that entire employment base, there is a variety of those jobs. We can probably get you an average of what that would be. I am sure there are some statistics out there. From a personal standpoint, my father worked in the gaming business in Las Vegas for 45 years and was able to provide me with a great education and our family with a great lifestyle. Those are good-paying jobs, and they do provide their families with a living wage.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:
Are they full-time jobs? Are they only when a convention is in town? How does that work for the lower tier?

ROSSI RALENKOTTER:
They are primarily full-time jobs in the hotel properties. We do have some part-time jobs at the Convention Center because we have to staff for the ebb and flow of the larger conventions coming in. I would say that when we look at the total in the roughly 8,000 jobs, those are permanent jobs, but there is also a large corps of part-time workers who work for us.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:
What percentage of workers are part-time?

ROSSI RALENKOTTER:
At the Convention Center, we probably have about 1,200 people who are either parking attendants or registration people. We also have our caterers, for example. We will go to the unions and utilize those employees for different conventions so they can staff, for example, Consumer Electronics, which comes in with 170,000 people.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:
Are those part-time people able to make a livable wage for their families throughout the year? I am trying to make sure that somebody can support their family on a part-time job. Do they have enough work?

ROSSI RALENKOTTER:
I cannot comment on your direct question. I think we could probably get you information relative to the average salary and so forth. I can tell you that a lot of the part-time people we have are college students going to UNLV and retirees who are looking for additional income. It provides a place for them to not only have a part-time job but also some revenue, too.

JAN JONES BLACKHURST:
In our company, I would say it is as high as 15 percent of our employees who are part-time by choice. It is retirees. It is working mothers. It is families that want to augment their income, or they do not want a full-time job for a variety of different reasons.

ASSEMBLYWOMAN BUSTAMANTE ADAMS:
I think there is a misconception. If you do not understand construction—and I am not saying I am an expert—but there is a difference between horizontal and vertical work. Some of the comments I have heard in the public is that Faraday is coming to southern Nevada, and there is Project Neon. Is that not enough?

DANNY THOMPSON:
We went from on one day having the largest privately funded job in the world, in the form of CityCenter, to the recession, when construction did not even appear on the list. Not only did all of those workers go out of work, but during that period of time, if you were a contractor and you still had your house, you were doing well. Faraday is a great job, and we have started it. Building a building starts in phases. The first people in there are the people who do the groundwork and the underground work. As this thing progresses, other people go to work. Not everybody is on that job yet. It has just started and has just gotten underway. While it is a great addition and it is going to put a lot of people to work, I do not think it is enough.

SEAN STEWART:
We have made some progress, but we have a long way to go. Our contractors have a lot of room for growth. A lot of them are looking to hire and grow. A lot of them have had to downsize considerably over the last few years. This is a great opportunity for us to continue to grow. Assemblywoman Bustamante Adams, we do have room to grow, we want to grow, we need to grow to keep these companies in business, so we look forward to doing this project.

JAN JONES BLACKHURST:
I am not sure there is such a concept as enough jobs. I know I was the Mayor of the city of Las Vegas when we were the fastest-growing city in the nation. During that time, we were bringing in 10,000 new people every month, and it is because the industry was growing. We were building hotels. We were adding hotel rooms. That is what drove the economy. At one point, we needed to add a new school every month to accommodate the children moving in. We found a way to do it. We built an entire city. We built a valley because we had jobs. We had jobs that encouraged people to want to move to Nevada. Those jobs translate into revenues that fund all of our government services. So I do not know if there is such a thing as enough jobs.

CHAIR ARMSTRONG:
I am going to go back to Assemblyman Ellison. I cut him off during the last panel regarding the Convention Center. I know you had a question, Assemblyman Ellison.

ASSEMBLYMAN ELLISON:
I do not know who can answer this, but page 10 [Appendix E] shows that the last expansion was built 14 years ago, in 2002. Was that last expansion bonded, and is that bond paid off? Is that debt-free? If that is the case, has any money been put back into capital improvement? Because usually you would start putting money back if you were to do a massive expansion.

CHAIR ARMSTRONG:
Just to clarify, Assemblyman Ellison is referencing page 10 in the Convention Center tab of the binder [Appendix E].

ASSEMBLYMAN ELLISON:
If I can get that question answered, the next question I have is, if you look on page 14, it shows Phases 2 and 3 and the room tax of 0.5 percent for $420 million. What about the rest of the project? Is that 0.5 percent going to be the total?

CHAIR ARMSTRONG:
Mr. Ralenkotter, do you have the book? Do you need that?

ROSSI RALENKOTTER:
I am going to have Rana Lacer, who is our CFO [Chief Financial Officer], come down to address that. The last expansion, which was the completion of the south hall, was in 2002. She can address your question on our debt structure as well as the information that is in the handout.

ASSEMBLYMAN ELLISON:
It looks like that was a pretty good-sized structure, according to this. I have never been in it, so I could not tell you.

ROSSI RALENKOTTER:
Yes, the south hall is about 900,000 gross square feet. We have 3.1 million square feet of gross space.

RANA LACER, CHIEF FINANCIAL OFFICER, LAS VEGAS CONVENTION AND VISITORS AUTHORITY:
We do have some bonds outstanding on the last expansion on the south hall. Those are about halfway through their bonding and maturity cycle. We invest every year in capital improvements for our entire facility. On average, depending on monies available—obviously during the recession, some of those monies got a little tighter. In better years, based on what is needed in that capital reinvestment program, we invest an average of $5 million to $10 million per year into capital and renewal programs—HVAC [heating, ventilation, and air-conditioning] systems, carpeting, and upgrades. Generally over the last ten years, it has been mostly aesthetic programs.

ASSEMBLYMAN ELLISON:
I ask that because sometimes you can roll over a bond and go back over to the new structure. That is why I asked that.
Then page 14 references Phases 2 and 3 of the room tax. Is the 0.5 percent going to be the total for the whole project that they are talking about for the Convention Center?

RANA LACER:
Generally if we refund a bond, it is for savings only, not to extend the life of those bonds. If you extend through refunding, you may be extending those bond payments past the useful life or normal reasonable life of that facility, which is not our first choice. I am sorry, I do not have with me today whether or not we have actually refunded on those particular bonds. We have accomplished most of our bonds that have been available for refunding for savings.
On the additional new room tax that is pledged to the LVCCD [Las Vegas Convention Center District] project, the 0.5 percent will generate an estimated $26 million in the first year. It will provide bonding capacity of about $420 million of our $1.4 billion project budget. The collection allocation cap that is proposed in the language before you today will provide another approximately $125 million of financing. So if you add those two numbers together, you can see that the new revenue sources being proposed to support the LVCCD only provide the funding for a little less than half of our project. The other half of our project is going to be funded through the LVCVA's [Las Vegas Convention and Visitors Authority's] current resources, through our budget prioritization, and through other debt programs as they mature. For example, for the bond that you referred to, as it is over halfway through its life cycle, those principal and interest payments are declining, so we will reallocate that savings from debt and principal for those bonds into the bonds to support the current project.

ASSEMBLYMAN ELLISON:
So Phase 3 would be the last phase you are planning on doing. Is that correct? The only reason I ask is, I have always been interested in convention centers and how they work because I sat on the board for one of them for about ten years.

RANA LACER:
If I can clarify—which phase? Combined, Phases 2 and 3 total the $1.4 billion project budget. Are you asking about Phase 3?

ASSEMBLYMAN ELLISON:
Is Phase 3 your final phase? According to the sheet we have here, Phases 1 and 2 are combined. Phase 3 is separate, if I am looking at this correctly.

RANA LACER:
I apologize, I do not have the page you are looking at in front of me. Phase 1 is actually the land acquisition and site preparation, which the LVCVA has already funded through our current bonding capacity. Phase 2 is $860 million, and that is the expansion of the new exhibit hall, the accompanying meeting room space and ancillary space, and a logistical support space for the expanded exhibit hall. Phase 3 is the $540 million for the remodel, renovation, and modernization of our current facility. Combined, Phases 2 and 3 equal the $1.4 billion proposed budget that is before the Assembly for consideration, with about half of that being funded from the new revenues proposed before you, and over half of that being funded from our current resources.

ASSEMBLYMAN ELLISON:
I apologize. I do see that now. The only other thing was Phase 4, which is going to be the outside.

RANA LACER:
Yes, and we do not know for sure what components will be Phase 4. We know that our clients are constantly talking about new evolutions and new needs in the industry. As we all know, technology constantly advances faster than we can keep up. The trade show business changes and evolves, so we do want to be prepared for the future. Instead of waiting for it to happen, we want to go ahead and have on the table that we are aware and tracking that ahead of time and prepared to meet our client demand.

ASSEMBLYMAN MOORE:
A quick sidenote—is Mr. Hill going to be back to answer questions?

CHAIR ARMSTRONG:
I believe we will get to that.

ASSEMBLYMAN MOORE:
I just have one question then. I guess it would be for Ms. Jones Blackhurst. Thank you for being here today. The other day, you came with Steve Wynn and Jim Murren and told us what a great opportunity this was for Las Vegas and that sort of thing. Since you are representing Caesars Entertainment, what level of participation is Caesars Entertainment putting into this?

JAN JONES BLACKHURST:
I think if you look at who is funding this entire project, it is the representatives who were here two days ago because it is being paid with room tax that is generated by our customers. The business that we will create as a result of that economic investment will fund the entire state. I think it is pretty clear that the gaming industry is paying for this because they believe this is a benefit not only to southern Nevada, but to the entire state of Nevada.

ASSEMBLYMAN MOORE:
I can appreciate that, but it seems to me that the taxpayers are being asked to put $750 million on the line for this, but I do not see any participation from the industry dollarwise. The room tax is not something you are at risk for because that is not generated by the casinos; that is generated by people coming there to stay. You do not really have any control over that. So my question is,

if it is such a great deal for everyone, why not lower the taxpayers' burden a little bit and have all the major casinos, or at least Caesars, participate a little bit? Surely you can afford $100 million.

JAN JONES BLACKHURST:

If you look at what the gaming industry invests in tourism, both directly and indirectly, they pay more than their fair share. As you know, they also pay 47 percent of the General Fund. When you are looking at how you are going to grow an economy, you look at historical data—what has worked and what has been effective. The entire industry—the gaming industry, the tourism industry, and the convention business—has been built on a collaboration. All of that room tax goes to market the state. It goes to bring people in so they spend their money. It generates the sales tax, and it funds police, education, and social services. When you talk about putting in money and doing your fair share, we are doing more than our fair share.

ASSEMBLYMAN MOORE:

I would disagree.

DANNY THOMPSON:

I do not know if Mr. Powers or Mr. Hill might need to be here, but my question pertains to Mr. Ralenkotter. It is in regard to governance. I wanted to talk about sections 21 through 26, where we are talking about the NFL [National Football League] Stadium Authority Board.

The Las Vegas Convention and Visitors Authority has close to 60 years of showing a really good track record of governance. When you look at the suggested makeup of this Stadium Authority Board, you have that already at the Las Vegas Convention and Visitors Authority. On top of that, we have you all in this bill together. I am assuming whoever decided to put these bills together determined that there is that full relationship—so the stadium, UNLV [University of Nevada, Las Vegas], and the Convention and Visitors Authority. Instead of creating another layer and, like my colleague from District 7 said, potentially creating this other quasi-governmental entity, why do we not think of a creative way to utilize the expertise of the Convention and Visitors Authority and, even if we have to create some umbrella, make this under the Las Vegas Convention and Visitors Authority? There is some other expertise listed here that you may not have on your current board, but at least you have your elected officials and those from the resort industry. Also, you would not have as much overhead that is discussed in section 26, which talks about the staffing. You can correct me if I am wrong, but I think it is about $1 million to $2 million per year for just the staffing costs. Can you speak to that?

ROSSI RALENKOTTER:

First of all, this whole program and project has been a joint venture between us and the resort industry. As Jim Murren, Steve Wynn, and Ms. Jones Blackhurst indicated when they spoke to all of you, these are two unbelievably fantastic projects for our destination. We live in a very competitive environment. We are competing with every convention center there is in the United States and in the world. We are competing against every leisure destination and every destination that has special events. To be given this opportunity to expand our ability to bring people into Las Vegas is a win-win for everybody, and we need to be able to market together. Our stakeholders are the hotels because they generate the room tax. They go out and market and sell, and we go out and market and sell.

I have heard over the years that Las Vegas sells itself. Well, that sounds really nice, but it does not. We have 150,000 rooms to fill every single day, and that means we need to have about 350,000 people every single weekend, or every four and a half days, to drive 90 percent occupancy, to make sure that the hotels are profitable, and to make sure that the businesses in town and all of us have a better quality of life. So we need to say, number one, that these two projects do that. We have been number one in North America for 22 straight years for the Trade Show 200, the 250 largest trade shows in North America. We cannot lose that position. We not only are responsible for bringing conventions into the Convention Center, but we work with the hotels to put conventions in their buildings. We do the leisure marketing and sales. We have representative offices all over the world. We work with McCarran International Airport to bring more nonstop flights. We have a nonstop flight starting from Oslo on November 1. We have a

nonstop flight starting from Beijing on December 1. Those are because we all work together to make it happen.

This is the first time the Convention Center, since it was formed, has had to come up to the Legislature for any of our projects. It is because of the fact that the competitive world out there makes it so that we have to build new facilities and more technical facilities that have all the bells and whistles that our customers need. Everything that we do is research-driven, so we need to make this happen together. The fact that we have all of us at the table here is important.

Going back to the governance for a minute, the Board of Directors of the LVCVA has private members as well as elected officials who work together to make sure that we do things to bring more people to our destination—whether it is advocacy for issues on tourism or these projects. That is important. They have their responsibilities to move forward. When you look at the same thing for the stadium, it is a very, very large complex, so they are going to have to have their staff, just like we have our staff, to work with setting things up, to work with the teams that come in to play, special events, and so forth. They will need to have staffing to do that, and they will need salespeople to go out, along with us and the hotels, and bring in more special events. All of us working together is what makes us so successful. They need to have a governance group that is going to make sure they are focused in the right direction and that all of our objectives are the same, which is heads in beds.

ASSEMBLYMAN THOMPSON:

I appreciate that, but what I am seeing on your website is that your goal is to be the tourism drivers for southern Nevada. Many times in quasi-government, just by proximity, it is less likely that you are going to miss the boat on communications. Being that you all have a track record, this could be the opportunity—because we drafted this, so this can switch however way we want—for the Stadium Authority to be either lateral to you or under you, just so you are all communicating and driving together. I think that is a good consideration because I have heard discussions, not just today but prior to today, regarding the concerns about the authority and power of such a Stadium Authority board.

ASSEMBLYMAN PAUL ANDERSON:

I had a question, Ms. Jones Blackhurst, on the 1.4 percent we are talking about here. In the casino industry, we have visitors coming in and spending dollars. If I am raising a tax on those visitors who are staying in your hotel, then their other options, if I did not have that tax, are essentially to spend that money in your hotels on food, beverages, and other things, or they would take it home with them.

I am trying to make a technical point that this 1.38 percent we are talking about, both for the stadium and for the Convention Center piece, is a contribution from all of the casinos and some residents, frankly, who live in areas that still pay this lodging tax or at least a portion of this. It is not just free money that is floating out there, and it is not just a direct public contribution. We are collecting it from visitors who would either spend it on entertainment or other things in your hotels or take it home with them. Is that accurate?

JAN JONES BLACKHURST:

We certainly do not want them to take it home with them. Yes, we are very careful when we look at the room tax and how much burden that you can bear. We are still one of the lower room taxes in the country, and that is for a very definitive purpose. You want to find a balance where your customers are still going to come and still feel that they are having not only a good experience, but a cost-effective and reasonable experience and that they are going to put their discretionary money back into our economy.

ASSEMBLYMAN ELLIOT ANDERSON:

I had one point for Mr. Ralenkotter. I think my colleague from District 17 ably handled that. In the reasoning for this special session, we had heard over and over that the stadium and LVCVA are linked. It just does not seem like the governing boards are linked. It does not make any sense. I have heard that LVCVA wants to pitch packages to teams who would come and play. Again, it does not make any sense to me as to why we do not take in that expertise. I feel like the LVCVA Board of Directors is composed of mostly public officials. We have that structure. I do not

understand why we are creating more bureaucracy. Maybe somebody can explain that a little bit better because I am still struggling with that. I do not need to relitigate that now.

My biggest concern for this panel would be for Mr. Danny Thompson. We have heard a lot about the protections that the construction workers would have, including the ability to do a PLA [project labor agreement]. We have prevailing wage in the bill. Do we have any language protecting the right of the workers who are taking these permanent jobs to form a union? Do we have any language in there to protect their rights to collectively bargain?

I strongly believe in standing tall for middle-class families and making sure that they are not living in poverty. I would certainly think that if the taxpayer is going to fund this project, we ought to ensure that those benefits go down to those middle-class families and that they are not drawing on the social safety net. What protections do we have in this bill? That is what I am getting at, Mr. Thompson, which is a goal that I know you and I both share. Do you see any provisions in here that would protect their rights to collectively bargain and fight for an adequate wage?

DANNY THOMPSON:

I do not know of a specific provision in the bill about the full-time employees. I am very confident about the work on the construction phase of this project. I do not believe that there is a provision in the bill that specifies neutrality or something like that, if that is what you are talking about. I do not believe that is in the bill.

ASSEMBLYMAN JONES:

We have hit on the question I have from a number of different angles. As a businessperson myself, as I grow my sales, I always look for efficiencies and economies. Obviously, the more success, the more money I should make. When we got the explanation about the Convention Center on Monday, you talked about how initially it was 5 percent to build the Convention Center. That was successful, and we have kept on adding. We are at 12 percent, and we want to go up to more. We are the number one destination. Why is it that we have to continue to incrementally ask for more money? Why can the Convention Center itself not generate sufficient income? If it is the number one successful—the CES [Consumer Electronics Show] comes here, the news and broadcasters, the concrete show, NACS [National Association of Convenience Stores]. All these shows are sitting here. Why is it that we have to keep incrementally giving more and more and more and more money? When is it going to be self-sustaining? We did the same thing when we just raised the sales tax. We are raising the room tax, we are raising the sales tax—at what point does a successful enterprise start being able to fund itself, carry itself, and build itself?

ROSSI RALENKOTTER:

First of all, the 5 percent that we currently have today is what it was in 1959. We only keep 32 percent of the total room tax that is collected. What has happened over the years is that new room taxes have been added on for all types of things. Thirty-nine percent of the current room tax funds building new schools, refurbishing new schools, and teachers' salaries. Since those two started, more than $2 billion has been raised for that. Twelve percent of the transportation projects in southern Nevada are funded through room tax. The Nevada Commission on Tourism, which helps everyone in the entire state by bringing more people into the entire state, is funded by the room tax. Over the years, we have not added to our base. This is the first time that we have come back. Every time you add something to the room tax, it does not go back to the LVCVA. It makes it a challenge for us. It is more costly to do business. On the international side, 18 percent of people who come to Las Vegas are international, so you need to have an international presence. We need to have a full-scale advertising campaign to do that.

Over the years, we have done all the things we have needed to do, and we have funded every single project with our current revenue streams of room tax as well as the generation of building rental. This time, the project is so large. We have seen the erosion of our utilization of the room tax occur time and time again. If you just took the full amount and said to us, Over the years, you have 100 percent of the room tax, then we would not be here having to ask for an additional percentage to make us more competitive so that we can bring more people in and put more money into the school district and the teachers' salaries so that we can have an improved level of education for our children. It makes for a better quality of life. At one time, 90 percent of all of

the parks and recreation that were built in southern Nevada were built with the room tax. We built Sam Boyd Stadium. We built the Cashman complex. We built softball fields out in Mesquite. It is a partnership there, but this is the first time we have really had to say that we need financial assistance to keep us competitive and to keep all these room tax dollars helping everyone who lives in the state and everyone who lives in southern Nevada.

JAN JONES BLACKHURST:

I would also remind us that being number one is not something you keep if you are resting on your past laurels. You always have to be looking at how you stay number one, how you need to pivot, what you need to be looking at in the future, and how you get there. I spend a significant amount of time traveling around the world looking at new gaming destinations, and I am amazed. Las Vegas is not just competing with the United States; Las Vegas is competing with the rest of the world. Huge convention facilities and huge destinations are being built. If we are going to maintain our status as number one, then we need to be willing to make appropriate investments at the right opportunity.

DANNY THOMPSON:

In my time here, I served on the money committee. Anybody on the money committee knows that half the money that you all budget for comes from the Las Vegas Strip. Half. Las Vegas is not just Las Vegas by itself. Without the work that the Convention and Visitors Authority does—the advertising and all the work that they do to try and get these different events to come to Las Vegas—it would not happen. The competition has gotten so great now that these other places have figured out that you can really make a lot of money on these different conventions, and they are investing money in those places. I would tell you that if we do not continue to expand and improve, we will lose significant shows. The significance of losing a show like the Consumer Electronics Show or losing the rodeo cannot be understated because without those shows, you do not have heads in those beds. Without heads in the beds, they do not pay the room tax. I would tell you that over the years, the gaming industry has been the cash cow for us. Gaming tax, room tax, slot tax, property tax, sales tax, and live entertainment tax—that is the tax base of the state. We have to invest in those improvements if we are going to compete. If we do not, then we are going to start losing this business. Every time you lose business and you do not have people in those hotel rooms, you are going to see economic problems.

I would tell you that I remember 9/11 and the day after 9/11, when people could not or would not get on airplanes. It was not just for a week. It was a long time that they did not get on airplanes. I would tell you that on that day and the next day, the state, in effect, had a huge financial crisis because those people stopped coming overnight. Eventually, they started trickling back in here, but we had to do a lot of things. I can remember Kenny Guinn—probably the best Governor this state has ever had—calling me one day in my office, and he asked what I was doing. I told him just normal stuff. He said, "Well, at 2 o'clock, I am going to have a press conference at Employment Security. I want you to come over there." So the Governor asked, and I went over there. He stood up and said that he was going to take the excess money in the unemployment fund and let people use it to fund their Cobra payments because he knew everybody was losing not only their jobs but their health insurance. There were drastic steps taken at that time. You only need to look back at what happened then to see the potential of us not investing in the most modern and the best that we can be.

ASSEMBLYMAN JONES:

I am not saying that we do not want to be competitive. My problem is that we keep coming back and asking for more and more public money, as opposed to shepherding our resources properly so we can grow in an effective and efficient manner. I know that we are the number one destination. I get that we need to expand for the CES. But I do not understand why we have to keep coming back to the public coffers to extract more money from the public to fund these things. Why can the same money not continue to fund it?

Again, as a business owner, when I am growing, I cannot just keep shaking the money tree out back and say, Give me free money. I have to be efficient. Growth is encouraged because you do create more revenues with growth as opposed to always asking for more and more and more. I cannot continue to raise the price of my product just because I say that I want more money. That

is the problem. I agree 100 percent that we need better facilities and we need to promote Las Vegas well. If we are doing such a good job, why do we continually have to come back to the public coffers to keep funding our expansions? That is where I have a problem. At some point, you will hit a tipping point when, all of a sudden, people will not want to come because it is too expensive.

JAN JONES BLACKHURST:

As Mr. Ralenkotter said, this is the first time in more than 25 years that the Convention and Visitors Authority has come back and said that we need to expand our facilities, and we need to do so to keep our position. The gaming industry has come together and said that we are willing to impose a room tax increase on our customers because we know that will grow our business, create new jobs, and keep the money coming in so that we have those revenues to invest in public goods and services in government programs.

ASSEMBLYMAN HANSEN:

My question is for Mr. Stewart. As you probably know, I am a contractor myself, and I take great pride in Nevada contractors. You represent 600. If you look on the Strip, there are some fantastic, enormous buildings. Whenever I go down there, I am amazed. Obviously, some contractor built those babies. Does Nevada have the contractors we would need to build a stadium of this size?

SEAN STEWART:

I think the best way to explain that is to tell you about a breakfast meeting I had just before I came up here. There is a difference between vertical and horizontal construction. Horizontal construction is fairly busy in the Valley right now because of some things we did with the tax base with the roads and highways. It is funding that. I encourage you all to let your constituents know to vote for Question 5. A little free advertisement here today, to keep the fuel revenue indexing going.

On the vertical scene, I met with a contractor who had more than 1,200 employees during the boom downtown; he currently has 55 working. He is still in business because he cares about the economy. He is the contractor who built most of the big casinos. Every worker I know would love to go back to work for him. He asks me every time we get together, "Are we going to build something? Are we going to do a project?" Ms. Jones Blackhurst talked about how long it has been since we have done a project. To answer your questions, yes, the contractors are there. They are ready to go back to work. They are ready to hire again, and they are ready to build Las Vegas. We hope you will give us that opportunity.

ASSEMBLYMAN HANSEN:

Up in northern Nevada, we have Q&D Construction, Clark/Sullivan Construction, and Granite Construction. They are the bigger competitors that compete among themselves. They do most of the larger projects. How many do you have in southern Nevada that can compete on a project of this magnitude?

SEAN STEWART:

I can think of six or seven that come to mind. Perini is no longer doing work in Las Vegas, or they are doing very little work right now. They have had to go elsewhere to survive. McCarthy has downsized.

ASSEMBLYMAN HANSEN:

Okay. So there are at least six or seven. The reason I ask is, Steve Hill was here. There is an unusual provision in this bill. The Legislative Counsel Bureau did a little synopsis for me. It says, "The measure provides for an exemption from laws relating to competitive bidding." According to Mr. Hill, the reason we are going to do that is because there are not enough contractors who would be able to do it. You just said there are at least six or seven that you know of right off the top of your head. If we are trying to protect the best interest of the public and make sure that the project goes forward with the best possible costs and so forth, why in the world, if you have six or seven different contractors, would you exempt this project from competitive bidding?

SEAN STEWART:

I think what you are referring to, if I am correct, is the portion of the bill that deals with the NFL stadium and the general contractor for the NFL stadium. My understanding is that the NFL has certain qualifications for those who will build their stadiums. I can tell you emphatically that we do not have any local contractors who have built an NFL stadium. We have contractors who will do the work. I am sure this contractor, whoever he is, will come in and manage this project for the NFL. I am quite confident our contractors will do most of the work on this project, but we do not have local contractors who have ever built an NFL stadium. My understanding is that there are very few in the United States.

ASSEMBLYMAN HANSEN:

As I look at this bill, though, it does not just say that the main, number one contractor is exempt. It calls for an exemption from competitive bidding. According to the bill, the stadium project is "exempt from any law: (1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements . . .."

What I am getting at is, I know from being a contractor, as well as a consumer, that anybody who is smart always strives to get competitive bidding processes to keep the costs down. I am very concerned looking at this thing that while we are looking at a $750 million investment on the taxpayers' side of it, there is the potential for some sweetheart deals, which I have, frankly, seen in contracting many times. One of the things you mentioned is that contractors often give money to the universities and so forth, and I have known that there is often very much a quid pro quo between the universities, the projects that are being built there, and those kinds of arrangements. Whether that is totally above board or not, I am not saying. All I know is that there is a reality to that.

As we go forward with this stadium, I would love to have all the contractors who, including myself, went through hell when everything collapsed, as Mr. Thompson pointed out. On the scale you guys are dealing with, I am small potatoes. I went from 40 employees to 4, and I am working in the field myself. In fact, right now, I am normally on a job out in the hot sun, still trying to get out of debt from 2008 and 2009. So I am very sympathetic to that, but I am really concerned about that provision in this bill. My hat is off to the Nevada contractors. If this thing goes through, good for you. I hope that the work is there, but I definitely think, in the best interest of the taxpayers, we should ensure there is a very aggressive competitive bidding process and not some kind of good-old-boy arrangement.

SEAN STEWART:

I appreciate your concern. I understand that the NFL is concerned with having someone managing the project that they are comfortable with. At the same time, I am very confident that our contractors will do the work on this project, will be competitive, and will get these bids. We are ready. We are willing. We are excited to do the work. We have built bigger projects, and we have built smaller projects. We would just like to build something.

ASSEMBLYMAN FLORES:

I wanted to go back to the 8,000 figure. That is what we are suggesting in terms of job creation. There are going to be about three or four subparts to my question. I will throw them out there and you can take them in whatever order you think is best.

First of all, if you could reiterate where the 8,000 figure came from. Are you basing that off the construction of another similar stadium? Then if you could break apart how many of these jobs are going to the stadium and how many are going to the Convention Center expansion. Then out of those 8,000, how many will be full-time and how many will be part-time? You said there are multiple sections in construction. Approximately how many months per section can somebody anticipate working?

DANNY THOMPSON:

I did not come up with those numbers. Jeremy Aguero would probably be the more appropriate person to ask about how those numbers were generated. We do not have the final design of the stadium, and I do not know if we have the final design of the Convention Center. We could probably get you some roundabout numbers, but I do not think we could answer that question

accurately. Probably a better person to ask about how those numbers were generated would be Mr. Aguero.

ASSEMBLYMAN FLORES:

I am not trying to put anybody on the spot. I am just trying to get concrete numbers and as much data as possible before we decide on something so important.

Do you know when negotiations were occurring and when we had people coming to the table to talk about job creation? I think on the front end, there is great dialogue in making sure we have prevailing wage, project labor agreements, et cetera. Do you know if, at any time in the course of that discussion, there were conversations to protect the individuals who are going to be servicing that stadium and Convention Center afterwards? In other words, the hardworking people who are going to be cleaning it every day and the people who are going to be behind the scenes cooking and selling those very nice, refreshing beverages that will be offered. Did we have conversations about how those individuals are going to be protected by ensuring, through language, that they are going to have a strong, livable wage? If it did happen, where did those conversations go, and why do we not have anything regarding protecting workers not just on the front end but also on the back end?

DANNY THOMPSON:

I know that early on, there were discussions and there were agreements, community workforce-type agreements, that were passed around. To my knowledge, none of those have been agreed to, if you are talking about the workers in the stadium after the fact. I believe that the Convention Center currently has unionized workers. They have provisions in their contracts to deal with that.

ROSSI RALENKOTTER:

We do have the SEIU [Service Employees International Union] in our building, and we have a contract with them that has all the provisions that allow us to work through that contract. We also have the Culinary Union that works with our current catering company, Aramark. They have permanent culinary people, plus they have part-time culinary people.

Getting back to protecting those jobs, the most important thing we are doing with this project really is to protect their jobs because, one, we know we will be able to bring more people in, but by phasing our construction program and doing the expansion first, we will not disrupt any of the current conventions we have booked. Our bookings go to the year 2030 right now, and there is about $25 billion worth of convention business that is on the books. We cannot disrupt that. By doing the phasing and by doing the expansion first, we will move some of the building customers out of the south hall, remodel that, followed by the central hall and the north hall. That will protect the employment base we have at the LVCVA. We have about 520 employees as well as everyone who works in the building. The other impact of that is the service contractors—those who set up and break down the conventions. The bigger companies, GES and Freeman, will still continue to do their work, so that is what we have done there.

I cannot speak for the stadium, but when we add another 2 million square feet of space to the Convention Center, we will have to increase the number of employees we have. Also, there are 30 pieces of business that we currently cannot lease. We will be able to pick up that business, which means more workers working and more jobs. All of that will happen. The four customers who are here all indicated to you that they need more space because they have more attendees. More attendees mean more jobs, more people there, and more revenue going back and forth. So this really is about jobs, and that is how it will work with us.

JAN JONES BLACKHURST:

It is not just the Convention and Visitors Authority jobs that you are protecting or the new stadium and Convention and Visitors Authority jobs that you are creating; it is also the workers and the people who run the large integrated resorts. Since 2008, as you have seen, revenues have been very flat. We strongly believe that this opportunity, for the first time, will allow us to bring in new people, new revenues, and thereby also create new jobs for our projects and in our properties. So it is not just about the direct jobs in the stadium or the convention facility; it is also about the jobs that protect and grow the entire gaming industry in southern Nevada.

CHAIR ARMSTRONG:
To supplement that, the binder will not give you the breakdown of the breakdown of the breakdown that you wanted, but on page 18 of the Convention Center [Appendix E], there is an economic and fiscal impact with the number of jobs. For the stadium, it is on page 22 [Appendix D].

ASSEMBLYMAN FIORE:
I appreciate the jobs you guys will be creating through the expansion of the Convention Center and the building of the NFL stadium. As I think about the jobs being created, I am wondering if you guys are supportive of the educational services and jobs that can be created through the education savings accounts.

JAN JONES BLACKHURST:
I would think that if you grow revenues in the gaming industry and if you are bringing new people into southern Nevada, by definition, you could look for increased revenues that could be directed to an education savings account.

CHAIR ARMSTRONG:
I would not expect them to know specific education programs or want them to comment on that. I think what Ms. Jones Blackhurst was saying is that as revenues are created, there is more revenue for the state for education, and I think they are supportive of that.

ASSEMBLYWOMAN FIORE:
Great. Thanks for your support with ESAs [education savings accounts].

ASSEMBLYMAN OHRENSCHALL:
My question is for Mr. Ralenkotter. A lot of us were sad to see the old Riviera come down, but we knew it was for the expansion of the Convention Center and for the common good, to try to help conventions. I think a lot of us were surprised that this session was called now. We expected the expansion to come up during the regular session. On Tuesday, we heard representatives of some of the different conventions talk about the need for more space, the need for modernization, and that they are looking at other resort areas and other convention centers. If SB 1 were not to pass and the funding were not to come through until the 2017 Session, how would that affect you? Do you think you will lose any conventions between now and then if you are not able to get that funding for the expansion now and instead that funding were to come as part of the overall budget in the 2017 Session? I am wondering if your plan for the expansion depends on this or not.

ROSSI RALENKOTTER:
Yes, it does. In fact, we started these discussions with our customer base back in 2006 regarding the next phase of what the Convention Center needed to provide for our customers so they could grow and expand and so we could bring in more conventions. Unfortunately, we did start the project and had to stop. We did some of the infrastructure of sewer, water, and power to the facility, but the recession impacted us, just like it impacted everyone else. In fact, we refer to it as the Great Recession. We saw our room tax decline. We did not have the capacity or the ability to move forward, so we had to put it on hold. In that period of time, not only did the market change somewhat, but competition also increased greatly because everyone saw the impact and effects of the loss of conventions for their cities going forward. However, our customers stayed with us because we kept them informed. As I mentioned, we do marketing research, and it is research-driven. We have told them time and time again that this is going to happen. We have been having this conversation for two and a half years, and they are at the point now where they want us to act immediately.

Tim McGinnis, from the shopping centers, spoke to you the other night. They voted two years ago to go to Orlando. We, with the resort industry, were able to go to them and talk about what they needed to have. Part of that was that they needed to have an extended, modernized convention center. We took that message back to their board of directors. They voted again, and they voted with Las Vegas, but now they are going to wait and see. So we need to move this forward immediately. If we do not start the construction, we will lose $40 million to $50 million in lost time because of the increased cost of this.

As I mentioned, we also have all of these conventions booked throughout the next 10 to 12 years. Some of those are scheduled for 2030. They are looking at us, and the whole industry is looking at us. More importantly, our competitors are looking to see what Nevada does and what Las Vegas does. Believe me, if we do not go forward with this or if we delay it and delay it and delay it and we do not get started for another year and a half, then they are going to use that against us and go to our competitors and say, See, they did not deliver what they promised they were going to do, they are still not building it, or it is just now under construction. I can give you a list of half a dozen cities in the country that are spending over $1 billion, already in the ground. New York decided to remodel Javits Center, and they did that with a declaration from their Governor. Within six months, they were under construction. Time is of the essence. The opportunity is there, and we have to make sure we take care of what the customers need.

ASSEMBLYMAN OHRENSCHALL:
If SB 1 passes, how soon do you expect to break ground on the expansion?

ROSSI RALENKOTTER:
We would calculate when we start receiving the new room tax. We have already done a calculation on the caps, so we know what those revenue streams are. Best-case scenario, we could be in the ground by late 2017.

ASSEMBLYMAN EDWARDS:
I have two quick questions. As I see it, the overall goal of this is to hire as many Nevadans as possible. We are not going to do marketing campaigns to get workers from the East Coast. We are dedicated to hiring as many Nevadans for both of these projects as we possibly can, correct?

JAN JONES BLACKHURST:
Yes.

ASSEMBLYMAN EDWARDS:
The second question I have is, in hearing many of the comments, do you think it is really fair or realistic to have an expectation that every job at a stadium or convention center should be full-time, medium-wage? Or, given your experience, is the nature of them such that you are going to have high-wage, medium-wage, and low-wage jobs, and that some will be part-time and some will be full-time? Is that more realistic of an expectation?

DANNY THOMPSON:
I think it is hard to say with any certainty about the full-time jobs. They will be driven by the need, whether they be part-time or full-time, and their wage will be driven by the wages in the area. I would tell you that the wages in Las Vegas are union wages, and they tend to be higher in Las Vegas than they are in Reno. I would say that in order to attract people to those jobs, you are going to have to pay a competitive wage or you will not get people to come to that job.

ASSEMBLYWOMAN SWANK:
I had a couple questions about the room tax. I think it is pretty safe to say that Orlando is one of Las Vegas' big competitors for tourism and conventions, correct?

ROSSI RALENKOTTER:
Yes, that is correct.

ASSEMBLYWOMAN SWANK:
What I have learned throughout this whole process, including many meetings on this room tax, is that should we add the room tax for the stadium and the Convention Center on top of what we have, we will end up with a room tax that is higher than that of Orlando's. Is that correct?

ROSSI RALENKOTTER:
We will be about in the middle of the pack. We will be slightly lower than Orlando.

ASSEMBLYWOMAN SWANK:
I was told by someone from one of the big casinos that we would actually be higher than Orlando. My point is getting to this notion of consumer price elasticity, which I feel has not been

taken into account here. This was a new term for me. It was not something I knew anything about. For those who do not know, it means that every time you raise your tax, you are going to lose some people who will look at that price and say, There are cheaper places that are just as cool to visit, and they will go elsewhere. I am wondering if you could talk to me a little bit about this notion of consumer price elasticity. I am not sure if this is the right group to ask, but I am not sure why that was not taken into account in the projections.

JAN JONES BLACKHURST:

It absolutely was. First of all, there are not many jurisdictions that are as cool as us, that you are going to pick other than Las Vegas. But if you do, I am always amazed when I get my room bills, especially in other major cities. It is not just the room tax—it is the city tax, it is the state tax, and it is the beverage tax. There are a series of taxes that take the compilation far higher than you find in Las Vegas.

When the entire industry was working with the Southern Nevada Tourism Infrastructure Committee, with Steve Hill, and with the Convention and Visitors Authority, we looked at whether we could absorb this increase. We believe that the benefit in terms of what it is going to bring to the destination in drivers of new tourism far exceeds what the increase will be to the person staying in our room. We are exceedingly comfortable that not only is it within the realm of not having any kind of a negative impact, but that the positive impact of how it will become a tremendous driver of bringing new people to Las Vegas is a thoughtful compromise.

CHAIR ARMSTRONG:

Just to follow up because we were given some information. I would point folks to the stadium tab in the binder we were provided that covers the room tax comparisons [Appendix D]. We would be in the middle of the pack. Our rate, if we were to approve these two projects, would be 13.38 percent. In this handout, Orlando is at 12.5 percent.

ASSEMBLYWOMAN SWANK:

We also have just voted to raise our sales tax. I think we rely on things like sales tax and room tax to fund a lot of projects in Nevada, and that is something we really need to start reconsidering.

ASSEMBLYWOMAN DICKMAN:

My questions are somewhat varied, so I am not sure to whom I should direct them. I think a couple might be for Mr. Hill. The first one is, I have some serious concerns about the power of the Stadium Authority. Do I understand correctly that the Stadium Authority would be able to take property through eminent domain?

CHAIR ARMSTRONG:

Assemblywoman Dickman, we have one more question in the queue for these folks, then we will bring up Mr. Hill and Mr. Aguero again.

ASSEMBLYWOMAN DICKMAN:

All my questions might be for them. I have a Super Bowl question. It is my understanding that the NFL requires a 70,000-fixed-seat stadium. Why are we building a stadium that has 65,000 seats? You said that we should have a Super Bowl within the next ten years.

ROSSI RALENKOTTER:

That would be something for Mr. Hill because he did state that it met the requirements of the NFL with 65,000 seats.

CHAIR ARMSTRONG:

We will bring him up. My understanding is that it just needs to be expandable up to that size. If you look at some of the other stadiums—Levi's Stadium, I believe, is under 70,000. It just has to be expandable up to that number, but we will confirm that when we get them back up here.

ASSEMBLYMAN SPRINKLE:

This question is for Mr. Thompson. Back to the stipulations of NRS [*Nevada Revised Statutes*] Chapter 338 that are built into all of this, I would like to know what your experience has been through the AFL-CIO in previous situations where companies did not fulfill the requirements of

the stipulations in Chapter 338 and the recourse that is available when those things are not fulfilled. What has been your experience as far as trying to go back and actually challenge that?

DANNY THOMPSON:
Specifically with Tesla, when you all approved Tesla, you did not put prevailing wage in that job. As a result, there were protections put in that job with the 50 percent requirement, the audit, and all of that. We have used that extensively to ensure, to the best we can, that there are Nevada workers on that job. I would tell you that we were not always successful. There are out-of-state contractors on that job sometimes. We have gotten a lot of that job, but clearly, in that particular case, that was a problem.

ASSEMBLYMAN SPRINKLE:
I was not talking about any specific situation. I am just talking in general. My concern is if these stipulations are not met. I have been led to believe that it is a very cumbersome process to challenge if the stipulations of Chapter 338 have not been met, and it has actually not been very fruitful. I am asking you, historically, what has been your experience in trying to go back after these things have not been met?

DANNY THOMPSON:
After the fact, it is very difficult. Generally, local unions will have a compliance person that checks on jobs. We check payrolls, and it is very difficult and not very fruitful in the end. In fact, we have not been really successful in turning those things around after the fact.

CHAIR ARMSTRONG:
I want to thank Mr. Ralenkotter, Mr. Thompson, Ms. Jones Blackhurst, and Mr. Stewart for coming and answering questions. Thank you very much.
At this point, we are going to switch speakers. I have the time as 5:01 p.m. We will start again at 5:10 p.m., and we will bring up Mr. Hill and Mr. Aguero again to answer more questions.

Chair Armstrong announced if there were no objections, the Committee of the Whole would recess subject to the call of the Chair.
Motion carried.

Committee of the Whole in recess at 5:01 p.m.

COMMITTEE OF THE WHOLE IN SESSION

At 5:11 p.m.
Chair Armstrong presiding.
Quorum present.
Senate Bill No. 1 considered.

CHAIR ARMSTRONG:
We are going to come back to order. We have with us Mr. Kevin Powers, Mr. Jeremy Aguero, Mr. Steve Hill, and Mr. Guy Hobbs. We wanted to do some clarification regarding the "shalls" and "mays" for the bonding portion, just to get some clarity on the record for that. If we need to bring down Ms. Yolanda King, we could do that as well, and then we will go back and continue asking questions.

JEREMY AGUERO:
Mr. Chair, is it all right if I address the "may/shall" question? I think I can do it relatively easily.

CHAIR ARMSTRONG:
Yes.

JEREMY AGUERO:
I apologize. I think I misunderstood the question. It is "shall/shall" in terms of imposing the tax. It is "shall/may" in terms of issuing the bonds. I apologize. I was notified right after the meeting that I misunderstood the question, so I apologize for giving you incorrect information.

CHAIR ARMSTRONG:
I apologize. I did not hear the answer. I do not know if you are finished.

JEREMY AGUERO:
I am finished. I am more than happy to repeat it again, Mr. Chair, if that would be helpful.

CHAIR ARMSTRONG:
Go for it.

JEREMY AGUERO:
The question was asked during the last session of testimony relative to the "shall/shall" or "may/shall" between the stadium project and the Convention Center project. Ms. Yolanda King correctly answered the question that it is "shall" issue the bonds under the NFL and collegiate stadium projects and "may" issue the bonds under the Convention Authority expansion and renovation plan. I had inappropriately corrected her answer as a result of thinking we were talking about the revenue side. On both sides, it is "shall/shall" in terms of revenue being enacted. It is "shall/may" in terms of issuing the bonds. I wanted to make sure, Mr. Chair, that the record was clear in that regard.

CHAIR ARMSTRONG:
I appreciate that. We are going to go to questions.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
I have a question on the fiscal note that was submitted. I believe it was submitted by you, Ms. King. The fiscal note is regarding the amount of money that is projected to come in above the $25 million cap. It looks like, if I am reading it right, the amount of collection fees in excess of $25 million to be redirected to the Las Vegas Convention and Visitors Authority will end up being, by 2050, about $34 million, with the overall economic hit to Clark County being $289 million. As I look at the information that is in the binder that was given to us regarding the Las Vegas Convention and Visitors Authority [Appendix E], I see different numbers, and I am not understanding the distinction. Perhaps I am not reading the numbers right. In this presentation piece, it says the cap on local government collection allowance will fund $132 million, so it makes it look as if the projected amount for LVCVA [Las Vegas Convention and Visitors Authority] will be $132 million, which looks very different than the fiscal note of $34 million.

YOLANDA KING:
The $100 million that you are referring to, and that Ms. Lacer referred to in the last round of testimony, is the additional debt service, or bonds, that can be issued by taking the growth of the room tax collections and applying it to the LVCVA's funding model.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
So that is separate? At least in the presentation material, it looks like the room tax will be $420 million of bond issuance. That looks to be a separate amount that is being accounted for than the $132 million. So if I were just looking at the presentation material, I would see $420 million from the 0.5 percent room tax increase for bond issuance and the $132 million. But the fiscal note is only showing the generation of $34.2 million. I am just trying to figure out how we reconcile. What are the numbers?

YOLANDA KING:
The $34 million that you are seeing in the table that was presented is the amount of money that would be dedicated to debt service. So on an annual basis, that $34 million is what will be used to pay for the debt service. They are estimating that you will be able to issue $132 million for an annual debt payment of $34 million—it is probably less than that, but $34 million annually.

JEREMY AGUERO:
The value of that collection allowance—as we talked about before—escalates over time. It looks a little bit different from a functional standpoint, but it has the same effect of about a one-eighth of 1 percent increase in the room tax. It would sort of function as the equivalent to that. That is what Ms. King is referring to. That is why the half a percent gets us the $420 million, but that other piece gets us about $132 million over the life of the project.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
So $132 million by 2050?

JEREMY AGUERO:
The $132 million is the amount we are going to get up front in order to fund the project. Imagine that we are going to dedicate that money to repaying it back all the way over that 30-year time horizon.

ASSEMBLYMAN O'NEILL:
Mr. Aguero, there has been quite a bit of public press about studies being done by Stanford and some other groups, all discussing this proposal. Could you give me a rebuttal or your comments? I assume you have looked at them. Do you have any comment on them?

JEREMY AGUERO:
Yes, sir. I have had the opportunity to review—I do not know if I have reviewed every one of them. I have seen and have been told a lot of things going around Twitter and in the media. I am aware of recent reports essentially being extremely critical of the economic and fiscal impact analyses that are underlying this. I have read things like, "This is the weakest economic impact that I have ever seen," or things saying that we somehow did not consider things that we very clearly did. I will tell you that having reviewed those, what is abundantly clear is that the folks who issued and wrote those reports, number one, never read the legislation that is before you today and, number two, never read anything that came from the Southern Nevada Tourism Infrastructure Committee.

Just to give you an anecdote, I had a gentleman from the one that has been very popular going around leave me a message yesterday asking to get some information about the economic impact statement, particularly surrounding the implications of room tax. This, of course, was after he had already issued his article about that. When I talked to him at about 6:30 this morning, I asked him if he had ever read the bill, if he was familiar with any of the analyses, and if he had ever been to the Southern Nevada Tourism Infrastructure Committee's web page. The answer was no to every one of those questions, which was clear from our discussion and, frankly, clear from his response. For those economists that have issued these analyses that are highly critical, I can tell you that not one of them has asked to see the economic model that was done, nor have they offered any legitimate criticism to what was done.

I could go on for a long time, and I am happy to answer any questions this body has relative to the economic and fiscal impacts associated with this. The thing that I think was most compelling—and it seems to be missed as part of the discussion but was an integral part of the conversation that the Southern Nevada Tourism Infrastructure Committee had—was two-fold. Number one was the process. Economic impact analyses were done, both by CSL, a nationally recognized firm that does a huge number of convention-related market analyses across the entire United States, as well as Dr. Mark Rosentraub, a well-respected analyst out of the University of Michigan who has been highly critical, frankly, of stadium-related activities. We received both of those analyses, and we went through them line by line, assumption by assumption, to validate whether they were reasonable or not. As a matter of fact, we significantly reduced the economic impacts associated with each one of those in delivering our final economic impact to the Southern Nevada Tourism Infrastructure Committee.

I would add that the other piece that seems to be completely missed in the entire conversation, in terms of what is out there, is that if we take the visitor component out of our economic impact model, it is negative. If you try to go build what we are talking about in Cleveland or Mobile—or, for that matter, anywhere else that does not have 150,000 hotel rooms, that does not have 45 million visitors, that does not have the eighth-busiest airport in the United States, that simply

cannot leverage that size of economy in order to get the type of economic impacts—you would never see what we are looking at today. I do not disagree or dispute with the analyses that have been done in those areas, nor the criticism that suggests many of them dramatically overstate the economic impacts. As a matter of fact, I believe that is accurate but just not appropriately applied here.

If you have any other questions about that, I would be more than happy to talk through them.

ASSEMBLYWOMAN JOINER:

One of the disadvantages of asking a question this late in the process is that many of the good questions have been asked by my colleagues already, which I really appreciate because I have also been able to hear some of the answers, and it leads into some of my concerns that are left hanging.

The proponents of this stadium have been very vocal about saying that this is a public stadium. This will be publicly owned. That is everywhere. That message is pervasive. It is great PR, and it sounds great. I am trying to wrap my mind around, as a public owner, what that means. As we heard from my colleague from AD [Assembly District] 20, we have learned that there will not be an ability for us, as the public owner, to recoup our investment, to have any of the share in the profits, to in any way get what a normal businessperson expects from an investment, which is recoupment of the money they have invested and/or profit. So if we are not that kind of owner, my next question is, maybe we are the kind of owner that gets to have a lot of say in what happens. Maybe we are hands-on, and we get to deal with daily operations and key decision-making. Maybe we are that kind of owner. Then I get to the portion of the bill where you answer the questions of my colleague in Assembly District 16, and we see that the Stadium Authority actually does not have any public involvement. According to section 30—tell me if I am wrong—the Stadium Authority can actually hide information from the public owners. This entire section exempts them from transparency laws. It says that "the Stadium Authority shall keep confidential any record or other document provided to the Stadium Authority by a developer partner, the National Football League team or the Stadium Events Company, which is in the possession of the Stadium Authority" if there is a submission of a request and the Stadium Authority basically deems it appropriate.

My question is, why was it decided that we, the public owners, will not have access to these documents and records about how our public money is going to be spent? Also, how do you plan to involve the public owners in making decisions about the direction and operation of what is being called "our" stadium because I do not see anywhere in this bill that the public, as an owner, is getting any benefit of ownership?

CHAIR ARMSTRONG:

I would like to ask Mr. Powers to talk about the construction because I think we have had this conversation and have talked about this before. Then Mr. Hill and Mr. Aguero can comment.

KEVIN POWERS:

Section 30 deals with the confidentiality of proprietary or confidential information; however, that section contains a definition, and that definition is at the end of the section on page 20, lines 4 and 5. It cross-references NRS 360.247. That statute deals with the Nevada Tax Commission, and it defines confidential proprietary information. The point of this statute in section 30 is to mirror what goes on in the Tax Commission. This statute in section 30 has both a substantive component and a procedural component. In order for the information to be confidential, it first has to meet the definition of proprietary information. That is information known as a trade secret, or information that is business- or economic-related that would give a competitor a competitive advantage. It is not any information relating to business. It is not any information relating to economics. It is information that a competitor in a market keeps secret and does so because if the information were to be released, it would put that person at a competitive disadvantage. That would be customer lists, price lists, and how they derive certain decisions when it comes to their economic interaction in the market. Substantively, this section limits a narrow amount of information to something that would be considered a trade secret or something that would put someone at a competitive disadvantage. The information has to be kept secret by that business in order for it to even qualify as a trade secret.

This section also reflects the Uniform Trade Secrets Act. *Nevada Revised Statutes* Chapter 600A will subject a person to both criminal prosecution and civil liability if they misappropriate a trade secret from a business and inappropriately disclose it. So the idea here is that this section protects that type of information that is already protected by NRS Chapter 600A under the Uniform Trade Secrets Act. That is the substantive protection here. It is a narrow bit of information dealing only with trade secrets.

The procedural component of this section is that the business does not get to decide what that proprietary information is. They have to make a request to the Stadium Authority. The Stadium Authority has to review that request and then determine that it actually meets the definition of a trade secret or proprietary confidential information.

When you add the substantive protections and the procedural protections, it really is a narrow set of information that is consistent with the Uniform Trade Secrets Act in NRS Chapter 600A. It is not an open-ended provision that allows the Stadium Authority unlimited discretion to determine what is confidential; they only can determine if it is a trade secret or proprietary information. Then, if they follow the procedural steps, it is then confidential. Because this is subject to the public records law, someone who believes the Stadium Authority has made an incorrect assessment about a trade secret has the ability to bring an action against the Stadium Authority claiming that their decision was wrong and that this was, in fact, a public record. If that person wins, they would be entitled to attorney fees for prosecuting that action. So there is an avenue of relief against the Stadium Authority if it determines that public information was a trade secret.

Finally, under the public records law, if the Stadium Authority determines information is a trade secret, it can only redact that information. Any other information in a document that is not a trade secret has to be disclosed. So it does not allow one trade secret in the document to prohibit the entire document from being disclosed. You only can redact that specific trade secret.

That is the nature of this section, and that is how it should operate. It is consistent with what the Tax Commission does when someone asks to provide information to the Tax Commission in a confidential manner for proprietary information.

STEVE HILL:

A few months ago, I probably made an emphasis on the fact that the stadium was going to be owned by the public because there had been quite a bit of conversation, privately and publicly, about why we are making a contribution to billionaires. Apparently, that was successful. We understand that it is a public facility. I do not think that aspect should necessarily be overemphasized, either.

What I do think is important about it being a public facility is that in the very unlikely event that the partners in that facility walk away, the public would continue to own that facility. At the end of the 30-year lease, the land that the facility is on will have been purchased by the developers, will have been contributed to the Stadium Authority, and then will be owned by the public. At the end of that lease, the public will own the stadium and will have the opportunity to enter into a new agreement with respect to that facility.

When people talk about whether the stadium will work, the way we have presented that we would measure whether this works is by asking, Do we get those jobs? Does it generate that tax revenue? Does it provide UNLV an opportunity to play in a world-class facility? Those are the reasons for the public portion of the investment, and that is why we analyze those. It does save what I think is an inevitable cost with the stadium at some point for UNLV. I think that is the summary of the answer to that issue.

ASSEMBLYWOMAN JOINER:

I appreciate that. Also, I have not had a chance to respond to Mr. Powers. I do understand that it is a reference to the tax code. It does not alleviate my concerns about the Stadium Authority being the one that gets to interpret the definition. I do not see the need for that. My question was really about why there was a necessity to put this in here.

As far as my follow-up question, it sounds to me like the public will not be involved in governance, decision-making, or daily operations. Is that what I am hearing? When you mentioned that the public would own the land after the fact, if the team were to leave, that leads into one of my other major concerns, which is that there seems to be an exemption on the property tax for the entire area. That is on page 30, lines 39 and 40. My concern is that anytime we have

a project like this, historically, over the last 30 years in other cities, there have been unintended consequences, and the public has ended up paying more in other areas than expected.

CHAIR ARMSTRONG:
Can you reference the section for the property tax?

ASSEMBLYWOMAN JOINER:
It is page 30, lines 39 and 40. Am I reading this correctly? Is it a property tax exemption? To me, that seems like a whole other bucket of money that the public may not end up getting. How does it work if they were to leave and the public owns that land? Is it exempt from property tax forever or just while the stadium is there? If you could explain that, that would be very helpful.

STEVE HILL:
I can give you a short answer and if you want a more detailed answer, we have people here who are better prepared to do that. It is a publicly owned piece of property; therefore, it is exempt from property tax. That is the way it is with all publicly owned property.

ASSEMBLYWOMAN JOINER:
I guess it is just the question of there being a concept that it is publicly owned but we are not involved in any of the profit sharing or any of the governance. I guess that is the key question.

STEVE HILL:
It is a publicly owned facility. It is not a concept—that is a fact. It is also true that from a stadium operations standpoint, there is not a profit-sharing component to that. The oversight of the stadium, though, is appointed through the Governor and the Board of County Commissioners. Those are members of the public who will be involved in the oversight and governance of the stadium.

CHAIR ARMSTRONG:
Mr. Hill, just to add to that—if the stadium were to be built, we would still have one or two legislative sessions to come back and address this if something were not going correctly.

STEVE HILL:
That is correct. There is a time frame for different activities. Virtually nothing will happen prior to the 2017 Legislative Session. Several of the steps would happen following the 2019 Legislative Session.

ASSEMBLYMAN BRUNETTI:
I have a couple of quick clarifying questions for Mr. Hill or Mr. Aguero—you decide whoever seems appropriate to answer. The Stadium Events Company that we learned about earlier this afternoon, which is partly owned by the developer partners as well as the Raiders and potentially another private entity, will sublease to the Raiders for a 30-year period. They also have an operating lease with the Stadium Authority. Will that operating lease run coterminous with the Raiders' sublease?

JEREMY AGUERO:
Yes.

ASSEMBLYMAN BRUNETTI:
So that will be a 30-year operating lease with the Stadium Authority. I have a couple of follow-up questions in regard to that. We are not a party to the G-4 loan program provided to the Raiders via the NFL. It is referenced in the bill. Do we know the details and terms of that loan program provided to the Raiders?

STEVE HILL:
We will not. The loan has not been made, so we do not know the terms. It is a private transaction between the team and the NFL, provided that the team follows through on its commitment and makes the investment. Frankly, the security provisions that are required prior to the issuance of bonds is the only reason why we need to know the method. So we would need to

know that the money is really there, that it is secure, and that it cannot be pulled back. Other than that, the terms of that loan are not of consequence to the Stadium Authority.

ASSEMBLYMAN BRUNETTI:
I do believe it is a benefit to have the NFL in the deal and on the hook financially. My last question is about the terms of the non-relocation agreement. Same response, Mr. Hill?

STEVE HILL:
No. I think we would want to know the terms of the non-relocation agreement. The Stadium Authority Board is charged with making sure that the team is committed for 30 years. It has been represented to the team that the non-relocation agreement is something that we will be able to rely on as well. I think understanding what that non-relocation agreement is will be important for the Stadium Authority Board.

ASSEMBLYWOMAN CARLTON:
I would like to go to section 33. We have discussed this before, but I want to make sure we share these concerns with the whole Committee. Some folks have whispered to me today that they understand the concerns and hope we can work on something, but I thought we should get it on the record.

Section 33, subsection 1, paragraph (b) states, "One-half of one percent of the gross receipts from the rental of transient lodging in an area within the stadium district but outside the primary gaming corridor." To put that in English, we are going to have the stadium district, which is going to be a 25-mile circumference with the point of the center being the Clark County Government Center. Then we are going to have the gaming corridor, which is a slice of that circle, and that will get the eighty-eight one-hundredths of 1 percent of the room tax. Everything else outside of that will get the one-half of 1 percent.

The concern I have is, when you draw that circle, it takes in the weekly rentals. It has been stated—and I want to make sure it is very clear for the record—that Nevada residents will not be paying this tax because it is room tax. Well, yes, Nevada residents are going to be paying this tax because they live in weekly rentals, and they live in weekly rentals because they cannot afford the deposit on an apartment. In further examination of it, the room tax also applies to trailer parks, recreational vehicle parks, and campgrounds. I do have a concern about that. I am happy that you are looking at it, and I would like to know if any work has been done on that. Most of all, Mr. Chair, for the record, I would like everyone to realize that, yes, Nevada residents will pay this tax.

JEREMY AGUERO:
First of all, your assessment is spot-on. That is exactly right. Yes, residents will pay the tax, including the ones you just identified. The second half of your question was whether we have done any research on this. The brief answer to your question is, in the time since this has become an issue, we have done relatively intense research, respecting the relatively short period of time that we have. I think there are some options. I do not know how perfect those options are. I do believe it is something we could potentially solve. I do not know how quickly or how easily but, yes, we are looking at it and, yes, I recognize that it is a concern.

ASSEMBLYMAN ARAUJO:
I appreciate all the questions today. It means that we are deeply involved in the discussion.

My question pertains to section 31.5. Specifically, I want to get to the 15 percent requirement for subcontractors to be locals. I have a few questions on that. First, how did we come up with 15 percent? Then I will ask my follow-up question.

STEVE HILL:
The 15 percent was a recommendation made by Senator Farley and agreed to by the Senate. This is not a portion of the bill that was recommended by the Southern Nevada Tourism Infrastructure Committee. Having been in the construction industry for 25 years prior to being in this job, I think the 15 percent number is a pretty strong number, particularly as we look at doing this for the first time on these projects. That means that in the case of the Las Vegas Convention and Visitors Authority, there will be approximately $200 million in work to small local businesses

and, in the case of an NFL stadium project, approximately $300 million in work to small local businesses. So half a billion dollars' worth of work in the next few years is going to be required to be subcontracted to businesses that meet these qualifications. That is a lot of work.

ASSEMBLYMAN ARAUJO:

My next question is, How do we ensure that the local subcontractors selected are actually employing Nevadans? The final question is, What constitutes valid reasons for a contractor to not have to meet that 15 percent requirement?

STEVE HILL:

The requirement states that the company must be in business here for four years and must be a relatively small business. The community development agreement, which is not in this portion of the bill that you are referring to, would be an outreach to Nevadans as well. Both of those were amendments in the Senate and not from the Southern Nevada Tourism Infrastructure Committee. That was the solution to the concerns you are raising in your questions.

With respect to what would constitute the threshold that would invoke a waiver, I think there would have to be an outreach effort to small businesses publicizing the opportunity in all the appropriate locations and proof that qualified subcontractors did not respond to that outreach.

ASSEMBLYMAN GARDNER:

I have a couple questions regarding the stadium events summary [Appendix D]. I looked through those, and I did not quite know what a couple meant—the corporate/public shows, the signature events, and the major non-recurring events. I was wondering if you could explain what those would be.

JEREMY AGUERO:

Yes, sir. When you have a large venue like this, there are oftentimes events that are either one-time in nature or that are unique. For example, in southern Nevada, we have a group called Las Vegas Events. They have been responsible for either helping to bring events to southern Nevada or develop events that did not exist there before and do not go anywhere else—things like the NBA Summer League and rugby. They have other festivals and things that they develop that are referred to as signature events—something that is going to happen at the facility. Those could be award shows. Those could be festival-type concerts that we have seen develop and that have recently become significant economic drivers.

The other one you are talking about is corporate events. Those, too, have become a significant set of business. I actually requested to get some of them. I would love to share that with you, but it is about 27 very detailed pages explaining that we have to set up this and set up that to do it. The easier way is just to explain to you what that is. Microsoft might go to Las Vegas, for example, and bring a lot of its employees or its big customers there, and they might have The Police or Bon Jovi play a private concert at that corporate event.

What was testified to before is just how important our business-related travel has become in southern Nevada. What you are seeing there are those types of events that, as suggested from the testimony that came before the Southern Nevada Tourism Infrastructure Committee, would be a significant portion of this facility in southern Nevada.

ASSEMBLYWOMAN DIAZ:

My question to you is, Will there have to be impact studies conducted before construction? For example, I am thinking about water resources and how scarce they are and how we tell everyone that we need to recycle, we need to reduce, we need to reuse, we need to switch out our landscaping, we cannot have grass, and we have to go to desert landscaping. I do not know too much about sports, but I know that usually you do play on a field that has grass. What are the implications in terms of the water and the resources that are going to be needed to keep up a stadium and a team of this magnitude? Has there been discussions? Is it going to be a completely green stadium? Is it going to be water-efficient? Are we going to use Astroturf? We need to think long-term and about not asking everyone again to conserve while the water is being used in other ways. I am really concerned. I do not know how much you discussed this. I do not know if there is an agreement, but it would be nice to know where we are with that.

STEVE HILL:

With respect to the design of the stadium, I would give two or three different answers. First, as I mentioned earlier, the stadium is required to go through the county's high-impact project program. You can Google it, and you will see a very significant series of steps that are required and touch on all issues of development. That leads to a negotiation with the county on all of those different issues. The developers themselves have expressed an interest in meeting LEED [Leadership in Energy and Environmental Design] standards and making this not only a state-of-the-art stadium from an experience standpoint, but a state-of-the-art stadium from an environmental standpoint. That design work has not been done, so it is not possible at this point to check that, but that has been asked and answered at least.

In terms of water use, I would start by saying that while a football field seems like a pretty big place, from a water use standpoint, it is not. From an economic impact standpoint of per gallon of water used, this will be one of the most efficient generators of economic impact that we will see in the Valley.

CHAIR ARMSTRONG:

As an NFL fan, I would say that most teams do not play on grass anymore and that they use artificial turf, but I do not have the numbers for that.

ASSEMBLYMAN EDWARDS:

I have a quick question. I know we talked a little bit about the auditing aspect of all of this. The Stadium Authority will have a function to do that, but I did not see any outside auditing coming in to do a double check. Is there anything that I missed in the bill?

STEVE HILL:

Yes, there is a requirement that the Stadium Authority Board and the Stadium Events Company agree upon an outside auditor. That outside audit must be performed annually, and the Stadium Authority Board and the Stadium Events Company will split the cost of that audit.

ASSEMBLYMAN SPRINKLE:

Mr. Hill, I have a two-part question. In some of the testimony you gave earlier, specifically regarding section 11 and the developer partner, it sounds like with this specific deal, we are talking about Mr. Adelson or part of his family structure. Is that correct?

STEVE HILL:

I do not want to overcommit on that answer. Our assumption is, and I think the assumption of the parties involved in this conversation is, that the Adelson family and the Raiders would be development partners. There may be others. It is not limited to those, and it is not necessarily either of those at this point, but our assumption is that they would be at least a portion of the development team.

ASSEMBLYMAN SPRINKLE:

Perfect. Thank you for that clarification. The heart of my question pertains to section 29, subsection 3, paragraph (n). I will read it because it is a pretty short section: "... a person owning an ownership interest in the Stadium Events Company may sell or otherwise transfer the person's ownership interest to a related or unrelated third party only upon the approval of the Stadium Authority and that the Stadium Authority must not unreasonably withhold such approval." If you would bear with me for a hypothetical that I have been running through my head now for a couple of months. If they are allowed to transfer or sell that lease, is it possible that whoever they transfer or sell it to could declare bankruptcy and walk away, and they would be the ones who would be held liable, not the original lessee? That is purely hypothetical.

JEREMY AGUERO:

There are a lot of different elements to that. That provision provides that a lease can be transferred, but it also requires that it go through the Stadium Authority. That is intended to ensure that there is due diligence relative to the party who would be taking that over. That would be completely consistent with the balance of all the requirements in SB 1. So, is something possible?

Yes, but I would say that it is highly unlikely. As a matter of fact, the drafting of the document would be designed to prevent something like that from happening.

ASSEMBLYMAN SPRINKLE:
But that possibility does exist, and my hypothetical is possible.

JEREMY AGUERO:
Yes.

ASSEMBLYWOMAN DICKMAN:
My question is about section 28. I am wondering if I understand this correctly. It looks almost like the Stadium Authority would have the same powers as, say, any city. They could seize land under eminent domain, correct? If so, it is an appointed committee. It seems a little powerful to me.

KEVIN POWERS:
I will field that question from a legal standpoint. The power to condemn proper eminent domain is given to all political subdivisions of the state, so this is not unusual for appointed boards to exercise this power. It would be no different than airport authorities, water districts, or sewer districts. If you look in the volume of NRS dealing with special and local laws, a considerable number of these types of districts are created. All of them are given the power of eminent domain and condemnation; however, that power can only be exercised if the person whom they are taking the property from is given just compensation. It does not allow, obviously, the Stadium Authority to take the property without paying fair market value for that property under rules of eminent domain and just compensation.

ASSEMBLYWOMAN DICKMAN:
I do not see any commitment to the proposed training facility in northern Nevada. Is there any word on that?

STEVE HILL:
There has been a little bit of confusion. I appreciate you asking the question so that I can help clear some of that up. An NFL team has a practice facility, and I am pretty sure it is always near where they play their home games. So they will start their season, play on Sundays, practice during the week, and play again on Sunday. They have their main practice facility, and that often includes their offices and their workout facilities—all of those types of things—near where they play their home games, in the town that they play their home games. They play through the season. They have an off-season. They practice periodically and have different training camps, but then they come back to prepare for the next season. They often do those training camps at a remote location for five or six weeks. If they do, it is often at a college facility. They live in the dorms for that five- or six-week period leading up to the start of the regular season. That is called training camp. When they have expressed an interest of having an activity in Reno, it is having that training camp, not having their practice facility. They would need a place to have training camp. There are a couple of places that may work out. Having their training camp in Las Vegas in July and August is, frankly, not very possible at all. It is, obviously, a little warm in Las Vegas in July and August. They have looked at the possibility of having it in Reno, but there are a number of things that would have to be worked through in order to have a firm commitment, particularly to put that in law. What they have said—and I have asked if I can say this as well—is that they have a genuine interest in having training camp in Reno. It makes a lot of sense. It is close to their existing fan base, it is in Nevada, and it is in a hospitable weather environment. I think there is a real possibility of that taking place, but they are not in a position yet to make that firm commitment.

ASSEMBLYWOMAN DICKMAN:
I think the Assemblyman from District 40 touched on this a little bit, but we have all seen stories about stadiums in other cities that did not result in the projected economic benefits or required officials to go back to the public for additional funding. What makes this project different from some of the other deals that left taxpayers on the hook and did not produce the expected benefits?

JEREMY AGUERO:

I appreciate the question, and I really appreciate the opportunity to add to it. The brief answer to your question regarding what makes this project different is the physical location and where it is. Being in southern Nevada is what makes it different. It is that visitor volume. We have taken some additional criticism in some of the same reports that have been out there relative to the fact that we are saying—and this is not accurate, by the way—that somewhere between 20 and 40 percent, depending on which set of reports you read, of the folks who are going to be visitors, that are going to be inside—I think something was written along the lines of, you are playing a team from Florida. Do you really believe that many folks are going to come? Of course we believe it is going to be different from event to event, but think about it this way: We are making the assumption that a certain share of attendees are visitors and a share of those are incremental visitors. That is all our analysis is built on. If we look at that visitor component and we look at the existing facilities in southern Nevada today—and remember, we are looking at incremental visitation in the 27 percent range. If we look at how many tickets are sold in local venues in southern Nevada—arenas, showrooms, and those type of things—it is upwards of 80 percent that are sold to tourists. There is nowhere else in the entire United States that I am aware of that can get you even close to that.

Now, the other side of your question is one that is financially oriented as opposed to just economically oriented. What was expressed to me by folks that participated in the process as well as others who provided comment is that the Southern Nevada Tourism Infrastructure Committee spent 16 months and over 100 hours going through this exercise. That committee required us to go back and rebuild the financial models—how the ones and zeros worked for the stadium—and verify those assumptions with other operators of those types of facilities and make adjustments where they were necessary and appropriate. You heard Mr. Hill testify, relative to the Convention Center, that we essentially went through the Convention Center's income statement line by line by line, which allowed us to get more capacity. I think the number is roughly $800 million that we got by going through that process. The same thing was done on the stadium side to make sure that we were comfortable. That was a painful process for everyone involved, but it leaves us with the impression that our assumptions are accurate and that the financial plan that you heard Mr. Hobbs and Ms. King indicate are conservative and reflect reasonable expectations. The combination of those things puts us on very solid ground for me to feel comfortable telling you that, economically and fiscally, this project is defensible.

STEVE HILL:

I have one or two comments on top of that. You did ask if there was the potential for the stadium to not perform well and to have to come back to the public for more money. From a financial perspective, the stadium not performing well is completely the problem of the developer. The room tax will be in place to pay the bonds off on the stadium. I talked to Mr. Hobbs a little earlier and the question was asked earlier in the day about the possibility of paying those bonds off early. Because we will have two years of debt service reserve, once we get to year 28, even if we have not paid them off any earlier than that, the two years of debt service reserve would immediately be used to pay off the bonds. It is going to be a 28-year bond program at the most. The revenue stream will be in place to pay for the bonds regardless of the performance of the stadium itself.

CHAIR ARMSTRONG:

I stated earlier that we would start public comment at 6 p.m. It is 6:03 p.m. I am going to cut off the questions at this point, and we will set it up for public comment. We are going to take testimony in support, then opposition, then neutral. Feel free to elect a representative. If you have somebody to speak and you just want to have folks stand behind you, go for it. That works as well. I definitely do not want to cut off anybody, but I am going to limit testimony for each person to three minutes. If anybody has seen any of my committees in the past, I cut speakers off at three minutes.

We will start with the first hour down south. We will start with the first 30 minutes in support. Each person will get three minutes down there, and then we will go from there. If you would like to speak in support in Las Vegas, please come to the table.

CAROLE KILBURN, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

Good afternoon. I am an inside wireman electrician, and I would like to share with you why I believe the stadium and the LVCC [Las Vegas Convention Center] would benefit our town. There are about 1,000 unemployed trained and qualified electricians willing and ready to work. Over 400 of them are traveling out of state for work to try and make ends meet. These two projects would not only help bring local workforce home, but they also would help stimulate more of the local economy.

For the last six years, my husband and I have traveled out of state for work to supply our house note and health insurance here in southern Nevada. My husband is still out of state working. I had a major operation six weeks ago, and my husband was forced to leave one week after my surgery to provide health insurance and a paycheck to pay our bills. It is sad to think that we can spend our money here, but we cannot work from home because the work is so scarce to make a living wage with insurance. Please help the local economy and bring our families back together, providing local work and a living wage for our locally trained and qualified workforce. And when I say a living wage, I mean with a PLA [project labor agreement] and full prevailing wage.

It is not an option for some of us to go without insurance. Last year alone, my medical bills topped out at $2.6 million. Before the third quarter of this year and before my last operation, I was at $1.2 million. I went through septic shock and three major operations this year, and I have been able to have my husband's presence there only when I am in the hospital because he has to be out of state working, making a living wage so we can pay our bills here in Nevada, but he cannot work from home. When I am better, I will not be able to work from home unless you all bring work here. We have a lot of skilled trades—not just electricians—that want to come home and work, but you all are forcing us to leave.

STACY SASSO, EXECUTIVE DIRECTOR AT SOUTHERN NEVADA LABORERS JOINT TRUST FUNDS:

Part of my job over the last 12 years has been to manage the benefits for the health fund that is offered to the members of Local 872 and their families. Since I have been with the trust, I have seen the times where construction workers have had full-time jobs, overtime, and full health benefits for themselves and their families. We were able to offer good and affordable coverage to them and their families. Over the last few years, with the fall of the economy, I have seen the trust have to make adjustments to health coverage offered. We have had to watch participants and their families lose insurance because their workers no longer have a job. Having a decline in work hours means the medical coverage will not continue.

We offer a primary care health facility where we can provide a limited amount of care to these uninsured workers. That is paid for by our charitable foundation. In the past five years, we have issued hundreds of vouchers for access to care at the clinic—not only for the member but for their spouses and children—to ensure that they can get some kind of medical care when needed. This includes physicals and vaccinations. Not all the trades have the same ability to patch the gap of coverage our workers are experiencing. Even with our clinic, additional care—such as hospital visits, prescription drugs, and lab testing needed for diabetics—have to be accessed as uninsured, and members often have to choose between paying for their medical bills or paying rent for the month because they cannot afford Cobra for their insurance to be extended. They also cannot afford billed charges at these facilities. I have also seen the worker who has lost everything as a result of limited construction jobs. I represent the Laborers' charitable foundation, and we have had a huge influx of members needing help with rent, Cobra payments, and utilities. I have had members show up at the union hall with their wife and kids, who have been living on the streets or in their cars, after losing their jobs and running out of unemployment. I have had members whose spouses need a serious surgery or chemotherapy but, because they are not working, they are uninsured or under-insured and they cannot afford their co-payments or high deductible. We have made those medical and rent payments for them, but not all trades have that option.

These people want to work. They want to support their families and not rely on public assistance. Having the stadium built will allow these workers to provide for their families again. They will be able to have insurance again and not have to rely on unemployment, welfare, Medicaid, and other public assistance in order to feed and care for their wives and kids. They will no longer be looking to charities for grocery money and bags of canned goods. I am asking you to consider these workers and their families in your decision today.

BENNY LEIVAS, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a member of the International Brotherhood of Electrical Workers, Local 357. I am a qualified worker and electrician, and I have been traveling out of state for the last six years. I would like to come home. I think that building the stadium and the expansion of the LVCC [Las Vegas Convention Center] could make that happen. If you are concerned about the subcontractors and that 15 percent requirement to hire local, hire a skilled trade.

DENNIS CRONIN, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a proud member of Local 872. I think this is a slam dunk. We need to get this passed right away. This is a once-in-a-lifetime opportunity. Not every NFL [National Football League] team comes to a city. If we do not proceed quickly, these jobs are going to be lost. Everyone keeps saying, "Taxes, taxes." It is not a tax on the people who live in Nevada; it is on the people who come and visit. That is the most important thing. We have people who come every day and it is a tax, but we need this to be passed. It is not going to be a burden on us, the citizens of Nevada. I have been a Nevada resident for the last ten years.

We need to grow this city, or we are going to die without this passing. I do not think people realize that. People are coming from other towns. I went up to Utah. They had a big convention there. It sold out the place. The rooms went from $100 to $450 for that one event. People keep saying that people will not come here. With the events—football and the other events we have—I think it will pass.

Please pass it. It is important to get the jobs and get the people back to work. A lot of our members have been out of work for a long time. They lost their houses. This is an opportunity to get these people back to work and get them back into houses. That is all I have to say.

MATT MARIS, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a proud member of the Laborers' Union. I think this job would be a big boon to the local economy and will bring a highly skilled workforce back to full employment or close to it. It would bring people back home, as the previous speakers have said. This situation reminds me of my hometown of Pittsburgh, Pennsylvania. In the 1990s, when the rest of the country's economy was picking up, we were still in a recession. We were a stagnant economy. They built not one but two stadiums for the Pittsburgh Steelers and the Pirates, and that lead to a plethora of other projects around the city. The city and western Pennsylvania's economy have been doing pretty darn well ever since.

VINCENT HERRERA, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am with the Laborers' Union. I would like you to vote for this stadium and for the Raiders to come because it is not only going to put these brothers and sisters to work on this job site to make a livable wage, but all the mom-and-pop stores around the area are also going to benefit from it, as well as gas stations—they have to buy their food, they have to buy their clothing. It is a win-win situation.

AIDA ARANDA, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am also a member of the Laborers' Union, and I am here in support of the stadium as well. We have heard testimony where people need to come home to work. There is a workforce here that is waiting for these jobs, good-paying jobs with benefits that will take care of the families here and allow them to contribute to the community by paying taxes and investing in the community. This is an investment you are making for the citizens of Las Vegas. I hope you support building this stadium.

ANTHONY VALDEZ, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a Laborers' Local 872 instructor for the training facility. I am here in support of the stadium. I wanted to let you know that I deal with a lot of the members every day. I get a chance to hear about their unemployment benefits and how a few of them have lost their houses. I feel very bad for them because I have been fortunate enough to have gotten through the recession. On their behalf, they need to go back to work. Like I said, I have to deal with it, and I talk with them every day. I really feel their woes and their complaints about not being able to go back to work. We need a lot of jobs here, and this will put them back to work.

KENNETH MCLIN, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a proud member of Local 872. I think it is right for the Raiders to come and help these families out here. They are hurting. All the jobs would bring happiness to these families out here that really need it. It only takes one family to have something from a job that they can really depend on, and I think it is time. Everybody, get together and come to some type of agreement, and let us get this thing passed so the community and these families can have better lives out here.

MICKEY CONWAY, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am here in support of Local 872. I am from Denver, Colorado. From experience in Denver, Colorado, building a new stadium for the Denver Broncos, building a new stadium for our Colorado Rockies, there are many, many, many layers of work, economy, and growth for the entire region. We can put lots of people to work. We can keep benefits flowing. It would make things better for everyone. Please consider this. Bring the Raiders here. Build the stadium. You need it for the economy. You need to expand beyond just gaming.

MICHAEL DASILVA, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am an organizer with the Laborers' Local 872 in Las Vegas, Nevada. I am in support of the stadium for the Raiders to come to Las Vegas. This will help all of us, including all 16 trade unions, to go to work and put our union members back where they need to be: with their families. I get calls all the time from my union members—and outside the union—to get help. They need help. These two jobs would help put all of our members and families back to work and back to where they can support their families and do the right thing for them. Please say yes.

MICK WONNACOTT, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a proud member of the Laborers' Union. Rather than repeat what all the other supporters said, I will just say that I stand in strong support of building the stadium.

CHAIR ARMSTRONG:

Is there anyone else in Las Vegas who would like to speak in support? We will move to opposition in Las Vegas. Is there anybody who would like to speak in opposition?

MATTHEW RASHBROOK, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am an attorney in Las Vegas. I want to speak to you about the idea of opportunity cost. "Opportunity cost," an economic term, is roughly the idea that once you have spent a resource or once you have spent money, you no longer have it to spend on another thing, whether or not that thing is better or more needed. If we engage in this deal to build the stadium, we are tying up about nine-tenths of 1 percent of room tax, $750 million, for about 33 years. Whether you buy into the notion that it is not public money because tourists will pay for it—which, of course, is false—the fact is that it is our money to spend, and we could spend it on schools, roads, or any other more useful thing. Once we have decided to spend it on a stadium, that is no longer true. The money is gone, and we can never spend it on anything else again—at least not for the next 33 years. When you consider opportunity cost, I would like for you to consider whether in the next 33 years you can conceive of some other more needed thing than a professional football stadium, whether you think we might need more classrooms—which I understand that they need today in Reno—or whether you think we might need more roads to get to those classrooms.

The next thing I want to talk about is the idea that this will be a public building, which is a complete misnomer. The fact is, this will be a public liability. The developers will own the revenue stream, which is the only beneficial aspect of this building. What we, the public, will own is, in fact, a liability. This is akin to buying a car, paying the gas, insurance, and maintenance on the car, but not ever getting to drive it, or building a home and not being allowed to live in it or collect rents. The fact is, we are going to have to pay somewhere in the area of $3 million to $5 million a year in maintenance and upkeep on this stadium but not ever be able to collect any rents on it. In fact, the public entity involved, the University of Nevada, Las Vegas, is going to have to pay an undisclosed amount of rent to the Raiders for the privilege of borrowing the stadium from time to time.

What I am asking you to consider is whether, over the next 33 years, you can conceive of some other public service, public benefit, or public use that might come along and be more beneficial to

the citizens of the state than buying Sheldon Adelson, or a group of developers, a stadium from which we are locked into a zero percent return on our investment.

COLLETTE PUTNAM, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a licensed private investigator, predominantly working criminal defense. I believe that building a stadium with tax dollars is about as wrong as it can get. We have a severe mental health problem in this state. We have no place for people with mental health issues. We are not funding our veterans. We have specialty courts that we say are going to take care of problems for people who fall through the cracks in the system. They do not have a union behind them to help them pay the bills, buy groceries, or find a place to live. Tax dollars should go for the benefit of the public.

Anecdotally, I have a veteran who I have a DD Form 214 on. I have been working for three years to get him veterans benefits. He ended up in prison and got a compassionate discharge. I still cannot get the man benefits, and he will be dead by Christmas from cancer. I have another defendant who is 22 years old. He has had mental health issues since birth. There is no method for this system to address his issues. This happens all the time. The specialty courts are not funded. We say we have them. If you are lucky enough to get qualified for the specialty court, if you are a female, it is a three- to six-month waiting list to get a bed for inpatient treatment. If you are a male, it is nine to ten months. That is on top of the time that you serve at Clark County Detention Center prior to your being remanded for inpatient treatment, and then you serve that term.

The issues that need to be addressed on taxpayer dollars are social issues. Building a stadium so that Steve Wynn, Sheldon Adelson, and the Raiders can make the Nevada taxpayers support them is about as wrong as it can get. If you do this, I think there should be a clause that the football players stand for the national anthem.

FRANK HAWKINS, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I have been here all day, which I guess is okay. I want to thank the Assembly because I think you did an excellent job asking questions. I think you drilled down, and I am very proud and appreciate the work that I have sat here and listened to all day.

I rise in opposition to the football stadium. I played for the Raiders for seven years. We won the Super Bowl, but I think the use of public money to build the stadium is wrong. I support the Convention Center being built. I support the new cops. I do not support the stadium unless it is built with private money.

There is another big issue I think needs to be addressed, and that is UNLV [University of Nevada, Las Vegas]. The current SB 1 says that whoever puts in money can be an owner. If the public, which is us, is not going to benefit, then surely UNLV should benefit. I hope the Assembly addresses that because if you wait for it to be done after this has passed, UNLV is going to get screwed. I want you to know that. They are going to pay $250,000 per game, and per SB 1, they are going to get back $3.5 million, so that is a net of $2 million. They might as well stay at Sam Boyd with all of its problems. I am asking you guys to deal with that.

My bigger concern is putting in $750 million of public money and the public not getting anything. We have folks who live in Las Vegas and would not be able to afford the game. Tickets in Oakland are $75 on average. Here, they are probably going to be closer to $150 or $200. If they cannot see the game, if there is not a sellout, then it is going to be a blackout. The poor, lower-income people who are Raiders fans cannot go to the game and now they cannot watch it.

The other concern was a 30-year bond, but the Raiders may only sign a five- or ten-year lease. Mark Davis called me today and said that they are willing. They want to sign the 30-year lease that is in the agreement. I think we ought to hold them to that. They want to do it. We need that. The second thing is, in relation to the blackout, Mark Davis agreed that there would be no blackouts so that the people can always see the game. I think that needs to be added into SB 1.

Again, billionaires who have money do not need our money. They can use their own money. Can anyone tell me—I would like to get this answered—they say that we are at about 40 percent for our economic investment from the public, but can you add in the ad valorem tax and the real estate abatement, and then tell us what our investment will be?

I have a couple of things that I would like you to look at. I will try to be quick. In section 30, we need to make sure that all entities get audited, including the NFL, and that those audits are

public. There should be no exclusions. In section 31, there should be competitive bidding for all subcontractors. We have already established that there is going to be union jobs, but also contractor work should be bid.

CHAIR ARMSTRONG:
Sir, your time is over. I appreciate it. I would like to note, Mr. Hawkins, that your testimony has been uploaded to the record [Appendix F].

MARLA TURNER, PRIVATE CITIZEN, LAS VEGAS, NEVADA:
I am here to speak in opposition to the stadium. If this were being developed with entirely private monies, I would be in support of it, but I am opposed to the use of public monies for it for several reasons. We have heard a lot of testimony about how the stadium is going to provide a lot of jobs for us, but none of the speakers who have talked in support of the stadium could quantify the actual benefits in terms of dollars or the number of jobs that would be created over the long term. It is my belief that the long-term risks outweigh the short-term job benefits, especially since the Raiders have not even agreed to come here yet. I think this process is premature. I do not understand why we are doing it now. We should wait until we actually have a contract with them and we know for a fact that they are coming.

No disrespect to my friends in labor—and I understand their desire for the creation of jobs—but providing short-term jobs at the expense of the community is analogous to something that Nevada has been fighting for many years, and that is Yucca Mountain. There are plenty of people in the state of Nevada that would love to have Yucca Mountain come into place. They want those jobs, but we know that it is not good for our state, and it is not good for our community. Jobs for the sake of jobs—consequences be damned—is not sufficient reason to provide them.

Additionally, we talked a lot about the Stadium Authority and about there being no elected official oversight, and that equates with no transparency. Finally, I would say that any legislator who agreed that funding for the LVCVA [Las Vegas Convention and Visitors Authority] and the stadium should be bundled together or who would hold hostage ESA [education savings account] vouchers or LVCVA funding does a disservice to all of us who sent you there to evaluate this process thoughtfully and deliberately, and it suggests to me that the stadium would not pass on its own merit. I urge you to vote no.

VERNA MANDEZ, PRIVATE CITIZEN, LAS VEGAS, NEVADA:
For starters, I would like to thank all the members of the Assembly. You guys have asked some very tough, yet critical, questions about the stadium scam. I come to you today as both a concerned and bothered citizen. I am concerned that there is a real possibility that we are going to spend $750 million of taxpayer money to fund a billionaire's dream. I am concerned that this bill is a scam, and it is being shoved down the throats of Nevadans. Though I always knew it was bad for our state, I am more sure now than ever because of the questions you all asked and the lack of response you all got. Worst of all, I am bothered by the Senate member on Tuesday who said that education is a cliché. Let me be clear: There is nothing cliché about education in a state where our school system ranks 49th out of 50.

If you say you have Nevadans' best interests at heart, then prove it. Do not use $750 million of our tax money for a football stadium. So many Nevadans have testified within the past couple of days. We have said that we want new schools, new roads, new buildings, and clean energy, not a shiny new stadium for the Raiders. I hope you listen to us and not millionaires because we will remember this on November 8.

CHRIS GIUNCHIGLIANI, PRIVATE CITIZEN, LAS VEGAS, NEVADA:
First of all, you are the people's house, and I am proud to sit here as a former member. The questioning today in your first 15 minutes had more questions asked than the entire Senate did in two days, so thank you for doing your due diligence, no matter where you wind up on this.

Let us take a step back on how we got here today. Last session, you had the bill to expand the stadium. My brothers and sisters, the union workers in this room, would have been to work already at this time, and they would not have been here held hostage with a bill that bundled everything together. That is part of the problem. That is the real agenda here. Please do not be fooled. This is a means to stop the expansion of a union-paying Convention Authority. It is not just union for

construction; it is union at the back of the house as well, as it is currently and as it would continue to be.

This is not $750 million; it is closer to a $2 billion increase. It will be the largest tax increase in the history of the state of Nevada. Look at the memo that Bob Beers sent out to all of us. It talks about the financial risk. This is not about the jobs. I know people want the jobs, but this really is not about the jobs. If you wanted them, you would have passed it last session and not deferred it to a study committee that got hijacked by a stadium.

This year, you have Clark County Question No. 5, about the roads. We still need to make sure we pass that for the roads. You have the bond rollover in Washoe. They need that, and that will be union-paying jobs for construction. You have 12 schools that are going to be built in Clark County. They are all union jobs, and that is coming forward this year. Those are the types of things we have to do. We do need the Convention Authority, and it is sad that it is all bundled together. Although it says it is *Nevada Revised Statutes* Chapter 338 in that bill, it does not deal with the fair practicing issue, so there is no guarantee. You have a private stadium authority that is unelected and unaccountable to anybody. If Mr. Adelson decides he does not want to comply with Chapter 338, he will do what he has done in the past in the state of Nevada and not pay anybody. For 20 years, they went to court, and some plumbers just got paid. Most small businesses were put out of business.

Please be aware of language you think you have in this contract because you do not have it. People said that the developer covers the overruns. Look at section 29, paragraph (f). There is a loophole. Any change orders outside of the development agreement and the safety issues come back on the county. I have to say, as an elected official, I resent that this was made into required legislation. Everything says "shall." It is not enabling legislation like you recently did with the More Cops tax. That authority board is not accountable, nor is the events board. We do not know who the developer is. We do not know what the sites are. We do not know what the infrastructure costs are because it does not really speak to it. It is in code with regard to any of the layovers. If you need a new highway—they have language in there that will be taken out, that says if they deem that it is not adequate, they do not have to it. Again, then it becomes NDOT [Department of Transportation] or the county.

CHRIS MILLER, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I could talk to you tonight about the subsidizing of a dream of a billionaire, a man who could simply write a check for the stadium he dreams about. I could talk to you tonight about publicly funded stadiums that were a financial disaster, particularly for the cities of St. Louis and Seattle. I could talk to you about the many different ways to spend $750 million, but I want to talk to you about community.

I grew up in southern California, a second-generation Los Angeleno, in a family that valued community and sport. I was a Rams season ticket holder for the last two years they were in LA [Los Angeles], which was the same time the Raiders were in LA. I remember the devastation of both of those teams leaving southern California at the same time—devastating to the community and devastating to sports. The Oakland Raiders came to Los Angeles in 1982. They defied the NFL when the NFL voted 22 to 0 to not let them come. Why? Because Al Davis played LA for Oakland and got a deal. Shortly after arriving in LA, the Raiders grew weary of the large stadium. With attendance averaging only 50,000 to 55,000 per game, they could not fill the stadium, so they were out looking for another deal right away. They even went to the city of Irwindale, California, and got a $10 million deposit that they ended up keeping because it was nonrefundable because they could not work out a deal with the city of Irwindale. When the Rams decided to leave, they again played the odds, and they ended up leaving Los Angeles to go back to Oakland. At the time, then-LA City Councilman Nate Holden was asked what it was like dealing with then-owner Al Davis, and this is what he said—and I am quoting: "He'd be holding a cocked gun to your head, saying, 'If you don't do what I want, I'm out of here.' So, you give in, you give in, and then when you're bankrupt, he leaves."

Now the next generation's Raider's owner is coming to my new hometown of Las Vegas to play one hometown against the other. The potential move would make the second time the Raiders have left and abandoned Oakland. You have to ask the question: Does the ownership care about the community or the money? Like Mr. Hawkins said, a 5-year deal for a thing we are committed

to for 33 years does not work out mathematically or logically. How long until Mr. Davis grows weary and looks for the next opportunity and the next city to play against Las Vegas? Many people think Las Vegas is a very transient city. I would like to think that it is about community. But why would we allow a transient football team to come here and play into that transient notion? I am all for a football team. I am a sports fan, but I want someone who is willing to invest in our community, stay in our community, and spend the money to build the stadium in our community. I urge you all to vote no.

LORI BEAN, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am here as a citizen, a business owner, and a mother. I truly do not think that anyone who is here today in opposition is against having a stadium in general, but I think that most of us are here today because we are really concerned about how this deal has been packaged together with the Convention Center expansion, which most of us here support. Also, just how the process has been done—it has really been quite mind-boggling. Just yesterday, one of my clients asked me, "Oh, I am kind of excited about the stadium. When do we get to vote on it?" I had to tell her, "You know what? This is going to be a done deal—$750 million."

The people of Nevada really do not understand what is going on. This was kind of pushed through very quickly in an emergency session. I still cannot get my head around what was so emergent about this. I thought the Assembly did a fantastic job today asking questions. It was considerably better than the Senate, which I am not sure if they were actually awake when they were asking their questions, if they asked anything at all.

What really surprised me is how vague some of the answers were. In fact, we were laughing with a member of the Laborers' Union in the back. We said, "Every time they say, 'Well, I am not really sure what the answer to that is,' we should all do a shot." To me, one of the most fundamental questions they asked—I appreciate that these are great construction jobs at the beginning—but when they asked what types of jobs are going to be there, what are the permanent jobs, the answer was, "Well, we are really not sure." I was even back there googling, and most of the jobs I found from the stadium, even within the NFL, are part-time, temporary jobs that pay anywhere from $14 to $15 per hour. They are seasonal marketing-type jobs, the concession jobs, and so forth.

If three months is an issue, if we cannot push it back to the regular session and take some time to look at this and see what the best deal is and what is best for all Nevadans and for the Las Vegas area—that is what your job is as the Legislature. Be prudent. Be thoughtful. I have been so impressed with how you have dug deeper. Get the right answers. Those are really basic questions that they should know.

The language of the bill has so many loopholes, even with how the Stadium Authority is set up. You have to admit, that is a little shady. We are just going to appoint five people that we all know and love, and then they are going to pick two other people, and they are going to make all the decisions for us. That is a lot of money for them to be dealing with. There is no benefit to the city or to the state whatsoever. There is no profit for them. That has been pointed out. I really encourage you to wait, be prudent, be thoughtful, and review this so we can make sure everybody gets the best that we possibly can from that.

HOWARD WATTS III, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

First of all, I wanted to add something that Commissioner Giunchigliani was not able to get to, which was that the practice facility also would not be subject to the union chapter in NRS, Chapter 338.

I think most of the people testifying in opposition, if not all of them, are completely in support of the Convention Center and the jobs it will create, and I think they are not opposed to a stadium. The issue is the public funding and the structure that is laid out in this bill. I certainly sympathize with people who work in jobs out of the state and want to come back and work in the state.

One of the things that has been mentioned is that there is a lot of public equity investment that is sitting on the sidelines, and they think that the stadium is the spark. I find it kind of insulting that the private sector, if they have this money waiting to invest, is not investing in building up the community by finishing projects and starting new projects to put our union brothers and sisters to work right now.

One of the other things I think was interesting, that Assemblywoman Carlton brought up, is that this is a tax on Nevadans. In fact, it is at least in part a regressive tax on the most economically insecure residents of Clark County. There is way too much money being spent on this stadium proposal, especially at a time when the state is facing a potential $400 million or larger budget deficit in the coming biennium.

What we have learned is that deals like these take time and trust. If you look at the *Desert Companion* article, you see that sometimes these negotiations take place over a course of years in order to really figure out what the details are going to be. I think we need to make the Convention Center happen as soon as possible, but this definitely needs to be evaluated because the devil is in the details. There are clearly issues with transparency, public representation and accountability, rent for UNLV, and the community benefits plan, which would be left up to the developer and the Stadium Events Company to decide.

Proponents would say to trust the Stadium Authority to negotiate, but how have they done at negotiating so far? Steve Hill originally asked for profit sharing. They said no. Now it is gone. There was interest in the Governor getting the number below $750 million, and that did not happen. Then there was interest in having a set percentage of the public investment in the proposal. That is not happening. How can we trust the Stadium Authority to fill in all these gaps that have been identified in a responsible way? I am very skeptical about that.

One last thing I will note is, what about the county cap of $25 million for room tax revenue? Over 30 years, that is not going to go as far as it does today.

PETER FRIGERI, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a 25-year resident of Las Vegas and a small business owner. I would like to thank you for the really good job you did today asking questions. I think you have covered in great detail most of what could be asked.

I would like to say that I feel sympathetic for the trades. I hope you keep them in mind, all this good testimony that they have given today and to the Senate, when you get back into session in the spring, when you are considering capital improvement projects around the state. It is a crying shame that they have to travel out of state to find work to support their families.

I feel like there should have been more input from the county. If the county is on the hook to pay for this, I think this should be going through the Board of Commissioners, or they should have some sort of resolution of support or not. Ideally, unlike what Mr. Sisolak said on NPR [National Public Radio], there should even be a referendum—it is messy, that democracy, getting people to vote on stuff. I really think you should also think about decoupling the stadium from the Convention Center. My businesses are in the trade show and convention industry. My kids have grown up off the LVCC and the work it has provided, and it is really important for the growth of Las Vegas that that building gets up to par with our major competitors, like Chicago's McCormick Place and Orange County in Florida.

Also, to the trades people: Once this building is done—and, hopefully, if it is built, you get the work constructing it—Mr. Adelson is not a fan of unions. Okay, that was an understatement. If you look at how the expo center is run—and it is a very good property, nobody can argue with that—but he does not allow even the consideration of unions in-house. I am not saying that it should be written into law that the unions, Culinary and so forth, would have to be working in the stadium, but it should be made clear that they can at least try to organize the workers in those buildings so they can have a fair living wage and have health and benefits—like the Convention Center, for instance.

This appointed commission has "bad" written all over it. You do not need to be a genius to see that out of three people who are appointed, the Board of Commissioners does not even get to pick one of them. It is ripe for corruption. The UNLV stadium should be separate. It should be on the campus.

STEVE HORNER, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a retired teacher, a veteran, and a Nevada resident since 1957. Roger Noll, in an article written in 2015, stated that "NFL stadiums do not generate significant local economic growth" and that the incremental tax revenues do not offset the penalties. He also pointed out that Oakland and St. Louis are still making substantial annual payments on debts that remain on stadiums built

to lure the Raiders and the Rams out of Los Angeles in 1990. Those funds could go for schools and infrastructure.

Upgrades on stadiums and the demands on those upgrades are Sisyphean and costly. What is going to happen in ten years? Are the Raiders only going to come back and say, We need more sky boxes, and we need more or else we are going to move to, say, San Antonio?

Our education system is in dire need of significant improvements. No child should ever have to go to school and have a classroom that was a former boiler room. We have a large number of homeless, and suicide among veterans is epidemic. Our infrastructure is in shambles, and our social services are woefully wanting. Three-quarters of a billion dollars from any source would be better spent on our state's real needs—building hospitals, schools, new roads, and light rail, all of which would be huge union jobs and long-term union jobs that would benefit the people, not a billionaire.

If Mr. Adelson and Mr. Davis want the stadium, they have more than enough money between them to fund the project. I, like 55 percent of other Nevadans, believe it is time we invest in our real needs—education, veterans, infrastructure, and social services, not in a stadium that will not generate enough money to offset its price.

PATRICK HORGAN, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am only going to use about 38 seconds out of my three minutes. Three quick things—the needs of Nevada, Las Vegas, and Clark County are obvious, starting with education. I will not bore you with that. I will say this, though: If you submit to this extortion of public funds to build the football stadium, that is the end of private investment, period. Everybody is going to be waiting for a handout from the government. I like to refer to Mr. Adelson as a corporate welfare schnorrer.

Anyway, one other thing—these union people here deserve jobs and benefits. I heard that Terry O'Sullivan, from the Laborers', is coming to town tomorrow. If Sheldon Adelson will sit across a table from Terry O'Sullivan and put some of these things in concrete, I would go for it because he would have to answer to Terry O'Sullivan.

FERNANDO ROMERO, PRESIDENT, HISPANICS IN POLITICS:

I will try to be brief. At one time in my life, I worked for Senator Richard Bryan, who used to say that a meeting should end on the same day it starts.

Two days ago, I found myself addressing the members of the state Senate regarding the opposition that an enormous number of your constituents, including myself, have as it pertains to the issue of holding this special session to contemplate and consider placing three-quarters of a billion dollars' liability upon our heads. As it turns out, I was wrong using the words "contemplate" and "consider" because, as it turns out, 16 of our 21 Senators did not contemplate anything. They came to Carson City already with a notion of voting in favor of billionaires raking us taxpayers to the tune of $750 million. In all reality, these billionaires are not raking us for one cent; the mere fact that our state Senators were blatantly unwilling to give us an opportunity to speak in opposition speaks volumes to the fact that they were all set to vote the way they ultimately did. Had it not been for a few vociferous, brave, and caring citizens, we would not have even gotten the condescending 8 a.m. "let them eat cake" hour that we were allotted. The rest is history. Only five brave Senators offered to listen and heed the words of the people, their constituents. Sixteen Senators opted to give a collective kick in the rear end to education, health care, social services, and other needs that our communities have.

What makes it worse is that this apparently predetermined vote gave a frank and ugly meaning to the term "sellout." Last night on social media—and we all know what social media is—accusations of money, season tickets, and patronization took a front-row seat. Granted, accusations may be false and malicious, but they are accusations nonetheless. That, honorable members of the state Assembly, is not legal. If that is truly the case, to cite a parallel with the subject of football—after Super Bowl XLIX, quarterback Tom Brady of the New England Patriots was punished for four games for taking one or two ounces of air out of a football. Sixteen state Senators have taken the air out of an entire city, out of an entire state, with their vote. If that vote was predetermined, what should be done? Hopefully, someone, or a number of someones, were simply casting aspersions.

LILLIAN BABCOCK, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I will keep it short. The current stadium bill, having been passed by the Senate, is not in the best interest of Nevadans. Any proposal that requires large sums of taxpayer money—which, yes, including the room tax—should take place during the time the Legislature is in session, not during a special session. For years, K through 12 education was at the bottom. For years, no special sessions were called. To say that this is a matter of economic development, but education is not, is to say that education does not matter.

Let this proposal stand on its own merit. Let it be voted on by the people, through a ballot initiative, or during the time of business when legislators can touch base with their constituents and negotiate. Accepting a proposal that looks attractive at face value is like buying a house and not reading the fine print about the interest rate. We need you to do your part and exercise sound judgement, even if that means you do not come out on top. I would rather see you negotiate on behalf of Nevadans and pass a stadium bill that represents our interests than accept a bad deal that impacts our future. Thank you for your time, and I am against the bill itself.

LAURA MARTIN, COMMUNICATIONS DIRECTOR, PROGRESSIVE LEADERSHIP ALLIANCE OF NEVADA:

I am from the PLAN [Progressive Leadership Alliance of Nevada] Action Fund. I just wanted to reiterate the concerns that a lot of people have about the district that is capturing a lot of the room tax. I know that people like to say that this is a tax that tourists pay, but we all stay in hotel rooms. The Progressive Leadership Alliance of Nevada is a statewide organization; we rent hotel rooms all across Nevada all the time. When you look at the district that is captured 25 miles out from the Las Vegas Strip, there are areas like Boulder Highway and east Las Vegas. Those people are not ever going to be able to afford to go to a Raiders game. If the room tax is raised and they have to pay an extra $5 per day or per week, they are going to be forced into homelessness.

As part of the work we do, we work with the Fight for $15. These are people making minimum wage, living on the margins. I have gone to these people's homes. I have seen their empty refrigerators. Sometimes, their lights are cut off. They are living literally paycheck to paycheck, depending on payday loans. We have to think, when we are making these decisions to force people in weeklies to pay more so that Sheldon Adelson can have his stadium, what are we saying about whose lives really matter in the state of Nevada? Is it worth somebody's job to push somebody out into the streets, or is there something we can do to make this deal fair for everybody and not Sheldon Adelson and his family?

Thank you so much for deliberating this and giving us time to speak. Please vote no on SB 1.

MICHAEL WILLOUGHBY, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am here tonight in my capacity as a fan. I love football. My whole family loves football, but this is a bad deal. Make no mistake about it. I could be up here and repeat everything you have heard over the course of testimony, but my message to you is very simple—do not be led astray by the pied piper promise of full employment. These jobs are going to be temporary. They will not last. The jobs that will be created out of this stadium project will be low-wage. They will be temporary. It will not be good for this community. Please, please, please do not follow in the footsteps of the other chamber. Do not be led down the chute on this.

JOSE MACIAS, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am representing the Fight for $15. I am an organizer for this organization. Every day, I talk to workers. I find it hard to see how there is even a debate going on around this bill. I find it shameful that we are trying to build a stadium when there are people living on the streets with no homes. Talking to workers, a lot of these workers do not have homes. They stay in hotels. They stay in weeklies. There is a force out there of workers who are going to be affected if the tax rate for rooms goes up. These workers are staying in hotels because they cannot even afford paying rent. It really saddens me to see that. Just walking outside of my home, my own street does not even have sidewalks. There are people living under a bridge right across the street. It saddens me.

Instead of giving a billionaire more money to make sure he gets a toy for himself, I think we should be giving more money toward education and making sure that people have homes to live

in, instead of giving it to somebody who could build the stadium with his own money. That is all I have to say. I am against it.

CHAIR ARMSTRONG:

Would anybody else in Las Vegas like to speak in opposition to SB 1? I do not have anybody signed in as neutral. Is anybody there who would like to speak in neutral?

MIKE KELLY, CHAIRMAN, NEVADA DEMOCRATIC VETERANS AND MILITARY FAMILIES CAUCUS:

Over the course of the deliberations about this stadium as well as the Convention Center expansion, I have heard a great deal about the needs of veterans. People have talked a great deal about wanting veterans to become employed, jobs for veterans, and helping homeless veterans. I have heard a lot about that, but I want to elaborate on that and make sure that the needs of veterans are taken seriously.

Folks, 13 percent of Nevada's population is veterans. We make up over 300,000 residents of this state. However, we are also 1 percent of America's population in regard to its defense. So it is 1 percent defending 100 percent of it. We talk a great deal about veteran suicide. We are constantly talking about 20 to 22 veterans per day dying, and we constantly talk about the causes and the solutions. Well, there are many causes, and there are certainly many solutions.

I support this bill if it is going to put veterans to work. However, let me make this emphatically clear: Veterans are not going to tolerate or accept low-wage, low-skilled, poorly planned jobs. Veterans want permanent jobs. They want lasting professions. They want to take all of their professional skills, training, and experiences with them, and they want to bring that back home because they want to continue to be productive members of our society. While certainly it is great that the building trades organizations and unions wish to employ us during the construction phases of this project, we are also looking for more permanent positions. We want to see more veterans employed directly in relation to Convention Center operations and management as well as in law enforcement.

We equally want to make sure that veterans have an opportunity for entrepreneurship. We believe the stadium and Convention Center expansion can serve as a test bed for both traditional and innovative business opportunities—from concession ownership, where veterans own and operate restaurants, shops, and tech businesses; to the transportation industry, including taxicab companies, limousine companies, and shuttle bus companies. Let me make this clear in that regard: We are not just talking about driving for a cab company, and we are certainly not talking about driving for Uber or Lyft. We are talking about owning cab companies and transportation network companies. Again, let me make this clear: Veterans are committed to ensuring that our fellow veterans call the Battle Born state home.

CHAIR ARMSTRONG:

Is there anybody else who would like to speak neutral to SB 1? With that, we are going to bring it up north to Carson City. Before we start, I want to say that it is 7:03 p.m. We started at 6:05 p.m. There was 14 minutes in support, 38 minutes in opposition, and 3 minutes in neutral. I was asked if it would be okay to play a video in support. I will allow it, just because we did more opposition down south. We are going to start with a video that was prepared in support up here. [A video from the Laborers' Union Local 872 was shown in support of Senate Bill 1.]

Thank you for that. We will open testimony in Carson City in support of SB 1.

KEN EVANS, PRESIDENT, URBAN CHAMBER OF COMMERCE; AND REPRESENTING LATIN CHAMBER OF COMMERCE:

I will mention that I am a 27-year Las Vegas resident as well as a retired Air Force lieutenant colonel and an Iraq and Afghanistan veteran, so I have an appreciation for the fact that what we are doing will create opportunities for veterans as well as other individuals. As I mentioned, I am with the Urban Chamber of Commerce, so I am here on behalf of several hundred business owners, the lion's share of which are small or smaller business owners. I am also here on behalf of the Latin Chamber of Commerce because, in partnership, we support this bill and the economic development activity that will occur as a result of it. The Latin Chamber of Commerce probably has close to 1,000-plus business owners—again, the majority of which are small business owners.

First of all, the fact that public dollars are being used has been mentioned and discussed. What we focus on is the fact that these are tourist revenue dollars that, from a business standpoint, are being used as a solid reinvestment to spur $3 billion worth of economic development activity, economic development activity that will result in business and procurement opportunities for our members. From our standpoint, we are concerned about inclusion and equity of opportunity for this project, meaning both the stadium as well as the Convention Center expansion. It is in four areas—professional services, construction, making sure that we have opportunities for the facilities and ongoing operations and, last but not least, any of the other predevelopment activities that will occur. We want to make sure that our members participate across the board.

We are comfortable that section 31.5 will do that. While I was here today, I pulled several business owners from within our chamber to make sure that clause would meet their needs and create an environment where they could compete with other small or smaller businesses. In addition to that, I called my colleague at the Latin Chamber of Commerce, and he did the same thing. We are comfortable that section 31.5 has been crafted in a manner that provides the framework to move forward and support our small business owners.

Finally, what I will say is this: We need your support. We need your help to get this—pardon the pun—across the goal line. Again, it will create a lot of business opportunities for our business owners and entrepreneurs so they can turn around and create jobs for many of the individuals you have heard from prior to my testimony right now.

WILLIAM H. STANLEY, EXECUTIVE SECRETARY-TREASURER, SOUTHERN NEVADA BUILDING AND CONSTRUCTION TRADES COUNCIL:

I represent the Southern Nevada Building and Construction Trades Council and the 25,000 members that we represent. I am privileged to be here today to speak on their behalf. I am going to speak on three areas: unemployment, workforce development, and the economic benefit that both of these two projects can bring to southern Nevada.

Let me talk a little bit about the economic benefit and how we can generate substantial economic benefit from these two projects. As we all know, construction dollars yield significant return. There is absolutely no better way to stimulate the economy than to invest in construction work. If anybody has any doubt about it, there were many of you in this room who—we were all pleased in 2009 when the federal government enacted the American Recovery and Reinvestment Act to get the United States out of the ditch. Our economy was struggling, bumping along the bottom, and there are many economists who believed that that act alone was able to bring the United States' economy out of the ditch.

It also will green-light private equity. Private equity has been on the sidelines for too long in Las Vegas. We need private equity off the sidelines. For a year and a half in this position, I have begged private equity to get off the sidelines. We have projects up and down Las Vegas Boulevard, some of which, like the infamous Fontainebleau, are not finished. We have Resorts World, with all the signage and no activity. We have Alon—all the signage, no activity. We have not had a major construction job on Las Vegas Boulevard in ten years. I will say it again: In ten years, we have not had any major activity on Las Vegas Boulevard. We need private equity off the sidelines. In this case, $1.2 billion of private equity will spur, as we hope, other economic activity in and around the stadium, as it has done in other areas of the country—Denver, just to name one.

We all must understand that this economic activity will definitely increase the tax base. There is absolutely no doubt about that. These wages that would be paid on these jobs are going to result in spending in our community.

Next, I would like to jump to workforce development. There is no doubt that we would love to participate in what is currently going on in this state.

STEVE SEROKA, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I am a retired 30-year Air Force veteran. I am a combat warrior, I am a strategist, and I am a leader. I am here today for no personal benefit of my own, other than representing 10 percent of our electorate: the approximately 300,000 veterans in our state.

We recognize that this event is a golden opportunity to unleash a renaissance of productivity by unleashing the untapped resource of our veterans. By pairing the skills of veterans with the industry experience of nonveterans, we have an unmatched capability. Veterans should play a key

role, not just an elementary role, in public works efforts. They should be part of construction and operation from the executive level down to mid-management and entry-level positions.

Veterans look at this as an opportunity for Nevada to create a model for public works projects now and into the future. As word gets out, people outside of Nevada will realize that this is the place to settle, as I have chosen to do when I retired just two years ago. However, our veterans have a challenge. After the pats on the back are done, the thank-yous are done, and the veterans come into our community at a rate of 60,000 per month, out of Nellis Air Force Base, 1,000 veterans a year leave. They leave this state because in this state, when you turn as a veteran and say, "Thank you for that, but I would like a job," the hands come up. Then you say, "But I have lots of military leadership experience." Then the hands come up firm and they say, "We do not need what you have." Those are quotes. And we think, You do not want active, respectful, engaged leadership?

CHAIR ARMSTRONG:
Sir, are you speaking in support?

STEVE SEROKA:
Yes.

CHAIR ARMSTRONG:
Okay.

STEVE SEROKA:
Absolutely. This is great. We have a governor who says we want Nevada to be the number one state for military and veterans. We have mayors who echo the same, but we are the fifth state from the bottom when it comes to veteran jobs, according to studies. We have three cities in southern Nevada, represented by a veteran at the U.S. level, that are in the bottom cities in the United States of America for veteran jobs. It is understandable because so few people have served. Two percent of our nation has served in uniform in the last 25 years. We need language that supports our veterans, and this is an opportunity to create that model. As Captain Kelly said, there are suicide tendencies at the end of that whip. Veterans would like our state to say, "Battle Born: Veterans welcome here, and we know what we are doing."

Thank you for this time. I am Colonel Steve, and I stand battle-ready with the 300,000 veterans in this state to serve and make our state even greater, and this is a great opportunity to establish that model.

JACK MALLORY, DIRECTOR OF GOVERNMENT AFFAIRS, INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES, DISTRICT COUNCIL 15:
In 2008, before the economic downturn, my organization had 7,000 members working at almost full capacity in southern Nevada. Today, we have 2,200 members, and 40 percent of those are unemployed, many of whom are on public assistance in one form or another. It was recently reported that there is a $400 million shortfall in the upcoming biennium's budget.

Projects like the one you are being asked to consider, the stadium—or, as we like to refer to it, a world-class entertainment venue—and the Convention Center expansion and renovation, create opportunities for those people who are out of work to go to work and get off the public dole. Taking those people off public assistance eases the burden on the state. It creates additional opportunities for those dollars that are being expended there to be put to good use in other places where they are needed. At the same time that we were at our peak with 7,000 members, the construction industry represented 11 percent of private employment in this state, one of the highest rates in the country, and it represented the second-highest rate of private sector employment. After the implosion of the stock market, we represented 25 percent of those individuals who were unemployed. That burden has not eased. The number of workers in the construction industry today is far, far lower than it was in 2008.

If you put construction workers back to work, you create additional taxpayers. We do not have a taxation problem in this state, according to a lot of people. We have a supply problem. Our supply problem is based on the fact that we do not have enough taxpayers. If you put people to work, they are going to pay taxes. Build things, and they are going to generate tax revenue. That is the way that we view the world. If you give a construction worker a job, he is going to have to

pay to have a roof over his head. He is going to have to have durable goods to go to work. He is going to have to buy tools. He is going to have to buy a truck. All those things generate revenue that go right back into our system. That is what we need. That is where the economic recovery starts: with the worker. The opportunity that you are facing—and it is a difficult choice, I realize that—is whether to make an investment in the future of the workforce in the state of Nevada with economic development and partnership with private equity to try and start this back up.

RON SPEIGLE, REPRESENTING THE INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL, AND TRANSPORTATION WORKERS, LOCAL 88, LAS VEGAS, NEVADA:

I want to talk for a minute about how important this bill is to my brothers and sisters who I represent. In most, if not all, the building trade unions, a union representative is simply a man or woman who started out as an apprentice and worked for many years in a trade. Working as a sheet metal worker is a great trade. It can be hard work, but it is honest work. It can provide a good, honest living, put a roof over a family's head and food on the table, and build retirement savings and savings for our children's future. Like many of my brothers and sisters, I worked hard at my trade to build Las Vegas to what it is today.

In 2007, my daughter was born. My wife and I saved and moved out of an apartment and into our home in 2009. For me, I was on top of the world. At that time, I had been a sheet metal worker for 13 years, and I was working as a foreman at the Cosmopolitan. I was there until it opened in late 2010. From those 13 years of experience, I knew that construction work has its ups and downs. We saved money to cover the mortgage and car payment and put food on the table during the times that are slow. I actually enjoyed the first month of not working. It gave me some time to spend with my daughter. I had worked a lot of overtime, and it was kind of good. By the third month of not working, I started to worry, but we had savings, and we still had hope. When I hit the point of not working for nine months, both the savings and the hope were gone. The work on the horizon fell through or was pushed back. I went from the top of the world and living the American dream to questioning my life.

I was unemployed for 22 months. I lost my pride and my dignity. Without help from my family, I would have lost my home. I went from having a savings for my daughter's future to being extremely indebted just to keep food on the table. These are my personal struggles, but I am fortunate. I went back to work in 2013 and was elected by my brothers and sisters to represent them, but I am still working on digging out of a hole from the 22 months of not working. I am extremely fortunate to have only been out of work for 22 months. Many of my brothers and sisters went through even harder trials than mine. Like me, they lost their jobs, their savings, their pride, and their dignity, but many lost their homes, and many lost their wives and their families. Some lost their will to live.

I am here today as a representative of the Sheet Metal Workers Local 88. I represent nearly 800 construction workers who live in southern Nevada, the same men and women who many of you represent. Two hundred and fifty-six of them are still out of work. I am here asking you to think about the opportunities for these men and women, who we both represent. I urge you to vote yes for this bill.

WILLIAM HORNE, REPRESENTING VALTUS CAPITAL GROUP:

I am here today in favor of SB 1 on behalf of Valtus Capital Group; however, my client has a proposed one-word amendment. We believe it would be helpful for their industry.

Section 29.5 says, "The developer partner and the Stadium Events Company shall develop a community benefits plan to ensure the greatest possible participation by all segments of the local community in the economic opportunities available in connection with the design, construction and operation of the National Football League stadium project developed by the developer partner and operated by the Stadium Events Company." The one word that my client believes would make this better is "finance" on line 8. It would say, "…all segments of the local community in the economic opportunities available in connection with the finance, design, construction and operation of the National Football League . . .."

My client is a local, privately held, minority-owned investment bank and registered broker dealer, and they are not the only ones in our state. In the spirit of this section, we want to include Nevadans in this project if we are going to do this. That language will allow them to compete with the Goldman Sachs that will also be bidding to help finance this project. About five or six

banks will be competing to finance this, and we believe that Nevada financiers should have an opportunity to do that as well. In doing so, you will continue to put money back into the state of Nevada. They are qualified just like the big banks, but they are in Nevada, they are local, and they would like to have the opportunity to compete. With that one-word addition, they believe they would be able to do that.

I know you are in a tough place here. I have been there. Many of you know that I have been there before. I believe this addition will make this better and more in line with the spirit of what that section is supposed to do by adding another industry in our state to benefit from this project.

JOHN SMIRK, BUSINESS MANAGER AND SECRETARY-TREASURER, INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES, DISTRICT COUNCIL 15, LAS VEGAS, NEVADA:

I represent painters, drywall finishers, paper hangers, glaziers, glass workers, and floor layers. Las Vegas needs a game changer. The Convention Center was made and built in Las Vegas out of taxpayer dollars. The convention business is what fuels our economy. The opportunity for a game changer is a major expansion and modernization of the Convention Center as well as the stadium project. The stadium is an extension of the convention business. It is an event center. It will hold events that we do not have the capacity to hold today, events that will cause more tourists to come to Las Vegas.

Our convention business is under attack by other cities that want to take events. Remaining number one in the nation for trade shows and conventions requires infrastructure investment. In 2007, the NBA [National Basketball Association] held its annual All-Star Game in Las Vegas at the Thomas & Mack Center. There were 15,694 people at the sold-out Thomas & Mack Center. In 2010, three years later, the NBA All-Star Game set an all-time record, holding its All-Star Game in the Cowboys Stadium, a football stadium in Texas. There were 108,713 attendees. Texas had 93,000 more attendees for a basketball game than Las Vegas had at the Thomas and Mack Center. We recently dodged a bullet with the National Finals Rodeo when it almost left for Florida. Do you think Jerry Jones wants the National Finals Rodeo in his 109,000-seat stadium?

We need to act on what we can control. These taxpayer investments are catalysts for additional capital. I believe that if Mr. Adelson put his $650 million into another casino project, he would more than likely receive a much higher return on investment than in the stadium. The ripple effect of these projects will create additional gaming tax, room tax, property tax, sales tax, payroll tax, and on. This is where additional tax dollars will come to schools and other social programs.

Developers need additional confidence in Las Vegas in order to build new and expand and remodel existing projects. This could cause a $4 billion investment by the Genting Group in the Resorts World project, formerly known as Echelon from Boyd Gaming. The possibility of the Fontainebleau project moving forward would be an additional billion dollars. Perhaps Steve Wynn will move forward with his newly announced $1.5 billion project at the back end of the golf course.

Our construction workers have been suffering for the last eight years with very little work. The family unit has blown apart with joblessness, foreclosures, evictions, homelessness, divorce, and suicides. My organization had 7,000 members before the crash. Today, we have 2,200 members.

DAVID JOSHUA PRUITT, PRIVATE CITIZEN, HENDERSON, NEVADA:

I put it all out there on Tuesday. I was not even scheduled to come up here and speak during the last session with the Senate. I am a Nevada resident. I am Battle Born. I was born here. This is my state. I am a veteran. I served in Afghanistan, in Bagram. I earned my Seabee Combat Warfare pin there. I am also a Gold Star recipient through my stepson. I see a lot of people in here wearing pins with pride. I did not bring mine in fear of losing it. Instead, I wear an index finger ring in honor of him.

I am Battle Born. I love the Silver State. As I was standing over there—I was going to do this a number of ways—but as I was standing there, I saw Abraham Lincoln. Ironically, my stepson served aboard the USS Abraham Lincoln in Norfolk, Virginia, and he died. His father should have gotten that Gold Star, not me. I was his father for ten years. I want everybody to see this picture [holds up a photo]. This is my stepson. If you notice, he is African American. I remember—okay, this is hard for me. Sacrifices. God says to love your neighbor as yourself. We have the highest arch bridge, which neighbors Arizona. On the Arizona side, who does it memorialize? Pat Tillman. He left a $4 million contract for his neighbors, everyone in this

country—Democrat, Republican, Black, white. He was an NFL superstar. This is not about the NFL coming to Las Vegas, Nevada.

As a Gold Star recipient, my family and I got to go to the sold-out T-Mobile Arena. I am holding back so many tears in here. We stopped session in honor of Yom Kippur. If I slaughtered that, I am sorry. Martin Luther King Jr. had a dream, right? Jew and Gentile. I am a Gentile. I know this decision that you folks have to make is very difficult today. It is not easy. Nothing is easy in life, and it is not given. You have to do it in faith. When I addressed the Senate, I told them that we reap what we sow. My father says that. We reap what we sow. Kenny Guinn sowed a seed in me. I was a recipient of the Millennium Scholarship. It was not handed to me. I had to get good grades to get that. I am inner-city. I slept in my truck, doing homework. Now I have my bachelor's degree in business. I used the GI Bill, and I was living paycheck to paycheck. I want all of you to see my stepson. He is African American, but he is my son. I say "stepson" out of respect for his father. His father died the day before Christmas in 2005, and I have to see my wife, who went back to work part time two weeks ago, who still has—we pray together.

At the T-Mobile Arena, my youngest son got to go down in front of the arena with all the stars there, the guys who play it better than anybody. He stood in front of Kevin Durant, and you are telling me this stadium is not going to have an impact? You have to do it right the first time because if we sit here and do the bill only for UNLV and not the NFL—the NFL is a juggernaut. They have already proven themselves, and that is going to attract more people to this state and, yes, boost the schools. I went to Rancho High School. When it was raining, we had trash cans inside the school. That is right, to catch all the water. I was not laughing when I was in there. I put my head down because I had to work at night because my mom got hit by a car driving a taxicab.

CHAIR ARMSTRONG:

Sir, I have given you some extra time out of respect for your story. I think it is moving, but I would ask that you wrap it up.

DAVID JOSHUA PRUITT:

Thank you. You know what? We honored Yom Kippur. I did do Helmets to Hardhats. You want to see veterans go to work? I am a direct reflection of that. I attained my bachelor's degree, yet I am still in construction to this day. Why? My stepson got a house with one bedroom, his own bedroom. He graduated from Liberty High School as an honor roll, ROTC [Reserve Officers' Training Corps], football, and track student. Furthermore, he was nominated junior sailor of the quarter on the USS Abraham Lincoln. He made rank his first time up and also got his air warfare pin. I hope you guys think about that before you make your vote. I pray that you all select the green button. Let us do it unanimously—together, bipartisanship, Jew and Gentile, Democrat and Republican.

God bless all of you, and thank you for listening to me. I appreciate the extra time as well, sir. Thank you.

CHAIR ARMSTRONG:

We are moving to opposition.

WALTER SPARGO, PRIVATE CITIZEN, RENO, NEVADA:

I am a 25-year Air Force veteran. I have been a resident of Nevada since 1985. Up until I moved to Reno in 2005 to finish my military career with the Nevada Air National Guard, I was a resident of Clark County and Las Vegas, and I am an Oakland Raiders season ticket holder. I am honored to be able to speak before you today.

I am here to stand against public funding for an NFL stadium, which would be a record $750 million demand on the public at a time when public funding of stadiums is trending down sharply. This emergency special session is a blatant misuse of the legislative process, in my opinion. What is the emergency here? If it is because we may have to wait another year to get the NFL owners to vote on the Raiders relocation, then we have a serious problem. This is clearly not an emergency. Would you dial 911 and have an ambulance brought out for a stubbed toe? No, I do not think so. I would compare this session to doing that.

I want to touch on three points really quickly, but first I have to both applaud the prowess and condemn the scandalous way the stadium scam has been attached to this bill, which has legislation that Nevadans really need. This is a hijacking of the Convention Center at its finest. How did this happen? It is a shame. It is a sham. It should have never happened.

First off, I am going to say that I feel really badly for the labor unions. I really do. They make some very compelling arguments, and they are suffering. I knew their unemployment rate was high, but I never knew how high. I cannot even begin to imagine how tough it must be for them to have to work out of state. As a veteran, I do have an idea of what it is like to be away from your family. I have spent a lot of time doing that. We should find projects that will put them back on the jobs so that they can stay here in Nevada and provide for their families, but we must be responsible, and we must ensure that they stay on long-term. Blatant misuse of public funds, by giving them to a parasitic billionaire industry like the NFL, is not the answer.

Mr. Adelson wants this stadium for legacy purposes. He can accomplish that more effectively by paying for the stadium himself and rallying the rest of the gaming community. He can do this on his own. We could put these labor unions back to work and attract more tourists. Let us pay to build the biggest and best planetarium, observatory, or art history museum the world has ever seen in Las Vegas. They have the biggest Ferris wheel in the world in Las Vegas, do they not?

Secondly, you have heard these people trying to poach taxes speak on how the public will supposedly benefit on the cost of a stadium that we are supposed to own. You have seen the studies. Do your diligence. Do your research if you have not already. You will undoubtedly find that same thing yourselves, which you have been told repeatedly.

DAN SCHWARTZ, STATE TREASURER:

First of all, it is a real honor to have a Gold Star parent here. I think we all appreciate that.

Distinguished members of the Assembly, all of us are here after a very tough primary season, in which both of our parties had a revolt. As a Republican, we are still dealing with ours. Democrats seem to have put an end to it. Ultimately, this revolt was about elected officials who did not keep their promises.

I was talking to Tommy White—I do not know if he is still here. There he is. Hey, Tommy. Tommy asked me where my army was. I think he said he had about 12,000 here. Well, Tommy, my army is the 8,000 ESAs that I have now, but it is also the tens of thousands of parents and kids in all of your districts. These tens of thousands of parents and kids are concerned about many things, but they are really concerned about education for their kids. We have asked the Governor to include education on the agenda for this session. He refused to do so. When you go back to your districts—I hope we will have a vote tonight, but maybe we will not—you are going to have to explain to your constituents how you voted for a $750 million tax increase but you stiffed these parents and these kids. I will remind you that I do not necessarily have a problem with the stadium. I do not have a problem at all with the Convention Center. I think they are economic boons, but education is priceless. As you consider your vote, please keep that in mind.

ED UEHLING, PRIVATE CITIZEN, LAS VEGAS, NEVADA:

I moved to Las Vegas when I was three years old, back in 1943. I want to congratulate this body for the quality and quantity of questions you are asking the presenters. It is infinitely more than the Senate did. I have attended three days and countless hours of propaganda from experts who are 100 percent in favor of the stadium project. Not one minute has been given to an opposing expert or even a neutral party regarding this issue. Please refuse to vote until you get more balanced information.

As a person who has attended most of the SNTIC [Southern Nevada Tourism Infrastructure Committee] meetings and who attends the LVCVA meetings, I can tell you that when you are not getting half-truths, you are getting misrepresentations. I am going to go over one example.

Mr. Ralenkotter told you today that the Convention Center is a fantastic project. It is not. It is a Band-Aid on a heart attack. He knows that today we need a 5-million-square-foot convention center equipped with the latest technology. It already should have been built—not 10 or 20 years from now. He knows that Gary Shapiro, the head of CES [Consumer Electronics Show], came and talked to the LVCVA and threatened to move the CES to another location because the Convention Center is too small and because there are too few rooms in Las Vegas to handle the attendees, and the hotels are taking advantage of the attendees of the CES. He specifically said

that this year they had 177,000 attendees, next year they are going to limit the number of attendees to 170,000, and that the Convention Center simply is not sufficient. They want to move. He said the average rate that they paid in January of this year was $323. This is the average. The rate they are being charged for 2017 is already $350. He was very upset about that, and Mr. Ralenkotter knows that. He knows that the hotels are ripping off the attendees. As I said, it is because there are simply not enough hotel rooms, the Convention Center is too small, and it is outdated.

ROBERT HOO, ORGANIZER, NEVADANS FOR THE COMMON GOOD:

We are opposed to the stadium plan because it is a bad deal for Clark County taxpayers and residents. Here are ten changes that could make it a good deal.

Number one, add a local hiring requirement. The testimony of out-of-work construction workers has been compelling, but there is nothing in SB 1 that requires developers to hire Nevadan workers. There is a small business requirement, which is good, but nothing about jobs and workers. Senate Bill 1 should include language to require at least 50 percent of the jobs go to local residents.

Number two, require a living wage. The bill should require a minimum wage of $15 per hour plus benefits. The state of Nevada is facing a $400 million budget shortfall due to the growth of the Medicaid caseload. If we do not require a living wage with benefits, this caseload will grow. We will be subsidizing private employers and worsening our budget shortfall.

Number three, require an independent evaluation. There has been much debate about the economic projections, the risk of default, and the adequacy of the capital expenditure fund. We should add an independent evaluator to take an assessment of this every year and see how we are doing. We ask for the same thing in our education programs. We should demand the same level of rigor for this project. Included in that should be an evaluation of the rate of return for the public. The proponents of this deal have talked about $35 million per year in tax revenues, but it is going to require $45 million in room tax revenues to create that $35 million. The independent evaluation should look at whether that is a good rate of return for the public.

Number four, include community participation in the community benefits plan. Section 29.5 states, "The developer partner and the Stadium Events Company shall develop a community benefits plan . . .." It mentions nothing about community participation. By definition, a community benefits plan must involve input and agreement from the community. Senate Bill 1 should define the plan as a contract signed by the developers and community groups active in the stadium district.

Number five, specify the monetary value of the community benefits plan. We have been told that this project will not work without the use of general obligation bonds. We have been told that this project will not work without 30-year bonds, but the public is paying a high price for these choices. The monetary value of the community benefits plan should be at least $250 million over a 30-year period.

Number six, require workforce training and first-source hiring. The bill should require that the plan includes workforce training programs for veterans, persons with disabilities, and low-income individuals and also require a first-source hiring provision so that these individuals get priority in hiring decisions.

Number seven, improve public transit. The stadium will increase traffic. Interstate 15 is bad enough as it is already. Senate Bill 1 should require the developer to contribute funds to RTC [Regional Transportation Commission] for public transit improvements that enable people to get to games by using public transit.

Number eight, enable profit sharing. This is a publicly owned stadium. We should be getting some of the revenues.

Number nine, ensure proper oversight of the Stadium Authority Board. The bill should ensure that the board is elected and accountable to the residents of Clark County.

Number ten, the confidentiality clause should be deleted. This a public stadium.

BOB FULKERSON, EXECUTIVE DIRECTOR, PROGRESSIVE LEADERSHIP ALLIANCE OF NEVADA:

When the mining industry in the Nevada Territory was so opposed to the level of the mining tax in the draft *Constitution* of 1864, it compelled the constitutional delegates to come back and draft new language that was much more favorable to the mining industry. The Legislature essentially allowed the robber barons of 150 years ago to take the riches of the Comstock—public

wealth—and build San Francisco and the Pacific Stock Exchange. It was the worst example of legislators kowtowing to corporate bullying in Nevada history—until now. This would be the biggest sellout in Nevada's history. This new Nevada is the same thing as the old Nevada. It is to socialize the financing and to privatize the profit, to take the money from the people and give it to the billionaires.

We heard from the executives in the gaming industry earlier that they are putting in this room tax and that this is their money. Baloney. Public taxes are public wealth. That belongs to everybody in the state. That belongs to our kids. That belongs to the future. It does not belong to the gambling industry. They should not be able to take that and convert it to their own private assets once again. It is not like we have money to burn. When you come back here in a few months and you look at a $400 million deficit, you sure as hell better not cut programs for veterans. Not after what you heard today. You better not cut mental health. You better not cut education. Not after what we have heard today and not after giving $750 million of public wealth to the eighth-richest man in the world.

I want to also say that we totally support the union jobs and high-paying union jobs. I think it would be great to start off with the expansion of the Convention Center and jump-start that economy and get our brothers and sisters back to work and separate it from Sheldon Adelson's corporate welfare. What is wrong with that? Well, what is wrong is, he has 18 hired guns up here with a gun to everybody's head. That is what is wrong with that. It has poisoned and tarnished public policymaking to a pretty bad extent.

We also heard that there is no legitimate criticism of this deal. We heard that from an analyst who is not actually an economist but came up here and said, No, there is no legitimate criticism of this deal, and obliquely criticized the Stanford economist for his work on this. I hope you will all look at the statement that that Stanford economist wrote back refuting this, basically saying not to shoot the messenger and that he stands by his facts.

You do not need an economist to know that this stadium scam is going to benefit Sheldon, but it is a high-risk investment for our state. National Football League attendance is on a decline. National Football League viewing is on a decline. Football is on a decline. What will football look like 25 years from now? It will not look the same. When those bonds default, who is going to pay the price?

ERIK SCHOEN, EXECUTIVE DIRECTOR, HUMAN SERVICES NETWORK:

The Human Services Network is a dynamic collaborative of over 50 health and human services organizations from throughout the state. Our members collectively serve approximately 25 percent of Nevadans, including veterans, mothers with children who have disabilities, people who are looking for work, and people who need food. Our top priorities are mental health, access to health care, and economic development. The type of economic development that our members really favor are diversified, long-term, good-wage-paying kinds of jobs. That is a little bit about the Human Services Network. Now let me give you my personal reaction to what is happening so far.

I am dismayed that I need to be here again. I was here on Tuesday speaking to the Senate. I was disappointed at their abdication of leadership. I was certain that they would see that this did not meet the litmus test for helping to meet the best needs of Nevadans, and I was disappointed to see that that did not happen. I have faith in all of you, though. The questions you have asked are great questions. They are the kinds of questions we should be asking. The folks who have already spoken to you have provided great detail about why you need to question this even further. I find myself reaching for a metaphor to explain the experience that I have had, and I am reminded of my mom and dad's advice: If it sounds too good to be true, it probably is too good to be true. I know there are good used car salesmen out there, so I do not mean to malign used car salesmen, but it feels a bit like being talked to by a used car salesman saying, Hey, trust me, I have the best deal around. If you do not take it now, forget it. It is off the table. Our parents told us to walk away from that kind of a deal.

To me, if Sheldon Adelson is good for his word in terms of really wanting to help the public good, then that money should be there for the regular session, when you all have time to properly vet this. Let us have that conversation about workforce development. Those folks who have not had work for a long time need work. Let us have that robust conversation about what good

workforce development looks like. Additionally, how can we help to make sure that we are providing for the needs of mental health and public health care? Those are the sorts of conversations I hope you will have. I do not think it is proper, and I do not think it is being done in the right way during the special session. I encourage you to vote no for this particular project.

CAROL LUCEY, PRESIDENT EMERITA, WESTERN NEVADA COLLEGE:

I would like to express my concern publicly about public funding for the stadium in SB 1 and its implications for state funding flexibility in the biennial legislative session in 2017.

I believe the issue you are being asked to vote on tonight is not a north/south issue, nor is it a taxation versus non-taxation issue. I believe we are struggling with an issue about our future versus our past or, perhaps more appropriately, the future for our young people versus that of a multi-billion-dollar business that I believe ought to be able to totally support this effort if, in fact, they truly believe it is a good investment.

While I am very sympathetic to the concerns of the building trades workers, I have lived in this state long enough to know how dangerously unstable our economy was in the years when we based it so much on this type of development. This type of thinking does a long-term disservice to the stability of the careers of people in the building trades.

I, and several of my retired president colleagues, have been speaking out publicly around the state about the disastrous impact on the health of the state's four community colleges due to the Nevada System of Higher Education decisions made over the last seven years. As I believe most of you are now aware, the future of the state's new industries and their workforce development, as well as the futures of needy first-generation college and minority students, depends on assuring the safety of these colleges, yet these colleges have been placed in the gravest of danger. We will now require your rescue in the 2017 Session. Our group will be visiting with all of you during the upcoming 2017 Legislative Session. We will ask you to approve governance changes for the four colleges, but we will also ask you to support corrective funding to protect these colleges and their thousands of students across the state. We anticipate that many of you—we hope most of you—will understand the dangerous position the colleges are now in and the risk to their students and the community employers who depend on them.

We are very fearful that by adding debt and new taxes to the state in this special session, when there is already a concern that the current state resources will fall short of what is necessary to fund essential state services, you will put yourself in a position of being unable to fund necessary services.

STAN KNIGHT, PRIVATE CITIZEN, CARSON CITY, NEVADA:

I am a category IV disabled veteran, and I am here for the purpose of opposing SB 1. I have a little trouble because we call it "Save Billionaires 1" where I am at [unintelligible].

I looked at the bill, and I realized that my opposition to this bill is the fact that I do not believe the bill should be on the floor in the first place. I do not think this bill is an appropriate bill. We are mixing government, which provides services, with the business section, which provides jobs. When two factions, like church and state, are separated and there is a mark between them, they go well. When they start taking money out of the collection plate and they start putting money out of—you run into trouble. This is the same thing with this bill right now. Government services are services. Business makes profit. You cannot deal services and profit; their goals are directly opposite from one another.

If it were up to me, I would be home. Business has no deal with it—it causes all kinds of problems. You can go around the end zones and punt the thing—for instance, right now, you people should be walking out and getting out of here. [Unintelligible] right now. You should be home watching the Chargers and the Broncos. Just take off, man, right now. You are not going to do that.

I watched this bill. The other night, I had a little dream, vision, nightmare—I do not know what it was. I was a sparrow. Maybe I was a buzzard. I flew over the stadium. Oh my God, was that thing beautiful. Holy smoke, it was absolutely beautiful. I could not see your swimming pools, though. You have extravagant pools down there, but I did not find them. It was so beautiful that I said, This is good. All of a sudden, in my little vision, I became an eagle, and I flew up there and I could see Vegas. I could see it. I looked down there and there was Bonanza High School. I looked at it, and it had a roof hanging halfway off of it. The air conditioning was leaking like a

sieve. Then I looked somewhere between Cherokee and Bonanza, and there was a line of children just trying to get their vaccination shots. You people do not need to worry about taking care of them because I have a nurse who is going to give them the shots, so do not put that concern on it.

AUTUMN ZEMKE, PRIVATE CITIZEN, CARSON CITY, NEVADA:

I am going to start by saying that the other night, when I testified in front of the Senate, I spoke about the future, education, and how important it is to provide an education to my children so that they can have the jobs that Tesla offered and was supposed to have brought to Nevada. I am also going to say this: I very much wish that Roger Noll from Stanford were here instead of myself because what I am going to say to you is very personal.

Senator Segerblom mentioned the other day that Nevada state employees are the worst-paid in the United States. My family relies upon a state employee to provide for us. I am going to talk to you about small numbers tonight. Small numbers. My husband brings in $2,000 a month. If we were to participate in the PEBP [Public Employees' Benefits Program] benefits for our family of four, it would cost us $500 right now. That is a quarter of his salary. I am very nervous to be up here testifying that. I am afraid that there might be some issue with his job from my speaking out, but I can no longer remain silent.

Nevada is my home state. I asked my husband in 2008, right before the recession hit, to move here with me so that I could be around my family. We have struggled and struggled and struggled since that point, and it has cost our marriage. We are still together, plugging away, but it has cost our family. I cannot tell you that I have ever been on a vacation with my 8- and 10-year-olds, other than to drive for 12 hours to make it to the beach for a few days. We are talking about $750 million for a gentleman who is worth $32 billion. Somehow, that does not seem right.

We work hard. He works hard. We qualify for the very benefits he works hard giving out to this state. We qualify for Medicaid. Something is not right there. We are hard workers, and now you are talking, in the next regular session, about cutting his benefits even more. We have a $400 million deficit, so everybody is getting 5 percent cut off the top. That possibly means 10 percent for state families, between giving up benefits or paying more for benefits and maybe having, what? More furloughs and pay cuts? He has had one cost-of-living increase over the six years he has worked for the state. One.

We do not expect to be wealthy. He is doing what he believes in when he goes to work every day. We are not trying to get rich off the taxpayers. We just want to be able to go to the dentist. I have not been to the dentist one time in four years. That is it. That is all I am asking—that you pay my husband well enough so that, weather I have insurance or not, I can go to the dentist and get my teeth cleaned. That is all I have to say.

CHAIR ARMSTRONG:

I believe that is all of the testimony in opposition. We do have some testimony in neutral.

HOLLY WELBORN, POLICY DIRECTOR, AMERICAN CIVIL LIBERTIES UNION OF NEVADA:

The ACLU [American Civil Liberties Union] of Nevada is neutral on the topic of the stadium in Las Vegas; however, we have serious concerns regarding transparency issues, both within the bill and throughout the process.

First, on Tuesday, your colleagues in the Senate adopted a resolution waiving the requirement, under Senate Rule No. 11.5, to disclose conflicts of interest. We believe that this is a huge violation of the public trust. Violating the public trust by hiding personal conflicts is very alarming.

We are also concerned about the immense amount of power entrusted in the new Stadium Authority under section 30 of this bill. Section 30 authorizes the Stadium Authority to determine whether records provided to the Stadium Authority, by a development partner, are proprietary or confidential. Then it further states that such records are not public records, thus creating this new exemption to the public records law. In effect, the Stadium Authority—it is very broad language—may shield from the public information concerning contracts, bids, and people who are engaging in these practices. We are talking about a publicly funded stadium—taxpayer dollars. It really needs to be transparent at the beginning of the process, throughout the process, and through whatever proceedings take place. Additionally, under the public records law, there are state

agencies that already exist to determine those exceptions. We think that this is an overextension of power to the Stadium Authority.

Finally, we are pleased that the Assembly Committee of the Whole granted the public adequate time to comment on this important issue with no objection. That was not the experience in the Senate, and we appreciate the opportunity to be heard tonight.

KRISTY ORIOL, POLICY COORDINATOR, NEVADA NETWORK AGAINST DOMESTIC VIOLENCE:

We are the statewide coalition representing domestic and sexual violence service providers throughout the state. I am here today in a neutral position with some information we would like the Assembly to consider when voting on and considering implementation of this legislation. The Nevada Network Against Domestic Violence does have some concerns with the impact Senate Bill 1 could have on human trafficking, specifically sex trafficking in Nevada.

I want to begin by clarifying that even without the stadium, Las Vegas faces an increasingly high number of both minor and adult victims being trafficked throughout the state. This issue deserves greater attention and resources in general. The concern we have from programs and nationwide industry experts is that increased demand is going to be a result of the new stadium, and this increased demand will have a direct impact on the sex trade industry in Nevada.

To understand the gravity of sex trafficking of minors in Las Vegas, I want to share with you just a few numbers that are reflected so far in 2016. There have been 84 juveniles who have been identified by law enforcement as victims of sex trafficking. This is a 20 percent increase from 2015. This is one of the many crimes in this field that is chronically underreported, so we know that these crimes are almost certainly much higher. Fifty percent of these victims were recovered from the Strip corridor, and 13 percent were age 14 and under. Sixty percent of these victims are local. It is well documented that major sporting events are linked with an increase in demand for the purchasing of sex—often with minors.

As we have heard throughout the testimony, the new stadium will host not only NFL [National Football League] and college football events, but also major sporting events and entertainment. Program advocates have shared that pimps and traffickers follow these scheduled entertainment events and place their victims in cities hosting such events. They refer to this as "following the money." If legislation passes, we ask that you consider how Nevada can better respond to both the current and future needs of trafficking victims in this state.

YVANNA CANCELA, POLITICAL DIRECTOR, CULINARY UNION LOCAL 226:

I am in opposition, so if I could have time after folks finish with neutral up north. I apologize for being late.

CHAIR ARMSTRONG:

Go for it.

YVANNA CANCELA:

I will keep my comments brief, considering that folks tonight have covered the majority of our points. I just want to restate what we have said in our video, which is that there are lots of other needs in Nevada, not to mention that we are facing a $400 million budget shortfall. If we are thinking of raising the room tax, we should think of how we raise it to close the budget gaps on the numerous other issues facing our state. It would be best if these projects were not bundled together so that you all could make a clean decision on the stadium and its merits and on the Convention Center and its merits. As you move forward, you should consider all of the other needs our state faces before pressing a button.

CHAIR ARMSTRONG:

We will move back up here.

ROBERT CONWAY, BUSINESS AGENT, IRONWORKERS LOCAL 433:

I wanted to start out with unemployment numbers. Local 433, in particular, is still at 80 percent. The International Brotherhood of Electrical Workers is still at 42 percent. Plumbers, Pipefitters, and Service Technicians is at 56 percent. All of our apprenticeship programs are barely being utilized. They are at 14 percent. There has been an awful lot of talk up here about how we

should be spending money for this program or that program or something other than building the stadium and expanding the Convention Center.

The way we got out of the Depression and all the recessions that we have dealt with since then was by building our way out of them. I do not see too many other cities right now with a gentleman willing to put up $650 million and a team wanting to spend $500 million to try and get this jump-started. We have had an awful lot of development that has been on the books for 10, 12, 15 years, even prior to CityCenter bottoming out. Until the crash, there were a lot of other things that were going to be built, and we feel like this would encourage an awful lot of other folks to spend money here and invest.

There has also been talk about the short-term jobs in construction and the stadium and convention workers. If you do not have a job, any job is a good job. I have been doing this for three and a half decades, and I do not consider it a short-term job. I think it is a great job. Again, in regard to encouraging other folks who spend money here in Nevada, the easiest way to do that is just the way we did during the Depression—start spending money on the infrastructure, and everybody else will participate.

I am not trying to pit ourselves against education, mental care, or health care. From the start of organized labor, their number one priority was education and health care. To this day, that is what we still strive to do. We also had the veterans in here, some talking for and some against. Since World War II, the number one supporter of the veterans, in regard to getting back into a good-paying job and a productive life, has always been the building trades through our apprenticeship programs.

CHAIR ARMSTRONG:

With that, I do not believe we have any more public testimony, so I am going to close the public testimony portion of the hearing.

It has been a long day. As a committee, I think we did a great job asking a lot of questions. I do not think there is an appetite to take any action at this point. I think it would be best to take a break, grab some dinner, get together in caucuses, and talk about this. At this point, I am going to close the hearing on SB 1, and we are going to recess until call of the chair.

Chair Armstrong announced if there were no objections, the Committee of the Whole would recess subject to the call of the Chair.

Motion carried.

Committee of the Whole in recess at 8:18 p.m.

COMMITTEE OF THE WHOLE IN SESSION

At 12:02 a.m.
Chair Armstrong presiding.
Quorum present.
Senate Bill No. 1 considered.

CHAIR ARMSTRONG:

I would like to welcome everyone back to the Assembly Committee of the Whole. We are going to do something slightly different. We are going to have a presentation. There was a news release about a report that came out this evening, which may or may not affect the bill we are discussing. I thought it was important to bring in a few folks to talk about that and answer some questions.

With that, we have Mike Willden and Rudy Malfabon. Mr. Malfabon, if you could give an overview on what your thoughts are, what you know going forward, and the potential effects on this bill.

MIKE WILDEN, CHIEF OF STAFF, OFFICE OF THE GOVERNOR:

Mr. Chair, I would like to start first. I appreciate the opportunity to come and talk with you and perhaps clear up a little bit of the confusion and information that is going around. First, I want

to talk about the fiscal note process. You are all very familiar with that. We—we being NDOT [Department of Transportation]—were asked on Sunday to prepare a fiscal note for SB 1. The Department of Transportation staff did that Monday morning. You can look on NELIS [Nevada Electronic Legislative Information System] and see the fiscal note that was posted [Appendix G]. If you look at that fiscal note, it clearly says that there is no fiscal impact to this project. That does not mean that there is no cost—it is just that if SB 1 is approved and passed, there is no new fiscal impact to NDOT. Mr. Malfabon will go over that information.

I will explain what I think has been confusing over the last several hours. During the NDOT Board of Directors meeting in September, when they were talking about transportation issues like they do, particularly about southern Nevada, Governor Sandoval asked that Mr. Malfabon's staff prepare a traffic assessment on related projects around the potential stadium [Appendix H]. The Department of Transportation staff contracted that out, and that study had been underway for the last several weeks. Mr. Malfabon can go over the details of that report. That report is plainly and simply an identification of projects that are near and around the stadium project that have been identified and are in the queue. I think the two have gotten a little bit mixed up—one is our fiscal note that says zero impact, and the other is this list of projects. The reporter, I think erroneously, jumped to the summary page, which I believe a lot of you have, and said that there is going to be a $900 million new impact to the stadium. We would like to walk you through what is in the traffic assessment report and hopefully clear up information.

RUDY MALFABON, DIRECTOR, NEVADA DEPARTMENT OF TRANSPORTATION:

I wanted to go over some of the history of the report and what the report says. As Mr. Willden stated, in the fiscal note [Appendix G], NDOT does not see these projects resulting from the stadium or only supporting the stadium; they were already under development and at different stages of development. For instance, the HOV [high-occupancy vehicle] connectors at Hacienda Avenue or Harmon Avenue were included as a recommendation in the report that NDOT finished in July 2015. A lot of those improvements also rolled into the Transportation Investment Business Plan, the TIBP, that the RTC [Regional Transportation Commission] put together, because one of the elements of the TIBP document was to improve core area access to Interstate 15. The fiscal note says that there is no fiscal impact because these projects were already planned.

To give you an example of a project—they are going to be under development. Perhaps they go through a feasibility study or a planning-level study, which are high-level studies with high-level estimates. As we advance the project, those estimates can become more accurate once we understand the scope of the project and what is going to be included. The Governor asked for us to put together this assessment so we could be informed about projects we have in this region that, as it turns out, were already under development. Coincidentally, these projects will support the traffic that is generated from the stadium. We tried to do our best to look at what kind of traffic numbers are going to impact the freeway system on I-15 [Interstate 15] or other NDOT roadways, such as Tropicana Avenue. So in September, the NDOT Board of Directors approved the study and the cost of the study for that contract. The date of the report is October 4. What we normally do is get the report, review it, and see if any changes are needed. I have been asked, Why did we not receive it? We are just following our normal process, making sure it is vetted and accurate. We feel comfortable with the report findings.

I want to explain a little bit about how these projects are under development. If you look at the spreadsheet that has three groupings of projects [Appendix H], the first grouping, which is the Statewide Transportation Improvement Program, the STIP, is the four-year list of projects that we do. We start out by putting NDOT projects, that we are funding with federal or state funds and that are regionally significant, into the RTC of Southern Nevada's plan. They have a regional plan. They get with Clark County and the cities of Henderson, North Las Vegas, and Las Vegas. The Regional Transportation Commission, as an entity, delivers projects along with NDOT. All our projects get put together in this plan. This is the short-range element of the plan. These projects were already included in RTC's plan.

The next grouping of projects is called the Regional Transportation Program, RTP, which is the long-range element. We have to do, per federal requirements, a 4-year plan and then a plan for years 5 through 20. Sometimes we go out a little further, but the idea is to start thinking about projects well in advance of when they are needed. An example of that would be widening I-15,

right by the speedway interchange. That project has been underway for years. The idea there is to widen I-15, adding a third lane from Craig Road to the speedway. We do not see that as a responsibility of the speedway, which hosts special events and has traffic on I-15 in the area of North Las Vegas. We saw that years ahead of time as a responsibility of NDOT to meet the transportation demands on that corridor.

The long-range projects you see listed there are already planned, they are in the RTC plan, and they are projects that are under development. If they are ten years out, we probably do not have a lot of work done on them, but we are anticipating doing that work. Sometimes it is a question of needing a feasibility, planning-level, or engineering study before they can advance to an environmental study. If we are going to use federal funds, we have to have them environmentally cleared. Those projects, depending on the environmental impact, can bring significant environmental impact statements, such as what Project Neon had; or they can be an environmental assessment, which is the middle range; or they can be at the lowest impact, which is a categorical exclusion. Those three categories of an environmental study, depending on the scope of a project, need to be done, and we need to get federal approval. Once you get environmental studies done, you go into the design phase. You have to determine if you need right-of-way. Usually, you are looking at that during the environmental stage.

So there are many steps in the process, from a planning-level study, to the environmental study, to the design and eventual construction. What NDOT was saying is that these projects are planned and, coincidentally, they support this region of the Las Vegas Valley, in the southwest by Russell Road, where the two sites were. The other thing to mention is that this traffic assessment was focused on the two sites that the developer identified, I think it was in August or early September, as being the preferred sites. It is not NDOT's decision about where the stadium should be sited, and it was best to rely on the developer's preferred sites to do our analysis. It did not make sense to look at all seven sites and waste a lot of time, effort, and money studying all seven sites when the developer is looking at these two sites. It is not NDOT's decision about the stadium's eventual location.

That is how we developed this list of projects that were in the region of the developer's preferred stadium sites. Why we say there is no fiscal impact is because they are already in the short-range STIP, which is developed through the RTC. It gets adopted by the NDOT Board of Directors for the statewide list of projects so that we can gather up from all the RTCs in the state. The Department of Transportation covers all the rural projects as well in that document. The Board approves that short-range STIP. The projects were either in there, or they were already in the RTC's Regional Transportation Plan as a long-range element. Just to underscore that point, these long-range projects probably do not have a lot of environmental work done on them, if any. They have just been in our queue, in our pipeline of products to deliver, so we anticipate doing that.

For the third group of projects there [Appendix H], we were asked by the RTC of Southern Nevada, Okay, NDOT, we know what you are doing in the short range, we know what you are doing in the long range with your available funding, but what about if fuel revenue indexing passes in November in Clark County? The Department of Transportation is required by law to spend the revenue we are receiving for the state portion of the fuel tax that is indexed, which goes to the State Highway Fund, in the county of origin. We brainstormed some projects. This has not even been cleared by the Board. Another reason I wanted to present this document to the Board in November is so that they would have a heads-up and we could have some early discussion about which projects to expedite. Also, November would be after the vote for fuel revenue indexing, and I would know whether it passed and whether these projects that we brainstormed to be funded through the fuel revenue indexing could be discussed with the Board. The Board would then consider which of those projects would go forward with the funding mechanism of fuel revenue indexing. That is why not a lot of work has been done on those projects—it is just a list that NDOT staff, at a high level, considered for potential funding with fuel revenue indexing.

Those are the three tiers of projects that are in the report. Ultimately, the report recommended that NDOT should take to the Board for consideration the Hacienda Avenue and the Harmon Avenue HOV lanes—we would call them drop ramps, which are direct connect ramps. Right now, those are bridges over the interstate. We could have a ramp that connects to those, and you would have to come to a T-intersection and basically make a left turn. It was originally intended so that

commuters who work on the resort corridor could access the back door where they work, through Frank Sinatra Drive, from the cross streets Hacienda Avenue and Harmon Avenue. The intent was that we would develop those projects further, but we would present those to the Board for consideration.

The other element contributing to no fiscal impact is that the Board makes decisions on a regular basis regarding which direction they want to provide to NDOT and which projects to advance. It has happened before with USA Parkway, another project that was under development even before the special session for Tesla. We were already obtaining environmental clearance for that project. It was already under development. The Apex improvements are another example. It was not because of Faraday Future and that special session. The year before, we had already submitted a TIGER [Transportation Investment Generating Economic Recovery] grant application to the federal government for funding of improvements to widen US 93 and the interchange improvements at I-15 and US 93. In these cases, we do not look to a specific developer. We are just looking in advance at what is going to be needed in that region for transportation because of the growth.

As I said, we are looking out 20 years or beyond. Currently, NDOT is doing a traffic study of the Las Vegas Valley, trying to get numbers for 2035 projections so that we can anticipate the traffic needs well in advance. Are we always correct on those traffic impacts? In the days when things were booming, we probably achieved those numbers a little sooner rather than later. We do our best with the data we have to project those numbers and develop these projects so they can meet the needs.

I want to make the point that with the I-15 widening project, from Craig Road to the speedway, we do not ask the speedway to participate in those costs because it is not because of a special event at the speedway that we have to widen the freeway. It is because of all the traffic demands that we are projecting out 20 years on that I-15 corridor.

I want to highlight that we anticipate asking the Board to accelerate the Hacienda Avenue and Harmon Avenue HOV direct connect ramps that would connect to the existing bridges. It could be that the developer has more improvements to serve the stadium. We were anticipating a lot of the turns toward the resort corridor. If the developer needs additional improvements there, that would be something we would have discussions about with Clark County, the RTC, and the developer in terms of who pays for what kinds of improvements. One of the improvements identified in the report that could be supporting the stadium site at Russell Road was a pedestrian bridge over I-15. That is something that NDOT would not normally build. We see that as a developer responsibility or perhaps a combination of Clark County and the developer.

We looked at different modes of transportation in the report [Appendix H]. The monorail is planned to be extended to Mandalay Bay if they get their financing. From Mandalay Bay, it could perhaps be extended to the Russell Road site, for instance, if that is developed, or to Bali Hai. No matter where the site is, it is just another mode of transportation that could be developed by others, not by NDOT. The transit issues that were mentioned in the report are something the RTC of Southern Nevada provides, and they would have to work to deal with special events and the traffic that is generated during special events. We looked at different modes, and we looked at which projects should be advanced with Board approval, Board presentation, and a lot of questions and answers from the Board members.

We also have some technical information about traffic trips that are generated from special events, such as at the stadium on an NFL game day. These are very high-level assessments and estimates. Obviously, the developer has to do a much more detailed traffic study and much more detailed site development that would define which improvements are needed to the transportation system directly adjacent to the stadium and which impacts, such as from the pedestrian bridges that I mentioned, could result from feeding into the stadium to serve those special events.

That is an overview of the report and the hierarchy of the projects we identified that we have not even taken to the Board yet for discussion but that we anticipate completing with the funding that is available. The Department is not asking for any additional revenue to deliver any of these projects that were identified in the report that could coincidentally serve the stadium on game day or for other special events held at the stadium once it is built.

I hope that explains why NDOT does not see a fiscal impact to the improvements. They were already underway and identified in previous high-level reports. They will have to go on to an

environmental study and eventually design and construction. We would have to ask the Board which years are realistic for delivery of those because it takes some time to do all the environmental clearance, depending on which sites the projects impact environmentally, socially, and economically. We have to study all of those things and get federal approval, then go on to design and deliver the projects. We can select delivery methods, such as what we did with Apex and the Garnet interchange, that could expedite the delivery process. We used design-build on that project. We are using design-build on Project Neon to get that delivered faster. That is just the process where you are overlapping the design by the project team. The contractor hires a designer, and they finish the design. They build it out in stages instead of NDOT getting a 100 percent design and putting it out to low bid.

I am sure you have some questions for me. I will do my best to respond.

ASSEMBLYMAN THOMPSON:

I know this is on the spot, but can you tell us approximately how many jobs this will equate to? I do not know if that is a fair question to you, but if you can give us an idea. The second part is, does the proposal for the stadium bump down other projects that are in the queue?

RUDY MALFABON:

As far as the number of jobs, that is usually something we work with economists to develop. It depends on the project. There is a figure that US DOT [United States Department of Transportation] uses on transportation projects. I do not know it off the top of my head, but we tend to use that figure. They take how many millions of dollars the project size is and use economists to estimate how many jobs will be created. There are also jobs that are directly supporting the project, such as material suppliers, vendors that are supporting the contractor for some of the materials, and people who receive other induced jobs. Those workers spend their money at whatever businesses—the grocery stores, buying cars. Whatever they do, those workers spend money, too. There are ways to determine that. To develop those numbers, we usually go to the economists and the reports that are done specifically for southern Nevada transportation projects that the RTC has commissioned. I could not tell you off the top of my head. We could do that assessment, though.

ASSEMBLYMAN THOMPSON:

Okay. But these jobs are in addition to the ones already forecasted for the overall stadium project, right?

RUDY MALFABON:

Yes. To respond to the projects—we have to determine a reasonable time frame to deliver some of these. The Hacienda or Harmon ramps to the existing bridges could be done a lot quicker than a Tropicana interchange reconstruction, for instance. We would have to look at that and assess that. Typically, if it is in that four-year STIP time period for construction, something else will have to give because we only have so much revenue that is fiscally constrained, meaning you are accounting for every dollar you receive. The Department of Transportation does a good job at spending all of our federal money so we get other states' money that they leave on the table. We recently received $20 million from the Federal Highway Administration of unspent authority that other states had left on the table. We would do a good job at spending the money we do have, but if it is one of these projects that moves into that four-year STIP, which is the short-term list, the Board would have to direct and approve that and determine which project gets moved out instead of the project we move in.

ASSEMBLYMAN OHRENSCHALL:

Are the improvements that are in this study, that say Las Vegas NFL stadium sites, improvements to that Russell Road, Las Vegas Boulevard, I-15 area that were contemplated by NDOT, regardless of whether the stadium was going to be built?

RUDY MALFABON:

That is exactly correct. For example, in July of 2015, we had the update with the HOV study in Las Vegas. Those projects were anticipated. We have them in the long-range plan because they are too new to put in the four-year program, which is the short-range element. We anticipate

them, but they are at a very high level of development. We have to get them more fully developed before we can construct them. They are already anticipated; it is just coincidental that they will support this area of Las Vegas. Because they are primarily on I-15, they will support what is anticipated to be a major route to the stadium for special events.

ASSEMBLYMAN OHRENSCHALL:
There is an article from the *Las Vegas Review-Journal* that many of us read in the last hour. It said that a lot of these projected improvements would need to be sped up in terms of matching the timeline of the construction of the stadium. Is that accurate or not accurate?

RUDY MALFABON:
I called the reporter, and he is making corrections to that story. I think he may have already made them. One of the points was that these projects were already underway. He threw out the total of all these projects, which would make the reader feel that all these projects are going to be developed with the stadium. They cannot be. They are not on the same timeline as a stadium site that is already cleared. A building can be built a lot quicker—in a couple years—compared to our process to receive and maintain eligibility for federal funds and to get that environmental approval on a major project, such as the Tropicana interchange. We might have to buy some right-of-way, which is probably going to be a higher level of an environmental clearance than the HOV connections at Harmon or Hacienda. They are under development, but they are different. Different types of projects are going to take longer to deliver, and they probably will not coincide with the construction of the stadium. If that happens, it is going to happen a lot faster than it takes me to do a Tropicana interchange.

ASSEMBLYMAN OHRENSCHALL:
Over the next two biennia, you do not foresee having to bump other projects or having to ask the Legislature for funding for these projects that might be sped up?

RUDY MALFABON:
I would say for the next biennium, definitely not. We would normally do further studies. If we do an environmental study, that is only a small percentage of the cost of the construction of a project. That is something we can handle by moving things around and looking at cash flow. We are doing that right now with the Spaghetti Bowl in Reno. We are doing the environmental study and procuring that, but that is a small cost compared to the capital improvement costs of the construction. It would not cause something to be moved in the near term, which would be in the next biennium, or possibly the third year, which would be in the second biennium. The idea is that we would, though, ask the Board which ones to accelerate and try to get those projects in the pipeline for delivery through construction.

ASSEMBLYMAN OHRENSCHALL:
By asking the Board, do you mean asking them to reallocate money within your budget, not asking for any extra money from the Legislature?

RUDY MALFABON:
Yes, we would ask the NDOT Board of Directors which projects we would have to do. In fact, that is what we did for USA Parkway because we used the State Highway Fund for that. We asked the Board to consider certain projects to move out and others to move in. In moving USA Parkway in, we had to make room for about $70 million of investment and move that much out to the next year. We modified our program based on that Board direction and approval.

ASSEMBLYMAN TROWBRIDGE:
Is it safe to assume that there is another list of projects that do not appear here because they are not in the area of where the NFL stadium is going to be?

RUDY MALFABON:
Yes, the complete list of the STIP can be found on our website. If you Google "ESTIP NDOT," it will take you to the complete list, and you can search by county which projects we already anticipated having in that four-year period of time. You can find the RTP on the RTC of Southern Nevada's website.

ASSEMBLYMAN TROWBRIDGE:
Some of these acronyms are new to me, so bear with me. These projects are funded with a mixture of federal funds, the State Highway Fund, and gasoline tax?

RUDY MALFABON:
Our lion's share of funding is gasoline and diesel tax, which we call special fuels tax. The federal government collects the same fuel taxes, and they distribute that back to the state DOTs [departments of transportation] as federal funding for transportation. When we talk about fuel taxes and federal funds, they are the same thing. We are primarily funded by fuel taxes to build our projects.

ASSEMBLYMAN TROWBRIDGE:
Is there a Clark County bond question regarding the extension of the gas tax?

RUDY MALFABON:
What you are speaking of is the third tier of projects, the fuel revenue indexing. That is Question No. 5 in Clark County. It is also on the ballot for consideration by the public in all other counties except for Washoe County. If it passes, each county commission has to enact it. It would raise much of the needed revenue for transportation improvements in Clark County, so it is up to the public to vote and consider, specifically in Clark County, Question No. 5.

ASSEMBLYWOMAN CARLTON:
I know I am not very technological, but I believe we were going to get the report uploaded. I am not able to find that, so I am not sure if it is available yet. I am also looking at the front page of NELIS, and it says Friday, October 14, session adjourned *sine die*. I think someone might want to change that right now. We are not quite done yet.

Along the same lines, the Governor did ask for this report. He wanted to have an idea of what we were looking at—what types of projects were in the queue and what types of things were going to get done. I know you rearrange things on a regular basis, yet we are going to have real issues on the east side of the Valley. During the Faraday special session, I brought up the east side of the Valley, the traffic, and the impact of the project. When I look at this list, there is nothing there that helps with the impact of Faraday. I remember specifically bringing that point up and it being addressed by saying that we were going to look at Lamb Boulevard, Hollywood, Nellis—things along those lines. I really need to know where those things are on the list and where they are in the queue. I have real concerns that those are being rearranged, to put it politely, to accommodate a possible stadium when we know there will be traffic at the Faraday site. It is going to impact my district.

This is all based on federal money, state money, and possible fuel indexing money, so have there been breakdowns of the different revenue streams? If, God forbid, the fuel tax does not pass, how will we pay for those things? Has any of the math been done on that?

RUDY MALFABON:
I will answer the second question first. The projections for fuel revenue indexing are done by the DMV [Department of Motor Vehicles]. They have been doing their best to estimate for each county that has a ballot question this year. They have estimated for Clark County as well. They provided RTC with an estimate of what they can receive from fuel revenue indexing, should it be approved by the public and enacted by the Board of County Commissioners. If it does not pass, then it is unlikely that we would have the revenue available to add those additional projects that are in the third tier of projects. Those are needed projects in southern Nevada. We are hoping it passes, not just because I am self-serving and NDOT would receive some of the money to be spent in Clark County, but these are projects that are needed throughout the Valley to address some of the issues you raised in your first question.

To respond to that, we would have to look at the electronic STIP document that I mentioned. It is much more comprehensive and lists every project that is planned with federal funds that is regionally significant in the Las Vegas Valley. The Regional Transportation Commission compiles that, and it eventually rolls into the state's plan, which also compiles all the other metropolitan planning organizations' plans for projects. The Department of Transportation adds in all the rural projects that we are responsible for as well. But NDOT is only responsible for the

state highways, and some of the roads you mentioned are not state highways. However, I know there is an ability to spend federal safety funds on any road in this state that meets certain criteria regarding the number of fatalities or crashes that occur on those roads. We want to improve safety. Other types of federal funds are very restricted to the type of the facility, interstate, US route, or state route that carries a lot of traffic.

To respond specifically to your question about whether we are addressing some of the roads on the east side, I would have to have staff look into the specific projects in that four-year term, look at some of the roads you mentioned, and respond back to you on that.

ASSEMBLYWOMAN CARLTON:

As I look at the FRI-2 funding list [Appendix H], I do not see anything east of Interstate 15, so everything is on the west side of town.

CHAIR ARMSTRONG:

Ms. Carlton, the title of this report is Las Vegas NFL Stadium Sites Traffic Assessment, so I am not sure if this is a complete list.

ASSEMBLYWOMAN CARLTON:

The FRI-2 funding was mentioned, so I am not sure. If I do not have the correct document, I apologize.

RUDY MALFABON:

There is a list that is compiled by the RTCs that would be much more comprehensive for fuel revenue indexing, if it passes. It may include some of those projects you are asking about. North Las Vegas has a list. Las Vegas has a list. This is just NDOT's portion. It is a high-level list of projects that we have not even gone to the extent of asking the NDOT Board of Directors for support yet.

ASSEMBLYWOMAN CARLTON:

So if I needed to see how the list had been rearranged, I would need to go to those entities to find out what had been bumped to the top of the queue and what might have shifted down?

RUDY MALFABON:

There has been no modification to that FRI-2 list. Each entity has just been asked to put forward their wish lists of projects that could be funded using that revenue. There has been no massaging of that list. It is just a high-level list of projects that is subject to change. The Regional Transportation Commission has delivered—with those member entities: North Las Vegas, Las Vegas, Henderson, and Clark County—over 120 projects with the existing fuel revenue indexing. That is why people are seeing all the cones around Las Vegas. Typically, it is a lot of those fuel revenue indexing projects.

ASSEMBLYWOMAN CARLTON:

If someone would let me know when I can possibly see what was supposed to be uploaded. I probably will not have time to really digest it, but at least I will have a record of what was supposed to be discussed today.

ASSEMBLYMAN PAUL ANDERSON:

It is on NELIS, and I just texted you the link as well.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

I will be honest, I would love to be able to say that at nearly 1 o'clock in the morning—I am my normal witty self and can get through this 40-page document and understand it, but I have to admit, it is a little fuzzy and dry, if you will. I am thankful to actually have the report in front of me now at 12:40 a.m.

During last session in Ways and Means, we were talking about plans that were being projected and your budget that was being projected, including Neon and your bonding capacity. We were right up there, right up against that threshold. We were going to be there for a while before we inched down and were able to do a lot of projects again. I remember that slide distinctly in that conversation. When I look at the list of projects that are being proposed, some of them are down

the line—2035, 2020, 2030. I do not necessarily understand how there is the ability to move all of those up and do those now. You say they were planned and in the queue for 2035 or 2020, but how does it work for those financing mechanisms to be on board with moving those all up right now? As an analogy, I might plan to have an earning potential in 2030, but I cannot spend that money today. Even though I plan for it and it is in the queue and in the budget, that does not make anything materialize today. Can you explain that a little bit?

RUDY MALFABON:

We do the best with the information we have. You make a good point, that we might not have that much money 10, 15, or 20 years from now. Traditionally, we have had a certain level of funding that we receive from gas taxes. I know that vehicles are getting more fuel-efficient, but there are discussions about how to address that in the long term. We do not have to get into that, but it is really going to a different method of revenue collection. That could happen, but we have to do the best with what we have right now, which is estimating based on the current level of revenues. The actions we see from Congress are to have at least the existing levels sustained, even though they are propping up the money with General Fund money at the federal level.

To your point about Neon and bonding, we definitely had a pinch point in our bonding that was a concern to us. We were looking at our bonding capacity. With the bonds prior to Neon and the current bonds, our bonds are staying within that limit that has a great bond rating for the Department. We are at about $70 million to $72 million in payments that are anticipated each year. We also get reimbursed from the Federal Highway Administration because we made sure those projects were eligible for bonding. It is sometimes as high as 95 percent federal and 5 percent state. That federal money goes back to the Highway Fund. It is a constant turnover of funding for cash flow. Even though a project is bonded, we are just paying ourselves back over time as we pay off those bonds.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

I know typically NDOT will have projects on the shelf ready to go. As a legislator, the issue I have always experienced has been money to get shovels in the ground and money to pull that project off the shelf and get it going. That always seems to be a struggle. That always seems to be tricky footwork in our fiscal process. It seems amazing that it is all coming together and the money is not an issue.

I am on page 26 of the report [Appendix H], and it says, "Traditionally, NDOT plans and builds state highways to meet typical demand on an average weekday, not special events." So there is at least acknowledgement that there is going to be a displacement of projects that are planned for typical demands of the average citizen in order to accommodate the stadium, correct?

RUDY MALFABON:

That statement means that it is not economical to design I-15 for when there is a NASCAR [National Association for Stock Car Auto Racing] event. We design for the traffic we project 20 years out. Special events occur. We understand a special event will overwhelm the system, but it is just not economical to have that many lanes to accommodate special events day in and day out when they do not occur day in and day out. They only occur periodically.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Lastly, this is just for the record. I feel I am diligent with the information that is put in front of me. The fiscal notes that were posted read "referenced for the record." The handouts are marked up. I am looking at all the slides and the information that was presented to us that talks about costs. I do not see any of these highlighted or pulled out, so I very much have the sentiment that this piece was not talked about in an open way and that there were people who had this information and knew about the $900 million. Even today, the Legislature and the Assembly asked so many questions, and we talked about any other costs that would be absorbed by the public. There was tap dancing, but we did not know what to nail it down to. Of course, if you do not have the report, you do not know what to nail it down to.

I guess I can say this because it is a quarter to one—I feel like there is a lot of mansplaining going on about these numbers without a lot of clarity and transparency. I feel like it is not

transparent to have this conversation in the middle of the night with a 40-page report that is just now being talked about. I do appreciate the chance to talk about it, even if it is right now.

MIKE WILDEN:

I think the best way for me to explain or understand the process is to note that there are really two separate processes here. Again, as I tried to say, we were asked, as part of SB 1, to complete the fiscal note. Director Malfabon's staff completed the fiscal note request and said that there was no fiscal impact related to SB 1. This process we are talking about now was not really a process to get to the fiscal note or to support the fiscal note. We are not hiding something. It is a process that the Governor started a month ago—actually, as Mr. Malfabon talked about, months before that—and we are working through an assessment to do that. It is not a document we are withholding from the fiscal note or that should have been attached to the fiscal note or something like that. They are separate processes.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

I respectively disagree, Mr. Willden. We are in a special session in which we created a preamble that we will vote on that talks about the urgency and the specialness of all this. This is an important, relevant piece of the conversation to have been talking about in a specific manner, not in a "well, it is kind of built in somewhere" manner. There should have been a bright line on it at least.

ASSEMBLYMAN OHRENSCHALL:

Earlier today, we discussed SB 1, particularly section 29, subsection 2, paragraph (h), where it mandates that the developer needs to provide for an adequate contribution "for the construction or improvement of any infrastructure off the site of the project that is determined to be necessary for the project by the Department of Transportation, the County or any municipality in which the project is located." I asked Mr. Hill some questions as to the definition of adequate contribution. I think the answer I got was pretty much whatever the county thought was adequate. In terms of the fiscal projection you have made, would the adequate contribution be zero because you already have all this taken care of?

RUDY MALFABON:

I gave the example of the Las Vegas Motor Speedway not being asked to pay for the widening of I-15. I see that as the same situation here, but I did also give the example of the pedestrian bridge. That is not something that NDOT would have built but for the stadium, so I see that as an issue for the developer, or for Clark County and the developer, to fund and construct. There might be some others—because I am not familiar with a lot of the site plan or development of what is anticipated for the stadium—that are going to be off-site improvements. I assume that language was put there to address those things, like a pedestrian bridge or something that is really supporting the stadium directly but is off-site from the actual stadium property but is part of the transportation system or other system that supports the stadium. It gives an opportunity for the county and NDOT to weigh in on that and say, That is not our responsibility; that is the developer's.

ASSEMBLYMAN OHRENSCHALL:

Just to be clear—other than minor infrastructure improvements, such as a pedestrian bridge, you do not think any other financial support would need to be provided to NDOT for any of the infrastructure improvements for the stadium?

RUDY MALFABON:

For these projects, no. These are projects that NDOT already, under the regular course of business, develops. Some may take longer, and some of them can be expedited.

ASSEMBLYMAN SPRINKLE:

I have a couple different questions. First, you have mentioned Tesla and USA Parkway several times now. That was a few years ago, but if I am not mistaken, in that special session we had to appropriate something like $40 million to $45 million for USA Parkway specifically for what you are talking about—the acquisition and the maintenance of that road. That was not something that

was preplanned and built into the budget. We had to come up with that revenue during the special session. Is that correct?

RUDY MALFABON:

I do not believe that is correct. That was part of the Highway Fund revenues. The Board determined how they would be spent for that project. What I also stated was that the USA Parkway project was already being planned. We were underway with the environmental clearance for a couple of years before the special session came about. The money you are speaking of was for purchasing the right-of-way and the current construction project that is underway, which is about a $70 million project. The Board was asked which projects we would move out, but it was not a special appropriation that the Legislature considered. It was part of our regular process of determining which projects would receive priority and Board approval for delivery in that fiscal year.

ASSEMBLYMAN SPRINKLE:

I would have to go back and look at the bill. At one in the morning, I do not recall it that way.

I want to reiterate something that was brought up earlier that I think is important. The funding for any of these projects—you have mentioned several times that they go all the way out to 2035. None of that is guaranteed today, right? This is something that you come back to us every two years for, as we try to build the funding mechanisms into the projects that you have in your queue, as you have been calling it. Is that correct?

RUDY MALFABON:

That is correct. The Legislature approves our biennial budget.

ASSEMBLYMAN SPRINKLE:

My final question goes back to what my colleague was just hitting on. Section 11 of SB 1 defines the developer partner, meaning a person or entity who provides money to pay for the costs of a whole list of things, including capital improvement projects, which the developer partner is required to pay. An adequate amount was brought up. Do you see any way that the definition written in this bill could potentially include NDOT as a developer partner?

RUDY MALFABON:

I do not think so. What I have stated is still accurate, that NDOT had these projects under development, and they were independent of this stadium.

ASSEMBLYMAN SPRINKLE:

I understand that, but I am looking at the definition that is written in the bill. If the developer partner is an entity that is providing money to pay for the costs of improvements and maintenance, would that technically mean that NDOT could be considered a developer partner? What was testified to us earlier today was that the developer partner could be several different entities.

RUDY MALFABON:

I was not watching the testimony. I would have to ask Steve Hill about the legislative intent. I cannot answer that question because I am not familiar with the language in the definition of the developer partner. Maybe it needs some modification, but I do not think the intent was to have NDOT be considered a developer partner.

ASSEMBLYMAN SPRINKLE:

It might not have been the intent, but there is the potential that NDOT may become liable for some of those costs. That is what I am getting at.

ASSEMBLYWOMAN JOINER:

I have to agree with my colleague about the availability of this information. I am looking online, and it says this report is from October 4, 2016. I think everyone in this room was researching this topic on October 4. I really wish we had known this was available. I think getting it this late is really unfortunate, but I am going to do the best I can to ask what I think is the most relevant question right now.

There have been questions asked about the money. I think we are not quite getting to the core of the issue for me. If these projects move up by two years and if the article is correct that we need most of them by 2019 when the stadium opens—as you said, not all of them can be done—but if we are going accelerate certain projects, you said that in order to have that funding, we are going to have to reprioritize and offset other projects. I knew coming into this that there would be additional infrastructure costs. Other cities found hidden costs that they did not know they were going to run into, but we were all worried about that dollar amount. To find out it is $900 million is staggering, but that is not even what concerns me the most. What I think I hear you saying is that we are going to have to reprioritize our entire state infrastructure plan, and I am extremely concerned about northern projects and rural projects.

I would like to know the criteria your Board uses when it reprioritizes projects. I will tell you that in the north, when we have road construction, it is often for safety. It is because we have turn lanes that are causing accidents. It is because we have lights that need to be fixed. It is because we have roads that need to be widened. It appears to me that the safety of my constituents is being reassessed because a giant project is coming to the south. Can you please tell me that I am wrong?

RUDY MALFABON:

If a project moves into that four-year program, the STIP, we would have to make some recommendations about projects. Typically, we would want to recommend that the projects in southern Nevada are the ones that are impacted, not northern Nevada projects. Safety is a huge concern for the Department, the NDOT Board of Directors, and the Governor, who chairs the Board. We would not be looking to defer a safety improvement project to offset a project that is adding capacity to I-15 in the area of the stadium.

ASSEMBLYWOMAN JOINER:

I am specifically interested in the criteria that is used, even if it is a southern project. You said safety is a high criterion. What is the order of criteria you would use when assessing a project? What are the other factors?

RUDY MALFABON:

The other factors we would look at are whether we are going to lose funding. There may be a final phase—for instance, we have the widening of State Route 160 under construction now, and we have one more phase to do. I would not feel comfortable recommending to the Board that we defer the final phase of a project that is going to enhance safety and capacity in that section by adding more lanes in the Mountain Springs area of State Route 160. Obviously, we would ask our engineering staff and our chief engineer for those recommendations.

We do not have a set list of criteria that leads us to those decisions, but we do try to find a balance. We do not try to affect safety projects because those are of the utmost importance, but we look at other capacity projects, and we look at preservation projects. Those are typically the other types of projects. Preservation projects are repaving projects. If we want to defer a paving project, we look at whether it can last another year or two years—whatever time we are looking to defer it.

Those are the types of factors we would consider in making that recommendation to the Board. Is it something that can be deferred? Are we going to lose money if we defer it? Are we going to have more costs if we defer it? We definitely would not want to defer a safety project because that is very important to the Department and to the Board.

ASSEMBLYMAN ELLIOT ANDERSON:

There are some days I really admire you Executive Branch officials. You have gotten that awesome experience of getting out of your bed at midnight, Mr. Malfabon.

This still comes down to our capacity to do this work as a Legislature. I feel like we are overmatched. When we talk to you guys, I think we are on different wavelengths sometimes because you have had all this time, and you work at your jobs every day. You have full-time hours, and I do not feel equipped to question what you are telling us at this late hour. Transportation is not my number one issue. I am speaking to comment on the fact that this is like going to a court and not disclosing controlling authority or a persuasive authority, which is really needed. I feel like this is something that should have been provided ahead of time. It has been

difficult this past year because of other stuff that has happened with other agencies. It feels like the hits keep on coming with missing things. Part of that is the issue we have with the Legislature meeting four months every two years, except when we do these special sessions.

I would ask you to put yourself in our shoes and understand how this looks and how this feels. When you combine all the other things that have happened this week, it feels like a lot. I am not sure we can do our due diligence, especially when we are getting things dropped like this, this late at night. I hope you would respect how we feel about that. We are not equipped to do our due diligence, especially at this late hour. I know there has been some consternation back and forth. I have had this discussion with so many people—people in the lobby corps, people in the Executive Branch. How can we do this at one in the morning?

ASSEMBLYWOMAN SWANK:

I believe today there was an RTC of Southern Nevada meeting, and NDOT gave a presentation at that meeting. I believe there were a couple of questions asked by Commissioner Giunchigliani and Mayor Goodman specifically asking about SB 1 and transportation. I am wondering why this report was not brought up when they asked those questions, since you already had the report.

RUDY MALFABON:

I was at the RTC Board meeting. I sit on that Board as well as the Washoe County RTC Board. The question was asked, but I have not even presented this report to my board members, so I was reluctant to share it with the RTC Board. None of my board members have been briefed on this report. I am definitely in the Executive Branch, but I report to my Board. I have the responsibility to brief the board members first. They have not even seen this report yet. It was not timely enough to present on Monday. It was not agendized, and I did not feel comfortable.

I did talk about the fact that NDOT had these projects underway at the RTC Board meeting earlier today. I also talked about the pedestrian bridge, which is an example of a developer-funded improvement that would be needed to support the stadium and that would not be NDOT's responsibility. I did not have a very formal presentation. I just spoke about the report that was finished and that it did not have a fiscal impact because all of these projects were already underway. Someone could add up all these projects and say they impact the stadium, but that is inaccurate. These projects were already underway. I have already made that point. It is too late to belabor it. I wanted to make it clear that it is not because of the stadium that these projects are underway.

ASSEMBLYWOMAN SWANK:

I can understand that it has not been to your Board, but it might have been helpful to say that this was coming so they do not feel like they have been blindsided with this.

I want to ask one more question. You are saying this might shift back some southern Nevada projects. My concern is that if we are going to shift back some of these projects in southern Nevada—and I know Project Neon is right in my neighborhood. I am all over Project Neon every day. For a stadium that we know 55 percent of Nevadans do not want, are we going to ask those folks who live in southern Nevada to give up these transportation improvements that we have not seen during the recession because we did not have the money? I know people complain a lot about the orange cones, but those orange cones show that we are coming back. Now what you are saying is that we are going to take some of those much-needed projects that have already been delayed because of the recession and delay them even further. It is not fair to ask that of people who live in southern Nevada, especially since so many folks are not in support of the stadium. I know this is the way it is going to go. It is not really a question but more of a statement.

RUDY MALFABON:

I want to make a statement. I appreciate that you acknowledged the fact that NDOT is delivering Project Neon. That is on top of our regular work program in southern Nevada and the rest of the state. That is a $560 million project that the Legislature approved bonding for in the last biennium. It is a significant investment in transportation. I feel we need to look at southern Nevada projects. It is a constant prioritization process that occurs with the NDOT Board of Directors. Project readiness is considered as well. We do our best with what we have, but there

are so many needs all across the state. We obviously do not have enough revenue to do everything, but we do the best we can with what we have.

CHAIR ARMSTRONG:

Thank you, Mr. Willden and Mr. Malfabon, for coming and answering all those questions. I appreciate it. It was my call to have you come here. I felt like it would have been inappropriate not to answer some of these questions tonight and leave a lot of those rumors, misinformation, and errors in the newspaper report overnight to cause misinformation and concerns for people. You can put that on me.

With that, we have received some of the amendments back. We are not going to go through them tonight. We will go through them in the morning. I would expect to reconvene at 9 a.m.

At this point, I would entertain a motion to rise and report.

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

ASSEMBLY IN SESSION

At 1:09 a.m.

Mr. Speaker presiding.

Quorum present.

Assemblyman Paul Anderson moved that the Assembly adjourn until Friday, October 14, 2016, at 9 a.m.

Motion carried.

Assembly adjourned at 1:09 a.m.

Approved:

JOHN HAMBRICK
Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly

THE FIFTH DAY

CARSON CITY (Friday), October 14, 2016

Assembly called to order at 11:08 a.m.
Mr. Speaker presiding.
Roll called.
All present.
Prayer by the Chaplain, Richard Snyder.

Creator God, whose blessed Son came not to be served but to serve, bless all in this Assembly who, following in his path, give themselves to the service of others; that with wisdom, patience, and courage, they may address the needs of the people of Nevada. And we ask that You be with them all as they journey in safety to their homes.

AMEN.

Pledge of allegiance to the Flag.

Assemblyman Paul Anderson moved that further reading of the Journal be dispensed with and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, October 13, 2016

To the Honorable the Assembly:

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

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that the Assembly resolve itself into a Committee of the Whole for the purpose of considering Senate Bill No. 1

Motion carried.

COMMITTEE OF THE WHOLE IN SESSION

At 11:14 a.m.
Chair Armstrong presiding.
Quorum present.
Senate Bill No. 1 considered.

CHAIR ARMSTRONG:

I will call the Assembly Committee of the Whole to order. I will start off by saying I hope everybody got a good night's sleep. We have some amendments for SB 1, so we are going to have Mr. Kevin Powers go through the amendments. Mr. Powers, whenever you are ready.

KEVIN POWERS, CHIEF LITIGATION COUNSEL, LEGAL DIVISION, LEGISLATIVE COUNSEL BUREAU:

As you know, the bill is divided into three main parts: the NFL [National Football League] stadium project, the college football stadium project, and the Convention Center project. Because

of that, when we see some of these amendments, they are repeated three times through the bill since they need to be in each of those separate parts. I wanted to emphasize that now. You will see some repetition of the language as we go through.

Starting on page 9 of the amendment before you [Appendix I], the makeup of the Board of Directors of the Stadium Authority is changed in section 22. This will now be a nine-member board instead of a seven-member board. Three of those members will be appointed by the Governor, which is existing. Three members will be appointed by the Board of Commissioners, which is an increase of one. One member will be appointed by the President of the University and must be the executive director in charge of managing events at the University or, if that positions ceases to exist, another officer or employee of the University who has experience managing events. You have those seven members. Those seven members, after the organizational meeting, will choose the additional two members. That stays the same. Those two additional members will be considered from recommendations made by the National Football League team and the developer partner. So it is, in total, a nine-member board instead of a seven-member board.

The next change is in section 23 on page 10. These are technical changes. Because we expanded the board from seven members to nine members, we needed to make technical changes with regard to how the board operates.

The next major change is on page 13 of the amendment, which is section 29. Section 29 begins on page 12, but on page 13, we have our first change. This provision deals with the adequate contribution by the developer for off-site infrastructure that is necessary to carry out the stadium project. This provides that the necessary off-site infrastructure must be specified in the regional infrastructure and service evaluation required for a high-impact project before a special issue permit is issued for the project by Clark County. As you know, in the Clark County code, there are provisions for large-scale projects, which have to go through a high-impact project review. This is what captures the infrastructure that will be necessary for the project.

The next change in section 29 is on page 14, and this takes us to subsection 3, paragraph (h). The lease agreement between the Stadium Authority and the Stadium Events Company, which manages the stadium, has to have several different terms and provisions in it. One of the provisions in the bill is that the lease agreement must establish a reasonable rent to be paid by the University for the use of the project for the regular and postseason home games of the University football team. This adds an exception to provide that "for each regular season home game of the football team, and not more than three other events selected by the University, the reasonable rent must not exceed the actual operational or pass-through costs, excluding any fixed costs, to host the game or event at the project." Essentially, when the University has its home football games and three other events selected by the University, they will be paying only the costs of hosting the events at the stadium and no additional costs above those flat operational costs.

The next amendment is on page 17, section 31.5. This involves the contract between the prime contractor selected for the NFL stadium project and the subcontractors that are then chosen by the prime contractor to carry out the construction work. This has a 15 percent requirement, meaning that 15 percent of all contracting under the subcontract provisions must go to small local businesses. The changes here are to clarify the terms in this section and make it clear that the prime contractor must meet that 15 percent requirement. This also changes some terminology to make it clear that each of those subcontractors must have a mentorship program and that each of those subcontractors must meet all the other requirements of the section that deal with those subcontractors who are subcontracting with small local businesses.

In section 31.5, subsection 8, there is a provision that if there is an insufficient number of small local businesses to meet the 15 percent threshold, then there is a procedure where the Stadium Authority may waive that 15 percent threshold. This provides that in order to obtain that waiver, the prime contractor must present certain proof or evidence. One of those elements of evidence are that reasonable efforts were made to notify small local businesses that these contracts were available, and that must include evidence of public advertisement calling for bids not less than 20 days before the date on which such bids must be submitted. So there is an obligation for the prime contractor to notify small local businesses of this availability. Also, when the prime contractor and its subcontractor have determined whether or not a small local business is qualified to perform that subcontracting work, the contractor must reasonably consider the work experience, safety history, and financial stability of the small local business. So this provides standards for

the prime contractor and its other subcontractors to follow when they are letting these subcontracts to the small local business.

The next change is on page 19, section 33. This is a technical change. In the four sections dealing with the room tax, there is introductory language for each of them. The same introductory clause appears in section 33, section 50, section 57, and section 58 to make it clear that the room tax for the stadium project and for the Convention Center is in addition to all other room tax and does not conflict with any other room tax. That is why the addition of this language is here—to ensure that the specific provisions of this act control over any conflicting provisions of law.

The next change is on page 21, section 34. This is another technical change. The language you see in green, "money in the stadium tax account created pursuant to subsection 3 of section 27 of this act," is in subsection 4 now as well. We wanted to have the same language in subsection 2 and subsection 4 because it refers to the same account: the stadium tax account. This is a technical change to ensure this language is consistent and does not conflict.

We will jump forward a considerable number of pages, and this is where we start getting into the repetition of the amendments. Section 48.5 once again deals with the contracts to small local businesses. The same changes we saw previously in section 31.5 are made here in section 48.5.

On page 36, the introductory language I mentioned in section 33 is now put in section 50 for consistency and to resolve any potential conflicts. We will jump ahead to page 41, section 57, which is the same issue. This makes sure that the introductory language in the tax statutes tracks through sections 33, 50, 57, and 58.

The other change that is made to sections 57 and 58, on page 42, is a sunset provision. Once the bonds issued for the Convention Center project are fully repaid, either early or after their maturity, the tax for the Convention Center project sunsets and goes away. This is a sunset clause.

On page 45, section 61.7 requires, within four years of full repayment of those Convention Center bonds, the Governor to create and appoint an advisory committee to study the issue of whether there is a need to continue that Convention Center tax for additional tourism-related projects. With the sunset, the tax will go away unless the Governor submits that report to the Legislature and the Legislature decides at that time to continue the tax. So the sunset makes the tax go away, but this report will provide the information to the Legislature roughly 30 years from now to determine whether to continue that tax for other tourism-related projects.

Finally, on pages 45 and 46, language is added in section 62 to ensure another sunset. If the NFL stadium project does not come to fruition and then we go into the college football stadium project sections, and if the University does not get the $200 million committed from private funds to proceed with the college football stadium project, then this sunsets the room tax for the college football stadium project, and the money remaining in the college stadium account will go to the Convention Center project. This is to ensure that each of these provisions has a sunset at some point in the imposition of the room tax, depending on the conditions and the contingencies as they play out.

That is an overview of the amendment. I am certainly available for any questions.

ASSEMBLYMAN OHRENSCHALL:

I have a question on section 29 of the amendment [Appendix I]. On page 13, lines 34 through 36 of the new language give a little more certainty as to the definition of an adequate contribution. I am glad to see that in there, and I want to thank my colleague from Carson City for proposing that language and the Chair for considering it.

My question is for Mr. Powers. Is similar verbiage needed to describe "adequate financial security" on page 12, starting at line 50, or do you think it is good enough without additional language?

KEVIN POWERS:

These are two different "adequate" security provisions. I understand what you are saying about the off-site infrastructure. This refers to a high-impact project study that must occur in the county, and that will identify the projects that are necessary for the off-site infrastructure.

The adequate financial security that the developer partner must present to the Stadium Authority Board is defined later in another section, as you heard. Several components must be in place in order for there to be adequate financial security. One of them was an irrevocable letter of credit or the G-4 loan program from the NFL. That other section ties in with this one, so the Board

cannot find adequate financial security unless all those elements of security listed in that other section are satisfied. Although this paragraph does not have that list, it has to be read in conjunction with the other section. All those other provisions define "adequate financial security."

ASSEMBLYMAN OHRENSCHALL:
That does give me more comfort.

ASSEMBLYMAN THOMPSON:
If we could go to page 18 and look at section 31.5, subsection 8, where it talks about the obligation of the prime contractor to do their due diligence in the notification process and solicit small businesses to meet the 15 percent requirement. I totally appreciate this, but would it ultimately be up to the Stadium Authority to look at paragraphs (a) and (b) and make sure that is whole? Because I see paragraph (a), where it refers to evidence of public advertisement. Where? There are numerous publications in the community. How will a small business that might want this opportunity know exactly where to go so they do not miss that 20-day window? I know that is a pie-in-the-sky type of question.

The other part is, sometimes a small business, even though some are getting stronger, may not have the background of work experience or, most importantly, the financial stability. That can be so subjective. I hear it a lot, even in contracting work, because people are required to have certain credit scores and this and that. I just wanted to put those things on the record. Is it ultimately up to the Stadium Authority to receive those rejection statements from the prime contractor?

KEVIN POWERS:
Yes, Mr. Thompson, you are correct. It is structured around the Stadium Authority ultimately making the determination of whether to waive the 15 percent requirement. It is in the best interest of the prime contractor, when it presents evidence of reasonable efforts to notify the small local businesses, to detail in a specific form which type of notice it provided and where it provided that notice, because the Stadium Authority can conclude that if you only provided one notice in the back of a small newspaper that no one looked at, then that could be considered unreasonable. I do not think the prime contractor would want to take the risk of a material breach of contract by unreasonably advertising those bids. The Stadium Authority has that ability to hold the contractor to a reasonable standard and judge whether those efforts were reasonable.

With regard to paragraph (b) and the factors that a contractor takes into consideration, part of this provision is to ensure that the contractor acted reasonably. If you see the language on lines 44 and 45, it says the contractor "reasonably considered the work experience, safety history and financial stability of the small local business." That is to prevent the contractor from acting arbitrarily or unconscionably. The reasonable standard means that it has to judge those elements—work experience, safety history, and financial stability—in a reasonable manner given the general standards in the business industry. So whatever standards apply to the contracting industry, the contractor must act reasonably under those standards and cannot arbitrarily discount the small local business based on their work experience, safety history, or financial stability.

ASSEMBLYMAN GARDNER:
I was told that we were not able to put some kind of a requirement that 50 percent of the jobs go to Nevadans because of a conflict with federal law. I just wanted to double-check that.

KEVIN POWERS:
I think your reference would be to the Commerce Clause of the *U.S. Constitution*. We have done research on this. When the state—or, in this case, a local government—acts as a market participant—in other words, the state uses its money to construct a public facility—it is held to a different standard than when the state is regulating private transactions. So when the state is acting as a market participant, it can favor businesses that are based in Nevada over out-of-state businesses to a certain degree. There is a threshold. The state cannot unreasonably burden interstate commerce. So when the state is acting as a market participant and it acts reasonably in selecting in-state contractors, then that will not be a violation of the Commerce Clause. We have done our research, and we believe this 15 percent threshold satisfies that reasonable standard. There is case law to support that, so we believe this is constitutionally defensible.

ASSEMBLYMAN MOORE:

I am concerned with language on page 14, line 48. I am perplexed by UNLV [University of Nevada, Las Vegas] not paying rent. There is no free tuition. What I am getting at is, if the NFL does not move there and we end up building the stadium for UNLV, does this language enable them to play there and get a free stadium—while we get nothing out of it—on the backs of the taxpayers? I have significant concerns with this.

KEVIN POWERS:

This provision applies only if the NFL stadium project is built. If the NFL stadium project is built, then in the lease agreement with the University, there has to be a reasonable rent established for the home football games for the University because they are playing at the NFL stadium project. However, it is not that the University pays no rent—it pays a reasonable rent. For their home games, that reasonable rent cannot exceed the operational costs. Essentially, the Stadium Events Company cannot make a profit on those home football games and the three other events selected by the University. All the Stadium Events Company can do is recoup their operational costs. They cannot charge anything above their operational costs. Essentially, the rent paid by the University for those home football games at the NFL stadium project would just be the cost of operating the stadium for that day. They do not pay above that cost.

ASSEMBLYMAN MOORE:

Is there any language in here specifically stating that if this NFL stadium does not go through as planned, then this provision will not take effect? I need to see language specifically saying that.

KEVIN POWERS:

Yes, there is language in the bill. For the sake of time, I can point that out to you after if I cannot find it immediately.

If you look on page 45 of the amendment, section 62, subsection 2 is an expiration by limitation clause. It says that sections 21 through 37—which include section 29—"expire by limitation on the date on which the tax imposed pursuant to…section 50." This is one where you have to understand what each section does. Section 50 is the college football stadium project. If section 50 gets triggered, the NFL stadium project sections expire by limitation. If the NFL stadium project does not go forward, then the college football stadium project gets triggered. Once the college football stadium project gets triggered, all of the NFL stadium project sections, including section 29, go away. If the NFL stadium does not come to fruition, the college football stadium project is triggered, and the college football stadium is built, the University does not pay rent at the college football stadium because the University owns the college football stadium. The rent provision you are talking about only exists if the NFL stadium is built and actually comes to fruition.

CHAIR ARMSTRONG:

Thank you, Mr. Powers, for answering those questions. At this point, I would entertain a motion to amend and do pass SB 1, as presented with Amendment No. 12.

ASSEMBLYMAN PAUL ANDERSON:

I move to amend and do pass SB 1 with Amendment No. 12, as discussed.

CHAIR ARMSTRONG:

I have a second. Is there any discussion on the motion? Seeing none, all those in favor, please say aye. Those opposed? Motion carries.

At this point, I would entertain a motion to rise and report.

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

ASSEMBLY IN SESSION

At 11:36 a.m.
Mr. Speaker presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee of the Whole, to which was referred Senate Bill No. 1, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DEREK ARMSTRONG, *Chair*

GENERAL FILE AND THIRD READING

Senate Bill No. 1.

Bill read third time.

The following amendment was proposed by the Committee of the Whole:

Amendment No. 12.

AN ACT relating to tourism infrastructure projects; enacting the Southern Nevada Tourism Improvements Act; establishing in Clark County a stadium district for the financing of a National Football League stadium project or a college football stadium project; creating a public body to carry out the provisions of law governing the National Football League stadium project or the college football stadium project, as applicable; providing for a Board of Directors to govern each such public body; prescribing the powers and duties of such a public body and its Board of Directors; requiring the imposition of taxes on the gross receipts from the rental of transient lodging in the stadium district; providing for the administration, collection, distribution and use of such taxes; requiring the issuance of general obligations of Clark County for the financing of a National Football League stadium project or a college football stadium project under certain circumstances; establishing and prescribing the powers and duties of an Oversight Panel for Convention Facilities in Clark County; requiring the imposition of a tax on the gross receipts from the rental of transient lodging in Clark County and in each incorporated city in the County; requiring the proceeds of this tax to be used to pay the cost of the renovation or expansion of the Las Vegas Convention Center or the principal and interest on bonds or other securities issued to defray the costs of such a project; establishing a maximum amount of the collection fees for the collection of the tax on the gross receipts from the rental of transient lodging in Clark County and incorporated cities in the County; providing that collection fees in excess of the maximum amount must be used for the purpose of renovating or expanding certain convention facilities in Clark County; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill enacts the Southern Nevada Tourism Improvements Act to establish a method to finance projects that are intended to assist the Las Vegas

area in remaining a premier center for entertainment, conventions and trade shows in the world. Specifically, this bill establishes a method to finance: (1) a National Football League stadium project or, if certain conditions for a National Football League stadium project are not satisfied, a college football stadium project for the University of Nevada, Las Vegas; and (2) a renovation and expansion of the Las Vegas Convention Center. **Sections 21-37** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League stadium project. To finance the project, **section 33** imposes a duty on the Board of County Commissioners of Clark County to adopt an ordinance imposing a tax on persons in the business of providing lodging in the stadium district created by **section 21** of this bill. Under **section 38** of this bill, if certain conditions for the undertaking of the National Football League stadium project are not satisfied, the President of the University of Nevada, Las Vegas, may elect to pursue a college football stadium project. If, after the President of the University makes such an election, certain conditions are satisfied, the proceeds of the tax imposed pursuant to **section 33** of this bill must be transferred to a Campus Improvement Authority created by **section 39** of this bill to carry out the college football stadium project under **sections 39-52** of this bill. If the President of the University does not elect to pursue a college football stadium project or makes such an election but fails to satisfy certain conditions, the proceeds of the tax imposed pursuant to **section 33** of this bill must be transferred to the Las Vegas Convention and Visitors Authority and used to pay the costs to renovate or expand the Las Vegas Convention Center pursuant to **sections ~~[53-61.5]~~ 53-61.7** of this bill or the principal and interest on bonds or other securities issued for that project.

Section 21 of this bill creates a stadium district in Clark County to finance a National Football League stadium project and provides that the district consists of all property located in the County that is within a radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings. **Section 21** also creates the Clark County Stadium Authority as a public body to carry out the provisions of this bill governing the National Football League stadium project. **Sections 22 and 23** of this bill set forth the qualifications and the procedure for the appointment of the members of the Board of Directors of the Stadium Authority. **Sections 24-28** of this bill prescribe the general powers of the Stadium Authority and its Board.

Section 29 of this bill requires the Stadium Authority to negotiate and enter into a development agreement for the development and construction of the National Football League stadium project and a lease agreement for the operation of the project if the Board of Directors makes certain determinations relating to the location or relocation of a National Football League team within the stadium district and the selection of partners for the development, construction and operation of the project. **Section 29** requires certain provisions relating to the construction, financing and operation of the National Football League stadium project to be included in the development agreement

and the lease agreement. **Section 35** of this bill sets forth additional provisions which must be included in the development agreement and lease agreement, including, without limitation, the maximum financial contribution of the Stadium Authority to the development and construction of the National Football League stadium project. **Section 29.5** of this bill requires, as part of the development and operation of the National Football League stadium project, the development of a community benefits plan and the creation of a stadium community oversight committee to carry out the community benefits plan. **Section 30** of this bill provides for the confidentiality of certain information provided to the Stadium Authority under certain circumstances. **Section 31** of this bill generally exempts the National Football League stadium project from laws requiring competitive bidding or specifying procedures for the procurement of goods or services, and from the statutory provisions governing public works projects, except that the pertinent construction contracts must comply with the statutory prevailing wage provisions and, if the Stadium Authority determines a subcontract can be competitively bid without affecting the quality of the project, must be competitively bid. Additionally, **section 31.5** of this bill requires that any contract or agreement entered into by a ~~[general]~~ **prime** contractor for the construction of the National Football League stadium project must include provisions requiring that **at least** 15 percent of the subcontracts for the project must be with small local businesses.

Section 32 of this bill requires the Stadium Authority to retain the sole and exclusive right to enter into agreements for the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the National Football League stadium project. Under **section 32**, the proceeds from the sale, license or transfer of such licenses or instruments must be used to pay a portion of the costs of the construction of the National Football League stadium project.

Section 33 of this bill requires the Board of County Commissioners of Clark County to impose a tax on persons in the business of providing lodging in the stadium district at the rate of: (1) eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging located in the primary gaming corridor in the stadium district; and (2) one-half of one percent of the gross receipts from the rental of transient lodging in all other areas of the stadium district. **Section 34** of this bill sets forth the purposes for which the County and the Stadium Authority must use the proceeds of the tax. **Section 36** of this bill requires the Board of County Commissioners of Clark County to issue general obligations of the County in an amount not to exceed $750,000,000 if certain conditions are satisfied and prescribes the procedure for the issuance of those general obligations. **Section 36** also requires the proceeds from the issuance of the general obligations to be distributed to the Stadium Authority and used for certain purposes related to the National Football League stadium project.

If a National Football League team does not commit to locate or relocate to the stadium district within a certain period of time or if certain other conditions are not satisfied, **section 38** of this bill authorizes the President of the University of Nevada, Las Vegas, to pursue a college football stadium project. If such an election is made, **sections 39-52** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of the college football stadium project. **Section 39** of this bill creates a stadium district and a Campus Improvement Authority to carry out the provisions of **sections 39-52** of this bill governing such a college football stadium project. **Sections 40 and 41** of this bill set forth the qualifications and the procedure for the appointment of the members of the Board of Directors of the Campus Improvement Authority. **Sections 42-46** of this bill prescribe the general powers of the Board of Directors of the Campus Improvement Authority, which include, without limitation, the authority to construct and operate a college football stadium project in the stadium district. Additionally, **section 48.5** of this bill requires that any contract or agreement entered into by a ~~[general]~~ **prime** contractor **, construction manager or project manager** for the construction of the college football stadium project must include provisions requiring that **at least** 15 percent of the subcontracts for the project must be with small local businesses. **Section 50** of this bill provides that if a college football stadium project is pursued, the Board of County Commissioners of Clark County must reduce the tax on persons engaged in the business of providing lodging in the stadium district imposed for the National Football League stadium project to a rate of: (1) three-eighths of one percent in the primary gaming corridor in the stadium district; and (2) one-quarter of one percent in all other areas of the stadium district. **Section 51** of this bill sets forth the purposes for which the Campus Improvement Authority may use the proceeds of the tax. **Section 52** of this bill requires the Board of County Commissioners of Clark County to issue general obligations of the County in an amount not to exceed $300,000,000 if certain conditions are satisfied, including, without limitation, a condition requiring the University to raise $200,000,000 for the cost of construction of a college football stadium. **Section 52** also requires the proceeds of these general obligations to be distributed to the Campus Improvement Authority and used for certain purposes related to the college football stadium project.

Sections ~~[53-61.5]~~ **53-61.7** of this bill establish a method to finance the renovation or expansion of the Las Vegas Convention Center. **Section 53** creates in Clark County an Oversight Panel for Convention Facilities and prescribes the composition of the Oversight Panel. **Section 54** requires the Las Vegas Convention and Visitors Authority to provide certain information to the Oversight Panel and to request the Oversight Panel's approval of the plan for the renovation and expansion of the Convention Center and the issuance of bonds to finance that project. **Section 55** sets forth the procedures for the Oversight Panel's review and approval or disapproval of these requests. **Section 56** revises provisions governing the collection fee retained from the

proceeds of the transient lodging tax by Clark County and each incorporated city in the County to provide that: (1) the sum of the collection fees retained by the county and the cities must not exceed a total of 10 percent of the proceeds of the tax or $25,000,000, whichever is less; and (2) any collection fee in excess of a total of $25,000,000 must be used solely for the renovation or expansion of the Convention Center and to pay the principal and interest on securities issued to defray the costs of such a project. Under **sections 57 and 58**, the Board of County Commissioners of Clark County and the city council or other governing body of each incorporated city in the County must impose a tax upon persons engaged in the business of providing lodging at a rate of one-half of one percent on the gross receipts from the rental of transient lodging in the county or city, as applicable. **Sections 59 and 60** require the proceeds of these taxes to be distributed to the Las Vegas Convention and Visitors Authority to be used solely for the expansion of the Convention Center and to pay the principal and interest on securities issued to fund the costs of such a project. **Section 61** prescribes the procedure for the issuance of general obligations, in the name of and on behalf of Clark County, to defray the costs of the renovation or expansion of the Convention Center. Additionally, **section 61.5** of this bill requires that any contract or agreement entered into by a ~~[general]~~ **prime** contractor **, construction manager or project manager** for the construction of the renovation and expansion of the Convention Center must include provisions requiring that **at least** 15 percent of the subcontracts for the project must be with small local businesses. Under **section 38** of this bill, if certain conditions for the construction of the National Football League stadium project and certain conditions for the college football stadium project are not satisfied, the proceeds of the tax imposed to finance those projects must be transferred to the Convention Authority and used to pay the costs to renovate or expand the Las Vegas Convention Center pursuant to **sections ~~[~~53-61.5~~]~~ 53-61.7** of this bill or the principal and interest on bonds or other securities issued for that project.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. This act may be cited as the Southern Nevada Tourism Improvements Act.

Sec. 2. 1. The Legislature hereby finds that:

(a) For more than three decades, the State of Nevada has been one of the fastest-growing states in the United States in terms of population, with the overwhelming majority of this population growth occurring in Clark County, Nevada, a region that is projected to add over 3,000 new residents each month for at least the next 10 years.

(b) Clark County is positioned to continue as one of the fastest-growing areas in the nation, and it is both the home to and the social, cultural and recreational arena and marketplace for a booming population of over 2.14

million residents, with over 2.08 million of those residents living and recreating within the Las Vegas Valley urban area.

(c) The Las Vegas area is also a getaway to over 42 million tourists annually who visit for the world-class entertainment, hospitality, gaming, fine dining and shopping and who want to experience and enjoy the world-famous, unique and incomparably distinctive Las Vegas Strip, known as the heart of the Entertainment Capital of the World.

(d) The number of tourists visiting the Las Vegas area is expected to increase annually, with some projections estimating nearly 1 million additional visits each year.

2. The Legislature hereby finds that:

(a) Because the Las Vegas area is the most visited and economically significant tourism market within this State, the tourism industry within the Las Vegas area is critically important to the economy of that local area and this State, and the continued growth and success of the tourism industry within the Las Vegas area is particularly vital to the general welfare and prosperity of that local area and this State.

(b) A significant part of the continued growth and success of the tourism industry within the Las Vegas area depends upon the unique attractiveness, excitement, atmosphere and vitality of the Las Vegas Strip and the development of new, innovative and diversified facilities, venues and forms of entertainment within the Las Vegas area to ensure that the area may:

(1) Continue to be the preferred and premier destination for tourists from all walks of life in the ever-advancing technological age of the 21st century;

(2) Remain competitive with other national and international tourism destinations that are continually evolving and seeking to draw more tourists to their facilities, venues and forms of entertainment; and

(3) Retain its world-famous, unique and incomparably distinctive status as the Entertainment Capital of the World.

3. The Legislature hereby finds that:

(a) The gaming industry has been an essential component of the economic success of the tourism industry within the Las Vegas area, and the continued growth and success of the gaming industry within the Las Vegas area is particularly vital to the general welfare and prosperity of that local area and this State.

(b) Although the continued growth and success of the gaming industry is essential to the welfare of the Las Vegas area and this State, it is also essential to diversify the tourism industry within the Las Vegas area by developing new, innovative and diversified facilities, venues and forms of entertainment, which will increase overall tourism and economic activity within the Las Vegas area and thereby inure to the benefit of not only the gaming industry and its employees but other local businesses and their employees and the residents of the area as well.

(c) The diversification of the tourism industry within the Las Vegas area promotes the Legislature's economic goals of reducing Nevada's

unemployment rate, stabilizing and improving Nevada's economy, and developing high-value job opportunities by diversifying Nevada's industries, creating and fostering new businesses, retaining and expanding existing businesses and attracting and relocating businesses from outside this State.

4. The Legislature hereby finds that:

(a) It is in the public interest and beneficial to the public welfare to diversify, enhance and grow the largest tourism market in this State through the development of large-scale and one-of-a-kind convention, entertainment and sports venues and facilities within the Las Vegas area, including the Las Vegas Strip, by constructing and operating:

(1) A state-of-the-art stadium capable of attracting professional sports franchises, such as teams from the National Football League or Major League Soccer, hosting national sporting events, such as the Super Bowl and collegiate bowl, playoff, tournament and championship games, and holding other large-scale entertainment and sports events, such as concerts, festivals, motor sports, prizefighting and rodeos; and

(2) An improved, expanded and updated Las Vegas Convention Center so that it is a premier facility for attracting and retaining conventions and trade shows.

(b) Because the Las Vegas area, including the Las Vegas Strip, is the largest tourism market in this State and because the Las Vegas area, including the Las Vegas Strip, is world famous, unique and incomparably distinctive, the Las Vegas area is the only area in this State that:

(1) Is appropriate and suitable for the development of such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities; and

(2) Has all the necessary local and special attributes, conditions and resources that are essential to support such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities, including, without limitation, the necessary economic conditions, capital investment, infrastructure, support industries and businesses, workforce, population and visitors.

5. The Legislature hereby declares that:

(a) Because the Las Vegas area is the only area in this State that is appropriate and suitable for the development of such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities and has all the necessary local and special attributes, conditions and resources that are essential to support such venues and facilities, it is necessary to enact a law of local and special application to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and to benefit the residents of that local and special area.

(b) Therefore, given that a law of local and special application is necessary to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found

nowhere else within this State, and given that such a law is necessary to benefit the residents of that local and special area, a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

Sec. 3. Except as otherwise provided in this act or unless the context otherwise requires, the terms used or referred to in this act have the meanings ascribed to them in the Local Government Securities Law, but the definitions set forth in sections 4 to 20, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

Sec. 4. "Board of County Commissioners" means the Board of County Commissioners of Clark County.

Sec. 5. "Board of Directors":

1. As used in sections 21 to 38, inclusive, of this act, means the Board of Directors of the Stadium Authority appointed pursuant to subsection 1 of section 22 of this act.

2. As used in sections 39 to 52, inclusive, of this act, means the Board of Directors of the Campus Improvement Authority appointed pursuant to subsection 1 of section 40 of this act.

Sec. 6. "Board of Regents" means the Board of Regents of the University of Nevada.

Sec. 7. "Campus Improvement Authority" means the Campus Improvement Authority created by section 39 of this act.

Sec. 8. "College football stadium project" means any enterprise to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district a football stadium capable of hosting the home games of the University's football team and that complies with the requirements of section 46 of this act and all necessary or desirable appurtenances or incidentals thereof.

Sec. 9. "Convention Authority" means the fair and recreation board of the County, designated by resolution pursuant to NRS 244.654 as the Las Vegas Convention and Visitors Authority.

Sec. 10. "County" means Clark County, Nevada.

Sec. 11. "Developer partner" means a person who provides money to pay the costs of the acquisition, construction, leasing, improvement, equipping, operation or maintenance, or any combination thereof, of the National Football League stadium project or the cost of any capital improvements to the National Football League stadium project.

Sec. 12. "National Football League stadium project" means any enterprise to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district a football stadium capable of hosting the home games of the National Football League team and that complies with section 29 of this act and all necessary or desirable appurtenances or incidentals thereof.

Sec. 13. "National Football League team" means the National Football League team that is locating or relocating within the stadium district.

Sec. 14. "Oversight Panel" means the Oversight Panel for Convention Facilities created by section 53 of this act.

Sec. 15. "Person" means a natural person, any form of business or social organization and any other nongovernmental legal entity, including, but not limited to, a corporation, partnership, association, trust or unincorporated organization. The term does not include a government, governmental agency or political subdivision of a government.

Sec. 16. "Stadium Authority" means the Clark County Stadium Authority created by section 21 of this act.

Sec. 17. "Stadium district":

1. As used in sections 21 to 38, inclusive, of this act, means the district created by section 21 of this act to finance the National Football League stadium project.

2. As used in sections 39 to 52, inclusive, of this act, means the district created by section 39 of this act to finance the college football stadium project.

Sec. 18. "Stadium Events Company" means a person whose business is organized under the laws of this State for the purpose of leasing the National Football League stadium project from the Stadium Authority and owned by:

1. The National Football League team or its affiliate;

2. A developer partner or its affiliate; or

3. The National Football League team or its affiliate and a developer partner or an affiliate of a developer partner.

Sec. 19. "System" means the Nevada System of Higher Education.

Sec. 20. "University" means the University of Nevada, Las Vegas.

Sec. 21. 1. There is hereby created in the County a stadium district to finance the National Football League stadium project. The stadium district consists of all property located within:

(a) The County, including, without limitation, all property within an incorporated city in the County; and

(b) A radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings as of the effective date of sections 21 to 37, inclusive, of this act.

2. The Clark County Stadium Authority is hereby created.

3. The Stadium Authority constitutes:

(a) A body corporate and politic; and

(b) A political subdivision of the County, the boundaries of which are coterminous with the boundaries of the stadium district.

4. The County Treasurer is ex officio Treasurer of the Stadium Authority.

5. Except as otherwise provided in this act, the Stadium Authority and its officers and employees are subject to, must comply with and are entitled to all rights, privileges and immunities recognized by the laws of this State applicable to political subdivisions and their officers and employees, including, without limitation, NRS 41.0305 to 41.039, inclusive, and chapters 239, 241, 281 and 281A of NRS, but if there is a conflict between other laws

of this State and the specific provisions of this act, the specific provisions of this act control.

Sec. 22. 1. The Stadium Authority must be governed by a Board of Directors consisting of the County Treasurer, who is a nonvoting, ex officio member of the Board, and ~~[seven]~~ **nine** members to be appointed as follows:

(a) Three members appointed by the Governor, at least one of which must be appointed in the manner set forth in subsection 2.

(b) ~~[Two]~~ **Three** members appointed by the Board of County Commissioners, at least one of which must be appointed in the manner set forth in subsection 2.

(c) **One member appointed by the President of the University who must be the executive director in charge of managing events for the University or, if that position ceases to exist, another officer or employee of the University who has experience in the management of events.**

(d) Two members representing the public elected by the members appointed pursuant to paragraphs (a) **,** ~~[and]~~ (b) ~~[.]~~ **and (c).** In electing members pursuant to this paragraph, the members appointed pursuant to paragraphs (a) **,** ~~[and]~~ (b) **and (c)** shall consider the recommendations of:

(1) A National Football League team that has:

(I) Demonstrated to those members that it is interested in locating or relocating within the stadium district; or

(II) Committed to locate or relocate within the stadium district; and

(2) The person or persons who have:

(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the National Football League stadium project; or

(II) Entered into such a lease.

2. One member appointed pursuant to paragraph (a) of subsection 1 and one member appointed pursuant to paragraph (b) of subsection 1 must be selected from a list of nominees submitted to the appointing authority by the two companies who, either directly or through subsidiaries, affiliates or any related entity under common control with the companies, own or manage the businesses within the County, which in the aggregate generate the greatest amount of taxes on the rental of transient lodging in the County. If the appointing authority reasonably determines that the nominees on any such list of nominees submitted by a nominating company are unacceptable, the companies must submit a new list of nominees. If the appointing authority has determined that no nominee on the first four lists of nominees offered by a nominating company is acceptable, all additional nominations for appointment to the Board must be made by the association of resort hotels whose membership collectively paid the greatest amount of taxes on the rental of transient lodging to the Fund for the Promotion of Tourism pursuant to paragraph (a) of subsection 1 of NRS 244.3354 and paragraph (a) of subsection 1 of NRS 268.0962 in the fiscal year immediately preceding the fiscal year in which the appointment is made and whose members include the two

nominating companies or could include those companies if those companies chose to be members of that association. For purposes of this subsection, "affiliate" includes any company in which a nominating company owns fifty percent or more of the ownership interests.

3. Each member of the Board of Directors must reside within the stadium district and must:

(a) Have experience in the design, engineering and construction of major commercial projects and estimating the costs of the construction of major commercial projects;

(b) Have experience in the financing of capital projects in this State;

(c) Have experience in the field of stadium, arena or event management;

(d) Have experience in workforce development, training, diversity or supplier engagement; or

(e) Be representatives of the private sector and have the education, experience and skills necessary to effectively execute the duties and responsibilities of a member of the Board of Directors.

4. A member of the Board of Directors may not be employed by the same person as another member of the Board or by an affiliate of such a person.

5. A vacancy on the Board of Directors occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the appointing authority.

6. A vacancy on the Board of Directors must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1.

7. A member of the Board of Directors is not entitled to receive any compensation for serving as a member of the Board or as an officer or employee of the Stadium Authority.

8. The members of the Board of Directors are public officers for the purposes of chapter 281A of NRS.

Sec. 23. 1. Not later than 30 days after the effective date of sections 21 to 37, inclusive, of this act:

(a) The Governor shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2018; and

(2) Two members of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2019.

(b) The Board of County Commissioners shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2018; and

(2) ~~[One member]~~ **Two members** of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2019.

(c) The President of the University shall appoint the member of the Board of Directors appointed pursuant to paragraph (c) of subsection 1 of section 22 of this act.

2. Not later than 90 days after the organizational meeting held pursuant to subsection 2 of section 24 of this act, the members of the Board of Directors appointed pursuant to paragraphs (a) **,** ~~[and]~~ (b) **and (c)** of subsection 1 shall elect:

(a) One member of the Board pursuant to paragraph ~~[(c)]~~ **(d)** of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2018; and

(b) One member of the Board pursuant to paragraph ~~[(c)]~~ **(d)** of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2019.

3. After the initial terms, each member of the Board of Directors must be appointed for a 4-year term that begins on the day following the day on which the immediately preceding term expires. A member of the Board of Directors may be reappointed.

Sec. 24. 1. The Governor shall appoint one member of the Board of Directors as Chair of the Board.

2. Not later than 75 days after the effective date of sections 21 to 37, inclusive, of this act, the Board of Directors shall hold an organizational meeting. At the meeting of the Board of Directors held pursuant to this subsection, the Board shall elect:

(a) One of its members as Vice Chair; and

(b) A Secretary, who may be a member of the Board.

3. The Vice Chair of the Board of Directors shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

4. The Board of Directors shall meet regularly in the stadium district at such times and places as it designates. Special meetings of the Board of Directors may be held at the call of the Chair, upon notice to each member of the Board, as often as the needs of the Board require.

5. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) ~~[Four]~~ **Five** members of the Board of Directors constitute a quorum at any meeting of the Board.

(b) The Board of Directors may take action only by a motion or resolution adopted with the approval of at least ~~[four]~~ **five** members of the Board.

6. The Board of Directors constitutes a public body for the purposes of chapter 241 of NRS.

Sec. 25. 1. The Secretary of the Board of Directors shall keep:

(a) Audio recordings or transcripts of all meetings of the Board;

(b) Minutes of all the meetings of the Board;

(c) A record of all the proceedings and actions of the Board;

(d) A copy of any certificates issued or received by the Board;

(e) A copy of any contracts made by the Board; and

(f) Any bonds required by the Board from its employees.

2. The Treasurer of the Stadium Authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board of Directors.

3. The Secretary of the Board of Directors does not constitute a part of the staff of the Stadium Authority for the purposes of section 26 of this act.

4. The Board of Directors may direct the staff of the Stadium Authority to provide the services necessary for the Secretary of the Board and the Treasurer of the Stadium Authority to perform the duties set forth in this section.

Sec. 26. 1. The Stadium Authority may retain such staff as the Board of Directors determines to be necessary to conduct the activities of the Authority. The Stadium Authority may:

(a) Hire the members of the staff of the Authority as employees;

(b) Contract with any governmental entity or person to provide the persons to serve as the staff of the Authority; or

(c) Retain the members of the staff of the Authority using any combination of the methods described in paragraphs (a) and (b).

2. The Board of Directors shall determine:

(a) The powers and duties of the members of the staff of the Authority; and

(b) The amount and basis of compensation for the members of the staff of the Authority.

Sec. 27. The Board of Directors:

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of sections 21 to 37, inclusive, of this act for carrying out the business and affairs of the Stadium Authority; and

3. Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of sections 21 to 37, inclusive, of this act.

Sec. 28. In furtherance of the duties and responsibilities set forth in section 29 of this act, the Stadium Authority may:

1. Proceed with any undertaking and enter into any contracts and other agreements with any person as the Stadium Authority determines to be necessary or desirable.

2. Sue and be sued.

3. Acquire by purchase, lease, gift, devise, condemnation or other legal means, own in its own name, or sell, lease or otherwise dispose of any right, title or interest in land, improvements or any associated air rights or personal property.

4. Enter into any lease, ground lease, sublease or management agreement.

5. Apply for and accept any gift, donation, bequest, grant or other source of money to finance or develop the National Football League stadium project.

6. Require and receive such audits and other measurements of the performance of a developer partner or the Stadium Events Company as it deems necessary to ensure that the operation of the National Football League

stadium project complies with sections 21 to 37, inclusive, of this act, except that the Stadium Authority may not require an audit of the general business of the National Football League team or any developer partner.

7. Consider and approve or disapprove:

(a) An annual capital improvement budget for the National Football League stadium project submitted by the Stadium Events Company.

(b) Any specific requests for capital improvements proposed by the Stadium Events Company or National Football League team.

8. Perform any other act that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the Stadium Authority.

Sec. 29. 1. The Stadium Authority shall negotiate and may enter into a development agreement and a lease agreement that comply with subsections 2 and 3, as applicable, if the Board of Directors:

(a) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that the National Football League has authorized the National Football League team to locate or relocate within the stadium district;

(b) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that the National Football League team has committed to locate or relocate within the stadium district;

(c) Selects as a developer partner one or more persons who have:

(1) Disclosed to the Board as a matter of public record the identity of the person or persons;

(2) Provided documentation satisfactory to the Board to indicate that the person or persons selected to be a developer partner have an affiliation with the National Football League team;

(3) Demonstrated to the satisfaction of the Board that the developer partner is able to successfully develop and construct the National Football League stadium project; and

(4) Provided to the Board adequate financial security for the performance of the financial obligations of a developer partner for the development and construction of the National Football League stadium project; and

(d) Selects a Stadium Events Company which has disclosed to the Board the identity of each of its owners and managers.

2. A development agreement for the National Football League stadium project entered into by the Stadium Authority with a developer partner selected by the Board of Directors pursuant to paragraph (c) of subsection 1 must require the location, design, fit and finish of the National Football League stadium project to be consistent with first-class, premier National Football League facilities currently in operation or approved for construction by the National Football League and:

(a) Identify the site of the project;

(b) Set forth the overall design, scope and specifications of the project, which must include, without limitation, an enclosed football stadium with a seating capacity of approximately 65,000 persons;

(c) Set forth the sources of financing to pay the costs of the development and construction of the project in a manner consistent with the provisions of sections 21 to 37, inclusive, of this act;

(d) Require the developer partner to provide periodic progress reports to the Board of Directors on the status of the development and construction of the project;

(e) Set forth the procedures for the provision of the periodic progress reports described in paragraph (d) and the information required to be included in such reports;

(f) State that any and all development and construction cost overruns for the development and construction of the project must be the sole responsibility of the developer partner, except that any cost overrun must not be the responsibility of the developer partner if the cost overrun is caused by a change in development or construction mandated by the Stadium Authority after the execution of the development agreement, other than a change in development or construction after the execution of the development agreement that is required to comply with a building code, including, without limitation, a change relating to building safety;

(g) Contain provisions that are consistent with sections 31, 31.5 and 35 of this act;

(h) Provide for an adequate contribution by the developer partner for the construction or improvement of any infrastructure off the site of the project that is determined to be necessary for the project by the Department of Transportation, the County or any municipality in which the project is located ~~[;]~~ **and that is specified in the regional infrastructure and service evaluation required for a high impact project before a special use permit is issued for the project;**

(i) Require that the developer partner ensure that no action or inaction by the developer partner, or any person hired or retained by the developer partner to act on behalf of the developer partner, in the development or construction of the project results in a lien against the project that is not cured by the developer partner within a customary amount of time using commercially reasonable efforts, which must be determined in accordance with the laws of this State and must be such time and efforts as are approved by the Board of Directors;

(j) Take into consideration the use of multimodal facilities that use alternative modes of transportation and do not have detrimental impacts on other permitted transportation projects; and

(k) Contain such other terms as deemed necessary and appropriate by the Stadium Authority.

3. A lease agreement entered into by the Stadium Authority with the Stadium Events Company described in paragraph (d) of subsection 1 must set

forth the requirements and responsibilities of the Stadium Events Company with respect to the operation of the National Football League stadium project and must:

(a) Grant the Stadium Events Company full operational control of the project;

(b) Not contain any provision that interferes with the discretion of the Stadium Events Company to operate the project, including, without limitation, a provision restricting in any manner the programs or events that may be held at the project;

(c) Authorize the Stadium Events Company to enter into an agreement with another person to operate the project on a day-to-day basis, as deemed necessary or appropriate by the Stadium Events Company;

(d) Establish a minimum standard for the maintenance of, and capital reinvestment in, the project to ensure that the design and development standards set forth in sections 21 to 37, inclusive, of this act are maintained or enhanced throughout the term of the lease agreement;

(e) Provide for the annual allocation of the revenue from, and expenses of, the operation of the project in a manner consistent with sections 21 to 37, inclusive, of this act;

(f) State that the Stadium Events Company and the developer partner are liable jointly and severally for the operating losses of the project or the Stadium Events Company;

(g) Provide for the accommodation of a sufficient number of dates to host at the project the regular and postseason home games of the University football team, subject to the following conditions and restrictions:

(1) Any National Football League event has priority of use of the project and the National Football League team has priority to use the project for its home games and priority over dates, stadium assets and the playing surface;

(2) Any date for a regular or postseason home game of the University football team at the project must:

(I) Not conflict with the use of the project by the National Football League team for a home game of the National Football League team;

(II) Not conflict with major events that are not National Football League events that were scheduled to be hosted at the project before the University finalized the schedule of home games for its football team for the applicable season;

(III) Be mutually agreed upon by the University and the Stadium Events Company; and

(IV) Be approved by the Stadium Authority;

(3) After the University has finalized the schedule of home games for its football team for the applicable season and the dates of those home games have been approved by the Stadium Authority, the date of a home game may not be changed to accommodate an event that is not a National Football League event without the approval of the University; and

(4) If a change to the schedule of home games for the University football team is proposed for the purpose of allowing a home game of the team to be televised, the Stadium Events Company or the National Football League team must use reasonable commercial efforts to assess the feasibility of the change and allow the change to be made if it is commercially reasonable, except that such change must not interfere with or impair the ability of the National Football League team to play a home game at the project;

(h) Establish a reasonable rent to **be** paid by the University for the use of the project for the regular and postseason home games of its football team **~~[;]~~ , except that for each regular season home game of the football team, and not more than three other events selected by the University, the reasonable rent must not exceed the actual operational or pass-through costs, excluding any fixed costs, to host the game or event at the project;**

(i) Provide that on the date of a regular or postseason home game of the University football team:

(1) The University must be given such access to the project and its facilities and amenities as is reasonably necessary to create an environment reasonably consistent with a home game for a college football team in Division I Football Bowl Subdivision, or its successor division, of the National Collegiate Athletics Association or its successor organization; and

(2) The National Football League team must have simultaneous access to such areas of the project as are needed by the team to prepare for a home game of the team that occurs on the day following the date of the home game of the University football team, provided that such access must not impede or interfere with the use of, or access to, the project by the University;

(j) Provide that the Stadium Authority has the discretion to resolve any disputes relating to the provisions of the lease agreement described in paragraphs (g), (h) and (i) and that the resolution of such a dispute by the Stadium Authority is final;

(k) Require an annual audit of the Stadium Events Company by an independent certified public accountant in this State who does not provide any similar or related services to a developer partner or the National Football League team, or any affiliate, subsidiary, principal or related party of a developer partner or the National Football League team, and who is selected by the mutual agreement of the Stadium Authority and the Stadium Events Company;

(l) Require the cost of the audit described in paragraph (k) to be divided equally between the Stadium Authority and the Stadium Events Company;

(m) Require that the term of any lease or sublease entered into by the Stadium Events Company with the National Football League team must be at least 30 years;

(n) State that a person owning an ownership interest in the Stadium Events Company may sell or otherwise transfer the person's ownership interest to a related or unrelated third party only upon the approval of the Stadium

Authority and that the Stadium Authority must not unreasonably withhold such approval;

(o) Provide that the Stadium Authority must comply with the confidentiality provisions of section 30 of this act; and

(p) Such other terms and conditions as deemed necessary and appropriate by the Board of Directors.

4. The Stadium Authority may enter into a combined development and lease agreement that complies with the provisions of subsections 2 and 3.

Sec. 29.5. 1. The developer partner and the Stadium Events Company shall develop a community benefits plan to ensure the greatest possible participation by all segments of the local community in the economic opportunities available in connection with the design, construction and operation of the National Football League stadium project developed by the developer partner and operated by the Stadium Events Company.

2. A stadium community oversight committee must be created to carry out the community benefits plan developed pursuant to subsection 1. The stadium community oversight committee is hereby authorized to enforce the provisions of the community benefits plan which it was created to carry out.

Sec. 30. 1. Except as otherwise provided in subsection 3 and NRS 239.0115, the Stadium Authority shall keep confidential any record or other document provided to the Stadium Authority by a developer partner, the National Football League team or the Stadium Events Company, which is in the possession of the Stadium Authority, if the person providing the information:

(a) Submits a request in writing that the record or other document be kept confidential by the Stadium Authority; and

(b) Demonstrates to the satisfaction of the Stadium Authority that the record or other document contains proprietary or confidential information.

2. If the Stadium Authority determines that a record or other document contains proprietary or confidential information, the Chair of the Board of Directors shall attach to the file containing the record or document:

(a) A certificate signed by him or her stating that a request for confidentiality was made by the requesting entity and the date of the request;

(b) A copy of the written request submitted by the requesting entity;

(c) The documentation to support the request submitted by the requesting entity; and

(d) A copy of the decision of the Stadium Authority determining that the record or other document contains proprietary or confidential information.

3. Records and documents that are confidential pursuant to this section:

(a) Are proprietary or confidential information of the requesting entity;

(b) Are not a public record; and

(c) Must not be disclosed to any person who is not an officer or employee of the Stadium Authority unless the requesting entity consents to the disclosure.

4. As used in this section, "proprietary or confidential information" has the meaning ascribed to it in NRS 360.247.

Sec. 31. 1. Except as otherwise provided in sections 21 to 37, inclusive, of this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to sections 21 to 37, inclusive, of this act by the Stadium Authority, a developer partner or any related entity relating to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance, or any combination thereof, of the National Football League stadium project or any portion thereof, or the provision of materials or services for the project are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreement of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to the project even if the estimated cost of the construction work is not greater than $250,000 or the construction work does not qualify as a public work, as defined in subsection 17 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of the project shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The Stadium Authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the County had undertaken the project or had awarded the contract.

2. The Stadium Authority and any prime contractor, construction manager or project manager selected by the Stadium Authority or a developer partner shall competitively bid all subcontracts involving construction which the Stadium Authority determines can be competitively bid without affecting the quality of the National Football League stadium project. Any determination by the Stadium Authority that such a subcontract can or cannot be competitively bid without affecting the quality of the National Football League stadium project is conclusive in the absence of fraud or a gross abuse of discretion. The Stadium Authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must, in addition to the requirements of section 31.5 of this act, provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the Stadium Authority regarding the establishment of one or more procedures for competitive bidding, and any determination by a developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder, is conclusive in the absence of fraud or a gross abuse of discretion.

Sec. 31.5. 1. In addition to any other requirements set forth in sections 21 to 37, inclusive, of this act, and except as otherwise provided in subsection 8, a development agreement entered into pursuant to section 29 of this act, a lease agreement entered into pursuant to that section, or a combined development agreement and lease agreement entered into pursuant to that section and any other agreement of any kind entered into by the Stadium Authority with a developer partner, must include provisions which require that any contract or other agreement entered into by a ~~[general]~~ **prime** contractor selected by the Stadium Authority or a developer partner for the construction of the National Football League stadium project must include a provision requiring ~~[the general contractor to subcontract]~~ **that** at least 15 percent of the National Football League stadium project **must be subcontracted** to small local businesses.

2. A business shall be deemed to be a small local business for the purposes of this section if:

(a) The business is financially and operationally independent from any other business;

(b) The business is not temporary and has operated for at least 4 years before entering into the contract or agreement;

(c) The business maintains its principal place of business in a fixed location within this State;

(d) The business has obtained all necessary licenses and registration within this State; and

(e) The ~~[gross earnings]~~ **annual revenues** of the business for each of the immediately preceding 3 fiscal years has not exceeded:

(1) For public works projects, $20,000,000;

(2) For any other construction projects, $10,000,000;

(3) For any goods, materials, equipment and general services contracts, $10,000,000;

(4) For professional services including, without limitation, architectural and engineering services, $2,500,000; and

(5) For trucking services, $3,500,000.

3. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall allow ~~[such a]~~ **the** small local business to be covered by any bond or insurance of the ~~[general]~~ contractor and may require the subcontractor to pay a proportionate share of the cost for such coverage by the bond or insurance.

4. A small local business to which work is subcontracted by a ~~[general]~~ contractor pursuant to ~~[this section]~~ **a contract or other agreement described in subsection 1** must ensure that its employees are hired in a manner that does not discriminate against any person on any basis prohibited by law. Such a contractor that subcontracts such work shall not impose any requirements on the small local business relating to the employees selected by the small local business to perform the subcontracted work.

5. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or agreement described in** subsection 1 shall provide a mentorship program to assist the small local business to develop the skills necessary to carry out the work that is subcontracted.

6. A ~~[general]~~ **prime contractor and each** contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall submit information to the Stadium Authority verifying that the ~~[general]~~ contractor has complied with the provisions of this section, and shall maintain all records, including, without limitation, any information required by the Stadium Authority, to ensure compliance with this section for not less than 5 years after the expiration of the subcontract. Such records must be made available for inspection to the Stadium Authority upon request.

7. Unless the requirements of subsection 1 are waived by the Stadium Authority pursuant to subsection 8, the failure of a ~~[general]~~ **prime** contractor to ~~[subcontract the amount of work required pursuant to]~~ **comply with the requirements of** subsection 1 shall be deemed a material breach of contract.

8. The Stadium Authority may waive the requirements of subsection 1 if a ~~[general]~~ **prime** contractor presents proof satisfactory to the Stadium Authority that there is an insufficient number of small local businesses available and qualified to subcontract for the work to be performed. **Such proof must include, without limitation, evidence that:**

(a) Reasonable efforts were made to notify small local businesses of the availability of work to be performed under a contract or other agreement

described in subsection 1, which must include evidence of public advertisement calling for bids for a period of not less than 20 days before the date on which such bids must be submitted; and

(b) In considering the availability and qualifications of a small local business to perform work under a contract or other agreement described in subsection 1, a contractor reasonably considered the work experience, safety history and financial stability of the small local business.

Sec. 32. 1. The Stadium Authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the National Football League stadium project to generate revenues used for construction of the National Football League stadium project.

2. The Stadium Authority may not grant any other person the right to enter into such agreements, but it may in the development agreement entered into pursuant to subsection 2 of section 29 of this act or a combined development and lease agreement entered into pursuant to subsection 4 of section 29 of this act, agree that any agreements regarding personal seat licenses or similar instruments will be made only in consultation with the developer partner or, if applicable, the Stadium Events Company and the National Football League team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the National Football League stadium project, including the home games of the National Football League team.

3. Proceeds from the sale of personal seat licenses or similar instruments must be collected by or on behalf of the Stadium Authority for the benefit of the National Football League stadium project and are a payment by purchasers to the owner of the National Football League stadium project for special rights of access to events at the National Football League stadium project.

4. Personal seat licenses or similar instruments representing rights to seats, which are not in an enclosed suite, must not include rights for use of the seat at any event that is a college football game involving the University, unless the System has entered into an agreement with the Stadium Authority allowing those licenses or similar instruments to include those home games. Notwithstanding the above provisions of this section, the System is entitled to the revenue from the sale, license or transfer of personal seat licenses or similar instruments, which are not for seats in an enclosed suite, in an amount that represents the right to seats at football games involving the University.

5. With the consent of the Stadium Events Company and the National Football League team, the Stadium Authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party, the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. Any financing or similar transaction by any such third party to affect such sale:

(a) Shall not be deemed a debt of the Stadium Authority for any purpose;

(b) Must not provide for recourse for monetary damages against the Stadium Authority for any reason, including any actual or alleged nonperformance by any person;

(c) Shall not give rise to any obligation or liability for monetary damages of the Stadium Authority to any person, including the third party or anyone purchasing a personal seat license or providing financing based on personal seat licenses through such third party or otherwise, but may, with the approval of the Stadium Events Company, provide remedies against the Stadium Events Company; and

(d) May allow for an action for specific performance against the Stadium Authority.

Sec. 33. 1. ~~[The]~~ **In addition to all other taxes imposed on the revenue from the rental of transient lodging and notwithstanding any other law, the** Board of County Commissioners shall by ordinance impose upon all persons in the business of providing lodging in the stadium district a tax at the rate of:

(a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging within the primary gaming corridor.

(b) One-half of one percent of the gross receipts from the rental of transient lodging in an area within the stadium district but outside the primary gaming corridor.

2. The tax imposed pursuant to subsection 1 may be collected from paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the County for the tax whether or not the tax is actually collected from a paying guest.

3. The tax imposed pursuant to subsection 1:

(a) Must be imposed in each incorporated city within the stadium district, in addition to being imposed in the portion of the stadium district which is not in an incorporated city;

(b) Must be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the County or city;

(c) Must be collected and enforced in the same manner as any other tax imposed in the County or city on the gross receipts from the rental of transient lodging, except that the tax must be remitted to the County by each person in the business of providing lodging in the stadium district; and

(d) May be pledged to the payment of the bonds or other securities issued pursuant to section 36 of this act.

4. The ordinance enacted pursuant to this section must:

(a) Specify the date on which the tax must first be imposed, which must be the first day of the month that is not less than 3 months or more than 4 months after the adoption of the ordinance.

(b) Provide that any parcel of land, building or other structure located partially within the stadium district is deemed to be wholly within the stadium district.

5. Not later than 30 days after the adoption of the ordinance enacted pursuant to this section, the Board of County Commissioners shall amend the ordinance to include a provision establishing the geographic boundaries of the primary gaming corridor within the stadium district. The geographic boundaries of the primary gaming corridor must be a single, contiguous area. The initial amendment establishing the geographic boundaries of the primary gaming corridor must base those boundaries on the geographic area comprising the submarket within the stadium district with the greatest amount of gaming revenue as reported in the most recent edition of the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. The Board of County Commissioners may from time to time amend or modify the geographic boundaries of the primary gaming corridor to include areas which would have been included within the geographic boundaries of the primary gaming corridor if the Board of County Commissioners were establishing those boundaries at the time of the amendment or modification, but any such amendment or modification of the geographic boundaries of the primary gaming corridor must not impair any outstanding bonds or any revenues pledged to their payment. The rate of the tax set forth in paragraph (a) of subsection 1 applies to all persons in the business of providing lodging in the primary gaming corridor established pursuant to this subsection, regardless of whether that person is licensed to conduct gaming on the premises of the business and regardless of whether the business of that person is specifically included in the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. Any amendment adopted pursuant to this subsection must provide that any parcel of land, building or other structure located partially within the primary gaming corridor is deemed to be wholly within the primary gaming corridor. The decision of the Board of County Commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud.

6. Upon repayment of the bonds or other securities to which the proceeds of the tax imposed pursuant to subsection 1 may be pledged, the Board of County Commissioners shall amend the ordinance imposing the tax to reduce the rate of the tax to an amount deemed sufficient by the Board to pay the amounts set forth in subsection 5 of section 34 of this act, except that the rate of the tax imposed on persons described in paragraph (a) of subsection 1 and persons described in paragraph (b) of subsection 1 must be the same rate, and that rate must not exceed one-eighth of one percent.

7. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of the ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of the Board of County Commissioners relating to the adoption or amendment of the ordinance.

8. As used in this section:

(a) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

(b) "Primary gaming corridor" means the primary gaming corridor in the stadium district, the geographic boundaries of which are established by the Board of County Commissioners pursuant to subsection 5.

Sec. 34. 1. After paying any amounts needed to pay any principal, interest or other costs due in connection with any bonds or securities issued to finance or refinance the National Football League stadium project and to establish a reserve fund to secure the payment of such bonds or other securities, the County Treasurer shall distribute the proceeds of the tax imposed pursuant to section 33 of this act to the Stadium Authority. The Stadium Authority shall deposit such proceeds into the stadium tax account created pursuant to subsection 3 of section 27 of this act.

2. Except as otherwise provided in subsection 3, before the issuance of bonds or other securities pursuant to section 36 of this act, the Stadium Authority shall use the ~~[proceeds of the tax imposed pursuant to section 33 of this act and any applicable penalty or interest]~~ **money in the stadium tax account created pursuant to subsection 3 of section 27 of this act** only for one or more of the following purposes:

(a) To pay all or part of the cost to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district the National Football League stadium project.

(b) To establish a bond reserve fund and other reserves for the payment of the principal of bonds issued pursuant to section 36 of this act or of the sinking fund payments with respect to such bonds, the purchase or redemption of such bonds, the payment of interest on such bonds or the payment of any redemption premium required to be paid when the bonds are redeemed before maturity.

(c) To pay the costs incurred by the Stadium Authority to carry out the provisions of sections 21 to 37, inclusive, of this act in an amount not to exceed $1,000,000.

3. The Stadium Authority shall not expend any proceeds of the tax imposed pursuant to section 33 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, the National Football League stadium project unless:

(a) The costs are costs described in paragraph (c) of subsection 2; or

(b) The conditions set forth in paragraphs (a) to (d), inclusive, of subsection 1 of section 29 of this act have been satisfied.

4. Except as otherwise provided in subsection 5, after the issuance of bonds or other securities pursuant to section 36 of this act, the Stadium Authority shall use money in the stadium tax account created pursuant to subsection 3 of section 27 of this act only for the following uses:

(a) To pay the administrative costs of the Stadium Authority in an amount not to exceed $2,000,000 each fiscal year, as adjusted annually pursuant to subsection 6.

(b) From the proceeds remaining after the payments required by paragraph (a), to supplement the cost of operating and maintaining the National Football League stadium project if the Board of Directors determines such payments

are necessary because the Stadium Events Company has failed to perform or breached the lease agreement entered into pursuant to subsection 3 of section 29 of this act or a combined development and lease agreement entered into pursuant to subsection 4 of section 29 of this act.

(c) From the proceeds remaining after the payments required by paragraphs (a) and (b), to create and make contributions to a debt service reserve fund in an amount not to exceed $9,000,000 each fiscal year until the maximum debt service reserve level on bonds or other securities issued pursuant to section 36 of this act is two times the average annual debt service.

(d) From the proceeds remaining after the payments required by paragraphs (a), (b) and (c), to make payments to the University each fiscal year for a period of not more than 10 fiscal years commencing in the first fiscal year in which the National Football League stadium project is open to the public and Sam Boyd Stadium ceases operations, in an amount that the Board of Directors determines is necessary to compensate the University for the loss of net income as a result of the operation of the National Football League stadium project, as demonstrated by the University, but not to exceed $3,500,000 each fiscal year. In determining the amount of the loss of net income pursuant to this paragraph, the Board of Directors shall:

(1) Consider the loss of net income from football and other events hosted at Sam Boyd Stadium and any increase in net income for the University generated by the use of the National Football League stadium project by the University.

(2) Use a base year for calculating changes in net income that is:

(I) Not earlier than Fiscal Year 2015-2016; and

(II) Determined by mutual agreement between the Board of Directors and the University to be the fiscal year that is most representative of the net income of the University from the operation of Sam Boyd Stadium before the National Football League stadium project is open to the public.

If the proceeds remaining after the payments required by paragraphs (a), (b) and (c) are insufficient to make a payment due to the University in any given year as set forth in this paragraph, the amount remaining due to the University must be carried forward and made payable in subsequent future years when sufficient money is available. Interest is not due on a payment carried forward pursuant to this paragraph. If an amount carried forward pursuant to this paragraph remains unpaid at the end of the 10-year period described in this paragraph, the remaining amount must be carried forward beyond the 10-year period until such time as all amounts carried forward are paid in full.

(e) From the proceeds remaining after the payments required by paragraphs (a) to (d), inclusive, and upon completion of the National Football League stadium project, to make contributions to the stadium capital projects fund created pursuant to subsection 3 of section 27 of this act in an amount equal to at least $5,000,000 per fiscal year, as adjusted annually pursuant to subsection 6.

(f) From the proceeds remaining after the payments required by paragraphs (a) to (e), inclusive, to make payments to a fund to provide early debt retirement, a fund to make capital improvements to the National Football League stadium project in an amount determined by the Stadium Authority and to a fund to pay for any infrastructure required on or around the project, except that no payment pursuant to this paragraph may violate any covenant made in connection with bonds or other securities issued pursuant to section 36 of this act and, if any payment would violate such a covenant, the amount of the payment must be used for such purpose as specified in the ordinance or other instrument under which the bond or other security is issued.

5. After the bonds and other securities issued pursuant to section 36 of this act have been fully repaid and retired, the Stadium Authority may use the proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act:

(a) To pay the operating expenses of the Authority;

(b) To pay for capital improvements to the National Football League stadium project.

6. The monetary amounts specified in paragraphs (a) and (e) of subsection 4 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the consumer price inflation index between the calendar year ending on December 31, 2015, and the calendar year immediately preceding the fiscal year for which the adjustment is made.

7. Any reserve fund described in this section to secure the payment of bonds or other securities issued pursuant to section 36 of this act must be held by the County or a trustee for the bonds. The reserve fund must be funded with cash and investments permitted by the bond ordinance and NRS 355.170. Interest on money in the reserve fund must remain in the fund and be used for the purposes for which the fund was created. Money in the reserve fund may be:

(a) Used to pay the final years' debt service on the bonds or other securities secured by the reserve funds if the money in the fund is fully sufficient to retire all outstanding bonds secured thereby;

(b) At the option of the Stadium Authority, when all bonds or other securities issued pursuant to section 36 of this act and any bonds or securities refunding those bonds or securities are no longer outstanding, transferred to the stadium capital projects fund created pursuant to subsection 3 of section 27 of this act;

(c) A combination of the purposes set forth in paragraphs (a) and (b).

8. As used in this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, U.S. City Average, West Urban (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Stadium Authority.

Sec. 35. 1. In addition to the requirements set forth in section 29 of this act, a development agreement entered into pursuant to that section, a lease agreement entered into pursuant to that section, or a combined development agreement and lease agreement entered into pursuant to subsection 4 of section 29 of this act and any other agreement of any kind entered into by the Stadium Authority with a developer partner, the Stadium Events Company or the National Football League team, or any affiliate, subsidiary or entity related to such a person, must provide that:

(a) The contribution of the Stadium Authority to the costs of construction of the National Football League stadium project, excluding debt service on the bonds or other securities issued pursuant to section 36 of this act and the proceeds from the sale, transfer or license of personal seat licenses, stadium builder's licenses or other similar instruments pursuant to section 32 of this act and the sale of other assets of the project which must be used to pay the costs of the project and capital improvements thereto, must not exceed the lesser of:

(1) The amount of $750,000,000; or

(2) The amount of money generated by the tax imposed pursuant to subsection 1 of section 33 of this act before the issuance of bonds or other securities pursuant to section 36 of this act, plus the maximum amount that may be raised from the issuance of bonds and other securities pursuant to section 36 of this act that are secured by the proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act, as reasonably determined by the chief financial officer of the County, after payment of issuance costs and the cost of funding the reserve fund.

(b) The total debt undertaken by the Board of County Commissioners at the request of the Stadium Authority must not at any time exceed the amount set forth in paragraph (a), minus the amount generated by the tax imposed pursuant to subsection 1 of section 33 of this act before the issuance of bonds or other securities pursuant to section 36 of this act. Any bonds issued to refund bonds issued pursuant to section 36 of this act must not be taken into account in calculating compliance with the debt limit set forth in this paragraph.

(c) Except as otherwise provided in this paragraph, all land, improvements and other property of any kind included in the total cost of the National Football League stadium project pursuant to paragraph (g) of subsection 1 of section 36 of this act shall be the sole and exclusive property of the Stadium Authority and shall be exempt from ad valorem property taxes in this State. The provisions of this paragraph do not apply to any leasehold improvements that the Stadium Authority and the Stadium Events Company or the National Football League team agree are made solely by the Stadium Events Company or the National Football League team. If any such property remains in existence at the expiration of the lease, that property must be transferred to the Stadium Authority at the expiration of the lease agreement and, at that time, becomes the sole and exclusive property of the Stadium Authority, unless otherwise provided in an agreement between the Stadium Authority and the Stadium Events Company or the National Football League team.

(d) A developer partner and the National Football League team must ensure that any required transfer of land, improvements or property occurs before the issuance of bonds or other securities pursuant to section 36 of this act or simultaneously with the issuance of those bonds or other securities.

(e) The land on which the National Football League stadium project is to be located must be dedicated to the Stadium Authority at no cost to the Stadium Authority before the issuance of bonds or other securities pursuant to section 36 of this act or simultaneously with the issuance of those bonds or other securities.

2. Except as otherwise provided in this act, the contribution of the Stadium Authority to the cost of the development and construction of the National Football League stadium project must be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the contribution to the cost of the development and construction of the project by the developer partner and:

(a) The developer partner shall pay the initial $100,000,000 of the costs of the National Football League stadium project, excluding the value of any land purchased by the developer partner or contributed to the project.

(b) Payments after the initial payment described in paragraph (a) will be pro-rata based on the percentage of the total cost of the project described in paragraph (g) of subsection 1 of section 36 of this act to be paid from money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act, excluding the proceeds of the tax used to pay principal and interest on the bonds or other securities issued pursuant to section 36 of this act, compared to the costs to be paid from other sources, as adjusted to reflect that money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act, excluding the proceeds of the tax used to pay principal and interest on the bonds or other securities issued pursuant to section 36 of this act, will be used to pay the last $50,000,000 of the cost of the project.

(c) The procedures for making monthly draws for the cost of the project will be delineated in a trust agreement which will ensure that no money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act is expended unless money of the developer partner is simultaneously expended and that no funds of the developer partner are expended unless money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act is simultaneously expended, except for the initial payment described in paragraph (a) and the last payment described in paragraph (b).

(d) A trust agreement governing the draw of money for the costs of the project will detail the evidence required to be provided before a draw can be

made and the requirements for an independent engineer to review all work before the draw of money.

(e) The independent engineer described in paragraph (d) will review the project sources and uses of money each month and, if the independent engineer determines that there is a need for additional money for the project because of a cost overrun, no payment may be made from money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act or the tax imposed pursuant to subsection 1 of section 33 of this act until the cost overrun is paid from a source or combination of sources described in subparagraphs (1) to (4), inclusive, of paragraph (e) of subsection 1 of section 36 of this act.

Sec. 36. 1. The Board of Directors shall request that the Board of County Commissioners issue general obligations of the County pursuant to subsection 2 if the Board of Directors determines that:

(a) The Stadium Authority has entered into a development agreement and a lease agreement pursuant to subsections 2 and 3 of section 29 of this act or a combined development and lease agreement pursuant to subsection 4 of section 29 of this act.

(b) The proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act that will be pledged to the payment of the general obligations will generate sufficient revenue to meet or exceed the debt service coverage ratio of 1.5 times the anticipated annual debt service for each year of the term of the obligations.

(c) The contract for the construction of the National Football League stadium project is a guaranteed maximum price contract with a contingency amount of 10 percent of the estimated hard costs of the National Football League stadium project or such lesser percentage as is determined to be adequate by the Board of Directors but not less than 5 percent of the estimated hard costs of the project.

(d) The prime contractor for the construction of the National Football League stadium project has provided adequate security to guarantee timely performance of the construction of the project and liquidated damages related thereto.

(e) A developer partner has provided a financing commitment that the Board of Directors finds is sufficient to pay the portion of the estimated cost of the National Football League stadium project that is to be paid from sources other than money derived from the proceeds of the bonds or other securities issued pursuant to this section and the tax imposed pursuant to subsection 1 of section 33 of this act, plus the contingency amount approved by the Board pursuant to paragraph (c), and is secured by any combination of the following:

(1) An irrevocable deposit of cash into a stadium project construction fund held in trust by a commercial bank with trust powers, which is established by a developer partner and the Stadium Authority and which cannot be used for any purpose other than payment of the cost of the project until those costs have been paid in full.

(2) Closed construction debt financing, from a lender or lenders rated "A- " or better by Standard and Poor's Rating Services or "A3" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors, which allows draws for the costs of construction of the project, interest during construction and any costs of issuance. A draw under the closed construction debt financing may be subject to conditions precedent, including, without limitation, a condition that there has been delivery of proof of the availability of County money, a condition that there has been delivery of satisfactory reports from an independent engineer that certifies work being paid for under the closed construction debt financing has been completed and that stored materials have been verified, any condition required by state or federal regulations or regulators governing banks and any condition that relates to confirmation of insurance for the project. Such conditions precedent may also be required by the Board of County Commissioners or the Stadium Authority to allow a draw on the proceeds of the bonds or other securities issued pursuant to this section which are held in trust by a commercial bank with trust powers.

(3) Approved National Football League financing through the G-4 loan program of the National Football League, or its successor program, which allows draws for the costs of construction of the project and no other purpose until those costs have been paid in full, if the lender is rated "A-" or better by Standard and Poor's Rating Services or "A3" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors. A draw under the National Football League financing may be subject to the conditions precedent set forth in subparagraph (2).

(4) Irrevocable letters of credit or commitments to pay the costs of construction of the project, which irrevocably and unconditionally allow draws for the costs of construction of the project and no other purpose until those costs have been paid in full, which is provided by a bank with at least $1 billion in assets that is rated "A" or better by Standard and Poor's Rating Services or "A2" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors.

(f) A developer partner has any development agreements required by state or local governments relative to providing adequate offsite infrastructure improvements for the National Football League stadium project.

(g) The Stadium Authority and a developer partner have agreed on an estimate of the total cost of the National Football League stadium project.

2. Except as otherwise provided in subsection 3, upon the request of the Board of Directors pursuant to subsection 1, the Board of County Commissioners shall issue general obligations of the County in an amount not to exceed $750,000,000. After payment of the costs of issuing the bonds and making provisions for any required reserves, the proceeds of any bonds issued pursuant to this subsection must be allocated to the Stadium Authority to be used for the National Football League stadium project.

3. The Board of County Commissioners shall not issue general obligation bonds pursuant to subsection 2 unless the Board finds that:

(a) The requirements of subsection 1 have been satisfied; and

(b) Payment of the costs of construction of the National Football League stadium project will be made over time by both the Stadium Authority and a developer partner in accordance with subsection 2 of section 35 of this act.

4. The securities required to be issued pursuant to this section must be issued pursuant to the Local Government Securities Law, and any bonds issued pursuant to this section may be refunded by the County as provided in the Local Government Securities Law.

5. If the Board of County Commissioners issues general obligations of the County pursuant to subsection 2 after the Board of Directors has made the determination set forth in paragraph (b) of subsection 1:

(a) The bonds may be issued without complying with the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020, pursuant to an ordinance of the Board of County Commissioners as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under the laws of this State.

(b) The bonds are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of general obligation indebtedness for the purposes set forth in sections 21 to 37, inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) The bonds must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 had been made by the Board of County Commissioners and approved by the debt management commission of the County under subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

6. Any determination or finding by the Board of Directors or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

Sec. 37. 1. The Board of Directors shall dissolve the Stadium Authority and wind up its affairs if the Board makes any of the following determinations:

(a) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after the effective date of those sections, the National Football League has not authorized the National Football League team to locate or relocate within the stadium district.

(b) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after the effective date of those sections, the National Football League team has not committed to locate or relocate within the stadium district.

(c) Within 18 months after the adoption of the ordinance imposing the tax required by subsection 1 of section 33 of this act, the Stadium Authority has

not approved and entered into a development agreement pursuant to subsection 2 of section 29 of this act.

(d) Within 18 months after the adoption of an ordinance imposing the tax required by subsection 1 of section 33 of this act, the Stadium Authority has not approved and entered into a lease agreement pursuant to subsection 3 of section 29 of this act.

(e) Within 18 months after the adoption of an ordinance imposing the tax required by subsection 1 of section 33 of this act, the Stadium Authority has not approved and entered into a combined development and lease agreement pursuant to subsection 4 of section 29 of this act.

(f) The Stadium Authority has no outstanding financial obligations and seven members of the Board vote to dissolve the Stadium Authority.

2. If the Board of Directors makes a determination described in subsection 1 and is required to dissolve and wind up the affairs of the Stadium Authority pursuant to that subsection:

(a) Not later than 90 calendar days after the Board makes the determination, the Stadium Authority must be dissolved and its affairs wound up.

(b) The Chair of the Board must provide notice of the determination and the intent of the Board to dissolve the Stadium Authority and wind up its affairs to the:

(1) Governor; and

(2) President of the University.

Sec. 38. 1. Within 90 days after receipt of notice that the Board of Directors has voted to dissolve the Stadium Authority and wind up its affairs for any reason set forth in paragraphs (a) to (f), inclusive, of subsection 1 of section 37 of this act, the President of the University may elect to pursue a college football stadium project. If the President of the University elects to pursue a college football stadium project, he or she must provide written notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project.

2. If, within 90 calendar days after receipt of notice of the vote of the Board of Directors to dissolve the Stadium Authority and wind up its affairs pursuant to subsection 2 of section 37 of this act, the President of the University has provided notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project, the Board of Directors of the Stadium Authority must cause the money remaining in the stadium tax account created pursuant to subsection 3 of section 27 of this act, after provision is made for the payment of any outstanding financial obligations or liabilities of the Stadium Authority, to be transferred to the college football stadium tax account created pursuant to subsection 3 of section 45 of this act.

3. If, within 90 calendar days after receipt of notice of the vote of the Board of Directors to dissolve the Stadium Authority and wind up its affairs pursuant to subsection 2 of section 37 of this act, the President of the University has not

provided notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project, the Board of Directors must cause the money remaining in the stadium tax account created pursuant to subsection 3 of section 27 of this act, after provision is made for the payment of any outstanding financial obligations or liabilities of the Stadium Authority, to be transferred to the Convention Authority. The Convention Authority must use such money to pay the costs of the project described in paragraph (a) of subsection 3 of section 59 of this act or the principal and interest on bonds or other securities issued to defray the costs of that project.

4. If, within 90 calendar days after receipt of notice of the vote of the Board of Directors to dissolve the Stadium Authority and wind up its affairs pursuant to subsection 2 of section 37 of this act, the President of the University provides notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project but, within 24 months after the date on which he or she provides that notice, has not secured a commitment of private money for the college football stadium project that, when combined with the revenue of the University projected to be generated from the college football stadium project, results in a commitment of at least $200,000,000 for the college football stadium project, the money remaining in the college football stadium tax account created pursuant to subsection 3 of section 45 of this act must be transferred to the Convention Authority. The Convention Authority must use such money to pay the costs of the project described in paragraph (a) of subsection 3 of section 59 of this act or the principal and interest on bonds or other securities issued to defray the costs of that project.

Sec. 39. 1. A stadium district to finance a college football stadium project is hereby created. The stadium district consists of all property located within:

(a) The County, including, without limitation, all property that is within an incorporated city in the County; and

(b) A radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings as of the effective date of sections 39 to 52, inclusive, of this act.

2. There is hereby created a Campus Improvement Authority.

3. The Campus Improvement Authority constitutes:

(a) A body corporate and politic; and

(b) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

4. The County Treasurer is ex officio Treasurer of the Campus Improvement Authority.

5. Except as otherwise provided in this act, the Campus Improvement Authority and its officers and employees are subject to, must comply with and are entitled to all rights, privileges and immunities recognized by the laws of this State applicable to political subdivisions and their officers and employees,

including, without limitation, NRS 41.0305 to 41.039, inclusive, and chapters 239, 241, 281 and 281A of NRS, but if there is a conflict between other laws of this State and the specific provisions of this act, the specific provisions of this act control.

Sec. 40. 1. The Campus Improvement Authority must be governed by a Board of Directors consisting of the County Treasurer, who is a nonvoting, ex officio member of the Board and nine members to be appointed as follows:

(a) One member appointed by the Governor.

(b) Four members appointed by the Board of Regents, three of whom must be members of the Board of Regents and one of whom must be a member of the Board of Regents or an officer of the University.

(c) One member appointed by the Board of County Commissioners, who must be a member of the Board of County Commissioners or an officer of the County.

(d) One member appointed by the Convention Authority, who must be a member of the Board of Directors of that Authority who is not a member of the Board of County Commissioners.

(e) Two members elected by the members appointed pursuant to paragraphs (a) to (d), inclusive, who must be employed in an executive position in the stadium district by a business in the tourism, hotel and gaming industry.

2. A vacancy on the Board of Directors occurs when a member:

(a) Dies or resigns;

(b) Is removed, with or without cause, by the person or entity who appointed that member; or

(c) Ceases to be qualified for appointment as a member pursuant to the provisions of subsection 1.

3. A vacancy on the Board of Directors must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (e) of subsection 1 whose position becomes vacant as a result of his or her cessation of employment in an executive position in the stadium district by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.

4. A member of the Board of Directors is not entitled to receive any compensation for serving as a member of the Board of Directors or as an officer employee of the Board or the Campus Improvement Authority.

5. The members of the Board of Directors are public officers for the purposes of chapter 281A of NRS.

Sec. 41. 1. Not later than 30 days after the effective date of sections 39 to 52, inclusive, of this act:

(a) The Governor shall appoint the member of the Board of Directors appointed pursuant to paragraph (a) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on

September 30 of the second year following the year in which the appointment was made.

(b) The Board of Regents shall appoint:

(1) Two members of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the year following the year in which the appointment was made; and

(2) Two members of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the second year following the year in which the appointment was made.

(c) The Board of County Commissioners shall appoint the member of the Board of Directors pursuant to paragraph (c) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the year following the year in which the appointment was made.

(d) The Convention Authority shall appoint the member of the Board of Directors pursuant to paragraph (d) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the second year following the year in which the appointment was made.

2. Not later than 90 days after the organizational meeting held pursuant to subsection 1 of section 42 of this act, the members of the Board of Directors appointed pursuant to subsection 1 shall elect two members of the Board pursuant to paragraph (e) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the year following the year in which the appointment was made.

3. After the initial terms, each member of the Board of Directors must be appointed for a 4-year term that begins on the day following the day on which the immediately preceding term expires. A member of the Board of Directors may be reappointed.

Sec. 42. 1. Not later than 75 days after the effective date of sections 39 to 52, inclusive, of this act, the Board of Directors shall hold an organizational meeting. At the meeting of the Board of Directors held pursuant to this section, the Board shall elect:

(a) One of its members as Chair;

(b) One of its members as Vice Chair; and

(c) A Secretary, who may be a member of the Board.

2. The Vice Chair of the Board of Directors shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting of the Board.

3. The Board of Directors shall meet regularly in the stadium district at such times and places as it designates. Special meetings of the Board of Directors may be held at the call of the Chair, upon notice to each member of the Board, as often as the needs of the Board require.

4. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) Six of the members of the Board of Directors constitute a quorum at any meeting of the Board.

(b) The Board of Directors may take action only by a motion or resolution adopted with the approval of at least six members of the Board.

5. The Board of Directors constitutes a public body for the purposes of chapter 241 of NRS.

Sec. 43. 1. The Secretary of the Board of Directors shall keep:

(a) Audio recordings or transcripts of all meetings of the Board;

(b) Minutes of all the meetings of the Board;

(c) A record of all the proceedings and actions of the Board;

(d) A copy of any certificates issued or received by the Board;

(e) A copy of any contracts made by the Board; and

(f) Any bonds required by the Board from its employees.

2. The Treasurer of the Campus Improvement Authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board of Directors.

3. The Secretary of the Board of Directors does not constitute a part of the staff of the Campus Improvement Authority for the purposes of section 44 of this act.

Sec. 44. 1. The Campus Improvement Authority may retain such staff as the Board of Directors determines to be necessary to conduct the activities of the Authority. The Campus Improvement Authority may:

(a) Hire the members of the staff of the Authority as employees;

(b) Contract with any governmental entity or person to provide the persons to serve as the staff of the Authority; or

(c) Retain the members of the staff of the Authority using any combination of the methods described in paragraphs (a) and (b).

2. The Board of Directors:

(a) Shall determine:

(1) The powers and duties of the members of the staff of the Campus Improvement Authority; and

(2) The amount and basis of compensation for the members of the staff of the Campus Improvement Authority.

(b) May delegate any of its powers and duties to any member of the staff of the Campus Improvement Authority as the Board determines to be appropriate, except that the Board shall not delegate:

(1) Any of the specific obligations or responsibilities of the Board imposed by sections 39 to 52, inclusive, of this act; or

(2) Any ability to bind the Campus Improvement Authority to a contract that would require an expenditure by the Authority in excess of such an amount as the Authority determines to be appropriate, which amount must not exceed the sum of $500,000. The monetary amount specified in this subparagraph must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the consumer price

inflation index between the calendar year ending on December 31, 2015, and the calendar year immediately preceding the fiscal year for which the adjustment is made.

3. As used in this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, U.S. City Average, West Urban (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Campus Improvement Authority.

Sec. 45. The Board of Directors:

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of sections 39 to 52, inclusive, of this act, for carrying on the business and affairs of the Campus Improvement Authority; and

3. Shall create a college football stadium tax account, a college football stadium capital projects fund and a campus improvement authority operating account to carry out the provisions of sections 39 to 52, inclusive, of this act.

Sec. 46. 1. Except as otherwise provided in section 47 of this act, the Campus Improvement Authority may:

(a) Enter into any contracts and other agreements with any person or other entity that the Board of Directors determines to be necessary or desirable to conduct the business of the Authority.

(b) Sue and be sued.

(c) Proceed with the college football stadium project and enter into any contracts or other agreements that the Board of Directors determines to be necessary or desirable therefor. The contracts and other agreements authorized by this paragraph:

(1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of the college football stadium project or any part thereof;

(2) Must provide for the construction of a football stadium that has a seating capacity of not less than 40,000 persons and a location, design, fit and finish that is consistent with similar facilities for university football teams in the premier conferences in the Division I Football Bowl Subdivision, or its successor division, of the National Collegiate Athletic Association or its successor organization; and

(3) Are not subject to the limitations of subsections 1 and 2 of NRS 353.260.

(d) Enter into a lease, ground lease or management agreement with the System authorizing the Campus Improvement Authority to lease from the System any land, or any portion thereof, owned by the System and any improvements thereon, or to manage any such land or improvements for the

System, on such terms as may be acceptable to the Board of Directors and the Board of Regents and which do not violate any covenants concerning any securities issued by the Board of Regents, if:

(1) The property subject to the lease, ground lease or management agreement is limited to:

(I) Land and improvements that will be developed and used for the college football stadium project; and

(II) Any other land, improvements and appurtenances that the Board of Regents determines to be necessary or desirable to carry out such a purpose;

(2) The Board of Regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and

(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the Campus Improvement Authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the System and will no longer be subject to the lease, ground lease or management agreement.

(e) Enter into, with any person or other entity:

(1) One or more subleases of all or any portion of any land or improvement leased to the Campus Improvement Authority;

(2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the Campus Improvement Authority is authorized to manage, control or occupy;

(3) One or more leases or management agreements pertaining to the college football stadium project or any facility owned by the Campus Improvement Authority; or

(4) Any combination of the agreements described in subparagraphs (1), (2) and (3),

on such terms as may be acceptable to the Board of Directors and which are not inconsistent with the terms of the lease, ground lease or management agreement with the System pursuant to which the Campus Improvement Authority has possession or control of the property. The leases, ground leases, subleases and management agreements authorized by this paragraph are not subject to the limitations of subsections 1 and 2 of NRS 353.260.

(f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with a college football stadium project and take such action as may be necessary or desirable to effect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the Campus Improvement

Authority has possession or control of the land or improvements upon which the college football stadium project is located.

(g) Receive, control, invest and order the expenditure of the proceeds of the taxes imposed pursuant to subsection 1 of section 50 of this act and any other money pertaining to or derived from the college football stadium project, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated city in the County, or from any other person or entity, for the purposes of the college football stadium project.

(h) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes of sections 39 to 52, inclusive, of this act.

2. If the Campus Improvement Authority has no indebtedness or other financial obligations, the Board of Directors, by an affirmative vote of at least six of its members, may dissolve the Authority.

Sec. 47. 1. Except as otherwise provided in section 51 of this act, the Board of Directors and any person to whom the Board delegates any of its powers or duties shall not:

(a) Expend or authorize the expenditure of any money in the college football stadium tax account created pursuant to subsection 3 of section 45 of this act unless the Campus Improvement Authority has entered into a lease, ground lease or management agreement with the System pursuant to paragraph (d) of subsection 1 of section 46 of this act which authorizes the college football stadium project.

(b) Proceed with the college football stadium project or issue any securities to defray in whole or in part any cost of the college football stadium project unless the Campus Improvement Authority has entered into a lease, ground lease or management agreement with the System pursuant to paragraph (d) of subsection 1 of section 46 of this act which authorizes the college football stadium project.

2. The campus improvement authority shall not own any land, but may own improvements on land located in the stadium district if the Board of Regents, in its sole discretion, allows that ownership.

Sec. 48. 1. Except as otherwise provided in sections 39 to 52, inclusive, of this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to sections 39 to 52, inclusive, of this act by the Campus Improvement Authority, the System or any related entity relating to the college football stadium project financed in whole or in part pursuant to sections 39 to 52, inclusive, of this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance, or any combination thereof, of the college football stadium project or any portion thereof, or the provision of materials or services for the college football stadium project are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreement of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to the college football stadium project financed in whole or in part pursuant to sections 39 to 52, inclusive, of this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to the college football stadium project financed in whole or in part pursuant to sections 39 to 52, inclusive, of this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to the project even if the estimated cost of the construction work is not greater than $250,000 or the construction work does not qualify as a public work, as defined in subsection 17 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of the project shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The Campus Improvement Authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of the college football stadium project and any subcontractor on the college football stadium project shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The Campus Improvement Authority and any prime contractor, construction manager or project manager selected by the Campus Improvement Authority shall competitively bid all subcontracts involving construction which the Campus Improvement Authority determines can be competitively bid without affecting the quality of the college football stadium project. Any determination by the Campus Improvement Authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The Campus Improvement Authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must, in addition to the requirements of section 48.5 of this act, provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the Campus Improvement Authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the Authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

Sec. 48.5. 1. In addition to any other requirements set forth in sections 39 to 52, inclusive, of this act, and except as otherwise provided in subsection 8, any contract entered into by ~~[a general contractor selected by the Campus Improvement Authority or by]~~ any prime contractor, construction manager or project manager selected by the Campus Improvement Authority for the construction, alteration, repair or remodeling of the college football stadium project must include a provision requiring ~~[the general contractor to subcontract]~~ **that** at least 15 percent of the college football stadium project **must be subcontracted** to small local businesses.

2. A business shall be deemed to be a small local business for the purposes of this section if:

(a) The business is financially and operationally independent from any other business;

(b) The business is not temporary and has operated for at least 4 years before entering into the contract or agreement;

(c) The business maintains its principal place of business in a fixed location within this State;

(d) The business has obtained all necessary licenses and registration within this State; and

(e) The ~~[gross earnings]~~ **annual revenues** of the business for each of the immediately preceding 3 fiscal years has not exceeded:

(1) For public works projects, $20,000,000;

(2) For any other construction projects, $10,000,000;

(3) For any goods, materials, equipment and general services contracts, $10,000,000;

(4) For professional services including, without limitation, architectural and engineering services, $2,500,000; and

(5) For trucking services, $3,500,000.

3. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall allow ~~[such a]~~ **the** small local business to be covered by any bond or insurance of the ~~[general]~~ contractor and may require the subcontractor to pay a proportionate share of the cost for such coverage by the bond or insurance.

4. A small local business to which work is subcontracted by a ~~[general]~~ contractor pursuant to ~~[this section]~~ **a contract or other agreement described in subsection 1** must ensure that its employees are hired in a manner that does not discriminate against any person on any basis prohibited by law. Such a contractor that subcontracts such work shall not impose any requirements on the small local business relating to the employees selected by the small local business to perform the subcontracted work.

5. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall provide a mentorship program to assist the small local business to develop the skills necessary to carry out the work that is subcontracted.

6. A ~~[general]~~ **prime contractor, construction manager or project manager, and each** contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall submit information to the Campus Improvement Authority verifying that the ~~[general]~~ **prime contractor, construction manager, project manager or** contractor has complied with the provisions of this section, and shall maintain all records, including, without limitation, any information required by the Campus Improvement Authority, to ensure compliance with this section for not less than 5 years after the expiration of the subcontract. Such records must be made available for inspection to the Campus Improvement Authority upon request.

7. Unless the requirements of subsection 1 are waived by the Campus Improvement Authority pursuant to subsection 8 the failure of a ~~[general]~~ **prime** contractor **, construction manager or project manager** to ~~[subcontract the amount of work required pursuant to]~~ **comply with the requirements of** subsection 1 shall be deemed a material breach of contract.

8. The Campus Improvement Authority may waive the requirements of subsection 1 if a ~~[general]~~ **prime** contractor **, construction manager or project manager** presents proof satisfactory to the Campus Improvement Authority that there is an insufficient number of small local businesses available and qualified to subcontract for the work to be performed. **Such proof must include, without limitation, evidence that:**

(a) Reasonable efforts were made to notify small local businesses of the availability of work to be performed under a contract or other agreement described in subsection 1, which must include evidence of public advertisement calling for bids for a period of not less than 20 days before the date on which such bids must be submitted; and

(b) In considering the availability and qualifications of a small local business to perform work under a contract or other agreement described in subsection 1, a contractor reasonably considered the work experience, safety history and financial stability of the small local business.

Sec. 49. The provisions of sections 39 to 52, inclusive, of this act do not require the University or the Board of Regents to enter into any lease, ground lease, management agreement or any other contract or agreement.

Sec. 50. 1. ~~[The]~~ **In addition to all other taxes imposed on the revenue from the rental of transient lodging and notwithstanding any other law, the** Board of County Commissioners shall by ordinance impose upon all persons in the business of providing lodging in the stadium district a tax at the rate of:

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging within the primary gaming corridor.

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in an area within the stadium district but outside the primary gaming corridor.

2. The tax imposed pursuant to subsection 1 may be collected from paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the County for the tax whether or not the tax is actually collected from a paying guest.

3. The tax imposed pursuant to subsection 1:

(a) Must be imposed in each incorporated city within the stadium district, in addition to being imposed in the portion of the stadium district which is not in an incorporated city.

(b) Must be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the County or city;

(c) Must be collected and enforced in the same manner as any other tax imposed in the County or city on the gross receipts from the rental of transient lodging;

(d) Must be distributed to the Campus Improvement Authority, which shall use the proceeds of the taxes in the manner set forth in section 51 of this act; and

(e) May be pledged to the payment of the bonds or other securities issued pursuant to section 52 of this act.

4. The ordinance enacted pursuant to this section must:

(a) Specify the date on which the tax must first be imposed, which must be the first day of the month that is not less than 3 months or more than 4 months after the adoption of the ordinance.

(b) Provide that any parcel of land, building or other structure located partially within the stadium district is deemed to be wholly within the stadium district.

5. Not later than 30 days after the adoption of the ordinance enacted pursuant to this section, the Board of County Commissioners shall amend the ordinance to include a provision establishing the geographic boundaries of the primary gaming corridor within the stadium district. The geographic boundaries of the primary gaming corridor must be a single, contiguous area. The initial amendment establishing the geographic boundaries of the primary gaming corridor must base those boundaries on the geographic area comprising the submarket within the stadium district with the greatest amount of gaming revenue as reported in the most recent edition of the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. The Board of County Commissioners may from time to time amend or modify the geographic boundaries of the primary gaming corridor to include areas which would have been included within the geographic boundaries of the primary gaming corridor if the Board of County Commissioners were establishing those boundaries at the time of the amendment or modification, but any such amendment or modification of the geographic boundaries of the primary gaming corridor must not impair any outstanding bonds or any revenues

pledged to their payment. The rate of the tax set forth in paragraph (a) of subsection 1 applies to all persons in the business of providing lodging in the primary gaming corridor established pursuant to this subsection, regardless of whether that person is licensed to conduct gaming on the premises of the business and regardless of whether the business of that person is specifically included in the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. Any amendment adopted pursuant to this subsection must provide that any parcel of land, building or other structure located partially within the primary gaming corridor is deemed to be wholly within the primary gaming corridor. The decision of the Board of County Commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud.

6. Upon repayment of the bonds or other securities to which the proceeds of the tax imposed pursuant to subsection 1 may be pledged, the Board of County Commissioners shall amend the ordinance imposing the tax to reduce the rate of the tax to an amount deemed sufficient by the Board to pay the normal operating expenses of the Campus Improvement Authority and the obligation of the Authority for capital improvements to the college football stadium project, except that the rate of the tax imposed on persons described in paragraph (a) of subsection 1 and persons described in paragraph (b) of subsection 1 must be the same rate, and that rate must not exceed one-tenth of one percent.

7. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of the ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of the Board of County Commissioners relating to the adoption or amendment of the ordinance.

8. As used in this section:

(a) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

(b) "Primary gaming corridor" means the primary gaming corridor in the stadium district, the geographic boundaries of which are established by the Board of County Commissioners pursuant to subsection 5.

Sec. 51. 1. After paying any amounts needed to pay any principal, interest or other costs due in connection with any bonds or securities issued to finance or refinance the college football stadium project and to establish a reserve fund to secure the payment of such bonds or other securities, the County Treasurer shall distribute the remaining proceeds of the tax imposed pursuant to section 49 of this act to the Campus Improvement Authority. The Campus Improvement Authority shall deposit such proceeds into the college football stadium tax account created pursuant to subsection 3 of section 45 of this act.

2. Except as otherwise provided in subsection 3, before the issuance of bonds or other securities pursuant to section 52 of this act, the proceeds of the tax imposed pursuant to section 50 of this act and any applicable penalty or

interest, and any other money in the college football stadium tax account, must be used by the Campus Improvement Authority:

(a) To pay all or part of the cost to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district the college football stadium project;

(b) To establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 52 of this act;

(c) To pay the costs incurred by the Campus Improvement Authority to carry out the provisions of sections 39 to 52, inclusive, of this act in an amount not to exceed $1,000,000; or

(d) For any combination of the uses set forth in paragraphs (a), (b) and (c).

3. After the issuance of bonds or other securities pursuant to section 52 of this act, the Campus Improvement Authority shall use the proceeds of the tax imposed pursuant to section 50 of this act and any other money in the college football stadium tax account only for the following uses and in the following order of priority:

(a) To pay any amounts needed to pay any principal, interest or other costs due in that fiscal year in connection with any bonds or other securities issued pursuant to section 52 of this act to finance or refinance the construction of the college football stadium project, including, without limitation, any reserve funds created to secure the payment of such bonds or other securities and any past due amounts from any prior fiscal year.

(b) To pay the costs of capital improvements to the college football stadium project and for the maintenance of the college football stadium capital projects fund created pursuant to subsection 3 of section 45 of this act in an amount determined by the Board of Directors.

Sec. 52. 1. The Board of Directors shall request that the Board of County Commissioners issue general obligations of the County pursuant to subsection 2 if the Board of Directors determines that:

(a) Within 24 months after the effective date of sections 39 to 52, inclusive, of this act, the University has secured a commitment of private money for the college football stadium project that, when combined with the revenue of the University projected to be generated from the college football stadium project, results in a commitment of at least $200,000,000 for the college football stadium project;

(b) The proceeds of the tax imposed pursuant to subsection 1 of section 50 of this act that will be pledged to the payment of the general obligations will generate sufficient revenue to meet or exceed the debt service coverage ratio of 1.5 times the anticipated annual debt service for each year of the term of the obligations;

(c) The contract for the construction of the college football stadium project is a guaranteed maximum price contract with a contingency amount of 10 percent of the estimated hard costs of the college football stadium project or such lesser percentage as is determined to be adequate by the Board of Directors but not less than 5 percent of the estimated hard costs of the project;

(d) The prime contractor for the construction of the college football stadium project has provided adequate security to guarantee timely performance of the construction of the project and liquidated damages related thereto; and

(e) The University has provided a financing commitment that the Board of Directors finds is sufficient to pay $200,000,000 of the estimated cost of the college football stadium project and is secured by any combination of the following:

(1) An irrevocable deposit of cash into an escrow account in a commercial bank with trust powers which cannot be used for any purpose other than payment of the costs of the college football stadium project until those costs have been paid in full.

(2) Closed construction debt financing which irrevocably and unconditionally allows draws for the costs of construction of the college football stadium project and no other purpose until those costs have been paid in full.

(3) Irrevocable letters of credit, surety bonds or commitments to fund costs of construction of the college football stadium project, which irrevocably and unconditionally allows draws for the costs of construction of the college football stadium project and no other purpose until those costs have been paid in full.

The obligor on any security for payment of the costs of construction described in subparagraph (2) or (3) must be rated "A" or better by Standard and Poor's Rating Services or "A2" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors.

2. Except as otherwise provided in subsection 3, upon the request of the Board of Directors pursuant to subsection 1, the Board of County Commissioners shall issue general obligations of the County in an amount not to exceed $300,000,000. After payment of the costs of issuing the bonds and making provisions for any required reserves, the proceeds of any bonds issued pursuant to this subsection must be allocated to the Campus Improvement Authority to be used for the college football stadium project.

3. The Board of County Commissioners shall not issue general obligation bonds pursuant to subsection 2 unless it finds that the requirements of subsection 1 have been satisfied.

4. The securities required to be issued pursuant to this section must be issued pursuant to the Local Government Securities Law, and any bonds issued pursuant to this section may be refunded by the County as provided in the Local Government Securities Law.

5. If the Board of County Commissioners issues general obligations of the County pursuant to subsection 2 after the Board of Directors has made the determination set forth in paragraph (b) of subsection 1:

(a) The bonds may be issued without complying with the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020, pursuant to an ordinance of the Board of County Commissioners as provided in the Local Government

Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under the laws of this State.

(b) The bonds are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of general obligation indebtedness for the purposes set forth in sections 39 to 52, inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) The bonds must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 had been made by the Board of County Commissioners and approved by the debt management commission of the County under subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

6. Any determination or finding by the Board of Directors or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

Sec. 53. 1. There is hereby created in the County the Oversight Panel for Convention Facilities. The Oversight Panel must be comprised of seven members nominated pursuant to subsection 2 and appointed by the Governor pursuant to subsection 3.

2. The Board of County Commissioners, the city council or other governing body of each incorporated city in the County, the Majority Leader of the Senate, the Speaker of the Assembly and the Nevada Resort Association shall each nominate persons who reside in the County to be a member of the Oversight Panel and submit those nominees to the Governor.

3. From the nominees submitted to the Governor pursuant to subsection 2, the Governor shall appoint the seven members of the Oversight Panel as follows:

(a) Five members who are executives or directors of construction for a resort hotel in the County and who have experience in managing the design, engineering, cost-estimating and construction of commercial conference or convention facilities; and

(b) Two members who have experience in the financing of capital projects in this State.

4. Each member of the Oversight Panel must be a resident of the County, and no two members of the Oversight Panel may be representatives of the same company or its affiliate.

5. The initial term for members appointed to the Oversight Panel pursuant to paragraph (a) of subsection 3 commences upon appointment and expires on June 30, 2018, and the initial term for members appointed to the Oversight Panel pursuant to paragraph (b) of subsection 3 commences upon appointment and expires on June 30, 2019. After the initial terms, the term of each member of the Oversight Panel is 2 years. Members of the Oversight Panel may be reappointed.

6. The Governor shall appoint the Chair and Vice Chair of the Oversight Panel.

7. The Oversight Panel shall meet at the call of the Chair as frequently as necessary to perform its duties. Upon request of the Legislature, the Governor or the Board of Directors of the Convention Authority, the Chair shall call a meeting of the Oversight Panel.

8. Except as otherwise provided in this act, the Oversight Panel and its officers and employees are subject to, must comply with and are entitled to all rights, privileges and immunities recognized by the laws of this State applicable to political subdivisions and their officers and employees, including, without limitation, NRS 41.0305 to 41.039, inclusive, and chapters 239, 241, 281 and 281A of NRS, but if there is a conflict between other laws of this State and the specific provisions of this act, the specific provisions of this act control.

9. The Oversight Panel shall dissolve itself not later than the earlier of:

(a) Ten years after the effective date of this section; or

(b) The date on which the Oversight Panel determines that the project described in paragraph (a) of subsection 3 of section 59 of this act is completed.

Sec. 54. The Convention Authority shall:

1. Provide administrative support to the Oversight Panel to ensure its ability to fulfill the duties and responsibilities set forth in section 55 of this act.

2. Provide to the Oversight Panel all information requested by the Oversight Panel.

3. On or before June 30 of each fiscal year ending in an even-numbered year, prepare a 3-year plan for the renovation and expansion of the convention facilities of the Convention Authority and a 5-year plan for the construction of such convention facilities, which are being financed by the revenue described in section 56 of this act and the proceeds of the taxes imposed pursuant to sections 57 and 58 of this act, and submit such plans to the Oversight Panel for its review and recommendations.

4. Provide to the Oversight Panel an annual progress report on the project described in paragraph (a) of subsection 3 of section 59 of this act after such a report has been accepted by the Board of Directors of the Convention Authority.

5. Request the approval of the Oversight Panel of the plan for the project described in paragraph (a) of subsection 3 of section 59 of this act.

6. Request the approval of the Oversight Panel for the issuance of such bonds.

7. On or before August 31 of each fiscal year, submit to the Oversight Panel for review an annual third-party audit of the use of the revenues described in section 56 of this act and the proceeds of the taxes imposed pursuant to sections 57 and 58 of this act.

Sec. 55. 1. Not later than 30 days after the Convention Authority requests approval of a plan for the project described in paragraph (a) of subsection 3 of section 59 of this act and the issuance of bonds for the project, the Oversight Panel shall review and approve or disapprove the plan.

2. Not later than 30 days after the Convention Authority requests, pursuant to subsection 6 of section 54 of this act, the approval of the Oversight Panel for the issuance of bonds to defray in whole or in part the cost of the project described in paragraph (a) of subsection 3 of section 59 of this act, the Oversight Panel shall review and approve or disapprove the issuance of such bonds.

3. If the Oversight Panel disapproves a request submitted pursuant to subsection 1 or 2, the Board of Directors of the Convention Authority may override that decision and proceed with the plan or issuance of bonds by an affirmative vote of two-thirds of the voting members of the Board. If the Board does not override the decision of the Oversight Panel pursuant to this subsection, the Convention Authority must revise its request and resubmit the request to the Oversight Panel.

Sec. 56. 1. Pursuant to subsection 2 of NRS 244A.645, the city council or other governing body of each incorporated city in the County and the Board of County Commissioners shall enter into an agreement with the Convention Authority which provides for the payment of a collection fee to each city and the County each fiscal year and which must be consistent with any existing agreement among the cities and the County. The agreement must provide for a collection fee in an amount not to exceed the lesser of:

(a) Ten percent of the gross revenues of the license taxes which are assigned or appropriated for use in connection with NRS 244A.597 to 244A.655, inclusive, and collected by each city and the County; or

(b) A total of $25,000,000.

2. Any collection fee which exceeds the amount set forth in subsection 1 and which would have been paid to the collecting entity:

(a) Must be pledged to the payment of principal and interest on the general obligation bonds or revenue bonds issued pursuant to section 61 of this act to defray the cost of project described in paragraph (a) of subsection 3 of section 59 of this act;

(b) Must be accounted for separately and used only for the purposes described in paragraph (a) of subsection 3 of section 59 of this act; and

(c) Must not be used for any purpose set forth in section 60 of this act.

Sec. 57. 1. In addition to all other taxes imposed on the revenue from the rental of transient lodging ~~[,]~~ **and notwithstanding any other law,** the Board of County Commissioners shall impose a tax of one-half of one percent of the gross receipts from the rental of transient lodging in the County upon all persons in the business of providing lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and all the matters required by NRS 244.3352 for the tax imposed pursuant to that section. The tax must first be imposed 90 days after the effective date of this section.

2. Except as otherwise provided in this subsection, the tax imposed pursuant to subsection 1 must be collected with and administered in the same manner as any other tax imposed by the County on the gross receipts from the

rental of transient lodging. The tax is not subject to the collection fee set forth in subsection 2 of NRS 244A.645.

3. **The tax imposed pursuant to subsection 1 must be imposed for a period that ends on the earlier of:**

(a) The date on which the notes, bonds or other securities issued pursuant to section 61 of this act are fully repaid; or

(b) The date which is 33 years after the date on which this section becomes effective.

4. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of any ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of the Board of County Commissioners to implement or carry out of the provisions of this section.

~~[4.]~~ **5.** As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

Sec. 58. 1. In addition to all other taxes imposed on the revenue from the rental of transient lodging ~~[,]~~ **and notwithstanding any other law,** the city council or other governing body of each incorporated city in the County shall impose a tax of one-half of one percent of the gross receipts from the rental of transient lodging in the city upon all persons in the business of providing lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and all the matters required by NRS 268.096 for the tax imposed pursuant to that section. The tax must first be imposed 90 days after the effective date of this section.

2. Except as otherwise provided in this subsection, the tax imposed pursuant to subsection 1 must be collected with and administered in the same manner as any other tax imposed by the incorporated city on the gross receipts from the rental of transient lodging. The tax is not subject to the collection fee set forth in subsection 2 of NRS 244A.645.

3. **The tax imposed pursuant to subsection 1 must be imposed for a period that ends on the earlier of:**

(a) The date on which the notes, bonds or other securities issued pursuant to section 61 of this act are fully repaid; or

(b) The date which is 33 years after the date on which this section becomes effective.

4. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of any ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of a city council or other governing body of an incorporated city to implement or carry out of the provisions of this section.

~~[4.]~~ **5.** As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

Sec. 59. The proceeds of the taxes imposed pursuant to sections 57 and 58 of this act must be:

1. Distributed to the Convention Authority;

2. Pledged to the payment of general obligation bonds or revenue bonds issued pursuant to section 61 of this act to defray the cost of the project described in paragraph (a) of subsection 3; and

3. Accounted for separately and used only to pay:

(a) The costs of a project to expand the Las Vegas Convention Center with the addition of not less than 600,000 square feet of leasable exhibition space, plus associated support space, and to further expand, construct, improve, maintain and renovate the facilities of the Convention Authority; and

(b) The principal and interest on notes, bonds or other securities issued pursuant to section 61 of this act to defray the cost of the project described in paragraph (a).

Sec. 60. The proceeds of the taxes imposed pursuant to sections 57 and 58 of this act may not be used:

1. As additional security for the payment of, or to redeem, any general obligations bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive, before the effective date of sections 53 to ~~[61.5,]~~ **61.7,** inclusive, of this act;

2. To defray the costs of collecting or administering the tax incurred by the Convention Authority;

3. To pay the costs of operating the Convention Authority or any facilities of the Authority;

4. To pay the costs of any general repair and maintenance on recreational facilities that would otherwise be paid from the general fund of the Convention Authority;

5. To improve and expand recreational facilities other than those authorized by paragraph (a) of subsection 3 of section 59 of this act;

6. To construct, purchase or acquire recreational facilities other than those authorized in paragraph (a) of subsection 3 of section 59 of this act; or

7. For any other purpose inconsistent with the provisions of section 59 of this act.

Sec. 61. 1. In addition to the purposes set forth in subsection 1 of NRS 244A.637, to pay the cost to expand, construct, improve, maintain and renovate the Las Vegas Convention Center and other facilities of the Convention Authority, or for any combination thereof, the Convention Authority, at any time or from time to time may, in the name of and on behalf of the County, issue general obligations bonds or revenue bonds as described in paragraphs (a) and (b) of subsection 1 of NRS 244A.637.

2. If the Convention Authority, in the name of and on behalf of the County, issues general obligations after the Board of Directors of the Convention Authority has determined that the proceeds of the taxes imposed pursuant to sections 57 and 58 of this act that will be pledged to the payment of the general obligations will generate sufficient revenue to meet or exceed a debt service coverage ratio of 1.5 times the anticipated annual debt service for each of the terms of the obligations, the general obligations:

(a) Must be issued pursuant to an ordinance of the Board of County Commissioners as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the general obligations under the laws of this State. The issuance of the general obligations is not subject to the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020.

(b) Are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of general obligation indebtedness for the purposes set forth in sections 53 to ~~[61.5,]~~ **61.7,** inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) Must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 has been made by the Board of County Commissioners and approved by the debt management commission of the County pursuant to subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

3. Any determination or finding by the Board of Directors of the Convention Authority or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

Sec. 61.5. 1. Except as otherwise provided in subsection 8, any contract or other agreement entered into by ~~[a general contractor selected by the Convention Authority or by]~~ any prime contractor, construction manager or project manager selected by the Convention Authority for the project described in paragraph (a) of subsection 3 of section 59 of this act must include a provision requiring ~~[the general contractor to subcontract]~~ **that** at least 15 percent of the project **must be subcontracted** to small local businesses.

2. A business shall be deemed to be a small local business for the purposes of this section if:

(a) The business is financially and operationally independent from any other business;

(b) The business is not temporary and has operated for at least 4 years before entering into the contract or agreement;

(c) The business maintains its principal place of business in a fixed location within this State;

(d) The business has obtained all necessary licenses and registrations within the State of Nevada; and

(e) The ~~[gross earnings]~~ **annual revenues** of the business for each of the immediately preceding 3 fiscal years has not exceeded:

(1) For public works projects, $20,000,000;

(2) For any other construction projects, $10,000,000;

(3) For any goods, materials, equipment and general services contracts, $10,000,000;

(4) For professional services including, without limitation, architectural and engineering services, $2,500,000; and

(5) For trucking services, $3,500,000.

3. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall allow ~~[such a]~~ **the** small local business to be covered by any bond or insurance of the ~~[general]~~ contractor and may require the subcontractor to pay a proportionate share of the cost for such coverage by the bond or insurance.

4. A small local business to which work is subcontracted by a ~~[general]~~ contractor pursuant to **a contract or other agreement described in** subsection 1 must ensure that its employees are hired in a manner that does not discriminate against any person on any basis prohibited by law. Such a contractor that subcontracts such work shall not impose any requirements on the small local business relating to the employees selected by the small local business to perform the subcontracted work.

5. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall provide a mentorship program to assist the small local business to develop skills necessary to carry out the work that is subcontracted.

6. A ~~[general]~~ **prime contractor, construction manager or project manager and each** contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall submit information to the Oversight Panel verifying that the ~~[general]~~ **prime contractor, construction manager, project manager or** contractor has complied with the provisions of this section, and shall maintain all records, including, without limitation, any information required by the Oversight Panel, to ensure compliance with this section for not less than 5 years after the expiration of the subcontract. Such records must be made available for inspection to the Oversight Panel upon request.

7. Unless the requirements of subsection 1 are waived by the Convention Authority pursuant to subsection 8, the failure of a ~~[general]~~ **prime** contractor **, construction manager or project manager** to ~~[subcontract the amount of work required pursuant to]~~ **comply with the requirements of** subsection 1 shall be deemed a material breach of contract.

8. The Convention Authority may waive the requirements of subsection 1 if a ~~[general]~~ **prime** contractor **, construction manager or project manager** presents proof satisfactory to the Convention Authority that there is an insufficient number of small local businesses available and qualified to subcontract for the work to be performed. **Such proof must include, without limitation, evidence that:**

(a) Reasonable efforts were made to notify small local businesses of the availability of work to be performed under a contract or other agreement described in subsection 1, which must include evidence of public advertisement calling for bids for a period of not less than 20 days before the date on which such bids must be submitted; and

(b) In considering the availability and qualifications of a small local business to perform work under a contract or other agreement described

in subsection 1, a contractor reasonably considered the work experience, safety history and financial stability of the small local business.

Sec. 61.7. **1. On the earlier of the date that is 4 years before the date on which the notes, bonds or other securities issued pursuant to section 61 of this act will be fully repaid or the date that is 30 years after the passage and approval of this act, the Governor shall create and appoint the members of an advisory committee to study whether it is necessary, appropriate or desirable for the promotion of tourism or for the construction, renovation or operation of tourism facilities in the County that the taxes imposed pursuant to sections 57 and 58 of this act be imposed after the dates described in subsection 3 of section 57 of this act and subsection 3 of section 58 of this act, respectively.**

2. The advisory committee created by the Governor pursuant to subsection 1 shall report its findings and recommendations to the next regular session of the Legislature that commences at least 18 months after the date on which the advisory committee is created.

Sec. 62. 1. This section and sections 1 to 38, inclusive, and 53 to ~~[61.5,]~~ **61.7,** inclusive, of this act become effective upon passage and approval.

2. Sections 21 to 37, inclusive, of this act expire by limitation on the date on which the tax imposed pursuant to subsection 1 of section 50 of this act is first imposed, as specified in the ordinance adopted by the Board of County Commissioners of Clark County pursuant to section 50 of this act.

3. Sections 39 to 52, inclusive, of this act ~~[become]~~ **:**

(a) Become effective on the date on which the President of the University of Nevada, Las Vegas, provides notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners of Clark County pursuant to subsection 1 of section 38 of this act that he or she intends to undertake a college football stadium project, as defined in section 8 of this act, only if the President of the University provides such notice within 90 calendar days after receipt of notice of the vote of the Board of Directors of the Stadium Authority created by section 21 of this act to dissolve the Stadium Authority and wind down its affairs pursuant to subsection 2 of section 37 of this act.

(b) Expire by limitation on the date on which the County Treasurer of Clark County certifies to the Board of County Commissioners of Clark County that the President of the University of Nevada, Las Vegas, has not secured the commitment of money for the college football stadium project described in subsection 4 of section 38 of this act within the 24-month period prescribed by that subsection.

Assemblyman Armstrong moved the adoption of the amendment.

Remarks by Assemblyman Armstrong.

ASSEMBLYMAN ARMSTRONG:

Amendment 12 to Senate Bill 1 resolves conflicts by amending sections 33, 50, 57, and 58 using the same language consistently in each section to state that the specific provisions of Senate

Bill 1 govern and control the imposition and collection of the room tax so there is no conflict with any other law. The amendment also resolves conflicts by amending section 34 using the same language consistently in subsections 2 and 4 to describe the authorized uses of the stadium tax account.

The amendment also makes the provisions of sections 57, 58, and 62 consistent with section 33 by providing a fixed duration for the taxes. The amendment also provides in section 61.7 that within a certain period before the Convention Center bonds are fully repaid, the Governor must create and appoint an advisory committee to study and provide an advisory report to the Legislature regarding whether the room tax should be continued for the promotion of tourism or for the construction, renovation, or operation of tourism facilities in Clark County.

Under Senate Bill 1, the Stadium Authority is governed by a Board of Directors consisting of seven voting members: three members appointed by the Governor, two members appointed by the Board of County Commissioners, and two members appointed by those other five members. Section 22 of this amendment adds two more members to the Board of Directors: 1) an additional member who is appointed by the Board of County Commissioners; and 2) a member appointed by the President of UNLV [University of Nevada, Las Vegas] who is the executive director in charge of managing events or, if that position ceases to exist, another officer or employee of UNLV who has experience in events management. This amendment creates a nine-member Board of Directors of the Stadium Authority.

Section 29 of this amendment provides that the off-site infrastructure required by the development agreement which is determined to be necessary by NDOT [Nevada Department of Transportation], Clark County, or any municipality in which the project is located is the infrastructure that is specified in the regional infrastructure and service evaluation required for high-impact projects before a special-use project is issued.

Section 29 of this amendment also provides that for each regular season home game of UNLV's football team, and not more than three other events selected by UNLV, the reasonable rent must not exceed the actual operational or pass-through costs, excluding any fixed costs, to host the game or event at the project.

Senate Bill 1 includes provisions requiring at least 15 percent of the National Football League stadium project, the college football stadium project, and the Convention Center expansion project be subcontracted to small local businesses. Sections 31.5, 48.5 and 61.5 of this amendment clarify that the prime contractor selected for the construction of the National Football League stadium and the prime contractor, construction manager, or project manager selected for the college football stadium project and Convention Center expansion project, respectively, bear responsibility for complying with this requirement. Additionally, these sections establish criteria for the evidence which must be presented by a prime contractor, construction manager, or project manager that seeks a waiver from the requirement that 15 percent of the project be subcontracted to small local businesses. The amendments to these sections also clarify that it is the contractor who directly subcontracts with a small local business who must allow the small local business to be covered by any bond or insurance of the contractor and provide a mentorship program to the small local business.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that the Assembly dispense with the reprinting of Senate Bill No. 1.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 1.

Bill read third time.

Remarks by Assemblyman Armstrong.

ASSEMBLYMAN ARMSTRONG:

Senate Bill 1 enacts the Southern Nevada Tourism Improvements Act to provide a method to finance the acquisition, construction, and operation of a National Football League stadium project or a college football stadium project in Clark County. The measure includes the imposition of a lodging tax on the gross receipts from the rental of transient lodging in the stadium district created and the creation of a board of directors of the Stadium Authority—and, under certain circumstances, the Campus Improvement Authority—to manage the operations of such a facility.

In addition, the Governor must create and appoint an advisory committee to provide a report to the Legislature regarding whether the room tax should be continued for the promotion of tourism or for the construction, renovation, or operation of tourism facilities in Clark County. The bill also imposes a lodging tax on the gross receipts from the rental of transient lodging to finance the expansion and the renovation of the Las Vegas Convention Center.

The bill is effective upon passage and approval for the purposes of building an NFL [National Football League] stadium and renovating or expanding the Convention Center. For the purposes of constructing a college football stadium, the bill is effective on the date the President of the University of Nevada, Las Vegas provides the notice of intent to undertake the construction of a football stadium. Such notice must be within 90 calendar days after the receipt of notice of the vote to dissolve the board of directors of the Stadium Authority.

Assemblymen Wheeler, Stewart, and Brunetti moved the previous question.

The question being the passage of Senate Bill No. 1.

Roll call on Senate Bill No. 1:

YEAS—28.

NAYS—Elliot Anderson, Araujo, Benitez-Thompson, Carlton, Diaz, Hansen, Joiner, Neal, Oscarson, Shelton, Sprinkle, Swank, Titus—13.

EXCUSED—Smith.

Senate Bill No. 1 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Bill No. 1, Assembly Resolution No. 3, And Senate Bill No. 1.

REMARKS FROM THE FLOOR

ASSEMBLYMAN ELLIOT ANDERSON:

I hope everyone is having a fun week. I am not exactly sure what is going on this week, to be honest. Since we are going to do it this way, I thought I would explain my vote to everyone who is watching.

I can break it down into three reasons why I voted no on this measure: priorities, political will, and process. In 2009, I got a view of this process under the legislative leadership of Raggio and Buckley, and it was a really good experience. I sat here and watched some phenomenal legislators who were excellent. It really inspired me to come back and be here. There were some moments in that process that I did not like. We had, as you remember in 2009, a 37 percent structural deficit. That was interesting to watch as a UNLV [University of Nevada, Las Vegas] undergraduate, wondering if I would have a place to complete my education. To the Legislature's credit, they came together and did a lot of good stuff. Unfortunately, they did some things that were not great that have informed my feelings about this session. That session, we slashed state support for UNLV and all the other universities and community colleges. As a part of that, law school tuition doubled overnight to fill in that budget gap.

I sit here at a similar point in my own career, wondering which decisions I should make. We have been told there is a potential $400 million deficit, and that is after a 5 percent budget cut

asked for by the Governor. I do not want to be a part of spending money that I do not think we can afford and then putting those decisions on people who are in a similarly vulnerable spot. Everybody thought that law school students could pay off loans immediately, but they were relying on statistics that show an inflated employment rate. I have watched people struggle in that process. Where will be the path of least resistance next session, when we will be asked to make these decisions? That is what I wonder.

In 2011, we had a similar budget deficit that we also ended up fixing. That session, I voted against IP 1 [Initiative Petition No. 1] which, although it was a different type of arena, was still public money for an arena. We had Senate Bill 495, which was an alternative to that. As a sales tax mechanism, it prohibited unequal taxing districts, which we have just created in this measure with the room tax. I voted for that bill to prohibit that idea. There was a third bill that I opposed because it was spending public money on a stadium, and we had a budget deficit.

Getting into political will—we have heard a lot about jobs today, and that is the only thing that made me want to vote for this. But then I thought about how we had plenty of opportunity for jobs in 2013. We had Washoe County's capital construction fund that we ended up punting to the Washoe County Board of Commissioners. Now we have Question No. 5, which everyone in Clark County should vote for. It indexed the gas tax—which would have provided more jobs—and we ended up punting that. There is no lack of desire for jobs here. For some reason in 2013, the Legislature could not find the political will for tax increases.

You have all heard me talk a lot about this today, so I am sorry to be a broken record. People have said this is the small picture, and we need to think about big-picture stuff. I cannot disagree more. First of all, we have too many cooks in the kitchen in all of this. I have said to anyone who would listen what I would be willing to accept. I would have been willing to accept $250 million in public financing on this. I went out there and tried to make a deal, but I was not successful. I was told it was because the deal had already been made. I guess I was left out of that. I want everyone to know that I tried. Despite talking myself hoarse to as many people who would listen, I was still being told that I was not willing to negotiate and that I was not willing to talk. That really upsets me. You all know me pretty well by now. I enjoy the Legislature. It is the most fulfilling thing I have ever done. Yet I am being told, despite knowing that I am doing what I think is right, that I am not. Honestly, I do not think people got the word around. There were so many people working on this and trying to get things done, so many friends who did not get the message. For everyone who thinks I was not willing to negotiate, I want to put it out here right now that I was.

That gets us now to the things that really drove me to get here. I have already said my piece about Day 1, and I appreciate the Majority Floor Leader and the Chairman of Taxation for doing their best in the Assembly Committee of the Whole process. They did a good job rectifying some of those concerns. On Day 2, we had the Senate waiving its own ethical provisions. I cannot understand that at all, the way that it looks. We just keep adding more things. On Day 4, we had an NDOT [Nevada Department of Transportation] report dropped at the last minute. I still do not fully understand what happened. I have no idea. We have not been able to sort that out.

I think about the ethical obligations I have in my other life as an attorney. If I am going in front of a court, I have a duty to disclose controlling authority to the court when the court makes a decision. If I do not do that, I could get all manner of sanctions from the State Bar. I would say to Governor Sandoval, I certainly hope you can put yourself in our shoes, in my shoes, in all the shoes of attorneys who have had to go in front of your bench and to every other court. That is what I am faced with. I am looking at the way this is all going down in the middle of the night. I am thinking about what the public might think. We have had threats on social media—honestly, on both sides. The way this looks to the outside, I would ask all of you to look at yourselves in a mirror and not blame somebody else for what you are mad about, but ask, What can I do to make the process better? That is why I am standing here. That is why I am putting myself in the line of fire, speaking my piece.

Let us look at what is happening outside of this door, in Washington, D.C. Do we want to turn into Congress, just beating the heck out of the process to the point where no one has faith in our democracy anymore? Look at what is happening. Everyone in this room asks me, What is going on with the political world, Elliot? What is going on with it? What is up with fill-in-the-blank voters? Why are they so angry? Because we put on this show, and it looks horrible. It looks

horrible to me, and I am a part of this process. I have cared about this country, this democracy, more than anything else in my entire life. I cannot look at myself in the mirror and vote yes on this after what happened because it continues to give people no faith in us as policymakers. I am talking about the stuff that is on the public record. I am not revealing any private conversations.

I have said my piece. I think you are all awesome. I know you all personally, and I think a lot of us are going to consider what our next steps are after this. I have never seen quite a scramble in Nevada politics. I do not think anyone would disagree with that statement, would they? It is pretty interesting. In a way, it is still a privilege to be here and watch this in person. We have all made the decisions we had to make according to our hearts. I hope everyone can find peace.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

I did quite a bit of reading of academic studies in preparation of this vote. My good northern colleague helped me to identify some of these studies so I could get an objective perspective. I felt this was one piece that was very much missing during this conversation. Of the eight studies that I read, there was one study in particular that struck me. The North American Association of Sports Economists' Dennis Coates and Brad R. Humphreys did a meta-analysis where they analyzed studies—a study of studies, if you will. It was amazing because this special legislative session has read identically to the playbook for major sports initiatives and subsidies and how they have been playing out since the first subsidy was created from a government entity for construction of a sports stadium in 1917. The evidence is staggering. There is a large body of empirical evidence that exists which tells us that the bill of goods sold by proponents and promoters never ends up coming out in the wash the way it was sold. A couple of comments that struck me specifically:

> Calls for subsidies at the local level come from interest groups and their consulting firms—which we call "promoters" of subsidization—who talk up local benefits of sports franchises, stadiums, and mega-events.…The promotional literature often suggests that if the city attracts or retains a sports franchise, its people derive specific economic benefits…including more jobs, local jobs, higher local income, and increased local tax revenues.
>
> There now exists almost twenty years of research on the economic impact of professional sports franchises and facilities on the local economy. The results in this literature are strikingly consistent. No matter what cities or geographical areas are examined, no matter what estimators are used, no matter what model specifications are used, and no matter what variables are used, articles published in peer reviewed economics journals contain almost no evidence that professional sport franchises and facilities have measureable economic impact on the economy.

I hope that Las Vegas is the place that turns the paradigm on its head. I hope that Las Vegas and this deal is the deal that reframes the turnouts. But the deal in SB 1, as presented, is structured in the way all other sports subsidies have been structured, and they have not come out in the wash. The reason I think that is important is, all of the testimony presented to us has come from promoters of the stadium. Although there was sufficient time for the majority to arrange objective evidence and rerun analyses by people who were not retained by the promoter, that was not done. I think it is important that we at least acknowledge the body of empirical evidence that exists.

Secondly, there are pieces of the bill that, to me, do not reflect a true public-private partnership. There was never a serious consideration of profit sharing and the public sharing in the profits. I believe that Clark County is deserving of that. I believe that other stadium franchise agreements have included profit sharing, and this Legislature and this body did not do enough work to have that provision in here. It is one of the reasons why I did not vote for Senate Bill 1.

I want to talk more about the conversation and tone of this special session. Within SB 1 is a preamble that I am told fulfills the constitutional requirements of calling a special session. I believe, in large part, they are artificial. There is no urgency, and all the urgency that has been presented—all the pressure that was put on us—is largely artificial. As we heard from people who

testified, many pieces of these deals do not come into play until way down the road. Conversations could have been had while we were in session.

I want to go specifically to the threats that have been made toward me as a legislator. I am doing exactly what I was elected to do. I am doing exactly what the *Nevada Constitution* told me to do. When there is a tax measure being proposed, we come together in the Legislature, and we do our due diligence to consider whether the fiscal policy is prudent and whether we indeed should enact that public policy. For everyone who said that I should not be asking questions on this, it is my constitutional mandate. For everyone who has threatened me and said I am not a friend of the working class, I am the working class. My father came to this country from Guadalajara, Mexico, when he was 16 years old. I am the first person in my family to go to college. Until his murder in 2005, he was a welder who ran an apprenticeship program. I am deeply offended by those who are making direct threats on social media, who come from specific segments of my working friends, and who are telling me I do not have enough street cred to be a working-class person.

When I kissed my four children—my four rowdy children—goodbye this morning, I walked out knowing that I talk to them every day about needs and wants. In my household, you address your needs before you address your wants. You do not go out and spend money on big luxury items before you pay the rent, before you pay the mortgage, and before you keep the power on. I do not let that happen in my home, and I am not going to let it happen in my house—in this house. We are funding wants—luxury items—before we are taking care of our needs. We have a $400 million deficit in education, in Medicaid, in programs for our medically fragile seniors, and we have no way to fund that. We have no way to fund the capital needs that are in my own backyard in Washoe County. We are going to be back here in just a couple of months with no good answer for how we fully fund our budget. We are going to be making cuts, yet we are going to have a shiny new stadium in the southern part of the state. It is going to be pretty to look at, I bet. Fundamentally, I have a problem with us being able to impose the awesome authority that comes with the ability to tax and this is what we use it for.

ASSEMBLYMAN OHRENSCHALL:

I know this was a very difficult vote for all of us in this Chamber, and I know that every one of my colleagues cares about what is best for the state. In the end, I did decide to support the bill. It was difficult for me, too. I listened to the testimony. I listened to all of the men and women who testified about being out of work for so long, the loss of medical and dental care, the loss of pension benefits, and the economic shot in the arm that this project could provide. That weighed heavily on me.

Originally, the expansion of the Convention Center was not going to happen until the regular session in 2017. In front of the Committee of the Whole, Mr. Ralenkotter testified that he believed this could not wait, that there was a chance conventions could be lost. That was something I considered and that weighed heavily on me.

Looking back to 1955, when the Nevada Legislature first enacted the room tax to build the Convention Center, it was controversial back then. There were folks who said it should not be done. When you look at what the Convention Center has done for our economy and for the economic engine of this state, I think it has been a great success. Over the last 60 years, the Convention Center has raised all ships in our state. I believe this project has that same potential—to raise all ships and provide an economic shot in the arm that we do need. I hope that it will, and that is why I supported this measure.

ASSEMBLYWOMAN SPIEGEL:

I, too, want to explain to this body why I made the decision to support this bill. Yom Kippur was earlier this week. As many of you know, that is a day of introspection for members of the Jewish faith, such as myself. When I was sitting in synagogue, reading my prayer book and going through prayers, there was one prayer that included a phrase that struck me as I was thinking about all of this. It spoke about having the courage to say yes and the strength to say no. That is something each and every one of us faced this week. I do not think this was an easy decision for anybody in this room. I was talking to some of my constituents before I came up here and I said that no matter what we do, it is going to be wrong. No matter how we vote, it is also going to be right. Our reasons are going to be justified because, at the end of the day, we need to be doing what we believe is the right thing for Nevada.

In looking at how I was going to vote, I had two criteria. The first piece was to look at whether or not I believed that we should raise the room tax and whether or not that would hurt our tourism industry. After listening to the testimony and doing extensive research on my own, I determined that, in my heart of hearts, we could, in fact, afford to raise the room tax rate. Then I looked at it and said, Okay, if we are willing to raise the room tax rate, what is the best use of those funds? I believe that investing in our tourism industry and helping rebuild our construction industry is building a better future for all Nevadans. I have been saying to people in this body and to my constituents for years that if you cannot put food on the table and keep a roof over your head, nothing else matters.

Right after I was first elected in 2008, we had a special session. It was about three weeks after I was elected. It was so early in my career that when I came in to get keys for my office, the Legislative Police asked me whose attaché I was. No one knew who I was. During that special session, we were forced to make some very difficult cuts. I remember in my earliest days serving with this body, we were talking about how to limit the number of adult diapers for our needy senior citizens. I do not think this body should ever have to have those kinds of discussions again. We had them because our economy had fallen apart.

There are many elements of this bill that gravely concern me and many aspects of this process that also gravely concern me. But I do believe that by helping to rebuild our construction industry and by laying the groundwork to keep Nevada the top convention and entertainment destination worldwide, our economy will deliver the revenue down the road that we need to fix our roads, build new schools, improve our education system, address our mental health and access to health care issues, and provide better services for our veterans, our senior citizens, our children, our families—in short, all Nevadans. It will also give us the opportunity to address our social needs.

While there were many difficult challenges in weighing this, I believe that the good outweighs the bad. I hope that as we go through this process, I will have the opportunity to continue to look at the issues that were raised here and see what we can do to truly make Nevada the Nevada we all want it to be. That is why I voted to support this.

ASSEMBLYWOMAN JOINER:

Today, I was a no vote on Senate Bill 1 for two main reasons. First, as my colleague so eloquently pointed out, it is economically unwise to invest in publicly funded stadiums. Second, it ignores the true needs in Nevada. First, I voted no for economic reasons. Like many of you, as soon as the concept of a publicly funded stadium came up, I started researching. I checked out every book I could find in the UNR [University of Nevada, Reno] library and ordered additional books. I read them all. Empirically, publicly funded stadiums fail to provide the economic benefits that they promise. Over the last 30 years, the results nationally have been dismal. That is the only word for it—dismal. It sounds like a lovely thought that the public will own the stadium but, as we heard yesterday, we will not have any benefits of ownership. We are just the piggy bank sending funds to the project, and we will never recoup our investment or receive any profit from it. We will not receive any of the very lucrative naming rights, seat licensing, or admission prices. This is just a bad deal for the public owners. As we heard yesterday, the public owner status is being used to exempt this property from property taxes, which takes it out of the potential tax base in the future. That is a lost opportunity for county revenue.

I am also concerned about the infrastructure around the stadium. We heard yesterday about the provisions in the bill requiring the other investors to provide adequate funding for those projects. However, the definition of "adequate" does not guarantee that all costs related to the affiliated infrastructure will be covered. Other communities across the country have found many unanticipated expenses relating to their stadiums when it was too late. It is as if this argument written in my speech was to be heard last night when the article came out, revealing that we indeed have approximately $900 million worth of infrastructure projects related to the stadium that are slated. It was very late last night when we received that report, but I think that my biggest fears about unexpected expenses came true in reading that report. They tried to tell us that these projects were already in the pipeline, but it is very clear that they are not yet budgeted. In order to find the funds for those accelerated projects and complete them in the next two years, it became very clear through questioning last night that they will have to reprioritize all of our infrastructure projects

statewide. Every one of us, in all of our districts, is now directly affected by this project in Las Vegas.

My final economic reason for voting no is that this project uses general obligation bonds. This funding mechanism leaves the county—and, therefore, the public—with the full responsibility if the room tax fails to perform.

My second and most important reason for voting no is that this project diverts public funds at a time when we do not have adequate funds to support the basic needs of our residents. I keep trying to picture how I would explain to my constituents that we were able to find $750 million, but we spent it on a football stadium. We are hearing now that our state revenue will be down during the next session. We hear we will walk into session in a deficit. Where are our values as a community if we can afford to fund a football stadium while claiming we do not have enough resources to fund essential services for our residents who are suffering? We continue to woefully underfund our education system and force our seniors to languish on waiting lists for basic services that they need in order to stay in their homes. We continue to be among the worst states in the nation for funding our public health and chronic disease, prevention, and treatment, when we know that chronic disease is a major cause of death and illness in Nevada. Mental health, Medicaid reimbursement and access, public employee health care—I could be here all day with a list of needs that we should be spending our public funds on.

After voting no today, I am grateful that I will be able to say honestly that I did not vote to gamble our precious tax funds on a football stadium. I can honestly tell my constituents that I will continue to fight to improve the services that they need most. The list of our needs in Nevada is long, and I do not believe that this project is on the short list of priorities that we should be spending our public dollars on. The majority of the feedback from my constituents over the last several weeks has been very clear in asking me to vote no. In voting no, I have listened to my constituents. I have listened to the economic history and empirical evidence about such investments, and I have valued people and listened to their true needs.

ASSEMBLYWOMAN NEAL:

Before I make my remarks, I want to say to my colleague in District 21, the Majority Floor Leader, and my own Minority Floor Leader, thank you for the respect and deference you gave us in our negotiations. I am not sure I would have maintained this level of respect had I not seen it come from you all.

This process was difficult for me, and I voted no. It made me question what government is for. What is the public purpose of government, and why are we here to serve as legislators? Every argument countered that. Yesterday, I was so upset in the morning that I had to look at the *Constitution* while we were on the floor. I was searching for what it was that I was missing in my argument. What is it that I am not seeing? I had to see it through the business lens. I had to see it through the public policy lens. I kept asking, Does this serve the general welfare of the public? Can I find what I need in order to say whether this public policy—which basically fudges the line between public and private—is good public policy for the state? Are we actually going to reap the benefits?

I listened to the testimony saying that you may not get any financial gain from this, but you will get jobs. I kept asking myself what I should do. I realized that I love the policy and the law so much that I was unwilling to take that bet. I was unwilling to hedge and gamble on the idea that I was going to give government powers to a privately run foundation. It is not a library district. Nothing in that bill supports the argument that it serves the equal purpose of a library district or a water district. Just because we can do the law that way does not mean that we should. We should not carve the law out to build a bill with only private interests and claim that it is public policy serving the best and greatest interests of this state.

The Democrats stood up and took on battles in 2015. We still have the scars from 120 days in 2015. We were questioned in our loyalty after the fights we took on for labor. I got mad. In Government Affairs, I found every argument I could to defend and fight for labor for 120 days, and then the one time—the one time—out of 50 that I did not support your way, I am nothing but trash. I have no value. I have no worth. You have got to be kidding me. Have we fallen to the level in this body that if I stand for my district, if I stand for public policy, that somehow my value and my effectiveness are diminished? Yet I have never changed. I am the same legislator I was

in 2011, when I looked at the policy and asked every question that may not have even been on folks' minds. I did the same thing in 2013, and I did the same thing in 2015. The truth of who we are and what we stand for was challenged. Where are we in the process when who you know to be true and who you know to be standing in defense of you is no longer doing so? We can have philosophical debate. We had it on this policy. For some of us, the bad outweighed the good. For some, the good outweighed the bad. Are we guilty of being traitors? I think not.

I watched how they wanted to come after my dear friend and challenge her effectiveness because somehow she could not bring us to the table. She is a policy person herself. How dare somebody come in here and try to lay things on her, as if she has no right to stand for her caucus, as if she has no right to come into this building and try to do the best job she can as a leader. I found it interesting that she was good in 2013. She was always rational, policy-based, solid, and kind. The next thing you know, she is weak.

Are you driving your thoughts based on reality or on your own selfish need? This is not a body that is supposed to serve the selfish interests of a private group. It has never been that. The *Constitution* does not say that. It is set up for the business of the people of this state. Nowhere in the *Constitution* did I read that entertainment has equal weight to education and health care. Nowhere in that document did I see that. You will never get me to say that entertainment has equal weight to the general welfare of the people, has equal weight to education, and has equal weight to health care. You will never get me to agree with that argument. Entertainment is an activity. It does not serve a fundamental process where we all grow, benefit, and become healthy and more intelligent. Those are not the foundations of it. Yet I watched people tell me, I know you are rational, so why do you not see the good in this? I did not see it as good public policy for us. That is why I voted no.

As we continue this process, if I get the benefit of coming back and serving District 7 and my voters choose to reelect me, number one, they will know that I had their back. They will know that I have had integrity. They will know that I have always been on the right side of the law because I looked at the law for what it was supposed to be. It serves a purpose for people. We are up here for public service. If I can make that argument and go home and defend that, I am good. I had to ask myself if I could look at myself in the mirror and say that this is good. I have made too many compromises already, and this was one I could not and would not make. I almost lost my friend over it. Nobody is going to tell me what it costs to be here in my house.

From this day forward, if you want to challenge my loyalty as a supporter of working people, then you do not know me. To me, you are selfish because that means you cannot see the bigger picture of who we are, what we are, and what we stood for. You do not care that we received the battle scars for you. You do not care that we fought every day for you. You are going to weigh everything that we did and cast us out for one decision. That is the most insane thing I have ever experienced. I hope this body becomes better and greater. I hope that the lobbying corps gets a real check on their conscience.

ASSEMBLYWOMAN CARLTON:

I did vote no on this bill. This was a very tough vote. In a 16-year legislative history, this was a pretty tough vote, and I will tell the body the same thing I told all of my very good friends. I would love to have a stadium. I support the Convention Center. I remember working people, after 9/11, living in their cars in the Culinary parking lot because of all the jobs that were lost. This is one vote in a legislative career in this distinguished body. We all vote the way we feel, and that should be respected. The institution needs to be respected.

I am proud of this institution today except for one small hiccup: the right to have debate. That right is under section 90 in *Mason's Manual of Legislative Procedure*. I was disappointed by that. Yes, the majority has the right to move the previous question. I understand some of the reasoning behind it, but it does not mean that I need to agree with it. This body is made up of 42 souls who all have a voice. That voice reflects their district. To squelch debate was a bit sad. I feel a little better with eight hours of testimony yesterday, which is a lot more than the Senate had. I feel better with having testimony until 1 o'clock this morning to discuss a very important issue that may really impact southern Nevada roads and my district. That made me feel a little bit better, but I still have that little bit of sadness that we did not get to have a real debate and share all of our

thoughts on this very important piece of legislation. I hope in the future, we will never be so divisive on an issue that we find debate does not suit this body.

ASSEMBLYMAN THOMPSON:

First of all, I want to say to my colleagues who have spoken: I appreciate your comments. It is very important for us to get those comments on the record.

I pray all the time, but there has been a double dose of prayer this entire week. I am extremely prayerful. I reflected on Dr. Martin Luther King Jr.'s powerful quote. I think it resonates for many of us who are seated here today: "The ultimate measure of a man," and I will say or woman, "is not where he," or she, "stands in moments of comfort and convenience, but where he," or she, "stands at times of challenge and controversy." I have read it numerous times. I felt it this week. I want to applaud everybody for their work. It was really tough work. There was a lot of passion. As a legislator, I can speak for myself: I love my community. I love every person who lives in my community and in my state. This was a big task for us.

Even though I do not agree with the entire process, one thing I have learned in life is to always try to look at things as objectively as possible and make them the best that you can make them. Whether you voted nay or yea, I want our body to reflect on the following things. We created jobs. We heard testimony from people who had to work out of state and leave their families. We are going to make those families whole again. We have had people who have not gone to the dentist for four years. We are going to be able to bridge that gap. We are creating opportunities for small businesses. I hear it all the time, but I do not see it all the time. We heard a lot of testimony from veterans, some for and some against. Now we get to do some really great things for our veterans and for our disabled and let them have skin in the game—not give them little handouts, but give them big opportunities.

I was born and raised here, and this is our opportunity now to have a state-of-the-art stadium at UNLV. Now we can restore and rebuild that Rebel pride. There are opportunities there.

Lastly, the expansion of the Las Vegas Convention Center—they are at the top of the ticket. They are the top dog. We have to keep them strong. Whether we wanted it to happen at the beginning of 2017 or now, the bill was in front of us now. We have to keep them competitive. The square footage over other venues and the technology makes the difference. We have to look at that. We are tapping into tourism dollars. That, in my opinion, is a good investment.

For the record, yes, we have had a lot of people attacking us. You know what? I get it now. If you are going to be a representative, not everybody is going to like you. They just are not. One thing I can say is, I fully support education. I thought about my grandmother. My grandmother, even though she had limited education—and may she rest in peace—always made sure all of her kids and all of her grandkids valued education. Just because I may have voted in favor of this bill does not mean that Assemblyman Thompson does not value education. I know a lot of you here value education. We were going to have the shortfall in our budget regardless when we come here in 2017. That was going to happen regardless. All the social ills that we talk about—mental health and all of that—have been my life's work as a public servant. I feel like I am a double public servant because of what I do professionally and now as a legislator. I love it. That is just how I am built.

I feel a lot of tension in the room. What I want to say—because I always hear that I am the peacemaker—is that as hard as we fought this week, I want to see us do that in 2017. Let us get it right. Let us get it right for our state.

ASSEMBLYWOMAN DIAZ:

There has been a lot of discussion on this bill on both sides and in both chambers. There have been a lot of facts and figures thrown our way. First, I want to say that there is a lot in Senate Bill 1 that I do support. I voted in opposition to it, but there were things that I was supportive of, and I want to make that clear on the record. I support the expansion of the LVCVA [Las Vegas Convention and Visitors Authority], and I would have loved the opportunity to vote yes on that bill as a stand-alone measure. I also support creating new jobs in our state, and I can support a professional football team moving to Las Vegas.

But you know what, colleagues? I cannot support how this bill was written and how it was passed out of our Chamber. It ultimately makes my constituents liable for close to $1.2 billion for a stadium where they will likely never be able to afford a ticket. I understand the argument that

taxes on tourists have some of the best projections. I disagree and dispute the notion that we should have one of the largest public allocations into a stadium that this country has ever seen. That trend is fading. We are no longer seeing a large public subsidy going to a privately run stadium.

My colleagues here and in the Senate have talked about what this money could fund. I am not going to say it should go to education. I think a lot of my colleagues have already articulated what this money could fund. This is simply about doing the right thing. For me, the vote was about doing the right thing for my constituency.

Make no mistake that this bill was loaded up politically to make it very hard to vote no. This bill is not a stand-alone bill because if it were, the LVCVA expansion would pass, and the stadium would probably fail. This bill has been political since its inception. There is no need for a stadium to be built. If this were such a great investment and such a great opportunity, then private investment would be jumping at that opportunity. After all, we are Las Vegas. Instead, we are being asked to put limited tax dollars into a stadium for undefined return. And for what?

I am sympathetic to the argument that it will bring new jobs and help people get back to work. I just do not think that robbing Peter to pay Paul is the way to do it. If we were serious in our state about ensuring a veteran does not remain homeless, and that those who want to keep their jobs can keep working, then we would invest in more programs for them. We would not just hope that a three-quarter-of-a-billion-dollar tax giveaway will become a side benefit for someone who really needs the help—not when, over the last 20 years, the studies of almost every sports economist have consistently found substantial evidence that there is no increase in jobs, incomes, or tax revenue. Rather than spend a billion dollars on a stadium, we would be better off giving money directly to our constituents with the only caveat being that they actually spend the money.

When we talk about return on investment for constituents, what is it? Do we get the revenue from ticket sales? Do we get the revenue from a Beyoncé concert in the stadium? Do we get to sell the personal seat licenses? My constituents, as owners of this building, will get to own sitting in traffic jams around the stadium and own the liability for the mortgage. We will not hit our capacities to pay for the stadium.

I get it. I get that the easy thing to do would have been voting yes. But I am not buying into the angry rhetoric we have encountered all week, which has already been articulated by many members of this body. We have to come here and do the people's work and think about our constituencies. If we want to support union jobs in construction—as I certainly do—we would invest in our roads, schools, and crumbling infrastructure and take on projects that transform Las Vegas. That would get us better returns and benefits for all our constituents—not just a privileged few.

Lastly, I was opposed to this bill because, at its heart, it comes down to one fundamental question: Can I vote to give $750 million of taxpayer money away for a hope and a prayer instead of a good, sound investment? I could not. I could not for every one of my constituents who would be responsible for it, and I could not when the need is not there. Private stadiums can be built. Stadiums that give the public a better return on investment can be built. Make no mistake—if the Raiders try to move to Las Vegas and if we one day have a professional football team in southern Nevada, we will be paying for it, and a lot of people outside of my constituents will be getting paid off of it. I could not morally support that.

ASSEMBLYMAN SPRINKLE:
I want to take a moment and thank the Nevada Highway Patrol, especially the northern Nevada troopers, for all their assistance this morning trying to get us—including the state employees, not just legislators—to this building today. They did a phenomenal job working in a very difficult situation, and I do want to thank them for that.

In regard to this bill, I am going to make this short. The comments you have already heard have been crystal clear. I want to reiterate only one comment that my southern Nevada colleague made. I feel like my record is very clear with all of the questions that I was allowed to ask yesterday. My concerns came out in those questions and certainly in the answers that were given.

I am extremely disappointed in this body for not allowing us to have the debate at the very end so that we could reiterate what we feel about this bill. I do not think that is the process that should

exist in these hallowed halls. I do not believe that is what has occurred, by and large, throughout the history of the state of Nevada. I am very sad that that happened today.

That being said, I am only going to make two very quick comments. Unfortunately, I believe that this state has had a history of not following through with the promises it makes to the working men and women of this state. I am extremely concerned that even with the provisions that were put into this bill, I never heard assurances that there is recourse should something happen and those agreements are reneged upon. There is no recourse, and that concerns me.

Secondly—and by far most importantly—is what truly got me to the point where I was not able to vote for this bill. If I am fortunate enough to return to this body in the next few months and sit on Ways and Means, when the next family comes to me with a child with autism and says that they really need these resources, I do not know how I am going be able to look at them and say, I am sorry, we just do not have the money.

ASSEMBLYWOMAN SEAMAN:

First, it had been my sincere hope that while we were approving More Cops in southern Nevada, and possibly remaining an entertainment leader for our residents and guests, we would also fix our ESA [Education Savings Account] program to give our students and parents what they truly want and deserve: a better system of education. That is a fight I hope we can collectively continue to pursue. My constituents really want this.

However, the measure that was before us today represented an opportunity for Nevada that we could not afford to miss. The public-private partnership will spur economic development for a generation and further drive economic diversification within the tourism sector and outside of it. This stadium should launch 40,000 jobs over its life. These jobs, particularly in construction, will make life easier for thousands of Nevada families who face unemployment or underemployment, while giving them an opportunity to improve their quality of life. The dollars invested in this program will yield dividends for the business community and for local and state government for years to come. The jobs and the additional revenue come as a result of making serious improvements to our publicly owned infrastructure. Our Convention Center will ensure that we are positioned to maintain our success as the top destination for years to come. A world-class stadium will provide entertainment opportunities we cannot afford to miss.

This was a very hard decision for me, and I have been polling my constituents since this topic arose. Over 60 percent of my constituents understand that this will create jobs, and it will put us in the first class for entertainment. It was a very hard decision, I agree. I believe we diligently went over each and every part of this bill to make sure it is solid, and I appreciate all of my colleagues for asking the hard questions yesterday. I am glad we were here all day discussing this because I feel more comfortable. I am very comfortable about voting for this. This is what my constituents wanted. I know it was hard for everyone, but I am glad I voted the way I did, to support the people I represent.

ASSEMBLYMAN STEWART:

To my fellow legislators and to the great staff we have here in this Chamber and outside: You have my great respect, and I will miss you all. I hope this is the last time I will use this microphone. I will miss you all. I will miss some of you more than others, but I have great respect for the minority leadership, the Minority Floor Leader, the Assistant Minority Floor Leader, and our majority leadership. I have great respect for my colleague from District 6, who I sat by many times. I have great respect for this great man.

I am in kind of a unique position. I voted for this bill, and it was a very tough bill. I respect those who voted no, and I am one of those who voted yes. When I was a teenager, I saw the construction of the first convention center out on a piece of dirt in the desert. I saw that beautiful structure constructed, and I saw what it did for southern Nevada. The Runnin' Rebels could move from the Dula Recreation Center downtown, and they played their basketball games in that new convention center until later on, of course, when they moved to the Thomas & Mack Center. I remember when the Silver Bowl was built and what it brought to southern Nevada. I think, and I hope, that the expansion of the Convention Center and the building of this new stadium will be as successful as those two structures have been. They are both out of date, and we need to move forward.

I remember when Metro [Las Vegas Metropolitan Police Department] was organized from the Las Vegas Police Department and the Clark County Sheriff's Department. I have always supported Metro. I am glad to support them and the other law enforcement agencies in the county today.

This was a tough vote. I think we did the right thing. I hope we did the right thing. I hope I live another ten years so I can see the fruits of what we have done today.

So, my colleagues, thank you for being here. Thank you for being so courteous to me. I have been with four speakers, and they have always been courteous, for the most part, to me. I appreciate it, Mr. Speaker, and I appreciate your leadership. I appreciate our great Sergeant at Arms. I appreciate the opportunity to work with all of you. As I see Abraham Lincoln looking down at me—the principal at the last school I taught at gave me a picture of Abraham Lincoln, and he said that Abraham Lincoln was one of my students.

Thank you very much for the opportunity to serve with you. I appreciate it all. God bless you all.

ASSEMBLYWOMAN FIORE:

Wow, what a passionate week, and now we have the Las Vegas Raiders coming to us. I just want to say, first of all, that all of the passion in this Chamber from all of my peers—whether you voted yes or whether you voted no, I have the utmost respect for each and every one of you. I heard each and every argument. Thank you for the hard work we have done this week.

Nevada has a once-in-a-generation opportunity to significantly enhance its tourism infrastructure and, as a result of that enhancement, diversify southern Nevada's core economic sector. People are well acquainted with the publicized benefits of the program: the state-of-the-art stadium, the state-of-the-art Convention Center, a new home for UNLV's football team, along with many others. What people listening at home do not hear about are the individual impacts. The many jobs—more than 40,000 over the life of the stadium—will provide much-needed support here for Nevada families. These jobs will help Nevada's working families achieve economic independence.

The benefits have brought together nearly every interest group in this state. Labor unions are advocating for this project alongside the business community. In our caucus, we have had most of the Republicans come together and work together. Just in this special session, we have seen labor, business, conservatives, and Democrats all working together. It was amazing.

I do not doubt the commitment of everyone in this Chamber to the education of Nevada's children. I am with you. I want to fight hard to give our children the best education available in this state. To me, that means ESAs. But that is not this fight. Southern Nevadans deserve a fair up-or-down vote on this legislation. We ought to have considered this bill—which we did—on its merits alone. That is what I did here. I will continue to fight for school choice, and I am as dedicated to improving our state's education climate as I have ever been.

I remain committed to the principles of small government and fiscal conservatism. I am satisfied by the protections that are built in for taxpayers, and I am grateful to the developers for including those protections. Ultimately, we are using tourist tax dollars to develop and enhance tourist infrastructure. That is a policy that makes sense and a policy that, as a conservative, I can support.

ASSEMBLYMAN FLORES:

First of all, I want to say thank you to leadership on both sides for working with us on some amendments, one of them being the addition of UNLV to the Board. I thought that was very important.

This bill was very complex in that it pitted a lot of my constituents against one other. It caused a lot of very passionate debate. I knew that regardless of how I voted, I needed to go back and face them. On one side, I had families saying that if you vote no, you are saying no to my dad coming home, you are saying no to me being able to stop living in a truck, you are saying no to the possibility of having something better for my family. On the other side, I had individuals who had very strong policy concerns that they could not overcome to say yes to the jobs.

While all this was happening, I was exposed to the real political game, all the stuff that happens behind the scenes and all the pressure. For those colleagues in here who voted no, while individuals attacked them and threatened to drop endorsements, that is unwarranted, and it is an

absolute disappointment. These individuals fought for you for years. They are undeserving of you turning your backs on them over this one vote when they have been in the trenches for you. I stand on the opposite side of that vote, but I could have just as easily, because of all the policy issues that are still in this bill, voted no.

Ultimately, I came to the realization that this meant thousands of jobs—from Pecos and Nellis to Las Vegas Boulevard and Charleston. There are people who have in their rusty trucks that decaying toolbox that they have not been able to pick up in a few months or a few years. They have not been able to put food on their tables. I have people in my district who live off yard sales. I had an obligation to them, and I said yes.

For everyone in my district who will come to me and argue that I was in error, I am ready for that policy discussion. It is warranted. But for those families to whom I can say, You will have a shovel and your tools in your hand, you are going to be able to put some food on the table—I am ready to see you, too.

ASSEMBLYMAN MOORE:

It has been an interesting week, to say the least. Thank you to all my colleagues for the great questions, comments, and side conversations we had regarding this bill.

When I looked at this bill, I ultimately thought to myself, I was sent up here to represent the people of District 8. I asked the folks in my district all along the way, starting when this bill was first announced, what they wanted me to do. I represent them first and foremost. Overwhelmingly, they spoke and said that they support this bill. Most of those folks are hardworking Nevada families that are struggling to put food on the table, trying to look their children in the eye when they do not have a job, and trying to be good parents to their children. I felt it was my duty to the folks I represent first and foremost to do as they wished. That is what I did. I stood with the hardworking construction folks—the laborers and all the other folks who will get jobs out of building this stadium. I am proud to say that. When I heard their stories and talked to them, I saw that they are just like me and like many others in this room. They try to work hard to do the right thing, so I am happy I supported this.

ASSEMBLYMAN CARRILLO:

I am a member of a union, but this has nothing to do with whether or not you are in a union. I know people who are nonunion carpenters, plumbers, and tradesmen. During the recession, a lot of our fellow tradesmen had to go on the road just to support their families. We have seen buildings on the Strip started but never finished. There is still a lot of contemplation about bringing them around. I am in a discussion forum with my fellow union brothers and sisters. Most of these people are traveling for work, and they are asking about these unfinished jobs. When is that job starting? When is this job starting? Has anyone heard about the Echelon? When are they going to be starting that up again? We do not have the answers for them. The business agents and managers do not have the answers for them.

I started seeing the Laborers' Union Local 872 working and doing a lot of the flat construction on our roads and all the infrastructure in District 18. The piping, electrical, and all that stuff had to be replaced because it had aged. It felt good to see the men and women working. Sometimes they are working at night because it is too hot during the day, but they are out there working from 9 p.m. to 5 a.m., when most people are in bed.

As a person in a trade who has experienced being out of work and who has watched my nest egg dwindle down, I have wondered whether I was going to be able to make my mortgage payment. When you are not working, your hours run out, so you end up having to pay out of pocket for your insurance. If you are the breadwinner and your significant other does not have it, guess what? If you have a cracked tooth, you have a cracked tooth. If you have a pain in your side, you have to look on the Internet to see how you can fix it. Why? Because you cannot afford to go to a doctor.

I know policy is very important, but when do we put people before policy? Does that ever matter? When you are in construction, you basically work yourself out of a job every time and then wait for the next one. Well, the next one is not coming because, guess what? They are not building.

When this bill came forward, of course it was a jumble. I have some brothers and sisters who work for my local who have committed suicide because of the lack of jobs. These are people

I have broken bread with and had laughs with. When I say brothers and sisters, that is who they are. It is an extended family. To see them end their lives because they cannot afford to take care of their families—they are losing their homes, losing their cars. You see them come to a union meeting, and they are riding a bicycle because they have lost everything. They have nothing else.

This may not be the perfect bill. Yes, there are a lot of people who need services. There is no question about that. But when you see people who you have known for a long time commit suicide—their families left behind are devastated. What do they do? You do not just replace that person.

Some of these jobs are temporary, but I know a lot of people in all parts of the country right now who are away working because they have to support their home here. They also have to support their home wherever they are working.

I did not say anything from my prepared statement. Sometimes it is hard to stay on the talking points, especially when you are talking about lives, about real, breathing people who are affected by what we do in this room. When we hit that button—green or red—we are changing lives. Do you know what we just did today in this room? We created hope. That is what we did. We created hope. I have already received half a dozen phone calls, most telling me they are not going to vote for me again. You know what? I do not care. I am not doing it for the votes. If I do not get reelected, guess what? I get my life back. Thank you very much for listening to me. That is from my heart.

ASSEMBLYWOMAN DOOLING:

As many of you know, this is my last session. I am very happy to have been a part of this historic vote for the Convention Center, stadium, and more police on our streets. I hope that the great work on the ESA program will continue. I know it will be a huge success.

Most importantly, I want to thank each and every one of you for being a true friend of mine at the end of session when I needed all of you. Thank you, and God bless you in your great work for our great state.

ASSEMBLYMAN GARDNER:

I have known about the stadium idea for a while, so when I knew a special session might happen, I started talking to my constituents. I decided I had two things I needed to do. One, I needed to figure out if my constituents wanted it; and two, I needed to determine whether it was a good idea. So I talked to my constituents. Overwhelmingly, they like it. It is not close, not a bare majority, not 51 percent—we are talking probably 70 percent who think it is a good idea.

I did exactly what my colleague from the north talked about—I started reading economic studies. I started reading what we had done in previous bills. One thing I have not heard is any comparison to the Tesla deal. The Tesla deal got through this body in two days, so less time than we took. It was for $1.5 billion, so more money than we are talking about now. There were zero votes against it. So for these people who are talking about there are different things we could spend this money on—yes, there are lots of other things we could spend this money on. There are a million things we could spend this money on. They did not care back then. That was just in 2014. That was not that long ago. I agree that there are always things we could spend money on.

Last session, we passed a tax increase, for which I got a lot of hate in the primary. I stand by it because we needed more money for education. I am sick of being fiftieth. We designated money to add more schools. My area has been in year-round schools for years. We did not have schools, so we passed bonding, which allocated $4 billion for more schools. I am finally going to get some schools here in the next couple of years. We did that.

We have Project Neon, where we are literally putting over a billion dollars into our infrastructure down in Las Vegas. We are doing that. You are talking about needing money for cops. Guess what? We just did that again today. The Board of Commissioners raised the sales tax, which I pay, by 0.05 percent. I am thankful for that because I finally have cops in my area. They cut our area command almost in half. I have more cops in my area now, and in nine months, I am going to have more.

We are doing these things that other people are saying we should be doing. Is there more to do? Yes, but we are doing exactly what these people are saying we need to do. I think we are doing that, and I think this is going to be a benefit in addition to that. I see this as an extension of the convention business.

I talked to the people in GOED [Governor's Office of Economic Development]. I talked to Jeremy Aguero at length about what this was based on, why he thought this was going to do so well, and why he was saying it was going to do significantly better than other places, even when other analysts and economists thought it would not. The *Las Vegas Sun is* talking about that. How did he get these numbers? I talked to him. These are the Nevada-specific numbers he has used for years. These are Las Vegas-specific numbers, based on what he has seen in the past and based on what our Convention Center and hotels see. I would prefer Nevada- and Las Vegas-specific numbers any day to national numbers, which do not bother to include what our economy is based on. I believe him. He says that there will be $1.4 billion per year in economic activity and $84 million in taxes. That seems like a win for us. We will be spending about $50 million in taxes. I know everybody keeps saying $750 million, but that is the bonding capacity. We will be spending about $50 million a year.

There will be 30,000 construction jobs and 14,000 permanent jobs. My people are hurting. They need jobs. I agree with my colleague from the south. I have people in my district who have given up looking for work. According to our official numbers, that means they are not counted as unemployed because they are not looking anymore. We have had our unemployment go down, but we are still one of the highest in the country. These people need work. I am happy and proud to fight for them.

I have had, like my colleague from the south, people saying they are voting against me for this very thing. I knew that. I knew in advance that there would be no way to make everyone happy. But based on all of my research, I believe this is a good idea. I only wish I could have said this before we took the vote. I understand why they cut off debate, but I wish I could have said this before we took the vote. I wanted people to know why I was doing this in advance, instead of having to explain it after the fact. I did not get that chance, so I am explaining it now.

ASSEMBLYMAN SILBERKRAUS:

I had prepared comments, but after listening to the words from my fellow members in this Chamber, I do not feel like that is what I want to say. The words from my good friend, the honorable member to my left, moved me. It is outrageous to think that any Nevadan should ever have to contemplate taking their own life because they cannot support their families, because they cannot look their children in the face, because they have lost hope.

Today, I hope we have changed that for some. I hope that tens of thousands of Nevadans have an opportunity to build a better life, that their children can succeed, that they can live the American dream, that they can live the Nevada dream. We are truly blessed to be in one of the most wonderful states in this Union. I hope that today, we just made it a little bit better.

I believe there are substantial protections for our Nevada taxpayers. I believe there are good jobs coming because of this policy. I believe there will be a net benefit to our state. I believe we will see additional tax revenue that will go to education, mental health, and all the programs we have talked about because, yes, they deserve those funds. Yes, we need to step up and make our state better across the board. But, like any other journey, it is one step at a time. Today, I feel we took a step in the right direction.

I thank the honorable members to my left and the honorable members to my right for your comments. I have been touched in more ways than I can say. It is an honor to serve with each and every one of you, whether we agree today or we disagree. Like the honorable member from District 22, who will be greatly missed in this Chamber, I look forward to ten years from now, looking at southern Nevada, our entire Nevada economy, our citizenry, and seeing the kinds of improvements, steps forward, and brighter future that I hope we started today.

With this, I hope we finally close the book on the recession and the hurt and harm it has done to our families and communities. Perhaps today, we take that first step forward into a new Nevada renaissance, a chance where we can really live that dream again.

ASSEMBLYMAN STEPHENS:

Mr. Speaker, this, too, is my last session. It has indeed been a great opportunity and a great honor. I have greatly appreciated the assistance from you, the Assemblyman to the left, my friend to the right, and the other good people here. It has been a great opportunity.

I graduated in the original domed convention center. This vote meant something to me. Looking back at the Strip, you had Circus Circus, which was an innovation. That was a great new

thing. Maybe it was not supposed to be, but it was a great development. As you go down the Strip to these various other places, the Mirage was never supposed to be successful. My dad ran a Mobil gas station where the MGM hotel now sits, on the corner of East Tropicana and the Strip. I guess that is progress indeed.

Las Vegas continues to innovate day after day, month after month, year after year. I feel certain that a good thing was done here today. We are now going forward with taxpayer protections and good jobs for many good men, women, and young people in our community. Indeed, good work was done here, and I am very pleased to have been a part of it.

ASSEMBLYMAN MUNFORD:

At first, I was not going to say anything, but then I heard Assemblywoman Dooling speak and say that this is the last day she is going to serve. That is the same for me and Assemblyman Stewart.

You know, I am the senior member of this body. I have been here longer than any of you. I came to the Legislature in 2005. I came to Las Vegas, believe it or not, in 1966, before most of you were born. I was in Las Vegas two years before Martin Luther King was assassinated. When most of you think of Martin Luther King being assassinated, that seems like ancient history, but I was there at that time.

I listened to many of your remarks. Most of them were very good, and they touched me. I just hope you come to 2017 without animosity. You are still representing this state, and you are still representing your constituents. We all—whether Republican or Democrat—have to work together for the betterment of this state and for the people we represent.

On Yom Kippur on Wednesday, do you know what I did? I still worked. Do you know where I went? I went to the prison because many of my constituents have family members who are incarcerated. They told me when I left, "If you have time, Assemblyman Munford, visit my son." I said, "I will do what I can do." I went to Parole and Probation down the street and looked at records and files. I share that because I think as a representative for 13 years, I was in it for the right reason. I came here for the people. When I leave today, I am still going to work for the people. I will be pursuing and focusing on something in my district that is very, very important. It might help to revitalize my district and turn it around. I am going to be involved with some people who are going to revitalize the Moulin Rouge. Do any of you know the history of that famous gaming facility? We are going to try to bring it back. Assemblywoman Titus came to me and said that if she could help in any way, count her in.

In terms of the vote here, I voted for the football team to come here. You know my background. I was an athlete. I played football, basketball, and all that stuff. In my district, there are a lot of African-American young men. The Raiders could serve as role models and examples, so I can see the value in that. I do not mean to offend anyone, but in the NFL, two-thirds or more of the players are African-American. This brings an NFL team close to my district, to southern Nevada, and to the whole state of Nevada. Most of you in the north have to run over to the 49ers, but maybe you will wrap your arms around the Raiders.

I can go on and on, but I just want to say that I enjoyed serving with all of you in here. There is a lot of talent here. Look at Assemblyman Armstrong, a young man who did a marvelous job up there. He has a bright future. Assemblyman Flores—he is my man and has a bright future. Assemblyman Silberkraus, you owe me a dinner. He is a good man, too. There are a lot of good people over here. I always thought Miss Nevada was exceptional. Assemblywoman Bustamante Adams, I will miss you, too. There are so many good people here. Assemblyman Thompson, you have to carry some things on after I am gone. You are the man. Assemblywoman Neal, your dad has taught you well. I knew your dad before you were born. I knew your mother. I knew the whole family. You are tough, but sometimes you can also extend the olive branch, too, when dealing with people.

Anyway, thank you all. This was another chance for me to come up here to say goodbye to my friends. I thought I would never see them again—the whole group up here. Trinity Thom over there and my student over here. If you do not know, Robin Bates was my student when I first came in 1966 at Orr Middle School. That is right—he was a tough kid then, too. It has been good, and I will always cherish these moments of being up in Carson City. I get a little emotional, but I will still be thinking of you in 2017. I will know when you all start. I will know the steps and the

routine that you have to take. Good luck to you. Maybe I will see you again. Maybe you will come to the Moulin Rouge someday.

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, October 14, 2016

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day concurred in Assembly Amendment No. 12 to Senate Bill No. 1.

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

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

Mr. Speaker appointed Assemblymen Kirner, Woodbury, and Diaz as a committee to wait upon His Excellency, Governor Brian Sandoval, Governor of the State of Nevada, and inform him that the Assembly was ready to adjourn *sine die*.

Mr. Speaker appointed Assemblymen Titus, Edwards, and Carrillo as a committee to wait upon the Senate and inform that honorable body that the Assembly was ready to adjourn *sine die*.

Assemblywoman Titus reported that her committee had informed the Senate that the Assembly was ready to adjourn *sine die*.

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

Assemblyman Paul Anderson moved that the 30th Special Session of the Assembly of the Legislature of the State of Nevada adjourn *sine die*.

Motion carried.

Assembly adjourned at 1:43 p.m.

Approved:

JOHN HAMBRICK
Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly

APPENDICES

Thirtieth Special Session, 2016

Page

APPENDIX A 287
Recommendation Summary, Clark County Crime Prevention Act of 2016, prepared by the Southern Nevada Tourism Infrastructure Committee

APPENDIX B 302
Letter from Holly Welborn, Policy Director, American Civil Liberties Union of Nevada, regarding a possible amendment to Assembly Bill No. 1

APPENDIX C 303
Proposed Amendment No. 7 to Assembly Bill No. 1 by the Assembly Committee of the Whole

APPENDIX D 315
Recommendation Summary, Las Vegas Stadium Project, prepared by the Southern Nevada Tourism Infrastructure Committee

APPENDIX E 355
Recommendation Summary, Las Vegas Convention Center Expansion and Renovation, prepared by the Southern Nevada Tourism Infrastructure Committee

APPENDIX F 374
Senate Bill No. 1 with annotations by Frank Hawkins, Private Citizen, Las Vegas, Nevada

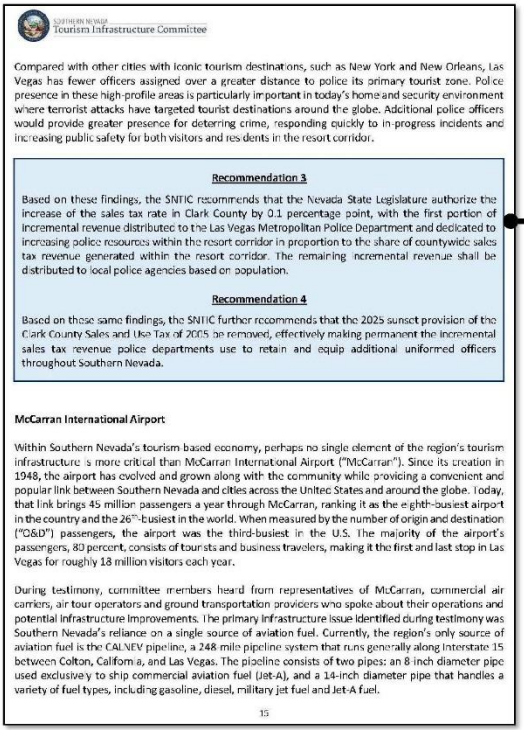
APPENDIX G 422
Memorandum, Fiscal Note for Senate Bill No. 1, prepared by Michael Nakamoto, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau

APPENDIX H 425
Las Vegas NFL Stadium Sites Traffic Assessment, dated October 4, 2016, prepared by CH2M for the Nevada Department of Transportation

APPENDIX I 466
Proposed Amendment No. 12 to Senate Bill No. 1 by the Assembly Committee of the Whole

SOUTHERN NEVADA
Tourism Infrastructure Committee
Recommendation Summary
Clark County Crime Prevention Act of 2016

Appendix A



SOUTHERN NEVADA
Tourism Infrastructure Committee

Compared with other cities with iconic tourism destinations, such as New York and New Orleans, Las Vegas has fewer officers assigned over a greater distance to police its primary tourist zone. Police presence in these high-profile areas is particularly important in today's homeland security environment where terrorist attacks have targeted tourist destinations around the globe. Additional police officers would provide greater presence for deterring crime, responding quickly to in-progress incidents and increasing public safety for both visitors and residents in the resort corridor.

Recommendation 3

Based on these findings, the SNTIC recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percentage point, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population.

Recommendation 4

Based on these same findings, the SNTIC further recommends that the 2025 sunset provision of the Clark County Sales and Use Tax of 2005 be removed, effectively making permanent the incremental sales tax revenue police departments use to retain and equip additional uniformed officers throughout Southern Nevada.

McCarran International Airport

Within Southern Nevada's tourism based economy, perhaps no single element of the region's tourism infrastructure is more critical than McCarran International Airport ("McCarran"). Since its creation in 1948, the airport has evolved and grown along with the community while providing a convenient and popular link between Southern Nevada and cities across the United States and around the globe. Today, that link brings 45 million passengers a year through McCarran, ranking it as the eighth-busiest airport in the country and the 26th-busiest in the world. When measured by the number of origin and destination ("O&D") passengers, the airport was the third-busiest in the U.S. The majority of the airport's passengers, 80 percent, consists of tourists and business travelers, making it the first and last stop in Las Vegas for roughly 18 million visitors each year.

During testimony, committee members heard from representatives of McCarran, commercial air carriers, air tour operators and ground transportation providers who spoke about their operations and potential infrastructure improvements. The primary infrastructure issue identified during testimony was Southern Nevada's reliance on a single source of aviation fuel. Currently, the region's only source of aviation fuel is the CALNEV pipeline, a 248-mile pipeline system that runs generally along Interstate 15 between Colton, California, and Las Vegas. The pipeline consists of two pipes: an 8-inch diameter pipe used exclusively to ship commercial aviation fuel (Jet-A), and a 14-inch diameter pipe that handles a variety of fuel types, including gasoline, diesel, military jet fuel and Jet-A fuel.

15

SOUTHERN NEVADA
Tourism Infrastructure Committee

1

"[T]he SNTIC recommends that the Nevada State Legislature authorize the increase of the sales tax rate in Clark County by 0.1 percentage point, with the first portion of incremental revenue distributed to the Las Vegas Metropolitan Police Department and dedicated to increasing police resources within the resort corridor in proportion to the share of countywide sales tax revenue generated within the resort corridor. The remaining incremental revenue shall be distributed to local police agencies based on population."

Police Funding Recommendation

Key Considerations

1. Recent History of Police Staffing and Funding
2. Incremental Police Funding Proposal
3. Incremental Resort Corridor Police Funding
4. Incremental Community Police Funding

Police Funding Recommendation

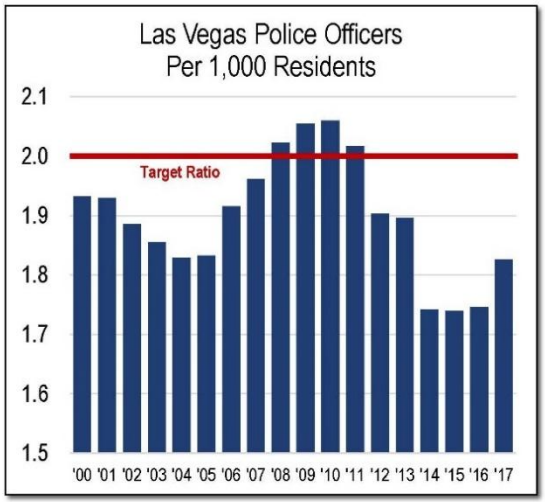
Key Considerations

1. **Recent History of Police Staffing and Funding**
2. Incremental Police Funding Proposal
3. Incremental Resort Corridor Police Funding
4. Incremental Community Police Funding

Historical Las Vegas Police Staffing Ratios

The Metropolitan Police Department has established a staffing ratio target of 2.0 officers per 1,000 residents.

In recent history, periods of significant population growth and economic crisis have impacted the agency's ability to maintain that level of staffing.



History of More Cops Sales Tax

- **November 2004 –** Clark County voters approve increasing sales tax up to 0.5 percent to hire and equip additional police officers
- **2005 Session –** Legislature passes Clark County Sales and Use Tax Act of 2005 (More Cops) authorizing a 0.25 percent increase in sales tax for additional police officers
- **2005 –** Clark County Commission enacts full authorized increase of 0.25 percent
- **2013 Special Session –** Legislature authorizes 0.15 percent increase in sales tax for additional police officers
- **September 2015 –** Clark County Commission enacts 0.05 percent increase in sales tax
- **July 1, 2016 –** Authority to enact remaining 0.1 percent of sales tax expires

Police Funding Recommendation

Key Considerations

1. Recent History of Police Staffing and Funding
2. **Incremental Police Funding Proposal**
3. Incremental Resort Corridor Police Funding
4. Incremental Community Police Funding Tier

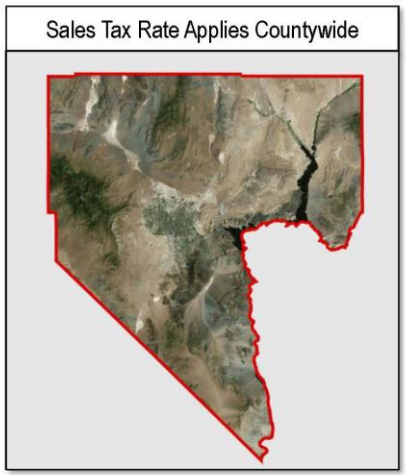
Incremental Police Funding Recommendation

- Increase sales tax in Clark County by 0.10 percent to hire and equip additional police officers

Current Sales Tax Rate for Police
0.30%

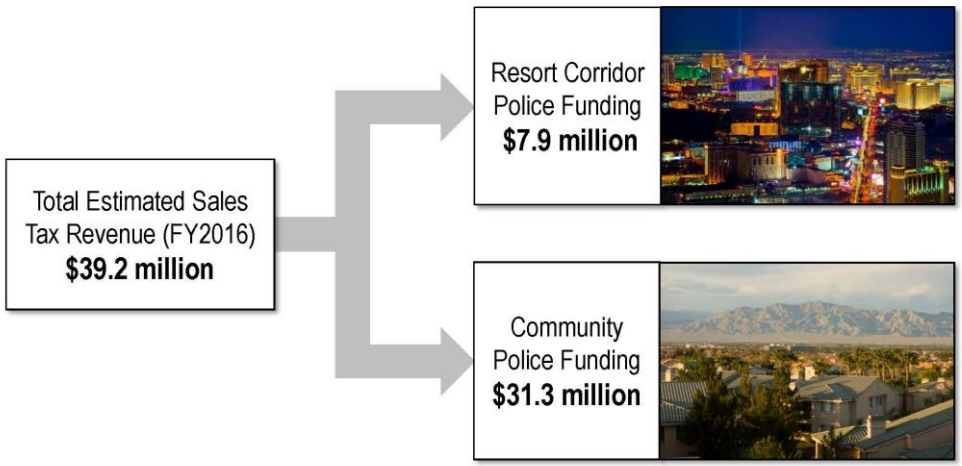
+0.10%

New Sales Tax Rate for Police
0.40%



Police Funding Distribution

- Incremental sales tax revenue generated from the increase will be distributed in two ways



Police Funding Recommendation

Key Considerations

1. Recent History of Police Staffing and Funding
2. Incremental Police Funding Proposal
3. **Incremental Resort Corridor Police Funding**
4. Incremental Community Police Funding Tier

Incremental Resort Corridor Police Funding

- Revenue for this allocation is determined by a formula that estimates the share of sales tax revenue generated by visitors to Southern Nevada
- Funding is directed to the Metropolitan Police Department to hire and equip additional officers assigned exclusively to the resort corridor

Step 1: Calculate Visitor Share of Taxable Retail Sales

Daily Visitor Population Share 17%	X	Visitor Spending Multiplier 1.15	=	Visitor Share of Taxable Sales 20%

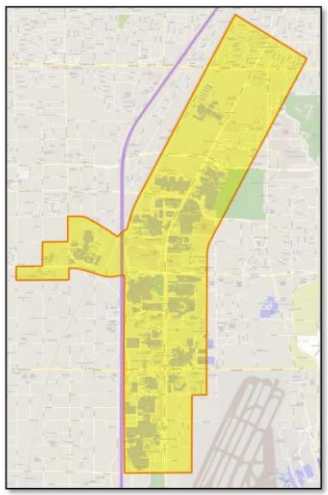
Step 2: Calculate Resort Corridor Police Funding Allocation

Visitor Share of Taxable Sales 20%	X	Incremental Sales Tax Revenue $39.2 million	=	Resort Corridor Police Funding $7.9 million



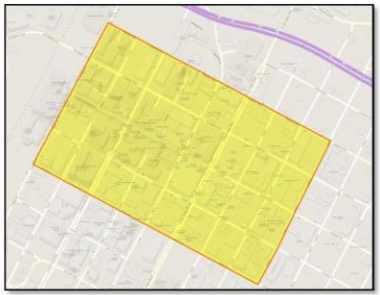
Resort Corridor Police Assignments

- All Metropolitan Police Department officers funded through the Resort Corridor allocation must be assigned to the resort corridor as defined in the maps below



Las Vegas Strip Area
Boundary comprises Las Vegas Boulevard from Russell Road to St. Louis Avenue extending 2,300 feet from the street centerline and Flamingo Road from Las Vegas Boulevard to Arville Street with adjacent areas to include the properties of The Palms, Gold Coast and Rio.

Downtown Las Vegas Area
Boundary comprises the area bordered by Stewart Avenue to the north, 8th Street to the east, Bridger Avenue to the south, and Main Street to the west.



Police Funding Recommendation

Key Considerations

1. Recent History of Police Staffing and Funding
2. Incremental Police Funding Proposal
3. Incremental Resort Corridor Police Funding
4. **Incremental Community Police Funding**



Incremental Community Police Funding

- Remaining incremental sales tax revenue is distributed to local police agencies based on population
- Revenue distribution, reporting requirements, officer assignments, supplanting restrictions and other provisions are included in the recommendation

Community Police Funding Allocation
$31.3 million

Agency	Amount
Las Vegas Metropolitan PD	$23,058,000
Henderson PD	$4,254,000
North Las Vegas PD	$3,479,000
Mesquite PD	$282,000
Boulder City PD	$234,000

New Police Officers

- The incremental sales tax revenue will support more than 300 additional police officers throughout Clark County



Resort Corridor
Police Funding

66

New Officers



Communitywide
Police Funding

245

New Officers



Assembly Committee of the Whole
AsmCOW@asm.state.nv.us

AMERICAN CIVIL LIBERTIES UNION OF NEVADA

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1325 AIRMOTIVE WAY
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F/ 775.786.0805

WWW.ACLUNV.ORG

Dear Chairman Armstrong:

The ACLU of Nevada of Nevada encourages policies that attempt to make police operations efficient and effective within the scope of what is constitutionally permissible It is vital to the preservation of our civil liberties not only to stem an increasing crime rate but also, and equally, to have police officers who are trained to know and respect the constitutional rights of all individuals with whom they interact.

Increases in police patrol must be balanced with those implications. A.B. 1 would add approximately 350 new patrol officers in Clark County. Best practices require that law enforcement take a thorough assessment of their need for more patrol units in particular areas in a community. This includes assessing whether the need requires more units or a redistribution of officers. It also requires that all new officers have appropriate training and are equipped with new technologies.

Our recommendation is that Section 9 (7) (b) (1) be amended to specify that a portion of the revenue be used for cultural sensitivity and de-escalation training; that all new police officers be equipped with body cameras; and that all new police vehicles be required to have dash cameras. The ACLU of Nevada is happy to work with the Committee on this amendment. Such preventative policies protect our community and the rights of Nevada residents.

Sincerely,
Holly Welborn
Policy Director ACLU of Nevada.

Appendix B

2016 Special Session (30th) A AB1 7

Amendment No. 7

Assembly Amendment to Assembly Bill No. 1 (BDR S-10)

Proposed by: Assembly Committee of the Whole

Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date
Adopted ☐	Lost ☐			Adopted ☐	Lost ☐		
Concurred In ☐	Not ☐			Concurred In ☐	Not ☐		
Receded ☐	Not ☐			Receded ☐	Not ☐		

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

MSN/EGO Date: 10/12/2016

A.B. No. 1—Enacts the Clark County Crime Prevention Act of 2016. (BDR S-10)

Page 1 of 12

Appendix C

ASSEMBLY BILL NO. 1–COMMITTEE OF THE WHOLE

PREFILED OCTOBER 9, 2016

Referred to Committee of the Whole

SUMMARY—Enacts the Clark County Crime Prevention Act of 2016. (BDR S-10)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets [~~omitted material~~] is material to be omitted.

AN ACT relating to taxation; enacting the Clark County Crime Prevention Act of 2016; authorizing the Board of County Commissioners of Clark County to enact an ordinance imposing a sales and use tax for the purpose of employing and equipping additional police officers in the County and the incorporated cities in the County; establishing requirements for the contents of any ordinance imposing the tax authorized by this act; requiring the County to contract with the Department of Taxation for the performance of all functions relating to the administration or operation of the tax; establishing the method for determining the allocation of the proceeds of the tax among the police departments in the County; providing for an [~~initial~~] allocation to the Las Vegas Metropolitan Police Department for the purpose of law enforcement and crime prevention in the portion of the County defined as the "resort corridor"; establishing the permissible uses of the proceeds of the tax; establishing requirements for the approval of any expenditure of money allocated to a police department from the proceeds of the tax; establishing certain reporting requirements concerning expenditures by a police department of money allocated to the department from the proceeds of the tax; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill enacts the Clark County Crime Prevention Act of 2016. **Section 9** of this bill authorizes the Board of County Commissioners of Clark County to adopt an ordinance imposing a tax on the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent for the purpose of employing and equipping additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department. **Section 9** establishes a formula for the allocation of the proceeds of the tax which takes into account the number of visitors to the portion of the County known as the "resort corridor" and provides [~~first~~] for an allocation of money to the Las Vegas Metropolitan

Police Department for the purpose of law enforcement and crime prevention in the "resort corridor." The formula ~~[does]~~ **additionally** provides for ~~[allocation]~~ **allocations** of the ~~[remaining]~~ proceeds of the tax among the police departments in the County in the same ratio that the population served by each police department bears to the total population of the County. **Sections 9 and 12** of this bill establish the permissible uses of the proceeds of the tax **,** and **section 9** also provides that the money allocated to a police department from the proceeds of the tax must not supplant, replace, offset or otherwise reduce police funding allocations from other sources or be used to pay salary or salary increases for any person **who is** employed by the police department before October 1, 2016. **Additionally, section 9 authorizes the Board of County Commissioners, under certain circumstances, to consider and revise the amount and formula for the allocation of the proceeds of the tax and the boundaries of the "resort corridor."** **Section 10** of this bill sets forth certain provisions which must be included in an ordinance imposing the tax. **Section 12** provides for the approval of any expenditure of the allocations from the proceeds of the tax and requires the relevant entity authorized to approve expenditures to make certain findings before giving such approval. **Section 12** also provides for the reallocation of the proceeds of the tax to a different police department if the entity authorized to approve expenditures by a police department does not make the requisite findings. **Section 13** of this bill establishes quarterly and annual reporting requirements concerning the expenditure of any money allocated to a police department from the proceeds of the tax ~~.~~ **and requires that these reports be submitted to the Department of Taxation on the same forms as the relevant reports required by the Clark County Sales and Use Tax Act of 2005.** **Sections 14-19** of this bill establish provisions governing the administration and distribution of the proceeds of the tax.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. This act may be cited as the Clark County Crime Prevention Act of 2016.

Sec. 2. 1. The Legislature hereby finds that:

(a) For more than three decades, the State of Nevada has been one of the fastest-growing states in the United States in terms of population, with the overwhelming majority of this population growth occurring in Clark County, Nevada, a region that is projected to add over 3,000 new residents each month for at least the next 10 years.

(b) Clark County is positioned to continue as one of the fastest-growing areas in the nation, and it is both the home to and the social, cultural and recreational arena and marketplace for a booming population of over 2.14 million residents, with over 2.08 million of those residents living and recreating within the Las Vegas Valley urban area.

(c) The Las Vegas area is also a getaway to over 42 million tourists annually who visit for the world-class entertainment, hospitality, gaming, fine dining and shopping and who want to experience and enjoy the world-famous, unique and incomparably distinctive Las Vegas Strip, known as the heart of the Entertainment Capital of the World.

(d) The number of tourists visiting the Las Vegas area is expected to increase annually, with some projections estimating nearly 1 million additional visits each year.

2. The Legislature hereby finds that ~~:~~

~~(a) Because the Las Vegas area is the most visited and economically significant tourism market within this State, the tourism industry within the Las Vegas area is critically important to the economy of that local area and this State, and the continued growth and success of the tourism industry within the Las Vegas area is~~

~~particularly vital to the general welfare and prosperity of that local area and this State.~~

~~(b) A~~ **a** significant part of the continued growth and success of the tourism industry within the Las Vegas area depends upon safety and security of the millions of residents who call the Las Vegas area home **, the over 300,000 workers who are employed directly and indirectly in the tourism industry in the Las Vegas area** and the millions of visitors who travel to the area, all of whom want to enjoy and experience living **, working** or recreating in the Entertainment Capital of the World in a safe and secure environment without fear of crime or violence.

3. The Legislature hereby finds that:

(a) The number of police officers needed to protect the residents of **, workers in** and visitors to Clark County has not kept pace with the growth in the population of the County or the increase in annual visitors to the Las Vegas area. Nationally, there is an average of 2.1 police officers per 1,000 residents, but in Clark County, there is an average of 1.7 police officers per 1,000 residents, without adjustment for the millions of annual visitors who it is estimated account for nearly 17 percent of Clark County's full-time equivalent population base.

(b) As a result of the millions of annual visitors to the Las Vegas area, the law enforcement agencies within Clark County experience unique ~~[and unparalleled]~~ demands on their limited and strained resources, and the crime rate within Clark County and its resort corridors is increasing, which undermines the safety and security of the residents of **, workers in** and visitors to the Las Vegas area and places an unacceptable level of risk upon the continued growth and success of the tourism industry within the Las Vegas area.

(c) The current funding sources for law enforcement agencies within Clark County have proved inadequate, which makes it increasingly difficult for those law enforcement agencies to dedicate sufficient resources in the areas of the County where they are most needed without depleting those resources in other areas of the County.

4. The Legislature hereby finds that it is in the public interest and beneficial to the public health, safety and welfare to authorize additional funding sources for law enforcement agencies within Clark County.

5. The Legislature hereby declares that:

(a) Because the law enforcement agencies within Clark County experience unique ~~[and unparalleled]~~ demands on their limited and strained resources, it is necessary to enact a law of local and special application to authorize additional funding sources for those law enforcement agencies in order to remedy and redress local and special problems and circumstances within Clark County, which are found nowhere else within this State**.** ~~[, and to benefit the residents of that local and special area.]~~

(b) Therefore, given that a law of local and special application is necessary to remedy and redress local and special problems and circumstances within Clark County, which are found nowhere else within this State, ~~[and given that such a law is necessary to benefit the residents of that local and special area,]~~ a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

Sec. 3. Except as otherwise provided in this act or unless the context otherwise requires, the **words and** terms used or referred to in this act have the meanings ascribed to them in chapter 374 of NRS, as from time to time amended, but the definitions in sections 4 to 8, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

Sec. 4. "Board" means the Board of County Commissioners of Clark County.

Sec. 5. "County" means Clark County.

Sec. 6. "County Treasurer" means the Treasurer of Clark County.

Sec. 7. "Department" means the Department of Taxation.

Sec. 8. "Resort corridor ~~[".]~~ **," unless otherwise specified in an ordinance adopted by the Board pursuant to subsection 7 of section 9 of this act,** means the following areas of the City of Las Vegas, the Town of Paradise and unincorporated Clark County:

1. The area beginning at the point at which the centerline of South Las Vegas Boulevard intersects the centerline of St. Louis Avenue, then proceeding southeast 2,300 feet perpendicular to South Las Vegas Boulevard and then proceeding southwest then south 2,300 feet parallel from the centerline of South Las Vegas Boulevard until reaching the centerline intersection of Reno Avenue, then proceeding west along the centerline of Reno Avenue to the centerline intersection of Haven Street, then proceeding south along the centerline of Haven Street and continuing through at a distance 1,380 feet parallel to the centerline of South Las Vegas Boulevard to a point 1,380 feet east of the centerline intersection of South Las Vegas Boulevard and West Russell Road, then proceeding west to the centerline intersection of South Las Vegas Boulevard and the centerline of West Russell Road, then proceeding west along the centerline of West Russell Road to the eastern edge line of Interstate 15, then proceeding north along the eastern edge of I-15 to the centerline intersection of West Flamingo Road, then proceeding west along the centerline of West Flamingo Road to the centerline intersection of South Valley View Boulevard, then proceeding south along the centerline of South Valley View Boulevard to the centerline intersection of West Nevso Drive, then proceeding west along the centerline of West Nevso Drive and continuing 1,378 feet west to a point at the centerline intersection of West Nevso Drive and Arville Street, then proceeding north along the centerline of Arville Street to the centerline intersection of West Flamingo Road, then proceeding east along the centerline of West Flamingo Road to the centerline intersection of Wynn Road, then proceeding north along the centerline of Wynn Road to the centerline intersection of West Viking Road, then proceeding east along the centerline of West Viking Road to the centerline intersection of South Valley View Boulevard, then proceeding north along the centerline of South Valley View Boulevard to the centerline intersection of West Twain Avenue, then proceeding east and southeast along the centerline of West Twain Avenue to the centerline intersection of Dean Martin Drive, then proceeding northeast along the centerline of Dean Martin Drive to a point where it intersects with a line 2,300 feet parallel to South Las Vegas Boulevard, then continuing northeast along the line 2,300 feet parallel to South Las Vegas Boulevard until it intersects a point 2,300 feet perpendicular to South Las Vegas Boulevard at the centerline intersection of South Las Vegas Boulevard and the centerline of St. Louis Avenue, and then proceeding 2,300 feet southeast to the beginning point at the centerline intersection of South Las Vegas Boulevard and the centerline of St. Louis Avenue.

2. The area beginning at the point at which the centerline of Stewart Avenue intersects the centerline of North Main Street then proceeding southeast along the centerline of Stewart Avenue to the centerline intersection of North 8th Street, then proceeding southwest along the centerline of North 8th Street to the centerline intersection of East Bridger Avenue, then proceeding northwest along the centerline of East Bridger Avenue to the centerline intersection of South Main Street, then continuing northeast along the centerline of South/North Main Street to the beginning point at the centerline intersection of Stewart Avenue.

Sec. 9. 1. For the purposes of employing and equipping additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las

Vegas Police Department, the Board may enact an ordinance imposing a tax on the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent.

2. Before enacting an ordinance authorized by subsection 1, the Board shall hold a public hearing to present its plan for implementing the tax.

3. Except as otherwise provided in subsection 6, the proceeds from the tax authorized by subsection 1, including interest and other income earned thereon, must be allocated ~~[as follows:~~

~~(a) An allocation must first be made to the]~~ **to:**

(a) The Las Vegas Metropolitan Police Department for public safety in the resort corridor, in an amount determined in accordance with the provisions of subsection 4.~~[~~

~~(b) After the allocation is made to the Las Vegas Metropolitan Police Department pursuant to paragraph (a), allocations must be made to the]~~ **; and**

(b) The Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department in amounts determined in accordance with the provisions of subsection 5.

4. Except as otherwise provided in subsection 6, to determine the allocation to the Las Vegas Metropolitan Police Department made pursuant to paragraph (a) of subsection 3, the Board shall:

(a) Obtain in October of each year:

(1) The estimate of the volume of visitors to the County for the immediately preceding calendar year, as published by the Las Vegas Convention and Visitors Authority;

(2) The most recent estimates available of the average length of stay for all visitors to the County, including the average number of days per trip and the average number of nights per trip, as published by the Las Vegas Convention and Visitors Authority; and

(3) The most recent estimate of the resident population of the County, as published by the demographer employed pursuant to NRS 360.283.

(b) Estimate the full-time population equivalency of the County by dividing by 365 the combined sum of:

(1) The product obtained by multiplying the estimate of visitor volume obtained pursuant to subparagraph (1) of paragraph (a) by the average length of stay per visitor, which the Board shall determine by adding the average number of days per trip and the average number of nights per trip obtained pursuant to subparagraph (2) of paragraph (a) and dividing that number by 2; and

(2) The product obtained by multiplying the resident population of the County obtained pursuant to subparagraph (3) of paragraph (a) by 365.

(c) Estimate the portion of the full-time population equivalency of the County attributable to visitors by dividing the number obtained pursuant to subparagraph (1) of paragraph (b) by the total number of person days in the County, which is the sum of the numbers obtained pursuant to subparagraphs (1) and (2) of paragraph (b).

(d) Multiply the quotient obtained pursuant to paragraph (c) by 1.15.

(e) Multiply the number obtained pursuant to paragraph (d) by the total amount of the proceeds collected from the tax authorized by subsection 1 and allocate this amount to the Las Vegas Metropolitan Police Department as required by paragraph (a) of subsection 3.

5. Except as otherwise provided in subsection 6, the allocations made to the Boulder City Police Department, Henderson Police Department, Las Vegas

Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department pursuant to paragraph (b) of subsection 3 must be in the same ratio as the population served by each police department bears to the total population of the County. As used in this subsection, "population" means the estimated annual population determined pursuant to NRS 360.283.

6. The formulas used to calculate the allocation of the proceeds of the tax authorized by subsection 1 are effective for 3 years after the effective date of this act. On or after the date that is 3 years after the effective date of this act, the Board may, once in each even-numbered year, reconsider the amount of and formulas for calculating the allocations of the proceeds of the tax. If the Board determines that there is a rational basis for modifying the amount of or formulas for calculating the allocations of the proceeds of the tax, the Board may adopt an ordinance revising the formulas for calculating the allocations of the proceeds of the tax. The Board shall, at least 12 months before adopting any such ordinance, provide notice to each affected local government and police department in the County of its intent to revise the formulas for calculating the allocations of the proceeds of the tax.

7. On or after the date that is 3 years after the effective date of this act, the Board may, once in each even-numbered year, reconsider the boundaries of the resort corridor. If the Board determines, including, without limitation, after consideration of the number of calls for service in the resort corridor and outside the resort corridor, that there is a rational basis for modifying the boundaries of the resort corridor, the Board may adopt an ordinance revising the boundaries of the resort corridor. The Board shall, at least 12 months before adopting any such ordinance, provide notice to each affected local government and police department in the County of its intent to revise the boundaries of the resort corridor.

8. The proceeds of the tax authorized by subsection 1 and:

(a) Allocated to the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 must be used solely for law enforcement and crime prevention within the resort corridor, must not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, within the resort corridor, and must not be used to pay salary or salary increases for any person **who is** employed by the Las Vegas Metropolitan Police Department before October 1, 2016.

(b) Allocated to the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department pursuant to paragraph (b) of subsection 3:

(1) Must be used solely for law enforcement and crime prevention within the respective portions of the County, must not supplant, replace, offset or otherwise reduce police funding allocations, measured by either funding levels or staffing allocation, for police protection in the County or any incorporated city in the County, and must not be used to pay salary or salary increases for any person **who is** employed by the respective police department before October 1, 2016.

(2) Includes the resort corridor and must not be discounted, offset or otherwise reduced based upon the allocation made to the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 or the allocation or distribution of any other revenues dedicated to law enforcement and crime prevention in the resort corridor.

~~[8.]~~ **9.** The taxes imposed by an ordinance adopted pursuant to subsection 1 and allocated in accordance with subsection 3 must be used only in accordance with the provisions of subsection ~~[7]~~ **8** and for the purposes set forth in section 12 of this act unless the Legislature changes the use. The Board shall, before submitting to the

Legislature any request to change the uses for the proceeds from the tax, submit an advisory question to the voters of the County pursuant to NRS 295.230, asking whether the uses of the proceeds from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change.

Sec. 10. An ordinance enacted pursuant to subsection 1 of section 9 of this act must include provisions in substance as follows:

1. A provision imposing a tax on the gross receipts of any retailer from the sale of all tangible personal property sold at retail or stored, used or otherwise consumed in the County, including incorporated cities in the County, at a rate of one-tenth of 1 percent.

2. Provisions substantially similar to those contained in chapter 374 of NRS, insofar as applicable.

3. A provision that any amendment to chapter 374 of NRS enacted after the effective date of the ordinance, not inconsistent with the provisions of this act, automatically becomes part of the ordinance imposing the tax.

4. A provision that the Board shall contract with the Department, before the effective date of the ordinance, to perform all functions incident to the administration or operation of the tax in the County.

5. A provision that a purchaser is entitled to a refund, in accordance with the provisions of NRS 374.635 to 374.720, inclusive, of the amount of the tax required to be paid that is attributable to the tax imposed on the sale of, and the storage, use or other consumption in the County, including incorporated cities in the County, of tangible personal property used for the performance of a written contract for the construction of an improvement to real property:

(a) That was entered into on or before the effective date of the tax; or

(b) For which a binding bid was submitted on or before the effective date of the tax if the bid was afterward accepted and, pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax.

6. A provision that specifies the date on which the tax must first be imposed or on which any change in the rate of the tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.

Sec. 11. An ordinance amending an ordinance enacted pursuant to section 9 of this act, except an ordinance authorizing the issuance of bonds or other securities, must include a provision in substance that the Board shall amend a contract made pursuant to subsection 4 of section 10 of this act by a contract made between the Board and the Department before the effective date of the amendatory ordinance, unless the Board determines with the written concurrence of the Department that no such amendment of the contract is necessary.

Sec. 12. 1. A police department shall not expend money allocated to the police department from the proceeds of the tax authorized by subsection 1 of section 9 of this act unless the expenditure has been approved:

(a) For the Boulder City Police Department, by the City Council of the City of Boulder City;

(b) For the Henderson Police Department, by the City Council of the City of Henderson;

(c) For the Las Vegas Metropolitan Police Department, by the Metropolitan Police Committee on Fiscal Affairs;

(d) For the Mesquite Police Department, by the City Council of the City of Mesquite; and

(e) For the North Las Vegas Police Department, the City Council of the City of North Las Vegas.

2. The body designated pursuant to subsection 1 shall approve an expenditure of money allocated to the police department from the proceeds of the tax authorized by subsection 1 of section 9 of this act if the body determines that:

(a) The proposed use of the money conforms to all provisions of this act;

(b) The proposed use of the money will not replace or supplant existing funding for the police department; ~~[and]~~

(c) The proposed use of the money will not be the payment of salary or any increase in salary for any person who is employed by the police department before October 1, 2016~~.~~ ~~[.]~~ **; and**

(d) The proposed use of the money is based upon a consideration of the distribution of the population within the area of the County or incorporated city served by the police department and the distribution of calls for service within the area of the County or incorporated city served by the police department.

3. To make the determination required by paragraph (b) of subsection 2, the body designated pursuant to subsection 1 must find that:

(a) The amount approved for expenditure for the support of the police department for the fiscal year, not including any money allocated to or expended by the police department pursuant to the provisions of this act, is equal to or greater than the amount approved for expenditure for the support of the police department in the immediately preceding fiscal year; or

(b) The amount approved for expenditure for the support of the police department for the fiscal year, not including any money allocated to or expended by the police department pursuant to the provisions of this act, is less than the amount approved for expenditure for the support of the police department in the immediately preceding fiscal year and the body projects a decrease in its receipts of revenue in the fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.

4. If the body designated pursuant to subsection 1 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.

5. If the body designated pursuant to subsection 1 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body must retain the proceeds from the tax authorized by subsection 1 of section 9 of this act and allocated to the police department for that fiscal year in the special revenue fund created by the body pursuant to section 17 of this act. Any other body designated by subsection 1 which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County Treasurer requesting approval for the use by the respective police department of any portion of those proceeds in accordance with the provisions of this section.

6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the body which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from the tax authorized by subsection 1 of section 9 of this act as approved by the County Treasurer for use by the body which submitted the request pursuant to subsection 5.

7. Notwithstanding the provisions of subsection 4 of section 17 of this act, a body designated pursuant to subsection 1 that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the body designated pursuant to subsection 1 which submitted the request pursuant to subsection 5, which shall deposit the money in the special revenue fund created by the body pursuant to section 17 of this act.

8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 1, Fiscal Year 2015-2016, except that:

(a) If, in any subsequent fiscal year, the amount approved by the body for expenditure for the support of the police department that subsequent fiscal year, not including any money allocated to or expended by the police department pursuant to the provisions of this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.

(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved by the body for expenditure for the support of the police department, not including any money allocated to or expended by the police department pursuant to the provisions of this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2015-2016, the base fiscal year for that body becomes Fiscal Year 2015-2016, but is subject to subsequent revision pursuant to paragraph (a).

Sec. 13. 1. A body designated pursuant to subsection 1 of section 12 of this act that approves an expenditure pursuant to section 12 of this act shall, for the relevant period, submit to the Department the reports required by this section, which must include, without limitation, the information required by this section and such other information relating to the administration of the provisions of this act as may be requested by the Department.

2. A body designated pursuant to subsection 1 of section 12 of this act shall submit the reports required by this section on or before:

(a) February 15, for the 3-month period ending on the immediately preceding December 31;

(b) May 15, for the 3-month period ending on the immediately preceding March 31;

(c) August 15, for the 3-month period ending on the immediately preceding June 30;

(d) November 15, for the 3-month period ending on the immediately preceding September 30; and

(e) August 15, for the 12-month period ending on the immediately preceding June 30.

3. Each report submitted pursuant to this section must be submitted on a form provided by the Department**, which must be the same form as the form provided for the relevant report required by section 13.5 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as added by chapter 545, Statutes of Nevada 2007, at page 3422, and amended by chapter 497, Statutes of Nevada 2011, at page 3160,** and must include, with respect to the period covered by the report:

(a) The total amount of the allocation received by the respective police department from the proceeds of the tax authorized by subsection 1 of section 9 of this act;

(b) A detailed description of the use of the money allocated to the police department, including, without limitation:

(1) The total expenditures made by the police department from the allocation;

(2) The total number of police officers hired by the respective police department , ~~[and]~~ the number of those officers that are filling authorized, funded positions for new officers ~~[.]~~ **and demographic information regarding those officers reported in a manner consistent with the current policies of the respective police department concerning the reporting of such information;** and

(3) A detailed analysis of the manner in which each expenditure:

(I) Conforms to all provisions of this act; and

(II) Does not replace or supplant funding or staffing levels, which existed before October 1, 2016, for the respective police department;

(c) An analysis of the manner in which each expenditure is being used to prevent crimes and the effectiveness of each expenditure in preventing crimes; and

(d) Any other information required to complete the form of the report.

4. The Metropolitan Police Committee on Fiscal Affairs shall:

(a) Prepare and submit separate reports as required by this section for the expenditures approved from the allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraphs (a) and (b), respectively, of subsection 3 of section 9 of this act; and

(b) In addition to all other information required by this section, include in each report submitted pursuant to this section evidence that the expenditures from allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 of section 9 of this act are not offsetting, supplanting, replacing or otherwise reducing the amount of money allocated to the Las Vegas Metropolitan Police Department pursuant to paragraph (b) of subsection 3 of section 9 of this act for expenditure on law enforcement and crime prevention in the resort corridor.

5. The Department may review and investigate the reports submitted pursuant to this section and any expenditure of any proceeds from the tax authorized by subsection 1 of section 9 of this act.

Sec. 14. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to the provisions of this act must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit all money received pursuant to subsection 1 with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.

3. Each month, the State Controller shall, based upon the collection data provided by the Department:

(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund an amount equal to 1.75 percent of all fees, taxes, interest and penalties collected pursuant to the provisions of this act during the immediately preceding month to defray the cost to the Department of collecting the tax authorized by subsection 1 of section 9 of this act.

(b) Transfer to the Intergovernmental Fund for remittal to the County Treasurer an amount equal to all fees, taxes, interest and penalties collected pursuant to the provisions of this act during the immediately preceding month less the amount described in paragraph (a).

Sec. 15. The Department may redistribute any proceeds from the tax, interest or penalties collected pursuant to the provisions of this act which is determined to be improperly distributed, except that no such redistribution may be made of amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.

Sec. 16. 1. The County Treasurer shall deposit all money received from the State Controller pursuant to paragraph (b) of subsection 3 of section 14 of this act into the county treasury for credit to a fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act.

2. The fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act must be accounted for as a separate fund and not as part of any other fund.

3. The County Treasurer shall distribute the money deposited in the fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act to the appropriate accounts in accordance with the allotments required by subsection 3 of section 9 of this act.

Sec. 17. 1. The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into one or more special revenue funds created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act.

2. The Las Vegas Metropolitan Police Department shall create a separate fund, deposit into that fund and account separately for money received pursuant to paragraph (a) of subsection 3 of section 9 of this act.

3. Each special revenue fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act must be accounted for as a separate fund and not as part of any other fund.

4. Interest earned on the money in any special revenue fund created for the use of the proceeds from the tax authorized by subsection 1 of section 9 of this act must be credited to the fund. Any money remaining in a special revenue fund at the end of any fiscal year must remain in the special revenue fund and does not revert to the county treasury.

Sec. 18. In a proceeding arising from an ordinance imposing the tax authorized by subsection 1 of section 9 of this act, the Department may act for and on behalf of the County.

Sec. 19. 1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.

2. This act must not be construed to prevent the exercise of any power granted by any other law to the County, the Board or any officer, agent or employee of the County.

3. This act must not be construed to repeal or otherwise affect any other law or part thereof.

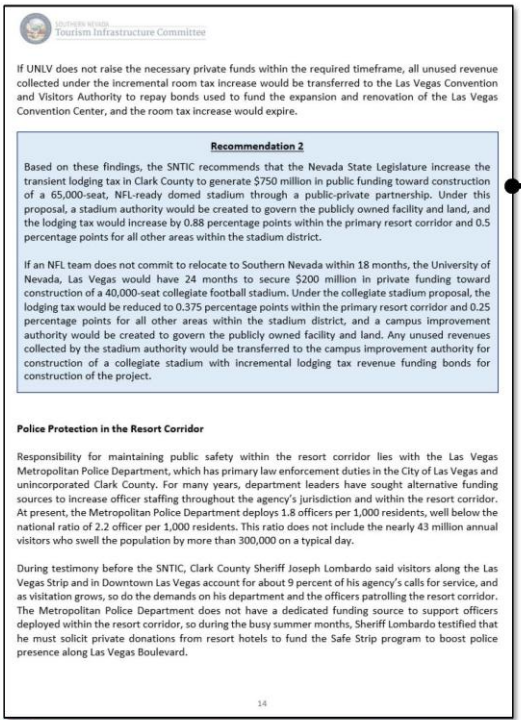
4. The provisions of this act are intended to provide a separate method of accomplishing the objectives of this act, but not an exclusive method.

5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the application of the provisions of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 20. This act becomes effective upon passage and approval.

SOUTHERN NEVADA
Tourism Infrastructure Committee
Recommendation Summary
Las Vegas Stadium Project
LAS VEGAS
NEVADA

Appendix D



Tourism Infrastructure Committee

If UNLV does not raise the necessary private funds within the required timeframe, all unused revenue collected under the incremental room tax increase would be transferred to the Las Vegas Convention and Visitors Authority to repay bonds used to fund the expansion and renovation of the Las Vegas Convention Center, and the room tax increase would expire.

Recommendation 2

Based on these findings, the SNTIC recommends that the Nevada State Legislature increase the transient lodging tax in Clark County to generate $750 million in public funding toward construction of a 65,000-seat, NFL-ready domed stadium through a public-private partnership. Under this proposal, a stadium authority would be created to govern the publicly owned facility and land, and the lodging tax would increase by 0.88 percentage points within the primary resort corridor and 0.5 percentage points for all other areas within the stadium district.

If an NFL team does not commit to relocate to Southern Nevada within 18 months, the University of Nevada, Las Vegas would have 24 months to secure $200 million in private funding toward construction of a 40,000-seat collegiate football stadium. Under the collegiate stadium proposal, the lodging tax would be reduced to 0.375 percentage points within the primary resort corridor and 0.25 percentage points for all other areas within the stadium district, and a campus improvement authority would be created to govern the publicly owned facility and land. Any unused revenues collected by the stadium authority would be transferred to the campus improvement authority for construction of a collegiate stadium with incremental lodging tax revenue funding bonds for construction of the project.

Police Protection in the Resort Corridor

Responsibility for maintaining public safety within the resort corridor lies with the Las Vegas Metropolitan Police Department, which has primary law enforcement duties in the City of Las Vegas and unincorporated Clark County. For many years, department leaders have sought alternative funding sources to increase officer staffing throughout the agency's jurisdiction and within the resort corridor. At present, the Metropolitan Police Department deploys 1.8 officers per 1,000 residents, well below the national ratio of 2.2 officer per 1,000 residents. This ratio does not include the nearly 43 million annual visitors who swell the population by more than 300,000 on a typical day.

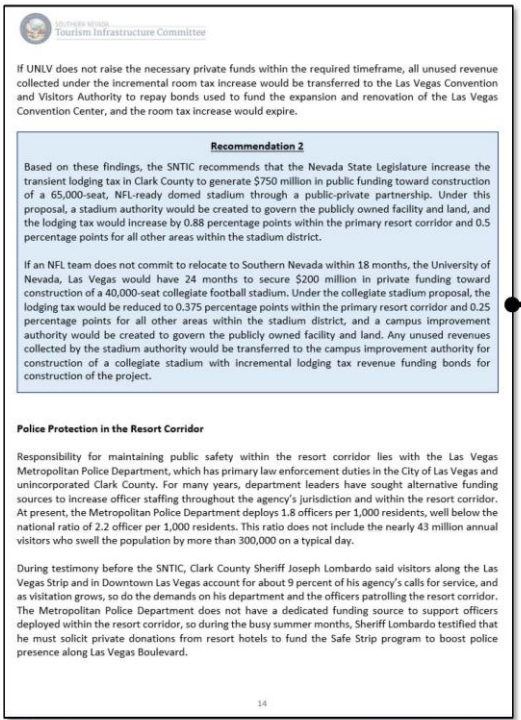
During testimony before the SNTIC, Clark County Sheriff Joseph Lombardo said visitors along the Las Vegas Strip and in Downtown Las Vegas account for about 9 percent of his agency's calls for service, and as visitation grows, so do the demands on his department and the officers patrolling the resort corridor. The Metropolitan Police Department does not have a dedicated funding source to support officers deployed within the resort corridor, so during the busy summer months, Sheriff Lombardo testified that he must solicit private donations from resort hotels to fund the Safe Strip program to boost police presence along Las Vegas Boulevard.

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SOUTHERN NEVADA
Tourism Infrastructure Committee

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SOUTHERN NEVADA
Tourism Infrastructure Committee

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SOUTHERN NEVADA
Tourism Infrastructure Committee

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"If an NFL team does not commit to relocate to Southern Nevada within 18 months, the University of Nevada, Las Vegas would have 24 months to secure $200 million in private funding toward construction of a 40,000-seat collegiate football stadium. Under the collegiate stadium proposal, the lodging tax would be reduced to 0.375 percentage points within the primary resort corridor and 0.25 percentage points for all other areas within the stadium district, and a campus improvement authority would be created to govern the publicly owned facility and land. Any unused revenues collected by the stadium authority would be transferred to the campus improvement authority for construction of a collegiate stadium with incremental lodging tax revenue funding bonds for construction of the project."

Key Considerations

1. How the Proposal Works
2. Public Oversight, Structure and Responsibilities
3. Contributions of and Benefits to Each Party
4. Funding Recommendation
5. Transportation and Other Stadium-Related Infrastructure
6. Risks and Mitigations



Key Considerations

1. **How the Proposal Works**
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Proposal Summary

NFL Stadium

- Increase room tax in Clark County by 0.88 percent in resort corridor and 0.5 percent for rest of stadium district
- Fund $750 million public contribution for NFL stadium construction
- Create stadium authority to own and oversee public stadium

UNLV Collegiate Stadium

- If no NFL relocation agreement, reduce room tax in Clark County to 0.375 percent in resort corridor and 0.25 percent for rest of stadium district
- Fund up to $300 million contribution for collegiate stadium construction, if UNLV raises $200 million in private funds for the project
- Create campus improvement authority to own and oversee public stadium

Las Vegas Convention Center Bond Repayment

- If UNLV does not raise required private funds within 24 months, unused room tax revenue used to repay bonds for Las Vegas Convention Center expansion and renovation project
- Room tax increase expires

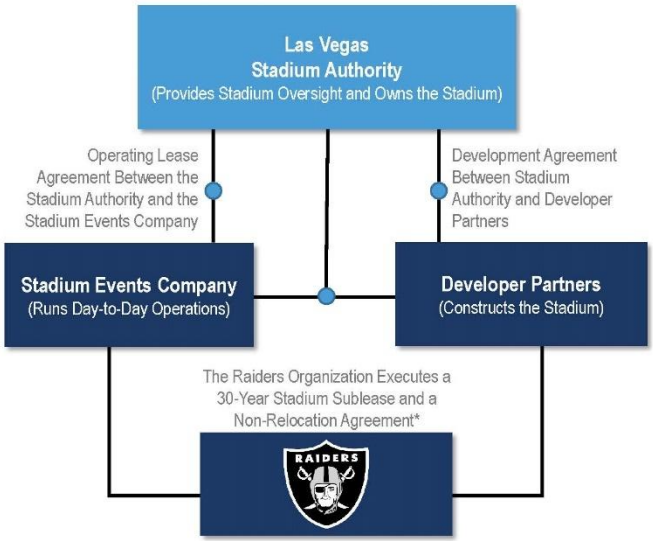
Las Vegas Stadium Timeline



- Developer must secure approval from NFL and contract with Oakland Raiders to relocate team to Las Vegas within 12 months of implementation of room tax increase
- A one-time six-month extension may be approved by Stadium Authority Board
- If no relocation agreement is reached within the 18-month window, collected and future room tax revenues are redirected to UNLV collegiate stadium project
- UNLV has 24 months to raise $200 million in private funds for collegiate stadium project to move forward

General Structure of the NFL Stadium Recommendation

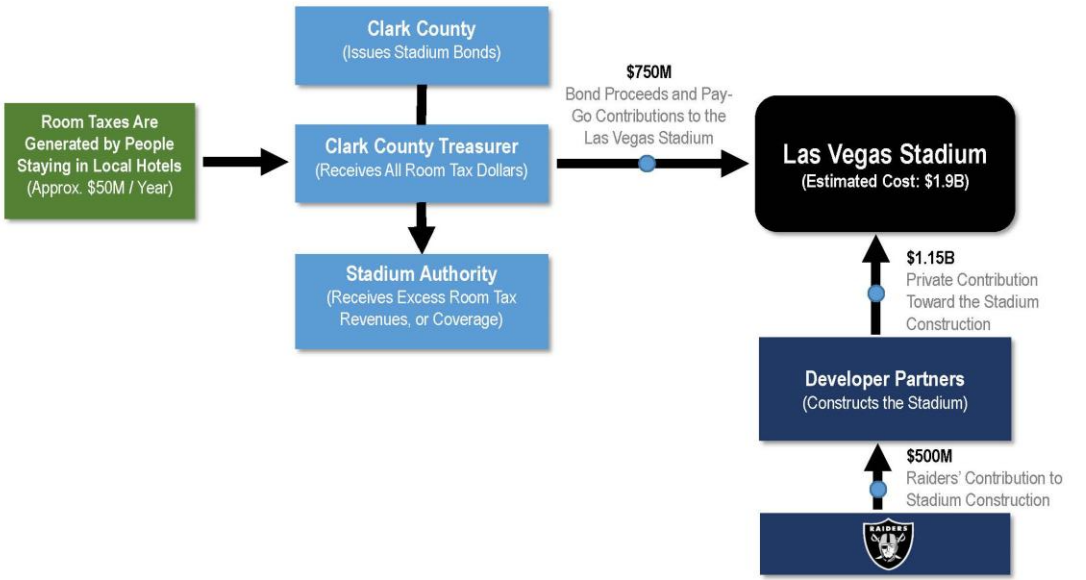
Parties Involved in the Deal



*Note: A non-relocation agreement will also be required by the National Football League.

General Structure of the NFL Stadium Recommendation

How the Stadium Project is Funded



General Structure of the NFL Stadium Recommendation

Excess Room Tax Revenue Usage (Coverage Waterfall)

Stadium Authority Use of Funds After Principal and Interest on Stadium Bonds

1. Operating budget for the stadium authority of about $2 million per year
2. In the case of a breach of contract by the developer or operator, funds may be used to make up any funding gap in the stadium's operating budget
3. Contribution to the Metropolitan Police Department of about $4 million per year
4. Contribution to a reserve fund of $9 million per year up to two times annual debt service
5. Payment to UNLV for demonstrated losses based on the closure of Sam Boyd Stadium, up to $3.5 million per year for up to 10 years
6. Contribution to a capital fund for the stadium of about $5 million per year
7. Any residual funds can be used for early debt retirement, additional capital improvements or for needed infrastructure improvement on or around the stadium

UNLV Payment from Waterfall Revenue

Sam Boyd Stadium
Owned and Operated by UNLV

- Hosts Numerous Non-UNLV Football Events (Rugby Sevens, Las Vegas Bowl, Motocross, etc.)
- These Events Generate $3.5 Million in Net Annual Revenue for UNLV Athletic Department

Las Vegas Stadium
Operated by Private Developer

- Sam Boyd Stadium Closes and All Events Move to New Stadium
- Closure Creates $3.5 Million Budget Deficit for UNLV
- UNLV Football Revenues are Expected to Improve in New Stadium

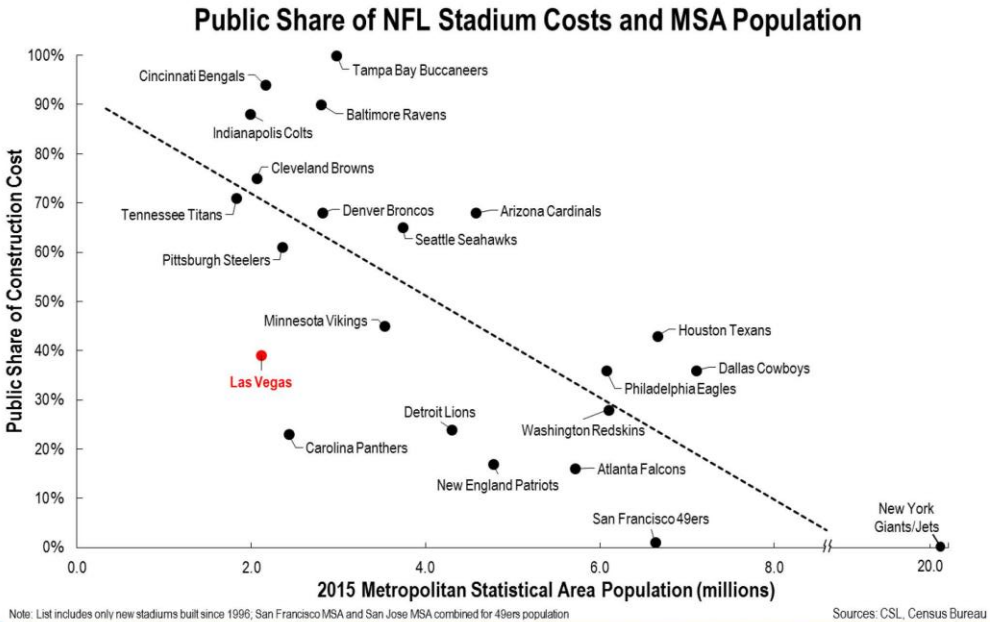
Waterfall Revenue Payment to UNLV

- Replaces Revenue Lost from Closure of Sam Boyd Stadium
- Annual Payments Up to $3.5 Million
- Annual Payments Up to 10 Years
- Payments Would Be Reduced Proportionally to Increases in UNLV Football Revenues

NFL Stadium Artist's Rendering



Stadium Funding Comparison

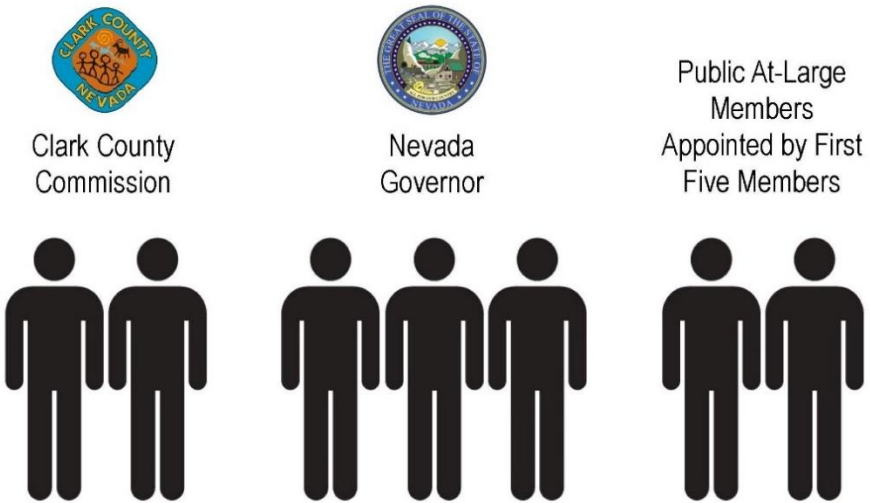


Key Considerations

1. How the Proposal Works
2. **Public Oversight, Structure and Responsibilities**
3. Contributions of and Benefits to Each Party
4. Funding Recommendation
5. Transportation and Other Stadium-Related Infrastructure
6. Risks and Mitigations

NFL Stadium, Stadium Authority Board

Seven Board Members Appointed By



Stadium Authority Roles and Responsibilities

- Public Body Subject to State Open Meeting Law and All Other Applicable Laws Governing Public Agencies
- Owns and Oversees Stadium and Land
- Must Approve Stadium Location and Development Plan
- Must Approve Stadium Operating Agreement
- Manages Coverage Waterfall Revenue Distribution
- Manages Stadium Capital Improvement Fund and Related Expenditures

Collegiate Stadium, Campus Improvement Authority

Nine Board Members Appointed By



Key Considerations

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2. Public Oversight, Structure and Responsibilities
3. **Contributions of and Benefits to Each Party**
4. Funding Recommendation
5. Transportation and Other Stadium-Related Infrastructure
6. Risks and Mitigations

Contributions by Each Entity

Adelson Family
$650 million

Stadium Authority
$750 million

Oakland Raiders
$500 million



Project Cost Breakdown	Amount
Construction Costs	$1.325 billion
Land, Infrastructure and Site Costs	$375 million
Practice Facility	$100 million
Contingency	$100 million
Estimated Total Cost	**$1.9 billion**

Stadium Operating Pro Forma: 30, 46 and 62 Event Scenarios

	Low Scenario	Base Case	High Scenario
Stadium Programming			
Event Summary			
Number of Events	30	46	62
Total Attendance	1,380,310	1,971,140	2,610,294
Stadium Revenues			
Event Revenue			
Facility Use Revenues	$9.7	$14.8	$20.6
Suite Revenues	$4.4	$7.4	$11.1
Concession Revenue	$3.3	$6.8	$11.1
Merchandise Revenue	$0.6	$1.1	$1.7
Parking Revenue	$0.9	$1.9	$3.0
Total Event Revenue	$18.9	$32.0	$47.5
Non-Event Revenue			
Naming Rights	$1.7	$1.9	$2.1
Catered Events	$0.3	$0.3	$0.4
Advertising and Sponsorship	$5.9	$6.5	$7.2
Stadium Tours	$1.7	$1.8	$2.0
Total Non-Event Revenue	$9.6	$10.5	$11.7
Total Revenues	**$28.5**	**$42.5**	**$59.2**
Stadium Operating Expenditures	**$19.2**	**$22.1**	**$25.3**
Net Operating Income	**$9.3**	**$20.4**	**$33.9**
Private Sector Investment	**$650.0**	**$650.0**	**$650.0**
Annual Return on Investment	**1.4%**	**3.1%**	**5.2%**

Benefits to the Stadium Authority (Public)

- New Economic Activity, Jobs and Income for Working Families
- Additional Tax Dollars for Education, and State and Local Governments
- Publicly-Owned Stadium
- Nevada Gets an NFL Team
- UNLV Football Gets a New Home Field and a Key Component for Future Move to Power Five Conference
- New and Expanded Events, Such as the Super Bowl, Concerts and International Soccer Matches
- Filled Hotel Rooms



Stadium Events Summary

A new state-of-the-art domed stadium would enable Las Vegas to host a variety of new entertainment and sporting events throughout the year, including:

- Neutral site college football games
- College football bowl games
- NFL games
- Super Bowls
- Stadium concerts
- International soccer matches

Event Type	Events
NFL	10
UNLV	6
Soccer	2
Concerts	2
Rugby	4
Bowl Games	2
Corporate/Public Shows	10
Neutral Site CFB Game	2
Signature Events	2
Motorsports	3
Combative Events	1
Major Non-Recurring	2
Total Annual Events	**46**

Economic and Fiscal Benefits of the NFL Stadium

Economic Impacts Summary

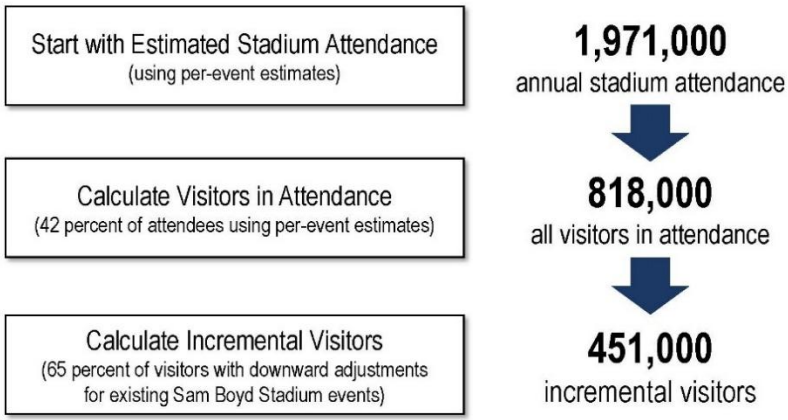
$620 million Annual Economic Impact	**450,000** New Annual Visitors	**708,000** Additional Room Nights
18,700 Construction Jobs	**6,000** Permanent Jobs	**$38,500** Avg. Wage of New Jobs

Fiscal Impacts Summary

$12.5 million State General Fund Revenue	**$22.5 million** Local Government Revenue
$35.0 million Total New Governmental Revenue	**$13.4 million** New Education Revenue (State and Local)



Incremental Stadium Visitors



Incremental visitors are those who would not have traveled to Las Vegas if not for a special event. The estimated 65 percent of incremental stadium visitors aligns with results from recently surveyed events, including special events such as rodeo, motorsports, mixed-martial arts, football games and music events.

Stadium Activity Impacts

Stadium Economic Activity
Residents and Visitors
$263,605,289

Total Attendance	1,971,000
Economic Output	$1.18 Billion
Jobs	11,737
Wages & Salary	$431 Million
Total Taxes	$58.8 Million

Stadium Economic Activity
Visitors Only
$131,781,166

Total Visitors	818,000
Economic Output	$966 Million
Jobs	9,514
Wages & Salary	$358 Million
Total Taxes	$52.4 Million

Stadium Economic Activity
Incremental Visitors Only
$72,733,563

Incremental Visitors	451,000
Economic Output	$620 Million
Jobs	5,982
Wages & Salary	$231 Million
Total Taxes	$35.0 Million



SOUTHERN NEVADA
Tourism Infrastructure Committee

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Annual Fiscal Impact by Tax Type

Incremental stadium visitors will generate an estimated $35.0 million in annual state and local tax revenue through a variety of sources. This figure likely underestimates total tax revenues because the model does not include other taxes such as the Modified Business Tax and the Commerce Tax.

Tax Type	Annual Revenue
Sales Tax	$11.2 million
Room Tax	$13.7 million
Live Entertainment Tax	$3.8 million
Gaming Tax	$4.3 million
Various Transportation	$2.0 million
Total	$35.0 million

Note: Transportation taxes include levies on rental cars, taxicab trips and transportation network company rides.

Key Considerations

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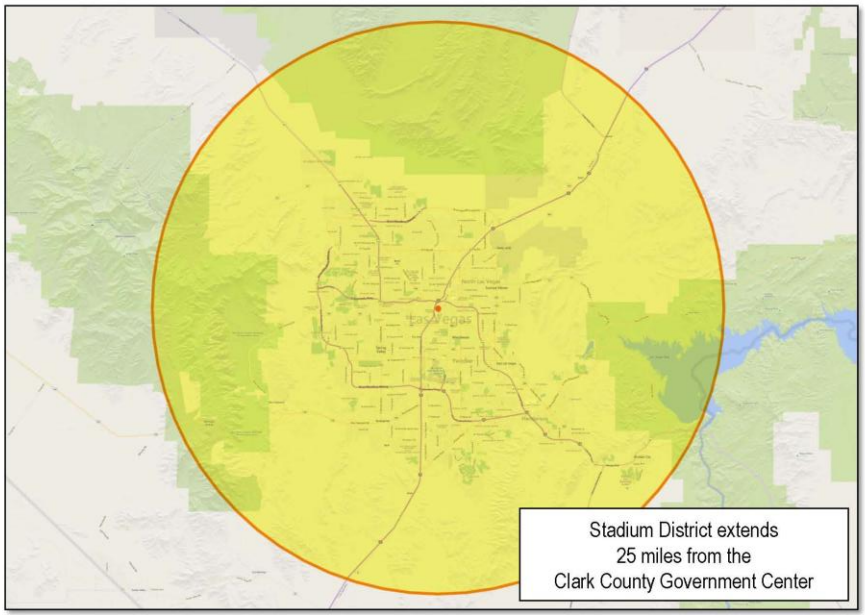


NFL Stadium Public Funding Recommendation

Room Tax Rate Increase	
Area	Amount
Resort Corridor	0.88%
Outside Resort Corridor	0.50%
Outlying Areas (25 miles)	0.00%

- Funds up to $750 million public contribution to NFL stadium project construction
- Tax rates become effective within not more than 4 months of passage and approval
- Funds used for both pay-go and bond repayment
- Revenue exceeds required coverage ratio of 1.5x

Stadium District Boundary



Collegiate Stadium Public Funding Recommendation

Room Tax Rate Increase	
Area	Amount
Resort Corridor	0.375%
Outside Resort Corridor	0.250%
Outlying Areas (25 miles)	0.000%

- Funds up to $300 million contribution for UNLV collegiate stadium construction
- Tax rates become effective if NFL relocation period ends without agreement
- Funds used for both pay-go and bond repayment
- Bonds require 1.5x coverage

City Room Tax Comparison

Las Vegas has one of the lowest room tax rates among the nation's top tourism destinations

City	Lodging Tax
Chicago	17.39%
Houston	17.00%
Anaheim	17.00%
Philadelphia	16.50%
San Francisco	16.25%
Atlanta	16.00%
Los Angeles	15.50%
New York	14.76%
Washington, D.C.	14.50%
New Orleans	13.00%
Miami	13.00%
Orlando	12.50%
San Diego	12.50%
Las Vegas	**12.00%**

Las Vegas Room Tax Rate with Convention Center and Stadium Projects 13.38%

Note: Rates include sales tax where applicable.



SOUTHERN NEVADA Tourism Infrastructure Committee

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Key Considerations

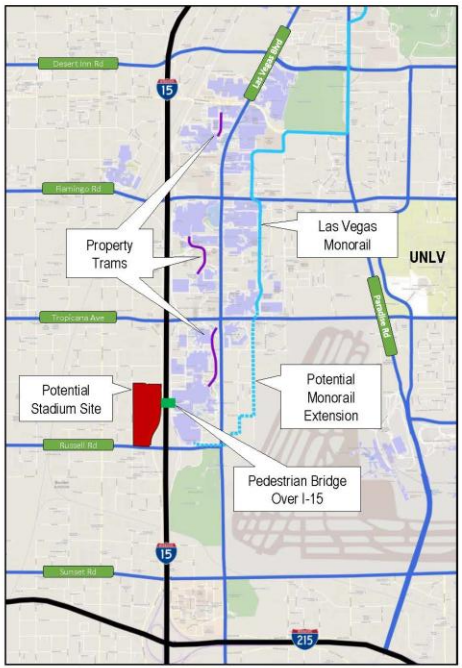
1. How the Proposal Works
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5. **Transportation and Other Stadium-Related Infrastructure**
6. Risks and Mitigations

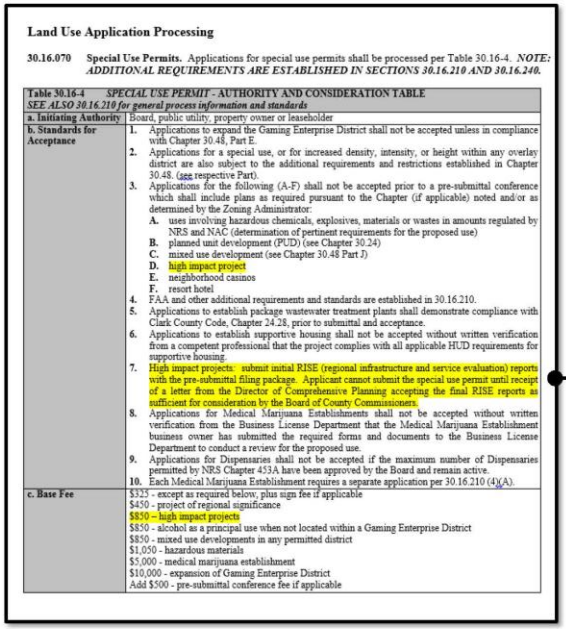
Transportation Infrastructure

An estimated 42 percent of stadium event attendees will be visitors who will be able to take advantage of transportation options along the resort corridor, including:

- Taxis
- Ride Hailing Services (Uber, Lyft, etc.)
- Las Vegas Monorail
- Property Trams
- Walking

NOTE: The developers are required to pay for added infrastructure costs that result from the construction and operations of the stadium.





Land Use Application Processing

30.16.070 Special Use Permits. Applications for special use permits shall be processed per Table 30.16-4. ***NOTE: ADDITIONAL REQUIREMENTS ARE ESTABLISHED IN SECTIONS 30.16.210 AND 30.16.240.***

Table 30.16-4 ***SPECIAL USE PERMIT* - AUTHORITY AND CONSIDERATION TABLE** ***SEE ALSO 30.16.210 for general process information and standards***	
a. Initiating Authority	Board, public utility, property owner or leaseholder
b. Standards for Acceptance	**1.** Applications to expand the Gaming Enterprise District shall not be accepted unless in compliance with Chapter 30.48, Part E. **2.** Applications for a special use, or for increased density, intensity, or height within any overlay district are also subject to the additional requirements and restrictions established in Chapter 30.48. (see respective Part). **3.** Applications for the following (A-F) shall not be accepted prior to a pre-submittal conference which shall include plans as required pursuant to the Chapter (if applicable) noted and/or as determined by the Zoning Administrator: **A.** uses involving hazardous chemicals, explosives, materials or wastes in amounts regulated by NRS and NAC (determination of pertinent requirements for the proposed use) **B.** planned unit development (PUD) (see Chapter 30.24) **C.** mixed use development (see Chapter 30.48 Part J) **D.** high impact project **E.** neighborhood casinos **F.** resort hotel **4.** FAA and other additional requirements and standards are established in 30.16.210. **5.** Applications to establish package wastewater treatment plants shall demonstrate compliance with Clark County Code, Chapter 24.28, prior to submittal and acceptance. **6.** Applications to establish supportive housing shall not be accepted without written verification from a competent professional that the project complies with all applicable HUD requirements for supportive housing. **7.** High impact projects: submit initial RISE (regional infrastructure and service evaluation) reports with the pre-submittal filing package. Applicant cannot submit the special use permit until receipt of a letter from the Director of Comprehensive Planning accepting the final RISE reports as sufficient for consideration by the Board of County Commissioners. **8.** Applications for Medical Marijuana Establishments shall not be accepted without written verification from the Business License Department that the Medical Marijuana Establishment business owner has submitted the required forms and documents to the Business License Department to conduct a review for the proposed use. **9.** Applications for Dispensaries shall not be accepted if the maximum number of Dispensaries permitted by NRS Chapter 453A have been approved by the Board and remain active. **10.** Each Medical Marijuana Establishment requires a separate application per 30.16.210 (4)(A).
c. Base Fee	$325 - except as required below, plus sign fee if applicable $450 - project of regional significance $850 – high impact projects $850 - alcohol as a principal use when not located within a Gaming Enterprise District $850 - mixed use developments in any permitted district $1,050 - hazardous materials $5,000 - medical marijuana establishment $10,000 - expansion of Gaming Enterprise District Add $500 - pre-submittal conference fee if applicable

The Stadium will be Classified as a "High Impact Project" by the County

"High impact projects: submit initial RISE (regional infrastructure and service evaluation) reports with the pre-submittal filing package. Applicant cannot submit the special use permit until receipt of a letter from the Director of Comprehensive Planning accepting the final RISE reports as sufficient for consideration by the Board of County Commissioners."

Sample Development Agreement

(v) Signal booster must be one hundred percent (100%) compatible with analog or digital modulations after installation without additional adjustment or modification.

(d) **Testing Procedures:**

(i) **Initial Tests.** LVMPD employees or its authorized designee will perform initial tests. An Occupancy Permit or Temporary Occupancy Permit shall not be issued to any structure if the Owner fails to comply with this Section or Section "4.02(c)" above; and

(ii) **Annual Tests.** LVMPD employees or its authorized designee in conjunction with inspection procedures will conduct annual tests.

(e) **Amplification Systems Allowed.** Buildings and structures which cannot support the required level of radio coverage shall be equipped with any of the following in order to achieve the required adequate radio coverage: (a) a radiating cable system; or (b) an internal multiple antenna system with FCC certificated bi-directional amplifiers as needed. If any part of the installed system or systems contains an electrically powered component, the system shall be capable of operating on an independent battery and/or generator system for a period of at least twelve (12) hours without external power input. The battery system shall automatically charge in the presence of an external power input.

(f) **Field Testing.** Police and fire personnel, after providing reasonable notice to the Owner or his representative, shall have the right to enter onto the Subject Property to conduct field testing to be certain that the required level of radio coverage is present. Owner shall allow access to the bi-directional amplifiers and other equipment if necessary to conduct such tests or to adjust or service the equipment in order to provide adequate radio coverage.

4.03 **Open Space.** The Owner shall allocate a minimum of twelve and eight tenths (12.8) acres of open space/trail pedestrian realms with plaza areas within the CityCenter Project for the purpose of Open Space. The Owner shall submit to the Director of the Clark County Parks and Recreation Department a parks and recreational facilities plan for the CityCenter Project that reflects green open space areas/ plaza areas in conjunction with the pedestrian realms and general recreation facilities. The Owner agrees to pay residential construction tax on all resort and hotel condominium units or any other residential unit as required by the Code.

4.04 **Master Transportation Study.** The Owner shall prepare and submit to the County and NDOT a Master Transportation Study acceptable to the County and NDOT for the Subject Property. The Master Transportation Study must be completed by the Owner and accepted by the County prior to County issuance of any grading or building permits except as specified in a separate phasing agreement entered into by the Owner and the County. The Owner agrees to construct at its sole cost and expense and dedicate to the County (or NDOT if applicable) at the Owner's sole expense, such roadway and traffic Improvements identified in the Master Transportation Study as approved and accepted by the County and NDOT. If sufficient rights-of-way or government patent easements do not exist to permit construction of a mitigation measure, the Owner will be required to obtain the right-of-way necessary for the construction of that Improvement, or pay the County its acquisition cost of that right-of-way should the County elect to acquire the right-or-way.

The Master Transportation Study shall include an analysis of transit options including, but not limited to, the expected impact of the concentration of activities on the Citizens Area Transit system at the Subject Property, as well as the expected rider-ship generated by the development of the CityCenter Project. The Master Transportation Study shall address the benefit from mass transit. In addition, the Master Transportation Study shall as it pertains to the CityCenter Project include the development of traffic signal timing patterns for the Las Vegas Boulevard and Harmon Avenue corridors at a minimum, a simulation of the timing patterns both before and after the developments must be provided.

Master Transportation Study. *The Owner shall prepare and submit to the County and NDOT a Master Transportation Study acceptable to the County and NDOT for the Subject Property...*

The Owner agrees to construct at its sole cost and expense and dedicate to the County (or NDOT if applicable) at the Owner's sole expense, such roadway and traffic Improvements identified in the Master Transportation Study as approved and accepted by the County and NDOT...

If sufficient rights-of-way or government patent easements do not exist to permit construction of a mitigation measure, the Owner will be required to obtain the right-of-way necessary for the construction of that Improvement, or pay the County its acquisition cost of that right-of-way should the County elect to acquire the right-or-way.

Key Considerations

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Key Deal Points from the Public Perspective

- The Oakland Raiders and the Adelson family will contribute up to $1.15 billion toward the construction of a **public** stadium
- Any construction cost overruns are responsibility of **private** developers
- Any operating losses are responsibility of the **private** stadium operating company
- Developers are required to consider and contribute to required off-site infrastructure
- The Stadium Authority – a public body subject to the open meeting law – is required to approve the stadium's location, development plan and operating agreement
- Annual reporting (including third-party audits) is required
- The NFL team will execute a non-relocation agreement and enter into a 30-year lease (same terms as the stadium bonds)
- Developer is required to fund first $100 million of project costs (exclusive of land contributed to the project)
- County bonds require 1.5x coverage and include a reserve fund with as much as two years of annual debt payments

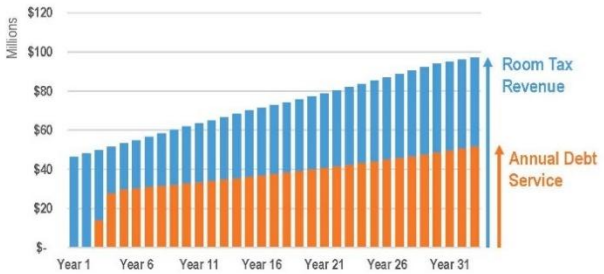
What Happens if Room Tax Revenues Do Not Meet Expectations?

- First, any bonds issued by Clark County will require a minimum coverage ratio of 1.5x. This means if the annual debt service is $30 million per year, room taxes have to be sufficient to generate $45 million per year.
- Second, bond repayments are first in priority. This means that no other payments can take place before principal and interest are paid on the bonds.
- Third, the SNTIC recommendation includes a debt service reserve. To the extent revenues are available each year, $9 million will be added to the reserve account up to a maximum of 2.0x annual debt service.
- Fourth, in the unlikely event that room tax falls below a coverage ratio of 1.0x and assuming that all funds in the debt service reserve are distributed, Clark County's general fund would be required to fund any shortfall.

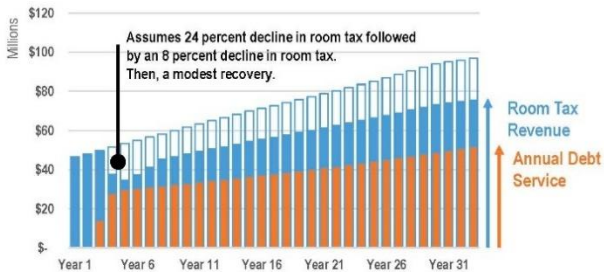
Stress Test

Coverage is Sufficient to Weather a "Great Recession" Event

BASELINE: Stadium project projection model indicates that room tax revenues will well exceed required debt service and surpass the 1.5x coverage requirement.



STRESS TEST: If an economic event equivalent to the Great Recession were to occur, the coverage ratio would remain above 1.17x, meaning the Stadium Authority would have sufficient funds to make annual debt payments.

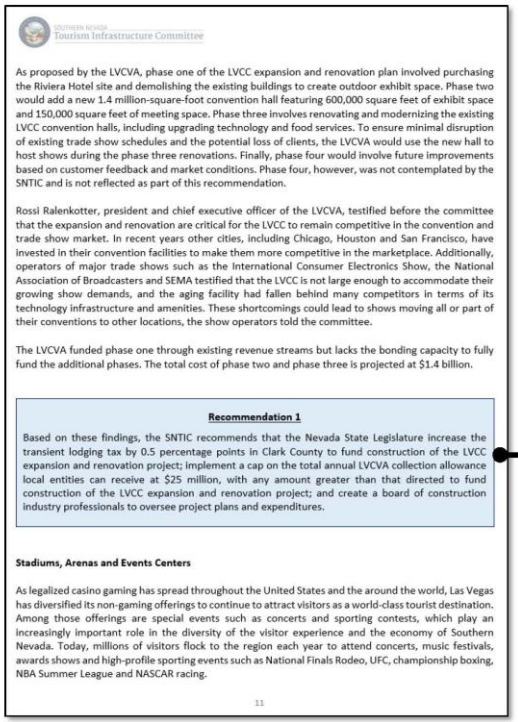


What Happens if the Developer or Stadium Operator Fails to Perform?

- First, the public (stadium authority) would have the rights and remedies of any contracting party to compel performance or be compensated in the event of a breach of contract.
- Second, all of the assets, including the land and stadium improvements, remain with the public (stadium authority).
- Third, NFL team's lease extends for 30 years and would remain due and payable even if the developer or stadium operator fails to perform.
- Fourth, the public (stadium authority) has the ability to identify and contract with an alternative vendor in the event the developer partners fail to perform.
- Fifth, in the event the stadium operator fails to perform, room tax bond coverage funds available after all bond payments are made can be used to offset an operating shortfall.

SOUTHERN NEVADA
Tourism Infrastructure Committee
Recommendation Summary
Las Vegas Convention Center
Expansion and Renovation
VEGAS
NEVADA

Appendix E



SOUTHERN NEVADA
Tourism Infrastructure Committee

As proposed by the LVCVA, phase one of the LVCC expansion and renovation plan involved purchasing the Riviera Hotel site and demolishing the existing buildings to create outdoor exhibit space. Phase two would add a new 1.4 million-square-foot convention hall featuring 600,000 square feet of exhibit space and 150,000 square feet of meeting space. Phase three involves renovating and modernizing the existing LVCC convention halls, including upgrading technology and food services. To ensure minimal disruption of existing trade show schedules and the potential loss of clients, the LVCVA would use the new hall to host shows during the phase three renovations. Finally, phase four would involve future improvements based on customer feedback and market conditions. Phase four, however, was not contemplated by the SNTIC and is not reflected as part of this recommendation.

Rossi Ralenkotter, president and chief executive officer of the LVCVA, testified before the committee that the expansion and renovation are critical for the LVCC to remain competitive in the convention and trade show market. In recent years other cities, including Chicago, Houston and San Francisco, have invested in their convention facilities to make them more competitive in the marketplace. Additionally, operators of major trade shows such as the International Consumer Electronics Show, the National Association of Broadcasters and SEMA testified that the LVCC is not large enough to accommodate their growing show demands, and the aging facility had fallen behind many competitors in terms of its technology infrastructure and amenities. These shortcomings could lead to shows moving all or part of their conventions to other locations, the show operators told the committee.

The LVCVA funded phase one through existing revenue streams but lacks the bonding capacity to fully fund the additional phases. The total cost of phase two and phase three is projected at $1.4 billion.

Recommendation 1

Based on these findings, the SNTIC recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percentage points in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at $25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures.

Stadiums, Arenas and Events Centers

As legalized casino gaming has spread throughout the United States and the around the world, Las Vegas has diversified its non-gaming offerings to continue to attract visitors as a world-class tourist destination. Among those offerings are special events such as concerts and sporting contests, which play an increasingly important role in the diversity of the visitor experience and the economy of Southern Nevada. Today, millions of visitors flock to the region each year to attend concerts, music festivals, awards shows and high-profile sporting events such as National Finals Rodeo, UFC, championship boxing, NBA Summer League and NASCAR racing.

11

"[T]he SNTIC recommends that the Nevada State Legislature increase the transient lodging tax by 0.5 percentage points in Clark County to fund construction of the LVCC expansion and renovation project; implement a cap on the total annual LVCVA collection allowance local entities can receive at $25 million, with any amount greater than that directed to fund construction of the LVCC expansion and renovation project; and create a board of construction industry professionals to oversee project plans and expenditures."

Convention Center Recommendation

Key Considerations

1. Project Overview
2. Underlying Considerations for the Project
3. Project Cost and Funding
4. Oversight Committee Structure
5. Economic and Fiscal Impacts

Convention Center Recommendation
Key Considerations

1. **Project Overview**
2. Underlying Considerations for the Project
3. Project Cost and Funding
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Convention Center Recommendation

LVCC Expansion & Renovation Program

Phase 1
Purchase and demolition of Riviera Hotel site

- Currently ongoing
- Funded through existing revenues
- Site of Phase 4 improvements

Phase 2
Design and construction of 1.4 million-square-foot expansion, including 600,000 square feet of exhibit space

Phase 3
Renovation and additions to the existing convention center

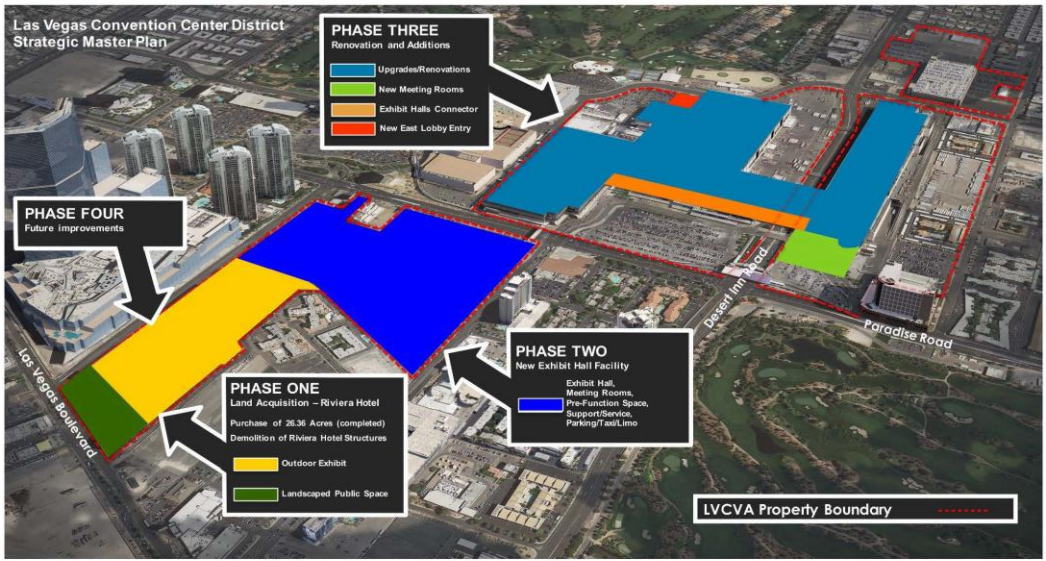
- **Focus of the SNTIC recommendation**
- Requires additional funding
- New space first, then renovations
- Structured to sustain operations throughout construction process
- Construction period 2018 – 2022

Phase 4
Future improvements

- Potential for additional expansion
- Beyond the scope of the SNTIC's recommendation
- Programming to be determined based on needs of community/industry

Convention Center Recommendation

LVCC Expansion & Renovation Program



Convention Center Recommendation

LVCC Expansion & Renovation Program (Video Element)



Convention Center Recommendation

LVCC Expansion & Renovation Program



Renovated interior spaces



New exhibit halls along Paradise Road



Enclosed concourse connecting existing exhibit halls

Convention Center Recommendation
Key Considerations

1. Project Overview
2. **Underlying Considerations for the Project**
3. Project Cost and Funding
4. Oversight Committee Structure
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Convention Center Recommendation

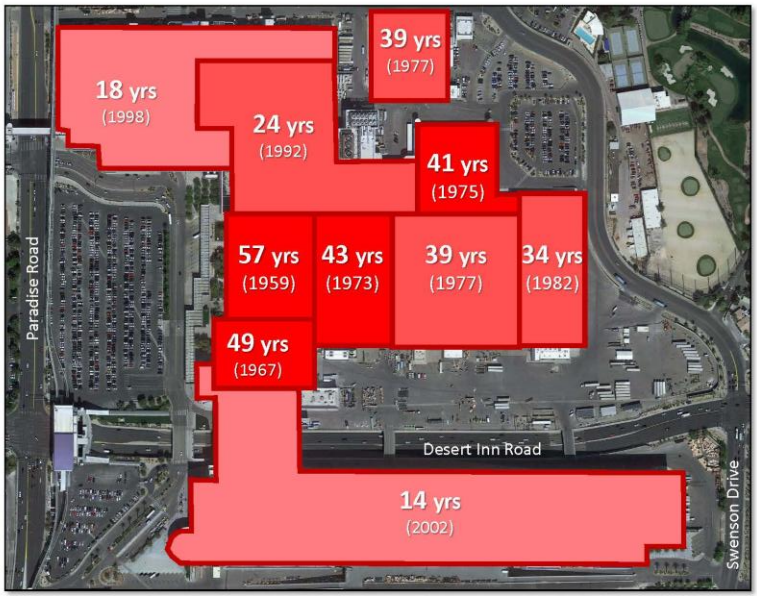
Underlying Considerations for the Project

- The facility has inadequate technology, connectivity and other amenities to meet customer demands
- South Hall usage is constrained by height and weight limits on the second floor
- The largest trade shows, such as CES, currently fill all or most of the existing space and cannot grow
- Space limitations inhibit booking of additional shows



Convention Center Recommendation

Underlying Considerations for the Project



Facility is Aging

Much of the Las Vegas Convention Center was built more than 30 years ago

Convention Center Recommendation

Underlying Considerations for the Project

Largest Trade Show Promoters Support LVCC Expansion and Renovation

"Las Vegas business and government stakeholders agree that Las Vegas should be the world's #1 convention and conference destination. However, Las Vegas will not hold that position if it does not invest in updated and expanded facilities."

– **Chris Kersting**
President and CEO
SEMA

"The reality is that, in order for us to continue to be successful, we have to be in a facility that offers an environment, services and amenities that enable and enhance the experience."

– **Chris Brown**
Executive Vice President of Conventions & Business Operations
National Association of Broadcasters

"Demand for our show is high and frankly we are running out of space."

– **Karen Chupka**
SVP of International Consumer Electronics Show & Corporate Business Strategy
International Consumer Electronics Show

Convention Center Recommendation

Underlying Considerations for the Project

Cities are Investing in Convention-Related Infrastructure to Compete with Las Vegas

Orlando – $1.3 Billion



San Francisco – $500 Million



Houston – $1.5 Billion



Chicago – $1.1 Billion



Convention Center Recommendation
Key Considerations

1. Project Overview
2. Underlying Considerations for the Project
3. **Project Cost and Funding**
4. Oversight Committee Structure
5. Economic and Fiscal Impacts

Convention Center Recommendation

Las Vegas Convention Center Project Funding Summary

Project Funding Sources (Phases 2 & 3)	Amount
Room Tax (0.5% in Clark County)	$420 million
Cap local government collection allowance	$132 million
Existing revenue sources	$848 million
Total	$1.40 billion

Convention Center Recommendation
Key Considerations

1. Project Overview
2. Underlying Considerations for the Project
3. Project Cost and Funding
4. **Oversight Committee Structure**
5. Economic and Fiscal Impacts

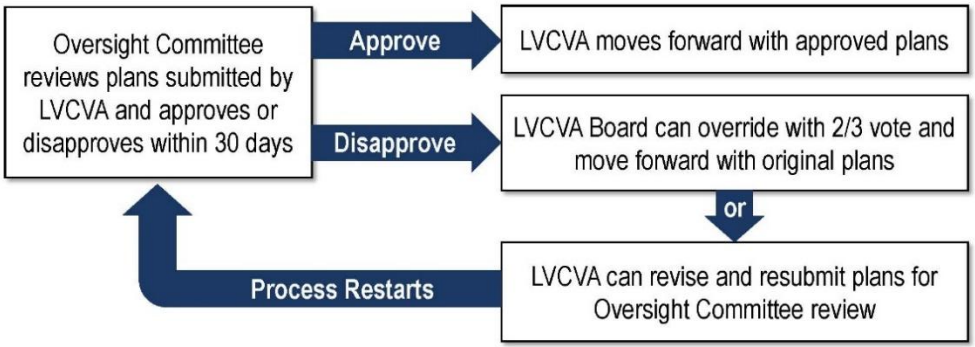
Convention Center Recommendation

Oversight Committee for Convention Facilities

Committee Membership

Seven members appointed by the Governor

- Five executives and/or directors of construction in the hotel resort industry
- Two with experience in capital project financing in Nevada



Convention Center Recommendation
Key Considerations

1. Project Overview
2. Underlying Considerations for the Project
3. Project Cost and Funding
4. Oversight Committee Structure
5. **Economic and Fiscal Impacts**

Convention Center Recommendation

Economic and Fiscal Impact Summary

Economic Impacts Summary		
$810 million Annual Economic Impact	**610,000** New Annual Visitors	**1,130,000** Additional Room Nights
13,800 Construction Jobs	**7,850** Permanent Jobs	**$39,000** Avg. Wage of New Jobs

Fiscal Impacts Summary	
$14.6 million State General Fund Revenue	**$34.6 million** Local Government Revenue
$49.2 million Total New Governmental Revenue	**$19.0 million** New Education Revenue (State and Local)

Your vote should be no, if these questions cant be answered?

S.B. 1

REQUIRES TWO-THIRDS MAJORITY VOTE
(§§ 33, 50, 57, 58)

SENATE BILL NO. 1–COMMITTEE OF THE WHOLE

PREFILED OCTOBER 9, 2016

Referred to Committee of the Whole

SUMMARY—Enacts the Southern Nevada Tourism Improvements Act. (BDR S-9)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

The public is being asked to invest $750,000 and get zero return and no control. This is a bad deal for the public.~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets [~~omitted material~~] is material to be omitted.

AN ACT relating to tourism infrastructure projects; enacting the Southern Nevada Tourism Improvements Act; establishing in Clark County a stadium district for the financing of a National Football League stadium project or a college football stadium project; creating a public body to carry out the provisions of law governing the National Football League stadium project or the college football stadium project, as applicable; providing for a Board of Directors to govern each such public body; prescribing the powers and duties of such a public body and its Board of Directors; requiring the imposition of taxes on the gross receipts from the rental of transient lodging in the stadium district; providing for the administration, collection, distribution and use of such taxes; requiring the issuance of general obligations of Clark County for the financing of a National Football League stadium project or a college football stadium project under certain circumstances; establishing and prescribing the powers and duties of an Oversight Panel for Convention Facilities in Clark County; requiring the imposition of a tax on the gross receipts from the rental of transient lodging in Clark County and in each incorporated city in the County; requiring the proceeds of this tax to be used to pay the cost of the renovation or expansion of the Las Vegas Convention Center or the principal and interest on bonds or

SB1

Appendix F

other securities issued to defray the costs of such a project; establishing a maximum amount of the collection fees for the collection of the tax on the gross receipts from the rental of transient lodging in Clark County and incorporated cities in the County; providing that collection fees in excess of the maximum amount must be used for the purpose of renovating or expanding certain convention facilities in Clark County; and providing other matters properly relating thereto.

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SB1

Legislative Counsel's Digest:

This bill enacts the Southern Nevada Tourism Improvements Act to establish a method to finance projects that are intended to assist the Las Vegas area in remaining a premier center for entertainment, conventions and trade shows in the world. Specifically, this bill establishes a method to finance: (1) a National Football League stadium project or, if certain conditions for a National Football League stadium project are not satisfied, I as a pubic citizen am opposed to any tax payer money being used to support financially billionaires who have the money to build there stadium. There is no public long term benefit to the Citizens of Clark County. 10 games a year, part time jobs at minimum wage. Blackout games, tickets on average in Oakland are $75.00, here may be $150.00 to $200.00 per game. Most of the Clark County public won't be able to see the games and they will be blacked out, we can't see our team what is the benefit? **5 or 10 year contract and we pay for a 30 year bond bad deal? 30 year contract. Per section 29 4m with the NFL sign a 30 year lease? Delete in 2f Except and not. Per 34 2a the public is a partner.** a college football stadium project for the University of Nevada, Las Vegas; and (2) a renovation and expansion of the Las Vegas Convention Center. **Sections 21-37** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance the public should not ne on the hook for a penny of any maintenance, ever. of a National Football League stadium project. To finance the project, **section 33** imposes a duty on the Board of County Commissioners of Clark County to adopt an ordinance imposing a tax on persons in the business of providing lodging in the stadium district created by **section 21** of this bill. Under **section 38** of this bill, if certain conditions for the undertaking of the National Football League stadium project are not satisfied, the President of the University of Nevada, Las Vegas, may elect to pursue a college football stadium project. If the NFL elects not to come to Las vegas there should not be a need for the public to bond anything. If, after the President of the University makes such an election, certain conditions are satisfied, the proceeds of the tax imposed pursuant to **section 33** of this bill must be transferred to a Campus Improvement Authority created by **section 39** of this bill to carry out the college football stadium project under **sections 39-52** of this bill. If the President of the University does not elect to pursue a college football stadium project or makes such an election but fails to satisfy certain conditions, the proceeds of the tax imposed pursuant to **section 33** of this bill must be transferred to the Las Vegas Convention and Visitors Authority and used to pay the costs to renovate or expand the Las Vegas Convention Center pursuant to **sections 53-61** of this bill or the principal and interest on bonds or other securities issued for that project.

Section 21 of this bill creates a stadium district in Clark County to finance a National Football League stadium project and provides that the district consists of all property located in the County that is within a radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings. **Section 21** also creates the Clark County Stadium Authority as a public body to carry out the provisions of this bill governing the National Football League stadium project. **Sections 22 and 23** of this bill set forth the qualifications and the procedure for the appointment of the members of the Board of Directors of the Stadium Authority. **Sections 24-28** of this bill prescribe the general powers of the Stadium Authority and its Board.

Section 29 of this bill requires the Stadium Authority to negotiate and enter into a development agreement for the development and construction of the National

Football League stadium project and a lease agreement for the operation of the project if the Board of Directors makes certain determinations relating to the location or relocation of a National Football League team within the stadium district and the selection of partners for the development, construction and operation of the project. **Section 29** requires certain provisions relating to the construction, financing and operation of the National Football League stadium project to be included in the development agreement and the lease agreement. **Section 35** of this bill sets forth additional provisions which must be included in the development agreement and lease agreement, including, without limitation, the maximum financial contribution of the Stadium Authority to the development and construction of the National Football League stadium project. **Section 30** of this bill provides for the confidentiality of certain information provided to the Stadium Authority under certain circumstances. If they use a penny of public money we deserve to see how much money they make, or use 100% private money. **Section 31** of this bill generally exempts the National Football League stadium project from laws requiring competitive bidding or specifying procedures for the procurement of goods or services, and from the

statutory provisions governing public works projects, except that the pertinent construction contracts must comply with the statutory prevailing wage provisions and, if the Stadium Authority determines a subcontract can be competitively bid without affecting the quality of the project, must be competitively bid. I don't see how or why you would weaken the law so it doesn't apply to the stadium this is wrong.

Section 32 of this bill requires the Stadium Authority to retain the sole and exclusive right to enter into agreements for the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the National Football League stadium project. Under **section 32**, the proceeds from the sale, license or transfer of such licenses or instruments must be used to pay a portion of the costs of the construction of the National Football League stadium project.

Section 33 of this bill requires the Board of County Commissioners of Clark County to impose a tax on persons in the business of providing lodging in the stadium district at the rate of: (1) eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging located in the primary gaming corridor in the stadium district; and (2) one-half of one percent of the gross receipts from the rental of transient lodging in all other areas of the stadium district. **Section 34** of this bill sets forth the purposes for which the County and the Stadium Authority must use the proceeds of the tax. **Section 36** of this bill requires the Board of County Commissioners of Clark County to issue general obligations of the County in an amount not to exceed $750,000,000 if certain conditions are satisfied and prescribes the procedure for the issuance of those general obligations. **Section 36** also requires the proceeds from the issuance of the general obligations to be distributed to the Stadium Authority and used for certain purposes related to the National Football League stadium project.

If a National Football League team does not commit to locate or relocate to the stadium district within a certain period of time or if certain other conditions are not satisfied, **section 38** of this bill authorizes the President of the University of Nevada, Las Vegas, to pursue a college football stadium project. If such an election is made, **sections 39-52** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of the college football stadium project. **Section 39** of this bill creates a stadium district and a Campus Improvement Authority to carry out the provisions of **sections 39-52** of this bill governing such a college football stadium project. **Sections 40 and 41** of this bill set forth the qualifications and the procedure for the appointment of the members of the Board of Directors of the Campus Improvement Authority. **Sections 42-46** of this bill prescribe the general powers of the Board of Directors of the Campus Improvement Authority, which include, without limitation, the authority to construct and operate a college football stadium project in the stadium district. **Section 50** of this bill provides that if a college football stadium project is pursued, the Board of County Commissioners of Clark County must reduce the tax on persons engaged in the business of providing lodging in the stadium district imposed for the National Football League stadium project to a rate of: (1) three-eighths of one percent in the primary gaming corridor in the stadium district; and (2) one-quarter of one percent in all other areas of the stadium district. **Section 51** of this bill sets forth the purposes for which the Campus Improvement Authority may use the proceeds of the tax. **Section 52** of this bill requires the Board of County Commissioners of Clark County to issue general obligations of the County in an amount not to exceed $300,000,000 if certain conditions are satisfied, including, without limitation, a condition requiring the University to raise $200,000,000 for the cost of construction of a college football stadium. **Section 52** also requires the proceeds of these general obligations to be distributed to the Campus Improvement Authority and used for certain purposes related to the college

Sections 53-61 of this bill establish a method to finance the renovation or expansion of the Las Vegas Convention Center. **Section 53** creates in Clark County an Oversight Panel for Convention Facilities and prescribes the composition of the Oversight Panel. **Section 54** requires the Las Vegas Convention and Visitors Authority to provide certain information to the Oversight Panel and to request the Oversight Panel's approval of the plan for the renovation and expansion of the Convention Center and the issuance of bonds to finance that project. **Section 55** sets forth the procedures for the Oversight Panel's review and approval or disapproval of these requests. **Section 56** revises provisions governing the collection fee retained from the proceeds of the transient lodging tax by Clark County and each incorporated city in the County to provide that: (1) the sum of the collection fees retained by the county and the cities must not exceed a total of 10 percent of the proceeds of the tax or $25,000,000, whichever is less; and (2) any collection fee in excess of a total of $25,000,000 must be used solely for the renovation or expansion of the Convention Center and to pay the principal and interest on securities issued to defray the costs of such a project. Under **sections 57 and 58**, the Board of County Commissioners of Clark County and the city council or other governing body of each incorporated city in the County must impose a tax upon persons engaged in the business of providing lodging at a rate of one-half of one percent on the gross receipts from the rental of transient lodging in the county or city, as applicable. **Sections 59 and 60** require the proceeds of these taxes to be distributed to the Las Vegas Convention and Visitors Authority to be used solely for the expansion of the Convention Center and to pay the principal and interest on securities issued to fund the costs of such a project. **Section 61** prescribes the procedure for the issuance of general obligations, in the name of and on behalf of Clark County, to defray the costs of the renovation or expansion of the Convention Center. Under **section 38** of this bill, if certain conditions for the construction of the National Football League stadium project and certain conditions for the college football stadium project are not satisfied, the proceeds of the tax imposed to finance those projects must be transferred to the Convention Authority and used to pay the costs to renovate or expand the Las Vegas Convention Center pursuant to **sections 53-61** of this bill or the principal and interest on bonds or other securities issued for that project.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. This act may be cited as the Southern Nevada Tourism Improvements Act.

Sec. 2. 1. The Legislature hereby finds that:

(a) For more than three decades, the State of Nevada has been one of the fastest-growing states in the United States in terms of population, with the overwhelming majority of this population growth occurring in Clark County, Nevada, a region that is projected to add over 3,000 new residents each month for at least the next 10 years.

(b) Clark County is positioned to continue as one of the fastest-growing areas in the nation, and it is both the home to and the social, cultural and recreational arena and marketplace for a booming population of over 2.14 million residents, with over 2.08

million of those residents living and recreating within the Las Vegas Valley urban area.

(c) The Las Vegas area is also a getaway to over 42 million tourists annually who visit for the world-class entertainment, hospitality, gaming, fine dining and shopping and who want to experience and enjoy the world-famous, unique and incomparably distinctive Las Vegas Strip, known as the heart of the Entertainment Capital of the World.

(d) The number of tourists visiting the Las Vegas area is expected to increase annually, with some projections estimating nearly 1 million additional visits each year.

2. The Legislature hereby finds that:

(a) Because the Las Vegas area is the most visited and economically significant tourism market within this State, the tourism industry within the Las Vegas area is critically important to the economy of that local area and this State, and the continued growth and success of the tourism industry within the Las Vegas area is particularly vital to the general welfare and prosperity of that local area and this State.

(b) A significant part of the continued growth and success of the tourism industry within the Las Vegas area depends upon the unique attractiveness, excitement, atmosphere and vitality of the Las Vegas Strip and the development of new, innovative and diversified facilities, venues and forms of entertainment within the Las Vegas area to ensure that the area may:

(1) Continue to be the preferred and premier destination for tourists from all walks of life in the ever-advancing technological age of the 21st century;

(2) Remain competitive with other national and international tourism destinations that are continually evolving and seeking to draw more tourists to their facilities, venues and forms of entertainment; and

(3) Retain its world-famous, unique and incomparably distinctive status as the Entertainment Capital of the World.

3. The Legislature hereby finds that:

(a) The gaming industry has been an essential component of the economic success of the tourism industry within the Las Vegas area, and the continued growth and success of the gaming industry within the Las Vegas area is particularly vital to the general welfare and prosperity of that local area and this State.

(b) Although the continued growth and success of the gaming industry is essential to the welfare of the Las Vegas area and this State, it is also essential to diversify the tourism industry within the Las Vegas area by developing new, innovative and diversified facilities, venues and forms of entertainment, which will increase

overall tourism and economic activity within the Las Vegas area and thereby inure to the benefit of not only the gaming industry and its employees but other local businesses and their employees and the residents of the area as well.

(c) The diversification of the tourism industry within the Las Vegas area promotes the Legislature's economic goals of reducing Nevada's unemployment rate, stabilizing and improving Nevada's economy, and developing high-value job opportunities by diversifying Nevada's industries, creating and fostering new businesses, retaining and expanding existing businesses and attracting and relocating businesses from outside this State.

4. The Legislature hereby finds that:

(a) It is in the public interest and beneficial to the public welfare to diversify, enhance and grow the largest tourism market in this State through the development of large-scale and one-of-a-kind convention, entertainment and sports venues and facilities within the Las Vegas area, including the Las Vegas Strip, by constructing and operating:

(1) A state-of-the-art stadium capable of attracting professional sports franchises, such as teams from the National Football League or Major League Soccer, hosting national sporting events, such as the Super Bowl and collegiate bowl, playoff, tournament and championship games, and holding other large-scale entertainment and sports events, such as concerts, festivals, motor sports, prizefighting and rodeos; and

(2) An improved, expanded and updated Las Vegas Convention Center so that it is a premier facility for attracting and retaining conventions and trade shows.

(b) Because the Las Vegas area, including the Las Vegas Strip, is the largest tourism market in this State and because the Las Vegas area, including the Las Vegas Strip, is world famous, unique and incomparably distinctive, the Las Vegas area is the only area in this State that:

(1) Is appropriate and suitable for the development of such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities; and

(2) Has all the necessary local and special attributes, conditions and resources that are essential to support such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities, including, without limitation, the necessary economic conditions, capital investment, infrastructure, support industries and businesses, workforce, population and visitors.

5. The Legislature hereby declares that:

(a) Because the Las Vegas area is the only area in this State that is appropriate and suitable for the development of such large-scale

and one-of-a-kind convention, entertainment and sports venues and facilities and has all the necessary local and special attributes, conditions and resources that are essential to support such venues and facilities, it is necessary to enact a law of local and special application to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and to benefit the residents of that local and special area.

(b) Therefore, given that a law of local and special application is necessary to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and given that such a law is necessary to benefit the residents of that local and special area, a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

Sec. 3. Except as otherwise provided in this act or unless the context otherwise requires, the terms used or referred to in this act have the meanings ascribed to them in the Local Government Securities Law, but the definitions set forth in sections 4 to 20, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

Sec. 4. "Board of County Commissioners" means the Board of County Commissioners of Clark County.

Sec. 5. "Board of Directors":

1. As used in sections 21 to 38, inclusive, of this act, means the Board of Directors of the Stadium Authority appointed pursuant to subsection 1 of section 22 of this act. These are 7 people?

2. As used in sections 39 to 52, inclusive, of this act, means the Board of Directors of the Campus Improvement Authority appointed pursuant to subsection 1 of section 40 of this act.

Sec. 6. "Board of Regents" means the Board of Regents of the University of Nevada.

Sec. 7. "Campus Improvement Authority" means the Campus Improvement Authority created by section 39 of this act.

Sec. 8. "College football stadium project" means any enterprise to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district a football stadium capable of hosting the home games of the University's football team and that complies with the requirements of section 46 of this act and all necessary or desirable appurtenances or incidentals thereof.

Sec. 9. "Convention Authority" means the fair and recreation board of the County, designated by resolution pursuant to NRS 244.654 as the Las Vegas Convention and Visitors Authority.

Sec. 10. "County" means Clark County, Nevada.

Sec. 11. "Developer partner" means a person who provides money to pay the costs of the acquisition, construction, leasing, improvement, equipping, operation or maintenance, or any combination thereof, of the National Football League stadium project or the cost of any capital improvements to the National Football League stadium project. We the public are a partner we are putting in public money, the public will get screwed.

Sec. 12. "National Football League stadium project" means any enterprise to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district a football stadium capable of hosting the home games of the National Football League team and that complies with section 29 of this act and all necessary or desirable appurtenances or incidentals thereof. What is the difference from above? Who gets the money? Who are the partners today per section 11 & 12?

Sec. 13. "National Football League team" means the National Football League team that is locating or relocating within the stadium district.

Sec. 14. "Oversight Panel" means the Oversight Panel for Convention Facilities created by section 53 of this act.

Sec. 15. "Person" means a natural person, any form of business or social organization and any other nongovernmental legal entity, including, but not limited to, a corporation, partnership, association, trust or unincorporated organization. The term does not include a government, governmental agency or political subdivision of a government.

Sec. 16. "Stadium Authority" means the Clark County Stadium Authority created by section 21 of this act.

Sec. 17. "Stadium district":

1. As used in sections 21 to 38, inclusive, of this act, means the district created by section 21 of this act to finance the National Football League stadium project.

2. As used in sections 39 to 52, inclusive, of this act, means the district created by section 39 of this act to finance the college football stadium project.

Sec. 18. "Stadium Events Company" means a person whose business is organized under the laws of this State for the purpose of leasing the National Football League stadium project from the Stadium Authority and owned by: Why do we need a person in this role when we have the Board of Directors and the Stadium Authority? What experience is required of this person?

1. The National Football League team;
2. A developer partner or its affiliate; or
3. The National Football League team and a developer partner

or an affiliate of a developer partner.

Sec. 19. "System" means the Nevada System of Higher Education.

SB1

Sec. 20. "University" means the University of Nevada, Las Vegas.

Sec. 21. 1. There is hereby created in the County a stadium district to finance the National Football League stadium project. The stadium district consists of all property located within:

(a) The County, including, without limitation, all property within an incorporated city in the County; and

(b) A radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings as of the effective date of sections 21 to 37, inclusive, of this act.

2. The Clark County Stadium Authority is hereby created.

3. The Stadium Authority constitutes:

(a) A body corporate and politic; and

(b) A political subdivision of the County, the boundaries of which are coterminous with the boundaries of the stadium district.

4. The County Treasurer is ex officio Treasurer of the Stadium Authority. What other people are on this Board??

5. Except as otherwise provided in this act, the Stadium Authority and its officers and employees are subject to, must comply with and are entitled to all rights, privileges and immunities recognized by the laws of this State applicable to political subdivisions and their officers and employees, including, without limitation, NRS 41.0305 to 41.039, inclusive, and chapters 239, 241, 281 and 281A of NRS, but if there is a conflict between other laws of this State and the specific provisions of this act, the specific provisions of this act control.

Sec. 22. 1. The Stadium Authority must be governed by a Board of Directors consisting of the County Treasurer, who is a nonvoting, ex officio member of the Board, and seven members to be appointed as follows: So they are the Board of Directors?

(a) Three members appointed by the Governor, at least one of which must be appointed in the manner set forth in subsection 2.

(b) Two members appointed by the Board of County Commissioners, at least one of which must be appointed in the manner set forth in subsection 2.

(c) Two members representing the public elected by the members appointed pursuant to paragraphs (a) and (b). In electing members pursuant to this paragraph, the members appointed pursuant to paragraphs (a) and (b) shall consider the recommendations of:

(1) A National Football League team that has:

(I) Demonstrated to those members that it is interested in locating or relocating within the stadium district; or

(II) Committed to locate or relocate within the stadium district; and

(2) The person or persons who have:

(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the National Football League stadium project; or

(II) Entered into such a lease.

2. One member appointed pursuant to paragraph (a) of subsection 1 and one member appointed pursuant to paragraph (b) of subsection 1 must be selected from a list of nominees submitted to the appointing authority by the two companies who, either directly or through subsidiaries, affiliates or any related entity under common control with the companies, own or manage the businesses within the County, which in the aggregate generate the greatest amount of taxes on the rental of transient lodging in the County. If the appointing authority reasonably determines that the nominees on any such list of nominees submitted by a nominating company are unacceptable, the companies must submit a new list of nominees. If the appointing authority has determined that no nominee on the first four lists of nominees offered by a nominating company is acceptable, all additional nominations for appointment to the Board must be made by the association of resort hotels whose membership collectively paid the greatest amount of taxes on the rental of transient lodging to the State Fund for the Promotion of Tourism pursuant to paragraph (a) of subsection 1 of NRS 244.3354 and paragraph (a) of subsection 1 of NRS 268.0962 in the fiscal year immediately preceding the fiscal year in which the appointment is made and whose members include the two nominating companies or could include those companies if those companies chose to be members of that association. For purposes of this subsection, "affiliate" includes any company in which a nominating company owns fifty percent or more of the ownership interests.

3. Each member of the Board of Directors must reside within the stadium district and must:

(a) Have experience in the design, engineering and construction of major commercial projects and estimating the costs of the construction of major commercial projects;

(b) Have experience in the financing of capital projects in this State;

(c) Have experience in the field of stadium, arena or event management; or

(d) Be representatives of the private sector and have the education, experience and skills necessary to effectively execute the duties and responsibilities of a member of the Board of Directors.

4. A member of the Board of Directors may not be employed by the same person as another member of the Board or by an affiliate of such a person. So the MGM could only have 1 Board member of the 7?

5. A vacancy on the Board of Directors occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the appointing authority.

6. A vacancy on the Board of Directors must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1.

7. A member of the Board of Directors is not entitled to receive any compensation for serving as a member of the Board or as an officer or employee of the Stadium Authority.

8. The members of the Board of Directors are public officers for the purposes of chapter 281A of NRS.

Sec. 23. 1. Not later than 30 days after the effective date of sections 21 to 37, inclusive, of this act:

(a) The Governor shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2018; and

(2) Two members of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2019.

(b) The Board of County Commissioners shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2018; and

(2) One member of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2019.

2. Not later than 90 days after the organizational meeting held pursuant to subsection 2 of section 24 of this act, the members of the Board of Directors appointed pursuant to paragraphs (a) and (b) of subsection 1 shall elect:

(a) One member of the Board pursuant to paragraph (c) of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2018; and

(b) One member of the Board pursuant to paragraph (c) of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2019.

3. After the initial terms, each member of the Board of Directors must be appointed for a 4-year term that begins on the day following the day on which the immediately preceding term expires. A member of the Board of Directors may be reappointed. There should be term limits.

Sec. 24. 1. The Governor shall appoint one member of the Board of Directors as Chair of the Board.

2. Not later than 75 days after the effective date of sections 21 to 37, inclusive, of this act, the Board of Directors shall hold an organizational meeting. At the meeting of the Board of Directors held pursuant to this subsection, the Board shall elect:

(a) One of its members as Vice Chair; and

(b) A Secretary, who may be a member of the Board.

3. The Vice Chair of the Board of Directors shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

4. The Board of Directors shall meet regularly in the stadium district at such times and places as it designates. Special meetings of the Board of Directors may be held at the call of the Chair, upon notice to each member of the Board, as often as the needs of the Board require. They must follow State of Nevada open meeting law.

5. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) Four members of the Board of Directors constitute a quorum at any meeting of the Board. They must follow State of Nevada open meeting law.

(b) The Board of Directors may take action only by a motion or resolution adopted with the approval of at least four members of the Board.

6. The Board of Directors constitutes a public body for the purposes of chapter 241 of NRS. They must follow State of Nevada open meeting law.

Sec. 25. 1. The Secretary of the Board of Directors shall keep:

(a) Audio recordings or transcripts of all meetings of the Board;

(b) Minutes of all the meetings of the Board;

(c) A record of all the proceedings and actions of the Board;

(d) A copy of any certificates issued or received by the Board;

(e) A copy of any contracts made by the Board; and

(f) Any bonds required by the Board from its employees.

2. The Treasurer of the Stadium Authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board of Directors.

All monies received / disbursed must be made available to the public on an annual basis and or under the freedom of information act in the form of a written report and audit.

3. The Secretary of the Board of Directors does not constitute a part of the staff of the Stadium Authority for the purposes of section 26 of this act.

4. The Board of Directors may direct the staff of the Stadium Authority to provide the services necessary for the Secretary of the Board and the Treasurer of the Stadium Authority to perform the duties set forth in this section. Do the 7 people serve both roles?

Sec. 26. 1. The Stadium Authority may retain such staff as the Board of Directors determines to be necessary to conduct the activities of the Authority. The Stadium Authority may:

(a) Hire the members of the staff of the Authority as employees;

(b) Contract with any governmental entity or person to provide the persons to serve as the staff of the Authority; or

(c) Retain the members of the staff of the Authority using any combination of the methods described in paragraphs (a) and (b).

2. The Board of Directors shall determine:

(a) The powers and duties of the members of the staff of the Authority; and

(b) The amount and basis of compensation for the members of the staff of the Authority.

Sec. 27. The Board of Directors:

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of sections 21 to 37, inclusive, of this act for carrying out the business and affairs of the Stadium Authority; and

3. Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of sections 21 to 37, inclusive, of this act.

Sec. 28. In furtherance of the duties and responsibilities set forth in section 29 of this act, the Stadium Authority may:

1. Proceed with any undertaking and enter into any contracts and other agreements with any person as the Stadium Authority determines to be necessary or desirable.

2. Sue and be sued.

3. Acquire by purchase, lease, gift, devise, condemnation or other legal means, own in its own name, or sell, lease or otherwise dispose of any right, title or interest in land, improvements or any associated air rights or personal property. Any profit from any land sales will be held and used to retire the bond debt service first.

4. Enter into any lease, ground lease, sublease or management agreement.

5. Apply for and accept any gift, donation, bequest, grant or other source of money to finance or develop the National Football

45 League stadium project.

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6. Require and receive such audits and other measurements of the performance of a developer partner or the Stadium Events Company as it deems necessary to ensure that the operation of the National Football League stadium project complies with sections 21 to 37, inclusive, of this act, except that the Stadium Authority may not require an audit of the general business of the National Football League team or any developer partner. **Bad deal for the public. The public is investing $750,000 million? We have a right to know.**

7. Consider and approve or disapprove:

(a) An annual capital improvement budget for the National Football League stadium project submitted by the Stadium Events Company.

(b) Any specific requests for capital improvements proposed by the Stadium Events Company or National Football League team.

8. Perform any other act that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the Stadium Authority.

Sec. 29. 1. The Stadium Authority shall negotiate and may enter into a development agreement and a lease agreement that comply with subsections 2 and 3, as applicable, if the Board of Directors:

(a) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that the National Football League has authorized the National Football League team to locate or relocate within the stadium district;

(b) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that the National Football League team has committed to locate or relocate within the stadium district;

(c) Selects as a developer partner one or more persons who have:

(1) Disclosed to the Board as a matter of public record the identity of the person or persons;

(2) Provided documentation satisfactory to the Board to indicate that the person or persons selected to be a developer partner have an affiliation with the National Football League team;

(3) Demonstrated to the satisfaction of the Board that the developer partner is able to successfully develop and construct the National Football League stadium project; and

(4) Provided to the Board adequate financial security for the performance of the financial obligations of a developer partner for the development and construction of the National Football League

stadium project; and

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(d) Selects a Stadium Events Company which has disclosed to the Board the identity of each of its owners and managers. The definitions state a person not a company? What kind of person?

2. A development agreement for the National Football League stadium project entered into by the Stadium Authority with a developer partner selected by the Board of Directors pursuant to paragraph (c) of subsection 1 must require the location, design, fit and finish of the National Football League stadium project to be consistent with first-class, premier National Football League facilities currently in operation or approved for construction by the National Football League and:

(a) Identify the site of the project;

(b) Set forth the overall design, scope and specifications of the project, which must include, without limitation, an enclosed football stadium with a seating capacity of approximately 65,000 persons;

(c) Set forth the sources of financing to pay the costs of the development and construction of the project in a manner consistent with the provisions of sections 21 to 37, inclusive, of this act;

(d) Require the developer partner to provide periodic progress reports to the Board of Directors on the status of the development and construction of the project;

(e) Set forth the procedures for the provision of the periodic progress reports described in paragraph (d) and the information required to be included in such reports;

(f) State that any and all development and construction cost overruns for the development and construction of the project must be the sole responsibility of the developer partner, except that any cost overrun must not be the responsibility of the developer partner if the cost overrun is caused by a change in development or construction mandated by the Stadium Authority or another governmental entity after the execution of the development agreement, other than a change in development or construction after the execution of the development agreement that is required to comply with a building code, including, without limitation, a change relating to building safety; DELETE – EXCEPT & NOT

(g) Contain provisions that are consistent with sections 31 and 35 of this act;

(h) Provide for an adequate contribution by the developer partner for the construction or improvement of any infrastructure off the site of the project that is determined to be necessary for the project by the Department of Transportation, the County or any municipality in which the project is located;

(i) Require that the developer partner ensure that no action or inaction by the developer partner, or any person hired or retained by the developer partner to act on behalf of the developer partner, in the

45 development or construction of the project results in a lien against

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the project that is not cured by the developer partner within a customary amount of time using commercially reasonable efforts, which must be determined in accordance with the laws of this State and must be such time and efforts as are approved by the Board of Directors; and we must remember the Sands Corp or whatever the name was has had construction related liens in the past, subcontractors went out of business? NRS Pay if paid, ect…

(j) Contain such other terms as deemed necessary and appropriate by the Stadium Authority.

3. A lease agreement entered into by the Stadium Authority with the Stadium Events Company described in paragraph (d) of subsection 1 must set forth the requirements and responsibilities of the Stadium Events Company with respect to the operation of the National Football League stadium project and must:

(a) Grant the Stadium Events Company full operational control of the project; Why?

(b) Not contain any provision that interferes with the discretion of the Stadium Events Company to operate the project, including, without limitation, a provision restricting in any manner the programs or events that may be held at the project;

(c) Authorize the Stadium Events Company to enter into an agreement with another person to operate the project on a day-to-day basis, as deemed necessary or appropriate by the Stadium Events Company; So, this is a difference person than Stadium Events Company/Person? Why?

(d) Establish a minimum standard for the maintenance of, and capital reinvestment in, the project to ensure that the design and development standards set forth in sections 21 to 37, inclusive, of this act are maintained or enhanced throughout the term of the lease agreement;

(e) Provide for the annual allocation of the revenue from, and expenses of, the operation of the project in a manner consistent with sections 21 to 37, inclusive, of this act;

(f) State that the Stadium Events Company, the developer partner and the National Football League team are liable jointly and severably for the operating losses of the project or the Stadium Events Company;

(g) Provide for the accommodation of a sufficient number of dates to host at the project the regular and postseason home games of the University football team, subject to the following conditions and restrictions:

(1) Any National Football League event has priority of use of the project and the National Football League team has priority to use the project for its home games and priority over dates, stadium assets and the playing surface;

(2) Any date for a regular or postseason home game of the University football team at the project must:

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(I) Not conflict with the use of the project by the National Football League team for a home game of the National Football League team;

(II) Not conflict with major events that are not National Football League events that were scheduled to be hosted at the project before the University finalized the schedule of home games for its football team for the applicable season;

(III) Be mutually agreed upon by the University and the Stadium Events Company; and

(IV) Be approved by the Stadium Authority;

(3) After the University has finalized the schedule of home games for its football team for the applicable season and the dates of those home games have been approved by the Stadium Authority, the date of a home game may not be changed to accommodate an event that is not a National Football League event without the approval of the University; and

(4) If a change to the schedule of home games for the University football team is proposed for the purpose of allowing a home game of the team to be televised, the Stadium Events Company or the National Football League team must use reasonable commercial efforts to assess the feasibility of the change and allow the change to be made if it is commercially reasonable, except that such change must not interfere with or impair the ability of the National Football League team to play a home game at the project;

(h) Establish a reasonable rent to paid by the University for the use of the project for the regular and postseason home games of its football team; Didn't I read where the Commissioner wanted zero charged to UNLV? That isn't the case?

(i) Provide that on the date of a regular or postseason home game of the University football team:

(1) The University must be given such access to the project and its facilities and amenities as is reasonably necessary to create an environment reasonably consistent with a home game for a college football team in Division I Football Bowl Subdivision, or its successor division, of the National Collegiate Athletics Association or its successor organization; and

(2) The National Football League team must have simultaneous access to such areas of the project as are needed by the team to prepare for a home game of the team that occurs on the day following the date of the home game of the University football team, provided that such access must not impede or interfere with the use of, or access to, the project by the University;

(j) Provide that the Stadium Authority has the discretion to resolve any disputes relating to the provisions of the lease agreement described in paragraphs (g), (h) and (i) and that the

resolution of such a dispute by the Stadium Authority is final;

(k) Require an annual audit of the Stadium Events Company by an independent certified public accountant in this State who does not provide any similar or related services to a developer partner or the National Football League team, or any affiliate, subsidiary, principal or related party of a developer partner or the National Football League team, and who is selected by the mutual agreement of the Stadium Authority and the Stadium Events Company; The annual audits of all partners must be made available to the public.

(l) Require the cost of the audit described in paragraph (k) to be divided equally between the Stadium Authority and the Stadium Events Company;

(m) Require that the term of any lease or sublease entered into by the Stadium Events Company with the National Football League team must be at least 30 years; **So are you stating the public is paying for a 30 year bond so the lease payment from the NFL will include a 30 year lease and a NFL team for 30 years? If so, great. My issue now becomes blackout games.**

(n) State that a person owning an ownership interest in the Stadium Events Company may sell or otherwise transfer the persons' ownership interest to a related or unrelated third party only upon the approval of the Stadium Authority and that the Stadium Authority must not unreasonably withhold such approval;

(o) Provide that the Stadium Authority must comply with the confidentiality provisions of section 30 of this act; and we the public as a investment partner have a right to know how much money everyone else is making.

(p) Such other terms and conditions as deemed necessary and appropriate by the Board of Directors.

4. The Stadium Authority may enter into a combined development and lease agreement that complies with the provisions of subsections 2 and 3.

Sec. 30. Please do not approve 1. Except as otherwise provided in subsection 3 and NRS 239.0115, the Stadium Authority shall keep confidential any record or other document provided to the Stadium Authority by a developer partner, the National Football League team or the Stadium Events Company, which is in the possession of the Stadium Authority, if the person providing the information:

(a) Submits a request in writing that the record or other document be kept confidential by the Stadium Authority; and

(b) Demonstrates to the satisfaction of the Stadium Authority that the record or other document contains proprietary or confidential information.

2. If the Stadium Authority determines that a record or other document contains proprietary or confidential information, the Chair

of the Board of Directors shall attach to the file containing the record or document:

(a) A certificate signed by him or her stating that a request for confidentiality was made by the requesting entity and the date of the request;

(b) A copy of the written request submitted by the requesting entity;

(c) The documentation to support the request submitted by the requesting entity; and

(d) A copy of the decision of the Stadium Authority determining that the record or other document contains proprietary or confidential information.

3. Records and documents that are confidential pursuant to this section:

(a) Are proprietary or confidential information of the requesting entity;

(b) Are not a public record; and This is a bad deal for the public, public money we have a right to know.

(c) Must not be disclosed to any person who is not an officer or employee of the Stadium Authority unless the requesting entity consents to the disclosure.

4. As used in this section, "proprietary or confidential information" has the meaning ascribed to it in NRS 360.247.

Sec. 31. Bad Business1. Except as otherwise provided in sections 21 to 37, inclusive, of this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to sections 21 to 37, inclusive, of this act by the Stadium Authority, a developer partner or any related entity relating to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance, or any combination thereof, of the National Football League stadium project or any portion thereof, or the provision of materials or services for the project are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreement of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to the National Football League stadium project financed in whole or in

part pursuant to sections 21 to 37, inclusive, of this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to the project even if the estimated cost of the construction work is not greater than $100,000 or the construction work does not qualify as a public work, as defined in subsection 17 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of the project shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The Stadium Authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the County had undertaken the project or had awarded the contract. After the fact, after the stadium is built?

2. The Stadium Authority and any prime contractor, construction manager or project manager selected by the Stadium Authority or a developer partner shall competitively bid all subcontracts involving construction which the Stadium Authority determines can be competitively bid without affecting the quality of the National Football League stadium project. Any determination by the Stadium Authority that such a subcontract can or cannot be competitively bid without affecting the quality of the National Football League stadium project is conclusive in the absence of fraud or a gross abuse of discretion. The Stadium Authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the Stadium Authority regarding the establishment of one or more procedures for competitive bidding, and any determination by a developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder, is conclusive in the absence of fraud or a gross abuse of discretion.

Sec. 32. 1. The Stadium Authority shall retain the sole and

exclusive right to enter into agreements to provide for the sale,

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license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the National Football League stadium project to generate revenues used for construction of the National Football League stadium project.

2. The Stadium Authority may not grant any other person the right to enter into such agreements, but it may in the development agreement entered into pursuant to subsection 2 of section 29 of this act or a combined development and lease agreement entered into pursuant to subsection 4 of section 29 of this act, agree that any agreements regarding personal seat licenses or similar instruments will be made only in consultation with the developer partner or, if applicable, the Stadium Events Company and the National Football League team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the National Football League stadium project, including the home games of the National Football League team.

3. Proceeds from the sale of personal seat licenses or similar instruments must be collected by or on behalf of the Stadium Authority for the benefit of the National Football League stadium project and are a payment by purchasers to the owner of the National Football League stadium project for special rights of access to events at the National Football League stadium project.

4. Personal seat licenses or similar instruments representing rights to seats, which are not in an enclosed suite, must not include rights for use of the seat at any event that is a college football game involving the University, unless the System has entered into an agreement with the Stadium Authority allowing those licenses or similar instruments to include those home games. Notwithstanding the above provisions of this section, the System is entitled to the revenue from the sale, license or transfer of personal seat licenses or similar instruments, which are not for seats in an enclosed suite, in an amount that represents the right to seats at football games involving the University.

5. With the consent of the Stadium Events Company and the National Football League team, the Stadium Authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party, the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. Any financing or similar transaction by any such third party to affect such sale:

(a) Shall not be deemed a debt of the Stadium Authority for any purpose;

(b) Must not provide for recourse against the Stadium Authority for any reason, including any actual or alleged nonperformance by any person; and

(c) Shall not give rise to any obligation of or liability of the Stadium Authority to any person, including the third party or anyone purchasing a personal seat license or providing financing based on personal seat licenses through such third party or otherwise, but may, with the approval of the Stadium Events Company, provide remedies against the Stadium Events Company.

Sec. 33. 1. The Board of County Commissioners shall by ordinance impose upon all persons in the business of providing lodging in the stadium district a tax at the rate of:

(a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging within the primary gaming corridor.

(b) One-half of one percent of the gross receipts from the rental of transient lodging in an area within the stadium district but outside the primary gaming corridor.

2. The tax imposed pursuant to subsection 1 may be collected from paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the County for the tax whether or not the tax is actually collected from a paying guest.

3. The tax imposed pursuant to subsection 1:

(a) Must be imposed in each incorporated city within the stadium district, in addition to being imposed in the portion of the stadium district which is not in an incorporated city;

(b) Must be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the County or city;

(c) Must be collected and enforced in the same manner as any other tax imposed in the County or city on the gross receipts from the rental of transient lodging, except that the tax must be remitted to the County by each person in the business of providing lodging in the stadium district; and

(d) May be pledged to the payment of the bonds or other securities issued pursuant to section 36 of this act.

4. The ordinance enacted pursuant to this section must:

(a) Specify the date on which the tax must first be imposed, which must be the first day of the month that is not less than 3 months or more than 4 months after the adoption of the ordinance.

(b) Provide that any parcel of land, building or other structure located partially within the stadium district is deemed to be wholly within the stadium district.

5. Not later than 30 days after the adoption of the ordinance enacted pursuant to this section, the Board of County

Commissioners shall amend the ordinance to include a provision establishing the geographic boundaries of the primary gaming corridor within the stadium district. The geographic boundaries of the primary gaming corridor must be a single, contiguous area. The initial amendment establishing the geographic boundaries of the primary gaming corridor must base those boundaries on the geographic area comprising the submarket within the stadium district with the greatest amount of gaming revenue as reported in the most recent edition of the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. The Board of County Commissioners may from time to time amend or modify the geographic boundaries of the primary gaming corridor to include areas which would have been included within the geographic boundaries of the primary gaming corridor if the Board of County Commissioners were establishing those boundaries at the time of the amendment or modification, but any such amendment or modification of the geographic boundaries of the primary gaming corridor must not impair any outstanding bonds or any revenues pledged to their payment. The rate of the tax set forth in paragraph (a) of subsection 1 applies to all persons in the business of providing lodging in the primary gaming corridor established pursuant to this subsection, regardless of whether that person is licensed to conduct gaming on the premises of the business and regardless of whether the business of that person is specifically included in the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. Any amendment adopted pursuant to this subsection must provide that any parcel of land, building or other structure located partially within the primary gaming corridor is deemed to be wholly within the primary gaming corridor. The decision of the Board of County Commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud.

6. Upon repayment of the bonds or other securities to which the proceeds of the tax imposed pursuant to subsection 1 may be pledged, the Board of County Commissioners shall amend the ordinance imposing the tax to reduce the rate of the tax to an amount deemed sufficient by the Board to pay the amounts set forth in subsection 5 of section 34 of this act, except that the rate of the tax imposed on persons described in paragraph (a) of subsection 1 and persons described in paragraph (b) of subsection 1 must be the same rate, and that rate must not exceed one-eighth of one percent.

7. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of the ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of the Board of County Commissioners relating to the adoption or amendment of the ordinance.

———

8. As used in this section:

(a) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

(b) "Primary gaming corridor" means the primary gaming corridor in the stadium district, the geographic boundaries of which are established by the Board of County Commissioners pursuant to subsection 5.

Sec. 34. 1. After paying any amounts needed to pay any principal, interest or other costs due in connection with any bonds or securities issued to finance or refinance the National Football League stadium project and to establish a reserve fund to secure the payment of such bonds or other securities, the County Treasurer shall distribute the proceeds of the tax imposed pursuant to section 33 of this act to the Stadium Authority. The Stadium Authority shall deposit such proceeds into the stadium tax account created pursuant to subsection 3 of section 27 of this act.

2. Except as otherwise provided in subsection 3, before the issuance of bonds or other securities pursuant to section 36 of this act, the Stadium Authority shall use the proceeds of the tax imposed pursuant to section 33 of this act and any applicable penalty or interest only for one or more of the following purposes:

(a) To pay all or part of the cost to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district the National Football League stadium project. So, bond money is being used

(b) To establish a bond reserve fund and other reserves for the payment of the principal of bonds issued pursuant to section 36 of this act or of the sinking fund payments with respect to such bonds, the purchase or redemption of such bonds, the payment of interest on such bonds or the payment of any redemption premium required to be paid when the bonds are redeemed before maturity.

(c) To pay the costs incurred by the Stadium Authority to carry out the provisions of sections 21 to 37, inclusive, of this act in an amount not to exceed $1,000,000.

3. The Stadium Authority shall not expend any proceeds of the tax imposed pursuant to section 33 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, the National Football League stadium project unless:

(a) The costs are costs described in paragraph (c) of subsection 2; or

(b) The conditions set forth in paragraphs (a) to (d), inclusive, of subsection 1 of section 29 of this act have been satisfied.

4. Except as otherwise provided in subsection 5, after the issuance of bonds or other securities pursuant to section 36 of this act, the Stadium Authority shall use money in the stadium tax account created pursuant to subsection 3 of section 27 of this act only for the following uses:

(a) To pay the administrative costs of the Stadium Authority in an amount not to exceed $2,000,000 each fiscal year, as adjusted annually pursuant to subsection 6. Why? What are they doing with the NFL game profits?

(b) From the proceeds remaining after the payments required by paragraph (a), to supplement the cost of operating and maintaining the National Football League stadium project bad deal for the public if the Board of Directors determines such payments are necessary because the Stadium Events Company has failed to perform or breached the lease agreement entered into pursuant to subsection 3 of section 29 of this act or a combined development and lease agreement entered into pursuant to subsection 4 of section 29 of this act.

(c) From the proceeds remaining after the payments required by paragraphs (a) and (b), to create and make contributions to a debt service reserve fund in an amount not to exceed $9,000,000 each fiscal year until the maximum debt service reserve level on bonds or other securities issued pursuant to section 36 of this act is two times the average annual debt service. What is the annual bond debt service?

(d) From the proceeds remaining after the payments required by paragraphs (a), (b) and (c), to make a payment in an amount not to exceed $4,000,000 each fiscal year, as adjusted annually pursuant to subsection 6, to the Las Vegas Metropolitan Police Department to support enhanced police protective services within the primary gaming corridor, as defined in the ordinance adopted pursuant to section 33 of this act, within the stadium district. The money paid to the Las Vegas Metropolitan Police Department pursuant to this paragraph must not replace or supplant existing funding for the Police Department and must not be used for the payment of salary or any increase in salary for any person who is employed by the Police Department before October 1, 2016.

(e) From the proceeds remaining after the payments required by paragraphs (a) to (d), inclusive, to make payments to the University each fiscal year for a period of not more than 10 fiscal years commencing in the first fiscal year in which the National Football League stadium project is open to the public and Sam Boyd Stadium ceases operations, in an amount that the Board of Directors

determines is necessary to compensate the University for the loss of net income as a result of the operation of the National Football League stadium project, as demonstrated by the University, but not

to exceed $3,500,000 each fiscal year. In determining the amount of the loss of net income pursuant to this paragraph, the Board of Directors shall:

(1) Consider the loss of net income from football and other events hosted at Sam Boyd Stadium and any increase in net income for the University generated by the use of the National Football League stadium project by the University.

(2) Use a base year for calculating changes in net income that is:

(I) Not earlier than Fiscal Year 2015-2016; and

(II) Determined by mutual agreement between the Board of Directors and the University to be the fiscal year that is most representative of the net income of the University from the operation of Sam Boyd Stadium before the National Football League stadium project is open to the public.

↔↘↘ If the proceeds remaining after the payments required by paragraphs (a) to (d), inclusive, are insufficient to make a payment due to the University in any given year as set forth in this paragraph, the amount remaining due to the University must be carried forward and made payable in subsequent future years when sufficient money is available. Interest is not due on a payment carried forward pursuant to this paragraph. If an amount carried forward pursuant to this paragraph remains unpaid at the end of the 10-year period described in this paragraph, the remaining amount must be carried forward beyond the 10-year period until such time as all amounts carried forward are paid in full.

(f) From the proceeds remaining after the payments required by paragraphs (a) to (e), inclusive, and upon completion of the National Football League stadium project, to make contributions to the stadium capital projects fund created pursuant to subsection 3 of section 27 of this act in an amount equal to at least $5,000,000 per fiscal year, as adjusted annually pursuant to subsection 6. WHY?

(g) From the proceeds remaining after the payments required by paragraphs (a) to (f), inclusive, to make payments to a fund to provide early debt retirement, a fund to make capital improvements to the National Football League stadium project in an amount determined by the Stadium Authority and to a fund to pay for any infrastructure required on or around the project, except that no payment pursuant to this paragraph may violate any covenant made in connection with bonds or other securities issued pursuant to section 36 of this act and, if any payment would violate such a covenant, the amount of the payment must be used for such purpose as specified in the ordinance or other instrument under which the bond or other security is issued.

I don't think we can pre pay the bonds can we? What is the cost?

5. After the bonds and other securities issued pursuant to section 36 of this act have been fully repaid and retired, the Stadium Authority may use the proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act:

(a) To pay the operating expenses of the Authority;

(b) To pay for capital improvements to the National Football League stadium project. Bad deal for the public?

6. The monetary amounts specified in paragraphs (a), (d) and (f) of subsection 4 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the consumer price inflation index between the calendar year ending on December 31, 2015, and the calendar year immediately preceding the fiscal year for which the adjustment is made.

7. Any reserve fund described in this section to secure the payment of bonds or other securities issued pursuant to section 36 of this act must be held by the County or a trustee for the bonds. The reserve fund must be funded with cash and investments permitted by the bond ordinance and NRS 355.170. Interest on money in the reserve fund must remain in the fund and be used for the purposes for which the fund was created. Money in the reserve fund may be:

(a) Used to pay the final years' debt service on the bonds or other securities secured by the reserve funds if the money in the fund is fully sufficient to retire all outstanding bonds secured thereby; What are the NFL stadium profits going to be used for?

(b) At the option of the Stadium Authority, when all bonds or other securities issued pursuant to section 36 of this act and any bonds or securities refunding those bonds or securities are no longer outstanding, transferred to the stadium capital projects fund created pursuant to subsection 3 of section 27 of this act; When will bonds be paid off?

(c) A combination of the purposes set forth in paragraphs (a) and (b).

8. As used in this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, U.S. City Average, West Urban (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Stadium Authority.

Sec. 35. 1. In addition to the requirements set forth in section 29 of this act, a development agreement entered into pursuant to that section, a lease agreement entered into pursuant to that section, or a combined development agreement and lease agreement entered into pursuant to subsection 4 of section 29 of this act and any other

agreement of any kind entered into by the Stadium Authority with a

developer partner, the Stadium Events Company or the National Football League team, or any affiliate, subsidiary or entity related to such a person, must provide that:

(a) The contribution of the Stadium Authority to the costs of construction of the National Football League stadium project, excluding debt service on the bonds or other securities issued pursuant to section 36 of this act and the proceeds from the sale, transfer or license of personal seat licenses, stadium builder's licenses or other similar instruments pursuant to section 32 of this act and the sale of other assets of the project which must be used to pay the costs of the project and capital improvements thereto, must not exceed the lesser of: so we the tax payer has to pay for the bonds and the debt service, WOW.

(1) The amount of $750,000,000; or

(2) The amount of money generated by the tax imposed pursuant to subsection 1 of section 33 of this act before the issuance of bonds or other securities pursuant to section 36 of this act, plus the maximum amount that may be raised from the issuance of bonds and other securities pursuant to section 36 of this act that are secured by the proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act, as reasonably determined by the chief financial officer of the County, after payment of issuance costs and the cost of funding the reserve fund.

(b) The total debt undertaken by the Board of County Commissioners at the request of the Stadium Authority must not at any time exceed the amount set forth in paragraph (a), minus the amount generated by the tax imposed pursuant to subsection 1 of section 33 of this act before the issuance of bonds or other securities pursuant to section 36 of this act. Any bonds issued to refund bonds issued pursuant to section 36 of this act must not be taken into account in calculating compliance with the debt limit set forth in this paragraph.

(c) Except as otherwise provided in this paragraph, all land, improvements and other property of any kind included in the total cost of the National Football League stadium project pursuant to paragraph (g) of subsection 1 of section 36 of this act shall be the sole and exclusive property of the Stadium Authority and shall be exempt from ad valorem property taxes in this State. The provisions of this paragraph do not apply to any leasehold improvements that the Stadium Authority and the Stadium Events Company or the National Football League team agree are made solely by the Stadium Events Company or the National Football League team. If any such property remains in existence at the expiration of the lease, that property must be transferred to the Stadium Authority at the expiration of the lease agreement and, at that time, becomes the sole

and exclusive property of the Stadium Authority, unless otherwise

SB1

provided in an agreement between the Stadium Authority and the Stadium Events Company or the National Football League team.

(d) A developer partner and the National Football League team must ensure that any required transfer of land, improvements or property occurs before the issuance of bonds or other securities pursuant to section 36 of this act or simultaneously with the issuance of those bonds or other securities.

(e) The land on which the National Football League stadium project is to be located must be dedicated to the Stadium Authority at no cost to the Stadium Authority before the issuance of bonds or other securities pursuant to section 36 of this act or simultaneously with the issuance of those bonds or other securities.

2. Except as otherwise provided in this act, the contribution of the Stadium Authority to the cost of the development and construction of the National Football League stadium project must be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the contribution to the cost of the development and construction of the project by the developer partner and:

(a) The developer partner shall pay the initial $100,000,000 of the costs of the National Football League stadium project, excluding the value of any land purchased by the developer partner or contributed to the project.

(b) Payments after the initial payment described in paragraph (a) will be pro-rata based on the percentage of the total cost of the project described in paragraph (g) of subsection 1 of section 36 of this act to be paid from money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act, excluding the proceeds of the tax used to pay principal and interest on the bonds or other securities issued pursuant to section 36 of this act, compared to the costs to be paid from other sources, as adjusted to reflect that money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act, excluding the proceeds of the tax used to pay principal and interest on the bonds or other securities issued pursuant to section 36 of this act, will be used to pay the last $50,000,000 of the cost of the project.

(c) The procedures for making monthly draws for the cost of the project will be delineated in a trust agreement which will ensure that no money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act is expended unless money of the developer partner is simultaneously expended and that no funds of the developer partner are expended unless money

derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act is simultaneously expended, except for the initial payment described in paragraph (a) and the last payment described in paragraph (b).

(d) A trust agreement governing the draw of money for the costs of the project will detail the evidence required to be provided before a draw can be made and the requirements for an independent engineer to review all work before the draw of money.

(e) The independent engineer described in paragraph (d) will review the project sources and uses of money each month and, if the independent engineer determines that there is a need for additional money for the project because of a cost overrun, no payment may be made from money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act or the tax imposed pursuant to subsection 1 of section 33 of this act until the cost overrun is paid from a source or combination of sources described in subparagraphs (1) to (4), inclusive, of paragraph (e) of subsection 1 of section 36 of this act.

Sec. 36. 1. The Board of Directors shall request that the Board of County Commissioners issue general obligations of the County pursuant to subsection 2 if the Board of Directors determines that:

(a) The Stadium Authority has entered into a development agreement and a lease agreement pursuant to subsections 2 and 3 of section 29 of this act or a combined development and lease agreement pursuant to subsection 4 of section 29 of this act;

(b) The proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act that will be pledged to the payment of the general obligations will generate sufficient revenue to meet or exceed the debt service coverage ratio of 1.5 times the anticipated annual debt service for each year of the term of the obligations;

(c) The contract for the construction of the National Football League stadium project is a guaranteed maximum price contract with a contingency amount of 10 percent of the estimated hard costs of the National Football League stadium project or such lesser percentage as is determined to be adequate by the Board of Directors but not less than 5 percent of the estimated hard costs of the project;

(d) The prime contractor for the construction of the National Football League stadium project has provided adequate security to guarantee timely performance of the construction of the project and liquidated damages related thereto; and

Who is the prime contractor?

(e) A developer partner has provided a financing commitment that the Board of Directors finds is sufficient to pay the portion of the estimated cost of the National Football League stadium project that is to be paid from sources other than money derived from the proceeds of the bonds or other securities issued pursuant to this section and the tax imposed pursuant to subsection 1 of section 33 of this act, plus the contingency amount approved by the Board pursuant to paragraph (c), and is secured by any combination of the following:

(1) An irrevocable deposit of cash into a stadium project construction fund held in trust by a commercial bank with trust powers, which is established by a developer partner and the Stadium Authority and which cannot be used for any purpose other than payment of the cost of the project until those costs have been paid in full.

(2) Closed construction debt financing, from a lender or lenders rated "A-" or better by Standard and Poor's Rating Services or "A3" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors, which allows draws for the costs of construction of the project, interest during construction and any costs of issuance. A draw under the closed construction debt financing may be subject to conditions precedent, including, without limitation, a condition that there has been delivery of proof of the availability of County money, a condition that there has been delivery of satisfactory reports from an independent engineer that certifies work being paid for under the closed construction debt financing has been completed and that stored materials have been verified, any condition required by state or federal regulations or regulators governing banks and any condition that relates to confirmation of insurance for the project. Such conditions precedent may also be required by the Board of County Commissioners or the Stadium Authority to allow a draw on the proceeds of the bonds or other securities issued pursuant to this section which are held in trust by a commercial bank with trust powers.

(3) Closed National Football League financing which allows draws for the costs of construction of the project and no other purpose until those costs have been paid in full, if the lender is rated "A-" or better by Standard and Poor's Rating Services or "A3" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors. A draw under the closed National Football League financing may be subject to the conditions precedent set forth in subparagraph (2).

(4) Irrevocable letters of credit or commitments to pay the costs of construction of the project, which irrevocably and

unconditionally allow draws for the costs of construction of the project and no other purpose until those costs have been paid in full, which is provided by a bank with at least $1 billion in assets that is rated "A" or better by Standard and Poor's Rating Services or "A2" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors.

(f) A developer partner has any development agreements required by state or local governments relative to providing adequate offsite infrastructure improvements for the National Football League stadium project.

(g) The Stadium Authority and a developer partner have agreed on an estimate of the total cost of the National Football League stadium project.

2. Except as otherwise provided in subsection 3, upon the request of the Board of Directors pursuant to subsection 1, the Board of County Commissioners shall issue general obligations of the County in an amount not to exceed $750,000,000. After payment of the costs of issuing the bonds and making provisions for any required reserves, the proceeds of any bonds issued pursuant to this subsection must be allocated to the Stadium Authority to be used for the National Football League stadium project.

3. The Board of County Commissioners shall not issue general obligation bonds pursuant to subsection 2 unless the Board finds that:

(a) The requirements of subsection 1 have been satisfied; and

(b) Payment of the costs of construction of the National Football League stadium project will be made over time by both the Stadium Authority and a developer partner in accordance with subsection 2 of section 35 of this act.

4. The securities required to be issued pursuant to this section must be issued pursuant to the Local Government Securities Law, and any bonds issued pursuant to this section may be refunded by the County as provided in the Local Government Securities Law.

5. If the Board of County Commissioners issues general obligations of the County pursuant to subsection 2 after the Board of Directors has made the determination set forth in paragraph (b) of subsection 1:

(a) The bonds may be issued without complying with the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020, pursuant to an ordinance of the Board of County Commissioners as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under the laws of this State.

(b) The bonds are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the

– 3 3 –

calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of general obligation indebtedness for the purposes set forth in sections 21 to 37, inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) The bonds must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 had been made by the Board of County Commissioners and approved by the debt management commission of the County under subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

6. Any determination or finding by the Board of Directors or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

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MEMORANDUM

DATE: October 10, 2016

TO: Members of the 30th Special Session of the Legislature

FROM: Michael Nakamoto, Deputy Fiscal Analyst
Fiscal Analysis Division

SUBJECT: **Fiscal Note for Senate Bill 1**

The following financial impact statements have been submitted in response to the Fiscal Analysis Division's requests for a fiscal note on Senate Bill 1.

STATE GOVERNMENT RESPONSE

Nevada Department of Transportation

No Fiscal Impact

Explanation

- The Nevada Department of Transportation (NDOT) recently completed a traffic assessment which identified transportation projects on state-maintained highways that coincidentally support traffic generated from special events held at a future stadium. The traffic assessment is based on the two developer-preferred stadium sites located on Russell Road and Bali Hai Golf Course.
- The transportation projects in the vicinity of a proposed stadium are in various stages of development and were anticipated as future regional improvements to the transportation system regardless of the possibility of development of a stadium.
- Since the development of the transportation projects in this area of Las Vegas was already planned, there is no fiscal impact above and beyond what NDOT assumed it would deliver in southern Nevada.

Appendix G

- The prioritization of projects in southern Nevada is subject to revision, but that is consistent with the current process in which the Transportation Board of Directors adopts amendments and modifications on a quarterly basis to the Statewide Transportation Improvement Program (STIP).
- NDOT is not seeking additional funding for projects in southern Nevada which may coincidentally support traffic generated from special events held at a future stadium.
- Projects delivered by NDOT in southern Nevada will rely on projected revenues to the State Highway Fund, including federal funds.

Felicia Denney, Chief, Financial Management Division

LOCAL GOVERNMENT RESPONSES

City of Boulder City

There should be no significant fiscal impact to the City of Boulder City due to the approval of Senate Bill 1 of the 30th Special Session. Boulder City is even outside the "Stadium District" and would be less impacted than the Las Vegas Valley.

Doug Honey, Chief Accountant

City of Henderson

No significant fiscal impact to the City of Henderson. The City supports the concepts in the legislation that will lead to increases in visitor volume to Nevada and the Las Vegas Valley.

Michael Cathcart, Business Operations Manager

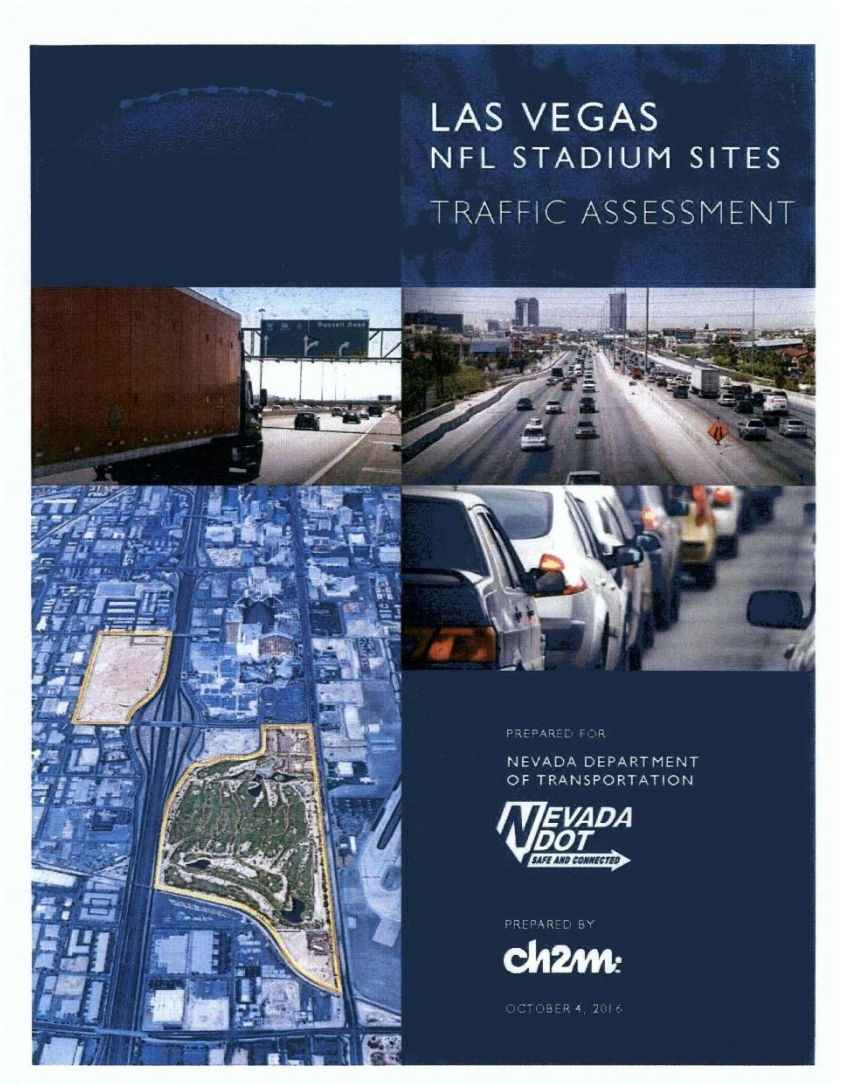
City of Las Vegas

Section 56 of the bill will limit the room tax collection fees to the actual 10% of room tax collection in Clark County or $25 million, whichever is less. The distribution of these pooled collection fees will be subject to the existing Interlocal Agreement between the LVCVA, Clark Co., Las Vegas, Henderson, North Las Vegas, Boulder City, and Mesquite. The LVCVA collection fees distributed to these local governments was $24.5 million in FY16, and LVCVA projects they will exceed the proposed SB1 $25 million cap in FY17. The city of Las Vegas estimates our potential impact of this cap to be about $40 thousand annually based on LVCVA FY17 budget projections. We note this is a loss of *future* distributions and not a reduction in *current* distributions.

Additionally, in the event that the proposed new room taxes in Section 33 are so insufficient to pay for the general obligation debt service authorized in Section 37 that Clark County must impose a property tax to pay the debt service, such an action could limit the ability of Las Vegas and other Clark County local governments from increasing their portions of the overlapping tax rates due to the $3.66 limit imposed under NRS 361. While this is *not* anticipated to happen, it *could* happen under certain circumstances.

Mark Vincent, City Manager

cc: Rick Combs, Director, Legislative Counsel Bureau
Brenda Erdoes, Legislative Counsel
Mark Krmpotic, Senate Fiscal Analyst
Cindy Jones, Assembly Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Russell Guindon, Principal Deputy Fiscal Analyst


LAS VEGAS
NFL STADIUM SITES
TRAFFIC ASSESSMENT
PREPARED FOR
NEVADA DEPARTMENT
OF TRANSPORTATION
NEVADA DOT
SAFE AND CONNECTED
PREPARED BY
ch2m:
OCTOBER 4, 2016

Appendix H

Summary of Findings

LAS VEGAS NFL STADIUM SITES – TRAFFIC ASSESSMENT

Purpose

- A major development like an NFL stadium will have regional transportation implications, which should be approached proactively, rather than reactively
- Our goal – to determine the high-level range of state highway improvement needs that can support a new stadium, as well as future regional transportation needs.
- Answer the question – What projects on **state-maintained roadways** can be considered for acceleration to improve access and mobility to a stadium site?

Approach

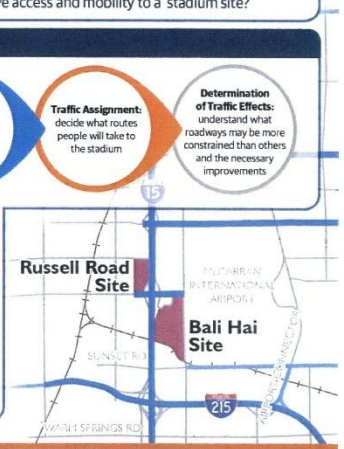
Trip Generation: estimate the total number of additional vehicles expected on the roadway network

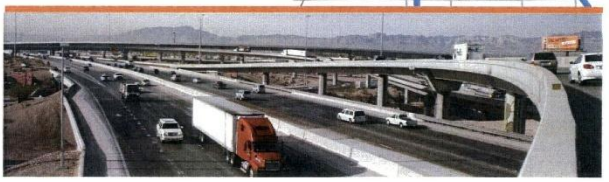
Mode Choice: predict how atendees are traveling the event

Traffic Assignment: decide what routes people will take to the stadium

Determination of Traffic Effects: understand what roadways may be more constrained than others and the necessary improvements

- Two preferred stadium sites (shown on the map here)
- Determine how trips are made (car, bus/shuttle, bike, walk) and what roads they will use
- Assess the traffic effects on state highways (2019 and 2035/Sunday and Monday nights)
- Inventory planned and programmed improvements in the stadium sites vicinity





Summary of Findings
LAS VEGAS NFL STADIUM SITES – TRAFFIC ASSESSMENT

Advancing Projects

Projects that may be considered for acceleration include:

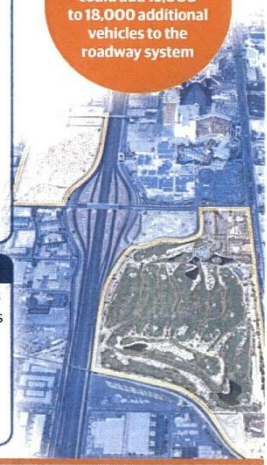
» Addition of HOV interchanges on I-15 (Harmon Ave, Hacienda Ave)

» I-15 and I-215 operational improvements, including HOV lanes and interchange reconstruction projects (I-15/Tropicana Ave)

» Monorail extension to Mandalay Bay, and pedestrian bridge/walkway extensions to preferred stadium site (by others, with opportunity for NDOT collaboration on NEPA, preliminary engineering, and ROW)

All projects are identified from existing plans or programs, with some project elements already underway (e.g., planning, NEPA).

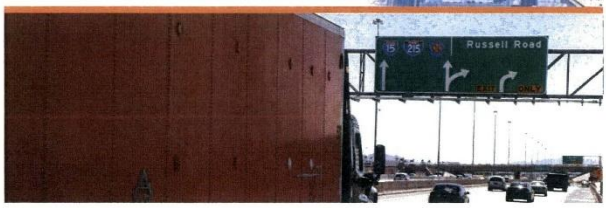
Game days and other major events could add 15,000 to 18,000 additional vehicles to the roadway system



Next Steps

Once a preferred stadium site is selected, follow-on studies to comprehensively understand transportation improvements needs as part of the stadium development process include:

» Traffic impact analysis
» Parking needs analysis
» Traffic management plan
» Plan for transit expansion during special events (by others)



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Appendices

Appendix A: Trip Generation
Appendix B: Baseline Traffic Analysis
Appendix C: Inventory of Planned and Programmed Projects

This document was prepared for NDOT by CH2M specialists in planning, travel demand modeling, traffic operations engineers, economic analysts, and project development and implementation.

SECTION 1

Introduction and Overview

Las Vegas, Nevada is under consideration as a potential location for the development of a sports stadium complex to support a National Football League (NFL) team. This stadium would seat approximately 65,000 fans, and be used for playing home games during the NFL season; as well as host other professional, collegiate, and amateur sports, concerts, and other major events.

More than one-third of Las Vegas' local economy is dependent on the region's leisure and hospitality industry and its 42 million annual patrons (LVCVA 2015). Development of a new NFL stadium would be an attraction for locals and visitors alike.

1.1 Purpose

This traffic assessment was commissioned by the Nevada Department of Transportation (NDOT) to provide a high-level overview of stadium traffic effects on state-maintained roadways and to understand opportunities that address potential traffic demands. While there are some similarities, this assessment is not a typical traffic impact study (TIS) that assesses project-related deficiencies to develop a specific list of mitigation measures. A more detailed TIS will need to be submitted by the stadium development team once the preferred site has been selected and a site plan developed. Instead, this report summarizes a non-traditional high-level evaluation of traffic effects and recommendations for accelerating transportation projects that have already been planned/programmed or are in the conceptual phase. The overarching goal is to determine the high-level range of state highway improvement needs in this region that can be accelerated or initiated to support a new stadium. Other potential improvement needs (e.g., transit, local streets, pedestrian and bicycle facilities) are addressed as well.

PURPOSE

Non-traditional high-level evaluation of traffic effects and resultant order-of-magnitude investment necessary to improve **state-maintained** roadways.

1.2 Background

NDOT maintains portions of the regional freeway system and major arterials in the Las Vegas valley. Although the Las Vegas region is not new to addressing transportation concerns with hosting major high-volume events, the development of a new NFL stadium will invariably affect the performance and operations of the regional roadway network during special events.

Based on experiences in other cities, it is typical for a stadium developer to construct transportation improvements in the immediate area surrounding the stadium, including addressing such issues as access, parking, and circulation in and out of the stadium site. NDOT plans for and is interested in transportation solutions that meet regional demands. This traffic assessment considers transportation projects from various sources, including the Statewide Transportation Improvement Program (STIP, short-term), Regional Transportation Plan (RTP, long term), the Transportation Investment

A major development like an NFL stadium will have regional transportation implications, which should be approached proactively, rather than reactively.

Business Plan (TIBP), projects that may be funded contingent on the continuation of Fuel Revenue Indexing in Clark County (FRI-2 Ballot Question No. 5, November 2016) and other modes of regional transportation such as transit, high-speed rail and extensions to the Las Vegas Monorail. It is recognized that these projects have various project sponsors and differing timelines for project development and construction, but they present an opportunity for collaboration. The timeline for major freeway improvements can traditionally stretch 5 to 10 years to complete planning, National Environmental Policy Act (NEPA), design, right-of-way acquisition, and construction.

1.3 Potential Stadium Sites and Affected Roadways

Seven candidate stadium sites were initially under consideration by the stadium developer and used as the starting point for this analysis. Those seven sites illustrated in **Figure 1-1** are listed below:

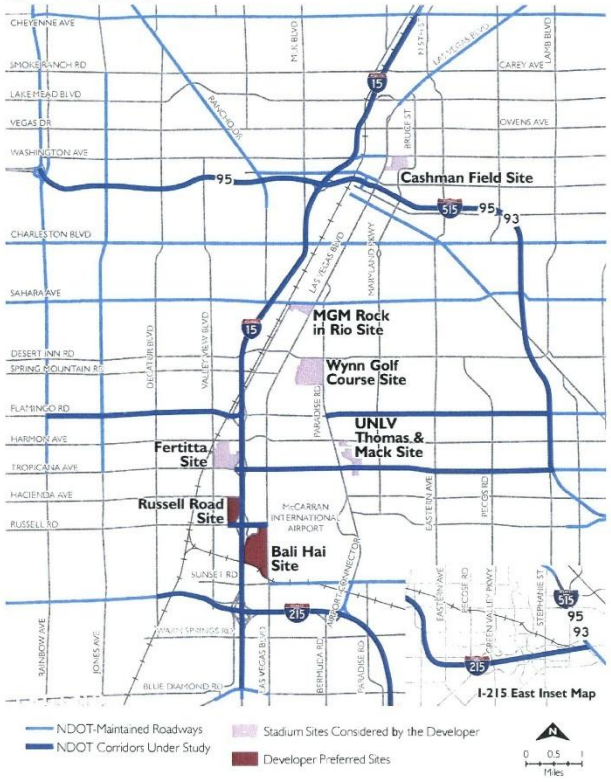
- Bali Hai Golf Course Site
- Russell Road Site
- Fertitta Site
- UNLV, Thomas and Mack Center Site
- Wynn Golf Course Site
- MGM Rock in Rio Site
- Cashman Field Site

While they are all located within the metropolitan core, each site was found to have different opportunities and issues related to transportation and other factors. As of September 2016, the Bali Hai Golf Course and Russell Road sites have been identified by the Developer as the preferred options, with the Russell Road site as the preferred choice. The analysis provided here focuses on both of these two sites since a formal site selection has not been announced.

Figure 1-1 also illustrates (dark blue lines) those roadways under NDOT's jurisdiction that were considered to be the corridors that are most likely be affected by either of the two stadium locations. These corridors are the primary focus of this analysis. The light blue lines show the broader network of state-maintained roadways in the study area.

Note that the freeway analysis was focused on the mainline lanes only. Express lanes, High Occupancy Vehicle (HOV), and Collector-Distributor (C-D) roads are important parts of the freeway system, but analysis at that level of detail is more appropriate for future, more detailed studies.

Figure 1-1. Study Area Map

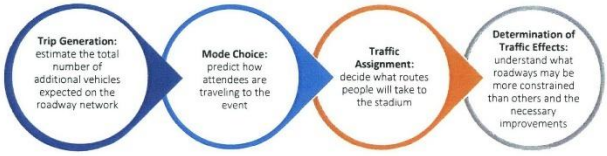


SECTION 2

Stadium-Related Traffic Assessment

The proposed stadium is expected to seat 65,000 people. To understand the effects of a sold-out event on the regional transportation system, the analysis followed a series of steps to determine the effects of stadium traffic, as illustrated in **Figure 2-1**. This is a planning level analysis and these assumptions will be refined upon final site selection, site plan, and a discussion of planned accommodations.

Figure 2-1. Traffic Assessment Steps



2.1 Trip Generation and Mode Choice



The first step is estimating the number of trips that will be generated by a stadium with an assumed capacity of 65,000[1] seats was to consider the various modal choices, or the means of getting to the stadium. For this step, trip generation assumptions (the number of new trips) were based on statistics from other NFL stadiums in similar urban environments, paired with the uniqueness of Las Vegas valley and local knowledge of the candidate sites' locations within the regional transportation system (i.e., proximity to the Las Vegas Strip and surrounding transportation facilities).

Game days and other major events could add 15,000 to 18,000 additional vehicles to the roadway system.

In Las Vegas, attendees are expected to travel to the game in one of four ways:

1. Automobile;
2. Transit or shuttles;
3. Walking or biking; or
4. Other, such as taxis, limos, or ride-share services like Uber.

Each of these options carry a different number of people per vehicle. For example, a car may average three persons, while a bus may hold more than 40. These assumptions on transportation choice, combined with number of persons per mode, equates to a total number of vehicles traveling to and from the stadium. Another important consideration in trip generation is the high percentage of event attendees (estimated at 40 to 50 percent) that are assumed to be visitors, primarily staying in the Resort Corridor. Visitors are more likely to take transit or other non-automobile modes.

[1] 65,000 seats was used for the analysis. A modest increase (to 70,000 seats) would not have a material effect on the results and conclusions.

While considering the 7 potential stadium sites, it was estimated that game days and other major events could add 15,000 to 18,000 additional vehicles to the roadway system. The number of new vehicle trips generated for the Bali Hai and the Russell Road sites is approximately 16,000 trips. Detailed data are provided in **Appendix A**. The estimates of anticipated new vehicle trips reflect availability of mode choices. These estimates of trips do not account for ancillary trips such as deliveries, freight, etc. Those trips are relatively minor compared to the anticipated special event trips.

2.2 Traffic Assignment

2.2.1 Baseline Scenarios

The traffic assignment step had multiple elements. Before considering the effects of new stadium traffic, it was first important to understand the expected performance of the street network **without** the stadium in place. This "baseline scenario" (without the stadium) was studied using three comparative years:

- **Existing Conditions (Year 2015):** establishes the current level of traffic and mobility conditions in the study area, using existing (available) traffic counts.
- **Baseline (Year 2019):** represents the traffic conditions expected in 2019, which is the anticipated opening year of the stadium and includes planned improvements anticipated to be complete by then.
- **Baseline (Year 2035):** represents the traffic conditions expected in 2035 without the stadium, accounting for all planned improvements; this time period evaluates the long-term effects of stadium-related traffic on the roadway network.

The RTC of Southern Nevada's travel demand model (RTC, 2016) was used to determine the baseline scenario for years 2019 and 2035, which includes all planned improvements in the region that are expected to be complete in those timeframes, and uses that future street network to forecast transportation conditions. As the regional travel demand model is comprised of all planned land uses and improvements included in the Regional Transportation Plan (RTP), it is therefore consistent and reflects all of the approved transportation plans of NDOT, RTC of Southern Nevada, Clark County, and the cities of Las Vegas, North Las Vegas, and Henderson.

The **RTC travel demand model** includes the region's roadway and transit networks, paired with population and employment data to calculate the expected demand for transportation facilities. Within the model, mathematical equations are used to represent each person's trip decision-making process: where and when are they going, how will they get there, why are they traveling, and what mode/route will they take to make the trip? The model results for these individual choices are combined to understand the impact and average travel times that all these vehicles have on the roadway system.

2.2.2 Typical Days

The analysis for the baseline scenario was conducted for a weekday evening game or concert event and a Sunday afternoon NFL game.

- **Weekday PM:** is the worst case scenario. A late afternoon traffic pattern would include normal afternoon peak commuter traffic combined with the added stadium-related trips.
- **Sunday PM:** reflects Sunday game day traffic, compounded with tourists leaving town from a weekend visit to Las Vegas. This traffic is generally concentrated in the Resort Corridor/I-15 South area.

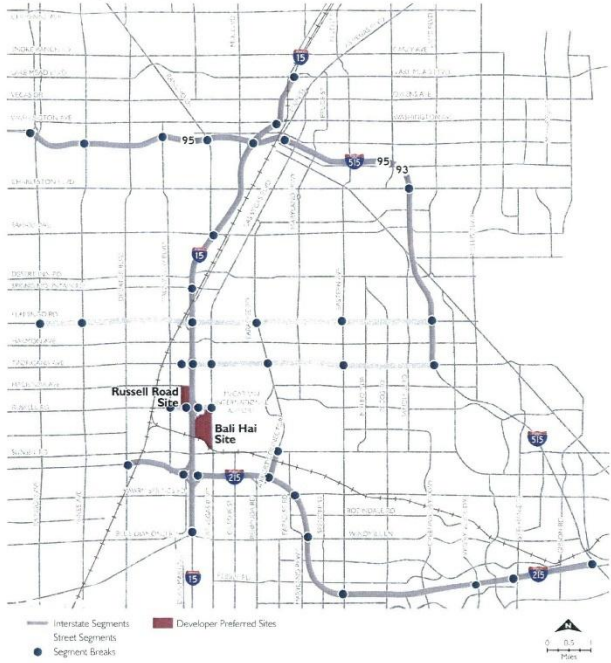
A typical community experiences two peak traffic periods each weekday: 2 to 3 hours in the morning and another 2 to 3 hours in the afternoon. These typical "rush hour" periods do not equate to the normal traffic conditions in Las Vegas. While many jobs operate Monday through Friday during the day, the preferred stadium sites are within the Resort Corridor area, which attracts visitors and convention-related business travelers. These visitors travel all week long and at all times of the day, and are supported by three local workday shifts (day, evening, night) at the hotels, casinos, and related establishments. While these peaks are less defined than in other cities, the typical day scenarios used in this analysis is representative of expected future conditions and needs.

2.2.3 Study Segments

The state-maintained corridors under review in this analysis included three freeway corridors (I-15, I-515/US 95, and I-215/Airport Connector) and segments of three arterials (Flamingo Road, Tropicana Avenue, and Russell Road).

Each roadway corridor was split into a series of segments to isolate traffic effects, resulting in 35 total segments. These corridor segments are illustrated in **Figure 2-2**.

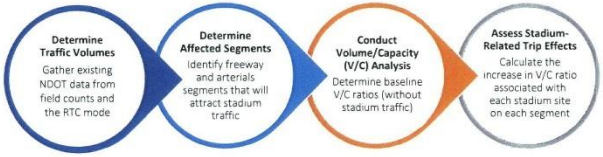
Figure 2-2. Study Corridor Segments



2.3 Determination of Traffic Effects

The determination of traffic effects for each candidate stadium site followed four steps, as illustrated in **Figure 2-3**.

Figure 2-3. Traffic Effects Determination



1. Determine Traffic Volumes

For the existing and baseline year scenarios, average daily traffic (ADT) and peak hour volumes were identified for each segment, each year, and each day (**Table 2-1**). Existing year ADT comes from NDOT traffic counts for 2015 (NDOT, 2016). Existing and projected peak traffic volumes are from the RTC travel demand model (RTC, 2016).

2. Determine Affected Segments

For each of the two stadium sites, those segments that are most likely to gain a significant amount of traffic on event days were selected as the focus of that site's analysis. The segments were determined by considering the likely origins for stadium traffic, and the route or routes they would most likely use. Trips included local residential trips, resort corridor trips, and airport trips. Capacity estimates were prepared for the affected segments.

Table 2-1. Traffic Scenarios

Scenario	Year	Day
Existing	2015	Monday PM
		Sunday PM
Baseline	2019	Monday PM
		Sunday PM
	2035	Monday PM
		Sunday PM
Stadium	2019	Monday PM
		Sunday PM
	2035	Monday PM
		Sunday PM

3. Conduct Volume-to-Capacity Analysis

The projected traffic volumes and capacities were used to calculate the volume/capacity (V/C) ratio for each roadway segment. A V/C ratio of 1.0 roadway operating approximately "at capacity," although many roadways have volumes greater than capacity – they operate under congested conditions. The following graphics are summaries of conditions without the stadium-related trips (details are provided in **Appendix B**):

- **Figure 2-4** – 2019 Weekday PM Baseline Scenario
- **Figure 2-5** – 2019 Sunday PM Baseline Scenario
- **Figure 2-6** – 2035 Weekday PM Baseline Scenario
- **Figure 2-7** – 2035 Sunday PM Baseline Scenario

4. Assess Stadium-Related Trip Effects

The last step was to calculate the increase in V/C ratios associated with each of the two stadium sites. For the affected segments identified in Step 2, the number of vehicles to/from each site was determined. From there, the change in V/C ratio was calculated. These results are provided in Section 2.4.

Figure 2-4. 2019 Weekday PM Baseline Scenario (without stadium-related trips)

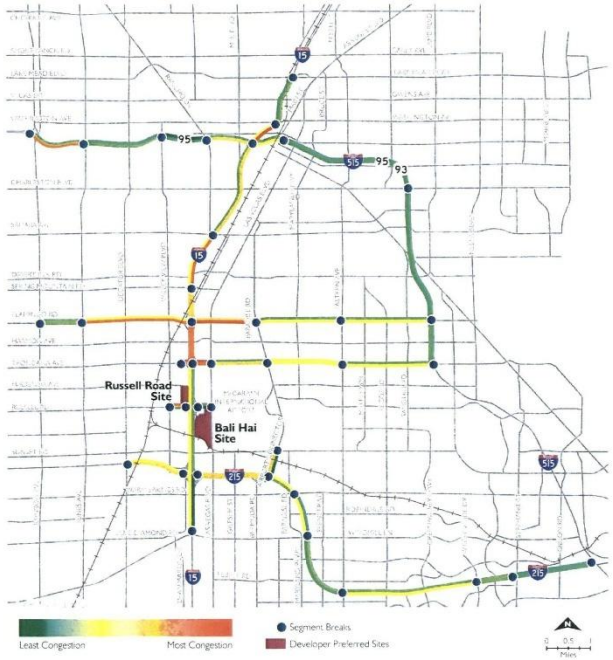


Figure 2-5. 2019 Sunday PM Baseline Scenario (without stadium-related trips)

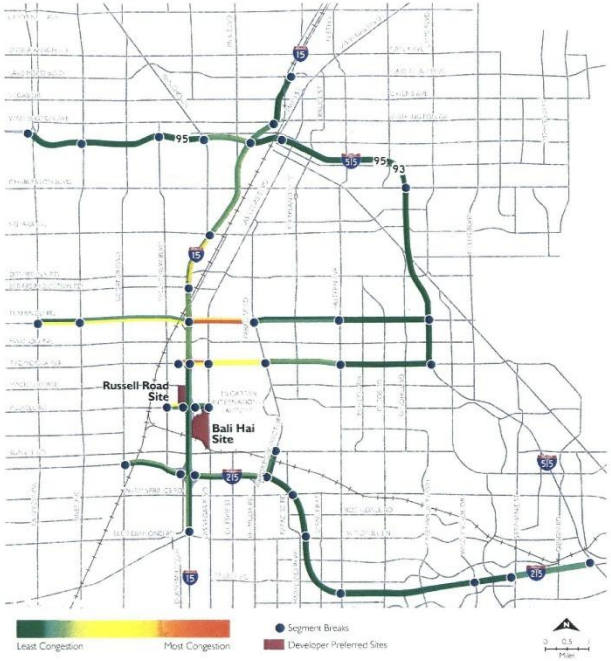
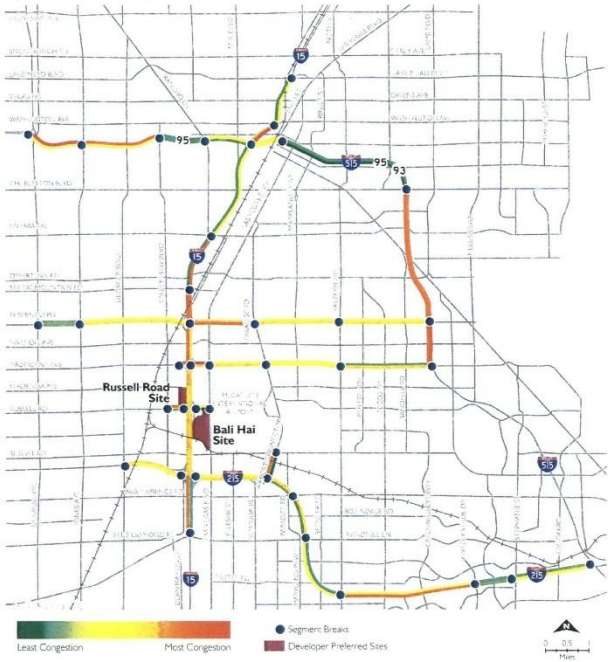
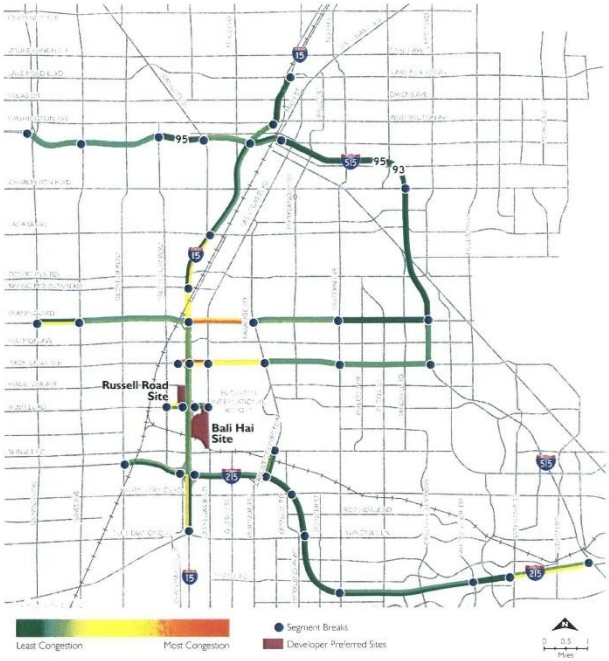


Figure 2-6. 2035 Weekday PM Baseline Scenario (without stadium-related trips)



Note: The 2035 baseline transportation network assumes all planned projects in the RTP are complete.

Figure 2-7. 2035 Sunday PM Baseline Scenario (without stadium-related trips)



Note: The 2035 baseline transportation network assumes all planned projects in the RTP are complete.

2.4 Effects by Preferred Stadium Sites

The evaluations for the two preferred stadium sites are presented in **Figures 2-8** and **2-9**. These two figures illustrate the relative congestion levels associated with stadium traffic on NDOT-maintained roadways, based on the anticipated increases in the V/C for the defined roadway segments. The maps show data on a combination of 2019 and 2035. The combination of the two years was used to capture both opening year and the longer-term effects when other planned and programmed projects will have been constructed.

Table 2-2 is a summary of the NDOT-maintained roadway segments that are anticipated to be most affected by the two potential stadium sites.

Table 2-2. Affected NDOT-Maintained Roadways for Each Stadium Site

	Most Critical Affected NDOT-Maintained Roadways		
Site	**Freeways**	**Interchanges**	**Local Streets**
Bali Hai Golf Course Site	• I-15 from I-215 to Flamingo Road • I-215 from Decatur Road to Airport Connector • Airport Connector north of I-215	• I-15/Russell Road • I-15/Tropicana Avenue • I-15/I-215 • I-215/Las Vegas Boulevard	• Russell Road from Valley View to I-15 • Tropicana Avenue from Dean Martin to Las Vegas Boulevard
Russell Road Site	• I-15 from I-215 to Flamingo Road • I-215 from Decatur Road to Airport Connector • Airport Connector north of I-215	• I-15/Russell Road • I-15/Tropicana Avenue • I-15/I-215	• Russell Road from Valley View to I-15 • Tropicana Avenue from Dean Martin to Las Vegas Boulevard

Note that the Bali Hai site is constrained on three sides: McCarran International Airport (east), I-15 (west), and the UPRR corridor (south) – all of which limit access to the site. This may result in higher levels of congestion at spot locations near the site, as opposed to the Russell Road location, which may experience a greater dispersion of traffic, particularly to the west.

Figure 2-8. 2019 and 2035 Traffic Effects of Bali Hai Stadium Location



Note: The 2035 baseline transportation network assumes all planned projects in the RTP are complete.

Figure 2-9. 2019 and 2035 Traffic Effects of Russell Road Stadium Location



Note: The 2035 baseline transportation network assumes all planned projects in the RTP are complete.

2.5 Order-of-Magnitude Traffic Effect Assessment

Based on the type of facility (freeway, interchange, freeway mainline, major arterial) and level of V/C increase anticipated for each segment, an order-of-magnitude level of traffic effects was determined for the two stadium sites (**Table 2-3**).

For example, a congested freeway which experiences a 20 percent or higher V/C increase with stadium traffic was determined to be the worst case scenario. On the other end of the spectrum, an uncongested arterial which will add less than 10 percent traffic from a stadium site is not likely to dramatically affect traffic operations, and therefore the level of traffic effects of the stadium development on that roadway was determined to be low.

Table 2-3. Degree of Traffic Effects

Facility	Baseline V/C	V/C Increase		
		0 to 10%	10% to 20%	20% or more
Freeway Segment	0.0 to 0.8	1	2	4
	0.8 to 1.0	2	3	6
	1.0 to 1.1	3	5	8
	1.1 and up	5	9	10
Major Arterial	0.0 to 0.8	0	1	2
	0.8 to 1.0	0	2	5
	1.0 to 1.1	1	4	6
	1.1 and up	5	7	8
Interchange	0.0 to 0.8	0	2	3
	0.8 to 1.0	1	3	6
	1.0 to 1.1	2	5	7
	1.1 and up	6	7	9

Those underperforming segments with the highest ability to impede reliable travel offer the greatest risk to the transportation system and are a higher priority to address. Those segments that are not likely to experience much change in traffic are lower risk and can be addressed in a longer timeframe or by other projects.

***Scale:** 0: no effects **10**: greatest effects*

2.6 Traffic Effects of Each Site

The traffic effects were compiled by site on each of the 25 freeway segments and 10 arterial segments. For each segment, a relative traffic effect, on a scale from 0 to 10, was assessed, as described in Table 2-3. The freeway results (by system component and overall) and arterials were summarized separately. The results for the two preferred sites, Russell Road and Bali Hai, are identical at this level of analysis.

SECTION 3

Improvement Needs on the Regional Transportation System

The traffic assessment builds upon the already planned transportation improvements in the region, in addition to projects that are in concept or idea stage that have not yet been fully developed or documented in any official study. The next step in the process was to determine the level of improvement needed on the state-maintained roadways and other facilities (local street, transit, non-motorized) to address the addition of event traffic – project types, schedule, and planning-level costs. A key consideration was the potential to leverage other projects "in the pipeline" that would be beneficial to be accelerated or enhanced to address stadium traffic needs, as the stadium necessitates acceleration of certain projects that could potentially provide relief and can be implemented in a reasonable timeframe ahead or shortly after the stadium's opening in 2019. The improvement needs described in this section address areas where the addition of stadium traffic will negatively affect traffic conditions.

3.1 Leveraging Planned and Programmed Projects

This step in the process ivnentoried the planned and programmed projects that are under active study and project development in the Las Vegas valley. **Appendix C** is a detailed listing, and **Figure 3-1** and **Figure 3-2** are graphical views of the projects in the vicinity of the two high-priority stadium sites.

While many major transportation investments are underway today and others are planned in the future, these projects are needed regardless of the decision to locate an NFL stadium in Las Vegas.

These projects are at varying levels of the project development stage (planning, NEPA, design, construction) and are dependent on funding and implementation by different entities (e.g., NDOT, RTC, Clark County). Together they represent the range of anticipated multimodal transportation improvements that are most likely to be completed over next 20 years:

- Figure 3-1 includes projects in the Statewide Transportation Improvement Program (STIP), a five-year program of projects that have been funded; and the Regional Transportation Plan (RTP), a 20-year program of projects that are expected, but with a range of funding availability.
- Figure 3-2 illustrates those projects proposed to be funded under the Fuel Revenue Index 2 (FRI-2) which includes other projects that are under consideration, and if passed by the voters at the ballot box, will generate substantial funding to complete hundreds of projects in Southern Nevada.

In addition, **Figure 3-3** and **Figure 3-4** shows other projects that are not yet programmed but recommended, or in the idea stage, from current planning efforts, including RTC's Transportation Investment Business Plan (TIBP).

Figure 3-1. Planned and Programmed Projects in the Vicinity of the Stadium Sites

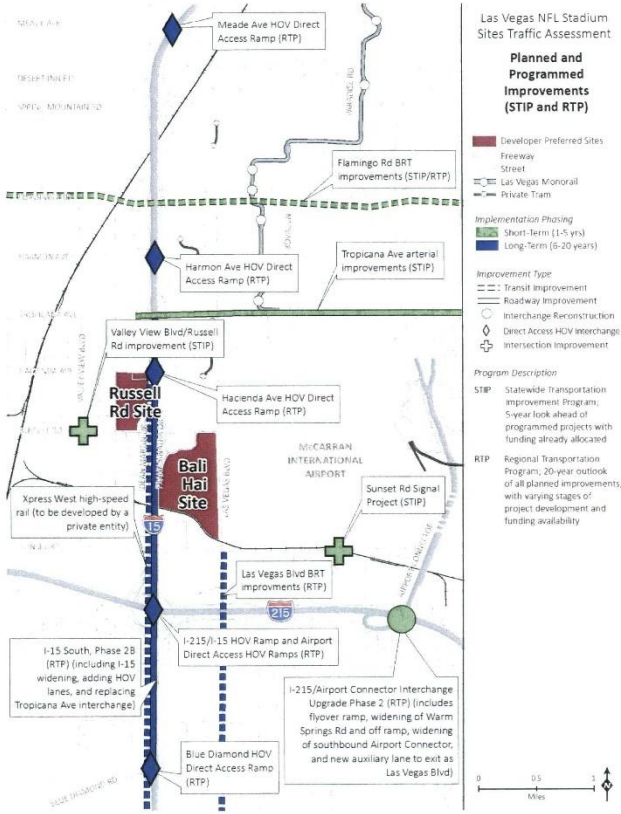
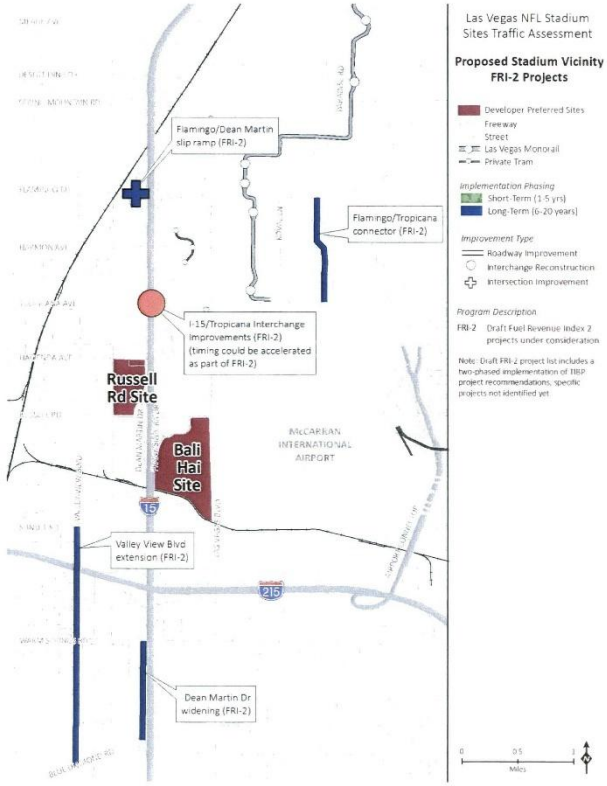


Figure 3-2. Proposed FRI-2 Projects in the Vicinity of the Stadium Sites



FRI-2 Fuel Revenue Indexing

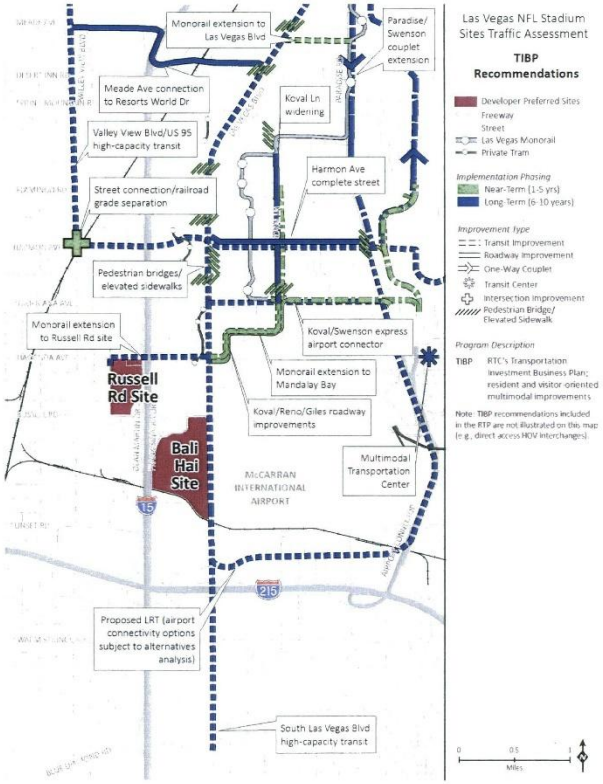
Ensuring efficient interconnectivity and mobility for more than 2 million residents in the Las Vegas valley and 41 million annual visitors is paramount to the region's continued economic prosperity and sustainability. While costs for transportation construction projects continue to increase with inflation, budgets to complete road projects have not.

Fuel Revenue Indexing (FRI) is providing the necessary funds to move forward with transportation projects that will benefit thousands of residents and visitors every day. Each time a motorist fills up their vehicle with gas, FRI funds are generated (approximately 4 cents per day for the average motorist).

FRI-1 refers to the three-year trial occurring right now and assisting with completion of over 220 transportation projects. A 10-year extension is proposed and will be voted on in November 2016. FRI-2 refers to the proposed projects that could be funded if the extension is successful. The continuation of FRI could fund such projects as:



Figure 3-3. TIBP Recommendations in the Vicinity of the Stadium Sites



Transportation Investment Business Plan

RTC completed the Transportation Investment Business Plan (TIBP) in December 2015, which is a comprehensive blueprint for a developing a modern transportation system. The plan had four purposes:

1. To maintain and grow Southern Nevada's position as the world's premier destination for convention and leisure travel;
2. Connect key centers of economic activity to reduce congestion and the cost of movement;
3. Position Las Vegas as an attractive place to do business and stimulate our local, regional, and state economies; and
4. Improve safety for pedestrians and autos alike.

The TIBP provides transportation and infrastructure recommendations (freeway, surface roadway, pedestrian, and high-capacity transit) for Las Vegas' Resort Corridor and the surrounding areas. These recommendations are meant to alleviate congestion and improve connectivity in a high-growth area that continually hosts major events that draw tens of thousands of attendees at a time, similar to an NFL game.

TIBP includes over 55 policy and infrastructure recommendations, with no current funding identified for implementation. To realize the growth enabled by projects recommended in the TIBP, Las Vegas will need to leverage existing funding and financing opportunities, implement new and innovative strategies, and foster collaboration between the public and private sectors.

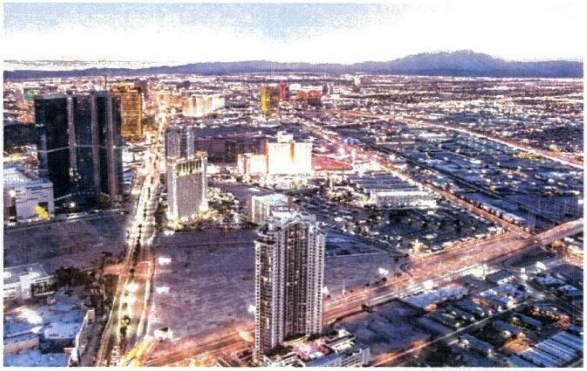
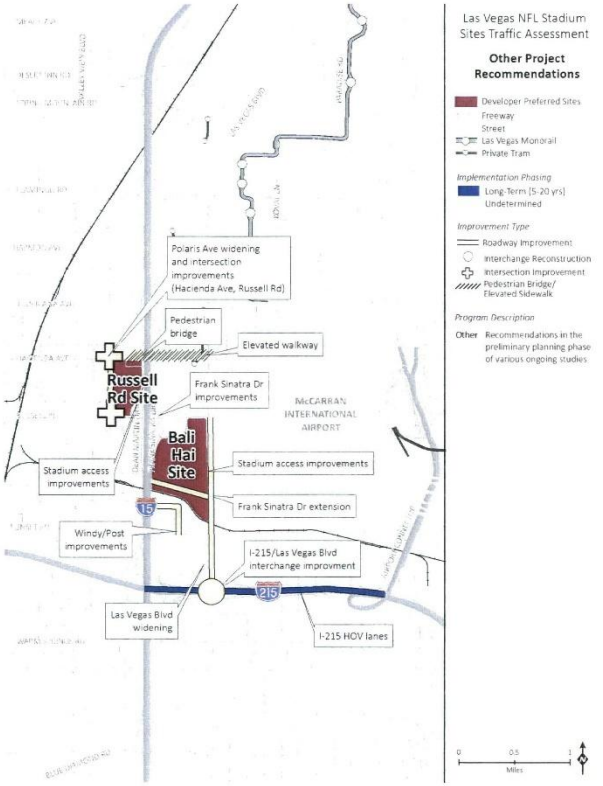


Figure 3-4. Other Project Recommendations in the Vicinity of the Stadium Sites



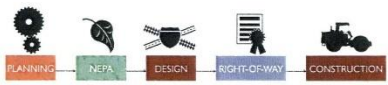
3.2 Project Development Process

Transportation projects are expensive and time-consuming, particularly on major state-maintained freeway facilities. Even a single interchange is resource-intensive, and freeway corridor projects are hundreds of millions of dollars. Some examples of construction costs for recent and ongoing projects are as follows (costs do not include pre-construction expenses such as design):

- I-15 North Design/Build (Spaghetti Bowl to Craig Road) – $250 million (construction completed in 2009)
- I-15 South Design/Build (Blue Diamond Road to Tropicana Avenue) – $247 million (construction completed in 2012; funded by AB 595/room tax)
- I-15 Project NEON (Sahara Avenue to Spaghetti Bowl/US 95) – $559 million (currently under construction)
- I-15 South/Starr Avenue interchange project – $58 to $83 million (estimated, not including the planning and environmental phases)

Freeway projects that require federal environmental clearance have historically taken several years from the planning phases to start construction and several more years before it is completed and open to traffic. **Figure 3-5** presents the project development process and the major components that must be completed.

Figure 3-5. Transportation Project Development Process



Given the cost and time to build transportation projects, the next step in this evaluation was to assess the potential needs for large-scale (freeway, interchange, major arterial) projects, as well as smaller-scale roadway and multimodal improvements.

Note that NEPA is required only when a federal action is needed. Federal actions include projects, activities, or programs funded in whole or in part under the jurisdiction of a federal agency, the need to utilize Federal lands, and/or a change of access conditions along the Interstate Highway System. Non-federal projects become "federal actions" when the project cannot begin or continue without prior approval of a federal agency. For example, a pedestrian bridge might traditionally be a non-federal project, but the construction of a pedestrian bridge requiring permission to access or cross an interstate highway (i.e., I-15) would require a federal action. NDOT will assist in coordination with any federal actions.

SECTION 4

Recommendations and Next Steps

Section 2 described how the regional transportation system was assessed in light of additional traffic from the stadium sites. Section 3 outlined a range of potential improvements that may be needed and projects that would be ideal to accelerate to address deficiencies in the state highway system – as part of the current menu of planned and programmed improvements, and beyond that list. The last step, described in this section, was to assess the likely transportation needs.

The level of analysis performed in this high-level assessment is not adequate to determine a detailed list of improvements needed. Leveraging and accelerating ongoing work from other studies and projects is essential.

4.1 NDOT Accomplishments

In recent years, NDOT has delivered multiple major transportation projects to meet Southern Nevada's regional mobility demands. NDOT is currently constructing the State's largest infrastructure project on I-15 (Project NEON) in the urban core of Las Vegas. Projects like the I-15 Express Lanes (Blue Diamond Road to Sahara Avenue) and I-15 South Design-Build (Silverado Ranch Boulevard to Tropicana Avenue) are two other examples of projects that have been instrumental in helping to reduce congestion, improve safety, and ease access to the Las Vegas Resort Corridor for visitors and residents.

Planning projects will ultimately lead to more construction, and NDOT recently completed and is actively engaged in several major planning efforts. These projects include the I-15 Urban Resort Corridor Study, the Southern Nevada HOV Master Plan Update, and the I-15/Tropicana Avenue Interchange Modifications Feasibility Study. Covering the whole region is the recently-initiated Southern Nevada Freeway Traffic Study by NDOT. The goal of that study is to evaluate the needs of the region's freeway system, develop improvement strategies to meet short-term and long-term transportation needs, and maximize benefits of NDOT's investments.

NDOT frequently works closely and partners with local agencies to implement projects, including use of local funding sources where applicable. In the case of the 2012 I-15 South Design-Build project, the project involved collaboration between NDOT, the Las Vegas Convention and Visitors Authority (LVCVA), Clark County and the RTC. The project was primarily funded by bonds issued by the LVCVA, agreed to during the 2007 Legislature to commit funds to transportation projects in the Resort Corridor. Clark County provided funding for Sunset Road from Las Vegas Boulevard to Valley View Boulevard, including a bridge over I-15. Throughout the project's 30-month construction schedule, the RTC provided crucial traffic control coordination via the Freeway Arterial System of Transportation system.

Completed in 2012, the I-15 South Design-Build project included widening of I-15, addition of C-D roads, a direct connect ramp to Blue Diamond Road, five redesigned interchanges, 26 new bridge structures, 36 retaining walls, 1.5 miles of sound walls, 10 miles of drainage improvements, and a host of intelligent transportation system (ITS) improvements.

4.2 Leveraging Other Improvements

Improving the regional transportation network, both for stadium traffic and future growth, will require substantial investment in the regional transportation network. While the analysis in this report is a very high-level assessment and preliminary in nature, it was based on detailed traffic data (from NDOT databases and the RTC Regional Model), and leveraged substantial knowledge of the local roadway conditions and regional on-going regional planning priorities and planned/ programmed improvements.

While many projects are already in the pipeline, there may be a need and opportunity to accelerate needed projects on the state highway system. However, the recommendation here is to leverage ongoing projects that are already in the planning stages.

There is more than $1.2 billion in planned/programmed improvements in the affected study area of the two potential stadium sites: nearly $25 million in the STIP, $845 million in the RTP, and $370 million proposed under FRI-2 (TIBP and other potential projects are not included in this estimate).

The main thrust of this section is to provide a set of recommendations for improvement projects that will need to be accelerated to be delivered before or shortly after the stadium's 2019 opening year. [2]

Traditionally, NDOT plans and builds state highways to meet typical demand on an average weekday, not special events. Projects recommended to be accelerated should serve a broader set of regional needs.

Without these improvements, it will not be possible to maintain the baseline (i.e., the same operations as without the stadium on a typical day). Of course, the stadium will not operate every day, but if there is a regular calendar of sports, concerts, and other events, the transportation investment will be essential to meet the travel demand and overall visitor experience.

To determine the priorities for next steps, the planned/programmed and conceptual transportation projects identified in Section 3.1 were reviewed in light of the traffic effects assessed in Section 2. Then, assessments of the relative importance of each project were conducted using factors such as the type of transportation facility, proximity to the site, baseline V/C ratio, increased traffic due to the stadium, and magnitude of potential improvement.

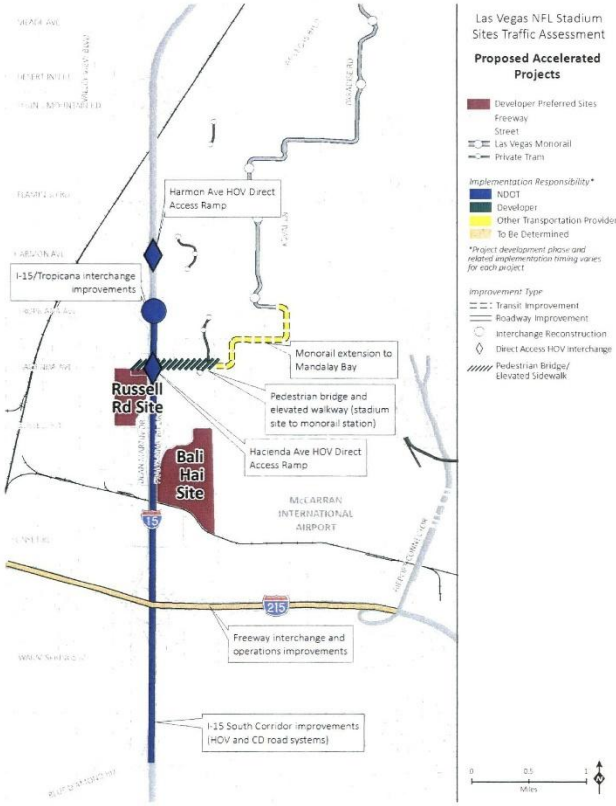
4.3 Recommendations for Advancing Projects

A set of recommendations was developed that will serve as immediate actions. These projects are expected to provide significant mobility and access benefits to support the development of a stadium site on either of the two preferred sites (Russell Road or Bali Hai).

The specific recommendations for advancing projects are summarized in **Figure 4-1** and described thereafter.

[2] Given the scale and the timeframes to implement majority of these planned improvements, it is not realistic to assume that NDOT can deliver all of these planned improvements by the presumed opening year (2019).

Figure 4-1. Summary of Recommendations for Advancing Projects



- NDOT recommendations of Southern Nevada project priorities that will be provided to the State Transportation Board for Approval/Action may include:
  - Accelerate/fast-track NEPA and preliminary engineering for a new I-15/Hacienda Avenue HOV interchange.
  - Accelerate/fast-track the NEPA and preliminary engineering for a new I-15/Harmon Avenue HOV interchange.
  - Continue with the next phase of the I-15 South Corridor, including enhancements to the HOV and C-D road systems.
  - Identify near-term freeway and interchange operations improvements on I-15 (from Tropicana Avenue to Sahara Avenue, i.e., the Gap Study) and I-215 (from Decatur Boulevard to Airport Connector) as part of the ongoing Southern Nevada Freeway Traffic Study.
  - Continue with the next phase (NEPA) of the I-15/Tropicana Avenue interchange project. While these improvements would not be in place before the proposed stadium opening, capacity enhancements are needed as soon as possible.
- There are a number of near-term multimodal improvement projects (pedestrian, roadway and transit) under development by other private or public agencies. These efforts will have significant mobility and access benefits, and they are consistent with the multimodal transportation needs at the stadium sites. The trip generation estimates developed for this study were based on expectation of multimodal (transit/shuttle, bicycle, pedestrian, etc.) use, so there is a clear need for transportation improvements to support these modes. While these multimodal projects will not provide as much additional highway capacity as freeway improvements, they are an important part of the systemic solution. The specific multimodal improvements include:
  - Monorail extension (MGM to Mandalay Bay) (by Las Vegas Monorail Company)
  - Pedestrian bridges (across Frank Sinatra Drive/I-15/Dean Martin, and Mandalay Bay Monorail Station to I-15 pedestrian bridge). These pedestrian bridges are only for Russell Road site. They will be developed-funded, with NDOT assistance with Federal reviews and approvals.
  - RTC will evaluate the need for additional transit solutions and/or transit service changes once more details on the preferred site and access conditions are known.

Once a preferred stadium site has been chosen and a site plan has been developed, several additional steps will be necessary by others as part of the stadium development process. These include:

1. Traffic Impact Analysis – including an assessment of non-NDOT transportation facilities and improvement needs (such as pedestrian facilities and transit service expansion or enhancement).
2. Parking Needs Analysis – as determined by the developer, along with a plan identifying pedestrian and vehicular access (including bus and shuttle services) particularly if additional off-site parking is needed.
3. Comprehensive Traffic Management Plan – for event-day management of access/routing preceding and following the event

Once these steps are completed, NDOT and the local jurisdictions (in the case of the two preferred sites, Clark County, RTC of Southern Nevada, and RTC FAST) will review, comment and in collaboration with the stadium developers, determine the extent of off-site impacts, necessary improvements and costs associated with implementing them.

SECTION 5

References

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Appendix A: Trip Generation

	Site Location	Capacity (seats)	Mode Choice Assumptions[1]				Persons by Mode				Avg Persons/ Vehicle	Avg Persons/ Transit Vehicle	Total Vehicles Traveling to/from Stadium
			Auto	Transit/ Shuttle[2]	Walk/ Bike	Other[3]	Auto	Transit/ Shuttle[2]	Walk/ Bike	Other[3]			
1	Ball-Hal Golf Course	65,000	62%	24%	8%	6%	44,900	15,600	5,200	3,900	2.9	42	15,613
2	Russell Road Site	65,000	60%	24%	6%	10%	39,000	15,600	3,900	6,500	2.9	42	16,061
3	Fertitta Site	65,000	68%	22%	7%	3%	44,200	14,300	4,550	1,950	3.0	42	15,724
4	UNLV Thomas & Mack Center	65,000	66%	20%	10%	4%	42,900	13,000	6,500	2,600	3.0	42	15,476
5	Wynn Golf Course	65,000	57%	25%	13%	5%	37,050	16,250	8,450	3,250	2.8	42	14,780
6	MGM Rock in Rio	65,000	58%	25%	12%	5%	37,700	16,250	7,800	3,250	2.8	42	15,012
7	Cashman Field	65,000	76%	19%	1%	4%	49,400	12,350	650	2,600	3.0	42	17,627

Notes:

The site location mode choice matrix is a preliminary analysis based on available details for the proposed stadium project and the experience of similar stadiums in comparable markets. This preliminary analysis notwithstanding, we recognize that southern Nevada and this project are unique in many important ways including, without limitation, the stadium project's proximity to the Las Vegas Resort Corridor. As such, additional research and analysis may be required to refine these assumptions as additional information about the project become available.

[1]Mode Choice Sources:

- Sports Authority Field, Denver Broncos (Heyne, 2012).
- CenturyLink Field, Seattle Seahawks (Fenton Street 2012)
- Qualcomm Stadium, San Diego Chargers (AECOM 2015)
- Levi Stadium, San Francisco 49ers (Hexagon, 2009)

[2]*May require additional investment to support increase transit service (costs are unknown)*

[3]*"Other" includes such options as limos and ride share services*

Appendix B: Baseline Traffic Analysis

Location				Existing				Baseline - 2019				Baseline - 2035				Baseline V/C Ratio[4]			
Facility	Segment	Length (mi)	Direction	ADT	Capacity[1]	WeekdayPM[2]	Sunday PM[3]	ADT	Capacity[1]	WeekdayPM[2]	Sunday PM[3]	ADT	Capacity[1]	WeekdayPM[2]	Sunday PM[3]	2019WD	2019WE	2035WD	2035WE
Freeways																			
I-15	between Blue Diamond Road and I-215	1.38	NB	58,288	6,000	4,146	3,761	85,846	10,000	5,309	4,816	109,646	10,000	6,322	5,735	0.59	0.54	0.70	0.64
			SB	63,122	6,000	5,171	4,677	83,551	8,000	6,996	6,328	120,004	8,000	8,365	7,566	0.97	0.88	1.16	1.05
	between I-215 and Tropicana Avenue	1.01	NB	111,841	10,000	7,308	6,344	134,593	10,000	7,596	6,594	169,562	10,000	8,986	7,800	0.84	0.73	1.00	0.87
			SB	78,684	10,000	6,456	4,675	110,808	10,000	8,373	6,063	150,796	10,000	9,714	7,034	0.93	0.67	1.08	0.78
	between Tropicana Avenue and Flamingo Road	0.96	NB	147,724	10,000	9,757	7,863	166,077	10,000	9,969	8,034	192,680	12,000	11,072	8,923	1.11	0.89	1.03	0.83
			SB	141,418	10,000	9,649	7,465	147,405	10,000	9,589	7,419	172,452	10,000	10,244	7,925	1.07	0.82	1.14	0.88
	between Flamingo Road and Spring Mountain Road	0.81	NB	123,999	10,000	7,750	6,177	145,670	10,000	9,189	7,324	169,804	10,000	10,397	8,287	1.02	0.81	1.16	0.92
			SB	131,425	10,000	7,811	6,766	150,690	10,000	9,083	7,868	189,662	10,000	10,297	8,920	1.01	0.87	1.14	0.99
	between Spring Mountain and Sahara Avenue	1.39	NB	144,249	11,000	8,844	8,178	171,467	11,000	11,238	10,392	206,544	14,000	13,822	12,781	1.14	1.05	1.10	1.01
			SB	151,940	11,000	9,320	8,179	153,665	10,000	8,903	7,813	175,049	14,000	9,701	8,513	0.99	0.87	0.77	0.68
	between Sahara Avenue and US 95/I-515	1.20	NB	145,880	8,000	9,154	7,849	154,362	12,000	10,871	9,322	149,221	12,000	9,975	8,553	1.01	0.86	0.92	0.79
			SB	144,138	8,000	8,513	7,755	132,092	10,000	7,523	6,853	162,472	14,000	9,244	8,421	0.84	0.76	0.73	0.67
	between US 95/I-515 and Washington Avenue	0.71	NB	73,026	6,000	5,862	3,785	101,043	6,000	6,637	4,285	99,817	6,000	6,551	4,230	1.23	0.79	1.21	0.78
			SB	53,755	6,000	3,467	2,817	80,327	6,000	4,836	3,930	99,358	6,000	5,693	4,626	0.90	0.73	1.05	0.86
	between Washington Avenue and Lake Mead Boulevard	1.11	NB	84,976	8,000	6,743	4,384	85,979	8,000	5,932	3,856	109,291	9,000	7,810	5,078	0.82	0.54	0.96	0.63
			SB	86,484	8,000	6,559	4,507	88,156	8,000	5,556	3,818	108,593	10,000	6,382	4,385	0.77	0.53	0.71	0.49
I-515/ US 95	between Summerlin Parkway and Jones Boulevard	1.25	WB	113,376	10,000	10,036	5,969	137,699	10,000	10,260	6,102	161,055	10,000	11,616	6,909	1.14	0.68	1.29	0.77
			EB	114,365	10,000	7,572	5,685	145,209	10,000	7,986	5,996	168,033	10,000	8,797	6,605	0.89	0.67	0.98	0.73
	between Jones Boulevard and Valley View Boulevard	1.80	WB	116,777	10,000	10,079	6,119	135,633	10,000	6,688	4,060	148,815	10,000	10,658	6,470	0.74	0.45	1.18	0.72
			EB	117,325	10,000	7,640	5,914	135,114	10,000	7,505	5,809	158,222	10,000	8,380	6,487	0.83	0.65	0.93	0.72
	between Valley View Boulevard and Rancho Drive	1.00	WB	116,588	12,000	9,795	6,182	124,437	12,000	9,334	5,891	149,945	12,000	8,318	5,249	0.86	0.55	0.77	0.49
			EB	114,783	12,000	7,561	5,907	122,162	12,000	6,999	5,468	147,840	12,000	8,209	6,413	0.65	0.51	0.76	0.59
	between Rancho Drive and I-15	1.08	WB	64,711	7,000	4,326	3,786	106,243	8,000	7,284	6,375	117,896	9,000	7,827	6,850	1.01	0.89	0.97	0.85
			EB	64,441	7,000	4,304	3,897	109,736	8,000	6,201	5,615	122,474	9,000	7,105	6,433	0.86	0.78	0.88	0.79
	between I-15 and Casino Center Boulevard	0.80	WB	72,247	6,000	5,573	3,884	73,853	6,000	5,200	3,624	73,976	6,000	5,161	3,597	0.96	0.67	0.96	0.67
			EB	97,390	6,000	6,583	5,184	75,731	6,000	4,764	3,752	75,462	6,000	4,949	3,898	0.88	0.69	0.92	0.72
	between Casino Center Boulevard and Charleston Boulevard	3.25	NB	69,267	7,000	4,769	3,564	66,061	7,000	4,589	3,429	101,000	12,000	8,100	6,053	0.73	0.54	0.75	0.56
			SB	66,783	7,000	5,390	3,427	68,197	7,000	4,603	2,927	85,000	11,000	6,800	4,323	0.73	0.46	0.69	0.44
	between Charleston Boulevard and Flamingo Road	3.15	NB	66,590	7,000	5,388	3,367	65,983	7,000	4,735	2,959	88,000	7,000	7,000	4,374	0.75	0.47	1.31	0.89
			SB	68,038	7,000	5,616	3,413	68,350	7,000	4,756	2,890	90,000	7,000	7,200	4,375	0.75	0.46	1.34	0.89
	between Flamingo Road and Tropicana Avenue	1.05	NB	68,699	7,000	5,510	3,568	71,745	7,000	4,865	3,150	95,000	7,000	7,600	4,921	0.77	0.50	1.21	0.78
			SB	69,528	7,000	5,821	3,724	71,342	7,000	5,112	3,270	94,000	7,000	7,500	4,798	0.81	0.52	1.19	0.76
I-215	between Decatur Boulevard and I-15	1.58	EB	90,430	6,000	6,905	4,484	86,965	6,000	5,069	3,292	93,451	6,000	5,313	3,450	0.94	0.61	0.98	0.64
			WB	88,808	6,000	6,326	4,685	85,397	6,000	5,806	4,300	94,912	6,000	5,938	4,397	1.08	0.80	1.10	0.81
	between I-15 and McCarran Airport Connector	1.75	EB	104,693	9,000	8,552	5,246	120,065	8,000	7,643	4,689	128,001	9,000	8,326	5,107	1.06	0.65	1.03	0.63
			WB	103,125	9,000	7,524	5,629	125,121	8,000	7,815	5,847	134,780	9,000	7,934	5,936	1.09	0.81	0.98	0.73
	between McCarran Airport Connector and Warm Springs Road	1.90	NB	87,722	6,000	7,578	4,566	91,360	8,000	6,476	3,902	99,529	8,000	7,256	4,372	0.90	0.54	1.01	0.61
			SB	68,375	6,000	5,228	3,406	107,748	8,000	6,093	3,969	115,665	8,000	6,203	4,041	0.85	0.55	0.86	0.56
	between Warm Springs Road and Windmill Lane	1.10	EB	79,858	8,000	7,270	4,205	93,437	8,000	6,744	3,901	101,605	8,000	7,434	4,300	0.94	0.54	1.03	0.60
			WB	83,098	8,000	5,716	4,146	96,806	8,000	5,306	3,849	105,257	8,000	5,542	4,020	0.74	0.53	0.77	0.56
	between Windmill Lane and Eastern Avenue	1.85	EB	70,960	6,000	5,943	3,749	89,067	8,000	5,076	3,202	96,803	8,000	5,261	3,318	0.70	0.44	0.73	0.46
			WB	71,889	6,000	5,231	3,683	86,808	8,000	6,418	4,519	94,485	8,000	7,065	4,974	0.89	0.63	0.98	0.69
	between Eastern Avenue and Valley Verde Drive	0.35	EB	59,917	7,000	6,844	4,269	69,972	6,000	5,037	3,142	82,931	6,000	5,961	3,718	0.93	0.58	1.10	0.69
			WB	65,213	7,000	5,954	4,348	73,338	6,000	4,674	3,413	87,935	6,000	5,266	3,845	0.87	0.63	0.98	0.71
	between Valley Verde Drive and Stephanie Street	0.87	EB	56,842	7,000	6,443	4,079	66,772	6,000	4,620	2,925	82,072	8,000	5,735	3,631	0.86	0.54	0.80	0.50
			WB	59,884	7,000	6,121	4,210	68,310	6,000	4,452	3,062	84,541	8,000	5,061	3,481	0.82	0.57	0.70	0.48
	between Stephanie Street and I-515	1.59	EB	48,687	7,000	3,569	3,494	54,470	6,000	3,890	3,808	68,971	6,000	5,003	4,897	0.72	0.71	0.93	0.91
			WB	51,862	7,000	3,533	3,646	56,615	6,000	3,822	3,967	71,239	6,000	4,347	4,511	0.71	0.73	0.80	0.84
Airport Connector	Airport Connector (SR171) between I-215 and Sunset Rd	0.64	NB	45,160	6,000	3,016	2,338	76,315	6,000	3,457	2,680	74,950	6,000	3,229	2,503	0.64	0.50	0.60	0.46
			SB	49,630	6,000	4,425	3,076	71,527	6,000	5,723	4,013	75,359	6,000	6,293	4,375	1.07	0.74	1.17	0.81

Location			Existing				Baseline - 2019				Baseline - 2035						
Surface Streets																	
Frankincense Avenue	Between Dean Martin Drive and Las Vegas Boulevard	0.95	EB	35,652	3,000	2,222	1.893	50,784	3,000	4,037	2.535	54,748	3,000	3,418	2.486	1.12	0.96	1.08	0.92
			WB	41,825	3,000	2,354	2,359	52,999	3,000	4,845	3.146	55,348	3,000	4,049	4.125	1.28	1.17	1.68	1.53
	Between Las Vegas Boulevard and Paradise Road	1.80	EB	44,353	3,000	3,190	2,799	44,549	3,000	4,747	3,432	47,160	3,000	3,927	3,601	1.01	0.90	1.08	0.95
			WB	50,145	3,000	2,814	2,514	41,965	3,000	3,984	3,467	44,276	3,000	3,595	3,777	0.88	0.95	0.95	1.03
	Between Paradise Road and Eastern Avenue	1.75	EB	28,094	2,250	2,196	1,961	29,231	2,250	3,915	3,564	29,137	2,250	2,815	3,767	0.95	0.77	0.92	0.95
			WB	31,589	2,250	2,459	1,982	31,948	2,250	3,936	3,618	31,901	2,250	3,195	3,709	0.99	0.80	0.96	0.76
	Between Eastern Avenue and I-15	1.90	EB	24,346	2,250	2,711	1,600	24,760	2,250	3,313	3,007	24,344	2,250	2,525	3,460	0.98	0.76	0.85	0.71
			WB	34,909	2,250	1,718	1,896	30,546	2,250	1,696	1,986	31,105	2,250	1,731	3,467	0.81	0.66	0.85	0.73
Russell Road	Between Las Vegas Boulevard and I-15	0.50	EB	17,894	1,800	1,239	1,145	18,700	1,800	1,966	2,265	22,106	1,800	1,676	2,472	0.94	0.78	0.85	0.79
			WB	16,212	1,800	1,643	1,253	22,958	1,800	1,839	2,507	24,229	1,800	1,967	2,536	1.13	0.93	1.14	0.94
	Between I-15 and Las Vegas Boulevard	0.75	EB	10,904	1,800	829	698	13,283	1,800	701	551	14,901	1,800	912	768	0.43	0.37	0.56	0.47
			WB	14,362	1,800	1,258	1,015	13,722	1,800	1,409	1,153	13,901	1,800	1,476	1,186	0.87	0.70	0.91	0.74
Flamingo Road	Between Rainbow Boulevard and Jones Boulevard	1.80	EB	21,008	2,250	1,392	1,915	23,186	2,250	1,664	3,816	28,018	2,250	1,791	3,906	0.83	0.80	0.86	2.04
			WB	25,986	2,250	1,776	1,967	23,073	2,250	1,958	3,966	24,575	2,250	1,934	3,948	0.82	0.83	0.87	2.07
	Between Jones Boulevard and I-15	1.90	EB	29,757	2,250	2,058	1,643	41,366	2,250	2,565	3,111	35,795	2,250	2,266	3,872	1.39	1.25	1.24	1.89
			WB	29,757	2,250	2,206	1,643	42,330	2,250	2,615	3,089	36,702	2,250	2,334	3,754	1.42	1.29	1.27	1.88
	Between I-15 and Paradise Road	2.00	EB	32,374	2,250	1,974	1,933	46,633	2,250	2,932	3,864	47,734	2,250	3,000	3,945	1.44	1.49	1.52	2.00
			WB	27,031	2,250	1,732	1,723	41,869	2,250	2,117	3,106	43,445	2,250	2,186	3,175	1.55	1.23	1.26	1.84
	Between Paradise and Eastern Avenue	2.00	EB	27,974	2,250	1,983	1,585	28,886	2,250	1,985	3,587	31,295	2,250	2,346	3,710	0.96	0.78	1.06	1.84
			WB	27,482	2,250	1,884	1,349	31,958	2,250	1,722	3,380	33,899	2,250	1,824	3,491	0.85	0.66	0.96	0.72
	Between Eastern Avenue and I-15	1.90	EB	20,834	2,250	2,332	1,322	23,221	2,250	1,958	3,220	23,772	2,250	2,284	3,310	0.87	0.60	1.04	0.95
			WB	21,333	2,250	1,832	1,126	20,089	2,250	1,745	3,109	21,871	2,250	1,994	3,117	0.86	0.55	0.94	0.98

Notes:

[1] Hourly; directional for freeways; bi-directional for surface streets

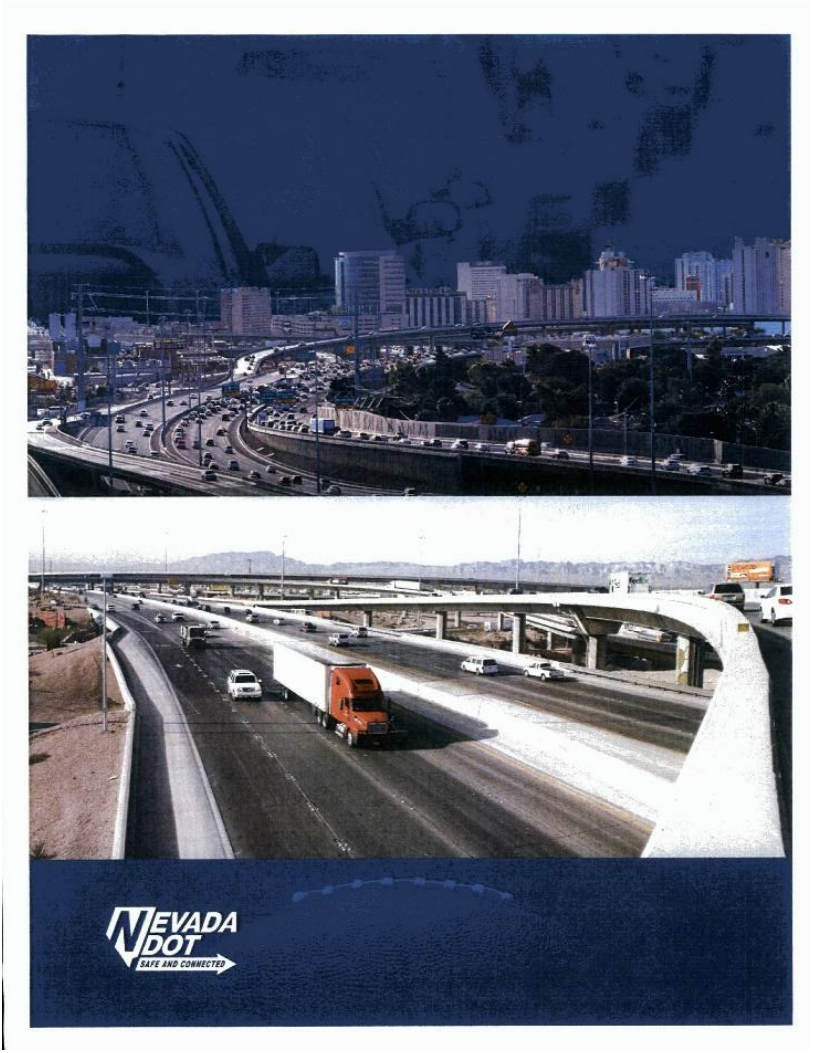
[2] Monday Night Football - 4 to 6 PM - coming to stadium

[3] Sunday day game ending at 4: 4 to 6 PM leaving the stadium

Appendix C: Inventory of Planned and Programmed Projects

NDOT | Las Vegas NE Stadium Sites Traffic Assessment
STIP, RTP, and FRI-2 Planned and Programmed Projects

	Project	Description	Lead Agency	Source	Project Phase	Cost	Status	Other
Programmed Projects (FFY 2015-2019)								
6132	Tropicana Ave/Las Vegas Blvd Signal Improvements	Signal project and all conflicts	NDOT	STIP	Construction	$755,000	Recommended	
6182	Tropicana Ave arterial improvements - Package 2 (Swenson to Las Vegas Blvd)	Add and modify selected sections of channelization and ADA improvements Package 2	NDOT	STIP	Construction	$20,300,000	Construction start 2018	
3735	Valley View Blvd/Desert Rd intersection improvement	Intersection improvement	Clark County	STIP	Construction	$2,785,361	Construction start 2018	
Planned Projects (FFY 2017-2035)								
7293	Sahara/I-15 corridor improvements to accommodate BRT	Roadway improvements, stations, and facilities to support premium transit service	RTC SNP	RTP	Construction	$333,000,000	Complete 2020	
3400	Las Vegas Blvd corridor improvements to accommodate BRT (Las Vegas Blvd/Sahara Ave to Las Vegas Blvd/Bonanza Rd)	Station and facility improvements for BRT operations on South Las Vegas Blvd	RTC SNP	RTP	Construction	$9,000,000	Complete 2020	
741	I-15 South Phase 3B: Blue Diamond Interchange to Cactus Ave	Widen from 10 to 12 lanes, ramp improvements, and HOV/managed lane implementation	NDOT	RTP	Construction	$254,000,000	Complete 2019	3.9% complete
269	I-15 Planning and NEPA for HOV Lanes: Blue Diamond Rd to Sloan Canyon	Conduct planning study and NEPA evaluation for addition of HOV/managed lanes	NDOT	RTP	Planning/NEPA	$5,000,000	Complete 2020	I-15 Comp Improvements
270	I-15 HOV/Express/Managed Lanes: Blue Diamond Rd to Sahara Ave	Construct HOV/express/managed lanes	NDOT	RTP	Construction	$440,000,000	Complete 2035	Phased HOV/Express/Managed Lanes: Blue Diamond Rd to Sloan Canyon; Sloan Canyon to Sahara Ave
1053	I-15/I-215 direct connect HOV ramps	Systems interchange direct connect HOV ramps	NDOT	RTP	Construction	$75,000,000	Complete 2030	Upgrade Sloan/I-215, and Blue Diamond/I-15
731	I-11/Boulder Connector arterial, Jones to Las Vegas Blvd	Upgrade to freeway	Clark County	RTP	Construction	$55,000,000	Committed/not constructed	
Programmed Projects (FFY 2020-2039)								
	Hennessy Interchange Improvements	Upgrade new connections to allow direct access between corridors	Clark County	RTC SNP 2020	Construction	$6,200,000	Medium-term (6-10 yrs)	
	Boulder Corridor Area Signal Improvements (ITMP) - Phase 1	Roadway/speed/e-measures, preempting emergency vehicles and pedestrian facilities, and homework relief	NDOT/RTC	RTC SNP 2020	Construction	$68,250,000	Short-term (1-5 years)	Specific projects identified in Valley project
	Boulder Corridor Area Signal Improvements (ITMP) - Phase 2	Roadway/speed/e-measures, preempting emergency vehicles and pedestrian facilities, and homework relief	NDOT/RTC	RTC SNP 2030	Construction	$125,750,000	Medium-term (6-10 yrs)	Recommended new
	Hennessy/Tropicana Corridor	Provide more north-south connections in Boulder vicinity	Clark County	RTC SNP 2030	Construction	$103,000,000	Medium-term (6-10 yrs)	
	Valley View Blvd extension, Blue Diamond to Tropicana	Extend corridor to provide a continuous route	Clark County	RTC SNP 2030	Construction	$8,840,000	Medium-term (6-10 yrs)	
	Dean Martin Dr widening, Blue Diamond to Warm Springs	Widen corridor from 2 to 4 lanes	Clark County	RTC SNP 2030	Construction	$4,000,000	Medium-term (6-10 yrs)	
	I-11/Boulder Connector interchanges	Reconstruct interchange to handle projected traffic demand through 2040	NDOT	RTC SNP 2030	Construction	$150,000,000		


NEVADA DOT
SAFE AND CONNECTED

2016 Special Session (30th) A SB1 R1 12

Amendment No. 12

Assembly Amendment to Senate Bill No. 1 First Reprint (BDR S-9)
Proposed by: Assembly Committee of the Whole
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of S.B. 1 R1 (§§ 33, 50, 57, 58)

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date
Adopted	☐	Lost	☐		Adopted	☐	Lost	☐	
Concurred In	☐	Not	☐		Concurred In	☐	Not	☐	
Receded	☐	Not	☐		Receded	☐	Not	☐	

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

BJF/MSN Date: 10/14/2016

S.B. No. 1—Enacts the Southern Nevada Tourism Improvements Act. (BDR S-9)

* A S B 1 R 1 1 2 *

Appendix I

SENATE BILL NO. 1–COMMITTEE OF THE WHOLE

PREFILED OCTOBER 9, 2016

Referred to Committee of the Whole

SUMMARY—Enacts the Southern Nevada Tourism Improvements Act. (BDR S-9)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets [~~omitted material~~] is material to be omitted.

AN ACT relating to tourism infrastructure projects; enacting the Southern Nevada Tourism Improvements Act; establishing in Clark County a stadium district for the financing of a National Football League stadium project or a college football stadium project; creating a public body to carry out the provisions of law governing the National Football League stadium project or the college football stadium project, as applicable; providing for a Board of Directors to govern each such public body; prescribing the powers and duties of such a public body and its Board of Directors; requiring the imposition of taxes on the gross receipts from the rental of transient lodging in the stadium district; providing for the administration, collection, distribution and use of such taxes; requiring the issuance of general obligations of Clark County for the financing of a National Football League stadium project or a college football stadium project under certain circumstances; establishing and prescribing the powers and duties of an Oversight Panel for Convention Facilities in Clark County; requiring the imposition of a tax on the gross receipts from the rental of transient lodging in Clark County and in each incorporated city in the County; requiring the proceeds of this tax to be used to pay the cost of the renovation or expansion of the Las Vegas Convention Center or the principal and interest on bonds or other securities issued to defray the costs of such a project; establishing a maximum amount of the collection fees for the collection of the tax on the gross receipts from the rental of transient lodging in Clark County and incorporated cities in the County; providing that collection fees in excess of the maximum amount must be used for the purpose of renovating or expanding certain convention facilities in Clark County; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill enacts the Southern Nevada Tourism Improvements Act to establish a method to finance projects that are intended to assist the Las Vegas area in remaining a premier center for entertainment, conventions and trade shows in the world. Specifically, this bill establishes a method to finance: (1) a National Football League stadium project or, if certain conditions for a National Football League stadium project are not satisfied, a college football stadium project for the University of Nevada, Las Vegas; and (2) a renovation and expansion of the Las Vegas Convention Center. **Sections 21-37** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of a National Football League stadium project. To finance the project, **section 33** imposes a duty on the Board of County Commissioners of Clark County to adopt an ordinance imposing a tax on persons in the business of providing lodging in the stadium district created by **section 21** of this bill. Under **section 38** of this bill, if certain conditions for the undertaking of the National Football League stadium project are not satisfied, the President of the University of Nevada, Las Vegas, may elect to pursue a college football stadium project. If, after the President of the University makes such an election, certain conditions are satisfied, the proceeds of the tax imposed pursuant to **section 33** of this bill must be transferred to a Campus Improvement Authority created by **section 39** of this bill to carry out the college football stadium project under **sections 39-52** of this bill. If the President of the University does not elect to pursue a college football stadium project or makes such an election but fails to satisfy certain conditions, the proceeds of the tax imposed pursuant to **section 33** of this bill must be transferred to the Las Vegas Convention and Visitors Authority and used to pay the costs to renovate or expand the Las Vegas Convention Center pursuant to **sections** ~~[53-61.5]~~ **53-61.7** of this bill or the principal and interest on bonds or other securities issued for that project.

Section 21 of this bill creates a stadium district in Clark County to finance a National Football League stadium project and provides that the district consists of all property located in the County that is within a radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings. **Section 21** also creates the Clark County Stadium Authority as a public body to carry out the provisions of this bill governing the National Football League stadium project. **Sections 22 and 23** of this bill set forth the qualifications and the procedure for the appointment of the members of the Board of Directors of the Stadium Authority. **Sections 24-28** of this bill prescribe the general powers of the Stadium Authority and its Board.

Section 29 of this bill requires the Stadium Authority to negotiate and enter into a development agreement for the development and construction of the National Football League stadium project and a lease agreement for the operation of the project if the Board of Directors makes certain determinations relating to the location or relocation of a National Football League team within the stadium district and the selection of partners for the development, construction and operation of the project. **Section 29** requires certain provisions relating to the construction, financing and operation of the National Football League stadium project to be included in the development agreement and the lease agreement. **Section 35** of this bill sets forth additional provisions which must be included in the development agreement and lease agreement, including, without limitation, the maximum financial contribution of the Stadium Authority to the development and construction of the National Football League stadium project. **Section 29.5** of this bill requires, as part of the development and operation of the National Football League stadium project, the development of a community benefits plan and the creation of a stadium community oversight committee to carry out the community benefits plan. **Section 30** of this bill provides for the confidentiality of certain information provided to the Stadium Authority under certain circumstances. **Section 31** of this bill generally exempts the National Football League stadium project from laws requiring competitive bidding or specifying procedures for the procurement of goods or services, and from the statutory provisions governing public works projects, except that the pertinent construction contracts must comply with the statutory prevailing wage provisions and, if the Stadium Authority determines a subcontract can be competitively bid without affecting the quality of the project, must be competitively bid. Additionally, **section 31.5** of this bill requires that any contract or agreement entered into by a ~~[general]~~ **prime** contractor for the construction of the National Football League stadium project must include provisions requiring that **at least** 15 percent of the subcontracts for the project must be with small local businesses.

Section 32 of this bill requires the Stadium Authority to retain the sole and exclusive right to enter into agreements for the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the National Football League stadium project. Under **section 32**, the proceeds from the sale, license or transfer of such licenses or instruments must be used to pay a portion of the costs of the construction of the National Football League stadium project.

Section 33 of this bill requires the Board of County Commissioners of Clark County to impose a tax on persons in the business of providing lodging in the stadium district at the rate of: (1) eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging located in the primary gaming corridor in the stadium district; and (2) one-half of one percent of the gross receipts from the rental of transient lodging in all other areas of the stadium district. **Section 34** of this bill sets forth the purposes for which the County and the Stadium Authority must use the proceeds of the tax. **Section 36** of this bill requires the Board of County Commissioners of Clark County to issue general obligations of the County in an amount not to exceed $750,000,000 if certain conditions are satisfied and prescribes the procedure for the issuance of those general obligations. **Section 36** also requires the proceeds from the issuance of the general obligations to be distributed to the Stadium Authority and used for certain purposes related to the National Football League stadium project.

If a National Football League team does not commit to locate or relocate to the stadium district within a certain period of time or if certain other conditions are not satisfied, **section 38** of this bill authorizes the President of the University of Nevada, Las Vegas, to pursue a college football stadium project. If such an election is made, **sections 39-52** of this bill establish a method to finance the acquisition, construction, lease, improvement, equipping, operation and maintenance of the college football stadium project. **Section 39** of this bill creates a stadium district and a Campus Improvement Authority to carry out the provisions of **sections 39-52** of this bill governing such a college football stadium project. **Sections 40 and 41** of this bill set forth the qualifications and the procedure for the appointment of the members of the Board of Directors of the Campus Improvement Authority. **Sections 42-46** of this bill prescribe the general powers of the Board of Directors of the Campus Improvement Authority, which include, without limitation, the authority to construct and operate a college football stadium project in the stadium district. Additionally, **section 48.5** of this bill requires that any contract or agreement entered into by a ~~[general]~~ **prime** contractor **, construction manager or project manager** for the construction of the college football stadium project must include provisions requiring that **at least** 15 percent of the subcontracts for the project must be with small local businesses. **Section 50** of this bill provides that if a college football stadium project is pursued, the Board of County Commissioners of Clark County must reduce the tax on persons engaged in the business of providing lodging in the stadium district imposed for the National Football League stadium project to a rate of: (1) three-eighths of one percent in the primary gaming corridor in the stadium district; and (2) one-quarter of one percent in all other areas of the stadium district. **Section 51** of this bill sets forth the purposes for which the Campus Improvement Authority may use the proceeds of the tax. **Section 52** of this bill requires the Board of County Commissioners of Clark County to issue general obligations of the County in an amount not to exceed $300,000,000 if certain conditions are satisfied, including, without limitation, a condition requiring the University to raise $200,000,000 for the cost of construction of a college football stadium. **Section 52** also requires the proceeds of these general obligations to be distributed to the Campus Improvement Authority and used for certain purposes related to the college football stadium project.

Sections ~~[53-61.5]~~ **53-61.7** of this bill establish a method to finance the renovation or expansion of the Las Vegas Convention Center. **Section 53** creates in Clark County an Oversight Panel for Convention Facilities and prescribes the composition of the Oversight Panel. **Section 54** requires the Las Vegas Convention and Visitors Authority to provide certain information to the Oversight Panel and to request the Oversight Panel's approval of the plan for the renovation and expansion of the Convention Center and the issuance of bonds to finance that project. **Section 55** sets forth the procedures for the Oversight Panel's review and approval or disapproval of these requests. **Section 56** revises provisions governing the collection fee retained from the proceeds of the transient lodging tax by Clark County and each incorporated city in the County to provide that: (1) the sum of the collection fees retained by the county and the cities must not exceed a total of 10 percent of the proceeds of the tax or

$25,000,000, whichever is less; and (2) any collection fee in excess of a total of $25,000,000 must be used solely for the renovation or expansion of the Convention Center and to pay the principal and interest on securities issued to defray the costs of such a project. Under **sections 57 and 58**, the Board of County Commissioners of Clark County and the city council or other governing body of each incorporated city in the County must impose a tax upon persons engaged in the business of providing lodging at a rate of one-half of one percent on the gross receipts from the rental of transient lodging in the county or city, as applicable. **Sections 59 and 60** require the proceeds of these taxes to be distributed to the Las Vegas Convention and Visitors Authority to be used solely for the expansion of the Convention Center and to pay the principal and interest on securities issued to fund the costs of such a project. **Section 61** prescribes the procedure for the issuance of general obligations, in the name of and on behalf of Clark County, to defray the costs of the renovation or expansion of the Convention Center. Additionally, **section 61.5** of this bill requires that any contract or agreement entered into by a ~~[general]~~ **prime** contractor **, construction manager or project manager** for the construction of the renovation and expansion of the Convention Center must include provisions requiring that **at least** 15 percent of the subcontracts for the project must be with small local businesses. Under **section 38** of this bill, if certain conditions for the construction of the National Football League stadium project and certain conditions for the college football stadium project are not satisfied, the proceeds of the tax imposed to finance those projects must be transferred to the Convention Authority and used to pay the costs to renovate or expand the Las Vegas Convention Center pursuant to **sections** ~~[53.61.5]~~ **53.61.7** of this bill or the principal and interest on bonds or other securities issued for that project.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. This act may be cited as the Southern Nevada Tourism Improvements Act.

Sec. 2. 1. The Legislature hereby finds that:

(a) For more than three decades, the State of Nevada has been one of the fastest-growing states in the United States in terms of population, with the overwhelming majority of this population growth occurring in Clark County, Nevada, a region that is projected to add over 3,000 new residents each month for at least the next 10 years.

(b) Clark County is positioned to continue as one of the fastest-growing areas in the nation, and it is both the home to and the social, cultural and recreational arena and marketplace for a booming population of over 2.14 million residents, with over 2.08 million of those residents living and recreating within the Las Vegas Valley urban area.

(c) The Las Vegas area is also a getaway to over 42 million tourists annually who visit for the world-class entertainment, hospitality, gaming, fine dining and shopping and who want to experience and enjoy the world-famous, unique and incomparably distinctive Las Vegas Strip, known as the heart of the Entertainment Capital of the World.

(d) The number of tourists visiting the Las Vegas area is expected to increase annually, with some projections estimating nearly 1 million additional visits each year.

2. The Legislature hereby finds that:

(a) Because the Las Vegas area is the most visited and economically significant tourism market within this State, the tourism industry within the Las Vegas area is critically important to the economy of that local area and this State, and the continued growth and success of the tourism industry within the Las Vegas area is

particularly vital to the general welfare and prosperity of that local area and this State.

(b) A significant part of the continued growth and success of the tourism industry within the Las Vegas area depends upon the unique attractiveness, excitement, atmosphere and vitality of the Las Vegas Strip and the development of new, innovative and diversified facilities, venues and forms of entertainment within the Las Vegas area to ensure that the area may:

(1) Continue to be the preferred and premier destination for tourists from all walks of life in the ever-advancing technological age of the 21st century;

(2) Remain competitive with other national and international tourism destinations that are continually evolving and seeking to draw more tourists to their facilities, venues and forms of entertainment; and

(3) Retain its world-famous, unique and incomparably distinctive status as the Entertainment Capital of the World.

3. The Legislature hereby finds that:

(a) The gaming industry has been an essential component of the economic success of the tourism industry within the Las Vegas area, and the continued growth and success of the gaming industry within the Las Vegas area is particularly vital to the general welfare and prosperity of that local area and this State.

(b) Although the continued growth and success of the gaming industry is essential to the welfare of the Las Vegas area and this State, it is also essential to diversify the tourism industry within the Las Vegas area by developing new, innovative and diversified facilities, venues and forms of entertainment, which will increase overall tourism and economic activity within the Las Vegas area and thereby inure to the benefit of not only the gaming industry and its employees but other local businesses and their employees and the residents of the area as well.

(c) The diversification of the tourism industry within the Las Vegas area promotes the Legislature's economic goals of reducing Nevada's unemployment rate, stabilizing and improving Nevada's economy, and developing high-value job opportunities by diversifying Nevada's industries, creating and fostering new businesses, retaining and expanding existing businesses and attracting and relocating businesses from outside this State.

4. The Legislature hereby finds that:

(a) It is in the public interest and beneficial to the public welfare to diversify, enhance and grow the largest tourism market in this State through the development of large-scale and one-of-a-kind convention, entertainment and sports venues and facilities within the Las Vegas area, including the Las Vegas Strip, by constructing and operating:

(1) A state-of-the-art stadium capable of attracting professional sports franchises, such as teams from the National Football League or Major League Soccer, hosting national sporting events, such as the Super Bowl and collegiate bowl, playoff, tournament and championship games, and holding other large-scale entertainment and sports events, such as concerts, festivals, motor sports, prizefighting and rodeos; and

(2) An improved, expanded and updated Las Vegas Convention Center so that it is a premier facility for attracting and retaining conventions and trade shows.

(b) Because the Las Vegas area, including the Las Vegas Strip, is the largest tourism market in this State and because the Las Vegas area, including the Las Vegas Strip, is world famous, unique and incomparably distinctive, the Las Vegas area is the only area in this State that:

(1) Is appropriate and suitable for the development of such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities; and

(2) Has all the necessary local and special attributes, conditions and resources that are essential to support such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities, including, without limitation, the necessary economic conditions, capital investment, infrastructure, support industries and businesses, workforce, population and visitors.

5. The Legislature hereby declares that:

(a) Because the Las Vegas area is the only area in this State that is appropriate and suitable for the development of such large-scale and one-of-a-kind convention, entertainment and sports venues and facilities and has all the necessary local and special attributes, conditions and resources that are essential to support such venues and facilities, it is necessary to enact a law of local and special application to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and to benefit the residents of that local and special area.

(b) Therefore, given that a law of local and special application is necessary to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and given that such a law is necessary to benefit the residents of that local and special area, a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

Sec. 3. Except as otherwise provided in this act or unless the context otherwise requires, the terms used or referred to in this act have the meanings ascribed to them in the Local Government Securities Law, but the definitions set forth in sections 4 to 20, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

Sec. 4. "Board of County Commissioners" means the Board of County Commissioners of Clark County.

Sec. 5. "Board of Directors":

1. As used in sections 21 to 38, inclusive, of this act, means the Board of Directors of the Stadium Authority appointed pursuant to subsection 1 of section 22 of this act.

2. As used in sections 39 to 52, inclusive, of this act, means the Board of Directors of the Campus Improvement Authority appointed pursuant to subsection 1 of section 40 of this act.

Sec. 6. "Board of Regents" means the Board of Regents of the University of Nevada.

Sec. 7. "Campus Improvement Authority" means the Campus Improvement Authority created by section 39 of this act.

Sec. 8. "College football stadium project" means any enterprise to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district a football stadium capable of hosting the home games of the University's football team and that complies with the requirements of section 46 of this act and all necessary or desirable appurtenances or incidentals thereof.

Sec. 9. "Convention Authority" means the fair and recreation board of the County, designated by resolution pursuant to NRS 244.654 as the Las Vegas Convention and Visitors Authority.

Sec. 10. "County" means Clark County, Nevada.

Sec. 11. "Developer partner" means a person who provides money to pay the costs of the acquisition, construction, leasing, improvement, equipping, operation or maintenance, or any combination thereof, of the National Football League stadium

project or the cost of any capital improvements to the National Football League stadium project.

Sec. 12. "National Football League stadium project" means any enterprise to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district a football stadium capable of hosting the home games of the National Football League team and that complies with section 29 of this act and all necessary or desirable appurtenances or incidentals thereof.

Sec. 13. "National Football League team" means the National Football League team that is locating or relocating within the stadium district.

Sec. 14. "Oversight Panel" means the Oversight Panel for Convention Facilities created by section 53 of this act.

Sec. 15. "Person" means a natural person, any form of business or social organization and any other nongovernmental legal entity, including, but not limited to, a corporation, partnership, association, trust or unincorporated organization. The term does not include a government, governmental agency or political subdivision of a government.

Sec. 16. "Stadium Authority" means the Clark County Stadium Authority created by section 21 of this act.

Sec. 17. "Stadium district":

1. As used in sections 21 to 38, inclusive, of this act, means the district created by section 21 of this act to finance the National Football League stadium project.

2. As used in sections 39 to 52, inclusive, of this act, means the district created by section 39 of this act to finance the college football stadium project.

Sec. 18. "Stadium Events Company" means a person whose business is organized under the laws of this State for the purpose of leasing the National Football League stadium project from the Stadium Authority and owned by:

1. The National Football League team or its affiliate;
2. A developer partner or its affiliate; or
3. The National Football League team or its affiliate and a developer partner or an affiliate of a developer partner.

Sec. 19. "System" means the Nevada System of Higher Education.

Sec. 20. "University" means the University of Nevada, Las Vegas.

Sec. 21. 1. There is hereby created in the County a stadium district to finance the National Football League stadium project. The stadium district consists of all property located within:

(a) The County, including, without limitation, all property within an incorporated city in the County; and

(b) A radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings as of the effective date of sections 21 to 37, inclusive, of this act.

2. The Clark County Stadium Authority is hereby created.

3. The Stadium Authority constitutes:

(a) A body corporate and politic; and

(b) A political subdivision of the County, the boundaries of which are coterminous with the boundaries of the stadium district.

4. The County Treasurer is ex officio Treasurer of the Stadium Authority.

5. Except as otherwise provided in this act, the Stadium Authority and its officers and employees are subject to, must comply with and are entitled to all rights, privileges and immunities recognized by the laws of this State applicable to political subdivisions and their officers and employees, including, without limitation, NRS 41.0305 to 41.039, inclusive, and chapters 239, 241, 281 and 281A

of NRS, but if there is a conflict between other laws of this State and the specific provisions of this act, the specific provisions of this act control.

Sec. 22. 1. The Stadium Authority must be governed by a Board of Directors consisting of the County Treasurer, who is a nonvoting, ex officio member of the Board, and ~~[seven]~~ **nine** members to be appointed as follows:

(a) Three members appointed by the Governor, at least one of which must be appointed in the manner set forth in subsection 2.

(b) ~~[Two]~~ **Three** members appointed by the Board of County Commissioners, at least one of which must be appointed in the manner set forth in subsection 2.

(c) **One member appointed by the President of the University who must be the executive director in charge of managing events for the University or, if that position ceases to exist, another officer or employee of the University who has experience in the management of events.**

(d) Two members representing the public elected by the members appointed pursuant to paragraphs (a) **,** ~~[and]~~ (b) ~~[.]~~ **and (c).** In electing members pursuant to this paragraph, the members appointed pursuant to paragraphs (a) **,** ~~[and]~~ (b) **and (c)** shall consider the recommendations of:

(1) A National Football League team that has:

(I) Demonstrated to those members that it is interested in locating or relocating within the stadium district; or

(II) Committed to locate or relocate within the stadium district; and

(2) The person or persons who have:

(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the National Football League stadium project; or

(II) Entered into such a lease.

2. One member appointed pursuant to paragraph (a) of subsection 1 and one member appointed pursuant to paragraph (b) of subsection 1 must be selected from a list of nominees submitted to the appointing authority by the two companies who, either directly or through subsidiaries, affiliates or any related entity under common control with the companies, own or manage the businesses within the County, which in the aggregate generate the greatest amount of taxes on the rental of transient lodging in the County. If the appointing authority reasonably determines that the nominees on any such list of nominees submitted by a nominating company are unacceptable, the companies must submit a new list of nominees. If the appointing authority has determined that no nominee on the first four lists of nominees offered by a nominating company is acceptable, all additional nominations for appointment to the Board must be made by the association of resort hotels whose membership collectively paid the greatest amount of taxes on the rental of transient lodging to the Fund for the Promotion of Tourism pursuant to paragraph (a) of subsection 1 of NRS 244.3354 and paragraph (a) of subsection 1 of NRS 268.0962 in the fiscal year immediately preceding the fiscal year in which the appointment is made and whose members include the two nominating companies or could include those companies if those companies chose to be members of that association. For purposes of this subsection, "affiliate" includes any company in which a nominating company owns fifty percent or more of the ownership interests.

3. Each member of the Board of Directors must reside within the stadium district and must:

(a) Have experience in the design, engineering and construction of major commercial projects and estimating the costs of the construction of major commercial projects;

(b) Have experience in the financing of capital projects in this State;

(c) Have experience in the field of stadium, arena or event management;

(d) Have experience in workforce development, training, diversity or supplier engagement; or

(e) Be representatives of the private sector and have the education, experience and skills necessary to effectively execute the duties and responsibilities of a member of the Board of Directors.

4. A member of the Board of Directors may not be employed by the same person as another member of the Board or by an affiliate of such a person.

5. A vacancy on the Board of Directors occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the appointing authority.

6. A vacancy on the Board of Directors must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1.

7. A member of the Board of Directors is not entitled to receive any compensation for serving as a member of the Board or as an officer or employee of the Stadium Authority.

8. The members of the Board of Directors are public officers for the purposes of chapter 281A of NRS.

Sec. 23. 1. Not later than 30 days after the effective date of sections 21 to 37, inclusive, of this act:

(a) The Governor shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2018; and

(2) Two members of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2019.

(b) The Board of County Commissioners shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2018; and

(2) ~~[One member]~~ **Two members** of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2019.

(c) The President of the University shall appoint the member of the Board of Directors appointed pursuant to paragraph (c) of subsection 1 of section 22 of this act.

2. Not later than 90 days after the organizational meeting held pursuant to subsection 2 of section 24 of this act, the members of the Board of Directors appointed pursuant to paragraphs (a) ~~, [and]~~ (b) **and (c)** of subsection 1 shall elect:

(a) One member of the Board pursuant to paragraph ~~[(c)]~~ **(d)** of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2018; and

(b) One member of the Board pursuant to paragraph ~~[(c)]~~ **(d)** of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2019.

3. After the initial terms, each member of the Board of Directors must be appointed for a 4-year term that begins on the day following the day on which the immediately preceding term expires. A member of the Board of Directors may be reappointed.

Sec. 24. 1. The Governor shall appoint one member of the Board of Directors as Chair of the Board.

2. Not later than 75 days after the effective date of sections 21 to 37, inclusive, of this act, the Board of Directors shall hold an organizational meeting. At the meeting of the Board of Directors held pursuant to this subsection, the Board shall elect:

(a) One of its members as Vice Chair; and

(b) A Secretary, who may be a member of the Board.

3. The Vice Chair of the Board of Directors shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting.

4. The Board of Directors shall meet regularly in the stadium district at such times and places as it designates. Special meetings of the Board of Directors may be held at the call of the Chair, upon notice to each member of the Board, as often as the needs of the Board require.

5. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) ~~[Four]~~ **Five** members of the Board of Directors constitute a quorum at any meeting of the Board.

(b) The Board of Directors may take action only by a motion or resolution adopted with the approval of at least ~~[four]~~ **five** members of the Board.

6. The Board of Directors constitutes a public body for the purposes of chapter 241 of NRS.

Sec. 25. 1. The Secretary of the Board of Directors shall keep:

(a) Audio recordings or transcripts of all meetings of the Board;

(b) Minutes of all the meetings of the Board;

(c) A record of all the proceedings and actions of the Board;

(d) A copy of any certificates issued or received by the Board;

(e) A copy of any contracts made by the Board; and

(f) Any bonds required by the Board from its employees.

2. The Treasurer of the Stadium Authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board of Directors.

3. The Secretary of the Board of Directors does not constitute a part of the staff of the Stadium Authority for the purposes of section 26 of this act.

4. The Board of Directors may direct the staff of the Stadium Authority to provide the services necessary for the Secretary of the Board and the Treasurer of the Stadium Authority to perform the duties set forth in this section.

Sec. 26. 1. The Stadium Authority may retain such staff as the Board of Directors determines to be necessary to conduct the activities of the Authority. The Stadium Authority may:

(a) Hire the members of the staff of the Authority as employees;

(b) Contract with any governmental entity or person to provide the persons to serve as the staff of the Authority; or

(c) Retain the members of the staff of the Authority using any combination of the methods described in paragraphs (a) and (b).

2. The Board of Directors shall determine:

(a) The powers and duties of the members of the staff of the Authority; and

(b) The amount and basis of compensation for the members of the staff of the Authority.

Sec. 27. The Board of Directors:

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines to be necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of sections 21 to 37, inclusive, of this act for carrying out the business and affairs of the Stadium Authority; and

3. Shall create a stadium tax account, a stadium capital projects fund and a stadium authority operating account to carry out the provisions of sections 21 to 37, inclusive, of this act.

Sec. 28. In furtherance of the duties and responsibilities set forth in section 29 of this act, the Stadium Authority may:

1. Proceed with any undertaking and enter into any contracts and other agreements with any person as the Stadium Authority determines to be necessary or desirable.

2. Sue and be sued.

3. Acquire by purchase, lease, gift, devise, condemnation or other legal means, own in its own name, or sell, lease or otherwise dispose of any right, title or interest in land, improvements or any associated air rights or personal property.

4. Enter into any lease, ground lease, sublease or management agreement.

5. Apply for and accept any gift, donation, bequest, grant or other source of money to finance or develop the National Football League stadium project.

6. Require and receive such audits and other measurements of the performance of a developer partner or the Stadium Events Company as it deems necessary to ensure that the operation of the National Football League stadium project complies with sections 21 to 37, inclusive, of this act, except that the Stadium Authority may not require an audit of the general business of the National Football League team or any developer partner.

7. Consider and approve or disapprove:

(a) An annual capital improvement budget for the National Football League stadium project submitted by the Stadium Events Company.

(b) Any specific requests for capital improvements proposed by the Stadium Events Company or National Football League team.

8. Perform any other act that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the Stadium Authority.

Sec. 29. 1. The Stadium Authority shall negotiate and may enter into a development agreement and a lease agreement that comply with subsections 2 and 3, as applicable, if the Board of Directors:

(a) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that the National Football League has authorized the National Football League team to locate or relocate within the stadium district;

(b) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that the National Football League team has committed to locate or relocate within the stadium district;

(c) Selects as a developer partner one or more persons who have:

(1) Disclosed to the Board as a matter of public record the identity of the person or persons;

(2) Provided documentation satisfactory to the Board to indicate that the person or persons selected to be a developer partner have an affiliation with the National Football League team;

(3) Demonstrated to the satisfaction of the Board that the developer partner is able to successfully develop and construct the National Football League stadium project; and

(4) Provided to the Board adequate financial security for the performance of the financial obligations of a developer partner for the development and construction of the National Football League stadium project; and

(d) Selects a Stadium Events Company which has disclosed to the Board the identity of each of its owners and managers.

2. A development agreement for the National Football League stadium project entered into by the Stadium Authority with a developer partner selected by the Board of Directors pursuant to paragraph (c) of subsection 1 must require the location, design, fit and finish of the National Football League stadium project to be consistent with first-class, premier National Football League facilities currently in operation or approved for construction by the National Football League and:

(a) Identify the site of the project;

(b) Set forth the overall design, scope and specifications of the project, which must include, without limitation, an enclosed football stadium with a seating capacity of approximately 65,000 persons;

(c) Set forth the sources of financing to pay the costs of the development and construction of the project in a manner consistent with the provisions of sections 21 to 37, inclusive, of this act;

(d) Require the developer partner to provide periodic progress reports to the Board of Directors on the status of the development and construction of the project;

(e) Set forth the procedures for the provision of the periodic progress reports described in paragraph (d) and the information required to be included in such reports;

(f) State that any and all development and construction cost overruns for the development and construction of the project must be the sole responsibility of the developer partner, except that any cost overrun must not be the responsibility of the developer partner if the cost overrun is caused by a change in development or construction mandated by the Stadium Authority after the execution of the development agreement, other than a change in development or construction after the execution of the development agreement that is required to comply with a building code, including, without limitation, a change relating to building safety;

(g) Contain provisions that are consistent with sections 31, 31.5 and 35 of this act;

(h) Provide for an adequate contribution by the developer partner for the construction or improvement of any infrastructure off the site of the project that is determined to be necessary for the project by the Department of Transportation, the County or any municipality in which the project is located ~~[,]~~ **and that is specified in the regional infrastructure and service evaluation required for a high impact project before a special use permit is issued for the project;**

(i) Require that the developer partner ensure that no action or inaction by the developer partner, or any person hired or retained by the developer partner to act on behalf of the developer partner, in the development or construction of the project results in a lien against the project that is not cured by the developer partner within a customary amount of time using commercially reasonable efforts, which must be determined in accordance with the laws of this State and must be such time and efforts as are approved by the Board of Directors;

(j) Take into consideration the use of multimodal facilities that use alternative modes of transportation and do not have detrimental impacts on other permitted transportation projects; and

(k) Contain such other terms as deemed necessary and appropriate by the Stadium Authority.

3. A lease agreement entered into by the Stadium Authority with the Stadium Events Company described in paragraph (d) of subsection 1 must set forth the requirements and responsibilities of the Stadium Events Company with respect to the operation of the National Football League stadium project and must:

(a) Grant the Stadium Events Company full operational control of the project;

(b) Not contain any provision that interferes with the discretion of the Stadium Events Company to operate the project, including, without limitation, a provision restricting in any manner the programs or events that may be held at the project;

(c) Authorize the Stadium Events Company to enter into an agreement with another person to operate the project on a day-to-day basis, as deemed necessary or appropriate by the Stadium Events Company;

(d) Establish a minimum standard for the maintenance of, and capital reinvestment in, the project to ensure that the design and development standards set forth in sections 21 to 37, inclusive, of this act are maintained or enhanced throughout the term of the lease agreement;

(e) Provide for the annual allocation of the revenue from, and expenses of, the operation of the project in a manner consistent with sections 21 to 37, inclusive, of this act;

(f) State that the Stadium Events Company and the developer partner are liable jointly and severally for the operating losses of the project or the Stadium Events Company;

(g) Provide for the accommodation of a sufficient number of dates to host at the project the regular and postseason home games of the University football team, subject to the following conditions and restrictions:

(1) Any National Football League event has priority of use of the project and the National Football League team has priority to use the project for its home games and priority over dates, stadium assets and the playing surface;

(2) Any date for a regular or postseason home game of the University football team at the project must:

(I) Not conflict with the use of the project by the National Football League team for a home game of the National Football League team;

(II) Not conflict with major events that are not National Football League events that were scheduled to be hosted at the project before the University finalized the schedule of home games for its football team for the applicable season;

(III) Be mutually agreed upon by the University and the Stadium Events Company; and

(IV) Be approved by the Stadium Authority;

(3) After the University has finalized the schedule of home games for its football team for the applicable season and the dates of those home games have been approved by the Stadium Authority, the date of a home game may not be changed to accommodate an event that is not a National Football League event without the approval of the University; and

(4) If a change to the schedule of home games for the University football team is proposed for the purpose of allowing a home game of the team to be televised, the Stadium Events Company or the National Football League team must use reasonable commercial efforts to assess the feasibility of the change and allow the change to be made if it is commercially reasonable, except that such change must not interfere with or impair the ability of the National Football League team to play a home game at the project;

(h) Establish a reasonable rent to **be** paid by the University for the use of the project for the regular and postseason home games of its football team ~~[.]~~ **, except that for each regular season home game of the football team, and not more than three other events selected by the University, the reasonable rent must not exceed the actual operational or pass-through costs, excluding any fixed costs, to host the game or event at the project;**

(i) Provide that on the date of a regular or postseason home game of the University football team:

(1) The University must be given such access to the project and its facilities and amenities as is reasonably necessary to create an environment reasonably consistent with a home game for a college football team in Division I Football Bowl Subdivision, or its successor division, of the National Collegiate Athletics Association or its successor organization; and

(2) The National Football League team must have simultaneous access to such areas of the project as are needed by the team to prepare for a home game of the team that occurs on the day following the date of the home game of the University football team, provided that such access must not impede or interfere with the use of, or access to, the project by the University;

(j) Provide that the Stadium Authority has the discretion to resolve any disputes relating to the provisions of the lease agreement described in paragraphs (g), (h) and (i) and that the resolution of such a dispute by the Stadium Authority is final;

(k) Require an annual audit of the Stadium Events Company by an independent certified public accountant in this State who does not provide any similar or related services to a developer partner or the National Football League team, or any affiliate, subsidiary, principal or related party of a developer partner or the National Football League team, and who is selected by the mutual agreement of the Stadium Authority and the Stadium Events Company;

(l) Require the cost of the audit described in paragraph (k) to be divided equally between the Stadium Authority and the Stadium Events Company;

(m) Require that the term of any lease or sublease entered into by the Stadium Events Company with the National Football League team must be at least 30 years;

(n) State that a person owning an ownership interest in the Stadium Events Company may sell or otherwise transfer the person's ownership interest to a related or unrelated third party only upon the approval of the Stadium Authority and that the Stadium Authority must not unreasonably withhold such approval;

(o) Provide that the Stadium Authority must comply with the confidentiality provisions of section 30 of this act; and

(p) Such other terms and conditions as deemed necessary and appropriate by the Board of Directors.

4. The Stadium Authority may enter into a combined development and lease agreement that complies with the provisions of subsections 2 and 3.

Sec. 29.5. 1. The developer partner and the Stadium Events Company shall develop a community benefits plan to ensure the greatest possible participation by all segments of the local community in the economic opportunities available in connection with the design, construction and operation of the National Football League stadium project developed by the developer partner and operated by the Stadium Events Company.

2. A stadium community oversight committee must be created to carry out the community benefits plan developed pursuant to subsection 1. The stadium community oversight committee is hereby authorized to enforce the provisions of the community benefits plan which it was created to carry out.

Sec. 30. 1. Except as otherwise provided in subsection 3 and NRS 239.0115, the Stadium Authority shall keep confidential any record or other document provided to the Stadium Authority by a developer partner, the National Football League team or the Stadium Events Company, which is in the possession of the Stadium Authority, if the person providing the information:

(a) Submits a request in writing that the record or other document be kept confidential by the Stadium Authority; and

(b) Demonstrates to the satisfaction of the Stadium Authority that the record or other document contains proprietary or confidential information.

2. If the Stadium Authority determines that a record or other document contains proprietary or confidential information, the Chair of the Board of Directors shall attach to the file containing the record or document:

(a) A certificate signed by him or her stating that a request for confidentiality was made by the requesting entity and the date of the request;

(b) A copy of the written request submitted by the requesting entity;

(c) The documentation to support the request submitted by the requesting entity; and

(d) A copy of the decision of the Stadium Authority determining that the record or other document contains proprietary or confidential information.

3. Records and documents that are confidential pursuant to this section:

(a) Are proprietary or confidential information of the requesting entity;

(b) Are not a public record; and

(c) Must not be disclosed to any person who is not an officer or employee of the Stadium Authority unless the requesting entity consents to the disclosure.

4. As used in this section, "proprietary or confidential information" has the meaning ascribed to it in NRS 360.247.

Sec. 31. 1. Except as otherwise provided in sections 21 to 37, inclusive, of this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to sections 21 to 37, inclusive, of this act by the Stadium Authority, a developer partner or any related entity relating to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance, or any combination thereof, of the National Football League stadium project or any portion thereof, or the provision of materials or services for the project are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreement of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to the National Football League stadium project financed in whole or in part pursuant to sections 21 to 37, inclusive, of this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to the project even if the estimated cost of the construction work is not greater than $250,000 or the construction work does not qualify as a public work, as defined in subsection 17 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of the project shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The Stadium Authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the County had undertaken the project or had awarded the contract.

2. The Stadium Authority and any prime contractor, construction manager or project manager selected by the Stadium Authority or a developer partner shall competitively bid all subcontracts involving construction which the Stadium Authority determines can be competitively bid without affecting the quality of the National Football League stadium project. Any determination by the Stadium Authority that such a subcontract can or cannot be competitively bid without affecting the quality of the National Football League stadium project is conclusive in the absence of fraud or a gross abuse of discretion. The Stadium Authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must, in addition to the requirements of section 31.5 of this act, provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the Stadium Authority regarding the establishment of one or more procedures for competitive bidding, and any determination by a developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder, is conclusive in the absence of fraud or a gross abuse of discretion.

Sec. 31.5. 1. In addition to any other requirements set forth in sections 21 to 37, inclusive, of this act, and except as otherwise provided in subsection 8, a development agreement entered into pursuant to section 29 of this act, a lease agreement entered into pursuant to that section, or a combined development agreement and lease agreement entered into pursuant to that section and any other agreement of any kind entered into by the Stadium Authority with a developer partner, must include provisions which require that any contract or other agreement entered into by a ~~[general]~~ **prime** contractor selected by the Stadium Authority or a developer partner for the construction of the National Football League stadium project must include a provision requiring ~~[the general contractor to subcontract]~~ **that** at least 15 percent of the National Football League stadium project **must be subcontracted** to small local businesses.

2. A business shall be deemed to be a small local business for the purposes of this section if:

(a) The business is financially and operationally independent from any other business;

(b) The business is not temporary and has operated for at least 4 years before entering into the contract or agreement;

(c) The business maintains its principal place of business in a fixed location within this State;

(d) The business has obtained all necessary licenses and registration within this State; and

(e) The ~~[gross earnings]~~ **annual revenues** of the business for each of the immediately preceding 3 fiscal years has not exceeded:

(1) For public works projects, $20,000,000;

(2) For any other construction projects, $10,000,000;

(3) For any goods, materials, equipment and general services contracts, $10,000,000;

(4) For professional services including, without limitation, architectural and engineering services, $2,500,000; and

(5) For trucking services, $3,500,000.

3. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall allow ~~[such a]~~ **the** small local business to be covered by any bond or insurance of the ~~[general]~~ contractor and may require the subcontractor to pay a proportionate share of the cost for such coverage by the bond or insurance.

4. A small local business to which work is subcontracted by a ~~[general]~~ contractor pursuant to ~~[this section]~~ **a contract or other agreement described in subsection 1** must ensure that its employees are hired in a manner that does not discriminate against any person on any basis prohibited by law. Such a contractor that subcontracts such work shall not impose any requirements on the small local business relating to the employees selected by the small local business to perform the subcontracted work.

5. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or agreement described in** subsection 1 shall provide a mentorship program to assist the small local business to develop the skills necessary to carry out the work that is subcontracted.

6. A ~~[general]~~ **prime contractor and each** contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall submit information to the Stadium Authority verifying that the ~~[general]~~ contractor has complied with the provisions of this section, and shall maintain all records, including, without limitation, any information required by the Stadium Authority, to ensure compliance with this section for not less than 5 years after the expiration of the subcontract. Such records must be made available for inspection to the Stadium Authority upon request.

7. Unless the requirements of subsection 1 are waived by the Stadium Authority pursuant to subsection 8, the failure of a ~~[general]~~ **prime** contractor to ~~[subcontract the amount of work required pursuant to]~~ **comply with the requirements of** subsection 1 shall be deemed a material breach of contract.

8. The Stadium Authority may waive the requirements of subsection 1 if a ~~[general]~~ **prime** contractor presents proof satisfactory to the Stadium Authority that there is an insufficient number of small local businesses available and qualified to subcontract for the work to be performed. **Such proof must include, without limitation, evidence that:**

(a) Reasonable efforts were made to notify small local businesses of the availability of work to be performed under a contract or other agreement described in subsection 1, which must include evidence of public advertisement calling for bids for a period of not less than 20 days before the date on which such bids must be submitted; and

(b) In considering the availability and qualifications of a small local business to perform work under a contract or other agreement described in subsection 1, a contractor reasonably considered the work experience, safety history and financial stability of the small local business.

Sec. 32. 1. The Stadium Authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the National Football League stadium project to generate revenues used for construction of the National Football League stadium project.

2. The Stadium Authority may not grant any other person the right to enter into such agreements, but it may in the development agreement entered into pursuant to subsection 2 of section 29 of this act or a combined development and

lease agreement entered into pursuant to subsection 4 of section 29 of this act, agree that any agreements regarding personal seat licenses or similar instruments will be made only in consultation with the developer partner or, if applicable, the Stadium Events Company and the National Football League team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the National Football League stadium project, including the home games of the National Football League team.

3. Proceeds from the sale of personal seat licenses or similar instruments must be collected by or on behalf of the Stadium Authority for the benefit of the National Football League stadium project and are a payment by purchasers to the owner of the National Football League stadium project for special rights of access to events at the National Football League stadium project.

4. Personal seat licenses or similar instruments representing rights to seats, which are not in an enclosed suite, must not include rights for use of the seat at any event that is a college football game involving the University, unless the System has entered into an agreement with the Stadium Authority allowing those licenses or similar instruments to include those home games. Notwithstanding the above provisions of this section, the System is entitled to the revenue from the sale, license or transfer of personal seat licenses or similar instruments, which are not for seats in an enclosed suite, in an amount that represents the right to seats at football games involving the University.

5. With the consent of the Stadium Events Company and the National Football League team, the Stadium Authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party, the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. Any financing or similar transaction by any such third party to affect such sale:

(a) Shall not be deemed a debt of the Stadium Authority for any purpose;

(b) Must not provide for recourse for monetary damages against the Stadium Authority for any reason, including any actual or alleged nonperformance by any person;

(c) Shall not give rise to any obligation or liability for monetary damages of the Stadium Authority to any person, including the third party or anyone purchasing a personal seat license or providing financing based on personal seat licenses through such third party or otherwise, but may, with the approval of the Stadium Events Company, provide remedies against the Stadium Events Company; and

(d) May allow for an action for specific performance against the Stadium Authority.

Sec. 33. 1. ~~[The]~~ **In addition to all other taxes imposed on the revenue from the rental of transient lodging and notwithstanding any other law, the** Board of County Commissioners shall by ordinance impose upon all persons in the business of providing lodging in the stadium district a tax at the rate of:

(a) Eighty-eight one-hundredths of one percent of the gross receipts from the rental of transient lodging within the primary gaming corridor.

(b) One-half of one percent of the gross receipts from the rental of transient lodging in an area within the stadium district but outside the primary gaming corridor.

2. The tax imposed pursuant to subsection 1 may be collected from paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the County for the tax whether or not the tax is actually collected from a paying guest.

3. The tax imposed pursuant to subsection 1:

(a) Must be imposed in each incorporated city within the stadium district, in addition to being imposed in the portion of the stadium district which is not in an incorporated city;

(b) Must be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the County or city;

(c) Must be collected and enforced in the same manner as any other tax imposed in the County or city on the gross receipts from the rental of transient lodging, except that the tax must be remitted to the County by each person in the business of providing lodging in the stadium district; and

(d) May be pledged to the payment of the bonds or other securities issued pursuant to section 36 of this act.

4. The ordinance enacted pursuant to this section must:

(a) Specify the date on which the tax must first be imposed, which must be the first day of the month that is not less than 3 months or more than 4 months after the adoption of the ordinance.

(b) Provide that any parcel of land, building or other structure located partially within the stadium district is deemed to be wholly within the stadium district.

5. Not later than 30 days after the adoption of the ordinance enacted pursuant to this section, the Board of County Commissioners shall amend the ordinance to include a provision establishing the geographic boundaries of the primary gaming corridor within the stadium district. The geographic boundaries of the primary gaming corridor must be a single, contiguous area. The initial amendment establishing the geographic boundaries of the primary gaming corridor must base those boundaries on the geographic area comprising the submarket within the stadium district with the greatest amount of gaming revenue as reported in the most recent edition of the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. The Board of County Commissioners may from time to time amend or modify the geographic boundaries of the primary gaming corridor to include areas which would have been included within the geographic boundaries of the primary gaming corridor if the Board of County Commissioners were establishing those boundaries at the time of the amendment or modification, but any such amendment or modification of the geographic boundaries of the primary gaming corridor must not impair any outstanding bonds or any revenues pledged to their payment. The rate of the tax set forth in paragraph (a) of subsection 1 applies to all persons in the business of providing lodging in the primary gaming corridor established pursuant to this subsection, regardless of whether that person is licensed to conduct gaming on the premises of the business and regardless of whether the business of that person is specifically included in the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. Any amendment adopted pursuant to this subsection must provide that any parcel of land, building or other structure located partially within the primary gaming corridor is deemed to be wholly within the primary gaming corridor. The decision of the Board of County Commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud.

6. Upon repayment of the bonds or other securities to which the proceeds of the tax imposed pursuant to subsection 1 may be pledged, the Board of County Commissioners shall amend the ordinance imposing the tax to reduce the rate of the tax to an amount deemed sufficient by the Board to pay the amounts set forth in subsection 5 of section 34 of this act, except that the rate of the tax imposed on persons described in paragraph (a) of subsection 1 and persons described in paragraph (b) of subsection 1 must be the same rate, and that rate must not exceed one-eighth of one percent.

7. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of the ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of the Board of County Commissioners relating to the adoption or amendment of the ordinance.

8. As used in this section:

(a) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

(b) "Primary gaming corridor" means the primary gaming corridor in the stadium district, the geographic boundaries of which are established by the Board of County Commissioners pursuant to subsection 5.

Sec. 34. 1. After paying any amounts needed to pay any principal, interest or other costs due in connection with any bonds or securities issued to finance or refinance the National Football League stadium project and to establish a reserve fund to secure the payment of such bonds or other securities, the County Treasurer shall distribute the proceeds of the tax imposed pursuant to section 33 of this act to the Stadium Authority. The Stadium Authority shall deposit such proceeds into the stadium tax account created pursuant to subsection 3 of section 27 of this act.

2. Except as otherwise provided in subsection 3, before the issuance of bonds or other securities pursuant to section 36 of this act, the Stadium Authority shall use the ~~[proceeds of the tax imposed pursuant to section 33 of this act and any applicable penalty or interest]~~ **money in the stadium tax account created pursuant to subsection 3 of section 27 of this act** only for one or more of the following purposes:

(a) To pay all or part of the cost to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district the National Football League stadium project.

(b) To establish a bond reserve fund and other reserves for the payment of the principal of bonds issued pursuant to section 36 of this act or of the sinking fund payments with respect to such bonds, the purchase or redemption of such bonds, the payment of interest on such bonds or the payment of any redemption premium required to be paid when the bonds are redeemed before maturity.

(c) To pay the costs incurred by the Stadium Authority to carry out the provisions of sections 21 to 37, inclusive, of this act in an amount not to exceed $1,000,000.

3. The Stadium Authority shall not expend any proceeds of the tax imposed pursuant to section 33 of this act to pay any costs to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, the National Football League stadium project unless:

(a) The costs are costs described in paragraph (c) of subsection 2; or

(b) The conditions set forth in paragraphs (a) to (d), inclusive, of subsection 1 of section 29 of this act have been satisfied.

4. Except as otherwise provided in subsection 5, after the issuance of bonds or other securities pursuant to section 36 of this act, the Stadium Authority shall use money in the stadium tax account created pursuant to subsection 3 of section 27 of this act only for the following uses:

(a) To pay the administrative costs of the Stadium Authority in an amount not to exceed $2,000,000 each fiscal year, as adjusted annually pursuant to subsection 6.

(b) From the proceeds remaining after the payments required by paragraph (a), to supplement the cost of operating and maintaining the National Football League stadium project if the Board of Directors determines such payments are necessary because the Stadium Events Company has failed to perform or breached the lease agreement entered into pursuant to subsection 3 of section 29 of this act or a

combined development and lease agreement entered into pursuant to subsection 4 of section 29 of this act.

(c) From the proceeds remaining after the payments required by paragraphs (a) and (b), to create and make contributions to a debt service reserve fund in an amount not to exceed $9,000,000 each fiscal year until the maximum debt service reserve level on bonds or other securities issued pursuant to section 36 of this act is two times the average annual debt service.

(d) From the proceeds remaining after the payments required by paragraphs (a), (b) and (c), to make payments to the University each fiscal year for a period of not more than 10 fiscal years commencing in the first fiscal year in which the National Football League stadium project is open to the public and Sam Boyd Stadium ceases operations, in an amount that the Board of Directors determines is necessary to compensate the University for the loss of net income as a result of the operation of the National Football League stadium project, as demonstrated by the University, but not to exceed $3,500,000 each fiscal year. In determining the amount of the loss of net income pursuant to this paragraph, the Board of Directors shall:

(1) Consider the loss of net income from football and other events hosted at Sam Boyd Stadium and any increase in net income for the University generated by the use of the National Football League stadium project by the University.

(2) Use a base year for calculating changes in net income that is:

(I) Not earlier than Fiscal Year 2015-2016; and

(II) Determined by mutual agreement between the Board of Directors and the University to be the fiscal year that is most representative of the net income of the University from the operation of Sam Boyd Stadium before the National Football League stadium project is open to the public.

➥ If the proceeds remaining after the payments required by paragraphs (a), (b) and (c) are insufficient to make a payment due to the University in any given year as set forth in this paragraph, the amount remaining due to the University must be carried forward and made payable in subsequent future years when sufficient money is available. Interest is not due on a payment carried forward pursuant to this paragraph. If an amount carried forward pursuant to this paragraph remains unpaid at the end of the 10-year period described in this paragraph, the remaining amount must be carried forward beyond the 10-year period until such time as all amounts carried forward are paid in full.

(e) From the proceeds remaining after the payments required by paragraphs (a) to (d), inclusive, and upon completion of the National Football League stadium project, to make contributions to the stadium capital projects fund created pursuant to subsection 3 of section 27 of this act in an amount equal to at least $5,000,000 per fiscal year, as adjusted annually pursuant to subsection 6.

(f) From the proceeds remaining after the payments required by paragraphs (a) to (e), inclusive, to make payments to a fund to provide early debt retirement, a fund to make capital improvements to the National Football League stadium project in an amount determined by the Stadium Authority and to a fund to pay for any infrastructure required on or around the project, except that no payment pursuant to this paragraph may violate any covenant made in connection with bonds or other securities issued pursuant to section 36 of this act and, if any payment would violate such a covenant, the amount of the payment must be used for such purpose as specified in the ordinance or other instrument under which the bond or other security is issued.

5. After the bonds and other securities issued pursuant to section 36 of this act have been fully repaid and retired, the Stadium Authority may use the proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act:

(a) To pay the operating expenses of the Authority;

(b) To pay for capital improvements to the National Football League stadium project.

6. The monetary amounts specified in paragraphs (a) and (e) of subsection 4 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the consumer price inflation index between the calendar year ending on December 31, 2015, and the calendar year immediately preceding the fiscal year for which the adjustment is made.

7. Any reserve fund described in this section to secure the payment of bonds or other securities issued pursuant to section 36 of this act must be held by the County or a trustee for the bonds. The reserve fund must be funded with cash and investments permitted by the bond ordinance and NRS 355.170. Interest on money in the reserve fund must remain in the fund and be used for the purposes for which the fund was created. Money in the reserve fund may be:

(a) Used to pay the final years' debt service on the bonds or other securities secured by the reserve funds if the money in the fund is fully sufficient to retire all outstanding bonds secured thereby;

(b) At the option of the Stadium Authority, when all bonds or other securities issued pursuant to section 36 of this act and any bonds or securities refunding those bonds or securities are no longer outstanding, transferred to the stadium capital projects fund created pursuant to subsection 3 of section 27 of this act;

(c) A combination of the purposes set forth in paragraphs (a) and (b).

8. As used in this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, U.S. City Average, West Urban (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Stadium Authority.

Sec. 35. 1. In addition to the requirements set forth in section 29 of this act, a development agreement entered into pursuant to that section, a lease agreement entered into pursuant to that section, or a combined development agreement and lease agreement entered into pursuant to subsection 4 of section 29 of this act and any other agreement of any kind entered into by the Stadium Authority with a developer partner, the Stadium Events Company or the National Football League team, or any affiliate, subsidiary or entity related to such a person, must provide that:

(a) The contribution of the Stadium Authority to the costs of construction of the National Football League stadium project, excluding debt service on the bonds or other securities issued pursuant to section 36 of this act and the proceeds from the sale, transfer or license of personal seat licenses, stadium builder's licenses or other similar instruments pursuant to section 32 of this act and the sale of other assets of the project which must be used to pay the costs of the project and capital improvements thereto, must not exceed the lesser of:

(1) The amount of $750,000,000; or

(2) The amount of money generated by the tax imposed pursuant to subsection 1 of section 33 of this act before the issuance of bonds or other securities pursuant to section 36 of this act, plus the maximum amount that may be raised from the issuance of bonds and other securities pursuant to section 36 of this act that are secured by the proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act, as reasonably determined by the chief financial officer of the County, after payment of issuance costs and the cost of funding the reserve fund.

(b) The total debt undertaken by the Board of County Commissioners at the request of the Stadium Authority must not at any time exceed the amount set forth

in paragraph (a), minus the amount generated by the tax imposed pursuant to subsection 1 of section 33 of this act before the issuance of bonds or other securities pursuant to section 36 of this act. Any bonds issued to refund bonds issued pursuant to section 36 of this act must not be taken into account in calculating compliance with the debt limit set forth in this paragraph.

(c) Except as otherwise provided in this paragraph, all land, improvements and other property of any kind included in the total cost of the National Football League stadium project pursuant to paragraph (g) of subsection 1 of section 36 of this act shall be the sole and exclusive property of the Stadium Authority and shall be exempt from ad valorem property taxes in this State. The provisions of this paragraph do not apply to any leasehold improvements that the Stadium Authority and the Stadium Events Company or the National Football League team agree are made solely by the Stadium Events Company or the National Football League team. If any such property remains in existence at the expiration of the lease, that property must be transferred to the Stadium Authority at the expiration of the lease agreement and, at that time, becomes the sole and exclusive property of the Stadium Authority, unless otherwise provided in an agreement between the Stadium Authority and the Stadium Events Company or the National Football League team.

(d) A developer partner and the National Football League team must ensure that any required transfer of land, improvements or property occurs before the issuance of bonds or other securities pursuant to section 36 of this act or simultaneously with the issuance of those bonds or other securities.

(e) The land on which the National Football League stadium project is to be located must be dedicated to the Stadium Authority at no cost to the Stadium Authority before the issuance of bonds or other securities pursuant to section 36 of this act or simultaneously with the issuance of those bonds or other securities.

2. Except as otherwise provided in this act, the contribution of the Stadium Authority to the cost of the development and construction of the National Football League stadium project must be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the contribution to the cost of the development and construction of the project by the developer partner and:

(a) The developer partner shall pay the initial $100,000,000 of the costs of the National Football League stadium project, excluding the value of any land purchased by the developer partner or contributed to the project.

(b) Payments after the initial payment described in paragraph (a) will be pro-rata based on the percentage of the total cost of the project described in paragraph (g) of subsection 1 of section 36 of this act to be paid from money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act, excluding the proceeds of the tax used to pay principal and interest on the bonds or other securities issued pursuant to section 36 of this act, compared to the costs to be paid from other sources, as adjusted to reflect that money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act, excluding the proceeds of the tax used to pay principal and interest on the bonds or other securities issued pursuant to section 36 of this act, will be used to pay the last $50,000,000 of the cost of the project.

(c) The procedures for making monthly draws for the cost of the project will be delineated in a trust agreement which will ensure that no money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act is expended unless money of the developer partner is simultaneously expended and that no

funds of the developer partner are expended unless money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act and the tax imposed pursuant to subsection 1 of section 33 of this act is simultaneously expended, except for the initial payment described in paragraph (a) and the last payment described in paragraph (b).

(d) A trust agreement governing the draw of money for the costs of the project will detail the evidence required to be provided before a draw can be made and the requirements for an independent engineer to review all work before the draw of money.

(e) The independent engineer described in paragraph (d) will review the project sources and uses of money each month and, if the independent engineer determines that there is a need for additional money for the project because of a cost overrun, no payment may be made from money derived from the proceeds of the bonds or other securities issued pursuant to section 36 of this act or the tax imposed pursuant to subsection 1 of section 33 of this act until the cost overrun is paid from a source or combination of sources described in subparagraphs (1) to (4), inclusive, of paragraph (e) of subsection 1 of section 36 of this act.

Sec. 36. 1. The Board of Directors shall request that the Board of County Commissioners issue general obligations of the County pursuant to subsection 2 if the Board of Directors determines that:

(a) The Stadium Authority has entered into a development agreement and a lease agreement pursuant to subsections 2 and 3 of section 29 of this act or a combined development and lease agreement pursuant to subsection 4 of section 29 of this act.

(b) The proceeds of the tax imposed pursuant to subsection 1 of section 33 of this act that will be pledged to the payment of the general obligations will generate sufficient revenue to meet or exceed the debt service coverage ratio of 1.5 times the anticipated annual debt service for each year of the term of the obligations.

(c) The contract for the construction of the National Football League stadium project is a guaranteed maximum price contract with a contingency amount of 10 percent of the estimated hard costs of the National Football League stadium project or such lesser percentage as is determined to be adequate by the Board of Directors but not less than 5 percent of the estimated hard costs of the project.

(d) The prime contractor for the construction of the National Football League stadium project has provided adequate security to guarantee timely performance of the construction of the project and liquidated damages related thereto.

(e) A developer partner has provided a financing commitment that the Board of Directors finds is sufficient to pay the portion of the estimated cost of the National Football League stadium project that is to be paid from sources other than money derived from the proceeds of the bonds or other securities issued pursuant to this section and the tax imposed pursuant to subsection 1 of section 33 of this act, plus the contingency amount approved by the Board pursuant to paragraph (c), and is secured by any combination of the following:

(1) An irrevocable deposit of cash into a stadium project construction fund held in trust by a commercial bank with trust powers, which is established by a developer partner and the Stadium Authority and which cannot be used for any purpose other than payment of the cost of the project until those costs have been paid in full.

(2) Closed construction debt financing, from a lender or lenders rated "A-" or better by Standard and Poor's Rating Services or "A3" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors, which allows draws for the costs of construction of the project, interest during construction and any costs of issuance. A draw under the closed construction debt

financing may be subject to conditions precedent, including, without limitation, a condition that there has been delivery of proof of the availability of County money, a condition that there has been delivery of satisfactory reports from an independent engineer that certifies work being paid for under the closed construction debt financing has been completed and that stored materials have been verified, any condition required by state or federal regulations or regulators governing banks and any condition that relates to confirmation of insurance for the project. Such conditions precedent may also be required by the Board of County Commissioners or the Stadium Authority to allow a draw on the proceeds of the bonds or other securities issued pursuant to this section which are held in trust by a commercial bank with trust powers.

(3) Approved National Football League financing through the G-4 loan program of the National Football League, or its successor program, which allows draws for the costs of construction of the project and no other purpose until those costs have been paid in full, if the lender is rated "A-" or better by Standard and Poor's Rating Services or "A3" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors. A draw under the National Football League financing may be subject to the conditions precedent set forth in subparagraph (2).

(4) Irrevocable letters of credit or commitments to pay the costs of construction of the project, which irrevocably and unconditionally allow draws for the costs of construction of the project and no other purpose until those costs have been paid in full, which is provided by a bank with at least $1 billion in assets that is rated "A" or better by Standard and Poor's Rating Services or "A2" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors.

(f) A developer partner has any development agreements required by state or local governments relative to providing adequate offsite infrastructure improvements for the National Football League stadium project.

(g) The Stadium Authority and a developer partner have agreed on an estimate of the total cost of the National Football League stadium project.

2. Except as otherwise provided in subsection 3, upon the request of the Board of Directors pursuant to subsection 1, the Board of County Commissioners shall issue general obligations of the County in an amount not to exceed $750,000,000. After payment of the costs of issuing the bonds and making provisions for any required reserves, the proceeds of any bonds issued pursuant to this subsection must be allocated to the Stadium Authority to be used for the National Football League stadium project.

3. The Board of County Commissioners shall not issue general obligation bonds pursuant to subsection 2 unless the Board finds that:

(a) The requirements of subsection 1 have been satisfied; and

(b) Payment of the costs of construction of the National Football League stadium project will be made over time by both the Stadium Authority and a developer partner in accordance with subsection 2 of section 35 of this act.

4. The securities required to be issued pursuant to this section must be issued pursuant to the Local Government Securities Law, and any bonds issued pursuant to this section may be refunded by the County as provided in the Local Government Securities Law.

5. If the Board of County Commissioners issues general obligations of the County pursuant to subsection 2 after the Board of Directors has made the determination set forth in paragraph (b) of subsection 1:

(a) The bonds may be issued without complying with the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020, pursuant to an ordinance of the Board

of County Commissioners as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under the laws of this State.

(b) The bonds are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of general obligation indebtedness for the purposes set forth in sections 21 to 37, inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) The bonds must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 had been made by the Board of County Commissioners and approved by the debt management commission of the County under subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

6. Any determination or finding by the Board of Directors or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

Sec. 37. 1. The Board of Directors shall dissolve the Stadium Authority and wind up its affairs if the Board makes any of the following determinations:

(a) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after the effective date of those sections, the National Football League has not authorized the National Football League team to locate or relocate within the stadium district.

(b) Within 12 months after the effective date of sections 21 to 37, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after the effective date of those sections, the National Football League team has not committed to locate or relocate within the stadium district.

(c) Within 18 months after the adoption of the ordinance imposing the tax required by subsection 1 of section 33 of this act, the Stadium Authority has not approved and entered into a development agreement pursuant to subsection 2 of section 29 of this act.

(d) Within 18 months after the adoption of an ordinance imposing the tax required by subsection 1 of section 33 of this act, the Stadium Authority has not approved and entered into a lease agreement pursuant to subsection 3 of section 29 of this act.

(e) Within 18 months after the adoption of an ordinance imposing the tax required by subsection 1 of section 33 of this act, the Stadium Authority has not approved and entered into a combined development and lease agreement pursuant to subsection 4 of section 29 of this act.

(f) The Stadium Authority has no outstanding financial obligations and seven members of the Board vote to dissolve the Stadium Authority.

2. If the Board of Directors makes a determination described in subsection 1 and is required to dissolve and wind up the affairs of the Stadium Authority pursuant to that subsection:

(a) Not later than 90 calendar days after the Board makes the determination, the Stadium Authority must be dissolved and its affairs wound up.

(b) The Chair of the Board must provide notice of the determination and the intent of the Board to dissolve the Stadium Authority and wind up its affairs to the:

(1) Governor; and

(2) President of the University.

Sec. 38. 1. Within 90 days after receipt of notice that the Board of Directors has voted to dissolve the Stadium Authority and wind up its affairs for any reason set forth in paragraphs (a) to (f), inclusive, of subsection 1 of section 37

of this act, the President of the University may elect to pursue a college football stadium project. If the President of the University elects to pursue a college football stadium project, he or she must provide written notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project.

2. If, within 90 calendar days after receipt of notice of the vote of the Board of Directors to dissolve the Stadium Authority and wind up its affairs pursuant to subsection 2 of section 37 of this act, the President of the University has provided notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project, the Board of Directors of the Stadium Authority must cause the money remaining in the stadium tax account created pursuant to subsection 3 of section 27 of this act, after provision is made for the payment of any outstanding financial obligations or liabilities of the Stadium Authority, to be transferred to the college football stadium tax account created pursuant to subsection 3 of section 45 of this act.

3. If, within 90 calendar days after receipt of notice of the vote of the Board of Directors to dissolve the Stadium Authority and wind up its affairs pursuant to subsection 2 of section 37 of this act, the President of the University has not provided notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project, the Board of Directors must cause the money remaining in the stadium tax account created pursuant to subsection 3 of section 27 of this act, after provision is made for the payment of any outstanding financial obligations or liabilities of the Stadium Authority, to be transferred to the Convention Authority. The Convention Authority must use such money to pay the costs of the project described in paragraph (a) of subsection 3 of section 59 of this act or the principal and interest on bonds or other securities issued to defray the costs of that project.

4. If, within 90 calendar days after receipt of notice of the vote of the Board of Directors to dissolve the Stadium Authority and wind up its affairs pursuant to subsection 2 of section 37 of this act, the President of the University provides notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners that he or she intends to pursue a college football stadium project but, within 24 months after the date on which he or she provides that notice, has not secured a commitment of private money for the college football stadium project that, when combined with the revenue of the University projected to be generated from the college football stadium project, results in a commitment of at least $200,000,000 for the college football stadium project, the money remaining in the college football stadium tax account created pursuant to subsection 3 of section 45 of this act must be transferred to the Convention Authority. The Convention Authority must use such money to pay the costs of the project described in paragraph (a) of subsection 3 of section 59 of this act or the principal and interest on bonds or other securities issued to defray the costs of that project.

Sec. 39. 1. A stadium district to finance a college football stadium project is hereby created. The stadium district consists of all property located within:

(a) The County, including, without limitation, all property that is within an incorporated city in the County; and

(b) A radius of 25 miles from the location at which the Board of County Commissioners holds its regular meetings as of the effective date of sections 39 to 52, inclusive, of this act.

2. There is hereby created a Campus Improvement Authority.

3. The Campus Improvement Authority constitutes:

(a) A body corporate and politic; and

(b) A political subdivision of this State, the boundaries of which are coterminous with the boundaries of the stadium district.

4. The County Treasurer is ex officio Treasurer of the Campus Improvement Authority.

5. Except as otherwise provided in this act, the Campus Improvement Authority and its officers and employees are subject to, must comply with and are entitled to all rights, privileges and immunities recognized by the laws of this State applicable to political subdivisions and their officers and employees, including, without limitation, NRS 41.0305 to 41.039, inclusive, and chapters 239, 241, 281 and 281A of NRS, but if there is a conflict between other laws of this State and the specific provisions of this act, the specific provisions of this act control.

Sec. 40. 1. The Campus Improvement Authority must be governed by a Board of Directors consisting of the County Treasurer, who is a nonvoting, ex officio member of the Board and nine members to be appointed as follows:

(a) One member appointed by the Governor.

(b) Four members appointed by the Board of Regents, three of whom must be members of the Board of Regents and one of whom must be a member of the Board of Regents or an officer of the University.

(c) One member appointed by the Board of County Commissioners, who must be a member of the Board of County Commissioners or an officer of the County.

(d) One member appointed by the Convention Authority, who must be a member of the Board of Directors of that Authority who is not a member of the Board of County Commissioners.

(e) Two members elected by the members appointed pursuant to paragraphs (a) to (d), inclusive, who must be employed in an executive position in the stadium district by a business in the tourism, hotel and gaming industry.

2. A vacancy on the Board of Directors occurs when a member:

(a) Dies or resigns;

(b) Is removed, with or without cause, by the person or entity who appointed that member; or

(c) Ceases to be qualified for appointment as a member pursuant to the provisions of subsection 1.

3. A vacancy on the Board of Directors must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1, except that, notwithstanding any provision of this section to the contrary, a member appointed pursuant to paragraph (e) of subsection 1 whose position becomes vacant as a result of his or her cessation of employment in an executive position in the stadium district by a business in the tourism, hotel and gaming industry may be reappointed to serve the remainder of his or her unexpired term.

4. A member of the Board of Directors is not entitled to receive any compensation for serving as a member of the Board of Directors or as an officer employee of the Board or the Campus Improvement Authority.

5. The members of the Board of Directors are public officers for the purposes of chapter 281A of NRS.

Sec. 41. 1. Not later than 30 days after the effective date of sections 39 to 52, inclusive, of this act:

(a) The Governor shall appoint the member of the Board of Directors appointed pursuant to paragraph (a) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the second year following the year in which the appointment was made.

(b) The Board of Regents shall appoint:

(1) Two members of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the year following the year in which the appointment was made; and

(2) Two members of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the second year following the year in which the appointment was made.

(c) The Board of County Commissioners shall appoint the member of the Board of Directors pursuant to paragraph (c) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the year following the year in which the appointment was made.

(d) The Convention Authority shall appoint the member of the Board of Directors pursuant to paragraph (d) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the second year following the year in which the appointment was made.

2. Not later than 90 days after the organizational meeting held pursuant to subsection 1 of section 42 of this act, the members of the Board of Directors appointed pursuant to subsection 1 shall elect two members of the Board pursuant to paragraph (e) of subsection 1 of section 40 of this act to an initial term that commences on the date of the appointment and expires on September 30 of the year following the year in which the appointment was made.

3. After the initial terms, each member of the Board of Directors must be appointed for a 4-year term that begins on the day following the day on which the immediately preceding term expires. A member of the Board of Directors may be reappointed.

Sec. 42. 1. Not later than 75 days after the effective date of sections 39 to 52, inclusive, of this act, the Board of Directors shall hold an organizational meeting. At the meeting of the Board of Directors held pursuant to this section, the Board shall elect:

(a) One of its members as Chair;

(b) One of its members as Vice Chair; and

(c) A Secretary, who may be a member of the Board.

2. The Vice Chair of the Board of Directors shall serve as Chair when the position of Chair is vacant or when the Chair is absent from any meeting of the Board.

3. The Board of Directors shall meet regularly in the stadium district at such times and places as it designates. Special meetings of the Board of Directors may be held at the call of the Chair, upon notice to each member of the Board, as often as the needs of the Board require.

4. Except as otherwise provided in subsection 5 of NRS 281A.420:

(a) Six of the members of the Board of Directors constitute a quorum at any meeting of the Board.

(b) The Board of Directors may take action only by a motion or resolution adopted with the approval of at least six members of the Board.

5. The Board of Directors constitutes a public body for the purposes of chapter 241 of NRS.

Sec. 43. 1. The Secretary of the Board of Directors shall keep:

(a) Audio recordings or transcripts of all meetings of the Board;

(b) Minutes of all the meetings of the Board;

(c) A record of all the proceedings and actions of the Board;

(d) A copy of any certificates issued or received by the Board;

(e) A copy of any contracts made by the Board; and

(f) Any bonds required by the Board from its employees.

2. The Treasurer of the Campus Improvement Authority shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board of Directors.

3. The Secretary of the Board of Directors does not constitute a part of the staff of the Campus Improvement Authority for the purposes of section 44 of this act.

Sec. 44. 1. The Campus Improvement Authority may retain such staff as the Board of Directors determines to be necessary to conduct the activities of the Authority. The Campus Improvement Authority may:

(a) Hire the members of the staff of the Authority as employees;

(b) Contract with any governmental entity or person to provide the persons to serve as the staff of the Authority; or

(c) Retain the members of the staff of the Authority using any combination of the methods described in paragraphs (a) and (b).

2. The Board of Directors:

(a) Shall determine:

(1) The powers and duties of the members of the staff of the Campus Improvement Authority; and

(2) The amount and basis of compensation for the members of the staff of the Campus Improvement Authority.

(b) May delegate any of its powers and duties to any member of the staff of the Campus Improvement Authority as the Board determines to be appropriate, except that the Board shall not delegate:

(1) Any of the specific obligations or responsibilities of the Board imposed by sections 39 to 52, inclusive, of this act; or

(2) Any ability to bind the Campus Improvement Authority to a contract that would require an expenditure by the Authority in excess of such an amount as the Authority determines to be appropriate, which amount must not exceed the sum of $500,000. The monetary amount specified in this subparagraph must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the consumer price inflation index between the calendar year ending on December 31, 2015, and the calendar year immediately preceding the fiscal year for which the adjustment is made.

3. As used in this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, U.S. City Average, West Urban (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Campus Improvement Authority.

Sec. 45. The Board of Directors:

1. May adopt a seal;

2. May adopt, and from time to time amend or repeal, as it determines necessary or desirable, appropriate bylaws, rules and regulations, not inconsistent with the provisions of sections 39 to 52, inclusive, of this act, for carrying on the business and affairs of the Campus Improvement Authority; and

3. Shall create a college football stadium tax account, a college football stadium capital projects fund and a campus improvement authority operating account to carry out the provisions of sections 39 to 52, inclusive, of this act.

Sec. 46. 1. Except as otherwise provided in section 47 of this act, the Campus Improvement Authority may:

(a) Enter into any contracts and other agreements with any person or other entity that the Board of Directors determines to be necessary or desirable to conduct the business of the Authority.

(b) Sue and be sued.

(c) Proceed with the college football stadium project and enter into any contracts or other agreements that the Board of Directors determines to be necessary or desirable therefor. The contracts and other agreements authorized by this paragraph:

(1) May include, without limitation, contracts or other agreements relating to the construction, acquisition, lease, lease-purchase, gift, equipment, maintenance, insurance, operation, management, promotion or advertising of the college football stadium project or any part thereof;

(2) Must provide for the construction of a football stadium that has a seating capacity of not less than 40,000 persons and a location, design, fit and finish that is consistent with similar facilities for university football teams in the premier conferences in the Division I Football Bowl Subdivision, or its successor division, of the National Collegiate Athletic Association or its successor organization; and

(3) Are not subject to the limitations of subsections 1 and 2 of NRS 353.260.

(d) Enter into a lease, ground lease or management agreement with the System authorizing the Campus Improvement Authority to lease from the System any land, or any portion thereof, owned by the System and any improvements thereon, or to manage any such land or improvements for the System, on such terms as may be acceptable to the Board of Directors and the Board of Regents and which do not violate any covenants concerning any securities issued by the Board of Regents, if:

(1) The property subject to the lease, ground lease or management agreement is limited to:

(I) Land and improvements that will be developed and used for the college football stadium project; and

(II) Any other land, improvements and appurtenances that the Board of Regents determines to be necessary or desirable to carry out such a purpose;

(2) The Board of Regents is entitled to limit any uses, rates, charges or other factors pertaining to the property subject to the lease, ground lease or management agreement by including the limitations in the agreement; and

(3) After any indebtedness incurred to improve the property subject to the lease, ground lease or management agreement has been retired or defeased and any other contracts and obligations of the Campus Improvement Authority pertaining to that property have been satisfied and terminated, the improvements will become the property of the System and will no longer be subject to the lease, ground lease or management agreement.

(e) Enter into, with any person or other entity:

(1) One or more subleases of all or any portion of any land or improvement leased to the Campus Improvement Authority;

(2) One or more management agreements to provide for the management by that person or other entity of any land or improvement that the Campus Improvement Authority is authorized to manage, control or occupy;

(3) One or more leases or management agreements pertaining to the college football stadium project or any facility owned by the Campus Improvement Authority; or

(4) Any combination of the agreements described in subparagraphs (1), (2) and (3),

➥ on such terms as may be acceptable to the Board of Directors and which are not inconsistent with the terms of the lease, ground lease or management agreement

with the System pursuant to which the Campus Improvement Authority has possession or control of the property. The leases, ground leases, subleases and management agreements authorized by this paragraph are not subject to the limitations of subsections 1 and 2 of NRS 353.260.

(f) Fix, and from time to time increase or decrease, fees, rates, tolls, rents or charges for services or facilities furnished in connection with a college football stadium project and take such action as may be necessary or desirable to effect their collection or, by contract or other agreement described in paragraph (d) or (e), authorize another person or entity to fix, from time to time increase or decrease, and collect all or any designated portion of such fees, rates, tolls, rents or charges. Such fees, rates, tolls, rents or charges must be consistent with or allowed by the lease, ground lease or management agreement with the System pursuant to which the Campus Improvement Authority has possession or control of the land or improvements upon which the college football stadium project is located.

(g) Receive, control, invest and order the expenditure of the proceeds of the taxes imposed pursuant to subsection 1 of section 50 of this act and any other money pertaining to or derived from the college football stadium project, including, without limitation, any grants from the Federal Government, the State, the County or any incorporated city in the County, or from any other person or entity, for the purposes of the college football stadium project.

(h) Perform any other acts that may be necessary, convenient, desirable or appropriate to carry out the purposes of sections 39 to 52, inclusive, of this act.

2. If the Campus Improvement Authority has no indebtedness or other financial obligations, the Board of Directors, by an affirmative vote of at least six of its members, may dissolve the Authority.

Sec. 47. 1. Except as otherwise provided in section 51 of this act, the Board of Directors and any person to whom the Board delegates any of its powers or duties shall not:

(a) Expend or authorize the expenditure of any money in the college football stadium tax account created pursuant to subsection 3 of section 45 of this act unless the Campus Improvement Authority has entered into a lease, ground lease or management agreement with the System pursuant to paragraph (d) of subsection 1 of section 46 of this act which authorizes the college football stadium project.

(b) Proceed with the college football stadium project or issue any securities to defray in whole or in part any cost of the college football stadium project unless the Campus Improvement Authority has entered into a lease, ground lease or management agreement with the System pursuant to paragraph (d) of subsection 1 of section 46 of this act which authorizes the college football stadium project.

2. The campus improvement authority shall not own any land, but may own improvements on land located in the stadium district if the Board of Regents, in its sole discretion, allows that ownership.

Sec. 48. 1. Except as otherwise provided in sections 39 to 52, inclusive, of this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to sections 39 to 52, inclusive, of this act by the Campus Improvement Authority, the System or any related entity relating to the college football stadium project financed in whole or in part pursuant to sections 39 to 52, inclusive, of this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance, or any combination thereof, of the college football

stadium project or any portion thereof, or the provision of materials or services for the college football stadium project are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreement of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to the college football stadium project financed in whole or in part pursuant to sections 39 to 52, inclusive, of this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to the college football stadium project financed in whole or in part pursuant to sections 39 to 52, inclusive, of this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to the project even if the estimated cost of the construction work is not greater than $250,000 or the construction work does not qualify as a public work, as defined in subsection 17 of NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of the project shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The Campus Improvement Authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of the college football stadium project and any subcontractor on the college football stadium project shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State had undertaken the project or had awarded the contract.

2. The Campus Improvement Authority and any prime contractor, construction manager or project manager selected by the Campus Improvement Authority shall competitively bid all subcontracts involving construction which the Campus Improvement Authority determines can be competitively bid without affecting the quality of the college football stadium project. Any determination by the Campus Improvement Authority that such a subcontract can or cannot be competitively bid without affecting the quality of the project is conclusive in the absence of fraud or a gross abuse of discretion. The Campus Improvement Authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must, in addition to the requirements of section 48.5 of this act, provide a preference for Nevada subcontractors in a manner that is similar to, and with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the Campus Improvement Authority regarding the establishment of one or more procedures for competitive bidding, and any determination by the Authority or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder is conclusive in the absence of fraud or a gross abuse of discretion.

Sec. 48.5. 1. In addition to any other requirements set forth in sections 39 to 52, inclusive, of this act, and except as otherwise provided in subsection 8, any contract entered into by ~~[a general contractor selected by the Campus Improvement Authority or by]~~ any prime contractor, construction manager or project manager

selected by the Campus Improvement Authority for the construction, alteration, repair or remodeling of the college football stadium project must include a provision requiring ~~[the general contractor to subcontract]~~ **that** at least 15 percent of the college football stadium project **must be subcontracted** to small local businesses.

2. A business shall be deemed to be a small local business for the purposes of this section if:

(a) The business is financially and operationally independent from any other business;

(b) The business is not temporary and has operated for at least 4 years before entering into the contract or agreement;

(c) The business maintains its principal place of business in a fixed location within this State;

(d) The business has obtained all necessary licenses and registration within this State; and

(e) The ~~[gross earnings]~~ **annual revenues** of the business for each of the immediately preceding 3 fiscal years has not exceeded:

(1) For public works projects, $20,000,000;

(2) For any other construction projects, $10,000,000;

(3) For any goods, materials, equipment and general services contracts, $10,000,000;

(4) For professional services including, without limitation, architectural and engineering services, $2,500,000; and

(5) For trucking services, $3,500,000.

3. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall allow ~~[such a]~~ **the** small local business to be covered by any bond or insurance of the ~~[general]~~ contractor and may require the subcontractor to pay a proportionate share of the cost for such coverage by the bond or insurance.

4. A small local business to which work is subcontracted by a ~~[general]~~ contractor pursuant to ~~[this section]~~ **a contract or other agreement described in subsection 1** must ensure that its employees are hired in a manner that does not discriminate against any person on any basis prohibited by law. Such a contractor that subcontracts such work shall not impose any requirements on the small local business relating to the employees selected by the small local business to perform the subcontracted work.

5. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall provide a mentorship program to assist the small local business to develop the skills necessary to carry out the work that is subcontracted.

6. A ~~[general]~~ **prime contractor, construction manager or project manager, and each** contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall submit information to the Campus Improvement Authority verifying that the ~~[general]~~ **prime contractor, construction manager, project manager or** contractor has complied with the provisions of this section, and shall maintain all records, including, without limitation, any information required by the Campus Improvement Authority, to ensure compliance with this section for not less than 5 years after the expiration of the subcontract. Such records must be made available for inspection to the Campus Improvement Authority upon request.

7. Unless the requirements of subsection 1 are waived by the Campus Improvement Authority pursuant to subsection 8 the failure of a ~~[general]~~ **prime** contractor **, construction manager or project manager** to ~~[subcontract the amount~~

~~of work required pursuant to~~ **comply with the requirements of** subsection 1 shall be deemed a material breach of contract.

8. The Campus Improvement Authority may waive the requirements of subsection 1 if a ~~[general]~~ **prime** contractor **, construction manager or project manager** presents proof satisfactory to the Campus Improvement Authority that there is an insufficient number of small local businesses available and qualified to subcontract for the work to be performed. **Such proof must include, without limitation, evidence that:**

(a) Reasonable efforts were made to notify small local businesses of the availability of work to be performed under a contract or other agreement described in subsection 1, which must include evidence of public advertisement calling for bids for a period of not less than 20 days before the date on which such bids must be submitted; and

(b) In considering the availability and qualifications of a small local business to perform work under a contract or other agreement described in subsection 1, a contractor reasonably considered the work experience, safety history and financial stability of the small local business.

Sec. 49. The provisions of sections 39 to 52, inclusive, of this act do not require the University or the Board of Regents to enter into any lease, ground lease, management agreement or any other contract or agreement.

Sec. 50. 1. ~~[The]~~ **In addition to all other taxes imposed on the revenue from the rental of transient lodging and notwithstanding any other law, the** Board of County Commissioners shall by ordinance impose upon all persons in the business of providing lodging in the stadium district a tax at the rate of:

(a) Three-eighths of one percent of the gross receipts from the rental of transient lodging within the primary gaming corridor.

(b) One-quarter of one percent of the gross receipts from the rental of transient lodging in an area within the stadium district but outside the primary gaming corridor.

2. The tax imposed pursuant to subsection 1 may be collected from paying guests and may be shown as an addition to the charge for the rental of transient lodging. The person providing the transient lodging is liable to the County for the tax whether or not the tax is actually collected from a paying guest.

3. The tax imposed pursuant to subsection 1:

(a) Must be imposed in each incorporated city within the stadium district, in addition to being imposed in the portion of the stadium district which is not in an incorporated city.

(b) Must be in addition to all other taxes imposed on the revenue from the rental of transient lodging in the County or city;

(c) Must be collected and enforced in the same manner as any other tax imposed in the County or city on the gross receipts from the rental of transient lodging;

(d) Must be distributed to the Campus Improvement Authority, which shall use the proceeds of the taxes in the manner set forth in section 51 of this act; and

(e) May be pledged to the payment of the bonds or other securities issued pursuant to section 52 of this act.

4. The ordinance enacted pursuant to this section must:

(a) Specify the date on which the tax must first be imposed, which must be the first day of the month that is not less than 3 months or more than 4 months after the adoption of the ordinance.

(b) Provide that any parcel of land, building or other structure located partially within the stadium district is deemed to be wholly within the stadium district.

5. Not later than 30 days after the adoption of the ordinance enacted pursuant to this section, the Board of County Commissioners shall amend the ordinance to include a provision establishing the geographic boundaries of the primary gaming corridor within the stadium district. The geographic boundaries of the primary gaming corridor must be a single, contiguous area. The initial amendment establishing the geographic boundaries of the primary gaming corridor must base those boundaries on the geographic area comprising the submarket within the stadium district with the greatest amount of gaming revenue as reported in the most recent edition of the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. The Board of County Commissioners may from time to time amend or modify the geographic boundaries of the primary gaming corridor to include areas which would have been included within the geographic boundaries of the primary gaming corridor if the Board of County Commissioners were establishing those boundaries at the time of the amendment or modification, but any such amendment or modification of the geographic boundaries of the primary gaming corridor must not impair any outstanding bonds or any revenues pledged to their payment. The rate of the tax set forth in paragraph (a) of subsection 1 applies to all persons in the business of providing lodging in the primary gaming corridor established pursuant to this subsection, regardless of whether that person is licensed to conduct gaming on the premises of the business and regardless of whether the business of that person is specifically included in the Nevada Gaming Abstract produced by the Nevada Gaming Control Board. Any amendment adopted pursuant to this subsection must provide that any parcel of land, building or other structure located partially within the primary gaming corridor is deemed to be wholly within the primary gaming corridor. The decision of the Board of County Commissioners establishing the boundaries, and any amendment thereof, is conclusive, absent fraud.

6. Upon repayment of the bonds or other securities to which the proceeds of the tax imposed pursuant to subsection 1 may be pledged, the Board of County Commissioners shall amend the ordinance imposing the tax to reduce the rate of the tax to an amount deemed sufficient by the Board to pay the normal operating expenses of the Campus Improvement Authority and the obligation of the Authority for capital improvements to the college football stadium project, except that the rate of the tax imposed on persons described in paragraph (a) of subsection 1 and persons described in paragraph (b) of subsection 1 must be the same rate, and that rate must not exceed one-tenth of one percent.

7. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of the ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of the Board of County Commissioners relating to the adoption or amendment of the ordinance.

8. As used in this section:

(a) "Gross receipts from the rental of transient lodging" does not include the tax imposed or collected from paying guests pursuant to this section.

(b) "Primary gaming corridor" means the primary gaming corridor in the stadium district, the geographic boundaries of which are established by the Board of County Commissioners pursuant to subsection 5.

Sec. 51. 1. After paying any amounts needed to pay any principal, interest or other costs due in connection with any bonds or securities issued to finance or refinance the college football stadium project and to establish a reserve fund to secure the payment of such bonds or other securities, the County Treasurer shall distribute the remaining proceeds of the tax imposed pursuant to section 49 of this act to the Campus Improvement Authority. The Campus Improvement Authority

shall deposit such proceeds into the college football stadium tax account created pursuant to subsection 3 of section 45 of this act.

2. Except as otherwise provided in subsection 3, before the issuance of bonds or other securities pursuant to section 52 of this act, the proceeds of the tax imposed pursuant to section 50 of this act and any applicable penalty or interest, and any other money in the college football stadium tax account, must be used by the Campus Improvement Authority:

(a) To pay all or part of the cost to acquire, construct, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the stadium district the college football stadium project;

(b) To establish a bond reserve fund and other reserves to secure any bonds or other securities issued pursuant to section 52 of this act;

(c) To pay the costs incurred by the Campus Improvement Authority to carry out the provisions of sections 39 to 52, inclusive, of this act in an amount not to exceed $1,000,000; or

(d) For any combination of the uses set forth in paragraphs (a), (b) and (c).

3. After the issuance of bonds or other securities pursuant to section 52 of this act, the Campus Improvement Authority shall use the proceeds of the tax imposed pursuant to section 50 of this act and any other money in the college football stadium tax account only for the following uses and in the following order of priority:

(a) To pay any amounts needed to pay any principal, interest or other costs due in that fiscal year in connection with any bonds or other securities issued pursuant to section 52 of this act to finance or refinance the construction of the college football stadium project, including, without limitation, any reserve funds created to secure the payment of such bonds or other securities and any past due amounts from any prior fiscal year.

(b) To pay the costs of capital improvements to the college football stadium project and for the maintenance of the college football stadium capital projects fund created pursuant to subsection 3 of section 45 of this act in an amount determined by the Board of Directors.

Sec. 52. 1. The Board of Directors shall request that the Board of County Commissioners issue general obligations of the County pursuant to subsection 2 if the Board of Directors determines that:

(a) Within 24 months after the effective date of sections 39 to 52, inclusive, of this act, the University has secured a commitment of private money for the college football stadium project that, when combined with the revenue of the University projected to be generated from the college football stadium project, results in a commitment of at least $200,000,000 for the college football stadium project;

(b) The proceeds of the tax imposed pursuant to subsection 1 of section 50 of this act that will be pledged to the payment of the general obligations will generate sufficient revenue to meet or exceed the debt service coverage ratio of 1.5 times the anticipated annual debt service for each year of the term of the obligations;

(c) The contract for the construction of the college football stadium project is a guaranteed maximum price contract with a contingency amount of 10 percent of the estimated hard costs of the college football stadium project or such lesser percentage as is determined to be adequate by the Board of Directors but not less than 5 percent of the estimated hard costs of the project;

(d) The prime contractor for the construction of the college football stadium project has provided adequate security to guarantee timely performance of the construction of the project and liquidated damages related thereto; and

(e) The University has provided a financing commitment that the Board of Directors finds is sufficient to pay $200,000,000 of the estimated cost of the college football stadium project and is secured by any combination of the following:

(1) An irrevocable deposit of cash into an escrow account in a commercial bank with trust powers which cannot be used for any purpose other than payment of the costs of the college football stadium project until those costs have been paid in full.

(2) Closed construction debt financing which irrevocably and unconditionally allows draws for the costs of construction of the college football stadium project and no other purpose until those costs have been paid in full.

(3) Irrevocable letters of credit, surety bonds or commitments to fund costs of construction of the college football stadium project, which irrevocably and unconditionally allows draws for the costs of construction of the college football stadium project and no other purpose until those costs have been paid in full.

➥ The obligor on any security for payment of the costs of construction described in subparagraph (2) or (3) must be rated "A" or better by Standard and Poor's Rating Services or "A2" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors.

2. Except as otherwise provided in subsection 3, upon the request of the Board of Directors pursuant to subsection 1, the Board of County Commissioners shall issue general obligations of the County in an amount not to exceed $300,000,000. After payment of the costs of issuing the bonds and making provisions for any required reserves, the proceeds of any bonds issued pursuant to this subsection must be allocated to the Campus Improvement Authority to be used for the college football stadium project.

3. The Board of County Commissioners shall not issue general obligation bonds pursuant to subsection 2 unless it finds that the requirements of subsection 1 have been satisfied.

4. The securities required to be issued pursuant to this section must be issued pursuant to the Local Government Securities Law, and any bonds issued pursuant to this section may be refunded by the County as provided in the Local Government Securities Law.

5. If the Board of County Commissioners issues general obligations of the County pursuant to subsection 2 after the Board of Directors has made the determination set forth in paragraph (b) of subsection 1:

(a) The bonds may be issued without complying with the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020, pursuant to an ordinance of the Board of County Commissioners as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under the laws of this State.

(b) The bonds are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of general obligation indebtedness for the purposes set forth in sections 39 to 52, inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) The bonds must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 had been made by the Board of County Commissioners and approved by the debt management commission of the County under subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

6. Any determination or finding by the Board of Directors or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

Sec. 53. 1. There is hereby created in the County the Oversight Panel for Convention Facilities. The Oversight Panel must be comprised of seven members nominated pursuant to subsection 2 and appointed by the Governor pursuant to subsection 3.

2. The Board of County Commissioners, the city council or other governing body of each incorporated city in the County, the Majority Leader of the Senate, the Speaker of the Assembly and the Nevada Resort Association shall each nominate persons who reside in the County to be a member of the Oversight Panel and submit those nominees to the Governor.

3. From the nominees submitted to the Governor pursuant to subsection 2, the Governor shall appoint the seven members of the Oversight Panel as follows:

(a) Five members who are executives or directors of construction for a resort hotel in the County and who have experience in managing the design, engineering, cost-estimating and construction of commercial conference or convention facilities; and

(b) Two members who have experience in the financing of capital projects in this State.

4. Each member of the Oversight Panel must be a resident of the County, and no two members of the Oversight Panel may be representatives of the same company or its affiliate.

5. The initial term for members appointed to the Oversight Panel pursuant to paragraph (a) of subsection 3 commences upon appointment and expires on June 30, 2018, and the initial term for members appointed to the Oversight Panel pursuant to paragraph (b) of subsection 3 commences upon appointment and expires on June 30, 2019. After the initial terms, the term of each member of the Oversight Panel is 2 years. Members of the Oversight Panel may be reappointed.

6. The Governor shall appoint the Chair and Vice Chair of the Oversight Panel.

7. The Oversight Panel shall meet at the call of the Chair as frequently as necessary to perform its duties. Upon request of the Legislature, the Governor or the Board of Directors of the Convention Authority, the Chair shall call a meeting of the Oversight Panel.

8. Except as otherwise provided in this act, the Oversight Panel and its officers and employees are subject to, must comply with and are entitled to all rights, privileges and immunities recognized by the laws of this State applicable to political subdivisions and their officers and employees, including, without limitation, NRS 41.0305 to 41.039, inclusive, and chapters 239, 241, 281 and 281A of NRS, but if there is a conflict between other laws of this State and the specific provisions of this act, the specific provisions of this act control.

9. The Oversight Panel shall dissolve itself not later than the earlier of:

(a) Ten years after the effective date of this section; or

(b) The date on which the Oversight Panel determines that the project described in paragraph (a) of subsection 3 of section 59 of this act is completed.

Sec. 54. The Convention Authority shall:

1. Provide administrative support to the Oversight Panel to ensure its ability to fulfill the duties and responsibilities set forth in section 55 of this act.

2. Provide to the Oversight Panel all information requested by the Oversight Panel.

3. On or before June 30 of each fiscal year ending in an even-numbered year, prepare a 3-year plan for the renovation and expansion of the convention facilities of the Convention Authority and a 5-year plan for the construction of such convention facilities, which are being financed by the revenue described in section 56 of this act and the proceeds of the taxes imposed pursuant to sections 57 and 58

of this act, and submit such plans to the Oversight Panel for its review and recommendations.

4. Provide to the Oversight Panel an annual progress report on the project described in paragraph (a) of subsection 3 of section 59 of this act after such a report has been accepted by the Board of Directors of the Convention Authority.

5. Request the approval of the Oversight Panel of the plan for the project described in paragraph (a) of subsection 3 of section 59 of this act.

6. Request the approval of the Oversight Panel for the issuance of such bonds.

7. On or before August 31 of each fiscal year, submit to the Oversight Panel for review an annual third-party audit of the use of the revenues described in section 56 of this act and the proceeds of the taxes imposed pursuant to sections 57 and 58 of this act.

Sec. 55. 1. Not later than 30 days after the Convention Authority requests approval of a plan for the project described in paragraph (a) of subsection 3 of section 59 of this act and the issuance of bonds for the project, the Oversight Panel shall review and approve or disapprove the plan.

2. Not later than 30 days after the Convention Authority requests, pursuant to subsection 6 of section 54 of this act, the approval of the Oversight Panel for the issuance of bonds to defray in whole or in part the cost of the project described in paragraph (a) of subsection 3 of section 59 of this act, the Oversight Panel shall review and approve or disapprove the issuance of such bonds.

3. If the Oversight Panel disapproves a request submitted pursuant to subsection 1 or 2, the Board of Directors of the Convention Authority may override that decision and proceed with the plan or issuance of bonds by an affirmative vote of two-thirds of the voting members of the Board. If the Board does not override the decision of the Oversight Panel pursuant to this subsection, the Convention Authority must revise its request and resubmit the request to the Oversight Panel.

Sec. 56. 1. Pursuant to subsection 2 of NRS 244A.645, the city council or other governing body of each incorporated city in the County and the Board of County Commissioners shall enter into an agreement with the Convention Authority which provides for the payment of a collection fee to each city and the County each fiscal year and which must be consistent with any existing agreement among the cities and the County. The agreement must provide for a collection fee in an amount not to exceed the lesser of:

(a) Ten percent of the gross revenues of the license taxes which are assigned or appropriated for use in connection with NRS 244A.597 to 244A.655, inclusive, and collected by each city and the County; or

(b) A total of $25,000,000.

2. Any collection fee which exceeds the amount set forth in subsection 1 and which would have been paid to the collecting entity:

(a) Must be pledged to the payment of principal and interest on the general obligation bonds or revenue bonds issued pursuant to section 61 of this act to defray the cost of project described in paragraph (a) of subsection 3 of section 59 of this act;

(b) Must be accounted for separately and used only for the purposes described in paragraph (a) of subsection 3 of section 59 of this act; and

(c) Must not be used for any purpose set forth in section 60 of this act.

Sec. 57. 1. In addition to all other taxes imposed on the revenue from the rental of transient lodging ~~[,]~~ **and notwithstanding any other law,** the Board of County Commissioners shall impose a tax of one-half of one percent of the gross receipts from the rental of transient lodging in the County upon all persons in the business of providing lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and all the matters required by NRS 244.3352

for the tax imposed pursuant to that section. The tax must first be imposed 90 days after the effective date of this section.

2. Except as otherwise provided in this subsection, the tax imposed pursuant to subsection 1 must be collected with and administered in the same manner as any other tax imposed by the County on the gross receipts from the rental of transient lodging. The tax is not subject to the collection fee set forth in subsection 2 of NRS 244A.645.

3. **The tax imposed pursuant to subsection 1 must be imposed for a period that ends on the earlier of:**

(a) The date on which the notes, bonds or other securities issued pursuant to section 61 of this act are fully repaid; or

(b) The date which is 33 years after the date on which this section becomes effective.

4. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of any ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of the Board of County Commissioners to implement or carry out of the provisions of this section.

~~[4.]~~ **5.** As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

Sec. 58. 1. In addition to all other taxes imposed on the revenue from the rental of transient lodging ~~[,]~~ **and notwithstanding any other law,** the city council or other governing body of each incorporated city in the County shall impose a tax of one-half of one percent of the gross receipts from the rental of transient lodging in the city upon all persons in the business of providing lodging. The ordinance imposing the tax must include a schedule for the payment of the tax and all the matters required by NRS 268.096 for the tax imposed pursuant to that section. The tax must first be imposed 90 days after the effective date of this section.

2. Except as otherwise provided in this subsection, the tax imposed pursuant to subsection 1 must be collected with and administered in the same manner as any other tax imposed by the incorporated city on the gross receipts from the rental of transient lodging. The tax is not subject to the collection fee set forth in subsection 2 of NRS 244A.645.

3. **The tax imposed pursuant to subsection 1 must be imposed for a period that ends on the earlier of:**

(a) The date on which the notes, bonds or other securities issued pursuant to section 61 of this act are fully repaid; or

(b) The date which is 33 years after the date on which this section becomes effective.

4. The provisions of NRS 237.030 to 237.150, inclusive, do not apply to the adoption of any ordinance enacted pursuant to this section, or any amendment thereof, or to any other action of a city council or other governing body of an incorporated city to implement or carry out of the provisions of this section.

~~[4.]~~ **5.** As used in this section, "gross receipts from the rental of transient lodging" does not include the tax imposed and collected from paying guests pursuant to this section.

Sec. 59. The proceeds of the taxes imposed pursuant to sections 57 and 58 of this act must be:

1. Distributed to the Convention Authority;

2. Pledged to the payment of general obligation bonds or revenue bonds issued pursuant to section 61 of this act to defray the cost of the project described in paragraph (a) of subsection 3; and

3. Accounted for separately and used only to pay:

(a) The costs of a project to expand the Las Vegas Convention Center with the addition of not less than 600,000 square feet of leasable exhibition space, plus associated support space, and to further expand, construct, improve, maintain and renovate the facilities of the Convention Authority; and

(b) The principal and interest on notes, bonds or other securities issued pursuant to section 61 of this act to defray the cost of the project described in paragraph (a).

Sec. 60. The proceeds of the taxes imposed pursuant to sections 57 and 58 of this act may not be used:

1. As additional security for the payment of, or to redeem, any general obligations bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive, before the effective date of sections 53 to ~~[61.5,]~~ **61.7,** inclusive, of this act;

2. To defray the costs of collecting or administering the tax incurred by the Convention Authority;

3. To pay the costs of operating the Convention Authority or any facilities of the Authority;

4. To pay the costs of any general repair and maintenance on recreational facilities that would otherwise be paid from the general fund of the Convention Authority;

5. To improve and expand recreational facilities other than those authorized by paragraph (a) of subsection 3 of section 59 of this act;

6. To construct, purchase or acquire recreational facilities other than those authorized in paragraph (a) of subsection 3 of section 59 of this act; or

7. For any other purpose inconsistent with the provisions of section 59 of this act.

Sec. 61. 1. In addition to the purposes set forth in subsection 1 of NRS 244A.637, to pay the cost to expand, construct, improve, maintain and renovate the Las Vegas Convention Center and other facilities of the Convention Authority, or for any combination thereof, the Convention Authority, at any time or from time to time may, in the name of and on behalf of the County, issue general obligations bonds or revenue bonds as described in paragraphs (a) and (b) of subsection 1 of NRS 244A.637.

2. If the Convention Authority, in the name of and on behalf of the County, issues general obligations after the Board of Directors of the Convention Authority has determined that the proceeds of the taxes imposed pursuant to sections 57 and 58 of this act that will be pledged to the payment of the general obligations will generate sufficient revenue to meet or exceed a debt service coverage ratio of 1.5 times the anticipated annual debt service for each of the terms of the obligations, the general obligations:

(a) Must be issued pursuant to an ordinance of the Board of County Commissioners as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the general obligations under the laws of this State. The issuance of the general obligations is not subject to the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020.

(b) Are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of general obligation indebtedness for the purposes set forth in sections 53 to ~~[61.5,]~~ **61.7,** inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) Must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 has been made by the Board of County

Commissioners and approved by the debt management commission of the County pursuant to subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

3. Any determination or finding by the Board of Directors of the Convention Authority or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

Sec. 61.5. 1. Except as otherwise provided in subsection 8, any contract or other agreement entered into by ~~[a general contractor selected by the Convention Authority or by]~~ any prime contractor, construction manager or project manager selected by the Convention Authority for the project described in paragraph (a) of subsection 3 of section 59 of this act must include a provision requiring ~~[the general contractor to subcontract]~~ **that** at least 15 percent of the project **must be subcontracted** to small local businesses.

2. A business shall be deemed to be a small local business for the purposes of this section if:

(a) The business is financially and operationally independent from any other business;

(b) The business is not temporary and has operated for at least 4 years before entering into the contract or agreement;

(c) The business maintains its principal place of business in a fixed location within this State;

(d) The business has obtained all necessary licenses and registrations within the State of Nevada; and

(e) The ~~[gross earnings]~~ **annual revenues** of the business for each of the immediately preceding 3 fiscal years has not exceeded:

(1) For public works projects, $20,000,000;

(2) For any other construction projects, $10,000,000;

(3) For any goods, materials, equipment and general services contracts, $10,000,000;

(4) For professional services including, without limitation, architectural and engineering services, $2,500,000; and

(5) For trucking services, $3,500,000.

3. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall allow ~~[such a]~~ **the** small local business to be covered by any bond or insurance of the ~~[general]~~ contractor and may require the subcontractor to pay a proportionate share of the cost for such coverage by the bond or insurance.

4. A small local business to which work is subcontracted by a ~~[general]~~ contractor pursuant to **a contract or other agreement described in** subsection 1 must ensure that its employees are hired in a manner that does not discriminate against any person on any basis prohibited by law. Such a contractor that subcontracts such work shall not impose any requirements on the small local business relating to the employees selected by the small local business to perform the subcontracted work.

5. A ~~[general]~~ contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall provide a mentorship program to assist the small local business to develop skills necessary to carry out the work that is subcontracted.

6. A ~~[general]~~ **prime contractor, construction manager or project manager and each** contractor that subcontracts work to a small local business pursuant to **a contract or other agreement described in** subsection 1 shall submit information to the Oversight Panel verifying that the ~~[general]~~ **prime contractor, construction manager, project manager or** contractor has complied with the provisions of this section, and shall maintain all records, including, without

limitation, any information required by the Oversight Panel, to ensure compliance with this section for not less than 5 years after the expiration of the subcontract. Such records must be made available for inspection to the Oversight Panel upon request.

7. Unless the requirements of subsection 1 are waived by the Convention Authority pursuant to subsection 8, the failure of a ~~[general]~~ **prime** contractor **, construction manager or project manager** to ~~[subcontract the amount of work required pursuant to]~~ **comply with the requirements of** subsection 1 shall be deemed a material breach of contract.

8. The Convention Authority may waive the requirements of subsection 1 if a ~~[general]~~ **prime** contractor **, construction manager or project manager** presents proof satisfactory to the Convention Authority that there is an insufficient number of small local businesses available and qualified to subcontract for the work to be performed. **Such proof must include, without limitation, evidence that:**

(a) Reasonable efforts were made to notify small local businesses of the availability of work to be performed under a contract or other agreement described in subsection 1, which must include evidence of public advertisement calling for bids for a period of not less than 20 days before the date on which such bids must be submitted; and

(b) In considering the availability and qualifications of a small local business to perform work under a contract or other agreement described in subsection 1, a contractor reasonably considered the work experience, safety history and financial stability of the small local business.

Sec. 61.7. **1. On the earlier of the date that is 4 years before the date on which the notes, bonds or other securities issued pursuant to section 61 of this act will be fully repaid or the date that is 30 years after the passage and approval of this act, the Governor shall create and appoint the members of an advisory committee to study whether it is necessary, appropriate or desirable for the promotion of tourism or for the construction, renovation or operation of tourism facilities in the County that the taxes imposed pursuant to sections 57 and 58 of this act be imposed after the dates described in subsection 3 of section 57 of this act and subsection 3 of section 58 of this act, respectively.**

2. The advisory committee created by the Governor pursuant to subsection 1 shall report its findings and recommendations to the next regular session of the Legislature that commences at least 18 months after the date on which the advisory committee is created.

Sec. 62. 1. This section and sections 1 to 38, inclusive, and 53 to ~~[61.5,]~~ **61.7,** inclusive, of this act become effective upon passage and approval.

2. Sections 21 to 37, inclusive, of this act expire by limitation on the date on which the tax imposed pursuant to subsection 1 of section 50 of this act is first imposed, as specified in the ordinance adopted by the Board of County Commissioners of Clark County pursuant to section 50 of this act.

3. Sections 39 to 52, inclusive, of this act ~~[become]~~ **:**

(a) Become effective on the date on which the President of the University of Nevada, Las Vegas, provides notice to the Governor, the Director of the Legislative Counsel Bureau and the Board of County Commissioners of Clark County pursuant to subsection 1 of section 38 of this act that he or she intends to undertake a college football stadium project, as defined in section 8 of this act, only if the President of the University provides such notice within 90 calendar days after receipt of notice of the vote of the Board of Directors of the Stadium Authority created by section 21 of this act to dissolve the Stadium Authority and wind down its affairs pursuant to subsection 2 of section 37 of this act.

(b) Expire by limitation on the date on which the County Treasurer of Clark County certifies to the Board of County Commissioners of Clark County that the President of the University of Nevada, Las Vegas, has not secured the commitment of money for the college football stadium project described in subsection 4 of section 38 of this act within the 24-month period prescribed by that subsection.

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JOINT STANDING RULES OF THE SENATE AND ASSEMBLY

OF THE

THIRTIETH SPECIAL SESSION

OF THE

LEGISLATURE OF THE STATE OF NEVADA

2016

JOINT STANDING RULES OF THE SENATE AND ASSEMBLY

APPLICABILITY OF JOINT RULES

Rule No. 1. Generally.

The Joint Rules for the 30th Special Session of the Legislature are applicable only during the 30th Special Session of the Legislature.

[Statutes of Nevada 2016, 30th Special Session, 77]

CONFERENCE COMMITTEES

Rule No. 2. Procedure Concerning.

1. In every case of an amendment of a bill, or joint or concurrent resolution, agreed to in one House, dissented from in the other, and not receded from by the one making the amendment, each House shall appoint a committee to confer with a like committee to be appointed by the other; and the committee so appointed shall meet publicly at a convenient hour to be agreed upon by their respective chairs and announced publicly, and shall confer upon the differences between the two Houses as indicated by the amendments made in one and rejected in the other and report as early as convenient the result of their conference to their respective Houses.

2. The report shall be made available to all members of both Houses. The whole subject matter embraced in the bill or resolution shall be considered by the committee, and it may recommend recession by either House, new amendments, new bills or resolutions, or other changes as it sees fit. New bills or resolutions so reported shall be treated as amendments unless the bills or resolutions are composed entirely of original matter, in which case they shall receive the treatment required in the respective Houses for original bills, or resolutions, as the case may be. A conference committee shall not recommend any action which would cause the creation of more than one reprint or more than one bill or resolution.

3. The report of a conference committee may be adopted by acclamation. The report is not subject to amendment.

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

[Statutes of Nevada 2016, 30th Special Session, 77]

MESSAGES

Rule No. 3. Procedure Concerning.

1. Proclamations by the Governor convening the Legislature in special session must be filed and entered in the Journal of proceedings.

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

3. Messages from the Senate to the Assembly shall be delivered by the Secretary of the Senate or a person designated by the Secretary and messages from the Assembly to the Senate shall be delivered by the Chief Clerk of the Assembly or a person designated by the Chief Clerk.

[Statutes of Nevada 2016, 30th Special Session, 78]

NOTICE OF FINAL ACTION

Rule No. 4. Communications.

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

[Statutes of Nevada 2016, 30th Special Session, 78]

BILLS AND JOINT RESOLUTIONS

Rule No. 5. Signature.

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

[Statutes of Nevada 2016, 30th Special Session, 78]

Rule No. 6. Joint Sponsorship.

1. A bill or resolution introduced by a committee of the Senate or Assembly may, at the direction of the chair of the committee, set forth the name of a committee of the other House as a joint sponsor, if a majority of all members appointed to the committee of the other House votes in favor of becoming a joint sponsor of the bill or resolution. The name of the committee

joint sponsor must be set forth on the face of the bill or resolution immediately below the date on which the bill or resolution is introduced.

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

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

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

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

[Statutes of Nevada 2016, 30th Special Session, 78]

PUBLICATIONS

Rule No. 7. Ordering and Distribution.

1. The bills, resolutions, journals and histories will be provided electronically to the officers and members of the Senate and Assembly, the staff of the Legislative Counsel Bureau, the press and the general public on the Nevada Legislature's Internet website.

2. Each House may order the printing of bills introduced, reports of its own committees, and other matters pertaining to that House only; but no other printing may be ordered except by a concurrent resolution passed by both Houses. Each Senator is entitled to the free distribution of four copies of each bill introduced in each House, and each Assemblyman to such a distribution of two copies. Additional copies of such bills may be distributed at a charge to the person to whom they are addressed. The amount charged for distribution

of the additional copies must be determined by the Director of the Legislative Counsel Bureau to approximate the cost of handling and postage for the entire session.

[Statutes of Nevada 2016, 30th Special Session, 79]

RESOLUTIONS

Rule No. 8. Types, Usage and Approval.

1. A joint resolution must be used to:

(a) Propose an amendment to the Nevada Constitution.

(b) Ratify a proposed amendment to the United States Constitution.

(c) Address the President of the United States, Congress, either House or any committee or member of Congress, any department or agency of the Federal Government, or any other state of the Union.

2. A concurrent resolution must be used to:

(a) Amend these Joint Standing Rules which requires a majority vote of each House for adoption.

(b) Request the return from the Governor of an enrolled bill for further consideration.

(c) Request the return from the Secretary of State of an enrolled joint or concurrent resolution for further consideration.

(d) Resolve that the return of a bill from one House to the other House is necessary and appropriate.

(e) Express facts, principles, opinions and purposes of the Senate and Assembly.

(f) Establish a joint committee of the two Houses.

(g) Direct the Legislative Commission to conduct an interim study.

3. A concurrent resolution or a resolution of one House may be used to memorialize a former member of the Legislature or other notable or distinguished person upon his or her death.

4. A resolution of one House may be used to request the return from the Secretary of State of an enrolled resolution of the same House for further consideration.

5. A resolution of one House may be used for any additional purpose determined appropriate by the Majority Leader of the Senate or the Speaker of the Assembly, respectively.

[Statutes of Nevada 2016, 30th Special Session, 79]

AMENDMENTS

Rule No. 9. Germaneness Required.

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

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

3. This Rule must be narrowly construed.

[Statutes of Nevada 2016, 30th Special Session, 80]

ADJOURNMENT

Rule No. 10. Limitations and Calculation of Duration.

1. In calculating the permissible duration of an adjournment for 3 days or less, Sunday must not be counted.

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

[Statutes of Nevada 2016, 30th Special Session, 80]

EXPENDITURES FROM THE LEGISLATIVE FUND

Rule No. 11. Manner of Authorization.

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

[Statutes of Nevada 2016, 30th Special Session, 81]

RECORDS OF COMMITTEE PROCEEDINGS

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

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

2. The secretary of a committee shall:

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

(b) Keep the records in chronological order; and

(c) Deposit the records upon their completion with the Director of the Legislative Counsel Bureau.

3. The Director of the Legislative Counsel Bureau shall:

(a) Make the records available for accessing by any person during office hours under such reasonable conditions as the Director may deem necessary; and

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

[Statutes of Nevada 2016, 30th Special Session, 81]

Rule No. 13. Reserved.

ANTI-HARASSMENT POLICY

Rule No. 14. Maintenance of Working Environment; Procedure for Filing, Investigating and Taking Remedial Action on Complaints.

1. The Legislature hereby declares that it is the policy of the Legislature to prohibit any conduct, whether intentional or unintentional, which results in sexual harassment or other unlawful harassment based upon any other protected category. The Legislature intends to maintain a working environment which is free from sexual harassment and other unlawful harassment. Each Legislator is responsible to conduct himself or herself in a manner which will ensure that others are able to work in such an environment.

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

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

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

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

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

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

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

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

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

4. Retaliation against a person for engaging in protected activity is prohibited. Retaliation occurs when an adverse action is taken against a person which is reasonably likely to deter the person from engaging in the protected activity. Protected activity includes, without limitation:

(a) Opposing conduct that the person reasonably believes constitutes sexual harassment or other unlawful harassment;

(b) Filing a complaint about the conduct; or

(c) Testifying, assisting or participating in any manner in an investigation or other proceeding related to a complaint of sexual harassment or other unlawful harassment.

5. A Legislator who encounters conduct that the Legislator believes is sexual harassment, other unlawful harassment, retaliation or otherwise inconsistent with this policy may file a written complaint with:

(a) The Speaker of the Assembly;

(b) The Majority Leader of the Senate; or

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

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

6. The Speaker of the Assembly, the Majority Leader of the Senate or the Director of the Legislative Counsel Bureau, as appropriate, shall cause a discreet and impartial investigation to be conducted and may, when deemed necessary and appropriate, assign the complaint to a committee consisting of Legislators of the appropriate House.

7. If the investigation reveals that sexual harassment, other unlawful harassment, retaliation or other conduct in violation of this policy has occurred, appropriate disciplinary or remedial action, or both will be taken. The appropriate persons will be informed when any such action is taken. The Legislature will also take any action necessary to deter any future harassment.

8. The Legislature encourages a Legislator to report any incident of sexual harassment, other unlawful harassment, retaliation or other conduct

inconsistent with this policy immediately so that the complaint can be quickly and fairly resolved.

9. All Legislators are responsible for adhering to the provisions of this policy. The prohibitions against engaging in sexual harassment and other unlawful harassment which are set forth in this Rule apply to employees, Legislators, lobbyists, vendors, contractors, customers and any other visitors to the Legislature.

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

[Statutes of Nevada 2016, 30th Special Session, 81]

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30TH SPECIAL SESSION, 2016

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C E R T I F I C A T E

STATE OF NEVADA }
ASSEMBLY CHAMBER } ss.

This is to certify that the foregoing Journal of the Assembly, published in this volume, is a true, full, and correct copy of the original Journal of the Assembly of the Thirtieth Special Session of the Legislature of the State of Nevada, held in 2016.

Speaker of the Assembly

Chief Clerk of the Assembly