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

# Seventy-Third Session April 15, 2005

The Committee on Government Affairs was called to order at 8:06 a.m., on Friday, April 15, 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. <a href="Exhibit A">Exhibit A</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. 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:**

Mr. Kelvin Atkinson (excused)
Mr. Chad Christensen (excused)

#### **GUEST LEGISLATORS PRESENT:**

Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County

# **STAFF MEMBERS PRESENT:**

Eileen O'Grady, Committee Counsel Susan Scholley, Committee Policy Analyst Michael Shafer, Committee Attaché

# **OTHERS PRESENT:**

- Randy Robison, Executive Director, Nevada Association of School Boards James Jackson, Legislative Advocate, representing Nevada State Education Association
- Robert Ostrovsky, Legislative Advocate, representing the Nevada Resort Association
- Terry Johnson, Deputy Director, Department of Employment, Training, and Rehabilitation, State of Nevada
- Dan Musgrove, Director of Intergovernmental Relations, Office of the County Manager, Clark County, Nevada
- Danny Thompson, Executive Secretary-Treasurer, Nevada State AFL-CIO
- Rose McKinney-James, Legislative Advocate, representing Clark County School District
- David Morton, Executive Director, Reno Public Housing Authority, Reno, Nevada
- Sydney Wickliffe, Director, Department of Business and Industry, State of Nevada
- Rick Loop, Legislative Advocate, representing Nevada District Judges
  Association
- Lieutenant Stan Olsen, Executive Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department, Las Vegas, Nevada
- Richard Daly, Business Manager, Laborers' International Union of North America Local No. 169, Reno, Nevada
- Michael Tanchek, State Labor Commissioner, Department of Business and Industry, State of Nevada

#### **Chairman Parks:**

[Meeting called to order and roll called.] For those who have been waiting, we do have a large number of bills that we will now take up in work session. Obviously, there are over 20 to 30 bills that are still alive to a certain extent. We will be doing them in certain groups, as the revisions come forward to us. The first bill we wanted to do was a bill we previously passed out of Committee. Unfortunately, it had some language in it that we later learned was not necessary and we did not want. It was A.B. 376.

Assembly Bill 376: Provides for various benefits for members of Nevada National Guard who are called into active service. (BDR 36-1072)

#### **Chairman Parks:**

What we need to do is reconsider the bill and then act on a revision of the bill. I think everyone has a copy of the mockup of the proposed amendment to A.B. 376 (Exhibit B). So, if I'm not mistaken, we need a two-thirds vote to reconsider a measure. With that, I'll accept a motion for reconsideration.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO RECONSIDER ASSEMBLY BILL 376.

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

# **Assemblyman Hardy:**

If we vote for this, it doesn't mean we have to vote for the actual bill?

#### Chairman Parks:

What I'm going to suggest that we do today is if you would keep track of your votes, and if at a later time you look at the amendments and you have problems with them, we won't hold you to the votes that are done today. Out of courtesy, if at a later time you no longer support the amendments as you see them on the Floor, we would appreciate knowing that you now have problems with a particular bill or a particular amendment. As we proceed forward this morning, I don't think we have to go through that for each and every bill. Are there any questions on the motion?

THE MOTION CARRIED. (Mr. Atkinson and Mr. Christensen were not present for the vote.)

#### Chairman Parks:

I would ask Susan Scholley if she had any comments. Ms. O'Grady will take us through the change on A.B. 376.

#### Eileen O'Grady, Committee Counsel, Legislative Counsel Bureau:

Section 3 is taking out the closed ballot measure for a tax exemption, and in the alternative, the new Section 5, it just says, "...administering the provisions." The Department is going to provide the sales tax exemption that the State of Nevada has to members of the National Guard and their relatives, so they're treated the same as the State in terms of being exempt from the sales tax.

#### Chairman Parks:

Questions from the Committee? Is there a motion to amend and do pass?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 376.

ASSEMBLYMAN CLABORN SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Atkinson and Mr. Christensen were not present for the vote.)

#### Chairman Parks:

That takes us now to our first group of bills for the work session.

Assembly Bill 275: Prohibits involvement of State Public Works Board in certain activities of local governments. (BDR 28-614)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

This bill was sponsored by Assemblyman Carpenter and was heard in this Committee on April 13. <u>Assembly Bill 275</u> prohibits the State Public Works Board from participating in a local government public works project unless 25 percent or more of the project cost is from State funds. Testimony in support of the bill came from the manager of the State Public Works Board and Steve Robinson from the Governor's Office. There was no testimony in opposition to the bill.

Further amendments to the bill were proposed by Assemblymen Carpenter and Parks, which would change the composition of the State Public Works Board with the support of the Governor's Office. Also, Dan O'Brien proposed amendments based on Senate Bill 292. It would allow the Clark County School District to create its own building department, and those amendments were supported by Ms. Rose McKinney-James from the Clark County School District. The proposed amendments to A.B. 275 are attached (Exhibit C). The fiscal impact was nothing. I have attached the amendments proposed by Mr. O'Brien and the amendments proposed by Mr. Carpenter and Mr. Parks. Those two to the original bill would form the original action.

#### Chairman Parks:

Are there any questions from Committee members relative to Mr. O'Brien's amendment? I'm not seeing any, so I'll take a motion.

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 275.

ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Atkinson and Mr. Christensen were not present for the vote.)

#### **Chairman Parks:**

That takes us to A.B. 299.

Assembly Bill 299: Authorizes exchange of land with Reno-Sparks Indian Colony and construction of new restitution center for Department of Corrections. (BDR S-820)

# Susan Scholley, Community Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 299 was sponsored by Assemblyman Marvel and was heard in this Committee on April 13. The bill allows for an exchange of land between the State of Nevada and the Reno/Sparks Indian Colony of certain parcels, for the purpose of building a restitution center for the Department of Corrections under a lease/purchase agreement and for a revenue-sharing agreement with the sales tax received from a retail project from land owned by the Colony. Further, the Colony has various projects proposed in the future for the parcel that it will receive in exchange.

Testimony in support of the bill was from the City of Reno, Washoe County, the Reno/Sparks Indian Colony, the Division of State Lands, and the Department of Corrections. Testimony from the AFL-CIO and the Operating Engineers expressed concern that the construction projects may not comply with prevailing wage law. Later, minor amendments were proposed by the Colony. In addition, it was agreed that the bill would be amended to include a commitment for the paying of prevailing wage on a lease/purchase project. There is no fiscal impact identified at the State or local level, and turning to the next page (Exhibit C) are the proposed amendments that were submitted to the representative of the Reno/Sparks Indian Colony.

# **Assemblywoman Kirkpatrick:**

I just wanted to be sure that we added that one provision in about the prevailing wage.

# Susan Scholley:

Yes. The proposal would be dependent upon what the Committee would want to do on one of the proposed amendments.

# Assemblywoman Kirkpatrick:

That's something I thought that they agreed to. I would be in favor of that.

# Susan Scholley:

They did agree to that. It was agreed that the bill would be amended to include a commitment. So, that would be one of the proposed amendments.

# **Assemblywoman Parnell:**

There was also an issue about the use of the inmates in the construction. Was that also part of this?

#### **Chairman Parks:**

It's the next bill. Did anybody have any further questions before I accept a motion?

ASSEMBLYMAN CLABORN MOVED TO AMEND AND DO PASS ASSEMBLY BILL 299 WITH A PROVISION REQUIRING PREVAILING WAGE.

ASSEMBLYMAN SIBLEY SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Atkinson and Mr. Christensen were not present for the vote.)

# **Chairman Parks:**

That takes care of A.B. 299. We'll proceed forward to A.B. 304.

Assembly Bill 304: Revises provisions relating to certain public contracts. (BDR 27-257)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 304, sponsored by Assemblyman Hardy, was heard in this Committee on April 12. It makes various changes to the provisions relating to performance contracts on operating cost savings. Testifying in support of the bill were Jason Geddes, former Assemblyman; representatives from companies involved in such contracts; the Purchasing Division of the State of Nevada; the Department of Corrections; the Sierra Club; and the State Treasurer's Office. There was testimony in opposition to the bill from the AFL-CIO and the Southern Nevada Building and Trades Council, and Associated General Contractors has specific objections to Section 22, which related to inmate labor. To resolve outstanding concerns, the bill is proposed to be amended by the deletion of the offending Section 22 on page 14 of the bill. There was no fiscal impact identified at the State or local level.

#### **Chairman Parks:**

Are there any questions relative to this bill, obviously with the exception of Section 22? I have a problem with Section 22. In looking at it, maybe I just don't have enough of the grasp of the consequences of deleting it, since it basically doesn't change current state law. So that you know where I'm coming from, I am a very big supporter of rehabilitation programs in the Department of Corrections. Anything that we can do for the inmate programs, I certainly would like to see that we do. Since there are no other changes, for the most part, what the inmate labor crews do at the moment, they will continue to do. I guess that's a question for staff, whether I am correct in that assessment.

#### Susan Scholley:

Deleting Section 22 would simply leave existing law as it is today. So, it would retain the status quo, whatever that may be.

#### **Chairman Parks:**

Further guestions from the Committee? Do we have a motion?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 304.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Atkinson and Mr. Christensen were not present for the vote.)

# **Chairman Parks:**

That takes us to A.B. 456.

<u>Assembly Bill 456:</u> Revises provisions governing planning, design and construction of facility for vocational training for culinary skills in southern Nevada and transfer of responsibility for performing arts center in certain larger counties. (BDR 20-1063)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 456, sponsored by the Assembly Committee on Ways and Means, was heard on this Committee on April 13. It makes provisions for the operation of the performing arts center in Las Vegas and further provides that the funds for the vocational training facility—in relation to the culinary academy—may be spent on construction as well as design. Testimony in support of the bill came from Assemblywoman Giunchigliani and Clark County. There was no testimony in opposition to the bill. Further amendments were proposed by Assemblyman Parks to provide for the design/build of the project. In addition, there was a commitment to add a provision clarifying that the process would be subject to prevailing wage. There was no fiscal impact at the State or local level.

I don't have a copy of the proposed amendments package, but it looks like the Chairman does and some of the other members do. Do you have some of the proposed amendments? Some of the proposed amendments are to clarify or provide authority to the city to use the design/build procedure in Chapter 338 and also, as I mentioned, to provide that the construction of the project would be subject to prevailing wage.

#### Chairman Parks:

Comments or questions by the Committee?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 456.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Atkinson and Mr. Christensen were not present for the vote.)

# **Chairman Parks:**

That moves us up to A.B. 480.

Assembly Bill 480: Authorizes establishment of plans of group insurance for officers and employees of certain school districts and their dependents. (BDR 23-950)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 480 was sponsored by the Assembly Committee on Government Affairs on behalf of the Nevada State of Education Association. It was heard in this Committee on April 13. Assembly Bill 480 relates to group insurance for school district employees and dependents. The measure was opposed by the Nevada State Education Association, who submitted a substitute measure in amendment (Exhibit C). Concerns were expressed by Hometown Health Plan and St. Mary's regarding provisions in the bill that excluded their companies from participating, and the Nevada Association of School Boards also opposed the bill. In response to this, two amendments were proposed.

One is substituting in the attached bill, which is behind your summary. Also, an amendment was added that would permit participation by domestic, licensed insurance companies. The bill was identified to have an impact at the local level and a fiscal impact at the State level. The amendments related to including the domestic, licensed insurance company would be added somewhere in the vicinity of Section 20 in the substitute bill.

#### **Chairman Parks:**

Yes. On the last page, Section 20, subsection 2, we had talked about adding a subsection (e) that would do as Ms. Scholley had suggested for domestic health care providers. I might say that following the hearing, Mr. [Randy] Robison had communicated to me that the opposition he had was mitigated to some concern, but he withdrew his opposition. Am I representing that correctly? I'm not opening the hearing, but it doesn't appear that there were any other concerns. Mr. [Fred] Hillerby, does that satisfy your concerns? Ms. [Janice] Pine is here and waving. I will take that as an affirmative show of support.

# **Assemblywoman Parnell:**

I would just like to note that it does say there could be a fiscal impact for the local district, but I think part of the bigger picture is, while it may cost something to get the information, it was shown the other day that there could be tremendous savings to the school districts as well. So, there might be an initial cost, but the potential savings are much greater than that initial cost.

#### **Chairman Parks:**

Yes. Quite often, when we see fiscal notes, it seems to never reflect that there is the potential for cost reduction. Are there any further questions with regard to A.B. 480?

# **Assemblyman Grady:**

We have seen what has happened with other self-funded plans—the State being one of them—where on more than one occasion, the State has had to come in and bail it out. If I'm not mistaken, the same thing happened with the Clark County teachers' group. They had some problem, and my biggest concern is, what happened if a couple of groups pull out of this that are the well people in there—leave the problems—and they can't afford to continue this? What happens to the employees at that point? Where do they go? This is the question. We had it, and I can tell you in my previous employment, we ran a program like this for the League of Cities, and it's a major problem, especially if one of your larger groups pulls out of this insurance. There's nothing in here that keeps them in here, and I don't know if you could put anything to keep it in there. That's my concern: where do the employees go if they do have medical problems and can't go to another insurance?

#### **Chairman Parks:**

That certainly is a concern that we all have relative to that. I guess maybe I could ask if there's somebody in the audience who might have a quick answer. It's one of those where I don't know if there is a simple answer.

#### Susan Scholley:

The substitute bill really is significantly different from the original bill. If you'll recall, the original bill mirrored A.B. 388 of the 72nd Legislative Session, but this bill actually sets up a series of requirements and prohibitions applicable to plans that are already established or might be established regarding fiduciary duties, providing information, disclosing information, and, for example, annual reports and the requirements of the specific ratings that were discussed in the section. The authorization for setting up these claims has already occurred. This bill then would be geared more toward regulating or monitoring those plans. So, this would probably monitor the health of those plans. I hope that makes sense.

# **Assemblyman Grady:**

I will vote for it coming out of Committee, but I do reserve the right to change my vote on the Floor.

# **Chairman Parks:**

Any further questions from Committee members?

# **Assemblyman Hardy:**

I have the same kinds of worries about the local insurance fellow who writes insurance polices for the whole Committee, as he can do something for the school district. Does this address that amendment to protect that ability to keep an insurance person in the rurals local?

#### **Chairman Parks:**

That certainly doesn't look like either a yes or no answer. We certainly ask him to come to the table. I saw some other heads bob a little earlier, and if someone else could answer that question, we would appreciate them coming forward to.

#### Randy Robison, Executive Director, Nevada Association of School Boards:

I don't know that the Association includes that provision. I might leave it to the sponsors of the substitute bill, but that certainly is one of our concerns.

#### Assemblyman Hardy:

While he's out, are there other concerns that I'm missing? I have a certain disquiet with the bill, and I'd probably be voting if I get those results.

#### **Chairman Parks:**

Mr. Robison, do you have further comment?

# Randy Robison:

We still have significant concerns with where we think the bill is heading in the next couple of years. So, we'll relate the question as we'll as you've asked. I think the substitute bill made clear that the provisions of this bill would apply to all existing clients, which does create some burden on the reporting mechanism that may be difficult to comply with in some of our very small districts. As the Chairman represented after the hearing, I talked with the sponsor of the bill and talked to our concerns. So, I guess we move from opposition to serious concern.

# James Jackson, Legislative Advocate, representing Nevada State Education Association:

I am not the subject matter expert on this necessarily, but I can tell you that the goal of this legislation is to put in place criteria and safeguards, so that plans that are developed are good plans and there is some accountability for them. That's why there are some fiduciary responsibilities, the idea that you're going to have well-rounded companies that are going to submit. I don't think it places any responsibility on whom a district or any organization can go to put that plan together. It just has to meet these criteria so that it's a healthy plan.

# Assemblyman Hardy:

If that's the intent of where you're going, can we say "for plans to be put in place" rather than existing plans, because existing plans have been shown to be working and shown to be working? So, are we trying to get at the old or protect us from the new?

#### James Jackson:

Frankly, I think we're trying to do both, because it's the idea that we're going to ensure that the current plans in place are good plans and are going to stay that way, and if they begin to slip, there's going to be some idea about that occurring. Then, on a going-forward basis, those plans are going to meet these criteria and are going to be good plans.

#### Chairman Parks:

As I read this and as I understand it, it just simply is that the local insurance agent must insure any company that has these ratings. Any further questions from the Committee? The floor is open for a motion.

ASSEMBLYWOMAN PIERCE MOVED TO AMEND AND DO PASS ASSEMBLY BILL 480.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN HARDY AND ASSEMBLYMAN SIBLEY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

Perhaps between now and the time the amendment goes to the Floor, the requestors of the bill can get some further clarification for us. We are ready to proceed with Assembly Bill 189.

<u>Assembly Bill 189:</u> Revises provisions relating to Nevada Equal Rights Commission. (BDR 18-406)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 189 was sponsored by the Assembly Committee on Government Affairs on behalf of the Nevada Equal Rights Commission. It was heard in this Committee on March 21. Assembly Bill 189 conforms Nevada law to federal

housing law, allowing the Nevada Equal Rights Commission to enter into a contract with the federal Department of Housing and Urban Development (HUD) to investigate and enforce housing discrimination complaints in Nevada. <u>Assembly Bill 189</u> adds to the scope of discrimination protection in housing, public employee accommodations in employment, and the bill also makes various changes to discrimination protection in rental housing and employment discrimination provisions.

[Susan Scholley, continued.] Testifying in support of the bill, although noting some minor concerns, were the Nevada Trial Lawyers, the American Civil Liberties Union, the League of Women Voters, the Northern Nevada Council on Independent Living, and Washoe Legal Services. Testimony in opposition came from Nevada Concerned Citizens, Nevada Manufacturers Association, and the Nevada Resort Association, whose concerns where directed primarily at the employment provisions. Others testifying with concerns, but some support, were the Southern Nevada Home Builders Association and the Nevada Mortgage Brokers Association.

In response to the concerns raised at the hearing, the Department of Employment, Training and Rehabilitation is proposing to delete Sections 17 through 23 of the bill and to incorporate the attached amendments. There was no fiscal impact at the State or local level. By turning to the next page (Exhibit C), you will see there are two pages of amendments to the bill, changing the number of days in Section 6 of the bill from 180 to 300, amending Section 8 of the bill as indicated there, and deleting Sections 17 through 23, which can best be described as the provisions primarily changing the provisions of the NRS [Nevada Revised Statutes], which may be an oversimplification. With that, I will answer any questions. Terry Johnson is here, who could perhaps better explain the impacts of some of these amendments.

#### **Chairman Parks:**

It's my understanding there may still be some concerns with this proposed amendment. Mr. Johnson, would you like to come forward? I believe the Nevada Resort Association has some concerns. Just a quick thing to go through it, I would delete Section 6 to delete 180 and go to 300. Mr. Ostrovsky, do you have a problem with that?

# Robert Ostrovsky, Legislative Advocate, representing the Nevada Resort Association:

Our primary concerns are relative to items in Section 8. Just as a policy decision, the federal government gives you 300 days to file a complaint. We're limited to 180 here. Employers would certainly like that it be done in 180 days, but the fact of the matter is that you're limited to 180 days here. Employers

would certainly like them to be done in 180 days, but the fact is if you come to day 181, they can still file at the federal level. Going to 300 is consistent with the employer's obligation to respond. I don't have a serious issue with that.

#### **Chairman Parks:**

Would you address your concerns on Section 8?

# **Robert Ostrovsky:**

Section 8 incorporates some of what we thought were problems in the back of the bill. It gives the commission, an administrative agency, the ability to assess punitive damages. We think that is unusual for an administrative agency. We would oppose that. Furthermore, the language then limits your right to judicial review of that decision, puts in a standard for the court to review, whether or not the Commission acted with substantial evidence or arbitrarily and capriciously. We would oppose the entire change to Section 8 of this bill. We certainly do not oppose the other sections of this bill. That's our concern.

# Terry Johnson, Deputy Director, Nevada Department of Employment, Training, and Rehabilitation:

With regard to Section 8, in large part, this retains existing statutory language. The additional provisions began as the main addition to any of the other provisions provided to this section. The commission may award punitive damages not to exceed \$25,000 and impose a civil penalty to recover costs incurred by the Commission in deciding the matter. The reason why the imposition of those punitive damages—whether we call them punitive damages or something else—is important is because there may be instances of discrimination or harm that take place in the workplace or in public accommodations where there were no actual economic damages.

For example, a woman worker was not discriminated against economically with the wages that she earned, but there was other discrimination in the workplace. There were racist cartoons painted in the breakroom, which would amount to an unlawful practice, but there were no economic damages. So, the punitive damages would provide an avenue to remedy those harms experienced by persons who were discriminated against, but where there were no compensable losses or economic damages that would affect it.

In terms of judicial review, this actually is consistent with the Administrative Procedures Act, and that's Chapter 233B of the NRS, where an administrative agency would issue a decision and the courts would review on appeal from a reviewed party as to whether there was substantial evidence, whether the agency acted consistent with its statutory ground of authority. So, that is actually consistent. If that's a problem, then we need to go and redo the whole

Administrative Procedures Act that applies to every state agency, but with regard to the punitive damages, that was the reason why that was proposed, and certainly we ask this Committee's favorable consideration of that item.

# Assemblyman Munford:

In terms of the employment concerns that you're having, is this directed towards any particular item, or primarily the gaming industry or one of those?

# **Terry Johnson:**

These chapters don't pertain to any particular industry, nor do I believe that there are any particular exceptions for any particular industry, but if I may, the provisions governing punitive damages—for example, the Legislature already took a look at this in terms of housing discrimination and whether or not persons were discriminated against and the degree to which punitive damages could attach under those circumstances—for your information, that's in NRS 233.170. That provision you had previously enacted that had become compliant, the Governor had said, was consistent with the federal provisions that have already taken a look at that and made the right call, that discrimination is discrimination, whether it occurs in public accommodations, housing, or employment. In that instance of housing, you said that punitive damages may attach. So, we're asking to replicate that across the provisions retaining to employment and public accommodations as well.

#### **Assemblyman Munford:**

Are you looking at employment conditions or situations and such things as diversity and that type of thing?

#### **Terry Johnson:**

Not necessarily in terms of diversity. While we all appreciate the value of diversity, we're certainly not in a position to demand it by way of these provisions. Where persons are discriminated against because of their gender or their race, then those are matters that would be within our jurisdiction that we would seek to remedy with these statutes.

# **Robert Ostrovsky:**

Our concern is on what is a duplicate of the Administrative Procedures Act, as it's relative to the issue of punitive damages as opposed to a fine, and we have concerns about that. I'm not familiar with the section of the law that Mr. Johnson referred to that has to do with housing discrimination, but it's the combination of the administrative revenue and punitive damages that has us concerned.

#### **Chairman Parks:**

What's the pleasure of the Committee? I'm inclined at this point to leave the amendment to Section 8 in.

# Assemblyman Claborn:

Do you know about Ms. [Irene] Porter and her concerns?

#### **Chairman Parks:**

My understanding was that those were addressed. I think her concerns, if I'm remembering correctly, primarily dealt with what is currently in federal statute, if I'm remembering it correctly, and what is already in practice within the housing industry. Ms. Scholley may have further comment.

# Susan Scholley:

I'm not sure if this will answer your question, but my notes show that Ms. Porter indicated that she felt that there could have been better communication to the stakeholders prior to the bill. She had talked to the state director of the United States Department of Housing and Urban Development and was told there were virtually no complaints about new housing. Most of the complaints were about rental housing. She talked about the Home Builders' association with HUD, signed in the early 1970s, for their affirmative marketing program. They have a record of supporting nondiscrimination. She said that there was quite a bit of confusion on some of the sections and attorneys of central information, and she suggested a workshop for resolving differences and suggested some amendments. She thinks that education programs need to be available and funded, but by whom? She was supportive of the concept of having the investigations done in-state. She had some concerns on whether or not the federal money would be adequate to implement the bill and, again, suggested more money was needed for education in this area. I don't know if that helps you, Mr. Claborn, but that's what my notes show.

#### **Chairman Parks:**

Questions? I think that Ms. Porter, if I may characterize it, is more in favor of the bill than she was in opposition. She just simply had some concerns. I think we all have concerns relative to federal funding. I think, for the most part, her concerns were addressed. Were there further questions or comments by Committee members?

#### Assemblyman Grady:

Did you say you were inclined to accept the latest amendment or not accept it?

#### Chairman Parks:

I am inclined to be supportive of this amendment in light of the fact that it nears existing statute that's already in NRS.

# Assemblyman Goicoechea:

You're saying that it mirrors that statute in place, and I'm assuming that's federal, but one concern I have is that there's no judicial review of the Commissioner's ruling in amendment 180. I was just concerned.

#### **Chairman Parks:**

We'll ask Mr. Johnson to clarify that.

# **Terry Johnson:**

With regard to Ms. Porter, we did meet with her this weekend to talk about this. She referred us to her legal counsel, who reviewed it, got back with us yesterday, and said they had no other objections with regard to those matters contained in the bill. They originally found some things objectionable and had some problems with that.

With regard to the references to existing language, what I was referring to was NRS 233.170, which talks about discrimination complaints and housing, and the Legislature had previously passed that section of the statute pertaining to punitive damages and housing discrimination. In terms of judicial review, that is something that is already in existence in the Administrative Procedures Act, that the final decision of an administrative agency is subject to judicial review.

#### Assemblyman Goicoechea:

Just reading that one amendment in that context, it makes it look like there is no review.

#### **Assemblywoman Parnell:**

I have the same concern as Mr. Goicoechea, because when you read the sentence, "The order of the commission is the final decision in a contested case for the purpose of judicial review," I'm a little uncomfortable with that wording in this bill, even though it might say something different elsewhere. That one would lend some discomfort to me.

# **Assemblyman Hardy:**

Have we resolved the concerns of Lucille Lusk, Ray Bacon, and Jim Wadhams, who all had testimony? I'm sorry, I missed this particular bill. So, I'm interested to see if we met with them and resolved their concerns, and if we did, what did we say that we were going to do differently?

# **Terry Johnson:**

We didn't have a chance, Mr. Chairman, to meet with them directly, but we sent out electronic communications, providing a summary of our concerns and our response to their stated concerns with regard to Mr. Bacon and Mr. Wadhams. With Mr. Wadhams, he was expressing concerns about matters that already exist in federal statute that we're just mirroring here at the state level. With regard to Mr. Bacon, we had actually proposed an amendment that was more specific to this concerns, but I think with Sections 17 through 23 being eliminated, that would have eliminated his concerns. If I remember correctly, his concerns arose from Sections 17 through 23 as to whether or not there could be a duplicative filing between state and federal or between the State agency and the courts. So, by eliminating Sections 17 through 23, I would extend to you that his concerns have been adequately addressed.

With regard to Lucille Lusk, one of her concerns was a philosophical one, as to whether or not an administrative agency should be able to initiate a complaint, investigate a complaint, and adjudicate a complaint within one operation. Our courts have held that a combination of those functions in an administrative setting is not, in and of itself, a violation or inappropriate. That actually exists everywhere. Here, I think we have uniqueness in that we have a commission, a board of commissioners, and you have staff that investigates to ensure adequate levels of due process. You can have staff conduct the investigation, for example, and the commission adjudicated the matter.

Our other concerns came almost right out of federal law. They were already in existence, so if she has a concern, they are already in existence at the federal level, and they're already covered. So, we sent this information to every single person who testified in opposition to the bill on that day and sought to address their concerns.

#### **Chairman Parks:**

Further questions by the Committee? What's the pleasure of the Committee?

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 189.

ASSEMBLYMAN MUNFORD SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN HARDY, ASSEMBLYWOMAN KIRKPATRICK, AND ASSEMBLYMAN SIBLEY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

We'll move forward, and I believe the next bill is A.B. 334.

Assembly Bill 334: Provides for protection of social security numbers and certain other personal information. (BDR 19-874)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

This bill, sponsored by Assemblywoman Buckley, was heard in this Committee on April 7. Assembly Bill 334 requires government entities to ensure that Social Security numbers are kept confidential, except in certain limited circumstances. The bill also requires notice to persons if their confidential information is or may have been acquired by an unauthorized person. A civil cause of action is granted for provisions of the bill, and the bill also adds spyware to prohibited computer contaminants.

Testimony in support of the bill was received from Nevada Sheriffs' and Chiefs' Association, Las Vegas Metropolitan Police, Nevada Eagle Forum, the American Civil Liberties Union, and the Independent American Party. Testifying in opposition to the bill were the County Recorders' Association and the Washoe County School District. Testifying with concerns about the bill, but not necessarily in opposition, were American Express, the Consumer Data Industry, and the Nevada Bankers Association, along with the Nevada Department of Information Technology. Amendments to the bill were proposed by the American Express, the Consumer Data Industry, and the Nevada Bankers Association.

You'll recall that we did have an earlier work session on this particular bill. We had proposed at that time an amendment as proposed by Assemblywoman Buckley. Since that work session, there have been some additional conceptual amendments proposed in response to concerns raised by the Committee at that time. Fiscal impact is as noted. Turning to the amendments (Exhibit C), amendments one, two, and three were basically the same amendments that were discussed at the previous work session, with the exception of the change in the second bullet in number two, which related to the status of businesses that were subject to the Gramm-Leach-Bliley Act [of 1999], which is federal law covering this same subject matter. So, this would clarify that businesses that were subject to the provisions of the Gramm-Leach-Bliley Act are exempt from the requirements of this section. I am being informed that Ms. Buckley has confirmed that amendment to her amendment.

[Susan Scholley, continued.] Moving on, additional conceptual amendments were proposed to address the concerns raised by the Committee at the last work session. Number one would be to provide an exception for the county recorders, and others as may be appropriate, for somewhere between five and ten years to permit time to implement a system of protection of confidential information for older records. Number two would provide authority for the county recorders to redact Social Security numbers or bank numbers on older documents without affecting their legal status or effectiveness.

Number three would allow state and local governments to notify persons filing documents that personal identification should not be included in the documentation of being filed and/or require their clientele to sign a document certifying that personal information is not contained within the document. Finally, it would delay the effective date of the bill until January 2007, except as set forth in Section 1, which would be to allow for a period of somewhere between five and ten years for a system of protection for older records to be devised.

# Assemblyman Sibley:

In speaking with the sponsor of the bill, I think the additional conceptual amendments that she's put forth here satisfy a lot of our concerns that we had with the original bill. Providing an exception for the recorders for five to ten years will give us time to figure out what we can do about these documents that have Social Security numbers on them that are recorded. Maybe we can go with a ten-year time to give them time to get this corrected.

Item number two is to provide the county recorders time to redact their Social Security numbers, and I'd like to get a clarification from Legal as to what "redact" means, the intent of it. We're going to need to be able to go in and take these numbers off these documents that are already recorded with the recorder's office.

The third item on the additional conceptual amendments is to allow state and local governments to notify persons following documents that personal identification should be included in the document, or require them to sign something. Currently, it's my understanding that the recorder's office has to record anything that's brought to them. I would think that if we gave the recorder's office the right to refuse to record a document with a personal identification number on it, then the recorder can look at it and refuse to record it. Delaying the effective date until 2007 gives everyone time to implement this and make it work for everybody.

[Assemblyman Sibley, continued.] I think the bill is a good bill, and it's going to help protect the consumer, help protect our Social Security numbers and cut down on all the fraud issues that we're having.

#### **Chairman Parks:**

Questions?

# Assemblyman Hardy:

I concur with what he's saying. Looking at the recorder, the recorder could give the right to refuse, perhaps, not the document, but the Social Security number or identification number within that document may make it still feasible for the recorder to record, but what they did was strike out "personal identifying number." That may work.

# Assemblyman Sibley:

I think that would work for me so we can keep recording this.

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

I know that Susan, in her explanation, talked about the recorder and others. We just want to make sure that the clerk is recorded in any one of those as well, because there are numerous legal documents that contain personal information from years back, and we just want to make sure she has that same authority to be able to adapt, as well as come up with a form for folks. We completely support Mr. Sibley, the sponsor of the bill, and the work that they did on this conceptual amendment. With that caveat, we fully support the direction you're going.

### Assemblyman Goicoechea:

I'm just concerned along the same lines as Mr. Sibley. Do we talk about older records, or do we talk about existing records? I think that older becomes something that may change perception when we talk about existing records—those are in place and have passed—rather than talk about older records.

# Assemblywoman Kirkpatrick:

On that note, the first amendment says that they have ten years to do it. So, ten years, and it's not effective until 2007, which gives them a long time to go back and try to take that microfiche and pick it off. I just think that it's important to know. Out of the 8,000 people who had personal records stolen from the DMV, 2,500 of them were going to have identity theft. That makes me think we need to go back and take it out. They have a long time to do it.

# Assemblyman Goicoechea:

I'm only trying to make the clarification between the term "older" and "existing." If we're talking about existing at the time of passage, or however you want to put it in there, I think "older" may be turn of the century or last week. If the information is there, it's still there.

# Assemblyman Sibley:

If I could clarify the intent here: we want to give them the authority from the effective passage date to record this personal identifying number and strike it from the document. Yet, we need to give them the exception to have ten years to redact the Social Security numbers on any documents that are currently recorded, because we do have 100 years of recorded documents that are on microfiche.

# Assemblyman Goicoechea:

I can live with it.

#### **Chairman Parks:**

Further questions? I'm not seeing any.

ASSEMBLYMAN SIBLEY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 334 WITH THE FOLLOWING AMENDMENTS:

- ASSEMBLYWOMAN BUCKLEY'S AMENDMENT
- THE CONCEPTUAL AMENDMENTS GIVING COUNTY RECORDERS AND COUNTY CLERKS THE ABILITY TO REDACT SOCIAL SECURITY NUMBERS ON DOCUMENTS THAT ARE ALREADY RECORDED AND THE AUTHORITY TO REFUSE TO RECORD AN IDENTIFYING NUMBER
- MOVING THE EFFECTIVE DATE OF THE BILL TO JANUARY 2007, WITH AN EXEMPTION FOR THE COUNTY RECORDERS AND COUNTY CLERKS THAT WOULD GIVE THEM TEN YEARS TO IMPLEMENT THE SYSTEM.

ASSEMBLYMAN McCLEARY SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### Chairman Parks:

We'll move forward to A.B. 408.

Assembly Bill 408: Revises various provisions related to school police officers. (BDR 23-632)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 408 was sponsored by Assemblyman Claborn by request. It was heard in this Committee on April 13. Assembly Bill 408 provides that school police have concurrent power with other peace officers for the protection of children to and from school. The bill also includes specific provisions relating to school policy in Clark County. Testifying in support of the bill were Danny Thompson from the AFL-CIO, Phil Gervasi from the Police Officers' Association of the Clark County School District, Teamsters Union Local 14, Las Vegas Metropolitan Police, and other law enforcement personnel. The Clark County School District testified in opposition to the portion of the bill requiring minimum staffing levels, which is Section 4 of the bill, subsection 11.

At the hearing, Assemblyman Claborn proposed the deletion of Section 3, which is the section relating to granting traffic citation authority to school district police and also asked that the provision regarding supervision of the school police revert back to the original language in NRS [Nevada Revised Statutes], so that responsibility would go back to the superintendent of schools. A mockup provided by Mr. Claborn is attached (Exhibit C); there was no fiscal impact identified.

#### Assemblyman Grady:

It appears that—just reading this—there would be a potential fiscal impact on this bill if they're employing more officers. I think they said now they have hall monitors with a lesser wage. So, would there not be a fiscal impact?

#### **Chairman Parks:**

As I understand it, with subsection 11 on page 6 in the amended bill, it would create a fiscal impact for the Clark County School District. Since I do not want to tell the school district how they must staff their various schools—we're already accused of micromanaging enough—my preference would be to remove that subsection. Certainly, retaining that or leaving that in would obviously send it to Ways and Means. I think the bill could easily escape Ways and Means if it had that portion removed. Pleasure of the Committee?

# Assemblyman Hardy:

If I can understand you, if we remove the unfunded mandate, as it were, then I think I could be very supportive of this, and I'm not sure where that is to tell you where it is, but you obviously know where it is.

#### Chairman Parks:

It is the middle of page 6 of Mr. Claborn's proposed amendment mockup to the bill.

# Assemblyman Hardy:

It's subsection 11 in its entirety, or is it just a portion thereof?

# Susan Scholley:

Yes, Dr. Hardy, it would be on page 6. It's Section 4, subsection 11, starting at line 12 and going all the way down through line 28. You would be deleting all that blue italicized language, lines 12 through 28.

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 408.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

#### **Assemblywoman Pierce:**

I'd like to keep Section 11.

#### **Assemblyman Claborn:**

That actually guts the whole bill.

#### Chairman Parks:

I think there are some provisions in there that still remain within the bill. Perhaps staff could comment on what's in the bill if this subsection 11 is removed.

# Susan Scholley:

With the removal of subsection 11, there would still be the concurrent jurisdiction provisions of the bill that are found in Section 1 and Section 5 of the bill. So, the concurrent clarification of the jurisdiction provisions would remain.

# **Assemblywoman Parnell:**

I'm looking at subsection 11 on page 6, and I see that as enabling. It says, "If a school," "If a board of trustees," in subsections (a) and (b). Using the word "if," I would just like to have a clarification. If this is enabling and just says that if

the board chooses to employ or appoint, then they will follow that guideline as to number of individuals in our middle schools and high schools, I certainly don't have a problem and don't think that would then go to Ways and Means.

# Assemblyman Goicoechea:

Unfortunately, Clark County School District does have security personnel in place. So, it says if you have one, then you shall meet this criteria. That's how I read it.

#### Chairman Parks:

I'm thinking that's also the interpretation by staff. Let's get a clarification on that first and then go.

# Susan Scholley:

The question was whether or not subsection 11 on page 6 is enabling, and it says, "In a school district located in a county whose population is 400,000 or more," which would be code for Clark County, which does have a school police department, "If the board of trustees employs or appoints school police officers, then they shall employ or appoint at least..." So, I think this provision would not apply in school districts other than Clark County, but since they do employ or appoint persons to serve as school police officers, I believe the intent was that these would be mandatory minimums. Perhaps if there are others in the audience that feel differently, we may be misinterpreting it, but that's how staff understood this.

# Danny Thompson, Executive Secretary-Treasurer, Nevada State AFL-CIO:

Section 11 is the entire bill. If you vote against Section 11, that's the intent of the bill. That's the only thing these school police want. I don't believe this bill would go to Ways and Means. They currently have a police agency there now. The whole intent of this is that the Clark County School District is, by attrition, doing away with the school police and replacing them with security guards that are primarily hall monitors. I see no reason for this to go to Ways and Means. If you delete Section 11, that's the whole intent of the bill. I just have to tell you that Red Lake, Minnesota, got rid of the two uniformed police officers, and the first guy who was killed was an unarmed hall monitor.

# Rose McKinney-James, Legislative Advocate, representing Clark County School District:

It is our understanding that this section does present an unfunded mandate, because it would require us to identify a certain level of assignments at various schools that potentially go past what we have. I would like to clarify for the record that while these campus monitors are not certified police officers, they are trained in a variety of areas to enhance the safety of students. There's no

question that they are not peace officers, but they are intended to provide a security presence. It is our view that the bill, as written, creates an unfunded mandate.

# **Danny Thompson:**

I'm sorry; I didn't answer your question. The answer is yes, this creates a mandate that they must have these people in those schools, just like it's intended that you have a teacher in the classroom. There's no difference.

# Assemblywoman Kirkpatrick:

I will not be supporting it if we take out Section 11, because currently, they already have some school police. I believe it's not an unfunded mandate, because they already have some school police stations at the high school. They already have one. This says at least two, so they already have positions in place. This is just making sure we have them at all schools, because not all schools have it. According to the budget, the hall monitors are now making about the same as it would be to have the police that are there. So, I would like Section 11 to stay in.

# **Assemblyman Munford:**

I would have to concur with Mrs. Kirkpatrick, because I feel that every high school should have at least two police officers there. They can just make it much more of a deterrent situation, and it would be much more protective. I would have to stand with Mrs. Kirkpatrick on that one.

#### **Chairman Parks:**

I certainly would like this, especially in high schools, where we house thousands of students in all our schools, and I see the need.

We have a motion on the floor to amend and do pass the proposed mockup, deleting subsection 11 on page 6.

# **Assemblywoman Parnell:**

I to will be voting against this if we remove Section 11, but that's really more of a policy statement, and I want that on the record. I'd be willing to work with anyone to try to make it right. I also oppose unfunded mandates. So, this one's tough, but I still think we need to be most concerned about the safety of our students. I think we just continue to warehouse more and more and more high school students together in a building, which is combustible, and it's dangerous. It's proven to be, so on purely a policy statement, I will be voting against this bill as amended.

# Assemblyman Grady:

I apologize for bringing up the original question, but if we leave 11 in, I have no problem at all leaving it in if we recognize it as an unfunded mandate, because it is. If we leave it in there, let's get it funded. That's my only concern. I want protection for kids too, but let's be fair. If this is going to cost more money, let's make sure that these schools are aware of it. I don't want to micromanage, but we need to make sure that the funding is there if we pass it.

# Assemblyman Claborn:

I can't support it either, unless the amendment is in there.

#### **Chairman Parks:**

No further questions?

THE MOTION FAILED, WITH ASSEMBLYMAN CLABORN, ASSEMBLYWOMAN KIRKPATRICK, ASSEMBLYMAN McCLEARY, ASSEMBLYMAN MUNFORD, ASSEMBLYWOMAN PARNELL, AND ASSEMBLYWOMAN PIERCE VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

\* \* \* \* \* \* \* \*

ASSEMBLYMAN CLABORN MOVED TO AMEND AND DO PASS ASSEMBLY BILL 408.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

#### Assemblyman Hardy:

Would the maker of the motion and the seconder be considerative of putting that with the funding mechanism in place in some way?

# **Chairman Parks:**

The question was to the maker and the seconder of the motion, would they consider identifying some funding source, if I'm hearing Dr. Hardy correctly. I think so. I also only offer the comment that I think was made previously, that maybe we should be considering the school police as part of the recipients of the sales tax funding from A.B. 418. That bill did pass yesterday out of Growth and Infrastructure, but an amendment could handle that. That's certainly a possibility, and it might slice a very small piece of the pie. I think we would

have to handle that as a Floor amendment, unless staff can give us some guidance as to an easy avenue to pursue. We have a motion to pass <u>A.B. 408</u> as it has been proposed in the mockup (<u>Exhibit C</u>). Any further discussion on the motion?

THE MOTION CARRIED, WITH ASSEMBLYMAN GOICOECHEA, ASSEMBLYMAN GRADY, ASSEMBLYMAN HARDY, AND ASSEMBLYMAN SIBLEY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

That takes us to A.B. 482.

Assembly Bill 482: Revises provisions relating to county clerks. (BDR 20-1336)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

This bill, <u>A.B. 482</u>, is sponsored by the Assembly Committee on Government Affairs. It was heard in this Committee on March 31. <u>Assembly Bill 482</u> is enabling legislation that would allow the county commission of a county to adopt an ordinance authorizing the county clerk to record certificates of marriage, which authorities currently limit to the county recorder's office.

Testifying in support of the bill was Dan Musgrove, on behalf of Clark County. Also testifying in support of the bill was the Clark County Clerk's Office. Testifying in opposition to the bill were the Clark County Recorder, the Washoe County Recorder, and Alan Glover, the Carson City Recorder. There was also testimony by a number of wedding chapel owners and others involved in document retrieval in Clark County, both in support and in opposition to the bill. There were no amendments proposed to the bill. Local governments are identified as possibly having a fiscal impact, and there is no fiscal impact at the state government level.

#### Chairman Parks:

I think we remember this bill, and it is a permissive bill. Each county may act as they wish.

# **Assemblyman McCleary:**

I have to go on the record as saying I'm opposed to this bill. This, in my eyes, is a territorial dispute between two elected departments, and we shouldn't be messing with this. I urge this Committee to please shoot this down.

# Assemblyman Sibley:

I also can't support this bill, and I'll give you a couple of reasons why. Number one is the cost to make this transition, moving the computer system and all the records over there. The second item is that currently, the way it's done, we have a check and balance system, having the clerk issue the marriages and the recorder record them. It keeps them in separate places, which also brings up another point. That is, the recorder's office is required to maintain an offsite copy of all their records, at least ten miles away from the building. This would then have to obtain a similar facility.

The third thing is that if we have the clerk's office preselling these certificates, there would now be the issue that the clerk's office would have to track them. When the application is issued, you have one year to get married, and now the clerk's office is going to have to track all these marriages when they come in and then have to somehow figure out how to mail out the ten certificates that were pre-purchased when they got the marriage license application, which brings up another event. If somebody decides to get an application to get married and then somehow decides that it's in their best interest not to go through with it, the counties can be forced to give refunds on all these certificates that were prepurchased.

With all the technology we have in place—and there was testimony about Washoe County putting in marriage kiosks so that they can tie right in with the recorder's office from the clerk's office and sell these—I think that's one of the best things we can do. Therefore, I can't support this bill.

#### Assemblywoman Kirkpatrick:

Originally, I thought I could support this bill because it was a matter of two employees going from one entity to another, and I believe that we were going to make some proposed amendments. Yesterday, I received about 25 emails from constituents that actually work with the recorder's office. Because the fees are increased, in Section 7, subsection 2, I had originally thought that we were going to try and take that out, because that was not their intent. So, with that in, I won't be supporting it either.

#### **Chairman Parks:**

Could you repeat the section that you thought was going to be removed?

# Assemblywoman Kirkpatrick:

Yes. Page 3, Section 7, subsection 2, and it was the \$3 additional fee that they currently don't have to pay.

# Assemblyman Goicoechea:

I also will be opposing this bill. I realize that it's just enabling, but I think when you talk about the recording of a record, it should be in one place, standard across the state. I'm just concerned that if you go to one county, it's going to be someplace, and if you go to another place, it's going to be another office depending on the county, so I'm really opposed to it.

# **Assemblywoman Pierce:**

For me, this is permissive, and I'm okay letting the county commissioners make this decision.

#### Chairman Parks:

I'm sorry. I was called out of the room and did not hear all of the testimony, so I'm a little in the dark. Ms. Scholley, if you would clarify.

# Susan Scholley:

My notes show that there was a question from Assemblyman Sibley asking about the increased fees. Ms. [Diana] Alba said that they didn't ask for a fee increase, so they didn't know. Mr. Musgrove said he didn't intend a new fee. There was a question from Assemblyman Hardy whether the fee was being transferred. Diana Alba indicated that it was okay to amend the fee out. She thinks, perhaps, that it was copied from the recorder's section, not realizing that the \$3 fee did not apply to marriage licenses. So, I think Mrs. Kirkpatrick has raised a valid point, and I apologize for missing that.

ASSEMBLYMAN SIBLEY MOVED TO INDEFINITELY POSTPONE ASSEMBLY BILL 482.

ASSEMBLYMAN McCLEARY SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN PARKS, ASSEMBLYMAN CLABORN, AND ASSEMBLYWOMAN PIERCE VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

We'll proceed on to A.B. 483.

Assembly Bill 483: Revises provisions governing collective bargaining between local governmental employers and employee organizations. (BDR 23-1337)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 483 was heard in this Committee on April 12. It amends the timeline relating to negotiation, fact finding, and mediation as set forth in Chapter 288 of the NRS [Nevada Revised Statutes]. Testimony in support of the bill came from several labor organizations, and there was no testimony in opposition to the bill. Amendments proposed by Assemblywoman Debbie Smith are attached, and there was no identified fiscal impact at either level. You will recall that the changes proposed at the hearing were the 15 days relating to the impartial fact finding, and also to delete the October 1 date, as shown in the attachment (Exhibit C).

#### **Chairman Parks:**

Comments or questions from the Committee on this bill?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 483.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

We have another group of bills to consider. The first bill we have is <u>A.B. 73</u>, and I'm going to have to ask that we trail that bill. It will have to come out this afternoon, so I'll have to defer to Floor session until when we reconvene.

<u>Assembly Bill 73:</u> Makes various changes concerning personnel that assist certain boards, commissions and authorities. (BDR 23-319)

#### **Chairman Parks:**

So, let's put that on hold. The next bill is A.B. 319.

<u>Assembly Bill 319:</u> Provides certain rights and other benefits to persons who perform service in uniformed services. (BDR 53-352)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 319 was sponsored by Assemblywoman Weber by request. It was heard in this Committee on April 14. The bill, in its original form, provided a number of rights and benefits for National Guard members. Testimony in support of the bill came from Colonel [Steven] Spitze from the Nevada National Guard and John Runner from the Nevada ESGR [Employer Support of the Guard and Reserve]. They did testify in support of the bill as amended. There was no testimony in opposition. At the hearing, Assemblywoman Weber submitted an amendment, which is attached (Exhibit C). In addition, subsequent to the hearing, in response to questions raised by Chairman Parks, there's also a proposal to add the additional reference to 32 United States Code 502, as shown in the blue bolding.

The fiscal impact: the original bill had some term of imprisonment. The amended bill does not. There was a fiscal impact identified at the state government level, which presumably has been taken care of by the amendment. The proposed amendment, as you'll recall, deleted the bill as a whole and substituted some definitions and a requirement that an employer post a notice informing his employees of the rights and benefits available to persons in the performing military service.

#### **Chairman Parks:**

Questions or comments from the Committee? It looks simple and straightforward.

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 319.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

While we're waiting, let's do A.B. 440.

Assembly Bill 440: Revises boundary line between Washoe County and Lyon County. (BDR 20-1019)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 440 was sponsored by Assemblyman Grady and Assemblyman Goicoechea by request. It was heard in this Committee on April 1 and April 14. The bill revises the county line between Lyon and Washoe Counties. Testifying in support of the bill were Lyon and Washoe Counties and the City of Fernley. Testifying in opposition to the bill were several Washoe County representatives and representatives from the Pyramid Lake Paiute Tribe. I characterized it as opposition, but these were concerns raised about various issues. No amendments were proposed. It was noted that it may have a fiscal impact at the local level—none at the State level—and there were no amendments.

#### **Chairman Parks:**

Questions by the Committee?

ASSEMBLYMAN HARDY MOVED TO DO PASS ASSEMBLY BILL 440.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

### Assemblyman Goicoechea:

I'm sure there are not, but we did talk to the representatives from the Pyramid Lake Tribe, and if they have any questions on this, they will raise it on the Senate side.

#### Chairman Parks:

That was since yesterday's hearing?

# Assemblyman Goicoechea:

Yes, that's correct.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

That brings us to A.B. 355.

<u>Assembly Bill 355:</u> Provides right of judicial review for certain final decisions of housing authorities. (BDR 25-752)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 355, sponsored by Assemblywoman Giunchigliani, was heard in this Committee on April 11. The bill in its original form provides a number of procedures for seeking judicial review of certain decisions made by housing authorities. Testimony in support of the bill was given by Jon Sasser and others from the Washoe County Senior Law Project and Nevada Legal Services. Also testifying in support was David Olshan from the Nevada Fair Housing Center. Testimony in opposition came from David Morton from the Reno Housing Authority, the Southern Nevada Multi Family Association, and representatives of several residential councils.

The Administrative Office of the Courts testified as neutral, citing concerns about increased workloads for the judicial system, but acknowledging they didn't have any specific numbers. Amendments were presented at the hearing. Assemblywoman Giunchigliani submitted further amendments, which are shown in the attached mockup (Exhibit C). Fiscal impact is as noted. Turning to the mockup, you will see that the bill has been limited to providing a judicial review for a final decision denying Section 8 voucher status—and also Section 4 in the original bill—but has been changed somewhat by the Housing Authority in that section. Subsection 2 remains the same.

#### Chairman Parks:

I feel I have a problem here, because it's just five lines over a one-page document.

# Assemblywoman Chris Giunchigliani, Assembly District No. No. 9, Clark County:

We've resolved the concerns that were had by many of the public housing authorities—the five authorities that were out there—but at least it narrowed the window to the Section 8 only to be handled with the hearing officers. I think it's a good step in the right direction. Then, we can continue to work on the issue over the interim. I think the rural public housing has already been affected, as Mr. Sasser indicated before.

# **Assemblyman Hardy:**

When we look at the objection of Mr. Morton, did we satisfy the objections that he had recognized and that we want to protect the seniors who are in place? I'm looking to you and through you to Mr. Morton to make sure that we have protected the people that live there, and I just want to make sure.

# Assemblywoman Giunchigliani:

Mr. Morton is here, and I know Mrs. Smith and he have been in conversation, so I will ask him to comment.

# David Morton, Executive Director, Reno Public Housing Authority:

This clearly addresses the most egregious portions of the bill that were there before and specifically deletes the public housing concerns that were raised by the residents that were here. The concern they had was they couldn't move if they were stuck next to somebody during a long appeal, and that is totally removed from this bill.

# Assemblyman Sibley:

I would like to disclose for the record that I have a financial interest in certain real estate properties that may or may not take Section 8 tenants, but this bill won't affect me any differently than anybody else. I will be voting.

# Assemblyman Claborn:

The same goes for me.

# **Assemblyman Munford:**

That other aspect was added to the protection of those in public housing positions; isn't that right?

# Assemblywoman Giunchigliani:

Yes, that is correct.

# **Assemblyman Munford:**

I will vote yes, but I would like to have the opportunity to vote no on the Floor. I'm not sure.

#### **Assemblyman McCleary:**

So, we don't need to disclose that, Mr. Chairman? I had some concerns with some constituents with this, and I think it's okay now, but I'd like to reserve the right to change my mind if that proves true.

#### Chairman Parks:

We're simply asking that if the possibility comes about that you do want to change, please inform the Committee Chairman so that we are aware of that. Further comments?

ASSEMBLYMAN SIBLEY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 355.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

That brings us up to <u>A.B. 434</u>, <u>A.B. 253</u>, <u>A.B. 233</u>, and <u>A.B. 331</u>.

Assembly Bill 434: Makes various changes concerning environmental resources. (BDR 48-206)

Assembly Bill 253: Makes various changes concerning provisions governing water. (BDR 48-548)

Assembly Bill 233: Revises provisions relating to Nevada Commission on Homeland Security. (BDR 19-1200)

Assembly Bill 331: Makes various changes concerning authority of State Engineer to grant applications for water rights. (BDR S-490)

# Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 434 was sponsored by Assemblywoman Leslie. It was heard in this Committee on April 6 and April 7. Assembly Bill 434 proposed a number of changes to water conservation, adjudication of water rights, violations, and applications for interbasin transfers, among other things. The bill also proposed the creation of a Water Rights Protection Fund and the appointment of an interim study committee of the Legislature, whereby the bill is concurrently referred to the Assembly Committee on Ways and Means. I would also remind

the Committee that there were two days of testimony on A.B. 434, which was held in conjunction with a similar bill, A.B. 253. There was also a third bill referred to the Committee, A.B. 331, which was very similar to A.B. 434 and A.B. 253.

[Susan Scholley, continued.] There was much testimony over the two days, and I did not attempt to summarize the testimony. Numerous amendments were proposed and discussed over the course of the hearing. In response to the testimony, Assemblywoman Leslie had proposed to delete all but Section 16 of A.B. 434, calling for an interim study. There are also proposals to amend A.B. 331, which would amend that bill as a whole by deleting Sections 1 through 5 and inserting an interim study, as set forth by the paper that is being handed out (Exhibit D). It indicates standard interim study status, and the study would be reported to the 2007 Legislature. The fiscal notes have been removed by the deletion of the appropriations.

#### **Chairman Parks:**

What we have at this point is an agreement that has been worked out by the affected parties. It is a proposal to replace existing language that was in A.B. 434. At this time, it is as Ms. Scholley indicated, the standard boilerplate for requesting an interim study concerning water resources.

## **Assemblyman McCleary:**

I had some serious concerns and worries about the impact of this bill, and I appreciate the authors and their flexibility on this.

#### **Chairman Parks:**

I think I neglected to mention that this bill would have to be rereferred to Elections, Procedures, and Ethics, because they handle the hearings on all the interim studies.

#### **Assemblyman Claborn:**

I'll be voting no on this today, but I'd like to reserve the right to vote yes on the Floor.

## Assemblyman Hardy:

I appreciate the amendment in <u>A.B. 331</u> and amending this particular bill. I'm still concerned that we're still going to review the existing information, as it talks about in <u>A.B. 331</u>, Section 1, subsection 2(b). I think we're getting ready to do a study to find out something. We're doing a study before a study, and I would really like to get at the heart of the matter and find out how much water we have, and I would be more aggressive than this. I can appreciate the direction we're going, but I would like to get the actual study.

## Assemblyman Goicoechea:

I'm very concerned that all we're going to do is an interim study on water over the next two years. In any bill that has related at all to growth, the issue of water comes out. I felt strongly about water inventory, and I commend the makers of the bill. We worked together on the initial parts of the bill trying to bring water inventory to play, but if this is as good as it gets, then this is what we get. I will support it, but I'm concerned that it doesn't go far enough.

ASSEMBLYMAN SIBLEY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 434, WITH A RE-REFERRAL TO THE ASSEMBLY COMMITTEE ON ELECTIONS, PROCEDURES, ETHICS, AND CONSTITUTIONAL AMENDMENTS.

ASSEMBLYMAN McCLEARY SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN CLABORN VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

With that, we do have one other bill that we can quickly handle.

Assembly Bill 430: Proposes to exempt sales of medical goods and equipment from sales and use taxes and analogous taxes. (BDR 32-1003)

## Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 430 was sponsored by Assemblyman Sibley and Assemblyman Hardy. It was heard in this Committee on April 7. The bill proposes an amendment to the Sales and Use Tax Act to provide an exemption for medical goods and equipment. Much like A.B. 347, it provides for a ballot question on that issue. Testimony in support of the bill was received from NAMPS [Nevada Association of Medical Product Suppliers].

There was quite a bit of discussion over concern about the definition of "medical goods." So, you have before you a two-page piece of paper (<u>Exhibit E</u>), which has on it a definition of "durable medical equipment." This, it was my understanding, came from a website outlining a streamlined sales and use tax provision, and the proposal, as I understand it from the sponsors of the

bill, would be to use this definition of "durable medical equipment" as an amendment to the bill. It would also include the prosthetic devices, which you see on page 2, which includes such things as corrective eye glasses, contact lenses, and hearing aids.

[Susan Scholley, continued.] Dr. Hardy asks that it be clear that optical devices that assist persons with vision impairment—such as macular degeneration, who may need magnifying systems to type and read—would also be included. We're not sure if that would be in the definition of "prosthetic device," but that would clearly be within the intent of the bill.

In terms of fiscal impact, there was an identified possible fiscal impact on local government, and yes on the fiscal impact on the State. Testimony from the Department of Taxation was that they weren't really sure what the fiscal impact may be, and that issue remains somewhat undefined.

## Assemblywoman Kirkpatrick:

I just have a clarification for Legal. On the second page, line 17, it says, "A member state may exclude any of the following..."

## Eileen O'Grady:

This is for the streamlined sales tax agreement to admit it. We wouldn't use that language in ours. It's just to give us an example of definitions. So, that wouldn't be part of the amendment.

## Assemblywoman Kirkpatrick:

I want it to include those. I don't want to exclude them. I want to include them.

#### Susan Scholley:

As I understand, Assemblywoman Kirkpatrick, I'm suggesting that lines 11 through 16 would be the operative definition, and we would not limit it to "durable medical equipment for home use only." I guess the question is, would the Committee want to require a prescription or limit an exemption based on Medicare and Medicaid payments?

## Assemblywoman Kirkpatrick:

I'll direct this to Dr. Hardy. Don't you currently have to have a prescription to get eyeglasses and get hearing aids? Or not necessarily? I just think we're not helping if we exclude these items.

## **Assemblyman Hardy:**

Intuitively, you are correct, but we open up a new ballgame when we get rid of the prescription qualification. If we do that, it opens up all sorts of different

products in all sorts of different ways. It makes people get very antsy. So, I think we would receive much opposition if we got away from the prescription requirement.

#### **Chairman Parks:**

Just a word on the streamlined sales tax: so that we can generate the additional revenue that comes out of mail order sales as well as Internet sales, we have to be confined by some of the requirements that all the states that are participating have agreed to on that.

## **Assemblyman McCleary:**

I feel somewhat guilty to have to vote against this one. I know how it's going to look, and I'm not doing this because I'm not trying to help people that have medical needs and stuff like that. First of all, I'm worried about the fiscal impact on the State. We don't have a number on that. But my biggest concern—and I've expressed this already on this Committee—is that I think we're opening up a window here where we're going to get a flurry of different industries coming in saying, because of this or that, they should be exempt from this, and it makes me nervous. I respect the consensus of this group, but I would like you to respectfully allow me to disagree this time.

#### **Chairman Parks:**

Further comments or questions?

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 430.

ASSEMBLYWOMAN PARNELL SECONDED THE MOTION.

## **Assemblywoman Pierce:**

I just wanted to say that I reserve the right to change my mind on this.

THE MOTION CARRIED, WITH ASSEMBLYMAN McCLEARY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

## Susan Scholley:

I wanted to clarify for the record that going back a week or so ago, the Committee took action to amend and do pass A.B. 231, Mr. Atkinson's bill

regarding sidewalks near schools, and also Assemblywoman McClain's bill, A.B. 306, regarding local government consolidation. I want to clarify that the way those amendments were presented to the Committee was to turn them into a resolution. I want to clarify that those bills would stay bills. It would still be A.B. 231; it will still be A.B. 306. They will not turn into joint resolutions. Turning them into resolutions means that they will no longer be amendments to the *Nevada Revised Statutes*. Those provisions will not be codified in the blue notebooks, because it will be transitory language directing studies and reports. So, I wanted to clarify that. I'm concerned that my shorthand for turning bills into a resolution may have caused some confusion, and I just hope that is understandable.

[Susan Scholley, continued.] Just to warn you: you'll see that <u>A.B. 231</u> will still be a bill, and <u>A.B. 306</u> will still be a bill when it comes back, but it will be transitory language. I hope that didn't make it worse, but hopefully clears that issue up.

[Chairman Parks called a recess at 11:03 a.m. The meeting was called back to order at 3:08 p.m.]

## **Chairman Parks:**

We have a number of additional bills to consider. I will try to make this as quick as possible, given that many people have made other arrangements. We'll back up and take a look at A.B. 73, which we held this morning.

Assembly Bill 73: Makes various changes concerning personnel that assist certain boards, commissions and authorities. (BDR 23-319)

## Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 73 was sponsored by the Assembly Committee on Government Affairs on behalf of the Department of Business and Industry. It was heard in this Committee on February 22. Assembly Bill 73 provides for the movement of certain boards and the appointments of an executive director to the Director of the Department of Business and Industry. The following divisions are affected:

- The Local Government Employee Relations Board, in Chapter 288
- The Common-Interest Communities Commission in the Real Estate Division, in Chapter 116
- The Nevada Athletic Commission, in Chapter 467
- The State Dairy Commission, in Chapter 584
- The Transportation Services Authority (TSA), in Chapter 706

The Taxicab Authority, which is also in Chapter 706

According to Sydney Wickliffe, the Director of the Department, all effective boards and commissions are part-time, with the exception of the TSA. No other testimony was given. No amendments were proposed, and there was no identified fiscal impact at the State or local level.

#### **Chairman Parks:**

I have a couple questions on this that I'm a little concerned about. I understand that when you have part-time boards that meet once a month, an ongoing direction for the administrator certainly would seem to be in order. The fact that the TSA and Taxicab Authority, two boards that are currently under review from other bills, I have some concern on. So, the question then is, do we want to act on the entire bill, or do we want to try and amend and do pass those portions with one or more of these individual groups?

## Assemblyman McCleary:

Is the Governor's Office accepting these recommendations? This will take away his authority to appoint these positions.

#### **Chairman Parks:**

As I understand it, in most cases, these individuals we're looking at changing are appointed by a commission. A good example is in the real estate common-interest portion of the community portion of the bill. It would be a common-interest commission that is appointed by the Governor, but as it currently reads, they would appoint the administrator for the Common-Interest Community Division. I know we have Ms. Wickliffe joining us in Las Vegas. If there is any other specific question that a Committee member has, we can ask her to respond. The Dairy Commission, the Athletic Commission, and the Common-Interest Community Commission are boards that meet on a common basis, as I understand it.

#### Assemblyman Goicoechea:

Just for some clarification, it doesn't require that the Director of the Department of Business and Industry take any input from his sitting board or commission before he makes the appointment. I guess it's fine, but we're talking about one person. If they're on the Dairy Commission or the Athletic Commission, these can be pretty well separated and taken apart. It's going to require a lot of expertise. If you're going to make an appointment, at least the board had the opportunity to make some recommendations similar what it does to the TSA in this statute. You have three names, and you select one from there.

## **Chairman Parks:**

Yes, that is correct, in general. Further comments or questions? It is a difficult question. Back to Mr. McCleary, he asked the question with regard to the Governor's Office, and my understanding is that the Governor's Office did not express a concern one way or another on this.

## Sydney Wickliffe, Director, Nevada Department of Business and Industry:

This bill has been offered by the Governor's Office with his support as one of the Executive Branch bills. As a more detailed explanation as you explained earlier, these various part-time commission officers are appointed by the Governor, and the people that they are selecting are the full-time State employee administrators—heads of the agencies—that are in the departments.

#### Chairman Parks:

My inclination would be that if we were to act on this, we would proceed with an amend and do pass, deleting Section 6 and Section 7. Those will be handled, and there are several other bills that get input from those agencies.

## **Assemblywoman Kirkpatrick:**

Those were my concerns.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AMEND AND DO PASS <u>ASSEMBLY BILL 73</u>, DELETING SECTION 6 AND SECTION 7 AND RENUMBERING SECTION 8.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

## Assemblyman Goicoechea:

I don't want to belabor the point, but I will vote no on this if we don't require some input from the advisory board that's established before this commission.

#### **Chairman Parks:**

If I just may take my comment a little further on that, I'm not certain that all the commissions are listed here. Some of them already report to the Director of Business and Industry, but I certainly understand the advice and consent of the various commissions to support that.

## Assemblyman Goicoechea:

At least the ability to screen the candidate that will be appointed.

## Assemblyman Sibley:

I can support the measure, but I would like to reserve my right to change my vote on the Floor.

#### Chairman Parks:

We're giving everybody that option today. Any further questions?

THE MOTION CARRIED, WITH ASSEMBLYMAN GOICOECHEA AND ASSEMBLYWOMAN PARNELL VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

We'll move forward. The next bill that we have is A.B. 142.

Assembly Bill 142: Authorizes certain persons to have personal information contained in certain public records kept confidential in certain circumstances. (BDR 20-952)

## Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 142 was sponsored by the Assembly Committee on Government Affairs on behalf of the Las Vegas Police Protective Association and was heard in this Committee on March 9. The bill permits certain persons to request that their personal information in the records of the county assessor be kept confidential upon request. There was testimony both in support of and in opposition to the bill.

A number of amendments were proposed both during and after the hearing, and these are attached (Exhibit C). You will see a conceptual amendment to A.B. 142, proposed by Assemblyman Parks, that would amend the bill to require an unsworn declaration from a person requesting confidentiality of their personal information, stating that they had been threatened and harassed. I should say they or a member of their family, or they have an occupation that may create a risk to the personal safety of themselves of their families, or they have some other reasonable belief that their personal safety is at risk.

There are also proposed amendments to <u>A.B. 142</u> presented by the Las Vegas Police Protective Association. That, I think, will be worked out subsequent to the hearing, to try to address concerns raised at the hearing.

#### **Chairman Parks:**

I know there's been a lot of concern and interest in this, and there has been significant correspondence, especially email and certainly a number of letters. I see that we have representatives from the Judges Association. Would they come forward to verify that this is an action that judges can act on and recommend?

## Rick Loop, Legislative Advocate, representing Nevada District Judges Association:

I want to compliment the Committee and the Chairman. You've done what no court administrator I know has managed to do. You have all the judges in agreement. They all support this bill. You should have on file a letter from the Nevada Judges Association, which represents limited jurisdiction judges, justices of the peace, and municipal judges. As well, you should have a letter on file from the Nevada District Judges Association. They support this bill. Finally, the Nevada Judicial Council, which is composed of rural and urban judges and all levels of the court, support this. It's shared by the Supreme Court. So, virtually all levels of the judicial branch of government support this bill.

#### **Chairman Parks:**

Questions or comments from the Committee? The conceptual amendment would be made out in the form of a form. We looked at a couple of different forms as to the possibility of using that. It's my understanding that this measure is supported by the police officers throughout the state.

#### Assemblyman Grady:

By doing this, we are opening this up to any person that wants to come in. Is there anything that says, "Okay, I don't want my name because Pete's been threatening me all session"? Is there anything that limits who can do that? I just think that we're opening this up way too broadly. I'm not sure exactly what you had in your conceptual amendment.

#### **Chairman Parks:**

It would state, in Section 5, "Any person who resides in this state may submit a request to the county assessor." So, it does open it up; it is possible. However, there would be a requirement that they compile a declaration requesting this confidentiality and stating that they have been threatened or harassed or have a specific occupation that may create a risk to their personal safety or the safety of their families.

## **Assemblywoman Pierce:**

You actually have to go down and file this. So, I think that means that only motivated people will do this. So, it's not something we'll have to put on the web, and I support this. I think we started out with a whole lot of separate categories, and I think this is a good compromise.

## Assemblyman Goicoechea:

The other concern I have with the bill—and I know it's going to be real tough to specify—is that if you unintentionally or by some way leaked some information, and someone suffered substantial bodily harm, then you wind up with a Class B felony. I think that's a little harsh. At least that's the way I'm reading the bill, and I'm not seeing the changes in here. That really concerns me. You're an elected official or you're in your office doing your job, and there are a lot of things that are accessible. We're about ten years behind the curve trying to secure someone's privacy at this point, given what's available on the Internet and on websites. So, I'm a little concerned. I'll ultimately be able to get tracked back, and they said, "This is out of the Washoe Assessor's Office." Someone did, in fact, harm someone. Then, you wind up with a Class B felony. You thought you were doing your job and issued someone a copy of something.

#### **Chairman Parks:**

As I'm looking at this, you did say Class D felony? I thought I heard you say B.

#### Assemblyman Goicoechea:

I'm sorry.

#### Assemblywoman Kirkpatrick:

I think that we've come a long way with this bill from just limiting it to just one group of people. I think that everybody who is in harm's way should have the same opportunity. However, I'm wondering about the counties and their fiscal notes. Can we refer this to Ways and Means, or what do we need to do with this?

#### **Chairman Parks:**

A number of the county recorders, I believe, filed fiscal notes. The fiscal notes are, to some degree, fairly minimal. I believe there was one State agency that filed a fiscal note as well. So, in all likelihood, this bill will be referred to Ways and Means. We can send it to them directly or let them try to pick it off when it comes through.

## Assemblyman Sibley:

First of all, I want to disclose for the record that I maintain a list of all property owners in Clark County. That's compiled through the recorder's office. This is

something that I talked about in the prior hearing. I have several issues with this bill. The first one is that the information is available from the recorder's office through recorded microfiche rolls. Section 8 brings up the fact that if you're reselling this information, if someone has requested to not be on the list, you're subject to a felony. My question is, is the recorder going to come to me and tell me, "Oh, by the way, Dr. Hardy's on the list; you now can't resell his name"? How are you going to transfer this information over?

[Assemblyman Sibley, continued.] The other issue is that it does create an unfunded mandate for the county, and it's going to create more of a market for my company to market this information to people, and we don't have the oversight that the county has. When the county puts the information up there, we know that the information is more accurate than if a private company was compiling it. Most importantly, it conflicts with our open government and accountability that we have, to be able to access records and the way that we've moved towards.

If you don't want people to know where you live, you have the option of putting your house in a trust, which nowadays you can get for \$19.99 and record it at the recorder's office for \$15.00. I don't even think they charge you a technology fee anymore. With that, I just want to put on the record that I can't support this bill.

#### Assemblyman Munford:

Didn't this bill originally start off with the Las Vegas Metropolitan Police Department demanding some type of protection or something? Wasn't this where it originally started?

## **Chairman Parks:**

Yes. It was on behalf of the Las Vegas Police Protective Association. Those are hardly the rank-and-file police officers.

## Assemblyman Munford:

Now, it's to the point where anyone can actually file a petition.

## **Chairman Parks:**

That is correct. Initially, Section 6 had a laundry list of individuals who would be eligible for this, and the document in front of us today opens it up for any individual who has a need to make that information confidential.

## **Assemblyman Hardy:**

From a philosophic viewpoint, I think that anyone in public office has perhaps been singled out in a retaliatory fashion, either verbally or by actions.

Philosophically, the freedom of the press is to print what you want to print and be free and have that freedom. But I think one of the things that we're also talking about is the freedom of the press to have access to information. I think we're bumping up into that constitutional issue, besides all the other arguments that we're hearing. I'd probably recognize that the fiscal note would require another referral.

#### **Chairman Parks:**

A question for staff: the bill indicates a two-thirds majority vote on Section 11. Is that correct? I'm sorry. Pleasure of the Committee?

ASSEMBLYWOMAN PIERCE MOVED TO AMEND AND DO PASS ASSEMBLY BILL 142 WITH A RE-REFERRAL TO THE ASSEMBLY COMMITTEE ON WAYS AND MEANS.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

## Assemblyman Goicoechea:

I'm sorry. I support it for judges and police officers, but I have to oppose the bill as it is.

THE MOTION FAILED, WITH ASSEMBLYMAN GOICOECHEA, ASSEMBLYMAN GRADY, ASSEMBLYMAN HARDY, ASSEMBLYMAN MUNFORD, AND ASSEMBLYMAN SIBLEY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

\* \* \* \* \* \* \* \*

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 142, CHANGING THE LANGUAGE TO PERTAIN ONLY TO JUDGES AND POLICE OFFICERS, WITH A RE-REFERRAL TO THE ASSEMBLY COMMITTEE ON WAYS AND MEANS.

## **Assemblyman McCleary:**

The whole reason that we came about with this compromise that we just voted down was because many of us can't stomach having a special class of people that this will apply to. It either has to apply to everybody or to nobody. I cannot support Mr. Goicoechea's amendment.

## Assemblyman Sibley:

I want to echo similar comments, that it would create a special class of people. I just think that if you want to keep your record private, it's simple to put it into a trust.

## **Assemblyman Claborn:**

I won't be supporting any of it.

## Assemblyman Goicoechea:

I believe that <u>A.B. 142</u> is broader than what I truly want, but rather than belabor this, we'll go ahead and pass it out as it is, send it to Ways and Means, and they can tweak it there.

#### **Chairman Parks:**

If you would like to limit it to police officers and judges, we can certainly do that.

#### Assemblyman Goicoechea:

I would prefer that, because that's what I thought the request was.

#### Assemblyman Munford:

That's what I thought it was too.

## Assemblywoman Parnell:

I think it's very apparent that everyone is just as split down the middle as they can be over this issue and the people that it impacts with constitutional issues. I think we have another option here to keep the discussion open, and that is to refer it to Ways and Means without a recommendation. That keeps the bill alive. It keeps the discussion going, and it gives time for both parties to work on it. I think we're going to feel bad if it does get voted down, although we're all agonizing over it. Perhaps that gives it continued life and further resolution.

#### Assemblywoman Kirkpatrick:

I too would support that, because it can be worked out in the interim. I would submit it to Ways and Means without recommendation.

## Assemblyman Goicoechea:

I don't believe anyone seconded my motion.

## Assemblyman Hardy:

A technical question for staff: I had the bills sent to Ways and Means, but it did not make it exempt. I had to get it exempted from Ways and Means. I don't know that referring to Ways and Means automatically makes the bill exempt.

## Susan Scholley:

We will double-check on this, but the deadline today is for bills to be out of the Committee, the policy committee. So, by passing this bill out, even with the re-refer, you can then make that deadline. The Floor doesn't have to accept that re-refer, and I believe that Ways and Means, if they do pick up the bill, can also do a notice of exemption, but we will check on that.

#### Chairman Parks:

We do have the vice chair of Ways and Means in our Committee room.

## Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County:

This bill was not a concurrent referral. Therefore, you will meet your deadline, but if it was not exempted today by Ways and Means, which has adjourned, then it would not be exempt.

#### **Chairman Parks:**

We have a motion. Do we have a second for that motion?

ASSEMBLYMAN MUNFORD SECONDED THE MOTION.

#### Chairman Parks:

Do we still need to re-refer it to Ways and Means?

## Assemblyman Goicoechea:

There would be a fiscal impact, so it would automatically go there.

#### **Chairman Parks:**

So, it doesn't have to be held exempt, as I understand it.

## Assemblywoman Giunchigliani:

Yes, it does.

## Assemblyman Goicoechea:

It would pass out of this Committee if the vote is right, and then if you guys decide to grab it on the Floor as having a fiscal impact, it could go to Ways and Means.

## Assemblywoman Giunchigliani:

I believe that if it does have a fiscal note and we did not receive it in time to exempt it, then it isn't exempt. I know it gets a little bit crazy, but I think it has to have been on the list. If there's no money in it, then it's a different story. If it's just local money, then it may not impact or be worthy of being exempted either.

## Assemblyman Goicoechea:

I'll amend my motion, and we'll see what happens with it.

ASSEMBLYMAN GOICOECHEA MOVED TO AMEND AND DO PASS <u>ASSEMBLY BILL 142</u>, CHANGING THE LANGUAGE TO PERTAIN ONLY TO POLICE OFFICERS AND JUDGES.

ASSEMBLYMAN MUNFORD SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN CLABORN, ASSEMBLYMAN HARDY, ASSEMBLYMAN McCLEARY, AND ASSEMBLYMAN SIBLEY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

## Assemblywoman Kirkpatrick:

I just want to say I want the ability to change my vote on the Floor.

## **Chairman Parks:**

The next bill is A.B. 385.

Assembly Bill 385: Revises provisions governing building and zoning and creates incentives and standards for green buildings. (BDR 22-730)

## Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

<u>Assembly Bill 385</u> was sponsored by Assemblywoman Giunchigliani and was heard in this Committee on April 4. The bill creates incentives and standards for the construction of environmentally improved and energy efficient buildings,

often referred to as "green buildings." Testimony from the U.S. Green Building Council from Las Vegas was in support of the bill, along with Appropriate Energy, Inc.; the Sierra Club; the Nevada Conservation League; the Focus Group; Nevada Power, although they had some concerns that they noted on the record; and a private homeowner who had built a green house. Testifying in opposition, while supporting the concept of the bill, were the Southern Nevada Home Builders Association, the Clark County School District, the City of Henderson, and the Southern Nevada Water Authority.

[Susan Scholley, continued.] Amendments were proposed to the bill by Assemblywoman Giunchigliani, as shown in the attached mockup (<u>Exhibit C</u>). I understand that she had a meeting after the hearing with a number of folks that were interested and involved in the bill, and the proposed mockup resolves many of those concerns.

## Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County:

First, let me commend you and your staff for their assistance. They've been tremendous and for the 40 different people or groups that I met with trying to resolve some of the concerns that are there. If I could ask you to look at page 2—and it's not Drafting's fault; it's just something that didn't get lifted when I did my email of the mockup (Exhibit C)—in Section 2, the first subsection and subsection 2 were to be deleted. So, where it says, "The city council of the most populous city shall establish this task force," just above subsection 3, it was to add, "If a local government chooses to establish a committee on established energy, it is something they shall consider," and then the items in subsection 3 would stay in their place.

In subsection 3, just the term, "or its equivalent" is missing in there for the LEED [Leadership in Energy and Environmental Design] recommendations, because many of the governments would like to get to LEED certified, or they would like the opportunity to do some unique construction that takes southern Nevada versus northern Nevada, where you have snow loads and those types of things, and they can be very creative with what they come up with in that way. It was to encourage moving in that direction or its equivalent.

## **Chairman Parks:**

Could you give us the line reference?

## Assemblywoman Giunchigliani:

Line 32, after "system," it would say, "or its equivalent." Somehow, the language got dropped. It was in there, "as adopted by the director of State Energy Office in consultation with the Director of Public Works." That language has been in part of the original bill, and it didn't get picked up. The same

verbiage would go in subsection 2. I did retype and try to email it, so hopefully, they got it since I came down. Other than that, Mr. Chair, you might say I enjoyed working with individuals on this legislation.

[Assemblywoman Giunchigliani, continued.] I would point out to you that on pages 5 and 6 is language that was brought up in the negotiation meeting, so to speak. Section 8 creates the qualifications; if you remember last session, we passed a pilot for the photovoltaic programs. Now, we need to do the installation piece. This is the training component that goes with that. It best belonged in the chapter 618 in the DIR [Nevada Division of Industrial Relations] area, where they already have licensing for installation of various other places. So, that's new language that this Committee had not seen before.

In addition to that, it creates the second tier of the photovoltaic pilot project, which is to now have the energy process include—on page 14, under Section 18.2—the customer generator language. I added the same language that Assemblyman Hardy has in his legislation that was just passed in Commerce and Labor at the request of Nevada Power, which deals with the generating language, the kilowatt hours, and the net metering portion. All of that should match what Assemblyman Hardy has.

Just for the record, Ms. [Judy] Stokey had to leave, but she just wanted to note that was the intent, in case we got any of the language incorrect. I had originally 500 for the kilowatts. We reduced it to 150 to match Assemblyman Hardy's legislation, and the 1 percent cap on the net metering is also contained within there. I removed most of the "musts" and went to "mays" in many areas.

#### **Chairman Parks:**

You do know the difference between megawatt and kilowatt?

#### Assemblywoman Giunchigliani:

I know that a megawatt is 1,000 times more than a kilowatt.

#### **Chairman Parks:**

Questions or comments from the Committee? Not seeing any, what's the pleasure of the Committee?

## Assemblyman Goicoechea:

I've been rapidly thumbing through this. I just need a couple of clarifications. We have net metering to 30 kilowatts, but we have a threshold of 150 kilowatts. Does it take anything else in here besides photovoltaic or solar power?

## Assemblywoman Giunchigliani:

It does with other fossil fuels and the regular definition. It does include wind in one place, just to parallel Mr. Hardy's. This is still the pilot project for the photovoltaic piece of it.

## Assemblyman Goicoechea:

That was my question, whether wind energy could be incorporated into this.

## Assemblywoman Giunchigliani:

It may, but I didn't think we needed to duplicate it because of Assemblyman Hardy's bill, which deals with the acreage and zoning, which is a complementary piece to it. I don't think it needed to be jelled in that way.

## **Assemblyman Hardy:**

Where did the Home Builders come down, and what part did they object to that we got rid of?

## Assemblywoman Giunchigliani:

They wanted the adoption of the IECC [International Energy Conservation Commission] Codes. I had two years in the original bill. They wanted three years, and so I added, "...and with local amendment." So, that way, Clark County could tailor it to their amendments to their needs, Washoe County could tailor it to their needs, and that's what Irene Porter had asked for.

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 385.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

## **Chairman Parks:**

We'll move forward to A.B. 425.

Assembly Bill 425: Establishes policies and incentives for urban design, mixed use development and environmentally friendly construction. (BDR 22-1084)

## Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 425 was sponsored by Assemblywoman Giunchigliani and was heard in this Committee on April 11. Assembly Bill 425 provides for the incorporation of certain "smart growth" policies in certain regional and master plans, including definitions and policies related to mixed use, transit-oriented development, high-rise buildings, brownfield sites, urban villages, transit incentives, microclimate plans, shadow impacts, and similar matters. The bill also requires neighborhood meetings prior to action on certain applications.

Testifying in support of the bill were the Sierra Club and the Reno-Sparks Chamber of Commerce, and the Regional Transportation Commission of Washoe County testified with some concerns. The Southern Nevada Home Builders Association and the Las Vegas Chamber of Commerce testified in opposition, and the Truckee Meadows Regional Planning Agency testified as neutral, with several suggestions.

At the hearing, Assemblywoman Giunchigliani offered a number of amendments, which have been further refined to address concerns raised at the hearing. There was no fiscal impact at the State or local level. You have a mockup before you (Exhibit C).

## Assemblywoman Chris Giunchigliani, Assembly District No. 9, Clark County:

You'll notice I deleted a great deal. Originally, the bill anticipated putting definitions into the actual planning areas: mixed use, mixed planning, urban villages, transit-oriented development, and so forth. This has been deleted by amendment. It just goes to the regional planning committee as being required to study and develop mixed use development, transit-oriented, and so forth, as well as large commercial development, which may be developed in cooperation with the RTC [regional transportation commission] and other local government entities. That was recommended by the RTC of Washoe County. If you go to Page 3 of the next section, it is just putting into our planning laws, to parallel NRS [Nevada Revised Statutes] 385, the reference to LEED or its equivalent. Page 4 just requires that the current coalition that exists would address the issues of shadowed, mixed-use development, transit-oriented, and so forth, within their planning. Rather than being a requirement in the actual master plan as it was anticipated before, it is a recommendation that they review and make comment on.

On page 4, in addition to that, it says, "...may consult with incorporated villages to determine if they wish to establish an urban village or villages." If they do, it deals with the components that they would have to look at in the establishment of an urban village. I added in places schools; that had not just been referenced.

When you looked at the language, it was just an area I thought was missing on pages 6 and 7. I took out the reference to the smart growth infrastructure fund. They did not want a fund at this point, and they actually asked me to remove all the incentives at this point so they could continue to work on the developments part of it, and then we may need something in the future. I included on page 9 the same verbiage for the regional planning coalitions, and it's parallel because it applies to different populations. So, the same language shows on both pages.

[Assemblywoman Giunchigliani, continued.] The next change is that I deleted in the master planning areas the references to shadowing, protecting natural vegetation, natural resources, view protection, and so forth, because it was pointed out to me that they actually belong in the zoning laws. So, you'll see them towards the end of it, and it's referenced under NRS 275.250. That's where those were moved. I restricted a very big concern—and rightly so—of the local governments. The neighborhood meeting that I had required would have been for master plans, variances, regulations, and so forth. That would have meant no work got done or approved. So, I narrowed it to apply only to master plans, and I'm actually finding out all of them are doing that now, except for North Las Vegas. It should not be an impediment to anybody to make sure they have a neighborhood meeting prior to adoption of or an amendment to a master plan.

I inserted the term "radius" on the notification, so that people who are surrounding an area that's affected get the notice. There are times when many of us have gotten a notice and our neighbor didn't, and it's because they didn't make it in terms of the number of feet, because they did it on a linear basis. Radial is actually more inclusive.

For those definitions I took out, I simply put in the master plan that it should contain the definitions of those areas, so the public knows what they're planning for the future. A great deal of the mandates have been deleted. I hope that I allayed most of the fears, but I think until people see the reprint, I would have to have better reactions from them, and I am more than willing to work with people. I did have two separate meetings on this with a group of individuals, and we are still conversing to this day to try and capture as many of their concerns as they had.

## **Assemblyman Hardy:**

Where are we with the Home Builders and the construction people and their opposition?

## Assemblywoman Giunchigliani:

Ms. Porter emailed me a couple of days ago and said that she and I just philosophically disagree that the State be involved in this area. I respect that. We mutually agreed to disagree. Barry [Duncan] has been watching what we've been doing. I think that after the amendment comes out, I took out a lot of their objections. Once that gets reprinted, I think I would be more than happy to meet with everyone again. I took out the term "high rise." The issue of the five stories has been deleted, and the reason is that, surprisingly, the ordinance in Clark County is 35 feet, so it's actually less than what I was proposing. The ordinance in Washoe was 30 feet, so it, too, was less than what I was proposing.

Really, the whole intent of this was just to make sure that the neighborhoods knew what was being planned as we moved into more of this new development of transit-oriented, condos, and so forth. So, I removed all of that verbiage, which was a great deal of their concern.

ASSEMBLYWOMAN PIERCE MOVED TO AMEND AND DO PASS ASSEMBLY BILL 425.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

## **Assemblyman Sibley:**

I would like to make a disclosure on the record that I currently own a parcel of land in downtown Las Vegas, and we're in discussion and negotiations to develop a high-rise condo project. However, this bill won't affect me differently than any of the other developers.

#### Assemblyman Hardy:

These ten bills have all sorts of good things in them. I'm probably going to have to reserve the right to change my vote, but I'll vote no at this point and come around when I can digest it all.

THE MOTION CARRIED, WITH ASSEMBLYMAN HARDY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

## **Chairman Parks:**

We can then back up and take A.B. 233.

Assembly Bill 233: Makes various changes relating to homeland security. (BDR 19-1200)

## Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 233 was sponsored by Assemblyman Perkins and was heard in this Committee on March 29. It revises provisions related to the Nevada Commission on Homeland Security. It makes a number of changes to the Homeland Security Commission, including—but not limited to—setting the number of commissioners and making provisions for staffing, requiring the appointment of subcommittees, providing for access to certain records, and requiring the submittal of certain applications by response agencies.

Testimony in support of the bill was received from the Homeland Security Commission and numerous law enforcement groups. The Nevada Farm Bureau expressed concerns about the bill, but they emphasized their willingness to work on a resolution of the issues. The Nevada Press Association and the American Civil Liberties Union (ACLU) opposed Section 12 of the bill, relating to restricted access on certain documents.

Amendments were proposed at the hearing, and after the hearing, several working groups were convened to discuss resolution of the issues, and the working groups and the ACLU have proposed further amendments. A mockup of the proposed amendments from the working groups is attached (Exhibit C). There was a "may have fiscal impact" identified at the local government level, and there was also a fiscal impact at the State level. With that, I would direct your attention to the mockup showing the changes.

#### Chairman Parks:

I know we had a fairly lengthy hearing on this and afterwards, a working group was asked to assemble. It was led by Stan Olsen. Mr. Olsen, would you like to make any brief comments?

## Lieutenant Stan Olsen, Executive Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department, Las Vegas, Nevada:

We've had two working groups held—one in the north and one in the south—for interested parties representing the resort industry, utilities, law enforcement, fire, the Department of Emergency Management, and other groups in the counties. The document before you was the result of the work done with the representatives at the working groups. Members of the Governor's Office were also present.

#### **Chairman Parks:**

I appreciate all the extra work that you've done in bringing this together. Committee members, any further questions?

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AMEND AND DO PASS ASSEMBLY BILL 233.

ASSEMBLYMAN McCLEARY SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### Chairman Parks:

Assembly Bill 419 is the next bill.

Assembly Bill 419: Makes various changes relating to public officers and employees. (BDR 23-1020)

## Susan Scholley, Committee Policy Analyst, Legislative Counsel Bureau:

Assembly Bill 419 was sponsored by Speaker Perkins and was heard in this Committee on April 13. Assembly Bill 419 makes provisions regarding campaign fundraising, the Open Meeting Law, whistleblower protection, and ethics violations. Testifying in support of the bill were Nevada Attorney General Brian Sandoval, Stacy Jennings from the State Ethics Commission, and Jim McAndrews, a former State employee. Speaker Perkins proposed amendments at the hearing. These have been somewhat further refined and are attached in the mockup (Exhibit C). The fiscal impact is "may have" at the local level and yes at the State level.

#### Chairman Parks:

Are there any questions from Committee members? I'm not seeing any. What's the pleasure of the Committee? If I can draw your attention to page 10, Section 10, starting on line 8, I believe these changes that we're looking at did come from the Speaker's Office.

## Assemblywoman Kirkpatrick:

According to my notes, Speaker Perkins had wanted to amend this, but would it not be okay to send it forward and amend it on the Floor?

#### **Chairman Parks:**

I think that would certainly be appropriate. I think it was his thinking that it would have been addressed when it came back. All I can say to answer your question is yes. Do we have a motion?

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AMEND AND DO PASS ASSEMBLY BILL 419.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

## **Assemblyman Hardy:**

From a personal standpoint, I would rather amend it on the Floor to put something in rather than take something out. I really have a hard time voting for something that I really don't like and is not workable in my own mind. I would rather see something come to us as an amendment on the Floor to put something back in. So, if I had my druthers, I would amend out Section 10 and then have it work so that the amendment came back into it in such a way. I'm not sure how you amend that in the right way. I suppose that you can require that anyone who ever thought of being a candidate would have the same rules apply to them, which is problematic. I'm trying to find a way to get around that four-year period where somebody is at a disadvantage because they're doing public service.

#### Assemblywoman Kirkpatrick:

I believe that in Elections, they did discuss this issue. Regardless, I would believe this would have to mirror between Elections and Government Affairs, so I understand completely where Assemblyman Hardy is coming from.

#### **Assemblyman Hardy:**

I appreciate that comment. It would seem to me that if you struck Section 10 and let the bill go forward, you could always amend into it or put into the Elections discussion on how to figure this out. As I understand it, the Elections and Procedures dealing with our business is exempt, and they're on that.

#### **Chairman Parks:**

Maybe we should ask Legal if that's permissible. I think Dr. Hardy has a great idea as far as moving the bill forward. Perhaps the maker and seconder of the motion will accept that. We have that.

THE MOTION CARRIED. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

#### **Chairman Parks:**

We did have three bills in front of us relating to NRS 338. What I'd like to do at this point is see if we could pass out at least portions of these bills. I asked Ms. Pierce to meet with members of the Labor Commission, and she has some good news for us.

## **Assemblywoman Pierce:**

Mr. [Richard] Daly from the Laborers Union and Mr. [Michael] Tanchek, the Labor Commissioner, got together in my office and worked out a couple of things. So, we went from three bills down to one. We have some amendments here. There are not agreements on all of this language, but we've had a start on talking, and that will continue. So, this is a good start, and I urge the Committee to amend and do pass.

#### **Chairman Parks:**

We do have a document in front of us (<u>Exhibit F</u>), Could you walk us through that?

Assembly Bill 552: Revises provisions relating to public works. (BDR 28-1059)

Assembly Bill 409: Revises various provisions relating to public works. (BDR 28-988)

#### **Assemblywoman Pierce:**

There are two parts on the first page that come from A.B. 409. Those will be amended into A.B. 552.

The rest of these are amendments that Mr. Daly had proposed from  $\underline{A.B.\ 552}$  of the original bill. There is one part of  $\underline{A.B.\ 552}$  that can be deleted. That is on page 5 of the bill, and that is Section 3, subsection 7, of the bill. Those are lines 35 through 38 that can be deleted. I think, for a more detailed description of these amendments, you'll have to talk to Mr. Daly.

## Richard Daly, Business Manager, Laborers' International Union of North America Local No. 169, Reno, Nevada:

As Ms. Pierce said, Section 1 and Section 2 have been amended in from A.B. 409. Starting on the second page of the document with the blue and green on there, Section 1 is amended as follows: the blue language is the language that was in the original bill. The green is the amendment to the original bill. So, I just add in "any person otherwise undertaking..." which coincides with the section being amended in from A.B. 409. So, if you took A.B. 552 and went to page 1, Section 1, subsection 1, at the end of line 3 after "or," we're adding in "any person" to that section.

## **Assemblyman Grady:**

Can you tell us what "any person" means?

#### Richard Daly:

The idea is that Section 1, which is being brought in from A.B. 409, is the very first section on the front page. Public body is not always the contracting party of record on that. So, if you have a public body, you need to find out what the prevailing wage is, and on some occasions, other persons need to find out what the prevailing wage is.

#### **Chairman Parks:**

I think it's also similar to any other wording that is used within this bill.

#### Assemblyman Goicoechea:

I guess I need to get back to square one of this. Are we supposed to take the first page and roll it in there first and then start amending? Is that where we are?

#### **Assemblywoman Pierce:**

We haven't actually figured out where in the bill to put these two first sections. This is pretty much conceptual.

## Assemblyman Goicoechea:

On the first page then?

#### **Assemblywoman Pierce:**

These are both new sections on the first page of this, and I don't know where they would go in  $\underline{A.B. 552}$ . I'm pretty much leaving that up to Legal.

## Assemblyman Goicoechea:

We're just going to come to the proposed amendments of <u>A.B. 552</u> and just continue walking through it, and all the stuff on the first page and a half are just to be plugged in somewhere.

# Michael Tanchek, State Labor Commissioner, Department of Business and Industry, State of Nevada:

To go back to this—and Mr. Daly, correct me if I'm misspeaking—on subsection 1, one of the effects of that would be to take one of the projects that is currently considered as a private construction project and make prevailing wage apply to that project. In those particular circumstances, you don't have an awarding body that's involved in the construction contract. That's why I use the language "any person." I'm not speaking in support; that's just my explanation.

## **Assemblyman Grady:**

Will this be a lease/purchase type of building? Is that what we're trying to get to?

#### Michael Tanchek:

Not necessarily. Lease/purchase buildings are already required. If it's an awarding body that's been a public entity, it's going to lease the building back. That's already covered.

#### Assemblyman Goicoechea:

Does that mean that if we're talking "any person," does that mean any project will be determined the same as a public works project and will be paid prevailing wage?

## Michael Tanchek:

Only projects that are implicated on these listed statutes here in Section 1.

#### Assemblyman Hardy:

I'm going back to <u>A.B. 409</u>, Section 1, putting it into <u>A.B. 552</u>, so it's not on <u>A.B. 552</u>. I'm trying to understand the same part Assemblyman Goicoechea is trying to find out. I'm probably struggling with the English as much as many other things. The fact that a particular project being undertaken is not qualified under the definition of "public works" pursuant does not exempt a project, a person, contractor, or subcontractor from complying with the provisions of NRS inclusive, to the same extent as if it were a public body, as if the public body has awarded the contract for the project. That sounds like every private project can become a public works project with a prevailing wage obligation.

## Richard Daly:

After all of that you read, the key word there is "if." "If the project, person, contractor, or subcontractor is otherwise required by existing law," similar to the bill you passed last session, A.B. 401 of the 72nd Legislative Session, which required the payment of prevailing wage on a potentially private transportation facility. If existing law already requires it, then the rest of the explanation only applies to those private/public partnership projects.

## **Assemblyman Hardy:**

That helps me a lot. What you're saying is already in statute or code, and you can clarify which one that is being done. So, we're not roping in more private projects, but those private/public projects are supposed to be prevailing wage now according to code or NRS. This firms that up?

## Richard Daly:

All of the provisions listed here currently have the requirements to apply in NRS 338.010 to 338.090, whereas in some cases, it's NRS 338.020 to 338.090, since this definition problem has become a mechanism for people to try to pervade, which is the basis of this section.

## **Assemblyman Hardy:**

Can you give us an example of the projects that are skirting the issue, have skirted the issue, could skirt the issue, or could think about potentially skirting the issue?

## Richard Daly:

There have been several. The most prominent one is Carson/Tahoe Hospital. They currently claim they are not covered by prevailing wage by virtue of NRS 244A.763. You heard testimony in Committee on why people think it doesn't apply. Nevertheless, the law says, in NRS 274.763, that they are exempt from everything except NRS 338.010 to 338.090. Downtown Sparks, on the Syufy theater project, sold the land for less than fair market value, and they failed to pay prevailing wage because they said they had an appraisal that said they did, and there were a couple of other issues. Douglas County, in their redevelopment agency, split the project up in order to say, "We did this project, so the rest of the infrastructure that we did for a project was not covered." There have been several instances where people are trying to say, "We're not covered because we don't meet the definition of a public board."

Then, there are several other projects in other jurisdictions where they do cover it. For instance, right now in downtown Reno, on the Palladio project under construction now, it's privately funded, privately owned, and built in a redevelopment area where they bought the land at less than fair market value,

and prevailing wage applies to that. Prevailing wage applied to Century Theater right across the street from that project. So, there are people that are following the law and others that aren't, and we're hoping this clarifies, so that everyone follows it the same.

## **Assemblyman Hardy:**

Am I to understand then that in a redevelopment agency, whether it be in a county or city or a local entity of any kind, all of those projects do have to use prevailing wage?

## Richard Daly:

Not necessarily. NRS 279.500 says that prevailing wage applies in the project if the land is sold at less than fair market value or other incentives were provided greater than \$100,000.

#### **Chairman Parks:**

Mr. Tanchek, did you have a comment?

#### Michael Tanchek:

I'm trying to put this in a nutshell as to what happens here. The prevailing wage demands to be paid on public works projects where public dollars are involved. In some cases, some other incentives might be involved—for example, the new IRS [U.S. Internal Revenue Service] and FBI [Federal Bureau of Investigation] building in downtown Las Vegas, where the redevelopment agency gave the developer valuable real estate for one dollar in order to build this project. Prevailing wage applies under the existing law without touching any of that stuff.

Because you have to use NRS 338—which is an analytical statute—what happens is that when you do the analysis and you look at whether or not the project is a public work, it falls out because it's not a public work. It meets the definition of a private project rather than a public project. In some cases, these statutes will make prevailing wages apply to a project. In other cases, they won't, but at the current time, it's a case-by-case analysis. You have to take a look and see what the particulars of that particular project are. It might apply; it might not apply. I think under this, it would broaden the application.

## **Assemblyman Hardy:**

How broad is it going to be? What is going to be roped in according to this that wasn't before?

#### Michael Tanchek:

From my standpoint, being the one who would have to interpret it, I don't know where it would end.

## Richard Daly:

He has his opinion, and I have mine. I don't believe any more projects are roped in by this. It just clarifies the definitions of the projects that are already covered in the law, by virtue of the requirement existing in the statutes that are listed here to pay prevailing wage if it meets the requirement in those other laws—for instance, the redevelopment law.

#### **Chairman Parks:**

Further questions by the Committee? What's the pleasure of the Committee?

ASSEMBLYMAN CLABORN MOVED TO AMEND AND DO PASS ASSEMBLY BILL 552.

ASSEMBLYWOMAN PIERCE SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN GOICOECHEA, ASSEMBLYMAN GRADY, ASSEMBLYMAN HARDY, AND ASSEMBLYMAN SIBLEY VOTING NO. (Assemblyman Atkinson and Assemblyman Christensen were not present for the vote.)

Assembly Committee o April 15, 2005 Page 67	n Governmen	t Affairs			
Chairman Parks: I see nothing further [at 4:52 p.m.].	to come be	fore the Con	nmittee. We	stand	adjourned
RESPECTFULLY SUBMI	TTED:				
Michael Shafer Recording Attaché			aul Partida ranscribing A	ttaché	
APPROVED BY:					
Assemblyman David Pa	rks, Chairmar	1			

DATE:

## **EXHIBITS**

Committee Name: Committee on Government Affairs

Date: April 15, 2005 Time of Meeting: 8:06 a.m.

Bill	Exhibit	Witness / Agency	Description
	Α		Agenda
AB 376	В	Assemblyman Parks	Amendment
	С	Susan Scholley / Legislative	Work Session Document
		Counsel Bureau	
AB 331	D	Susan Scholley / Legislative	Amendment
		Counsel Bureau	
AB 430	E	Susan Scholley / Legislative	Amendment
		Counsel Bureau	
AB 552	F	Susan Scholley / Legislative	Amendments
		Counsel Bureau	(incorporating A.B. 409)