

**MINUTES OF THE
SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Seventy-fourth Session
April 26, 2007**

The Senate Committee on Legislative Operations and Elections was called to order by Chair Barbara K. Cegavske at 1:36 p.m. on Thursday, April 26, 2007, in Room 2144 of the Legislative Building, Carson City, 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 Barbara K. Cegavske, Chair
Senator William J. Raggio, Vice Chair
Senator Warren B. Hardy II
Senator Bob Beers
Senator Bernice Mathews
Senator Valerie Wiener
Senator Steven A. Horsford

GUEST LEGISLATORS PRESENT:

Assemblywoman Bonnie Parnell, Assembly District No. 40
Assemblywoman Peggy Pierce, Assembly District No. 3

STAFF MEMBERS PRESENT:

Brenda J. Erdoes, Legislative Counsel
Michelle L. Van Geel, Committee Policy Analyst
Josh Martinmaas, Committee Secretary

OTHERS PRESENT:

James Wells, Deputy Superintendent for Administrative and Fiscal Services,
Department of Education
Al Bellister, Nevada State Education Association
Janine Hansen, Nevada Eagle Forum
Lynn Chapman, Nevada Eagle Forum
M. K. Yokum, Independent American Party

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CHAIR CEGAVSKE:

I call the Committee on Legislative Operations and Elections to order. We have a request from Senator Horsford for a resolution to honor and recognize John Snyder. The National Teachers Hall of Fame has named him among the best teachers in America.

SENATOR HARDY MOVED TO INITIATE A BILL DRAFT REQUEST TO HONOR JOHN SNYDER.

SENATOR HORSFORD SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR MATHEWS AND WIENER WERE ABSENT FOR THE VOTE.)

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We will open the hearing on Assembly Bill (A.B.) 333.

ASSEMBLY BILL 333 (1st Reprint): Requires the Legislative Committee on Education to study certain issues during the 2007-2009 interim. (BDR S-417)

ASSEMBLYWOMAN BONNIE PARNELL (Assembly District No. 40):

I am here today to present A.B. 333 at the request of Senator Raggio who chaired the interim Legislative Committee on Education. Much discussion during the interim led us to look at education issues with more depth; these came out as recommendations from the Committee to study in the interim. This bill talks about studying three things.

Section 2 requests the Legislative Committee on Education to study charter schools. It is time we take a good look at the successes; we have many. Some of our charter schools are doing a terrific job. What can we learn from those schools to help other charters not doing as well? What about the fiscal worthiness of our charter schools and things in general about the charter school movement? The first bill passed out of this Legislature in 1999; we have come a long way but have never taken the time to stop and ask, "Okay what is working, what is not?"

The second component in section 1 is studying local autonomies for public school. In 1993, it was called site-based management; this session, we have heard Clark County School District's term "local autonomy" and come to know it as the empowerment model. Whatever name you call it, it is a novel concept, and this bill suggests we look at it again. Where has it worked well across the county? What can we learn from it? What should we be careful of? I am going to be quite frank here. We will probably have empowerment coming out of this session. Do we need to study it this interim or do we want to wait? That is a decision I give to you.

The other issue in this bill—the language many of us thought did not come out clear—is governance of public education in general. Also in this Committee, Senate Concurrent Resolution (S.C.R.) 14 better explains the concept of looking at all the commissions and boards dealing with public education, and it references every single board, commission and council. That was the intent in A.B. 333.

SENATE CONCURRENT RESOLUTION 14: Directs the Legislative Commission to conduct an interim study concerning the governance of the system of K-12 public education. (BDR R-1007)

You have three things in this to study. They are asking us to study governance of public schools, powers of programs such as empowerment and the charter school movement. It is the pleasure of this Committee to determine if you want to put governance in or just leave it in S.C.R. 14. The other thing you could do is amend S.C.R. 14 language into A.B. 333. The last interim Committee thought these were three important issues for the next Legislative Committee on Education to evaluate.

SENATOR RAGGIO:

What was the amendment that deleted something in this bill from its original version?

ASSEMBLYWOMAN PARNELL:

We added governance.

SENATOR RAGGIO:

The original bill required the Committee to study governance of public schools including the feasibility and desirability of implementing a program of local autonomy for public schools. What did you add?

ASSEMBLYWOMAN PARNELL:

I do not have that in front of me.

SENATOR RAGGIO:

You added the language "governance structure for kindergarten through grade 12." What is the significance of that since the original bill said to study the governance of public schools?

ASSEMBLYWOMAN PARNELL:

In the original language where it talked about governance, it immediately started talking about programs such as empowerment. We needed to tighten that up to show governance meant exactly how it is defined in S.C.R. 14. How do we look at all the boards, commissions and councils? Do we need to create a new governance model for public schools in this state? We wanted stronger language on that part. It moved too quickly into empowerment and models of local autonomy. It was not a good flow.

SENATOR RAGGIO:

The new language does not prohibit the Committee from looking into the empowerment issue and so forth.

ASSEMBLYWOMAN PARNELL:

No, that language is fairly strong; it spells it out. This reprint is weak in whether we want to look at the larger issue of school governance, the one spelled out in S.C.R. 14. We could take the larger governance issue out of A.B. 333 to tighten this bill up and leave it in S.C.R. 14, as long as you know A.B. 333 and S.C.R. 14 both have that large governance component. We all agree it is time to take a look at this. I am going to leave it to your wisdom to determine if we need to use the S.C.R. 14 language to strengthen A.B. 333. I will agree to your choice.

CHAIR CEGAVSKE:

I asked staff if they would put together a comparison of the two for us, and then we can look at that.

SENATOR HORSFORD:

If empowerment is approved and not studied now because you want to allow for some schools to come on line, is there another pressing topic to substitute for the local autonomy provision?

ASSEMBLYWOMAN PARNELL:

I was before the Senate Committee on Human Resources and Education. We thought it might be important to look at student teachers and long-term and short-term substitutes to see how many we really have and how they are impacting the education in this state. A lot of good ideas could substitute for the local autonomy.

CHAIR CEGAVSKE:

I agree that is another thing we need to put out there.

JAMES WELLS (Deputy Superintendent for Administrative and Fiscal Services, Department of Education):

I am here on behalf of Dr. Keith Rheault, the Superintendent of Public Instruction and on behalf of the State Board of Education. We strongly support the study of the governance of kindergarten through Grade 12 education over the next interim. They want to let this Committee know they fully recognize the impacts of their request.

SENATOR HORSFORD:

By structure of governance, are we talking about the Department of Education and the State Board of Education?

CHAIR CEGAVSKE:

They are looking at that. I have another restructuring bill we are looking at all together.

SENATOR HORSFORD:

It would be for both?

MR. WELLS:

Yes, they want to look at the entire governance structure as it relates to the Department of Education. That would be all of the commissions established for the various areas—the professional standards, educational excellence and the State Board of Education itself.

CHAIR CEGAUSKE:

That was probably part of the debate. Some people thought it has already been studied enough and it was time to make changes. Senator Raggio made a very compelling speech in Finance when a bill was heard about why we should just move ahead instead of trying a study again.

SENATOR RAGGIO:

Some years back with former Governor Bob Miller, there was a move to do away with the State Board of Education. It was supported by the Assembly and the Governor. We, the Senate, did not agree at the time. We thought it was an abrupt reaction at that because of the ineffectiveness of the State Board of Education in dealing with all of the issues at that time. That is just background.

During the interim, the State Board of Education has presented a blueprint of how to change this governance of public education. They thought too many people were involved in the process, including the Legislature. Their proposal would have emasculated, in great part, the role of the Legislature. The Legislature has the primary responsibility under the Nevada Constitution. The bill the Chair talks about was presented as a rebuttal, not in a punitive way but as a reminder of this background. At the time we thought, "Yes, there may be some need for restructuring," but certainly not the blueprint put forth by the State Board of Education. That is where we are in this process.

CHAIR CEGAUSKE:

Senator Hardy was asked to enter that bill. We have not acted on it as of yet, but it is an avenue based on what we decide to do.

AL BELLISTER (Nevada State Education Association):

We support A.B. 333. We are proud our affiliate in Clark County braved the way on empowerment with the autonomy schools. I remind the Committee we did all that within the context of collective bargaining; we are really proud of that accomplishment. I support what Assemblywoman Parnell said a minute ago; this might be premature to study whether you call it autonomy or empowerment. If the legislation is to pass this session, let us give those schools an opportunity to get up and running and get their programs in place. Then let us look at it down the road. I caution it might be premature on the autonomy portion of this bill.

SENATOR BEERS:

This may be a perfect illustration of why it may be too early to study this topic, but have you gotten any feedback on teacher retention at those four schools?

MR. BELLISTER:

No, sir, I have not. I can check to see if that data is available.

CHAIR CEGAUSKE:

Unfortunately, when we put in programs, we never put in the mechanisms to measure them; we do not get any results. That has been a real issue for us in the state and for me sitting on different committees. When we do something, you ask, "Was it beneficial? What was the outcome?" That is one of the issues we have had with the State Board of Education. They have neither had that mechanism nor put things within a computerized system.

SENATOR RAGGIO:

The language added is on page 2, lines 33 through 35 of A.B. 333 and says the Committee's review "must be made in recognition of the provisions of chapter 288 of NRS." That is the collective bargaining issue. What does that mean? The Legislature would be prevented from coming up with recommendations unless accommodated through collective bargaining? Why is it in here?

MR. BELLISTER:

That provision was added on the Assembly side at our request. We were concerned about page 2, lines 30 and 31, "The feasibility of authorizing individual teachers to negotiate" As you know, this is a collective bargaining state. We were concerned it would undermine our ability to collectively bargain so we added the language that says study that issue but please do it within the context or be mindful this is collective bargaining law.

SENATOR RAGGIO:

I am not suggesting we do away with collective bargaining, but I certainly do not want language that would limit the Committee's ability to consider recommendations on all these items. If it says "must be made," I am not sure that language is necessary or advisable. We will take a look at it.

CHAIR CEGAVSKE:

Page 2, lines 30 through 32 was my recommendation to allow teachers to negotiate for yearlong contracts in hopes we could keep some longer. They could have a yearlong job instead of a nine-month job. We had not talked about the negotiating, the *Nevada Revised Statute* (NRS) 288 part. As Senator Raggio said, I do not want it to prohibit us from looking at all aspects and avenues.

MR. BELLISTER:

It is not limiting. Our intent is not to limit the ability of the Legislature to conduct a study and study these items listed here. Bear in mind, this is a collective bargaining state. Not to just zero in on section 1, subsection 2, paragraph (j) on the list, it was also paragraph (d)—the performance-based contracts. Salary and compensation is a mandatory subject of bargaining in our state, to be respectful of our contracts and our rights under the law.

ASSEMBLYWOMAN PARNELL:

I can see where there would be confusion. It looks like any report would have to reference that, and that was not the intent. That language needs to be clarified.

CHAIR CEGAVSKE:

We will close the hearing on A.B. 333 and open the hearing on A.B. 534.

ASSEMBLY BILL 534: Ratifies the correction of certain clerical errors and the resolution of certain statutory conflicts in legislative enactments from previous sessions. (BDR S-1073)

BRENDA J. ERDOES (Legislative Counsel):

Assembly Bill 534 is a ratification bill. In 2003, the Legislature amended NRS 220 to provide that the Legal Division take the conflicts. They used to get pink slips and you had to resolve them by the end of session. That was changed; thus, this bill is much smaller than usual. This bill is drafted at the end of each session at the request of Legislative Counsel to ratify the changes we made into existing law during the interim. All changes in this bill have already been made. They are resolving conflicts so when you look at the law, it is clear. I will not proceed through the whole thing unless you want, but I will give you an example. The first one is in NRS 108.290. We had a problem with it in drafting; we said "at least" and "not more than," and we left 1,000 not covered so we changed it to make that clear pursuant to the legislative intent. Those are representative changes.

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CHAIR CEGAVSKE:
It is all cleanup language.

SENATOR RAGGIO:
The authority granted here and ratification of the acts you perform in no way changes the substance of the bill, measure addressed or in any way deviates from the legislative intent. It is really correction. Is that correct?

MS. ERDOES:
It is to make sure the laws out there for two years are not conflicting.

CHAIR CEGAVSKE:
We will close the hearing on A.B. 534.

SENATOR HARDY MOVED TO DO PASS A.B. 534.

SENATOR RAGGIO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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We will open the hearing on Assembly Joint Resolution (A.J.R.) 10.

ASSEMBLY JOINT RESOLUTION 10: Urges Congress not to reauthorize the "fast track" approval of international trade agreements. (BDR R-1295)

ASSEMBLYWOMAN PEGGY PIERCE (Assembly District No. 3):
I have prepared testimony ([Exhibit C](#)) and a DVD ([Exhibit D](#), original is on file in the Research Library).

I want to reiterate several things. The tribunals you saw on the DVD are completely outside courts of the United States. There is no appeal to our courts; they are above all our courts including the U.S. Supreme Court. They meet in secret; we do not know who makes the decisions. The Methanex situation you saw on the DVD was decided after six years in favor of the United States. Most of the time, these tribunals have voted against the United States; we have not won most actions against us.

Antigua has recently taken the United States to one of these tribunals over our ban on Internet gaming. While doing that, they took a run at Utah's ban on gaming; the only reason that part got thrown out was because of a technicality. These new trade agreements are tremendously far-reaching. This is an important place to start, urging Congress to get back into the game and start making the decisions they are constitutionally mandated to make.

CHAIR CEGAUSKE:

You have done a wonderful job putting a package together ([Exhibit E](#), original is on file in the Research Library). We also have written testimony from Kyle Davis, Policy Director, Nevada Conservation League ([Exhibit F](#)). Has the business community come forward? Any of the chambers of commerce? Have you talked or heard anything from those, not only in our state but in other states that have passed this?

ASSEMBLYWOMAN PIERCE:

There was no opposition on the Assembly side. No one has come and talked to me about it. In Tab 5, "Other Organizations," [Exhibit E](#), there is an article from *The Washington Times* on the United States Business and Industry Council's (USBIC) position on trade.

JANINE HANSEN (Nevada Eagle Forum):

We have other articles in this packet I have given you ([Exhibit G](#), original is on file in the Research Library). Eagle Forum opposed the North American Free Trade Agreement (NAFTA) from the beginning. We have worked on other trade agreements—Central American Free Trade Agreement (CAFTA) and the Andean Free Trade Agreement—which destroy the United States and state sovereignty and transfer jobs overseas hurting U.S. workers and the economy at large. The article from [Exhibit G](#), "Truckers' Protest Target should be NAFTA," has a lot of background on this truck issue. There was a protest this weekend in Washington, D.C., by truckers who will now, according to some articles I have, expect half of American trucking jobs will be lost under this Agreement. If those trucking jobs are lost, the jobs related to those things will also be lost; these are other jobs in our communities. It is important to realize Mexico challenged the United States' action in opposing NAFTA which would allow the trucks in because of safety requirements on those trucks. Our safety requirements are put aside under NAFTA; we cannot have those safety rules. International arbitration determined the United States' blanket refusal of the Mexican motor carrier applications breached United States' obligations under NAFTA. Our

sovereignty and ability to make laws protecting our citizens is challenged under NAFTA. We are losing in some of these circumstances like the recent truck issue.

In article 511, NAFTA requires the United States to conform to laws. When the rules change, the U.S. is required to bring its laws into conformity within 180 days. The North American Interparliamentary Group has appointed bureaucrats who can override the legislatures of participating nations. It is not only our federal legislature but this one as well.

The third article in [Exhibit G](#) on page 5 titled "Fast Track is Unconstitutional" states:

When it comes to legislative powers over trade matters, the U.S. Constitution is precise. Article 1, Section 8, expressly grants Congress the sole power "to regulate commerce with foreign nations" and "to lay and collect taxes, duties, imposts, and excises."

Continuing, "Fast Track, a bill to unconstitutionally transfer those commerce powers to the executive branch" is essentially a blank check. What we want through this resolution is to ask Congress to reengage. We want them to start looking at these trade agreements and see whether they are good for the United States.

The next article on page 7 of [Exhibit G](#) is about the Montana Senate which just overwhelmingly passed a resolution by 45 to 5 on this issue calling on Congress to reject Fast Track. Fast Track authority will expire June 30.

Fast Track has enabled passage of controversial trade deals including NAFTA, CAFTA and the World Trade Organization, which have all accelerated a trade and jobs crisis, marked by a near \$800 billion trade deficit and stagnated wages.

"Montana's ability to create and enact its own laws is in jeopardy due to overreaching trade agreements Many of these trade pact rules contradict Montana laws that were already democratically enacted by state government." [Exhibit G](#) includes related information on CAFTA that also passed under Fast Track. You noticed under the European Union, once they had trade between the

nations, then they had to have a tribunal or a court in order to oversee it. That is what we have now. We have an international court or trade court which supersedes the U.S. Congress and Supreme Court and leaves the Americans stripped of representation. It is dangerous for the United States' sovereignty and people.

The last article on page 14 of [Exhibit G](#), is on the North American Union (NAU). It is another outgrowth of the trade policy and will be the next step after the ones you have heard about today. The NAU can be found on the Internet under <http://www.spp.gov/>. It is the Security and Prosperity Partnership. It provides for the harmonizing of laws in the United States, Canada and Mexico. I do not know what that means to your job if what you pass here harmonizes with what is in Canada or Mexico. Many organizations from across the political spectrum have united to express their concerns about not only the resolution on Fast Track but the North American Agenda. This needs to be on your radar to protect us from the loss of representation. You can encourage Congress to reassert its constitutional authority to look at these serious trade agreements jeopardizing American sovereignty, jobs, economy and our very lives in terms of being a free people.

They are working groups—in government, I have never heard about working groups as elected officials—of bureaucrats from the United States, Canada and Mexico. They are now in the process of working to harmonize and integrate U.S. law with Mexican and Canadian laws. The objective is to institute the NAU by 2010, and they are well on the way. They have bypassed the U.S. Congress. There is a resolution in Congress right now to oppose the NAU.

Many of you may have heard of the NAFTA highway which is coming from Lazaro Cardenas, Mexico, up through Texas. They call it the Trans-Texas Corridor. It is going to be ten lanes wide, go from Mexico through Kansas City up to Canada and then spread out all across the United States. The Texas Legislature just voted against this. However, under the power of eminent domain, they are now taking the land needed. It is owned by a consortium out of Spain, which is owned by the King of Spain who intends to charge tolls to Americans on this highway. It will also provide a loss of American jobs, such as the longshoremen, because they will pass by our ports to use the cheap labor in Mexico. The goods will go through Mexico and the United States. They have a SmartPort in Kansas City where they do not have to go through customs or be checked. Who knows what is on those trucks coming into the United States?

Are we worried about terrorism? I do not know. This is a serious issue and a concern for many reasons—security, American jobs and state sovereignty. Eighteen states have introduced resolutions to oppose the NAU.

CHAIR CEGAVSKE:

This has been enlightening for me. After the start of session, I was approached by individuals at church who brought me some material. Both of them were truck drivers concerned about what was happening. You and Assemblywoman Pierce have greatly enhanced what I know now from them.

LYNN CHAPMAN (Nevada Eagle Forum):

We are in support of this resolution. A paper prepared by Alan Tonelson, Research Fellow, USBIC Education Foundation, said the United States Trade Representative Robert Zoellick will "promote U.S. exports to a large and important market." Yet, according to the latest figures in 2004, the economies of the five Central American CAFTA signatories put together are only as big an economy as Orlando, Florida, and if you put in the Dominican Republic, the economies are only slightly larger than New Haven, Connecticut. Thirty-five percent of the U.S. goods exported to CAFTA in 1997 consisted of fabric and apparel pieces, the overwhelming majority of which were assembled and sent right back to the United States. Such exports can only reduce wages and employment in the United States. The result of CAFTA can only lock the United States into a trade relationship with countries that can only be net exporters to the United States and that will increase the already-large U.S. trade deficit.

I also have a handout from Phyllis Schlafly ([Exhibit H](#)), who says,

Boeing now employs hundreds of Indians for aircraft engineering, writing software for next-generation cockpits and systems to prevent aircraft collisions. Investment banks like Morgan Stanley are hiring Indians to analyze American stocks and to write reports for institutional investors, jobs formerly done by Americans.

Eli Lilly is doing major pharmaceutical research in India. Cisco Systems, the leading maker of communications equipment, will have 20 percent of its top talent in India within five years, and global-consulting giant Accenture will have more employees in India than in the United States by the end of this year.

I.B.M. reduced its American work force by 31,000 while increasing its Indian staff to 52,000. Citigroup, which already has 22,000 employees in India, plans to eliminate 26,000 jobs in the U.S. and increase its Asian work force by another 10,000.

Outsourcing reduces good American jobs, our standard of living, our national security, and our world leadership

The Wall Street Journal published a front-page article called "Pain from Free Trade Spurs Second Thoughts" about Professor Alan Blinder from Princeton University, with a Ph.D. from Massachusetts Institute of Technology and a former Federal Reserve Board vice chairman. He said he was in favor of all these things—NAFTA, CAFTA, etc., but now he is looking at the facts, and the facts have changed his views.

Our United States Constitution is based on the premise we are a sovereign nation, and we do not obey any power unless it is authorized by our Constitution. Our *Declaration of Independence* is, in essence, a declaration of American sovereignty. Our freedom depends on it and the United States must never accept any governing authority higher than the United States Constitution.

M. K. YOKUM (Independent American Party):

I fully concur with the information delivered by the previous speakers. We support this resolution. Earlier on in this session, I participated in delivering copies of *The New American* Magazine because it featured articles about the NAU.

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CHAIR CEGAVSKE:

We will close the hearing on A.J.R. 10. This meeting is adjourned at 2:45 p.m.

RESPECTFULLY SUBMITTED:

Josh Martinmaas,
Committee Secretary

APPROVED BY:

Senator Barbara K. Cegavske, Chair

DATE: _____