

**THE ONE HUNDRED AND SEVENTEENTH DAY**

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CARSON CITY (Friday), June 3, 2005

Senate called to order at 11:21 a.m.

President Hunt presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Elaine Morgan.

Loving Father, we thank You for being with us today as You have been with us each day that the Nevada State Legislature has met. We appreciate that You have provided our State with 21 dedicated Senators and a hard working, loyal group of people at the Front Desk. We pray that You will continue to guide and help this leadership group to fulfill the needs of the citizens of our State.

AMEN.

Pledge of allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.

Motion carried.

**REPORTS OF COMMITTEES**

*Madam President:*

Your Committee on Finance, to which were referred Assembly Bills Nos. 98, 109, 249, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Finance, to which were rereferred Senate Bills Nos. 274, 400, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM J. RAGGIO, *Chair*

**MESSAGES FROM THE ASSEMBLY**

ASSEMBLY CHAMBER, Carson City, June 2, 2005

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 534, 562, 570, 571; Senate Bill No. 512.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 47, 77, 460, 464, 499, 500, 568.

Also, I have the honor to inform your honorable body that the Assembly amended, and on this day passed, as amended, Senate Bill No. 118, Amendment No. 793, and respectfully requests your honorable body to concur in said amendment.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 842 to Assembly Bill No. 31; Senate Amendment No. 806 to Assembly Bill No. 128; Senate Amendment No. 844 to Assembly Bill No. 188; Senate Amendment No. 839 to Assembly Bill No. 201; Senate Amendment No. 960 to Assembly Bill No. 250; Senate Amendments Nos. 843, 1050 to Assembly Bill No. 334; Senate Amendment No. 871 to Assembly Bill No. 345; Senate Amendment No. 764 to Assembly Bill No. 346; Senate Amendment No. 840 to Assembly Bill No. 371; Senate Amendments Nos. 726, 957, 1100 to Assembly Bill No. 418; Senate Amendments Nos. 896, 1069 to Assembly Bill No. 425; Senate Amendment No. 870 to Assembly Bill No. 496; Senate Amendment No. 1056 to Assembly Bill No. 526.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in the Senate Amendment No. 1084 to Assembly Bill No. 39.

Also, I have the honor to inform your honorable body that the Assembly on this day receded from its action on Senate Bills Nos. 70, 396.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 20, Assembly Amendments Nos. 903, 1093, and requests a conference, and appointed Assemblymen Atkinson, Kirkpatrick and Sibley as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 29, Assembly Amendment No. 834, and requests a conference, and appointed Assemblymen McClain, Buckley and Allen as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 62, Assembly Amendments Nos. 892, 1079, and requests a conference, and appointed Assemblymen Pierce, Parnell and Goicoechea as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 80, Assembly Amendment No. 722, and requests a conference, and appointed Assemblymen Conklin, Parks and Seale as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 163, Assembly Amendment No. 972, and requests a conference, and appointed Assemblymen Giunchigliani, Anderson and Hettrick as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 174, Assembly Amendment No. 751, and requests a conference, and appointed Assemblymen Parks, Conklin and Sibley as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 224, Assembly Amendment No. 1102, and requests a conference, and appointed Assemblymen Giunchigliani, Denis and Sibley as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 302, Assembly Amendment No. 905, and requests a conference, and appointed Assemblymen Smith, Anderson and Gansert as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 325, Assembly Amendments Nos. 884, 1032, and requests a conference, and appointed Assemblymen Horne, Allen and Manendo as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 333, Assembly Amendment No. 1043, and requests a conference, and appointed Assemblymen Conklin, Giunchigliani and Allen as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 335, Assembly Amendment No. 959, and requests a conference, and appointed Assemblymen Conklin, Pierce and Gansert as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 386, Assembly Amendments Nos. 931, 1002, and requests a conference, and appointed Assemblymen Horne, Denis and Sibley as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 394, Assembly Amendment No. 1077, and requests a conference, and appointed Assemblymen Kirkpatrick, Giunchigliani and Sibley as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 426, Assembly Amendment No. 889, and requests a conference, and appointed Assemblymen Giunchigliani, Kirkpatrick and Hardy as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 434, Assembly Amendment No. 1086, and requests a conference, and appointed Assemblymen Conklin, Parks and Sherer as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 453, Assembly Amendment No. 881, and requests a conference, and appointed Assemblymen Buckley, Carpenter and Anderson as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 457, Assembly Amendments Nos. 1087, 1108, and requests a conference, and appointed Assemblymen Ocegueda, Conklin and Allen as a first Conference Committee to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Leslie, Horne and Weber as a first Conference Committee concerning Assembly Bill No. 42.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen McClain, Koivisto and Hardy as a first Conference Committee concerning Assembly Bill No. 43.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen McCleary, Conklin and Hardy as a first Conference Committee concerning Assembly Bill No. 44.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Ocegueda, Atkinson and Carpenter as a first Conference Committee concerning Assembly Bill No. 52.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Conklin, Leslie and Gansert as a first Conference Committee concerning Assembly Bill No. 63.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Conklin, Carpenter and Horne as a first Conference Committee concerning Assembly Bill No. 143.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Ocegueda, Allen and Gerhardt as a first Conference Committee concerning Assembly Bill No. 221.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Anderson, Allen and Ohrenschall as a first Conference Committee concerning Assembly Bill No. 267.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Leslie, Horne and Mabey as a first Conference Committee concerning Assembly Bill No. 327.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Pierce, Horne and Weber as a first Conference Committee concerning Assembly Bill No. 337.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Ohrenschall, Allen and Gerhardt as a first Conference Committee concerning Assembly Bill No. 365.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Buckley, McClain and Sherer as a first Conference Committee concerning Assembly Bill No. 437.

Also, I have the honor to inform your honorable body that the Assembly on this day appointed Assemblymen Anderson, Conklin and Gansert as a first Conference Committee concerning Assembly Bill No. 501.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted the reports of the first Conference Committees concerning Assembly Bills Nos. 365, 465.

DIANE KEETCH

*Assistant Chief Clerk of the Assembly*

MOTIONS, RESOLUTIONS AND NOTICES

Senator Raggio moved that the action whereby Assembly Amendment No. 1097 to Senate Bill No. 328 was not concurred in be rescinded.

Remarks by Senator Raggio.

Motion carried.

Senator Raggio moved that for the remainder of the legislative session, that all necessary rules be suspended, and that all bills and joint resolutions returned from reprint be declared emergency measures under the Constitution and immediately placed on third reading and final passage, time permitting.

Remarks by Senator Raggio.

Senator Raggio requested that his remarks be entered in the Journal.

This eliminates the one-day notice for review of bills and resolutions that have been amended in order to expedite the legislative process. Amendment and final passage of these measures will now be the same day.

Motion carried.

Senator Raggio moved that for the remainder of the legislative session, all concurrent resolutions returned from reprint be immediately placed on the Resolution File on the next agenda, time permitting.

Remarks by Senator Raggio.

Senator Raggio requested that his remarks be entered in the Journal.

This, too, will eliminate the one-day notice for review of resolutions that have been amended in order to expedite the legislative process. Amendment and final adoption of these measures will now be the same day.

Motion carried.

Senator Raggio moved that for the remainder of the legislative session, Senate Standing Rule No. 92 be suspended which pertains to committee meetings notice of bills, topics and public hearings.

Remarks by Senator Raggio.

Motion carried.

Senator Raggio moved that for the remainder of the legislative session, all bills and resolutions having been passed or adopted be immediately transmitted to the Assembly, time permitting.

Remarks by Senator Raggio.

Senator Raggio requested that his remarks be entered in the Journal.

Transmitting Senate measures will provide the Assembly an opportunity to process these measures. Transmitting Assembly legislation, with amendments, will expedite the process so that the Assembly can review the amendments and concur or not. Not concurring will create potential conference committees. Other Assembly measures passed may be enrolled and delivered to the Governor for signature.

Motion carried.

Senator Townsend moved that the action whereby Senator Heck was appointed to the first Conference Committee concerning Assembly Bill No. 87 be rescinded and that Senator Hardy be appointed to the committee.

Remarks by Senator Townsend.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 47.

Senator Nolan moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 77.

Senator Nolan moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 460.

Senator Nolan moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 464.

Senator Nolan moved that the bill be referred to the Committee on Taxation.

Motion carried.

Assembly Bill No. 499.

Senator Nolan moved that the bill be referred to the Committee on Legislative Affairs and Operations.

Motion carried.

Assembly Bill No. 500.

Senator Nolan moved that the bill be referred to the Committee on Legislative Affairs and Operations.

Motion carried.

Assembly Bill No. 534.

Senator Nolan moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 562.

Senator Nolan moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 568.

Senator Nolan moved that the bill be referred to the Committee on Legislative Affairs and Operations.

Motion carried.

Assembly Bill No. 570.

Senator Nolan moved that the bill be referred to the Committee on Taxation.

Motion carried.

Assembly Bill No. 571.

Senator Nolan moved that the bill be referred to the Committee on Finance.

Motion carried.

Senator Raggio moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 11:35 a.m.

#### SENATE IN SESSION

At 11:42 a.m.

President Hunt presiding.

Quorum present.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 519.

Bill read third time.

Remarks by Senators Care, Titus, Coffin, Townsend and Beers.

Senator Coffin requested that the following remarks be entered in the Journal.

#### SENATOR CARE:

Thank you, Madam President. There are two issues to discuss. The first is whether there should be a rebate, and the second is the wisdom of a rebate.

Two years ago, we said we needed \$836 million in additional revenue from the taxes we created, and the taxes were increased over the next two years. At the time, I thought that if that was the way it had to be, then anything above that ought to be refunded if there was a surplus two years later. Now, we have the surplus.

This is a representative government, and it is clear from the sentiment of the people that they expect a rebate. That was not the case with the sales tax. That passed 52-48 in my district. It is clear that people expect the rebate. Therefore, we ought to give them one.

On that basis, I am going to support this bill in the hopes that it can be much improved when it gets to the Assembly. There is a lot I do not like about this bill. If a person has one car and it is a 1993 Buick, he is in for a shock because he is not going to get \$300. That figure has stuck in the imagination of the public. If someone owns a taxicab company or a limousine company, he is in for a bonanza. Someone may look at me and say, "If you do not like this plan, what is your plan," and I have to say, "I do not have one."

Two years ago, the President Pro Tempore and I were involved in several tax discussions. I do know what it is like to take the initiative, and for those of you who did, I applaud you. But, because I do not have a plan, I am going to support this one. As to the wisdom of the rebate, I

would like to point out that people say at the same time they want a rebate that they also want better public education. I know there are many people who believe that better education does not necessarily equate with more money, but the police in Clark County say they need more money to help fight the threat of a higher crime rate. I do think there is a correlation between more money and improved public education.

I hope that the people who find themselves in this body two years from now do not find themselves scrambling for funds and talking about increased taxes. We did taxes two years ago. A session like that is like Haley's Comet. It should come around only every 76 years. I have learned that no one is an expert on these projections. Some people are looking good now because they said two years ago that we did not need the extra money. The five faceless Alan Greenspans who make up the Economic Forum I do not think have a better handle on this subject than anyone else. Projections can err on the low side, and they can err on the high side. I hope that two years from now the projections are correct and that this looks like the smart thing to do. I will support the bill.

SENATOR TITUS:

I rise in support of a rebate. After a dip in revenue following September 11, Nevada's economy has rebounded beyond any predictions. As a result, we have a surplus which we can reinvest in Nevada—some for needed programs and infrastructure and some for returning to Nevada citizens.

I do not support the method of rebating the surplus outlined in this bill, however, because it benefits taxi companies and wealthy Hummer drivers at the expense of most average Nevadans. Under this bill, half of Nevadans who own cars will receive less than \$100; 70 percent will receive less than \$200. Only 20 percent will actually receive \$300.

I still believe a more equitable way to distribute rebate money is to use drivers' licenses and DMV identification cards to give more people a check. This method would make it possible to distribute \$150 to almost 2 million Nevadans.

If we want to help businesses, we could roll back the payroll tax a bit. I also believe we should set aside \$1 million or \$2 million in a special fund so those who do not otherwise qualify may submit a special application and receive a check.

Nonetheless, I support a rebate so I will reluctantly vote for this bill so the debate on this important issue can continue. I know the final version of this bill will be different. I hope the rebate will ultimately include some of the suggestions I have made here, today. Only in that way will the rebate be more fair, more equitable and mean more money for more people.

SENATOR COFFIN:

Thank you, can someone tell me who is going to receive a benefit on a leased vehicle?

SENATOR TOWNSEND:

I believe the proposal is to do this on vehicle registration. A person who leases a vehicle does not pay a sales tax until the vehicle is actually sold because it stays as a wholesale vehicle. When you register it as an individual or a company, you pay all the normal taxes at the time of registration. Therefore, the rebate would be assigned to that individual or entity who actually registered the vehicle.

SENATOR COFFIN:

Thank you, Madam President, for that clarification. I did not want to add leasing companies to the list of people who would be getting this rebate.

I am glad Senator Titus broke out the numbers in such a fashion that we can understand them. She talked about 20 percent of the money, which is the top group, and of that 20 percent, as mentioned before, there are the rental car companies with their thousands of vehicles and their limousines which will be in the \$300 category. There are trucking companies with all of their vehicles in the \$300 category. I do not have a problem with a person who owns a small company, whether it is a plumbing company or a pool repair company, for they have vehicles, and they can get the rebate. No one in business has asked me for this rebate. It has only been the voters who have been asking when they are going to get their \$300. I do not know how many

cars and trucks Boyd Casinos owns. They are my major client. I would suspect several hundred vehicles are owned by the company.

I do not recall that anyone from that company has asked me to vote for this. Sierra Pacific Power Company has hundreds of vehicles. The gas company in the South and the water company in southern Nevada are publicly owned, and their vehicles are exempt as are all other government vehicles. Limousine operators have a good deal here. They are going to be collecting a lot of checks for \$300. Think of all of the vehicles registered by Federal Express in Nevada. There must be hundreds, and United Parcel Service must have hundreds too. They will all get \$300. Start whittling away at that 20 percent and you begin to see how many citizens are going to get this rebate, and it is not very many.

I am not against business. I have a business. I will get \$140 back on my car, not that I need it. The garbage companies may or may not be publicly owned in Nevada. They can receive \$300 for each garbage truck because they are worth a lot of money. What does this all lead me to?

Is it the rock with the check attached to it that is going to come through my window? I am going to put up plywood. In my district, hardly anyone will get \$300. I have a middle and lower class district. The middle and lower classes will not benefit from this rebate.

The point we should make is that rhetoric got the best of us. This rebate was announced in January. There were two or three numbers everyone heard. They heard, \$300 million and one million drivers and that meant \$300. There was fine print, but we never saw the bill until this week. We never saw the distribution of how the money would be distributed until yesterday.

Those who were committed to a rebate at any price really did not know what they were talking about. Think about all of the projects we have seen or heard about. A lot of money was requested by the schools for one-time projects like school improvements or buses or for buildings in districts that are a little short of money, for Boys and Girls Clubs and for Opportunity Village. They have all been told "no" so they are here begging for crumbs. Members of this body are scraping the ground to try to pick up all of the crumbs so that they can gather them into a tiny pool of money set aside by the Governor for you. There was a \$606 million surplus, but \$300 million went here; \$100 million went there.

There were many special projects the Governor wanted in his budget. However, once that budget was drawn, we serfs here, the 63 of us, got to divide \$83 million up for the interests of our constituents who we hear from and the Governor does not.

Already, some money has been found. Buildings have been pledged. I do not know where the money came from. Are we supposed to stand here as representatives of the people and just take the leavings? Is that what we are supposed to do? Is that what we are supposed to give the constituents who we represent just the little crumbs after all of the special interests have had their way? I do not think so.

Yesterday, in the Committee on Finance when this bill came up for vote, I noted to the Committee that we had gone to a lot of work on capital improvements, mostly buildings and improvements to the State Rehabilitation. Most of that is going to be borrowed. There will be \$224 million worth of bonded construction. That means borrowing money when you have hundreds of millions of dollars. If you were a citizen with all of the money you needed, would you borrow to buy an object or would you pay cash and save the interest? If you are a saver or are sensible, you would pay cash. No, we are going to borrow and borrow and run our debt up. When I first came here, the property-tax portion of the State was two cents. Now it is 17 cents. There is no guarantee that it will not go any higher.

The people who testified before us yesterday said, "We think it will not change the property-tax distribution." I know Senator Raggio has been here long enough to remember when we paid cash for buildings. We set the money aside. That building was built. We did not borrow, and we had a good bond rating. I proposed in a motion to the committee that we take \$224 million and pay cash for all of those improvements and not borrow. We had testimony, yesterday, from the experts that if you borrow you can expect at least one dollar of interest for every dollar borrowed. We are going to spend \$224 million on some buildings, and we are borrowing it so that will cost us another \$300 million in interest for no particular reason, except that there is a hugely popular sum of money that has been granted from on high to the people. Only, the people are not going to get it. I offered that motion, and it failed to get a second. We will continue with this borrowing way and never reduce the debt. It sounds like what they do in



Congress. If we had done that and left the rest, \$75 million, we could have completed all of the things that needed to be done.

I think help for the troops called up to serve who have left their jobs and their families should have come out of this \$300 million. I have not had one constituent complain about this. I asked the Governor in a letter three weeks ago if he would consent to this expenditure for the families of our troops coming out of the rebate. He has not acknowledged my letter nor has he replied.

This tells me he is holding on to it. I do not think this is a profitable way to do business. Business wise with the interest payments, it is bad. People-wise, it stinks. I do not find any reason to vote for this bill. Yet, I would like to give something back to the people. We all would like to be Santa Claus in June. However, when next session comes around and we are short of money, what are we going to do? We should be putting a lot of this money into the Rainy Day Fund. We are only adding a little bit to it. That amount has already been taken out of the \$606 million surplus leaving us with this \$300 million in play money. I will not support it at all. I do not care what the political consequences may be. I have been warned if I am a "no" vote on this bill, it will come back from the other side, and the bill will be better, and then, I will have voted "no". I have more faith in the citizens of Nevada. They know a pig-in-a poke when they see it. I just do not want them to buy it.

SENATOR BEERS:

Thank you, Madam President. There seems to be some concern about giving back our money. I do not believe it is our money. It is our constituents' money. It belongs to them.

You can complain about giving back 100 percent of what the vast majority of our citizens paid to register their vehicles last year if you choose. I have a difficult time following that argument. If I were a follower of the diatribe we just received against capital borrowing, I would still be living in an apartment. I do not buy that argument.

Our first speaker said he did not have a plan so he is reluctantly supporting this. I do have an alternate plan, and I am enthusiastically supporting this plan. Most states have an income tax. That gives them a measurable way of returning money to citizens in accordance to how much citizens pay into government. It does not take into consideration differences in sales tax payments. It does not take into consideration the differences in property tax payments, insurance premium tax payments, rental car payments and the many other payments that we make, but it does give them a more measurable method of returning money in accordance to how money was paid, and that is the delight and joy of this mechanism.

We do not have an income tax. This is our income tax. Most states do not have vehicle registration taxes as high as ours. We often hear from constituents who are new to our area that when they registered their car they were amazed at how expensive it was. Someone who drives a Hummer pays more taxes, both sales and other taxes, than I pay. They should get more back. That seems fundamentally fair. I will study the new amendment, but I like the bill the way it is today.

Senator Schneider moved that Senate Bill No. 519 be taken from the General File and placed on the General File on the third agenda.

Remarks by Senator Schneider.

Motion carried.

Assembly Bill No. 154.

Bill read third time.

Roll call on Assembly Bill No. 154:

YEAS—21.

NAYS—None.

Assembly Bill No. 154 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 338.

Bill read third time.

The following amendment was proposed by Senator Washington:

Amendment No. 1147.

Amend the bill as a whole by adding a new section designated sec. 87.5, following sec. 87, to read as follows:

"Sec. 87.5. Chapter 689A of NRS is hereby amended by adding thereto the provisions set forth as sections 88 and 88.5 of this act."

Amend sec. 88, page 46, by deleting lines 29 through 31 and inserting:

"Sec. 88. *"Exclusion for a preexisting condition" means:"*

Amend the bill as a whole by adding a new section designated sec. 88.5, following sec. 88, to read as follows:

"Sec. 88.5. *An insurer may, subject to regulation by the Commissioner, offer a policy of health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account."*

Amend the bill as a whole by adding a new section designated sec. 89.5, following sec. 89, to read as follows:

"Sec. 89.5. Chapter 689B of NRS is hereby amended by adding thereto the provisions set forth as sections 90 and 90.3 of this act."

Amend sec. 90, page 47, by deleting lines 7 through 9 and inserting:

"Sec. 90. *Coverage provided under a conversion health benefit plan must"*

Amend the bill as a whole by adding new sections designated sections 90.3 and 90.7, following sec. 90, to read as follows:

"Sec. 90.3. *An insurer may, subject to regulation by the Commissioner, offer a policy of health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.*

Sec. 90.7. Chapter 689C of NRS is hereby amended by adding thereto a new section to read as follows:

*A carrier may, subject to regulation by the Commissioner, offer a policy of health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account."*

Amend the bill as a whole by adding new sections designated sections 159.3 and 159.7, following sec. 159, to read as follows:

"Sec. 159.3. Chapter 695A of NRS is hereby amended by adding thereto a new section to read as follows:

*A society may, subject to regulation by the Commissioner, offer a policy of health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account.*

Sec. 159.7. Chapter 695B of NRS is hereby amended by adding thereto a new section to read as follows:

*A corporation may, subject to regulation by the Commissioner, offer a policy of health insurance that has a high deductible and is in compliance*

with 26 U.S.C. § 223 for the purposes of establishing a health savings account."

Amend the bill as a whole by adding a new section designated sec. 160.5, following sec. 160, to read as follows:

"Sec. 160.5. Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:

*A health maintenance organization may, subject to regulation by the Commissioner, offer a policy of health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account."*

Amend the bill as a whole by adding a new section designated sec. 161.5, following sec. 161, to read as follows:

"Sec. 161.5. Chapter 695G of NRS is hereby amended by adding thereto a new section to read as follows:

*A managed care organization may, subject to regulation by the Commissioner, offer a policy of health insurance that has a high deductible and is in compliance with 26 U.S.C. § 223 for the purposes of establishing a health savings account."*

Amend sec. 165, page 77, by deleting line 37 and inserting: "75.3, 75.5, 76, 84 to 87.5, inclusive, 88.5, 89.5, 90.3, 90.7, 123.5, 159.3, 159.7, 160, 160.5, 161.5, 162 and 164 of this".

Amend the title of the bill, fourth line, after "insurance;" by inserting: "allowing certain health insurers to offer, subject to regulation by the Commissioner of Insurance, policies of health insurance that have high deductibles and are in compliance with certain federal requirements for establishing health savings accounts;"

Senator Washington moved the adoption of the amendment.

Remarks by Senators Washington and Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

UNFINISHED BUSINESS  
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 328.

The following Assembly amendment was read:

Amendment No. 1097.

Amend the bill as a whole by renumbering sec. 8 as sec. 9 and adding a new section designated sec. 8, following sec. 7, to read as follows:

"Sec. 8. 1. The Administrative Office of the Courts, in cooperation with the Public Employees' Retirement System, the Commission to Review Compensation of Constitutional Officers, Legislators, Supreme Court Justices, District Judges and Elected County Officers and any other board or commission that examines the salaries and compensation of justices, judges and judicial officers shall conduct a study of the salaries paid to all justices,

judges, and judicial officers and the contributions paid to the Judicial Retirement Fund.

2. The study must include, without limitation:

(a) An evaluation of the salaries paid to justices, judges and judicial officers.

(b) An evaluation of the financial impact on justices, judges and judicial officers if such justices, judges and judicial officers are required to pay contributions to the Judicial Retirement Fund in the same manner as determined by the Public Employees' Retirement Board for contributions paid by regular members to the Public Employees' Retirement System and the Judicial Retirement System.

(c) An evaluation of the fiscal impact on the Judicial Branch of this State if the Court Administrator is required to pay contributions to the Judicial Retirement Fund in the same manner as determined by the Public Employees' Retirement Board for contributions paid for regular members by employers to the Public Employees' Retirement System and the Judicial Retirement System.

3. On or before November 1, 2006, the Administrative Office of the Courts shall prepare a report that contains the findings of the study and submit the report to the Director of the Legislative Counsel Bureau for transmittal to the 74th Session of the Nevada Legislature."

Amend the title of the bill, fifteenth line, after "writing;" by inserting: "directing the Administrative Office of the Courts to conduct an interim study concerning the salaries paid to justices, judges and judicial officers and the contributions paid to the Judicial Retirement Fund;"

Senator Raggio moved that the Senate concur in the Assembly amendment to Senate Bill No. 328.

Remarks by Senator Raggio.

Motion carried by a constitutional majority.

Bill ordered enrolled.

#### RECEDE FROM SENATE AMENDMENTS

Senator Townsend moved that the Senate do not recede from its action on Assembly Bill No. 195, that a conference be requested, and that Madam President appoint a first Conference Committee consisting of three members to meet with a like committee of the Assembly.

Remarks by Senator Townsend.

Motion carried.

Bill ordered transmitted to the Assembly.

#### APPOINTMENT OF CONFERENCE COMMITTEES

Madam President appointed Senators Townsend, Heck and Lee as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 195.

## SECOND READING AND AMENDMENT

Senate Bill No. 400.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 1146.

Amend the bill as a whole by deleting section 1 and renumbering sec. 2 as section 1.

Amend sec. 2, page 2, line 3, by deleting "482" and inserting "360".

Amend sec. 2, page 2, line 4, by deleting: "3 to 17," and inserting: "2 to 13,".

Amend the bill as a whole by adding a new section designated sec. 2, following sec. 2, to read as follows:

"Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 360.005 and sections 3 to 6, inclusive, of this act have the meanings ascribed to them in those sections.*"

Amend sec. 3, page 2, line 7, by deleting "off-road" and inserting "off-highway".

Amend sec. 3, page 2, line 8, by deleting "5" and inserting "7".

Amend the bill as a whole by renumbering sections 4 through 6 as sections 6 through 8 and adding new sections designated sections 4 and 5, following sec. 3, to read as follows:

"Sec. 4. *"Highway" has the meaning ascribed to it in NRS 482.045.*

Sec. 5. *"Motor vehicle" has the meaning ascribed to it in NRS 482.075.*"

Amend sec. 4, page 2, line 9, by deleting "'Off-road" and inserting "'Off-highway".

Amend sec. 4, page 2, line 10, by deleting "off-road" and inserting "off-highway".

Amend sec. 4, page 2, by deleting line 20 and inserting:

"(b) *A motor vehicle that is licensed by the Department of Motor Vehicles; or*".

Amend sec. 5, page 2, line 22, by deleting "off-road" and inserting "off-highway".

Amend sec. 5, page 2, by deleting lines 23 through 27 and inserting: "*the Department may authorize the dealer to issue certificates of operation for off-highway vehicles pursuant to subsection 3.*".

Amend sec. 5 page 2, line 28, by deleting "off-road" and inserting "off-highway".

Amend sec. 5, page 2, by deleting lines 32 through 36 and inserting:

"(a) *Upon the sale of an off-highway vehicle, issue to the purchaser of the off-highway vehicle a certificate of operation for the off-highway vehicle;*

(b) *Upon request, issue a certificate of operation to a person who purchased the off-highway vehicle before January 1, 2006;*

(c) *Issue a certificate of operation to the owner of an off-highway vehicle that was purchased outside this State on or after January 1, 2006, if the owner:*

(1) *Requests the certificate of operation; and*

(2) *Pays or submits evidence satisfactory to the authorized dealer that he has paid all taxes applicable in this State to the purchase of the off-highway vehicle or submits an affidavit indicating that he purchased the vehicle through a private party sale and no tax is due relating to the purchase of the off-highway vehicle;".*

Amend sec. 5, page 2, line 37, by deleting "(c)" and inserting "(d)".

Amend sec. 5, page 2, line 39, by deleting "(d)" and inserting "(e)".

Amend sec. 5, page 3, by deleting lines 1 through 5 and inserting:

"5. *An authorized dealer shall not charge or collect a fee for issuing a certificate of operation.*".

Amend sec. 5, page 3, line 6, by deleting "Director" and inserting "Department".

Amend sec. 5, page 3, line 10, by deleting: "and forms for application from" and inserting "by".

Amend sec. 6, page 3, by deleting line 16 and inserting: "*person shall not operate an off-highway vehicle on a highway pursuant to sections 9 to 13, inclusive, of this act unless he*".

Amend sec. 6, page 3, lines 18 and 20, by deleting "off-road" and inserting "off-highway".

Amend sec. 6, page 3, by deleting lines 22 through 30 and inserting:

"2. *If a certificate of operation for an off-highway vehicle is lost or destroyed, the owner of the off-highway vehicle may request a new certificate of operation from an authorized dealer.*

3. *If the owner of an off-highway vehicle sells or otherwise transfers ownership of the off-highway vehicle, the certificate of operation remains valid.*".

Amend sec. 6, page 3, line 31, by deleting "off-road" and inserting "off-highway".

Amend sec. 6, pages 3 and 4, by deleting lines 38 through 44 on page 3 and lines 1 through 3 on page 4, and inserting:

"(b) *Is part of the inventory of a dealer of off-highway vehicles;*

(c) *Is registered or certified in another state and is located in this State for not more than 90 days;*

(d) *Is used solely for husbandry on private land or on public land that is leased to the owner or operator of the off-highway vehicle; or*

(e) *Is used for work conducted by or at the direction of a public or private utility.*".

Amend the bill as a whole by deleting sections 7 through 12 and renumbering sections 13 through 17 as sections 9 through 13.

Amend sec. 13, page 6, by deleting lines 32 through 35 and inserting:

"Sec. 9. *Except as otherwise provided in section 10 or 11 of this act:*

1. *A person shall not, except as otherwise provided in subsection 2 or 3, operate an off-highway vehicle on a paved highway that is not otherwise designated for use by off-highway vehicles.*".

Amend sec. 13, page 6, lines 36, 37, 39, 43 and 44, by deleting "off-road" and inserting "off-highway".

Amend sec. 13, page 7, lines 2, 5 and 6, by deleting "off-road" and inserting "off-highway".

Amend sec. 13, page 7, line 8, by deleting: "off-road vehicles." and inserting: "off-highway vehicles for not more than 5 miles."

3. *A person may operate an off-highway vehicle on any public land, trail, way or unpaved county road unless prohibited by the governmental entity which has jurisdiction over the public land, trail, way or unpaved county road.*

4. *A governmental entity specified in subsection 3 may:*

(a) *Prepare and distribute upon request a map or other document setting forth each area of public land, trail, way or unpaved county road that is prohibited for the operation off-highway vehicles; and*

(b) *Erect and maintain signs designating each area of public land, trail, way or unpaved county road that is prohibited for the operation off-highway vehicles."*

Amend sec. 14, page 7, line 10, after "any" by inserting: "portion of a".

Amend sec. 14, page 7, lines 11 and 12, by deleting "off-road" and inserting "off-highway".

Amend sec. 14, page 7, line 13, by deleting: "off-road vehicles." and inserting: "off-highway vehicles. If a city or county designates any portion a state highway as permissible for the operation of off-highway vehicles pursuant to this subsection, the city or county must obtain approval for the designation from the Department of Transportation. The Department of Transportation shall issue a timely decision concerning the request for approval and must not unreasonably deny the request."

Amend sec. 14, page 7, lines 14, 18, 20, 23, 24 and 25, by deleting "off-road" and inserting "off-highway".

Amend sec. 15, page 7, by deleting lines 28 through 33 and inserting:

"Sec. 11. 1. *Except as otherwise provided in subsection 2, if an off-highway vehicle meets the*".

Amend sec. 15, page 7, line 34, by deleting "section 16" and inserting: "sections 2 to 13, inclusive,".

Amend sec. 15, page 7, line 35, by deleting "off-road" and inserting "off-highway".

Amend sec. 15, page 7, by deleting lines 36 through 38 and inserting: "accordance with the requirements of those sections, the off-highway vehicle may be operated on a highway in accordance with sections 9 to 13, inclusive, of this act."

2. *An off-highway vehicle may not be operated pursuant to this*".

Amend sec. 15, page 7, line 43, by deleting "road" and inserting "highway".

Amend sec. 16, page 7, by deleting lines 44 and 45 and inserting:

"Sec. 12. *In addition to the requirements set forth in section 7 of this act, a person shall not operate an off-highway vehicle on a highway pursuant to sections 9 to 13, inclusive, of this act unless the off-highway vehicle has:*".

Amend sec. 16, page 8, line 7, after "vehicle;" by inserting "and".

Amend sec. 16, page 8, by deleting lines 8 through 15 and inserting:

"5. *A muffler which is in working order and which is in constant operation when the vehicle is running.*".

Amend sec. 17, page 8, line 16, by deleting "off-road" and inserting "off-highway".

Amend sec. 17, page 8, line 17, by deleting "section 15" and inserting: "sections 9 to 13, inclusive,".

Amend sec. 17, page 8, by deleting lines 20 through 23 and inserting:

"2. *Ensure that the certificate of operation for the off-highway vehicle is attached to the vehicle in accordance with section 8 of this act; and*".

Amend the bill as a whole by deleting sections 18 and 19, renumbering sec. 20 as sec. 15 and adding a new section designated sec. 14, following sec. 17, to read as follows:

"Sec. 14. NRS 360.005 is hereby amended to read as follows:

360.005 ~~{As used in this chapter, "retailer"}~~ "Retailer" has the meaning ascribed to it in NRS 372.055."

Amend the title of the bill to read as follows:

"AN ACT relating to off-highway vehicles; providing for the issuance of certificates of operation for off-highway vehicles by authorized dealers; prohibiting a person from operating an off-highway vehicle without a certificate of operation under certain circumstances; prohibiting a person from operating an off-highway vehicle on a paved highway under certain circumstances; authorizing a city or county to designate a portion of a highway within the city or county as permissible for the operation of off-highway vehicles for certain purposes; and providing other matters properly relating thereto."

Amend the summary of the bill to read as follows:

"SUMMARY—Provides for regulation of off-highway vehicles. (BDR 32-426)".

Senator Raggio moved the adoption of the amendment.

Remarks by Senators Raggio and Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 274.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 1145.

Amend the bill as a whole by deleting sec. 14 and adding a new section designated sec. 14, following sec. 13, to read as follows:



"Sec. 14. 1. There is hereby appropriated from the State General Fund to the State Fire Marshal for expenses related to carrying out the provisions of this act:

For the Fiscal Year 2005-2006..... \$163,198

For the Fiscal Year 2006-2007..... \$200,233

2. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years and must be reverted to the State General Fund on or before September 15, 2006, and September 21, 2007, respectively."

Amend the title of the bill, fifteenth line, after "Safety;" by inserting: "making an appropriation;"

Senator Raggio moved the adoption of the amendment.

Remarks by Senator Raggio.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 98.

Bill read third time.

Roll call on Assembly Bill No. 98:

YEAS—21.

NAYS—None.

Assembly Bill No. 98 having received a constitutional majority, Madam President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 109.

Bill read third time.

Remarks by Senators Care and Cegavske.

Senator Cegavske moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 12:29 p.m.

#### SENATE IN SESSION

At 12:30 p.m.

President Hunt presiding.

Quorum present.

Roll call on Assembly Bill No. 109:

YEAS—21.

NAYS—None.

Assembly Bill No. 109 having received a constitutional majority, Madam President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 249.

Bill read third time.

Roll call on Assembly Bill No. 249:

YEAS—21.

NAYS—None.

Assembly Bill No. 249 having received a two-thirds majority, Madam President declared it passed.

Bill ordered transmitted to the Assembly.

#### UNFINISHED BUSINESS

##### RECEDE FROM SENATE AMENDMENTS

Senator Nolan moved that the Senate do not recede from its action on Assembly Bill No. 550, that a conference be requested, and that Madam President appoint a first Conference Committee consisting of three members to meet with a like committee of the Assembly.

Remarks by Senator Nolan.

Motion carried.

Bill ordered transmitted to the Assembly.

#### APPOINTMENT OF CONFERENCE COMMITTEES

Madam President appointed Senators Nolan, Schneider and Washington as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 550.

Madam President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 12:36 p.m.

#### SENATE IN SESSION

At 12:44 p.m.

President Hunt presiding.

Quorum present.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 519.

Bill read third time.

The following amendment was proposed by Senator Schneider:

Amendment No. 1159.

Amend section 1, page 1, line 1, by deleting "One-Time Rebate" and inserting: "Development of Capital Improvement Projects and Programs and Projects for Renewable Energy Resources".

Amend section 1, page 1, line 2, by deleting "Governor," and inserting: "Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General,".

Amend sec. 2, page 1, by deleting lines 6 and 7 and inserting: "\$225,000,000 to offset the costs of developing capital improvement projects for which bonds would otherwise have been sold.".

Amend the bill as a whole by deleting sections 3 and 4 and adding new sections designated sections 3 and 4, following sec. 2, to read as follows:

"Sec. 3. There is hereby appropriated from the State General Fund to the Account created by section 1 of this act the sum of \$75,000,000 to allow the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General to provide grants for the installation, within residential dwellings, of equipment, mechanisms and systems designed to harness and promote the use of renewable energy. As used in this section, "renewable energy" has the meaning ascribed to it in NRS 701.070.

Sec. 4. The Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General shall adopt such regulations as the Consumer's Advocate determines to be necessary or advisable to carry out the provisions of this act."

Amend sec. 5, page 2, line 35, by deleting "appropriation" and inserting "appropriations".

Amend sec. 5, page 2, line 36, by deleting "section 2" and inserting: "sections 2 and 3".

Amend sec. 5, page 2, line 37, by deleting: "January 31, 2006," and inserting: "June 30, 2006,".

Amend sec. 6, page 2, by deleting lines 39 and 40 and inserting:

"Sec. 6. This act becomes effective upon passage and approval."

Amend the title of the bill to read as follows:

"AN ACT relating to state financial administration; making an appropriation to be used by the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General to offset the costs of developing capital improvement projects; making an appropriation to be used by the Consumer's Advocate to provide grants to promote the use, within residential dwellings, of equipment, mechanisms and systems designed to harness and promote the use of renewable energy; and providing other matters properly relating thereto."

Amend the summary of the bill to read as follows:

"SUMMARY—Making certain appropriations to promote development of capital improvement projects and development and use of renewable energy. (BDR S-1204)".

Senator Schneider moved the adoption of the amendment.

Remarks by Senators Schneider and Beers.

Senator Schneider requested that the following remarks be entered in the Journal.

SENATOR SCHNEIDER:

Thank you, Madam President. I would like the people of the State of Nevada to know, that opposed to what is discussed on talk radio all of the time, we do not just give money away willy-nilly to welfare or throw it away on worthless projects.

This week we received a booklet entitled *Fiftieth State Comparisons* that gives demographically-based tax and revenue information and details state rankings. The Senate Committee on Finance has done an excellent job of watching our dollars as we rank 50th in the Nation for welfare funding; we are fiftieth in long-term health care. We are at the bottom of the

list on many programs. We are not throwing money away as is often reported. I do believe the same as the Senator from the Summerlin area. The money that comes in belongs to the people. It does belong to the people. They pay taxes. It is theirs, and they have entrusted us with that money.

What my amendment proposes is that we do not give all of the money back but that we invest it for them. In this car rebate, a third of the people will get \$50 or less back. Large fleet owners will get \$300 back, and then, they will have to pay taxes on it because they itemized and took their deductions earlier. They will have to pay federal taxes on that money.

What this bill will do is appropriate \$225 million to pay for the buildings that are needed and were approved by our Committee on Finance. Right now, the Committee on Finance has approved \$224 million worth of buildings, and we are going to have to bond for those buildings. What we are doing is putting a mortgage on those buildings for the next 20 years. The average person in Nevada will get \$100 back on their car. We will send them \$100, and they will be happy. Then, we are going to turn around and ask for that \$100 back every year for the next 20 years to pay off those bonds. That does not compute with me. That is not good business sense. When you have the money, you reduce your debt. We are going to finance those buildings over 20 years, and our children and our grandchildren are going to be paying that debt. We have a chance to eliminate it.

The second part of this amendment is to put \$75 million with the consumer advocate so that people can put photovoltaic on their houses. They can add other renewable energy items to their homes and receive a rebate. It will go to the people. It is important because our energy bills are very high. The residents of the State of Nevada, according to the book we received, pay the fourteenth highest energy rate in the Nation; our businesses are eighteenth in the Nation. We need to reduce the peak load of our power company. It is important to encourage citizens to use renewable energy. The Committee on Commerce and Labor has pushed the use of renewable resources for the past 12 years. This is important. This is a good investment with the peoples' money. Take the \$300 million, and turn it into over a \$1 billion. It is a good investment. I encourage the members to approve this amendment.

SENATOR BEERS:

I rise in opposition to the amendment because Nevada ranks fiftieth in tax rebates.

Motion failed.

The following amendment was proposed by Senator Titus:

Amendment No. 1160.

Amend sec. 5, page 2, line 35, before "Any" by inserting "1."

Amend sec. 5, page 2, between line s38 and 39, by inserting:

"2. The Division of Emergency Management of the Department of Public Safety shall establish a revolving account within the State General Fund for grants to persons who own and occupy homes damaged by a disaster.

3. Any remaining balance reverted to the State General Fund pursuant to subsection 1 must be deposited in the revolving account established by subsection 21 and is appropriated for use by the Division in making grants to persons who own and occupy homes damaged by a disaster."

Amend the title of the bill, fourth line, after "year;" by inserting:

"providing for the appropriation of the reversion for grants to disaster victims".

Senator Titus moved the adoption of the amendment.

Senator Titus requested that the following remarks be entered in the Journal.

SENATOR TITUS:

Thank you, Madam President. This amendment will add to the rebate bill a provision creating a grant fund with the money that is returned due to unclaimed checks. The Governor's Office has estimated that may be about 3 percent of the checks issued. That 3 percent would go into a disaster relief fund administered by the Division of Emergency Management in the Department of Public Safety. It would create a revolving account for grants to people who have suffered damage from disasters. We saw with the recent flooding around Mesquite and in other parts of the State that individuals could not get individual disaster relief from the federal government. There was some relief provided to local governments but not to individuals. This would help those people get some of that needed relief in the case of an emergency.

SENATOR BEERS:

Thank you. I see a problem in section 2 concerning the revolving account and in section 3 concerning grants. Could we modify this amendment so that it makes loans?

SENATOR TITUS:

I have discussed it with the Governor's Office, and I do not think we want to have loans. I would like for it to be grants. They would have to apply for the grants, but it would be grant assistance as opposed to loans.

SENATOR NOLAN:

Thank you. I think the Minority Leader's efforts on this amendment are meritorious; it is problematic. In the definition of disaster, the disaster is defined under statute and also at the local level in various ways. There is a separate definition under the Federal Emergency Management Agency as to what constitutes a level of disaster. I am not certain if we have the opportunity to define that in this bill. We are trying to reinstitute some funds into the Rainy Day Fund. There is merit in the amendment. I do not know if we have time to address some of the issues brought forth.

SENATOR TITUS:

I would leave it to our Division of Emergency Management to apply the appropriate definition of disaster. This is what they do. They have worked on disasters, and I am certain they know what is the proper definition. As you have pointed out, it is already in State statute. I do not see why that would be a difficulty. I appreciate the concern.

Senators Titus, Carlton and Horsford requested a roll call vote on Senator Titus' motion.

Roll call on Senator Titus' motion:

YEAS—11.

NAYS—Beers, Cegavske, Heck, McGinness, Nolan, Raggio, Rhoads, Tiffany, Townsend, Washington—10.

The motion having received a majority, Madam President declared it carried.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

#### UNFINISHED BUSINESS

##### CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 118.

The following Assembly amendment was read:

Amendment No. 793.

Amend section 1, page 2, line 3, by deleting "A" and inserting: "*If a board of county commissioners creates an account for the support of the county coroner pursuant to section 5 of this act, a*".

Amend section 1, page 2, line 4, after "*death*" by inserting: "*originating in that county*".

Amend section 1, page 2, line 7, by deleting "*the*" and inserting "*any*".

Amend sec. 2, page 2, line 20, by deleting "*The*" and inserting "*Any*".

Amend sec. 2, page 2, line 22, after "*various*" by inserting "*participating*".

Amend sec. 2, page 2, line 23, after "*to*" by inserting "*their*".

Amend sec. 3, page 3, line 18, by deleting: "death ~~10~~ 11" and inserting: "*death originating in a county in which the board of county commissioners has not created an account for the support of the office of the county coroner pursuant to section 5 of this act*  
10".

Amend sec. 3, page 3, between lines 18 and 19, by inserting: "*For a certified copy of a record of death originating in a county in which the board of county commissioners has created an account for the support of the office of the county coroner pursuant to section 5 of this act*  
11".

Amend sec. 3, page 3, line 45, after "*death*" by inserting: "*originating in a county in which the board of county commissioners has created an account for the support of the office of the county coroner pursuant to section 5 of this act*".

Amend sec. 5, page 4, line 34, by deleting "*shall*" and inserting "*may*".

Amend sec. 5, page 5, line 20, after "259.010" by inserting: "*and which has created an account for the support of the office of the county coroner pursuant to subsection 1*".

Amend sec. 5, page 5, line 24, after "259.010" by inserting: "*and for which the board of county commissioners has created an account for the support of the office of the county coroner pursuant to subsection 1*".

Amend the title of the bill by deleting the first through third lines and inserting:

"AN ACT relating to county coroners; authorizing a board of county commissioners to create an account for the support of the office of the county coroner; increasing the fee to obtain a certified copy of a death certificate originating in that county if the board of county commissioners creates such an account to provide financial support for the office of the county coroner; authorizing".

Senator Amodei moved that the Senate concur in the Assembly amendment to Senate Bill No. 118.

Remarks by Senator Amodei.

Motion carried by a two-thirds majority.

Bill ordered enrolled.

RECEDE FROM SENATE AMENDMENTS

Senator Hardy moved that the Senate do not recede from its action on Assembly Bill No. 39, that a conference be requested, and that

Madam President appoint a first Conference Committee consisting of three members to meet with a like committee of the Assembly.

Remarks by Senator Hardy.

Motion carried.

Bill ordered transmitted to the Assembly.

#### APPOINTMENT OF CONFERENCE COMMITTEES

Madam President appointed Senators Tiffany, Care and Lee as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 39.

Madam President appointed Senators Hardy, Lee and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 20.

Madam President appointed Senators Heck, Hardy and Schneider as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 29.

Madam President appointed Senators Lee, Hardy and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 80.

Madam President appointed Senators Carlton, Hardy and Lee as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 163.

Madam President appointed Senators Carlton, Tiffany and Heck as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 174.

Madam President appointed Senators Tiffany, Lee and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 302.

Madam President appointed Senators Schneider, Lee and Carlton as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 325.

Madam President appointed Senators Carlton, Townsend and Heck as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 333.

Madam President appointed Senators Carlton, Heck and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 335.

Madam President appointed Senators Tiffany, Rhoads and Lee as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 394.

Madam President appointed Senators Hardy, Tiffany and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 426.

Madam President appointed Senators Lee, Hardy and Townsend as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 434.

Madam President appointed Senators Amodei, McGinness and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 453.

Madam President appointed Senators McGinness, Amodei and Care as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 457.

Senator Raggio moved that the Senate recess until 1:30 p.m.  
Motion carried.

Senate in recess at 1:04 p.m.

#### SENATE IN SESSION

At 1:43 p.m.  
President Hunt presiding.  
Quorum present.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 400.

Bill read third time.

The following amendment was proposed by Senator Hardy:

Amendment No. 1161.

Amend sec. 6, page 2, line 19, by deleting "*licensed*" and inserting "*registered*".

Amend sec. 9, page 4, line 26, by deleting "5" and inserting "2".

Amend sec. 11, page 5, line 31, by deleting "5" and inserting "2".

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Senate Bill No. 519.

Bill read third time.

Roll call on Senate Bill No. 519:

YEAS—19.

NAYS—Coffin.

ABSENT—Amodei.

Senate Bill No. 519 having received a constitutional majority,  
Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.



## MOTIONS, RESOLUTIONS AND NOTICES

Senator Raggio moved that the action whereby Senate Bill No. 519 was passed be rescinded.

Remarks by Senator Raggio.

Motion carried.

## GENERAL FILE AND THIRD READING

Senate Bill No. 519.

Bill read third time.

Roll call on Senate Bill No. 519:

YEAS—21.

NAYS—None.

Senate Bill No. 519 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

## REMARKS FROM THE FLOOR

Senator Coffin stated that he had intended to vote against Senate Bill No. 519.

## UNFINISHED BUSINESS

## APPOINTMENT OF CONFERENCE COMMITTEES

Madam President appointed Senators Rhoads, Amodei and Carlton as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 62.

Madam President appointed Senators Beers, Titus and Cegavske as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 224.

Madam President appointed Senators Beers, Cegavske and Wiener as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 386.

Senator Raggio moved that the Senate recess until 5 p.m.

Motion carried.

Senate in recess at 1:52 p.m.

## SENATE IN SESSION

At 6:32 p.m.

President Hunt presiding.

Quorum present.

## REPORTS OF COMMITTEES

*Madam President:*

Your Committee on Finance, to which were referred Assembly Bills Nos. 534, 571, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, Your Committee on Finance, to which was referred Assembly Bill No. 560, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM J. RAGGIO, *Chair*

*Madam President:*

Your Committee on Legislative Operations and Elections, to which was referred Senate Concurrent Resolution No. 42, has had the same under consideration, and begs leave to report the same back with the recommendation: Be adopted.

BARBARA K. CEGAVSKE, *Chair*

*Madam President:*

Your Committee on Taxation, to which were referred Assembly Bills Nos. 464, 570, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MIKE MCGINNESS, *Chair*

#### MOTIONS, RESOLUTIONS AND NOTICES

Senate Concurrent Resolution No. 42.

Resolution read.

Senator Nolan moved that Senate Concurrent Resolution No. 42 be taken from the Resolution File and placed on the Secretary's desk.

Remarks by Senator Nolan.

Motion carried.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 274.

Bill read third time.

Roll call on Senate Bill No. 274:

YEAS—21.

NAYS—None.

Senate Bill No. 274 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 400.

Bill read third time.

Roll call on Senate Bill No. 400:

YEAS—17.

NAYS—Care, Heck, Titus, Wiener—4.

Senate Bill No. 400 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 338.

Bill read third time.

Roll call on Assembly Bill No. 338:

YEAS—14.

NAYS—Care, Carlton, Horsford, Mathews, Titus, Wiener—6.

NOT VOTING—Raggio.

Assembly Bill No. 338 having received a two-thirds majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 464.

Bill read third time.

Roll call on Assembly Bill No. 464:

YEAS—20.

NAYS—None.

NOT VOTING—Raggio.

Assembly Bill No. 464 having received a constitutional majority, Madam President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 570.

Bill read third time.

Roll call on Assembly Bill No. 570:

YEAS—21.

NAYS—None.

Assembly Bill No. 570 having received a constitutional majority, Madam President declared it passed.

Bill ordered transmitted to the Assembly.

#### MOTIONS, RESOLUTIONS AND NOTICES

Senator Beers moved that Assembly Bill No. 534 be taken from the General File and placed on the Secretary's desk.

Remarks by Senator Beers.

Motion carried.

#### SECOND READING AND AMENDMENT

Assembly Bill No. 560.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 1174.

Amend the bill as a whole by deleting sections 1 and 2, renumbering sections 3 through 7 as sections 2 through 6 and adding a new section designated section 1, following the enacting clause, to read as follows:

"Section 1. NRS 396.918 is hereby amended to read as follows:

396.918 "Millennium scholarship" means a ~~{scholarship}~~ Governor Guinn Millennium Scholarship that is awarded from the Trust Fund to a student."

Amend sec. 3, page 2, line 7, after "1." by inserting:

*"The Governor Guinn Millennium Scholarship Program is hereby created for the distribution of the Governor Guinn Millennium Scholarships in accordance with NRS 396.911 to 396.938, inclusive."*

Amend sec. 3, page 2, by deleting lines 19 through 22 and inserting:

"3. The State Treasurer shall administer the Trust Fund. As administrator of the Trust Fund, the State Treasurer, except as otherwise provided in this section:".

Amend sec. 3, page 2, line 27, by deleting "and".

Amend sec. 3, page 2, by deleting lines 29 through 33 and inserting:  
"made with the money in the Trust Fund;

(e) May contract with vendors for any good or service that is necessary to carry out the provisions of this section; and

(f) May perform any other duties necessary to administer the Trust Fund.".

Amend sec. 3, page 3, by deleting lines 40 through 43 and inserting:

"7. Not more than ~~{2}~~ 3 percent of the ~~{amount of money}~~ *anticipated annual revenue to the State of Nevada from the settlement agreements with and civil actions against manufacturers of tobacco products anticipated for deposit* in the Trust Fund may be used to pay the costs of administering the Trust Fund.

8. The money in the Trust Fund remains in the Fund and does".

Amend sec. 3, page 4, by deleting lines 1 through 3 and inserting:

"9. Money in the Trust Fund may be used only for the purposes set forth in NRS 396.914 to 396.934, inclusive.".

Amend sec. 4, page 4, line 8, by deleting "2" and inserting "~~{2}~~ 3".

Amend sec. 4, page 4, line 32, by deleting "and" and inserting "~~{and}~~".

Amend sec. 4, page 4, line 37, by deleting "institution." and inserting:  
"institution ~~{-}~~; and

(f) *Has submitted a Free Application for Federal Student Aid (FAFSA) and the entity reviewing the application has determined that the application is complete.*".

Amend sec. 4, page 5, line 21, by deleting "2" and inserting "~~{2}~~ 3".

Amend sec. 5, page 5, line 36, by deleting "subsection 2," and inserting  
"this section,".

Amend sec. 5, page 5, line 39, by deleting "If" and inserting:

"~~{If}~~ *Subject to the limitation set forth in this paragraph, if*".

Amend sec. 5, page 6, by deleting lines 2 through 25 and inserting:

"division courses for the purposes of this paragraph. *In no event may a student who is eligible for a millennium scholarship pursuant to this paragraph receive more than:*

(1) *If he is enrolled in at least 6 credits but less than 12 credits in a semester, the cost of 6 semester credits for that semester.*

(2) *If he is enrolled in at least 12 credits in a semester, the cost of 12 semester credits for that semester.*

(b) ~~{If}~~ *Subject to the limitation set forth in this paragraph, if he is enrolled in a state college within the System, including, without limitation, a summer academic term, \$60 per credit for which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the state college that are not otherwise satisfied by other grants or scholarships, whichever is less. In no event may a student who is eligible for*

*a millennium scholarship receive more than the cost of 12 semester credits per semester pursuant to this paragraph.*

(c) ~~He~~ Subject to the limitation set forth in this paragraph, if he is enrolled in another eligible institution, including, without limitation, a summer academic term, \$80 per credit for which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the university that are not otherwise satisfied by other grants or scholarships, whichever is less. *In no event may a student who is eligible for a millennium scholarship receive more than the cost of 12 semester credits per semester pursuant to this paragraph.*

2. No student may be awarded a millennium scholarship ~~for~~ :

(a) To pay for remedial courses.

(b) For a total amount in excess of \$10,000.

~~2.~~ 3. A student who receives a millennium scholarship shall:

(a) Make satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents pursuant to subsection ~~5.~~ 7; and

(b) If the student graduated from high school after May 1, 2003, maintain ~~at~~ :

(1) At least a ~~2.6~~ 2.60 grade point average on a 4.0 grading scale ~~for~~ ~~3.~~ for each semester during the first year of enrollment in the Governor Guinn Millennium Scholarship Program.

(2) At least a 2.75 grade point average on a 4.0 grading scale for each semester during the second year of enrollment in the Governor Guinn Millennium Scholarship Program.

(3) At least a 3.0 grade point average on a 4.0 grading scale for each semester during the third year of enrollment in the Governor Guinn Millennium Scholarship Program and for each semester during each year of enrollment thereafter.

4. If a student does not satisfy the requirements of".

Amend sec. 5, page 7, between lines 15 and 16 by inserting:

"8. The Board of Regents shall establish procedures to ensure that all money from a millennium scholarship awarded to a student that is refunded in whole or in part for any reason is refunded to the Trust Fund and not the student."

Amend the bill as a whole by adding new sections designated sections 7 and 7.5, following sec. 7, to read as follows:

"Sec. 7. The provisions of section 4 of this act requiring students to maintain a prescribed grade point average for each semester depending upon the year of enrollment in the Governor Guinn Millennium Scholarship Program apply to all students who graduated after May 1, 2003, including, without limitation, students who are currently enrolled in an eligible institution and are receiving a millennium scholarship.

Sec. 7.5. The criteria established by the Board of Regents pursuant to section 4 of this act with respect to students who have a documented physical

or mental disability apply to all students who satisfy the criteria including, without limitation, students who are currently enrolled in an eligible institution and are receiving a millennium scholarship, regardless of the year of enrollment in the Governor Guinn Millennium Scholarship program."

*Amend sec. 8, page 8, by deleting lines 14 through 17 and inserting:*

"Sec. 8. 1. This section and sections 1 to 4, inclusive, 6, 7 and 7.5 of this act become effective upon passage and approval.

2. Section 5 of this act becomes effective on July 1, 2005."

Senator Beers moved the adoption of the amendment.

Remarks by Senators Beers, Carlton, Horsford, Washington, Coffin and Titus.

Senator Raggio requested that the following remarks be entered in the Journal.

SENATOR BEERS:

Thank you, Madam President. This is the amendment from the Senate Finance Committee to the Millennium Scholarship bill.

This amendment makes a number of changes to the program. It requires scholarship applicants to submit a completed Free Application for Federal Student Aid (FAFSA) form which requires a valid social security number. Scholarship applicants will have to live in Nevada and attend our secondary schools for three years before applying for a scholarship. The current requirement is two years. It requires that once awarded, a Millennium Scholarship recipient must retain a grade point average of 2.6 during their first year of enrollment, a 2.75 during the second year of enrollment and 3.0 for subsequent years of enrollment. This will be effective for all new and existing millennium scholars effective for the fall, 2005, academic semester.

This amendment prohibits the use of the Millennium Scholarship funds for remedial classes. It institutes a "two-strikes-and-you-are-out" policy which allows millennium scholars who fail to meet the scholarship-retention requirements, then, attend a semester on their own, and in doing so, achieve those requirements to get back on the Millennium Scholarship.

It limits the amount that any millennium scholar can receive in one semester to 12 semester credits of Millennium Scholarship value if they are full-time students. If they are part-time students, it limits them to six credit hours.

It requires the Board of Regents to establish procedures to ensure that money refunded to enrolled millennium scholars because they dropped or changed a class is not paid back to the student but back to the Millennium Scholarship Fund.

It requires the Board of Regents to establish criteria to exempt students who have a documented physical or mental disability from the six-year limitation on application for the scholarship and the minimum credit-hour requirement to maintain a scholarship. This opens up the Millennium Scholarship to a part of our population, the special education students, where it has previously been denied.

It provides that the 3 percent of the anticipated annual tobacco settlement revenue be used for administrative costs. That is an increase from the 2 percent currently used because the proceeds from the tobacco settlement are decreasing over time.

Assembly Bill No. 560 also provides an appropriation this amendment does not adjust of \$35 million from the General Fund as a one shot and annual transfer of \$7.6 million of General Fund starting in Fiscal Year 2006. The preliminary projections from the Office of the Treasurer indicate that these program modifications should allow the Millennium Scholarship Trust Fund to remain solvent through Fiscal Year 2016 or 2017. If we do nothing, the projections are that the Millennium Scholarship Fund will be broke in 2009 or 2010.

SENATOR CARLTON:

Thank you, Madam President. Is there anything in this amendment that deals with proving citizenship as far as receiving the Millennium Scholarship?

SENATOR BEERS:

Not directly; indirectly, yes. The FAFSA form does require a social security number and that it is validated.

SENATOR CARLTON:

Thank you, Madam President. I now stand in opposition to this amendment. As a matter of disclosure, I am the mother of a millennium scholar who blew it one semester. She is going back and paying for her classes. She is trying to get reinstated. As parents, we understand that sometimes our children have one rough semester. I understand what we are talking about.

Keeping high school students motivated and moving toward college is an ultimate goal of a parent in high school. Every session, we move the target on the students. It is hard to keep them motivated to go forward. They are going to think, "I am a freshman, but the Legislature is in, is someone going to change the rules for the next two years?" Every time we come in here, we change the rules on them.

The reason for the Millennium Scholarship was to reach out to students who might not otherwise have an opportunity to go to college. Those students at the top with the 3.0 to 4.0 grade point average are going to go to college. This is for the students in high school who may have not done as well, but towards the end, they did a little bit better and got their grade point average up. They would like to see if they could succeed in college. We need to be able to give them the opportunity to at least try. We keep changing things on them. I am afraid we are just going to discourage kids from trying. I understand the provision that does not want to pay for remedial classes. They should be prepared when they get there. I understand when they blow a semester, we need to do something about it. With the answer given to me by my colleague on limiting this to certain students, the residency requirements and all the other changes involved, it drives me to vote "no" on something that I feel is of value to the State and to the students of this State.

SENATOR BEERS:

Thank you, Madam President. These were not amendments that were arrived at lightly by the Committee on Finance. We have a big problem. The way the fund is structured today, it costs \$33 million a year to run. The income from the Tobacco Fund is \$17 million. Perhaps, I should have suggested to the Attorney General to file another series of lawsuits against the tobacco companies. Maybe that would increase our proceeds, but I think, we gave up the opportunity to file further lawsuits when we settled. The only opportunity we have is to reduce the expenses of the program. That is the hard reality that we faced in the series of subcommittee and committee meetings.

My colleague from District 1—Washoe—who said our choices are to offer a better scholarship to better students or less of a scholarship to more students, best expressed the policy choices we made. We went with the second alternative on several different subchoices within this package. If we do nothing, then, it is likely that your millennium scholar and my millennium scholar will find that the money has run out before they are finished.

What we have done is a combination to reduce the proceeds that each millennium scholar gets and to increase the eligibility and maintenance requirements to get and keep the millennium scholarship. I wish we would not have to do it, but dollars are dollars.

SENATOR HORSFORD:

Thank you, Madam President. I have a question on section 7. It refers to the provisions of section 4 which deal with the grade point average a student needs who is eligible for a Millennium Scholarship. The second sentence of section 7, "... the Millennium Scholarship programs apply to all students who graduated after May 1, 2003, including and without limitations, students who are currently enrolled in an eligible institution and are receiving a Millennium Scholarship."

My question to the Vice Chair is if a student who is a millennium scholar and who has been maintaining a grade point average of between 2.6, the current requirement, and 2.75 and is planning his or her educational career and the ability to continue enrollment in classes this fall, if this amendment is adopted under section 4 of the bill, and in the third year as a junior, the

student finds he or she must obtain a 3.0 grade point average, would that make that student ineligible?

SENATOR BEERS:

Grade point averages are applied to Millennium Scholarships on a semester-by-semester basis. Currently, the 2.6 criteria does not look at the cumulative grade point average, but simply at the last semester's grade point averages. Everyone who maintains a 2.6 regardless of the year of schooling, in the semester ending next week, will be eligible for the fall, 2005, semester. Over the following winter break, they will be reanalyzed. If they are sophomores, instead of the 2.6 they could have earned before this amendment, they will need to earn a 2.75. If they are juniors or seniors, they will have to earn a 3.0 for that semester instead of the 2.6 requirement of today. This is not retrospective. It does not look back into their academic history. The thinking of the committee and the Governor was that a student who had a 4.4 with a weighted grade point average in high school has a long way to drop to hit the 2.6 but someone with a 3.0 just has a little bit to drop to lose the scholarship.

We do not want to raise it for the first year. In the second year, the student should start finding some direction and should study harder and work harder and be over the first stumbling blocks that trip up many of us during our first year of college. By the time the student is in the junior year, he or she should be matriculated, have declared a major. Many schools require a 3.0 grade point average to get in. At that point, the student should be nose to the books.

SENATOR HORSFORD:

Thank you, Madam President. I appreciate the clarification. I will read the original portion of the bill because the amendment does not provide the same level of clarity as expressed by the Senator in his explanation. I am still concerned that the promise the Governor made in establishing this program and the support given by the previous Legislatures is suddenly being changed in the middle of a student's educational tenure.

While I agree that we need to make changes to the program, we do not need to do that in a way that will adversely affect the students we are offering the education to who need to enter the workforce and to provide all the services needed by our State.

The University of Nevada, Reno (UNR), is a land-grant institution. While there are certain requirements students need to fulfill, the institution was created in order to serve the State of Nevada. The only way we can serve the State is by encouraging our high school graduates to enroll in our colleges and universities and to obtain the education that they need. I am concerned there are provisions in this amendment that send the wrong message to our high school students.

SENATOR BEERS:

Thank you, Madam President. The committee shares the concerns expressed by the previous speaker. I would add, on a personal note, that all of the adults in my family enrolled at UNR and one at the University of Nevada, Las Vegas (UNLV), before the Millennium Scholarship was brought about. I am not certain this bill addresses enrollment or entrance requirements. The scholarship program is affected. The scholarship is being renamed The Governor Guinn Millennium Scholarship.

SENATOR WASHINGTON:

Thank you, Madam President. Do the credits apply toward the summer academic terms as well?

SENATOR BEERS:

The language referencing credit requirements addresses two different areas. Currently, a millennium scholar can opt to go to school part time. If they do, they must maintain 6 credits per semester at a 2.6 grade point average. If they opt to go full time, they must maintain 12 credits at a 2.6 grade point average. They can take more than that but they are required to meet the minimum. The language is designed to put a financial cap on each scholarship for a full-time student equal to 12 credits a semester and for part-time students equal to 6 credits per semester. The summer academic term is limited to 12 credits a semester. I do not know if the summer term carries a minimum with it. Clarification needs to be obtained from the State Treasurer. My colleague from Clark District 4 discussed the clarity of the amendment out of context of the



underlying bill. The committee found it was not clear what the context was of the underlying bill. There were some extensive regulations developed that make it clear. The Treasurer's Office knows the answer to that.

SENATOR WASHINGTON:

I support the amendment. I support the efforts of the Committee on Finance. I, too, am a beneficiary of the Millennium Scholarship with one student who is entering into her senior year. On behalf of the Millennium Scholarship, I have heard numerous concerns that this is an entitlement program, taxpayer funded, etc. I remember when the Governor initiated the program during his State of the State message. It was a proud moment when he introduced the students who were the first to receive the scholarship. What struck me was that they were not just students, but they were Nevada students, and they were minority students. They were men and women.

As a father of a student currently attending UNR, it does me good to know there are more minority students now attending college than have attended before. It is because of the Millennium Scholarship. These students may not have always been the best and the brightest, but they are proud that it is based on performance not preference. They understand that they have to perform to keep their scholarship. They know they can lose their scholarship. I have no problems with the requirements in this amendment. It lends itself to the importance of getting a higher education and to the knowledge that the scholarship should be valued. The students know that once they obtain their degree, they can give back to society and be part of the taxpayer rolls in the State.

Before the scholarship, we were losing both minority and nonminority students. I am proud that the Governor has decided to keep the scholarship, and for the naysayers who say the scholarship has not been a benefit to the State, I challenge them to wait a few years and see the benefits received by the State from these students. We will save money because these students will be working and not taking from the entitlement rolls of the State. I applaud the efforts of the Senate Committee on Finance and the Governor's efforts in making certain this scholarship continues. If we had done what we were supposed to do two or three sessions ago by passing his bill, we would not be at this point. Because it was caught up in partisan politics, we are, now, at the point where we are trying to save a good program. The scholarship should go forward, and I support the amendment.

SENATOR COFFIN:

Thank you, Madam President. This amendment is long overdue. I wanted this work done in 2001 after we saw the problems created during the first year and one-half of the program. We could not make the changes then or in 2003. To save the program, we have to do some cutting here and there. I hope some of the students do drop out. I hope they do not cut the mustard, and this is why. Their dropping out will be a good incentive to others who really want to work. Many students are just sloughing off. I spend a lot of time on the campus at UNLV. They should have to do a little more than just attend classes and take notes to get the kinds of grades needed. If some lose, they will learn, and fortunately, there is the two strikes rule. If they have not learned their lesson the first time, they should learn it the second. Otherwise, they should pay the full price.

SENATOR TITUS:

There are parts of this amendment I supported in committee and parts that I opposed. What I fear is that we are using the excuse of lack of funds to change the whole intent of the Millennium Scholarship from our original thought. When we first passed this, we felt that this was a way to get more Nevada students to go to college. At that time, we had one of the lowest rates of percentage of graduates who go on to college of any state in the Country. With this amendment, we have ratcheted the requirements down so tight in the interest of saving money that the program is going to become a scholarship program for those students who would otherwise get some other scholarship as opposed to being a program that reaches out to those who otherwise would not be going on to college.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

GENERAL FILE AND THIRD READING

Assembly Bill No. 571.

Bill read third time.

Roll call on Assembly Bill No. 571:

YEAS—21.

NAYS—None.

Assembly Bill No. 571 having received a constitutional majority, Madam President declared it passed.

Bill ordered transmitted to the Assembly.

Madam President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 7:06 p.m.

SENATE IN SESSION

At 7:10 p.m.

President Hunt presiding.

Quorum present.

REPORTS OF COMMITTEES

*Madam President:*

Your Committee on Transportation and Homeland Security, to which was referred Assembly Joint Resolution No. 17, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DENNIS NOLAN, *Chair*

Madam President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 7:11 p.m.

SENATE IN SESSION

At 7:18 p.m.

President Hunt presiding.

Quorum present.

GENERAL FILE AND THIRD READING

Assembly Bill No. 560.

Bill read third time.

Roll call on Assembly Bill No. 560:

YEAS—19.

NAYS—Carlton, Horsford—2.

Assembly Bill No. 560 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

UNFINISHED BUSINESS  
APPOINTMENT OF CONFERENCE COMMITTEES

Madam President appointed Senators Tiffany, Horsford and Washington as a first Conference Committee to meet with a like committee of the Assembly for the further consideration of Senate Bill No. 296.

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Senate Bills Nos. 89, 226, 311; Assembly Bills Nos. 31, 35, 128, 188, 201, 250, 334, 345, 346, 371, 388, 425, 496, 524, 526, 561.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Amodei, the privilege of the floor of the Senate Chamber for this day was extended to the following students, chaperones and teacher from the Bordewich-Bray Elementary School: James Apley, Brenda Ashland, Chantal Camarena, Jasmine Castillo, Natalie Cave, Jonathan Eckert, Kendal Elliott, Ashley Fulmer, Cristol Greer, Michelle Hoffman, Jazzmin Jacinto, Gavin Knight, Cheyenne Litherland, Erick Martinson, Andreah McCoy, Alejandro Monrroy, Joshua Natali, Victoria Norton, Jose Nunez, Cody Radford, Christian Rees, Elizabeth Rees, Jacqueline Rodriguez, Cody Rogers-Shaw, Blake Sly, Jillian Truesdell, Arthur Watson, Sydney Wirkus; chaperones: Tammy Fulmer, John Combs, Victoria Radford, Margaret Elliott, June Ann Rees and teacher: Mimi Loflin.

On request of Senator Raggio, the privilege of the floor of the Senate Chamber for this day was extended to Charles Welsh and Jane Welsh.

On request of Senator Rhoads, the privilege of the floor of the Senate Chamber for this day was extended to the following students, chaperones and teachers from the McGill Elementary School: Nathan Boyter, Devin Bragg, Kasey Carson, Jordan Gust, Brandan Harmon, Aubrey Hughes, Ryan Large, Hannah Marich, Michaela Marich, Amber Martin, Samantha Marshall, Benjamin Miller, Bailey Moore, Liberty Nelson, Kelton Pay, Zoe Spicer, Michael Valencia, Jaclynn Vaught, Shandi Willes, Haidn Windous Farris, Courtney Bellander, Kamber Carson, Richard Falge, Taryn Farnworth, Marissa Finch, Greylee Foster, Briana Harmon, Rebekah Hulings, Travis Ingle, Autumn Lawrence, Branden Levine, Kennedy Perez, Kenan Presswood, Kaylee Ruvalcaba, Boston Sizemore, Kassy Anne Smith, Zachary Sturm, Jordan Barnes, Olivia Blackham, Jami Cannon, Ryan Caulfield, Darleen Clark, Matthew Coburn, Taylor Coleman, Austin Garcia, Ryan Graham, Amanda Griffin, Tyler Harmon, Christopher Hibbs, Karyssa Hutchings, Riley Hutchinson, Karra Ingle, Huey Carl Johnson, Maataua Kingston, Keirra Leshner, Kevin Martin, D. J. Seely, Cierra Trujillo, Devante Valencia, Alexa Zamboni; chaperones and teachers: Holly Marich, Anne Debrutz, Penny Willes, Veronica Nelson, Vince Windous, Bruce Pay, Lynette Gust, Roger Miller, Bob Marich, Kevin Carson, Treena Whaley, Chao Whaley, Chris Sizemore, Angela Falge, Danny Falge, Lori Carson,

Julie Hulings, April Finch, Jennifer Farnworth, Angela Bellander, Tom Lawrence, Jennifer Anderson, Jean Steiner, Lori Sankovich, Vicki Deden and Sue Coleman.

Senator Raggio moved that the Senate adjourn until Saturday, June 4, 2005, at 10 a.m.

Motion carried.

Senate adjourned at 7:20 p.m.

Approved:

LORRAINE T. HUNT  
*President of the Senate*

Attest: CLAIRE J. CLIFT  
*Secretary of the Senate*