

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Third Session
March 24, 2005**

The Committee on Government Affairs was called to order at 8:11 a.m., on Thursday, March 24, 2005. Chairman David Parks presided in Room 3143 of the Legislative Building, Carson City, Nevada, and, via simultaneous videoconference, in Room 4412 of the Grant Sawyer State Office Building, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Mr. David Parks, Chairman
Ms. Peggy Pierce, Vice Chairwoman
Mr. Kelvin Atkinson
Mr. Chad Christensen
Mr. Jerry D. Claborn
Mr. Pete Goicoechea
Mr. Tom Grady
Mr. Joe Hardy
Mrs. Marilyn Kirkpatrick
Mr. Bob McCleary
Mr. Harvey J. Munford
Ms. Bonnie Parnell
Mr. Scott Sibley

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County
Assemblyman William C. Horne, Assembly District No. 34, Clark County

STAFF MEMBERS PRESENT:

Susan Scholley, Committee Policy Analyst
Eileen O'Grady, Committee Counsel
Nancy Haywood, Committee Attaché

OTHERS PRESENT:

Laura Mijanovich, Northern Nevada Coordinator, American Civil Liberties Union of Nevada
Andres Ramirez, Private Citizen, North Las Vegas, Nevada
Vonne Chowning, Former Assemblywoman and Private Citizen, North Las Vegas, Nevada
Gregory Rose, City Manager, City of North Las Vegas, Nevada
Kimberly McDonald, Special Projects Analyst and Lead Lobbyist, City Manager's Office, City of North Las Vegas, Nevada
Jim Avance, Private Citizen, North Las Vegas, Nevada
Sean McGowan, City Attorney, City of North Las Vegas, Nevada
Stephanie Garcia-Vause, Legislative Advocate, City of Henderson, Nevada
Nicole Lambole, Legislative Relations Manager, Office of the City Manager, City of Reno, Nevada
David Olshan, Managing Attorney, Nevada Fair Housing Center, Las Vegas, Nevada
Ted Olivas, Director, Government and Community Affairs, City of Las Vegas, Nevada
Dan Musgrove, Director of Intergovernmental Relations, Office of the City Manager, Clark County, Nevada

Vice Chairwoman Pierce:

[Called the meeting to order. Roll taken.]

Assembly Bill 197: Revises Charter of City of North Las Vegas concerning election of City Councilmen. (BDR S-278)

Assemblyman Kelvin D. Atkinson, Assembly District No. 17, Clark County:

Today we are here to present A.B. 197, which requires that city councilmen be voted for and elected only by the registered voters that the council member will represent. Although this bill provides for the council members to be voted into office by the residents residing in their specific ward, the mayor of the city will continue to be elected at large.

[Assemblyman Atkinson, continued.] As the city of North Las Vegas continues to grow, so does our demand for the accountability of our elected officials to their constituents. As I walked my district this past summer, it was mentioned to me on numerous occasions that individuals wanted to directly elect who would be representing them. In addition, citizens felt that they no longer wanted the masses of votes from the other wards choosing their representatives. Why should the citizens in Wards Two and Three be deciding the representation for Ward One?

It is no secret that the majority of the votes in North Las Vegas come from a handful of precincts. This argument would be the same if Assemblyman Kelvin Atkinson was voted for countywide to serve Assembly District No. 17. I have heard everything under the sun as to why this bill has been requested. I have heard that I have candidates lined up wanting to replace current council members; I have heard that I want to create more minority wards. Those are all false. Let me say this for the record: all of those accusations are not true. To me, this bill is cut and dried, meaning that I feel it is good policy that individuals living in specific wards be afforded the right to directly elect his or her council member and not have other voters in other wards deciding for them.

I understand why the Board of Commissioners was created this way many years ago. Members were elected at large because the population of the city did not support council members running in specific wards. However, with the population of North Las Vegas ballooning to 165,000 at the end of 2004 and growing, this bill is ripe for the cause. With there now being approximately 165,000 citizens residing in North Las Vegas, if we craft the wards correctly, each ward could have approximately 41,000 residents. I think that number is sufficient to support the "one person, one vote" concept, and I urge your support.

I know that Assemblywoman Giunchigliani does have an amendment to propose. We will let her talk about that a little later. We would like to take the people's testimony who are for this bill first, and then hear from those against. Please remember that general public policy requires us to come up with good public policy. I believe this bill is another effort to accomplish this. I urge your support.

Assemblyman Goicoechea:

Does North Las Vegas presently have wards?

Assemblyman Atkinson:

Yes, they do.

Assemblyman Goicoechea:

The amendment talks about a first-time drawing of the wards. Those wards would have been established in the last census year. We don't know if they are 5 percent over or under at this point.

Assemblyman Atkinson:

Assemblywoman Giunchigliani will speak to that.

Vice Chairwoman Pierce:

This bill doesn't suggest that the wards be redrawn right now, does it?

Assemblyman Atkinson:

No, it does not.

Vice Chairwoman Pierce:

So the wards would be redrawn at the usual time, at the census?

Assemblyman Atkinson:

Assemblywoman Giunchigliani will talk about that.

Assemblywoman Marilyn Kirkpatrick, Assembly District No. 1, Clark County:

I am here in support of A.B. 197 for several reasons. Doing research over the last few elections, I was able to find that 73 percent of the vote came from north of Cheyenne Street. In North Las Vegas, that is all relatively new. For the last 15 years, it has continued to grow.

I believe that we have many different parts of North Las Vegas; there are different communities with different issues in each area. For instance, the mature section, which is the original part of North Las Vegas, is well in need of some revamping and some redevelopment, as opposed to the newer sections of North Las Vegas, which are currently getting schools when we build things, and they are getting fire stations and police substations.

I think that the residents are just trying to figure out how they can get things for their neighborhoods, as opposed to always seeing those go to the newer parts of the city. I live now in the center of North Las Vegas. I don't live in the mature section, and I don't live in the new section. At times, things move forward to the new section, where we still have needs in the middle section, and in the mature section, we are working very hard to bring new things there. We have revitalized downtown.

It is easier, I believe, for other folks to run for office, because North Las Vegas is approximately 70 square miles. It is very large; it is very hard to walk; it is

very costly to get other folks involved in politics. If we are limited to our wards and those we represent, we can bring more people into the process. We always want to keep new blood coming into the process.

[Assemblywoman Kirkpatrick, continued.] We really need to take a look at this and narrow it down. North Las Vegas is very fortunate to be growing on a daily basis. There are well over 10,000 building permits out there, and we continue to grow on a daily basis. I think that we need to narrow it down so that constituents know who they need to go to. They can get answers right away. Currently, you just call in and ask to speak to one of the four commissioners. They really want to know who their person is, so that they can contact and call at 10 p.m. to find out why the substation isn't open. This is a move in the right direction. North Las Vegas is growing and will continue to grow, and this will only help our community.

Assemblyman Goicoechea:

Presently, though, you have to reside in the wards that you are elected from, even though you are elected by the whole district, don't you?

Assemblywoman Kirkpatrick:

You do have to, currently, live within your wards. However, the wards are drawn so that one council member may only live six blocks from another, so we are trying to establish areas and needs, so that the council people can come back and do things within that area to meet the needs of that part of the community.

Assemblyman Goicoechea:

Then I assume the wards are drawn on the census years—like they are in county commissions—by the council and the mayor. That may be where some of the problem has come from.

Assemblyman Munford:

Those areas where you said that 73 percent come from, where those in the North Las Vegas area live—did you say that was north of Cheyenne Street?

Assemblywoman Kirkpatrick:

They live north of Cheyenne, which is the newer part of the area. However, we only have, at this time, one city council person who has elected to stay in the mature section and to be part of that community. Councilman Robert L. Eliason, who does live within the mature section, chose to stay and to represent that district. Seventy-three percent of the vote is coming from north of Cheyenne, so we want to give the folks in the mature section a reason to get out to vote.

Assemblyman Munford:

The other 27 percent comes from the minority areas in a sense. Isn't that true?

Assemblywoman Kirkpatrick:

Truly, we are very diversified in North Las Vegas. It is not an issue of race to me; it is an issue of representation . . .

Assemblyman Munford:

It is. It is in some ways, though.

Assemblywoman Kirkpatrick:

In Precinct 2426, there are well over 150 senior citizens down there that are of all races. I am not here on a race issue; I am here on the mature section.

Assemblyman Munford:

No. I just said that I have about 6 percent of my constituents in North Las Vegas. I know that south of Cheyenne is primarily west Las Vegas, or North Las Vegas going into the west Las Vegas area, and is predominantly populated with minorities. Some of those areas are neglected, and in some ways, you think this will help remedy some of the problems that exist there? That's what you are presuming and working towards. Isn't that right, with this new proposal that you have?

Assemblywoman Kirkpatrick:

My goal is to have equal representation and to have representation throughout the entire city of North Las Vegas.

Assemblyman Atkinson:

Assemblyman Munford, to answer your question, when I was looking at this bill and I thought about what we needed to do, because it was a concern from citizens as I walked the district, I guess you could come up with a whole gamut of reasons why this is necessary. One of them could be because there really are no minorities on the Board in North Las Vegas. I will say, for the record, that was not why I considered this bill. There may be others who may feel that, when we do think about redrawing lines or adding council members later on, that equation does become a factor. That may be it. That may be true, but I don't think, initially, that's why I thought about this.

After talking with Assemblywoman Kirkpatrick and Assemblyman McCleary, we didn't want to make that an issue in this bill or make that an issue at this time, but I do agree with you, because we have a certain part of the district that is Hispanic. I don't really feel that there is an African-American isolated population in North Las Vegas; I think we are all spread out. Do I think there is an area that

is predominantly Hispanic, and do I think that an Hispanic can never win that ward because of the way that ward is set up now? I agree. No, I don't think that one can.

[Assemblyman Atkinson, continued.] I am thinking about Assemblyman Goicoechea's question, "Why the need to redraw the lines?" My initial thinking, in talking with Assemblywoman Giunchigliani, was that we are trying to even constituents out numberwise, and that may be the need to redraw. In redrawing them, we may need to think about minority wards. I guess, if we came up with a transition team, that would have to be looked at. I do thank you for your question, as that has been a topic as well—not just from you, but I have heard that as well.

Assemblyman Claborn:

On page 4, line 6, subparagraph (b), it says that candidates for all elective offices must be elected by the registered voters of the city at large. Could you give me a reason why we aren't attacking everyone else, just the city's council members?

Assemblyman Atkinson:

On line 6 on page 4, I think that you are talking about judges. We do feel that the judges should be voted on at large and have everyone in the City of North Las Vegas vote on them. I don't think we are attacking anyone. I think that, again, it is fair that individuals representing Wards 1 through 4 be elected by the individuals living in those specific wards. Judges represent the entirety of North Las Vegas and so does the mayor. That's why candidates for those two positions would continue to run at large.

Assemblyman Grady:

Assemblywoman Kirkpatrick, I think you said that you wanted to change the wards so council people would not be living by each other. If you change the wards, you cannot say, "Because you live close to the boundary, you can't run." I don't see how that comment would change where people are living unless you are looking to just change people on the council.

Secondly, you said that, presently, all of the councilmen just live in a close area and don't represent the rest of the city. If you have wards now, why don't they represent the rest of the city?

Assemblywoman Kirkpatrick:

Let me make myself clear on this. Our city, because we started with a city that was older and a bedroom community, has now grown into a large city that is actually on the map. We have different needs within our city. Currently, the

wards are drawn; however, three out of four of our city council people live in the newer part of the city. Constituents feel, because our city council represents our entire city, that the mature section is not getting the attention that it needs, if the council members were elected by the people within their area.

[Assemblywoman Kirkpatrick, continued.] Constituents feel that they could call their city council person and say, "You know what? I live in your ward between this area and this area, and I need some representation." With 70 percent of the vote coming from the newer part of the city, the folks in the mature section, or even the middle of the city, don't feel that they have true representation. You can live within whatever ward you are representing, but if you are being elected by less than 20 precincts that are in the newer part of the city out of 40, what do you have to do to get some representation throughout the entire city?

Assemblyman Grady:

Then, it is the intent of this bill to redraw the present wards into new wards.

Assemblywoman Kirkpatrick:

With the population growing as quickly as it has, it will have to be redrawn no matter what. Whether this bill passes or not, the wards will have to be redrawn, because certain wards have a lot more constituents than other wards. There are now 10,000 building permits on file, scheduled to move forward within the next year. The 5 percent population rule will take effect anyway.

Assemblyman Atkinson:

The redrawing of lines everyone keeps talking about. The election is June 7, 2005, and the lines will be redrawn anyway. I think that we are just trying to add input to the redrawing of those lines if this bill goes forward and is passed, as of July 1, 2005. We were just trying to set it up for when it is going to happen during this year.

Assemblyman Christensen:

I am a big believer in home rule. How would you respond to someone who was to ask you, "Why not put this on the ballot and let people decide whether or not this should happen?" You mentioned that constituents, people, have concerns. Have you all talked about putting this on the ballot to see what they all say and then address it at that point?

Assemblyman Atkinson:

I think we just spoke to that. The reason why we don't feel that is a good idea is because we just mentioned that 71 percent of the votes come from one area.

Because that is the case, we would have that same 71 percent deciding for everybody. We didn't feel that was a good idea.

Assemblyman Bob McCleary, Assembly District No. 11, Clark County:

When we divide political districts, we do it by population, not by how many people vote in those districts. My district has the lowest amount of registered voters of any district in Nevada; I have 7,800 registered voters in my Assembly district. Yet, they deserve the same representation regardless.

The people I represent are lower middle-class working people. Many of them are just squeaking by to survive. Voting is secondary to them. Survival is priority one. Yet, they do deserve representation, and I represent those people. I think that what we are talking about is a similar situation.

A few years back, there was an effort to do this. Part of the compromise was to divide them into districts. It used to be that everyone ran at large. You could have ten people running for city council. You would have the top four vote-getters in the primary, because they would stagger who would win the primary, and then the top two would get seats.

What you ended up having because of that was four out of the five city council members who lived in the same neighborhood. That neighborhood voted, and they controlled politics. The older district that I live in, the neighborhood that I live in, is 60 years old. It wasn't fair to them.

In a compromise, when this issue came up the last time, they said, "Let's divide us into wards where you have to live in that ward, but you will run at large." Now you have my city councilman, who represents me and that part of the district where we live, getting most of his votes from that northwest area. Seventy-one percent of the votes are coming from less than half the district. They dominate the political landscape. When issues come up, my city councilman has to represent them more than he has to represent us. That's why I am saying that this is an issue of fairness. Actually, if you look at it that way, and everyone is familiar with gerrymandering districts in North Las Vegas, you are saying that they can't live in the ward. It's gerrymandered so that the newer section of town, once again, has four of the five council members living in that section. The old neighborhoods are not being represented as they should.

I have a great city councilman; I think he's a guy who wants to represent us, but he has to jump through hoops for those people to stay in power. That's why I signed on to this bill. This is proper and just. These people should have representation regardless of whether the votes come from that one section of

town. Those votes control the political landscape, and they get all of the benefits, and they have everybody's ear. I want somebody to listen to me.

[Assemblyman McCleary, continued.] I urge your support on A.B. 197, and I would also ask that you allow us to have the opportunity to have the final word, if there are any questions that we need to rebut.

Assemblyman Hardy:

The further we go with this simple change, the more lost I get. What do you do now? The city councilman is elected out of a ward at large. All the voters vote for city councilmen, but each has to live in a certain place in a ward. Correct?

Assemblyman McCleary:

Presently, the system requires you to live in your district. If Assemblyman Atkinson and I lived in the same ward, and we wanted to run against each other for city council, we have to run citywide. Whichever one of us gets the most votes citywide wins that ward.

What happens is that we actually had an election where the person representing a ward lost in his ward but won the city council race because he got more votes in that northwest area. That is the injustice I am talking about. That's why. As someone mentioned earlier, my district is predominantly Hispanic, 65 percent Hispanic. Yet, a Hispanic person would never have a chance in that ward because he has to run at large, and the 71 percent of the people that are really controlling things live in one isolated area.

Assemblyman Hardy:

One of the things that I have found with local governments when you have the concept of "the ward elects the person in the ward" is that now you have five to seven people who are competing for pork. That becomes a competitive kind of thing. You are still playing the political game, as it were, at that point. The bottom line from where I am coming is to ask, where are the people of North Las Vegas? Do we have a referendum, a poll, something that says what the people want in speaking of representation?

Assemblyman McCleary:

The people in my district feel that they don't have proper representation. No, I haven't seen a poll. This hasn't gone to a vote of the people. But I will tell you where all of the services are going; they are going to the new section of town, where all of the nice parks are. Our parks are dives. I wouldn't take my kids to our parks. We drive across town to their parks because they are nice. They have all the representation; they have the political clout.

[Assemblyman McCleary, continued.] Yes, it would be politics. Some people would say that if we divide things up, there will be a lot of squabbling. We will, because my area is not getting the per capita spending that it deserves. I want my council member to go in there and say that we need to improve our parks, we need to clean them up, and we need to have more services on our side of town.

Assemblyman Atkinson:

I have heard that explanation, and Assemblyman Christensen is just attempted to say the same. We talk about what our duties are here in the Legislature. It is our duty to look at things that we feel are unjust. I don't think that we have the time or opportunities to run polls on every piece of legislation that we do up here. That can be said for at least half of the bills that we do up here. Can we run a poll? I think that people elect us to make the decisions that we think are fair and just. I think that A.B. 197 is fair, and we are just of trying to balance out the wards, trying to balance out the powers of North Las Vegas, trying to make sure that the wards are equitable and that the representation is equitable.

Assemblyman Hardy:

In that fair and just world, if we, as a Legislature, do things to cities or for them, what if we looked at this issue as a City of North Las Vegas issue and involved the citizens so that they were allowed to vote in a general election, for instance, and say that we are not only going to vote to change our city councilmen, we are also going to approve the boundaries that are on that same ballot question in the general election? Have there been discussions about using this as a vehicle to actually allow the voters to vote what they want to do?

Assemblyman Atkinson:

I think we have answered that a few times already.

Assemblyman McCleary:

There was a time in Clark County when all of the Assembly people were voted at large. Senators Harry Reid and Richard Bryan were actually elected to this Body by running at large in Clark County. Could you imagine what it would be like if we did that today? The problem is that certain sections of Clark County would dominate the political landscape. All of the representation would come from the same areas. I think that is what we are talking about.

If you wanted to send this as a referendum to the people of North Las Vegas, you would have that 71 percent wanting to protect their power, protect the status quo, because that is what keeps them controlling the political landscape. Why would they want to change that? It wouldn't make any sense. That's the same reason we divided Clark County into Assembly districts, so that every

area would get representation based on population, not based on the vote. We do not divide political subdivisions by the registered voters. It just doesn't work that way. Everyone deserves representation, and, ultimately, that is what this bill is about.

Assemblyman Christensen:

I just wanted to say that I really like the Electoral College. My name is on this bill, because the way I see it is that it follows the rules as to why we have the Electoral College. If we didn't have the Electoral College at the federal level, the politicians would spend all of their time in the coastal states and forget about the Midwest.

Assemblyman McCleary, I understand that that is your point here. Also, as a representative of a big chunk—I think the fastest growing district in my vast district is North Las Vegas—I want to make sure that the provisions can really follow that representation piece. A request that I would have is, maybe, if people gravitate to the three of you and to others with questions or points of interest—as Assemblyman Hardy had mentioned—as to where the citizenry is on this, that you share that with the whole Committee as it goes on. I would like to see this happen. At the end of the day, your constituents need to be taken care of, just like mine up in the growing areas and other parts of the city of North Las Vegas.

Assemblyman Munford:

I recall, at one time, weren't the council members of North Las Vegas voted in by their wards? I think that when Mr. Theron Goynes was on the council, didn't they vote by wards? I thought he represented our district. It wasn't by wards? [Assemblywoman Giunchigliani shook her head.] It has never been by wards? I thought that was a transition or change that took place like 10 years ago. It has never been that way?

Assemblyman McCleary:

Before 1999, it was "at large." I will give an example again. If you wanted to run for city council, you would just file with the city. If there were 10 candidates running, under the old system there would be a primary election. The top 4 vote getters citywide, in the primary, would win that primary. In the general election, out of those 4, the top 2 would become the city council people. Of course, that would alternate every 2 years, so that you would have four city council people. The mayor was elected at large, too.

In 1999, the process changed. The council members still run at large, but they have to represent a ward. So, in that situation, if Mr. Atkinson and I lived in the same ward and both wanted to seek the city council seat for that ward, we

would have to run at large. The one getting the largest number of votes would represent the ward on the city council, even though one of us could actually lose the majority of votes in that ward. If we got the most votes citywide, we serve on that city council. That's the way it presently is, and that is why we are bringing this bill forward. We feel that 71 percent of the votes are coming from one area, and we don't feel that is fair.

Assemblyman Munford:

I just recall that years ago, Theron Goynes was on for many terms, and those of us who lived in the west part of Las Vegas just thought he ran from that area to represent the people of that area. We would go to him when we had problems because he lived in our area. I remember when Thomas Brown was on the city council. We thought he was our representative, because he lived in North Las Vegas but right on the fringe of west Las Vegas.

Assemblyman McCleary:

Mr. Goynes was a great representative. I would think he would have a hard time being elected today because of the way the wards are situated or the way the city is situated now. He would have a tough time getting elected.

Assemblyman Parks:

It appears to me that the way in which the situation is currently set up, it favors those persons who can raise the most money, because they have to run from the largest segment, the whole city. It also favors someone who would be an incumbent. Is that the sense of what you see in your bill?

Assemblyman Atkinson:

Mr. Parks, you are absolutely correct. You will find that the individuals who fight us the most are the ones, in my opinion, who are most concerned about going to smaller masses of votes. They would find themselves more vulnerable because the opponent does not have to raise as much money. If I can speak to what happened in 1999, the bill at that time actually proposed to do exactly what we are doing now, because the council members then did not live in wards. They ran at large, as Mr. McCleary said.

At that time, all of them lived in one neighborhood. The area in North Las Vegas at that time that was "the place to live" was the El Dorado community. Every last one of them lived there. That bill sought to move them closer to their constituents, which is what the rest of us have to do. So they went to the wards, and that was the compromise at that time. I personally feel that that bill did not go far enough by making them live in their wards but running at large. It absolutely makes no sense to me. We are bringing forward this piece of legislation to finish the other half that was not finished in 1999.

[Assemblyman Atkinson, continued.] Your question to us a moment ago is exactly one of the reasons we did come forth. Someone says, "Poll." Someone says, "Talk to our constituents." I think that is what we have all done. All of our constituents have come to us. Mrs. Kirkpatrick has had constituents call her, come to her, and walk up to her and mention this. I certainly have as I go door to door. Mr. McCleary certainly has. Mr. Denis is not here, but he has certainly expressed the same concern. I don't think that we need to do a poll for people to tell us what they are telling us in person. They are telling us they want this, and they are telling us that it is needed at this time.

Assemblywoman Chris Giunchigliani, Assembly District No. 9, Las Vegas:

I am pleased to be here to support A. B. 197. In 1999, I was a cosponsor on the legislation and worked closely with the Government Affairs Committee when we debated this very hotly contested issue of representation. It surprises me that, in 2005, we are still debating whether equal representation and giving people an opportunity to have a true voice in their electorate and who they choose to elect to represent them is still seen as a threat by incumbents.

What this bill is attempting to do is exactly what the Chairman said, and that is to "stop protecting incumbents." Now, we are all incumbents. I understand incumbent protection; we are able to raise much more money. But, on balance, at least our constituents have an opportunity to choose us from an area that we live in, and they are the only ones who have that voice. That makes me first responsible to those people. Then we come up here as elected officials, and we also have to have a broader view and take into consideration the whole state.

My constituents know that I live in their district, and they get to choose to hire me or fire me. That's all this piece of legislation does. It's a second step from 1999's compromise legislation. It was a huge debate because you did have individuals who chose; they left their area to move into the newer area and still wanted to represent their old area. Heaven forbid that you would actually live in the area you wished to represent. That's all this is attempting to do. It is to take step 2 from 1999 and say that now we have wards, and now we are going to let people actually elect their representative who lives in the same ward. They do it in Boulder City, they do it in the city of Las Vegas, and they do it for the Clark County Commission. My representative is Gary Reese in the area. As an Assembly person, I have an overlay. But, I know who I go to when I'm complaining about helicopters flying overhead or if the parks or the roads have to be dealt with. We have that opportunity.

When you run at large, it allows us to dilute the voice of the electorate. All this bill is trying to do is to say, "All right, let's take step 2." We have an opportunity now to say, "You are going to run from Ward X," and that's who

you are most accountable to. I understand the competition of parks, roads, and other pieces. I understand the dilemma that the politician is in at the local level now to try to decide where to put those things. But, they have pretty much put them in the newer areas. It is the older areas that have been neglected. The older areas feel they have no voice. This bill will not guarantee a Hispanic; this will not guarantee an African-American. This is absolutely not what this is about. It will, however, give an opportunity for individuals to run and, at least, to have that voice be accountable back to the people who live in the area they chose to live in.

[Assemblywoman Giunchigliani, continued.] In my amendment ([Exhibit B](#)), what I am suggesting is that when this bill passes, it may be determined that the population—since the census has grown by the 5 percent, the City of Las Vegas is looking again, as is the city of North Las Vegas, on whether or not to redraw their ward lines—to take the politics out of it. Maybe a transition committee could oversee the process. Cities usually hire a consultant to actually draw the lines, but my vision was that, and I don't care if it's 5 members or 7 members. A committee should oversee the drawing of the new lines for wards if new ones need to be created. That's all I was trying to get to in that suggested amendment for the consideration of the Committee. I felt that it would give people a little comfort that gerrymandering was not occurring.

It was suggested that maybe the Assembly people from that area could sit on that transition committee along with constituents. It is your choice, but I was trying to give it some dialogue. I felt that was maybe a piece that was missing in the creation of the legislation. That's for your consideration.

Assemblyman Grady:

Would this amendment actually be put into the legislation, or would you do this through the Legislative Commission? I don't like this kind of language in statute.

Assemblywoman Giunchigliani:

I tend not to as well. That is why it is a suggestion. It could be an amendment, or it could be a trailer bill, or it could be a recommendation to the Legislative Commission. It could be a one-liner added to the bill, that "a transition committee shall be established as recommended by the Legislative Commission." Leave it as simple as that, but at least there would be oversight on the redrawing of lines of the wards just for the first time. I think once you get past that and everyone has their comfort level, there is no need for it. I am willing to work with the Committee and the sponsor of the legislation on whatever direction you wish to go. I think that's the only intent I'm trying to get to.

Assemblyman Goicoechea:

As I look at the bill, this only pertains to North Las Vegas. It clearly is an issue all across the state. I am more familiar with county commissioner districts. I want to tell you that it isn't "one size fits all." Nye County has their commissioner districts, and you are elected from your district. Now we end up with four commissioners from Pahrump and one from northern Nye County. They are elected from their precincts, but it doesn't really shift the power.

Assemblyman Hardy:

In Boulder City, we run at large. This is just a clarification.

Assemblywoman Giunchigliani:

I apologize. I think Henderson does as well. I will remind the Committee that cities and counties are creatures of the Legislature. We giveth; we can taketh away. We can also give direction. I think that's all this legislation is saying. We took Step 1. We wish to consider Step 2. Then maybe the others ought to take responsibility and look at equal representation as well. That is their Assembly person's responsibility to bring forward, and, at this point, North Las Vegas representatives feel strongly enough that this will help—not guaranteeing anything—simply make sure that at least people have a voice, and that voice comes from someone they had the opportunity to vote for.

Laura Mijanovich, Northern Nevada Coordinator, American Civil Liberties Union (ACLU) of Nevada:

I am here to support A.B. 197. The ACLU supports and favors ward races over at-large races. Much has been said so far, so I will be very brief. There is political science research that shows that it costs more money to run at-large elections. Consequently, it may result in less representative voting. Also, at-large elections tend to reduce the opportunity for historically marginalized communities to get in power and to get their voices heard.

On the other hand, ward elections are more affordable, less expensive to run a viable campaign, and it allows for a more diverse and truer representative government. That is, in a nutshell, the position of the ACLU, and we urge you to adopt A.B. 197.

Andres Ramirez, Private Citizen, North Las Vegas, Nevada:

I live in North Las Vegas and, for the record, I happen to live in the neighborhood of the 71 percent of the majority of the vote. I am here to testify in support of A.B. 197, and, as some of the members know, I testified in 2001 during the state's redistricting. To me, this is an issue of fairness in representation and giving people the opportunity to elect an official that is accountable to them and to establish increased accountability.

[Andres Ramirez, continued.] There are many concerns and questions that people always bring up in these types of debates, such as the competitiveness that happens when you have a ward system for city councilmen. I just disagree with allowing that as an opinion to derail this bill, simply for the fact that we have seen government, specifically local government, function despite having a ward system. We have seen it in Las Vegas, and we have seen it in cities across America.

I would just like to remind a lot of the Assembly members that what we are trying to do here is to establish the same system that we have at the State Legislature. The system currently in North Las Vegas is tantamount to having an Assemblyman live in their district but having to be voted on statewide. I am pretty confident that most Assembly members would not want to run statewide simply to represent their district.

Again, this is a matter of giving populations, communities of interest, and neighborhoods a greater voice, a greater saying, and a greater accountability at the table, as city council members at the city council meetings. I would like to ask you to support this bill. I live in the newer section. I fight hard for the mature sections, and I will continue to support this bill.

Vonne Chowning, Former Assemblywoman and Private Citizen, North Las Vegas, Nevada:

If you will let me, I will digress a bit and go back to 1987. In 1987, my husband, a group of very dedicated activists, and I campaigned for a referendum to be put on the ballot to accomplish exactly what this bill and the bill in 1999 sought to accomplish. The reason was the same as it is now. It was representation, a true one person, one vote type of voice. We were able to get it on the ballot, by the way, in 1991. That was 4 years of hard work. It almost won. It was by less than 100 votes, but, nevertheless, it did lose.

I was very, very proud to be a part of the passage of the bill in 1999. As has been stated, that did half the job. I ask you here today—I strongly support A.B. 197—to complete the job. If you will, put yourself in the shoes of a candidate trying very desperately, with much dedication, to become a city council representative. That person goes knocking on the door and says, “Hello. My name is Vonne Chowning. I would like you to vote for me for city council representative. I’m campaigning from District 1.” And, the other person says, “Oh, but that’s not my district. My district is District 4. Why are you knocking at my door?” I say, “The reason I’m knocking at your door is because the law says that this is what I need to do. You are voting for me even though . . .”

[Vonne Chowning, continued.] You can see the confusion that this creates. People want—whether it's one block away, if this district is their district—true accountability. That's why we choose to elect statewide representatives, as was stated before, not by the entire state but by the district itself. People want their representative to be held accountable by them with their vote.

Please do not dilute their voices any further. North Las Vegas is a wonderful, wonderful city. It's growing by leaps and bounds. It is the largest in the entire country, as far as being the fastest-growing city. It is too large for the antiquated system that is in place. Please support A. B. 197 and complete the job that was sought after in 1999.

Gregory E. Rose, City Manager, City of North Las Vegas, Nevada:

[Read from [Exhibit C.](#)]

I am here today on behalf of the North Las Vegas City Council to speak with you regarding A.B. 197. For technical or legal questions, I also have with me—not directly but via videoconference—Sean McGowan, who is our City Attorney.

First and foremost, I believe we share a common view with the Nevada Legislature and Assemblyman Atkinson on providing an efficient, open, and responsive government for the community. However, this is not a bill brought to you by the City of North Las Vegas. This puts us in a slightly precarious position.

In its current form, we simply cannot support A.B. 197. Please note that we would like to have a collaborative, yet open discussion regarding the bill. There are two main concerns that we have with the bill.

First, A.B. 197 is not congruent with our 2005 Legislative Platform, which was passed by the North Las Vegas City Council on April 21, 2004. For your information, the Legislative Platform is our guiding document regarding the city's advocacy positions on topics such as community development, planning and zoning, land use, public safety, employee benefits, public works, parks, transportation, and regional issues.

As quoted from the first paragraph of the platform: "The general philosophy is that the City of North Las Vegas believes that governance issues are best resolved at the level of government closest to the people. The role of the city government is to provide

essential services in the most cost-efficient, expeditious, and quality-conscious manner possible. This is accomplished by establishing and maintaining a relationship with state government that acknowledges and respects the proper roles and limitations of each entity.”

[Gregory Rose, continued.] This general philosophy may or may not be achieved through A.B. 197, because governance is best at the local level with collaborative input.

As part of our city’s Visioning 2025 program, which includes extensive input from our residents, the City Council is creating the vision of North Las Vegas with our community. This was a citizen-driven strategic planning process. The Visioning Committee is a panel of citizens who were appointed by the City Council in July of 2004. We have surveyed our residents on how well we are performing and on what they want the future of North Las Vegas to look like. Due to this citizen-driven visioning process, we now have a vision, a plan called the Visioning 2025 Plan. This information is available on our website and open for everyone to view.

This same collaborative process and spirit is the approach that we prefer and would like to extend to our North Las Vegas delegation and the Legislature in creating the best local government and delivery of services for all of our constituents. The City Council, as a part of this process, had the ability to simply impose their will and create the visioning document by themselves. They simply elected not to do that. This was a citizen-driven process. We think that is the proper manner to bring about a different style or form of government.

Our second concern is that A.B. 197 is a charter change that specifically only applies to the City of North Las Vegas. This raises the question regarding why it only affects our city and our charter. In comparison, let’s look at the electoral process for other large cities in Nevada, such as Boulder City, Las Vegas, Henderson, Mesquite, Reno, and Sparks:

- City of Boulder City has a mayor and four council members who are voted on at large.
- City of Las Vegas has a mayor and six council members. The council members are voted on through their wards.

- City of Henderson has a mayor and four council members who are voted on at large.
- City of Reno has a mayor and six council members. The mayor and one council member are voted on at large, while the remaining five council members are voted on by ward in the primary election and voted on at large in the general election. This process was voted on and approved by the public in the late 1980s.
- City of Mesquite has a mayor and five council members voted on at large.
- City of Sparks has a mayor and five council members. The council members are voted on by wards.

[Gregory Rose, continued.] It is noteworthy that in 1992, Reno residents voted to change their election process. We feel we should survey the North Las Vegas residents to see if they desire a change. Like North Las Vegas, Boulder City, Henderson, and Mesquite are the same, with council members being voted at large. Further deliberation and discussion is clearly needed.

In closing, we cannot support A.B. 197. However, we are open to exploring the discussion by engaging in a collaborative dialogue with Assemblyman Atkinson and our other North Las Vegas delegation and community to see whether this is what our residents want to see in their government. This issue needs further research and feedback from the North Las Vegas residents. We, therefore, respectfully invite Assemblyman Atkinson to work with our City Council in putting this issue on the ballot for the voters to decide. Thank you for inviting me to speak this morning and to formally invite Assemblyman Atkinson to explore this issue via a ballot question and to work with our City Council.

Assemblyman Hardy:

If we did enabling legislation to enact A.B. 197, effective upon the approval of the people, is that something we can do? Is that feasible to do?

Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

I would need to double-check with the Legal Division, but I do believe that there are instances of legislation that are effective upon a vote of the people. I am thinking of the proposed incorporation of cities in the past. Pahrump comes to mind, but I would want to double-check that.

Gregory Rose:

There are a couple of issues that I would like to clear up that were brought forward to you. Regarding the allocation of resources in North Las Vegas, many of the parks, fire stations, public safety facilities are actually constructed in the new growth area, as they would like to define it, by the development community. These are constructed through exactions. It is simply a basic philosophy of a pay-as-you-go sort of development, not to impose an additional tax burden on the residents that have lived in North Las Vegas simply because of the desire to continue to grow as a city.

If you would visit our website and view our capital improvement program, which has a 5-year plan for North Las Vegas, you will find that the distribution of resources is very balanced. We don't like, really, to consider it a North Las Vegas that has the mature area and the North Las Vegas that has the new growth area; it is simply North Las Vegas. How do we make North Las Vegas a great city no matter where you live within it? If you look at our capital improvement program, you will find that there are significant resources dedicated, over the next five years, to our mature area. One of the challenges we are facing as well is to define where the mature area really is. We are working with the citizens to try to get a better understanding of exactly where that is located.

One of the other things I also want to mention is that we only recently started working with the businesses within the mature area of North Las Vegas. We think that this is all important, but also we think that it fundamentally shows that the City Council's direction and their preference is to work with the citizens as we create a better city for all.

Vice Chairwoman Pierce:

There was a bill in 2001, I believe, that drew the wards. Is that correct?

Gregory Rose:

There was a bill in 1999 that drew the wards. In 2001, there was a shifting of the boundaries. That was based on the state's statute that requires a balanced population. That has to change as the population changes.

Vice Chairwoman Pierce:

Part of working on that bill included a discussion of what we are discussing today. Is that true?

Gregory Rose:

I wasn't here in 1999, so I would need help on this one.

Kimberly McDonald, Special Projects Analyst and Lead Lobbyist, City Manager's Office, City of North Las Vegas, Nevada:

I do believe that discussion was held, but I wasn't privy to those discussions with former North Las Vegas City Councilman John Rhodes, who brought forth that piece of legislation.

Vice Chairwoman Pierce:

If North Las Vegas was inclined to take this to a vote of the people, would they not have done that by now?

Gregory Rose:

This is not a bill that is being proposed by the City Council of the City of North Las Vegas. We are simply saying that if this legislation is needed, then it should be the citizens that should be the driving force behind it. We have not proposed any legislation, nor have we opposed a valid issue going before the citizens that would ask them the question about their election process.

Vice Chairwoman Pierce:

I am just wondering after these many years that this has been discussed, and now to suggest that more conversation is needed, seems overkill. It strikes me that the conversation has been ongoing. I also think that we are elected to exercise leadership.

Kimberly McDonald:

As our City Manager has just expressed, through our extensive visioning process—and we have some very, very proactive citizens that really get involved with government at our City Council meetings—this has certainly been their opportunity to raise these concerns and issues as well. We have a very open government, and this process, this forum, has enabled them to come directly to our city's management to express their desire for change or even exploration of this particular opportunity.

Jim Avance, Private Citizen, North Las Vegas, Nevada:

I have been a resident of North Las Vegas since 1961. Prior to that, I had gone to high school there, but I lived in Las Vegas at the time. In 1961, when I came home from the Marine Corps and went on the police department, the City Council, at that time, was divided by job tasks. We had a councilman in charge of the police, we had a councilman in charge of parks, we had a councilman in charge of roads, and one in charge of water, and other kinds of activities.

At that time, they had all kinds of problems. It seemed that the Parks Commissioner was the most powerful in the group, so all of the city's money went to parks. If any other person wanted something in their area, they had to

barter with each other and promise to vote for that person's project. If you're going to get one, I'm going to get this.

[Jim Avance, continued.] In 1964 or 1965, that process was changed in North Las Vegas. Let me back up and tell you that I currently reside in what has been described as the mature area on McCarran Street. My four-plex is over 50 years old, and prior to my current residence, I lived on Granada Circle and had lived there for over 30 years.

The thing that these young people are trying to put on in North Las Vegas will create the board system responsibility for the person living there, of trying to get new parks or new streets or streetlights or whatever, and will reestablish the system that was back in the 1960s, where they had to barter with each other and say, "I'll vote for yours if you vote for mine."

Right now, as people are elected citywide, they are responsible citywide, and they look at the whole city as their problem, not just their ward. This would be a step backward for North Las Vegas. Currently, the City Council race is a nonpartisan race. There is talk in some other bills—and I am not sure if it will affect North Las Vegas—of requiring city councilmen to run by political party. That would be a further disaster in this type of situation. If you had three members from one political party and one councilman from another, he would probably not get any funds for his area because of the way politics work.

There have been talks about new parks, new police buildings, and new schools going north of Cheyenne. That's where the growth is. If there are 71 percent of the voters out there, then it's no wonder the 71 percent of the vote comes from where the new houses, the new parks, and the new schools are.

I can tell you that in the mature area, on the street where my four-plex is, there is a park across the street that was totally revamped in the last 3 years. So there is money going into what's been described as the mature area.

The problem of revamping the downtown area or the mature area is that you can't build any more houses there. It's saturated. There are no empty spaces. You are not going to get growth there. The growth is all going north, which is an empty area. Redraw the ward systems to match the population, which is done periodically by law. That has to be redrawn to the north. It's going to go into where the people vote. I would like to, for example, ask the makers of the bill to respond back to you, Madam Chairwoman, what percentage of the people in the mature area voted. The fact that they didn't have a large vote could be because they chose not to exercise their vote.

[Jim Avance, continued.] I will tell you that the existing system works. This body created, in 1999—just 6 years ago—the ward system. Since then, we are still voting in people at large. Robert Eliason defeated an incumbent. That can be done. My daughter, Shari Buck, defeated an incumbent 6 years ago. You can defeat an incumbent. The system works. We have a black city councilman in North Las Vegas who has been on that council for 20 years and gets elected by people at large. It's not necessary for a minority to be drawn in or gerrymandered to create an area. The people in North Las Vegas are civilized enough that they will vote for the best person. William Robinson has been on that council for what seems like forever. This Body, when it created the ward system, required those people who wanted to continue serving to move. They had to move to new areas of the town, because that's where the new homes were built.

All of the problems that you have been told here this morning by the makers of the bill seem to be their problems and problems that this Body created. I would suggest to you that the system is not broken, and it does not need to be fixed.

Vice Chairwoman Pierce:

I think that Assemblyman McCleary addressed your question when he remarked that we represent all of our constituents, whether or not they vote.

Sean McGowan, City Attorney, City of North Las Vegas, Nevada:

I am here in support of Mr. Rose and just available in the event there were legal questions. I don't have any additional remarks.

Stephanie Garcia-Vause, Legislative Advocate, City of Henderson, Nevada:

Although we are neutral on this bill, we feel compelled to be on the record since we were mentioned in Mr. Rose's testimony. The City of Henderson does have at-large elections of councilmen who are elected from wards, but we would not like to be included in any type of change to our charter.

Nicole Lamboley, Legislative Relations Manager, Office of the City Manager, City of Reno, Nevada:

We would like to be on the record as well. As Mr. Rose indicated, in 1992 the city voters defined how they would like to elect their representatives to the Reno City Council. In the primary, they are elected by wards, and then they are elected in the general election at large. We would be concerned with any possible changes to our charter as well, because the voters have determined how they want to be represented in the City of Reno.

Assemblyman Goicoechea:

How did you restructure the City of Reno? Was that done by a vote?

Nicole Lamboley:

Yes, it was a vote of the people. The voters were asked how they would like to be represented. Originally, it had been at large. Then, they voted to have it, in the primary, voted on in wards. The citizens in Reno feel that the City Council does represent their entire interest, so they do have the opportunity to vote at large in the general election for all the City Council members.

Assemblyman Goicoechea:

You are elected from your ward in the primary, and then elected in the general election citywide?

Assemblyman Atkinson:

One of the things that I want to say is that Mr. Rose mentioned putting this on the ballot. I think we have already expressed numerous times why we didn't think that would be a good idea. I do have to ask the question, "Why was that not mentioned before today?" This bill has been a bill draft for six months. This is the first time I have heard that North Las Vegas would like to work with us on this bill. I have to admit that I am a little bit taken aback. I have been told that they were not taking a position for 5 1/2 months and just heard today that they are speaking against it. I do want to say that for the record.

Madam Vice Chairwoman, you brought up one of the points that I was going to bring up. I would like to reiterate it. When Mr. Rose mentioned what happened in 1999, this has been a debate for years in North Las Vegas. This is not new. This bill almost came up last session, and it didn't get introduced or didn't go through. It has been on the schedule to be discussed for years. It fell out in 1999. If the city, at that time—because the bill then did ask to go as far as we are going now—really felt that it should have been a ballot question, and there have been 3 elections since then, it should have been on a ballot. That was not the case. I think this is their last attempt to get this Body to not go forward with it by wanting to put it on a ballot, which wouldn't go on until 2007, which wouldn't take effect until 2009. It is just another way to prolong what we feel the citizens of North Las Vegas deserve.

As to the visioning document, as a representative of North Las Vegas, I haven't seen that. I questioned my other colleagues, and they hadn't either. I am not sure what that is. I just wanted to bring those points out.

I know that everyone has a different opinion of how this should happen—how Reno has done it, how other cities have done it, who has chosen to do it, who has chosen not to do it. I don't know what their political pressures were at the time or what they had been hearing from their constituents or from their

citizens. I know what we have been hearing, and that's why I have brought this bill to you.

Assemblyman McCleary:

Briefly, I want to thank the North Las Vegas City Manager for inviting us to possibly take this to a ballot. My concern with his proposition, however, is two words out of the four: ". . . make up 71 percent of the vote." I don't see why anyone would want to change the status quo. I also appreciate his comments about the developers donating land for the parks, fire stations, and such. That's a good idea and should be done that way. I would also like to remind him that we do pay the taxes to maintain those facilities.

Assemblyman Claborn:

I have an observation. Mr. Atkinson said that the bill had been out for about 5 months, and he had not heard any opposition. It is my experience that this is where you find the opposition when you bring the bill forward. I think we all learned a lesson here today.

Assemblyman Hardy:

In Section 5 of the bill, it talks about the terms of the two city councilmen elected commencing July 1, 2003, and expiring June 30, 2005. That election, if we pass this bill, would happen June 7, 2005. The clock is ticking on this particular bill. I don't know if that is even feasible to do that. If this bill moved forward, I would suggest we look at that language anyway, as far as the rapidity with which this could happen.

Again, if we move this bill forward, with 39 Assembly people signed on and 15 Senators, I would think that we could move it forward by saying that we would let the people go to the vote, and in that vote, also have the wards be part of that.

Assemblyman Atkinson:

The last thing I wanted to say is that we cannot legislate cohesiveness and camaraderie. Even if you are in wards just like the County Commission are in districts, you still have the responsibility to look out for or protect the entire city of North Las Vegas. This bill doesn't change that. This bill does not change that each elected member in North Las Vegas, including the Assembly members and Senate, has a responsibility to look out for the entire district. This won't change that.

Mr. Hardy brought up a point about the bill being effective in 2005. He is absolutely correct. I actually meant to mention that earlier. I am not sure how to address that, but that date is wrong. We had proposed that this would take

effect on July 1, 2005, and the first affected election would take place in June of 2007. We do need to have that date changed. It was also mentioned, and I received a phone call last night from a North Las Vegas City Council member, thinking that all four would have to run in 2007. That's not the case. We would just go in the staggered order that they are in now. So, whoever is up for reelection in 2007 would run, and the next two would need to run in 2009.

Vice Chairwoman Pierce:

With that, I am going to close the hearing on A.B. 197.

Before we open the hearing on A.B. 201, I have a BDR introduction to be done. This is a bill from the Nevada Association of Counties.

- BDR 30-594—Authorizes local governments to use public utility fees as pledged revenue for revenue bonds. (Assembly Bill 402)

ASSEMBLYMAN CLABORN MOVED FOR COMMITTEE
INTRODUCTION OF BDR 30-594. (ASSEMBLY BILL 402)

ASSEMBLYMAN PARKS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Vice Chairwoman Pierce:

We will now open the hearing on A.B. 201.

Assembly Bill 201: Revises provisions relating to rehabilitation of certain residential property. (BDR 22-813)

Assemblyman William C. Horne, Assembly District No. 34, Clark County:

Assembly Bill 201 is a simple little piece of legislation. Currently, in statute, individuals who are seeking to rehabilitate homes for low-income housing can apply to government entities, city and county, for low interest loans if they meet certain criteria. This helps rehabilitate certain areas in various communities.

This bill allows certain 501(c)(3) nonprofits to be able to apply for these loans as well and, in seeking the same means, to help low-income persons move into

affordable housing and rehabilitate neighborhoods. I have with me, from the Housing Authority, David Olshan in Las Vegas. He will be testifying on the technical aspects of this particular program. ([Exhibit D](#))

David Olshan, Managing Attorney, Nevada Fair Housing Center, Las Vegas, Nevada:

Assemblyman Horne pretty well summarized it. It is a small step forward in making affordable housing more available to people in Nevada.

One of the problems with the existing statutes is that it only applies to "persons," actual persons. They must be low income, 80 percent or lower than the median income for an area. In this situation, often they cannot qualify for financing, they don't have the expertise to rehabilitate, or they don't have the money to rehabilitate. If you are in a low income situation, you are probably renting an apartment, and you don't have the ability to pay your rent, purchase a property, and rehab it at the same time.

What [A.B. 201](#) seeks to do is to allow affordable housing providers and organizations to access this property—substandard housing, tax-delinquent property—to acquire it, rehab it, and then make it available for affordable housing in the state of Nevada.

Assemblyman Hardy:

On line 10, referencing the "80 percent" rule, if I were to live in The Lakes and made 80 percent less than the rest of the people in The Lakes, how big would the 80 percent be? Could we put a poverty level, 300 percent, or 200 percent, or 150 percent, something that actually gets to the people who need affordable housing? And I'm not sure we have defined "the area" anywhere.

David Olshan:

If I may, the 80 percent rule applies as a HUD [United States Department of Housing and Urban Development] standard. It applies to a wide geographical area. I believe it is all of Clark County, so it would not necessarily be The Lakes or a specific ZIP code. It would be the metropolitan Clark County area. In Clark County, I think there are four different geographical areas. If someone were living in The Lakes, I think the standard would be for Las Vegas Valley.

Assemblyman Hardy:

Are there other statutes somewhere else that qualify it more than the "80 percent" rule? There ought to be when we look at affordable housing. What is, then, the median gross income of Clark County in those four areas so that I can, therefore, figure out the 80 percent?

David Olshan:

HUD establishes those in the Federal Register, and they are codified in federal regulations. I don't have the specific website, but they are easily accessed, and, usually, when you talk about poverty issues like public housing, they reference "80 percent" and "50 percent" of the median income. For those who work in these areas, these are common denominations, 80 percent and 50 percent.

Assemblyman Hardy:

Again, to belabor, if my income is 80 percent of the average or the median, that means that 100 percent is right in the middle; 80 percent is just a little less, and 120 percent is a little more. Is the purpose to get affordable housing, or is it to rehabilitate the abandoned residential properties? I suspect it is to rehabilitate the abandoned residential properties more than affordable housing.

David Olshan:

I would say that the concept of affordable housing is played out by offering it to people of lower incomes. The purpose of NRS [*Nevada Revised Statutes*] 279A and 279B is to rehab property and make tax-delinquent property available to natural persons who are low income. The affordable housing aspect is a more general aspect that we think of. It is a broader public policy than just rehabbing an individual unit. Maybe the term "affordable housing" is misapplied here. It's really to make housing affordable for lower-income individuals.

Assemblyman Hardy:

Again, I am still interested in the numbers. Eighty percent doesn't sound like what I would classify as someone who's in need as much as we need to rehabilitate the neighborhood or whatever. I get the impression, reading the bill, that it is the rehabilitation of the neighborhood. I like the concept, and the concept of the nonprofit organizations, and I would feel more comfortable if I knew the numbers.

Vice Chairwoman Pierce:

I think that we can find out the numbers for you.

Assemblywoman Parnell:

If I own an apartment building, I would be the person eligible for that loan, because most of the people who reside in that apartment building are at the 80 percent number. Is that correct?

David Olshan:

Could you clarify the specific portion of the bill draft?

Assemblywoman Parnell:

You first see it on line 11:

. . . is a member of a household having a gross income of less than 80 percent of the median gross income for households of the same size within the same geographic area, or rents residential property to such households.

So, is the gentleman or lady who owns a large apartment complex, and rents those apartments, allowed to apply for such loans? I am a little confused about the rental part in this bill.

David Olshan:

I believe it does. The owner of a complex that rents to low income people would also qualify, but that would have to be a natural person.

Assemblywoman Kirkpatrick:

The word "affordable" drives me crazy. I think it can be such a negative word. My goal is to change it to "attainable," because now everybody just wants to be able to attain a house. I don't know if there is a reason why we use "affordable" as opposed to "attainable."

Vice Chairwoman Pierce:

I believe that most of this is written in accordance with federal regulations. The terms are used, and the 80 percent and the 50 percent are used, to make this compatible with federal regulations.

Assemblyman Parks:

Mr. Olshan, as I read this, this allows nonprofit organizations to be eligible. Are there any further criteria? Must you be anything more than a 501(c)(3) and able to make the payment to qualify? I'm kind of concerned because I see a lot of 501(c)(3)s that, while they may be a nonprofit, they certainly are profit makers for the people who are behind them. My biggest concern here is that we don't get into a program that ends up being a front for somebody making a large profit.

David Olshan:

The answer is, "Yes." The criteria are that they must be a 501(c)(3), they must provide affordable housing to natural low-income persons, and they must have the financial resources to repay the loan. There isn't much up front in weeding out land speculators if they meet these requirements. I think that's a problem. Providing affordable housing would be the great separation between a

speculator and an organization truly interested in increasing the amount of affordable housing.

Assemblyman Christensen:

This is a continuation of Assemblywoman Parnell's question. I am trying to play through this scenario on the rents. I think I understand the household concept if someone wants to go in and buy a home. On line 11, page 2, where it refers to "rents," I am a part owner of an apartment complex in a low income area in Las Vegas. Most all of the people in that complex would qualify for this. With this program, would it go to helping them pay their rent to me as the landlord?

David Olshan:

It would not. It would allow you to acquire the property, to rehab it, and to qualify for tax breaks. There wouldn't be a direct financial benefit to you. Also keep in mind that this statute requires the local municipality to enact regulations, procedures by which individuals or organizations could qualify for these benefits. In essence, what A.B. 201 is asking is that the Legislature allow organizations to qualify for these benefits and to seek them on the local level.

Assemblywoman Parnell:

On line 29, page 2, it says, "Provides affordable housing . . ." I am having a difficult time understanding. If I own the apartment building, qualify for this good rate on a loan, and decide to go in and fix this building up, how does this lower their rent or create more affordable housing?

David Olshan:

I think the misconception or confusion is arising because you are thinking of existing structures. This does not apply to existing structures. If you are a current landlord or you own property and want to apply for these benefits, it is not going to happen. This applies to the future acquisition of property, tax delinquent property, or property in disrepair. The owner is allowing it to continue in substandard housing.

You, as an affordable housing provider, would be able to acquire that property and make it available, but only to low income individuals, thereby making it affordable. It applies to future acquisition of property and to an affordable housing provider. That affordable housing provider would allow low-income people to rent it. Obtainable and affordable housing are terms and concepts that can be deemphasized. It is basically allowing for future property to be acquired and to be made available to lower income people.

Assemblyman Hardy:

In our bill summary, the Legislative Counsel's Digest, line 4 of page 1, "Under a program for the rehabilitation of residential neighborhood, a natural person who meets certain criteria may apply to the governing body for a loan to rehabilitate his residential property." That is your piece of property. I read that.

In the bill, Section 1, line 14, ". . . owns and resides on . . ." I am not trying to be contrary. I like the concept of allowing an organization to do what a person can do. I am trying to figure out how to make this work.

David Olshan:

You are correct. I believe, as I indicated earlier, this provision, as written, is underutilized. The statute, as written, would apply to people who are living in dilapidated, substandard housing to get a loan to rehabilitate it. Again, we feel that is underutilized. What we are talking about is the acquisition of property. That is what A.B. 201 is really geared for. No affordable housing provider, none that I know of, currently has this benefit. We are looking toward affordable housing providers acquiring the property, and that is the perspective that I'm trying to emphasize.

Assemblyman Hardy:

I would like to make a suggestion, Madam Chair. I have great respect for our staff to be able to look at this and put it into verbiage that would allow us to accomplish the task. I think the verbiage that we have now is a little confusing as to where it is going.

Assemblyman Horne:

I just wanted to make a point. Much of this is currently in statute. It is not that we are adding any new procedures to what already exists. We are basically allowing another party to come to the table and possibly utilize this—as Mr. Olshan pointed out—underutilized program to try to get this benefit out there to people who need it. Things like the "50 percent" and "80 percent" from HUD are already in statute. The procedures on how you qualify for loans are already in statute. It is just that these nonprofits cannot currently, today, state that they would want one of these loans, as well for one of these programs. The hope is, if they are allowed to do that, that this provision can be utilized more effectively.

Vice Chairwoman Pierce:

These are basically federal regulations. It is a federal program.

Assemblyman Horne:

This language is taken from HUD, as far as I understand it.

David Olshan:

That is entirely correct.

Assemblywoman Parnell:

I would imagine that, in the HUD regulations, there's a formula that is used to ensure that once this rehabilitation has been completed, the people who then come to rent this property are truly being offered affordable housing. I'd like to see a clearer connection with the affordability once this rehab has taken place. I would hope that our staff could look into that as well as they look at revision.

Vice Chairwoman Pierce:

It is my experience that Americans generally grossly overestimate what other Americans make, and that a steady diet of stockbroker ads makes us all think that everyone else has a stockbroker. The fact is that "80 percent" and "50 percent" of the median income are probably considerably lower incomes than most of us imagine.

Ted Olivas, Director, Government and Community Affairs, City of Las Vegas, Nevada:

I testify before you this morning in support of this bill. Currently, we do not have an ordinance for the rehabilitation of residential properties or abandoned residential properties. However, the authority to be granted by this bill would support any future decision to pursue such an ordinance. We are, therefore, in support of this bill.

Assemblyman Parks:

In this bill, it references property that is owned by a governing body. Does the City of Las Vegas have a program currently where it acquires either abandoned residential property or would be in a position to transfer that property to a nonprofit organization or an individual who would avail themselves of this program?

Ted Olivas:

I do not believe that we do own any residential properties that would be covered by this bill at this point.

Assemblyman Christensen:

This program is a federal program. Does the city work in conjunction with the federal government to make sure that this program is [monitored], and that all the provisions are met; so it's like a joint program?

Ted Olivas:

I am not that familiar with the program. I would have to defer to Mr. Olshan as to how that works. What I do know is that, perhaps, adding the ability of a nonprofit to be involved in this could give us some authority and the opportunity to look into this in the future.

Assemblyman Christensen:

I am a strong believer in rehabilitation of some of these dilapidated areas to have a nice place for people of low income to live, especially in Clark County, where it is so hard to afford anything anymore. Who actually oversees and regulates? Is it HUD? Is it the city, or is it the county? Once money is handed over to an apartment, building, or homeowner, and they have the low interest on the funds to go and redo this building and now it's nice, who is watching over and keeping them from doubling the rent? Now that it is a nice place, it would be worth a lot more. Just how do we make sure that the consumers, the renters, are protected?

Ted Olivas:

I don't have the answer for that, but I would be glad to go back, find out what that is, and bring it back to this Committee.

Assemblyman Munford:

In my district there are quite a few boarded up and abandoned places. Some become homes or places for the homeless and other types of vagrant people in the neighborhood. Wasn't there something about people who did not keep up their homes or property, and did not, in some way, try to protect it to keep it from becoming a haven for drug dealers or for people to hang out in or use for some type of shelter? Wasn't there something about the city taking it over anyway? Couldn't the city put a lien on it or force them to either straighten out the problem or lose ownership? Doesn't the city have some policy on that?

Ted Olivas:

Our Neighborhood Services Department is responsible for going out and making sure that the homes in our community meet the standards that have been defined by our city council. I am not sure that we acquire those or lien those. I would have to find that out as well. We do monitor that, absolutely.

Kimberly McDonald, Special Projects Analyst and Lead Lobbyist, City Manager's Office, City of North Las Vegas, Nevada:

We do have a rehabilitation program in our city. Our planning and zoning departments are in support of this measure. They do feel that it might, in some ways, expedite the process and be more efficient in terms of taking care of abandoned properties. The specific mechanics of how that program works are

not familiar to me, but I would certainly be happy to get that for the Committee on behalf of our city.

Stephanie Garcia-Vause, Legislative Advocate, City of Henderson, Nevada:

We do have a first-time home buyers program in the City of Henderson that our Neighborhood Services Department supports. We recognize that there is not currently enough available or suitable affordable housing on the market in the City of Henderson. We are in support of measures such as this one that enhance the number of partnership opportunities to help provide and enhance that supply of affordable housing on the market. Our staff also appreciated the opportunity to work with the bill's sponsor prior to the bill introduction and to help shape this legislation.

Dan Musgrove, Director of Intergovernmental Relations, Office of the County Manager, Clark County:

We do not have an amendment. We have some concerns. We do, though, support the bill.

Being a county, we come with a more unique perspective than the cities do. That goes back to the old "Dillon's Rule"—the home rule issue—of our inability to do anything unless it is specifically provided for in statute. Also, other provisions in statute can tend to disqualify us from things that we have the ability to do.

This is something we tried to do in Clark County a few years ago. We started developing a pilot program in the Whitney area. We were trying to help individuals actually repair their homes and improve their homes to help stabilize the neighborhood, to improve the neighborhood. To this end, we wanted to actually make loans to them where feasible, but to some individuals who couldn't qualify for the ability to actually pay back these loans or that the amounts were so small, we were just trying to help people paint their homes. We wanted to actually grant them money.

We used federal funds through our Home Program, through CDBG [Community Development Block Grant] grants, and through what they call the Low Income Housing Trust. Those are all federal programs that our Clark County Community Resources Department, in partnership with the federal government, administers to individuals, to groups, and others to rehab homes. What we found is that NRS [*Nevada Revised Statutes*] 279A specifically addressed the issue and said that we could not grant money; we could only loan it. Even though we had the ability under NRS 244.189, NRS 279A overruled us. Because of the provisions of statutory construction, we could not go forward with this program.

[Dan Musgrove, continued.] Our concern is with this legislation. We just want the legislative intent to be on the record that this would not preclude us from the abilities we have under NRS 244.1505. I wish Ms. [Eileen] O'Grady was here. I know Ms. Scholley can get those concerns to her. We have the ability under that section to grant funds to nonprofit organizations. That's a pure grant; it is not a loan. However, A.B. 201 talks about loaning money to nonprofits, and our fear is that we will then have the same kind of catch-22 situation one more time, where the provisions of NRS 279A have now eliminated our abilities under NRS 244.

Whatever the pleasure of the Committee is, we leave it up to you. Based on your questions today, I think you completely support the rationale behind this bill. You all believe in the ability to try to help people get attainable and affordable housing, and Clark County is very committed to doing those things, using those federal monies and Clark County monies, to either grant or loan money to qualified individuals so that you have those affordable housing instances. Really, we just want to make sure that the provisions of A.B. 201 do not cut our legs out from under us from the current authority we have under NRS 244. Those are our concerns that we wanted put in the record. I know the sponsor has, in my conversations with him prior to the hearing, no intention to preclude us from things we already do or want to do, in terms of granting and loaning money for affordable housing.

The only other thing that I would bring up under the discussion of "the individual" that came out of some of your questions today was that the bill talks about an individual being a person who either has ownership, is a tenant, or is a nonprofit. Let's say that there are folks out there in the community who are not a nonprofit organization, who aren't tenants or owners, but see these buildings and want to put money back in their community. They want to come in and rehab them, but they don't meet the qualifications of being either an owner or a nonprofit. Maybe they are just developers who want to give back to the community, who could never qualify as a nonprofit, but—in this particular instance—would like to come in, qualify for some of these programs, rehab some buildings, and then let them be rented out to those who meet the qualifications that this bill specifically addresses.

I would ask you to consider expanding that definition of "individual" a little bit to, perhaps, allow for a better expansion, as long as they meet all those guidelines that HUD, the federal government, and Clark County require; that it be rented to people who meet those "median income" provisions; and it doesn't turn into something that is now a fancy apartment house that has a higher rent. There might be folks in the community who really just want to come in and help

but would not meet those definitions. We just bring that before your Committee today for your consideration.

Assemblyman Hardy:

I think that Mr. Musgrove's point of the individual who wants to help is real. When you look at surrounding areas, you want the surrounding area to make your area look good, too. That probably has happened and will continue to happen. If it helps, I have no legislative intent to hurt the county as it deals with its programs under NRS 244—for the record.

Nicole Lamboley, Legislative Relations Manager, Office of the City Manager, City of Reno, Nevada:

We do not believe that this bill has any adverse impact on the programs that the City of Reno currently provides. We just would like to put on the record some concerns that we want to make sure are addressed.

Currently, under the application for home funds—which Mr. Musgrove mentioned—for scattered site rehabilitation and rental projects, nonprofits can apply for these funds. But, we want to be sure in this bill that the intent is that nonprofits could also tap additional local resources set aside for rehabilitation, such as the City's emergency rehabilitation loan program. In the City of Reno, our rehabilitation loan program does not allow tenants and/or landlords to participate. We assist owner-occupants.

We would just like to make sure that the local jurisdictions are given the option to consider how best to meet the needs in their communities. We did talk with some of the nonprofit agencies in our region, and some indicated that they knew that this was a bill designed to be of interest to some of the entities in southern Nevada. We just want to make sure it doesn't necessarily change our practices in the Reno area, but we, conceptually, are very supportive of the bill and would just like to work with the bill sponsor in clarifying some of these issues or questions that we have.

Assemblyman Horne:

I believe that these cities and counties would regulate and set up the regulations on how these particular loans would be granted and which pools of money would be used for that. I think there was no intention to impact the emergency fund for these occupied homes. If they were to permit a nonprofit to participate, they can surely exclude that particular program. This bill is not mandating that all nonprofits be able to tap into all resources of the cities by any means.

Also, there may be some clarification from Mr. Olshan on the oversight that has been mentioned, as to how we would stop somebody from saying that he

wants to rehabilitate this area, make it better, and now they hold a valuable piece of property and intend to increase the rents. I just know, generally, with these types of programs, since this wouldn't be the first jurisdiction to do this in the country, that there is oversight and there are penalties.

[Assemblyman Horne, continued.] If you get federal monies for low-income families and affordable housing, you cannot later reconvey that property for higher amounts and raise rents out from under those low-income families. That would be doing a disservice to the very people you got the loan for. The whole purpose was to give them a shot at owning their own property or renting an affordable dwelling. That is supposed to be maintained, regardless of the increase in value of that property. That is also reflected in their tax rolls as well, the property tax rolls.

David Olshan:

HUD-subsidized property and HUD loans generally have time restrictions. The property, if it is a HUD-subsidized mortgage, for instance, must be made available for a certain amount of time for low income individuals. When these contracts expire, there is a big fight, and generally, they are sold at market rates. We discussed this with affordable housing providers in southern Nevada. For individuals who acquire the properties, we thought of the same time restrictions—five years for that individual or a certain amount of time to keep the property available as affordable housing. Generally, the longer the restraint on alienation, the more you will have trouble enforcing it.

Vice Chairwoman Pierce:

I will now close the hearing on A.B. 201. There is no further business for this Committee. Is there anyone in the public sector who would like to make a comment? Seeing none, we are adjourned [at 10:38 a.m.].

RESPECTFULLY SUBMITTED:

Nancy Haywood
Committee Attaché

APPROVED BY:

Assemblyman David Parks, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: March 24, 2005

Time of Meeting: 8:00 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda, 1 page
A.B. 197	B	Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County, Nevada	Amendment, 1 page
A.B. 197	C	Gregory Rose, City Manager, City of North Las Vegas, Nevada	Testimony, 7 pages
A.B. 201	D	David Olshan, Managing Attorney, Nevada Fair Housing Center	Testimony, 1 page