

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

**Seventy-Fourth Session
April 19, 2007**

The Committee on Government Affairs was called to order by Chair Marilyn K. Kirkpatrick at 9:01 a.m., on Thursday, April 19, 2007, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, 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 at 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:

Assemblywoman Marilyn Kirkpatrick, Chair
Assemblywoman Peggy Pierce, Vice Chair
Assemblyman Kelvin Atkinson
Assemblyman Bob Beers
Assemblyman David Bobzien
Assemblyman Chad Christensen
Assemblyman Jerry D. Claborn
Assemblyman Pete Goicoechea
Assemblyman Ruben Kihuen
Assemblyman Harvey J. Munford
Assemblywoman Bonnie Parnell
Assemblyman James Settelmeyer
Assemblyman Lynn D. Stewart
Assemblywoman RoseMary Womack



STAFF MEMBERS PRESENT:

Amber Joiner, Committee Policy Analyst
Scott McKenna, Committee Counsel
Rachelle Myrick, Committee Secretary

OTHERS PRESENT:

Tim Tetz, Executive Director, Office of Veterans' Services
Andrew Clinger, Director, Department of Administration

[Meeting called to order and roll called at 9:01 a.m.]

Chair Kirkpatrick:

We are going to start with Senate Bill 219.

Senate Bill 219: Creates the Gift Account for Veterans in the State General Fund and authorizes the use of money in the Account for the support of outreach programs and services for veterans and their families. (BDR 37-637)

Tim Tetz, Executive Director, Office of Veterans' Services:

Senate Bill 219 is a bill that has been submitted by the Office of Veterans' Services for the last six sessions.

What we are trying to do is fix various sections of the *Nevada Revised Statutes* (NRS) to allow for the Veteran's license plate funds. The monies brought in for the veteran's license plates to be deposited into a gift account and remain there. Currently, the Department of Motor Vehicles (DMV) is selling those license plates with the message that the money goes directly to the Veteran's Home Account. As the timeline indicates, that money has never gone to and stayed with the Home Account ([Exhibit C](#)). This bill attempts to correct that.

In 1993, the Legislature created the Veteran's license plate program. At the time, the money that was earned through the sale of Veteran's license plates was to go to the Veteran's Home Account. I want to emphasize that was the Veteran's Home Operation Account. This was a good nine years before we opened up the Veteran's Home.

In 1999, we began our process of trying to change this and the Veteran's Gift Home Account was created. This was to receive not only those gifts that veterans and other organizations wanted to give to the Veteran's Home, but allowed a place for tax exempt gifts to go.

At that time, they changed the Veteran's license plate program so the Veteran's license plate funds would go in support of Veteran's Homes and a gift account. They kept collecting and depositing the money into the Veteran's Home Operations Account and we reverted that account at the conclusion of each fiscal year. In 2003, we again tried to fix this. We changed it and said the Veteran's License Plate Funds were reallocated. The first \$100,000 of each year's money was deposited in the Veteran's Home Gift Account and any additional money was to be deposited in the General Fund.

Despite the fact that this took place in 2003, it did not happen that way when it got to the bookkeeper's side of things.

In 2005, the National Guard was added to the list of license plates. Now we have the five branches plus the National Guard. We had Senate Bill No. 14 of the 73rd Legislative Session that would have fixed this. That bill died in the Senate Finance Committee.

It was not until 2006 that the accounting error was fixed, and the first \$100,000 that was given from the license plate funds went to the Veteran's Home Gift Account. From 1993 to 2006 the money the veterans of Nevada and those who bought the license plates thought it was going in the Veteran's Home Gift Account, but it was not.

Unfortunately, the remainder of the money was incorrectly deposited into the Veteran's Home Operations Account despite the fact the NRS says it needs to go into the General Fund. Last year the Veteran's Home Operations Account reverted over \$2,000,000 million back to the General Fund. That included all of the Veteran's license plate funds.

In 2007, we have moved \$100,000 over to the Veteran's Home Gift Account, but there is an excess of \$120,000 above the original \$100,000 that has gone into the Veteran's Home Operations Account. It should have gone directly to the General Fund.

Senate Bill 219 accomplishes three tasks. It creates a gift account for veterans to be managed by our agency at a statewide level. This is only to be used for support and outreach programs as well as services for veterans and their families.

What we envision here is to pay for things we are unable to do currently on our limited budgets. This could include pre-deployment briefings and support for our Nevada National Guard; family support while they are being deployed, post-

deployment briefings and support, women's veteran outreach, rural veterans outreach, and homeless veterans outreach.

This bill accomplished the task of depositing all of the veteran's license plate money into the Veteran's Home Gift Account so it does not lapse into the General Funds so those veterans who have purchased a plate thinking the money goes for the betterment of veterans is actually going for the betterment of veterans.

We want those family members who donate to that account or purchase a plate to be proud to be supporting the veterans and know that the money is going where it needs to go.

The other document you have is a point paper put out last April ([Exhibit D](#)). The conundrum of what has happened to this money has bothered me as my predecessor testified before you. I spent the first month trying to figure this out. What the point paper outlines is in Fiscal Year 2005 only one in every three veterans who bought a veterans license plate could feel their money went directly to the veterans at the home. Senate Bill 219 will help us correct this and help us take care of the veterans in Nevada and truly live out that ideal of veterans caring for veterans.

Assemblyman Goicoechea:

Could you explain issue number two on your point paper, about the counties not returning the full waiver of the veteran's exemption? I do not understand how they are not doing that.

Tim Tetz:

Issue number two was left on the point paper because this was a larger point paper. We wanted to talk about the veteran's exemption and everything else. We need to go into that in more detail.

It is a finger pointing session among the State Treasurer's Office, the counties, and the accountants. The counties are saying they collected the money and submitted it to the Treasurer's Office. The Treasurer's Office is saying they never got it, or they are saying they transferred it over to the Veteran's Gift Home Account, but we are looking at the Veteran's Gift Home Account and see we have only received money from three counties. It is something we hope to address in the coming year.

Assemblyman Goicoechea:

When you are granted a veteran's exemption the county can only give it to the State. Someone has to have it.

Assemblywoman Womack:

I was at the meeting in January where the veterans spoke out about this license plate issue. Their intent in buying them is that the money goes back to the veterans. There were maybe 200 people there that day, most of them with veteran's plates. They were asking where the money was.

Chair Kirkpatrick:

How are we going to be sure the money actually goes where it is supposed to this time? Is there a check and balance system in place?

Tim Tetz:

You are asking how we make sure this is the correct way this time. This is our third try. We have gone through the language and hope the language specifically outlines what needs to happen.

Assemblyman Beers:

I do not see anything in this bill that gives any direction to the counties to pass the money on to the Veteran's Home Account.

Tim Tetz:

This bill does not specifically deal with topic number two on the point paper. That is a separate section of the NRS. That is the section pertaining to disabled veterans and veterans exemptions on their taxes.

A veteran disabled or otherwise can choose to take his veterans exemption from the DMV or from the county and waive that. In essence, he is saying he will pay his taxes but he wants that \$40 or \$70 to go to the veteran's home.

That is an entirely different section of the NRS that we are not attempting to fix with this bill.

The money that is not making it from the counties is an administrative problem. It is not a legal problem. It clearly says it needs to go to the veteran's home. It is a matter of the money trail.

Chair Kirkpatrick:

Is there anyone who is in support of S.B. 219? [There were none.]

Is there anyone who is opposed to S.B. 219? [There were none.]

Is there anyone who is neutral on S.B. 219? [There were none.]

We will close the hearing on S.B. 219.

We will open the hearing on Senate Bill 518.

Senate Bill 518: Revises provisions governing work programs. (BDR 31-627)

Andrew Clinger, Director, Department of Administration:

Senate Bill 518 corrects the NRS regarding the method in which agencies transmit their approved budgets to the budget division. Current language in NRS states the head of each agency shall submit documentation to the Budget Officer for the approved budget. Currently, we receive an electronic file from the Legislative Counsel Bureau (LCB) and we transmit that electronic file to the Controller's Office to be included in the financial system.

This bill changes the language to reflect what we do in practice. We maintain a computer network with the budget electronically. It also requires the agencies to review the electronic file of their budget.

Assemblyman Goicoechea:

What S.B. 518 does is take it from paper to an electronic file?

Andrew Clinger:

Correct. It changes the law to reflect what we are currently doing.

Chair Kirkpatrick:

Is there a paper trail to back this up?

Andrew Clinger:

There are reports we print that have a signature line on them. It is a report of what the agencies budget will be for the next two years and they are required to sign off on those.

Assemblywoman Pierce:

A work program is a computer program, correct?

Andrew Clinger:

A work program is actually a budget document in our language. It is a budget plan for the upcoming fiscal year.

Chair Kirkpatrick:

If you are already doing it why do we have to change the law to reflect it?

Andrew Clinger:

The change in the law will more accurately reflect what we are currently doing. The way the law reads now, the agencies are required to submit their budget to

us then we would approve it and pass it on to the Controller's Office. That document resides in our budget system electronically. Senate Bill 518 attempts to reflect more accurately what we do in practice.

Chair Kirkpatrick:

If you are already doing it why do we have to change the law?

Andrew Clinger:

So we are clear in the law on how to process these work programs.

Chair Kirkpatrick;

Is there anyone else in support of S.B. 518? [There were none.]

Is there anyone opposed to S.B. 518? [There were none.]

Is there anyone neutral on S.B. 518? [There were none.]

We will close the hearing on S.B. 518.

[Meeting adjourned at 9:20 a.m.]

RESPECTFULLY SUBMITTED:

Rachelle Myrick
Committee Secretary

APPROVED BY:

Assemblywoman Marilyn K. Kirkpatrick, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: April 19, 2007

Time of Meeting: 9:01 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
S.B. 219	C	Tim Tetz, Executive Director, Office of Veterans' Affairs	Timeline
S.B. 219	D	Tim Tetz, Executive Director, Office of Veterans' Affairs	Point paper