MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON ELECTIONS, PROCEDURES, ETHICS, AND CONSTITUTIONAL AMENDMENTS

Seventy-Fourth Session March 8, 2007

The Committee on Elections, Procedures, Ethics, and Constitutional Amendments was called to order by Chair Harry Mortenson at 3:53 p.m., on Thursday, March 8, 2007, in Room 3142 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website www.leg.state.nv.us/74th/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Harry Mortenson, Chair Assemblywoman Ellen Koivisto, Chair Assemblyman Ty Cobb Assemblyman Marcus Conklin Assemblywoman Heidi S. Gansert Assemblyman Ed Goedhart Assemblyman Ruben Kihuen Assemblyman Marilyn Kirkpatrick Assemblyman Harvey J. Munford Assemblyman James Ohrenschall Assemblyman Tick Segerblom Assemblyman James Settelmeyer

COMMITTEE MEMBERS ABSENT:

Assemblyman Chad Christensen (excused)



STAFF MEMBERS PRESENT:

Patrick Guinan, Committee Policy Analyst Terry Horgan, Committee Secretary Trisha Moore, Committee Assistant

OTHERS PRESENT:

Carole Vilardo, President, Nevada Taxpayers Association

Dino DiCianno, Executive Director, Department of Taxation, State of

Nevada

Chair Mortenson:

[Roll taken. The Chair reminded Committee members and the audience about Committee rules and etiquette.] We are having a work session today and will first consider A.J.R. 10 of the 73rd Session.

Assembly Joint Resolution 10 of the 73rd Session: Proposes to amend Nevada Constitution to revise residency requirement for purpose of being eligible to vote in elections. (BDR C-1379)

Patrick Guinan, Committee Policy Analyst:

This Committee heard A.J.R. 10 of the 73rd Session on February 13, 2007. There is no fiscal impact associated with this measure and there is no effect on the State. Assembly Joint Resolution 10 of the 73rd Session originally passed the Legislature in the 2005 Session. The Resolution proposes to remove language from Section 1, Article 2 of the Nevada Constitution, which stipulates that a person who is otherwise eligible to vote must have resided in Nevada for six months immediately prior to an election in order to be eligible to vote in that election. Removal of this language will result in the State maintaining a 30-day residency requirement for voter eligibility, which is consistent with federal law.

At our hearing, there were no amendments proposed to $\underline{A.J.R.}$ 10 of the 73rd $\underline{Session}$. There was no opposition raised to $\underline{A.J.R.}$ 10 of the 73rd $\underline{Session}$ and it is important to note that this measure must pass this session in the exact form that it passed the 2005 Session if it is to be put on the ballot for the General Election in 2008.

Chair Mortenson:

Is there any discussion or questions from Committee members? Since these bills have passed once, we do not want to amend them.

Assemblyman Cobb:

What does the phrase "which is consistent with federal law" mean?

Chair Mortenson:

The United States Supreme Court made a decision that our residency requirement of six months was too strict.

Assemblywoman Koivisto:

That is partly correct; however, other parts of our statutes require 30 days for residency. This would bring the *Constitution* and the statutes into conformity.

Assemblyman Cobb:

The Supreme Court said six months was too long?

Patrick Guinan:

The Supreme Court has said, on more than one occasion, that 30 days is an adequate rule and it is a standard most states have adopted. I cannot say with certainty that they specifically said that 6 months was too long, but they have said that longer than 30 days is too long.

Assemblyman Cobb:

They have said that longer than 30 days is constitutionally too long?

Patrick Guinan:

Several decisions we discussed, and that Kim Guinasso [Committee Counsel] referred to in our initial hearing, have said that going longer than 30 days is not appropriate, and creates too much of a burden. I cannot cite the specific cases, but that was the general consensus.

Assemblyman Cobb:

Did they strike down state laws longer than 30 days?

Patrick Guinan:

I believe so, yes.

Assemblywoman Gansert:

Last time, we discussed whether there was a length of time between the 30-day requirement and the 6-month requirement. The State of Nevada has different requirements for different things; for instance, if you are going to school, the residency requirement is six months. It is something different for drivers' licenses and something different for eligibility to vote. I believe there was a court case that said the six-month period was too long. That is why we

were looking to shorten it and there was discussion about what the length of time should be.

Chair Mortenson:

If we want this bill to pass we cannot amend it, and I would not accept a motion to amend it unless it was the will of the Committee.

Assemblywoman Gansert:

I was looking up the history because I know we discussed this at length. I do not have a question, I was just trying to help Mr. Cobb. I had the Research Division look up the residency requirements for a variety of things and the requirements varied. They were all over the board.

Chair Mortenson:

Mr. Guinan will do some research on that and present it to the Committee.

ASSEMBLYMAN SEGERBLOM MOVED TO DO PASS <u>A.J.R. 10 OF</u> THE 73rd SESSION.

ASSEMBLYMAN OHRENSCHALL SECONDED THE MOTION.

Assemblyman Conklin:

Minutes from the work session of April 7, 2005, say the bill,

...brings the *Nevada Constitution* in line with federal law. Our *Constitution* says one must reside in the State for six months. That is not the case. The Supreme Court has made the decision that 30 days is the maximum amount of time that a person has to reside in the State before they are eligible to vote.

Chair Mortenson:

Any further discussion on the motion? [No response]

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

We will now open the hearing on A.J.R. 16 of the 73rd Session.

<u>Assembly Joint Resolution 16 of the 73rd Session:</u> Proposes to amend Nevada Constitution to provide requirements for enactment of property and sales tax exemptions. (BDR C-422)

Patrick Guinan, Committee Policy Analyst:

We heard A.J.R. 16 of the 73rd Session on February 13, 2005, and you will note there is no effect on local government or on the State. Assembly Joint Resolution 16 of the 73rd Session also passed the 2005 Legislative Session in the form you see before you. It must pass the 2007 Session in the identical form in order for it to be placed before the voters at the 2008 General Election.

This resolution proposes to amend the *Nevada Constitution* to provide requirements for the enactment of property and sales tax exemptions. The measure prohibits the Legislature from enacting an exemption from any ad valorem tax on property or excise tax on the sale, storage, use, or consumption of tangible personal property sold at retail unless the exemption: (1) will achieve a bona fide social or economic purpose, and the benefits are expected to exceed any adverse effects on services to the public; and, (2) will not impair the ability of the State or a local government to pay all interest and principal on any outstanding bonds or any other obligations when due.

If the Legislature enacts an exemption, the Legislature must: (1) ensure that the requirements for claiming the exemption are similar for similar classes of taxpayers; and, (2) provide a specific date on which the exemption will cease to be effective.

There were no amendments proposed to this measure at our hearing. We did receive testimony from Carole Vilardo, Mike Alastuey, and Dino DiCianno on the history of the measure and on their understanding of it. You will also find in your work session packet (Exhibit C) a document from Hobbs, Ong and Associates, Inc. (Exhibit D), which was requested by the Committee and provided by Carole Vilardo. It is a listing of the current tax exemptions available in Nevada.

Assemblywoman Koivisto:

Will this affect current exemptions like the veteran's exemption? Ms. Vilardo is shaking her head, "No."

Assemblywoman Gansert:

Ms. Vilardo mentioned that whenever we have an exemption there should be a sunset date, and I believe this covers that. It says in Section 6, subsection 2(b)

that the Legislature shall "Provide a specific date on which the exemption will cease to be effective."

Assemblyman Segerblom:

Will this be retroactive with respect to current exemptions that do not have an expiration date?

[Carole Vilardo and Dino DiCianno, who were in the audience, were asked to come forward to the witness table.]

Carole Vilardo, President, Nevada Taxpayers Association:

No, this is prospective. It does nothing to the existing exemptions in statute.

Assemblyman Ohrenschall:

Do any other state constitutions have similar provisions on exemptions?

Carole Vilardo:

I do not have a clue.

Dino DiCianno, Executive Director, Department of Taxation, State of Nevada:

I am not aware whether they do or do not.

Assemblyman Segerblom:

Has our current Governor taken a position on this?

Dino DiCianno:

I do not know.

Assemblyman Cobb:

I do not think we should change this because I think we should get it on the books, but I do agree with making this retroactive. Sunsetting some of these exemptions may be appropriate and should be reviewed periodically. Perhaps in the future we should consider applying this to citizen initiatives, as well.

Chair Mortenson:

I agree there is no perfect bill, but this one needs to pass in its present form. It is something we can address in the future. I will accept a motion.

ASSEMBLYWOMAN KOIVISTO MOVED TO DO PASS <u>A.J.R. 16 OF</u> THE 73rd LEGISLATIVE SESSION.

ASSEMBLYWOMAN GANSERT SECONDED THE MOTION.

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

With no further business to come before the Committee, we are adjourned [at 4:13 p.m.].

	RESPECTFULLY SUBMITTED:
	Terry Horgan Committee Secretary
APPROVED BY:	
Assemblyman Harry Mortenson, Chair	
DATE:	

EXHIBITS

Committee Name: Committee on Elections, Procedures, Ethics, and Constitutional Amendments

Date: March 8, 2007 Time of Meeting: 3:45 p.m.

Bill	Exhibit	Witness / Agency	Description
	Α		Agenda
	В		Attendance Roster
AJR 10	С	Patrick Guinan, Committee	Work Session document
AJR 16		Policy Analyst	
AJR 16	D	Patrick Guinan	List of tax exemptions
			from Hobbs, Ong &
			Assoc.