

**SENATE MINUTES OF THE
COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-fourth Session
May 7, 2007**

The Senate Committee on Government Affairs was called to order by Chair Warren B. Hardy II at 1:36 p.m. on Monday, May 7, 2007, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Warren B. Hardy II, Chair
Senator Bob Beers, Vice Chair
Senator William J. Raggio
Senator Randolph J. Townsend
Senator Dina Titus
Senator Terry Care
Senator John J. Lee

GUEST LEGISLATORS PRESENT:

Assemblyman Pete Goicoechea, Assembly District No. 35
Assemblywoman Marilyn Kirkpatrick, Assembly District No. 1
Assemblyman Harry Mortenson, Assembly District No. 42
Assemblyman David R. Parks, Assembly District No. 41

STAFF MEMBERS PRESENT:

Eileen O'Grady, Committee Counsel
Michael J. Stewart, Committee Policy Analyst
Olivia Lodato, Committee Secretary

OTHERS PRESENT:

Tom Fronapfel, Administrator, Field Services Division, Department of Motor Vehicles
Nancy Parent, Chief Deputy Clerk, Washoe County

Senate Committee on Government Affairs
May 7, 2007
Page 2

Kristin Stout
Karen Butta
Joyce Sportsman
Dan Musgrove, Clark County
Judy Stokey, Nevada Power Company; Sierra Pacific Power Company
Shaun E. Jillions, City of Henderson
Nicolas Anthony, City of Reno
Ted J. Olivas, City of Las Vegas
Andy Belanger, Las Vegas Valley Water District; Southern Nevada Water Authority
Pamela B. Wilcox, Administrator and State Land Registrar, Division of State Lands, Department of Conservation and Natural Resources
J. David Fraser, Nevada League of Cities and Municipalities

Chair Hardy opened the meeting with a discussion on Assembly Bill (A.B.) 12. He asked for testimony in favor of A.B. 12. He said it appeared the policy issue difference between A.B. 12 and Senate Bill (S.B.) 387 was whether the State Public Works Board would be a state agency or an Executive Branch department. He requested the discussion focus on that issue.

ASSEMBLY BILL 12 (1st Reprint): Provides for the replacement of the State Public Works Board. (BDR 28-193)

Assemblyman David R. Parks, Assembly District No. 41, presented A.B. 12. He said it was a bill from the Assembly Committee on Government Affairs. He said it created a new department within the Executive Branch of Nevada State Government to be known as the State Public Works Department. The bill established that the director of the Department served at the pleasure of the Governor. He mentioned a proposal for a capital improvement program was included in the proposed budget. Assemblyman Parks said the bill contained requirements for the Public Works Department to present specific reports to the Fiscal Analysis Division of the Legislative Counsel Bureau. He stated certain reports were presented in specific formats. There were four conditions relative to the reports listed in section 18 of A.B. 12. Assemblyman Parks mentioned one difference between A.B. 12 and S.B. 387 was found in section 51 of A.B. 12 where the Legislative Advisory Committee on Public Works was created. He said it consisted of six legislative members, three of whom were appointed by the Majority Leader of the Senate and three by the Speaker of the Assembly. He said each appointment came from the Senate Committee on

Finance or the Assembly Committee on Ways and Means. He added the only other variance was the bill did not reference specific deputies. He said S.B. 387 referred to a third deputy who served at the pleasure of the Board and the Governor.

SENATE BILL 387 (1st Reprint): Revises various provisions governing public works and the State Public Works Board. (BDR 28-904)

Senator Lee asked Assemblyman Parks if a department was higher ranked than a board. He asked why State Public Works Board was elevated from a board to a department.

Assemblyman Parks responded a more hands-on, day-in, day-out supervision of the vital function of public works was needed. He said the State Public Works Board met once a month for four to six hours of discussion. He said as large and involved and complicated as the projects were, a full-fledged department was needed to provide oversight.

Senator Lee asked about the Legislative Advisory Committee on Public Works created by A.B. 12. He asked if the Board made actual decisions on the quality of buildings and requests for information. He asked if it was a committee brought in to hear decisions already made at an earlier date. He asked if a contractor requesting information would talk to the Committee.

Assemblyman Parks said the intent was a standing committee that looked at the projects and made recommendations to the Public Works Department. He said the Committee would keep close tabs on the budget.

Chair Hardy asked if there were any additional questions on A.B. 12. He said S.B. 387 and A.B. 12 were similar bills, and he asked staff to do a matrix comparing the two bills. He closed the hearing on A.B. 12. He said the Committee would begin discussion of the work session documents.

Chair Hardy opened the discussion on A.B. 16.

ASSEMBLY BILL 16: Revises the authority of the State Board of Examiners concerning bad debts. (BDR 31-82)

He said the bill was from the State Controller relative to bad debts. It authorized the Clerk of the State Board of Examiners to designate as bad debt any debt owed to the state less than \$50 ([Exhibit C](#)).

SENATOR BEERS MOVED TO DO PASS A.B. 16.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hardy opened the discussion on A.B. 22. He said it authorized land owned by the state be transferred to Washoe County and the Sierra Fire Protection District ([Exhibit D](#)).

ASSEMBLY BILL 22: Authorizes the State Land Registrar to transfer certain real property owned by the State of Nevada to Washoe County and the Sierra Fire Protection District. (BDR S-367)

SENATOR RAGGIO MOVED TO DO PASS A.B. 22.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hardy said A.B. 28 changed the required number of meetings per year from two to one for the Advisory Council to the Division of Industrial Relations in the Department of Business and Industry ([Exhibit E](#)).

ASSEMBLY BILL 28: Revises provisions governing the Advisory Council of the Division of Industrial Relations of the Department of Business and Industry. (BDR 18-555)

SENATOR BEERS MOVED TO DO PASS A.B. 28.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hardy said A.B. 101 changed the membership of the Commission on Tourism to include the chief administrative officers of the Reno-Sparks and Las Vegas Convention and Visitors Authority ([Exhibit F](#)).

ASSEMBLY BILL 101 (1st Reprint): Revises provisions governing the Commission on Tourism. (BDR 18-772)

Chair Hardy said there was no opposition to the bill. He added there was one proposed amendment. He said the language in the bill recommended the name remain as the county fair and recreation boards rather than convention and visitors authorities. He said the language referred to the boards elsewhere in statute.

SENATE LEE MOVED TO AMEND AND DO PASS AS AMENDED A.B.101.

SENATOR BEERS SECONDED THE MOTION.

Chair Hardy asked if there was any discussion.

Senator Titus asked where the name change occurred. Chair Hardy said the reprinted bill proposed the phrase "convention and visitors authorities" which in existing statute was referred to as the "county fair and recreation boards." He said the current bill was the first proposal to change the description in statute from county fair and recreation boards to convention and visitors authorities.

Senator Titus asked if the Las Vegas Convention and Visitors Authority would now be known as the Las Vegas County Fair and Recreation Board. Chair Hardy said the amendment did not change the name. He said by statute, the Las Vegas Convention and Visitors Authority was the county fair and recreation board. He said the amendment was consistent with the rest of statute.

THE MOTION CARRIED UNANIMOUSLY.

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Senate Committee on Government Affairs
May 7, 2007
Page 6

Chair Hardy opened the discussion on A.B. 135. He said it authorized the expansion of the Stagecoach General Improvement District ([Exhibit G](#)).

ASSEMBLY BILL 135: Authorizes the Stagecoach General Improvement District to furnish sanitary facilities for sewerage. (BDR S-184)

SENATOR BEERS MOVED TO DO PASS A.B. 135.

SENATOR LEE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hardy said A.B. 220 was introduced on behalf of the Secretary of State ([Exhibit H](#)).

ASSEMBLY BILL 220: Revises certain duties of the Secretary of State. (BDR 18-545)

SENATOR BEERS MOVED TO DO PASS A.B. 220.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hardy said A.B. 348 had been introduced by Assemblyman John C. Carpenter ([Exhibit I](#)).

ASSEMBLY BILL 348 (1st Reprint): Revises the boundaries and composition of the Elko Convention and Visitors Authority. (BDR S-422)

SENATOR TOWNSEND MOVED TO DO PASS A.B. 348.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hardy opened discussion on A.B. 406. He asked testifiers to come forward and discuss the bill for the Committee.

ASSEMBLY BILL 406 (1st Reprint): Revises various provisions relating to marriage licenses. (BDR 11-523)

Tom Fronapfel, Administrator, Field Services Division, Department of Motor Vehicles, said the group met and reviewed the amendments originally proposed and discussed in the hearing last week and combined them. He said everyone agreed on the language. He said the bill established a branch office in Henderson to issue marriage licenses.

Chair Hardy said there was a mock-up of the proposal in the work session documents. He added there was an original copy of the bill in the documents (Exhibit J). He asked the Committee to look at the copy of amendments as originally introduced and the draft mock-up showing changes in the amendments.

Senator Titus said the bill originally came forward to allow Henderson to sell marriage licenses. She said other issues were added to the bill. She asked how the original people affected by the bill felt about all the changes.

Nancy Parent, Chief Deputy Clerk, Washoe County, said the people from Henderson had testified earlier, and she thought they agreed to the provisions in the bill related to satellite offices. Ms. Parent said it did not specifically affect Washoe County so she was not part of their agreement.

Senator Titus asked Mr. Fronapfel if the people from Henderson had agreed to the revised amendments.

Chair Hardy said the controversial issue did not affect the City of Henderson. He said language in the bill was removed in the first draft. He said the sponsor of the bill, Assemblywoman Ellen M. Koivisto, was aware of the amendment and agreed to have her bill used to resolve the problem.

Mr. Fronapfel said the amendments established the ability of the Clark County Clerk to have a satellite office in Henderson, authorized the county clerk to require proof of age and identity from individuals applying for a marriage license, and listed the types of documents acceptable as proof of identity. He said language was also offered by county clerks regarding single applicants where both applicants for a marriage license could not appear. He said there was amended language to allow for more latitude, [Exhibit J](#).

Chair Hardy asked what the objection was to using the term "full legal name."

Mr. Fronapfel said the original bill included the definition "full legal name," and there were concerns regarding individuals whose documents did not spell out their full name. He said some birth certificates contained only an initial. He said the clerks were concerned about identification that did not spell out the full legal name.

Chair Hardy said the new language listed the items acceptable as proof of identity.

Senator Care said the amendment did not alter the change in statute contemplated by the bill. He said the word "may" was stricken and the word "shall" was inserted in the bill.

Chair Hardy said the original issue was to get a branch office in Henderson. He said the attempt in the amendment was to say "shall do it in Henderson" and "may" do it elsewhere.

Mr. Fronapfel said Proposed Amendment No. 7 addressed the issue, [Exhibit J](#).

Senator Titus said she wanted Amendment 7 to clarify the first satellite office was in Henderson, and after that, they "may" do four more offices.

Chair Hardy said he requested Eileen O'Grady, Committee Counsel, research the ability to say "shall" in one part of the bill and "may" in another.

Senator Lee said he had talked to Shirley B. Parraguirre, Clerk, Clark County, regarding North Las Vegas. Senator Lee read a letter from Ms. Parraguirre ([Exhibit K](#)) for the record:

Dear Senator Lee: Per our conversation earlier today, I am providing this letter which documents my commitment to you and the residents of North Las Vegas regarding establishing a branch office of the County Clerk in North Las Vegas some time in the future.

As you know, Clark County Clerk's Office currently operates two branches which are located in Mesquite and Laughlin. If the pending legislation is passed, my office will soon be establishing a third branch in Henderson. You have my assurances that my office will give first consideration to placing the next branch of the County Clerk's Office in the city of North Las Vegas and that North Las Vegas will be considered ahead of any other location in Clark County.

It has been a pleasure working with you. I look forward to continuing our relationship in the future.

Senator Lee said the numbers show five people a day drive to the center of town to get a marriage license. He said North Las Vegas had four people apply for marriage licenses a day. He said Henderson had marriage packages for nonresidents. He said North Las Vegas was positioning itself to have similar packages. He requested Legal Division receive a copy of the letter.

Chair Hardy said the letter would be included in the record for the hearing. He said he wanted to talk to the original sponsor of the bill and the Chair of the Assembly Committee on Judiciary. Chair Hardy closed the work session and opened the hearing on A.B. 463.

ASSEMBLY BILL 463 (1st Reprint): Makes various changes pertaining to residential establishments and group homes. (BDR 22-534)

Assemblywoman Marilyn Kirkpatrick, Assembly District No.1, said the bill dealt with group homes. She said in Assembly District 1, there were 40 group homes. She said local governments throughout the state had not adopted ordinances passed in 2001. She said there was a distance separation inserted in statute. She said A.B. 463 stated if local governments did not adopt the ordinance consistent with the statute, the state would do it. She said another problem with group homes was lack of a clear idea of who lived in the homes. She said in her district, only two group homes were licensed with the state. However,

she added there were approximately 30 more homes not listed ([Exhibit L](#), original is on file in the Research Library). She said local government had difficulty determining the distance requirement because of not knowing where the group homes were located. Assemblywoman Kirkpatrick said there were three and four group homes on one street. She pointed out Senator Townsend's and Senator Titus's group home locations in [Exhibit L](#). She said the use permit for a group home went with the duration of the home, but various groups inhabited the home at different times. She said it was important people in the group homes received the quality care they needed and neighborhood residents were protected. She said one home in her district had changed names and owners, but the licenses were still good with the state until December.

Assemblywoman Kirkpatrick said [A.B. 463](#) laid out parameters for people opening group homes. She outlined the process for the Committee. She said the first step was to go to the state for licensing. She said the homes would be required to list all equipment available, including the sprinkler system for the home. She said after the state certified the group home, the owner would then go to local governments and apply for zoning. She said that assured safety regulations were in place and distancing was accomplished. She said she was not accepting any amendments on [A.B. 463](#).

Chair Hardy asked if there were any amendments to [A.B. 463](#). There were none.

Senator Care asked Assemblywoman Kirkpatrick if the agent or seller of a home was required to make a disclosure concerning group homes in the area. She said the real estate person was required to make a disclosure of a group home in the vicinity. She said one example of a group home in place for 19 years had 19 different uses during that time, but the use permit was consistent.

Senator Care said the minimum distance was 1,500 feet. He asked if the bill required any existing homes created after July 2001 to relocate. Assemblywoman Kirkpatrick replied not necessarily. She said without a registry, the licensing department was unable to review the housing. She said the state was often unaware of all group housing in an area.

Senator Care said a home could violate other ordinances but not too close to another home, which would require relocation of the group home.

Assemblywoman Kirkpatrick said according to the distance requirements based on the Fair Housing Act, they could not be asked to leave. However, if the home was in noncompliance with licensing and codes, it would provide an opportunity to find a new location.

Senator Titus said the problem occurred in older neighborhoods where the price of housing was less expensive. She said group homes had a negative effect on property values. She said regulation was needed.

Senator Lee asked Assemblywoman Kirkpatrick about the use permit for group homes. He asked if the permit changed from a handicapped to a drug addiction home, whether notification was required. He asked if the change in use changed the notification and could it be disallowed.

Assemblywoman Kirkpatrick said part of the problem with group homes was a business license was the only requirement. She said some local entities required a use permit. She said A.B. 463 required a use permit remain with the license. She said if the home was sold or changed the name, a new application would be required.

Senator Lee asked if the home went from handicapped to drug addiction, but kept one handicapped person, could they retain the license for handicapped housing?

Assemblywoman Kirkpatrick said the license issued through the state specified how many people were in the house. She said a new special use permit was required if the bed number changed in the home.

Senator Lee asked about the property value reduction. He said one group home might cause a small drop, but what occurred if there was a large number of group homes in the area?

Assemblywoman Kirkpatrick replied the *Nevada Revised Statutes* (NRS) did not allow looking at property value loss when zoning was considered.

Senator Lee asked if A.B. 463 would allow for an immediate shut down of nonlicensed homes and a fine for rogue homes that seem to just appear. He said his district had that problem. He asked if all three licenses—city, county and state—were not present, could a group home still be opened?

Assemblywoman Kirkpatrick said they could go to local governments and go through the business licensing department, pay \$36 for the license and set up a group home. She said there was a loophole for nonprofit organizations offering certain services that allowed group homes to bypass registration. She said A.B. 463 required everyone with more than three beds to register.

Senator Lee asked if there were fines involved for failing to acquire all the necessary licenses. He asked if the bill solved that problem. He also asked if people operating without proper licenses could be shut down immediately.

Assemblywoman Kirkpatrick said local government, zoning issues and licensing determined the course of operation.

Chair Hardy asked about the unfunded mandate in section 7 of the bill. He said if the money was available, did it negate the requirement for the unfunded mandate?

Assemblywoman Kirkpatrick said most local governments, with one exception, testified they could enforce the requirements without concern for money.

Kristin Stout said she was a resident of Las Vegas testifying in support of A.B. 463. She said group homes became an issue for her when two high-density group homes were proposed for her neighborhood. She said group homes discussed in the bill provided services for the disabled, elderly and people recovering from drug and alcohol. Therefore, those residents in the group homes had special needs and relied heavily on agencies providing emergency services. She said each time an emergency service went to a group home, that provider was unavailable to provide service for the surrounding neighborhood. Ms. Stout said A.B. 463 allowed a database of group home information for issue to emergency service providers. The information allowed the emergency responders to know the call was a group home of multiple people with serious needs. Ms. Stout said she wanted to address the change in distance requirements for group homes as provided in A.B. 463. She said the proposed 1,500-foot minimum distance requirement was a way to prevent group home establishments from taking over an entire neighborhood. She said the distance requirement would give peace of mind to the neighborhood.

Karen Butta lived in her neighborhood for the past 28 years. She said eight years ago, a house was converted to a group home. She said the house now

had a minimum of 14 residents. She said the house had sex offenders as well as elderly women who were attacked by the sex offenders. She said residents of the group home had come into her house, followed her children, gone through their trash can and gotten into their car.

Ms. Butta said disclosure was not required when property in the neighborhood sold nor were group homes disclosed to new home buyers. She said a group home in her area had more than 60 calls to Las Vegas Metropolitan Police Department (Metro) and more than 300 calls to fire and rescue. She said the house was considered a single-family residence.

Joyce Sportsman said she was aware of the need for group homes and assisted living facilities in Las Vegas. She said since living across from a group home for two years, she would never place anyone into the system. She said a home should not have over 50 visits from Metro or 372 visits from fire and rescue in a calendar year. She asked the Committee to support A.B. 463.

Assemblywoman Kirkpatrick said there were over 10,000 unlicensed group homes. She said A.B. 463 would help control group homes.

Vice Chair Beers closed the hearing on A.B. 463 and opened the hearing on A.B. 326.

ASSEMBLY BILL 326 (1st Reprint): Revises provisions relating to buildings constructed of unreinforced masonry. (BDR 28-716)

Assemblyman Harry Mortenson, Assembly District No. 42, said he served on an advisory board for the University of Nevada, Las Vegas. He said during a seminar, there was discussion about earthquakes and seismic activity and how it affected buildings in Las Vegas and the rest of the state. He said the current earthquake building standards were very good. Assemblyman Mortenson said in rural Nevada, there were many unreinforced masonry buildings. He said many of the buildings were schools. Traditionally, schools were used as shelters when natural disasters occurred. He said some of those public buildings were going to collapse with seismic activity. He said A.B. 326 was initially more comprehensive, but the fiscal note was too large. He said the bill asked only that state and local governments inventory nonreinforced masonry buildings. He said it identified where people should not be during an earthquake. It would cost little money and save lives. He said the inventory did not include warehouses,

historical structures, private homes or apartments with four or less units. He said it did not include any buildings where people did not normally reside.

Senator Care asked if buildings constructed in the past several decades were satisfactorily built for seismic occurrences.

Assemblyman Mortenson said Nevada was the second-most, earthquake-prone state in the continental United States. He said there was a high probability of earthquakes happening in Nevada. He said standards adopted in the state forced local governments to adopt world-class standards. He said the older structures caused concern. Assemblyman Mortenson said the new casinos were robustly constructed, but some of the older casinos were questionable.

Senator Beers asked the long-term history of earthquakes in Nevada. Assemblyman Mortenson replied he had a chart in his office that showed the history and intensity of earthquakes in Nevada.

Senator Beers asked if there were records of significant earthquakes.

Assemblyman Mortenson said northern Nevada had some serious earthquakes. He said the center of the state was most earthquake-prone.

Senator Raggio said there was a major fault along the foothills in Reno.

Senator Beers closed the hearing on A.B. 326 and opened the hearing on A.B. 462.

ASSEMBLY BILL 462 (1st Reprint): Revises provisions relating to the sale or lease of real property by governmental entities. (BDR 26-901)

Assemblywoman Kirkpatrick said A.B. 462 was a cleanup bill from last session. She said she and Senator Hardy had promised to address any concerns left out of the existing legislation. She said there was a huge concern about the cost of the appraisal process. She said two appraisals were required, and some rural areas had difficulty getting other states to participate in the appraisal process. She said one appraisal and a stringent public process would be as successful. She said if the public process was not followed, the result was to void the sale or lease. She said it was provided to try and deter local government from not following rules. She said two amendments had been proposed. She said

cooperative agreements had not been discussed last session. She said there was also concern over airport hangar leases.

Senator Lee said he had been contacted concerning lots at an airport. He asked if trades were ever a part of the discussion.

Assemblywoman Kirkpatrick said trades had not been discussed earlier. She said part of the problem last session was local governments were trading for one dollar and the constituents were not receiving the fair market value. She said there was a provision for local governments and state agencies to trade with each other.

Senator Lee asked if dollars always had to be transferred, even after two appraisals. She replied he was correct. She said there were 196 amendments to the bill. She said during the interim, many interests were addressed. She said leases, local governments exchanging land, airport hangars and utilities were all discussed.

Senator Care asked if anything in the bill addressed the situation of an airport in the business of commercial landlord when the land was not used in a manner that helped the aviation industry. He asked if a rationale permitted that practice.

Assemblywoman Kirkpatrick said Assemblyman Goicoechea's amendment addressed the cooperative agreement of leases and airport property.

Assemblyman Pete Goicoechea, Assembly District No. 35, said his amendment required any authority created under NRS 277 meet the same criteria as those entities involved in the interlocal or cooperative agreement that created the authority. He said an authority should meet the same criteria as the county or city when dealing with public money. He asked the Committee to look at the documents from White Pine County ([Exhibit M](#)). He said the documents showed Southern Nevada Water Authority purchased land in White Pine County and did not list the cost of the property. He said on occasion, they paid four to five times the property value. He said under the amendment to A.B. 462, they would be required to have an appraisal on the property before it was purchased. He said it was public money expended without oversight. He said sections 11 through 17 were requirements local government or any other governmental subdivision had to meet ([Exhibit N](#), original is on file in the Research Library).

Senator Care asked how the appraisal and comments on the property would occur. Assemblyman Goicoechea said no law stated a local government could not pay more than an appraised value. He said the appraisal was in place for public scrutiny. He said the appraised value was there to set the standard for the approximate value of the property.

Senator Care said the amendment allowed taxpayers to know when property was purchased in excess of the appraised value. Assemblyman Goicoechea said it allowed for openness in government.

Chair Hardy asked if the amendment was proposed in the Assembly. The amendment was in a different bill form that did not pass in the Assembly, he replied. He said any authority had a level of security above other government entities.

Dan Musgrove, Clark County, said Assemblywoman Kirkpatrick approved the proposed amendment from Clark County ([Exhibit O](#)).

Judy Stokey, Nevada Power Company; Sierra Pacific Power Company, said her organizations supported A.B. 462.

Shaun E. Jillions, City of Henderson, supported A.B. 462 as it came from the Assembly.

Nicolas Anthony, City of Reno, supported A.B. 462. He said the bill helped local governments by reducing the appraisals from two to one as long as public hearings were heard.

Ted J. Olivas, City of Las Vegas, also supported A.B. 462.

Andy Belanger, Las Vegas Valley Water District; Southern Nevada Water Authority, said he supported the bill as it came out of the Assembly. He had not read the amendment from Assemblyman Goicoechea. He said cooperative agreements entered into pursuant to NRS 277 were allowed to have the rights of member agencies of that entity conferred upon the agreement. He said they had the authority already granted to counties and cities. He said they also had the authority granted to the water district. He said the purchase of the ranches was according to the law, and he was not sure the proposed amendment was necessary. He said the cost of resources had to be looked at both in the market

of purchase and the end market for the water relocation. He said the water, ranches and land purchased were designed to ensure the project was built the right way. He said groundwater resources associated with the ranches may be moved. He said the surface water was for environmental mitigation.

Chair Hardy recommended Mr. Belanger come back and explain to the Committee why his organizations were different from the standards.

Senator Care said in purchasing the ranches, negotiations were secret. He asked if the rancher knew with whom he was negotiating.

Mr. Belanger said the ranchers knew the purchasers involved in the sales.

Senator Care said the appraisal probably did not have much impact on the value of water rights on a ranch.

Mr. Belanger said the Southern Nevada Water Authority paid \$1,000 an acre-foot for the water rights, and in Las Vegas, those same water rights were \$25,000 an acre-foot. He said there was price disparity throughout the state.

Pamela B. Wilcox, Administrator and State Land Registrar, Division of State Lands, Department of Conservation and Natural Resources, said she was in favor of A.B. 462 as it passed in the Assembly.

Senator Lee asked how a sale or lease could be void. He said if a sale occurred, how was it possible to void it a year or two later?

Ms. Wilcox replied she shared his concern about how the provision could be implemented. She said she did not know how to void a completed transaction. She added that section 6 spoke of control over zoning, and the state had no zoning control. She said it was not a relevant issue.

Senator Lee said unless it was a pending sale, it did not make sense that a sale could be voided at a later date.

Chair Hardy asked Ms. O'Grady to research the question about voiding a sale of property for discussion in work session.

Senate Committee on Government Affairs
May 7, 2007
Page 18

J. David Fraser, Nevada League of Cities and Municipalities, said he supported A.B. 462 as written. He was unable to speak to the amendments.

Chair Hardy told Mr. Belanger the Committee needed an education in the unique circumstance under which the water authority operated.

Chair Hardy asked if there was any further discussion on A.B. 462. As there was none, he adjourned the meeting at 3:08 p.m.

RESPECTFULLY SUBMITTED:

Olivia Lodato,
Committee Secretary

APPROVED BY:

Senator Warren B. Hardy II, Chair

DATE: _____