MINUTES OF THE SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS

Seventy-fourth Session March 1, 2007

The Senate Committee on Legislative Operations and Elections was called to order by Chair Barbara K. Cegavske at 1:37 p.m. on Thursday, March 1, 2007, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 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 Barbara K. Cegavske, Chair Senator William J. Raggio, Vice Chair Senator Warren B. Hardy II Senator Bob Beers Senator Bernice Mathews Senator Valerie Wiener

COMMITTEE MEMBERS ABSENT:

Senator Steven A. Horsford (Excused)

GUEST LEGISLATORS PRESENT:

Senator Dina Titus, Clark County Senatorial District No. 7 Assemblyman Marcus Conklin, Assembly District No. 37

STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Janine Hansen, Independent American Party David K. Schumann, Nevada Committee for Full Statehood

Lynn Chapman, Nevada Eagle Forum Craig Walton, Nevada Center For Public Ethics Bill Frakell, Nevada Center For Public Ethics

CHAIR CEGAVSKE:

We will bring the Committee on Legislative Operations and Elections to order. Our first bill draft request (BDR) introduction is <u>BDR 23-569</u> from the Purchasing Division, Department of Administration.

<u>BILL DRAFT REQUEST 23-569</u>: Revises provisions relating to reimbursement of subsistence and travel expenses relating to the conduct of public business. (Later introduced as Senate Bill 210.)

SENATOR RAGGIO MOVED TO INTRODUCE BDR 23-569.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR HORSFORD WAS ABSENT FOR THE VOTE.)

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CHAIR CEGAVSKE:

We will open the hearing on Senate Bill (S.B.) 144.

SENATE BILL 144: Makes various changes concerning disclosures relating to contributions to candidates for political office. (BDR 24-63)

SENATOR DINA TITUS (Clark County Senatorial District No. 7):

I am here today to speak in favor of <u>S.B. 144</u>. This is a bill requiring more disclosure by limited liability companies (LLC) engaging in political activity. Assemblyman Marcus Conklin has a companion bill, <u>Assembly Bill (A.B.) 80</u>. <u>Senate Bill 144</u> requires that LLCs provide candidates to whom they give contributions the name and address of any person with an ownership of more than 1 percent in the LLC. The candidate then puts that information on his or her campaign finance report.

ASSEMBLY BILL 80: Requires limited-liability companies that engage in certain political activities to register with the Secretary of State. (BDR 24-170)

More disclosure by LLCs is needed for two reasons. First, information about the owners of LLCs is unavailable from any other source. Despite what some claim, the information is not on the Secretary of State's Website. A quick look at campaign finance reports from the last election cycle reveals several problems. In some instances, the LLC is not on the Website. If it is there, only one or two so-called officers or managers are listed, not the owners of the LLC. Finally, some LLCs list other LLCs as their managing officer. This tells the public little about who is actually making the contribution.

One need only look on the Internet to read advertisements by companies that help you create an LLC in Nevada to see how information is hidden. I have passed out several pages from Internet ads (Exhibit C). I want you to read along with me because then you can see how this information is hidden and hidden intentionally. One from ShieldCorp at http://www.shieldcorp.net with a telephone number 775-577-4822 tells you the main reasons why someone from another state would establish a Nevada corporation: Reduce your home state tax. Protect your assets.

Now listen to this:

We are sure you will agree that the best way to assure that you are judgment-proof is to appear to be poverty-stricken and destitute. Even if you are sued and a judgment is obtained against you, you have nothing to lose.

Although none of us want to be poverty-stricken, we can arrange our affairs to appear so. One of the best asset protection strategies you have is to be dirt poor. Do not own anything. (At least make it appear that you do not own anything.)

It goes on to talk about how you do not reveal the stockholders in Nevada. The only thing you have to reveal is the identity of officers, if you have nominee officers. You do not have to reveal your name, you do not have to reveal the people who own your corporation. It talks about a strategy called up streaming and says, "Let your imagination go to see what other kinds of legal activities you can transfer to Nevada and reduce your home state taxes." Another example on a Website at <http://www.privacy-solutions.com/nevada-incorporation.html> called Privacy Unlimited, Exhibit C, gives the advantages of creating a Nevada LLC:

You can operate your Nevada Corporation or Nevada LLC and live anywhere in the world and you do not have to be a US citizen to incorporate. Your Nevada LLC will not need an office in Nevada Nevada is the only state in the USA that does not share information even with Internal Revenue Service. Your financial ownership will be securely protected.

The point I am making is this information is not available.

The second problem with the LLC process is that while intended for legitimate business purposes, people are using the LLC process to strictly circumvent existing campaign contribution caps. Reports from the last election cycle reveal a number of abuses.

I want to share two charts (Exhibit D) and (Exhibit E). Exhibit D shows seven LLCs were created on the same day: Blue Sky A, Blue Sky B through Blue Sky G. All have the same managing officer, address, date created and gave the \$10,000-maximum contribution. On that same day, 12 other LLCs were created with slightly different names as shown in Exhibit E: Grey Sky Building 1, Grey Sky Building 2 through Grey Sky Building 11 and the Grey Sky Garage. They each have the same officer as the Blue Sky LLCs along with the same address, creation day and \$10,000 contribution. These LLCs were not created for legitimate business purposes but for getting around the \$10,000 cap. You have one person giving \$190,000. The real problem is you do not know who the person is or who those people are; all you know is the name of the LLC.

Limited liability companies that do not engage in political contributions would be unaffected; this only affects those that participate in the political process. If you are a business LLC and that is all you do, then you continue to operate as you do now. The public should know the real people behind LLCs created to get around the loophole. The activity these charts show is not illegal, but it should be. The LLCs are legitimate business entities, but once they enter the political arena, they should abide by rules that apply to everybody else. The public deserves to know who gives how much money to whom. Sunshine in this area is not available; campaign finance like this cannot get too much sunshine.

CHAIR CEGAVSKE:

Assemblyman Conklin has a bill. Did you want to talk about yours? I have one as well. I was talking to our staff to see if the three bills could be combined. My bill says if the LLC provides money against an opponent—sometimes it is a third party—they have to disclose which candidate they support.

ASSEMBLYMAN MARCUS CONKLIN (Assembly District No. 37):

Last week, Senator Titus and I testified before the Assembly Elections, Procedures, Ethics, and Constitutional Amendments Committee on the issue of requiring reporting by LLCs that contribute to political campaigns. It is time to shed light on this rather mysterious activity. We are all aware of the compelling need to restore public confidence in elected officials. This Session, a number of bills have been introduced to strengthen Nevada's ethics and election laws. Perhaps the most important element of ethics and election reform should be disclosure. Voters have the right to know where a candidate gets his or her campaign contributions, and they have a right to know as much information about those donors as possible. Nevada law does not require LLCs that take part in campaign activities to publicly disclose their membership or purpose. This situation allows persons interested in raising or spending money in support or opposition of a candidate or issue to do so without public scrutiny.

Assembly Bill 80 deals with the same issue as <u>S.B. 144</u>, but the reporting requirements are a bit different. <u>Senate Bill 144</u> asks LLCs to give that information to the candidate and the candidate discloses. In our bill, the LLC is to disclose through the Secretary of State's Office because the Secretary of State already has that information. Some nuances in the bills are different, but that is the major one. We are not trying to cap the money differently; it is a better way to disclose the source of money to the public.

CHAIR CEGAVSKE:

In our Senate bill, the candidate is responsible for the disclosure. In your bill, Assemblyman Conklin, the Secretary of State is responsible for the disclosure.

ASSEMBLYMAN CONKLIN:

The LLC has to disclose this activity and fill out a report with the Secretary of State. How that gets bridged, I am not sure. If I am not mistaken, the Secretary of State already has all the information, it is just not public.

CHAIR CEGAVSKE:

It would be made public at that time.

SENATOR TITUS:

Again, this only applies to LLCs that give political contributions. Information that business LLCs want to keep private does not change. Only when you enter into the political arena do you make that public.

CHAIR CEGAVSKE:

If you contribute or are in an election, you have to disclose the parties that donate money.

JANINE HANSEN (Independent American Party):

I want to give a different viewpoint. I believe in honesty and integrity, but there is another problem involved. When this legislation first appeared in the 1990s, I said there would be a way to get around it for those who wanted to be dishonest. One of the ways is by using LLCs.

The Federal Election Commission does not require the Socialist Party to report those who donate money to socialist candidates. The decision is in *Brown v. Socialist Workers '74 Campaign Comm. (Ohio), 459 U.S. 87 (1982).* United States (U.S.) Supreme Court Justice Thurgood Marshall held that the disclosure provision of the Ohio law could not constitutionally apply to the Socialist Workers Party since the First Amendment prohibits the state from compelling disclosure by minor political parties that would subject those persons identified to the reasonable probability of threats, harassment and reprisal.

Let me give a few examples. We had a candidate who was fired from his job in the union because he was a candidate for the Independent American Party. My brother lost his position at a law firm, my son and I were arrested in our political activities, and I had satanic pornography on my office windows. There is a systematic history of harassment of our party. These requirements harm minor parties.

We have a situation where free speech rights are essentially jeopardized as confirmed by this U.S. Supreme Court decision. Their opportunity is dependent on money; when they have to report, they are subject to persecution and harassment. I make two suggestions. One is to raise the limit from \$100 to \$1,000—the Federal Election Commission makes it \$5,000—to allow people

who are not in the mainstream to participate in the process and not be subject to harassment. The only people interested in these reports are the media and your opponents. People in general do not care. They do not go to the Websites.

My second suggestion concerns another loophole. The definition of a dollar has not been determined by the Federal Reserve or by our U.S. Department of the Treasury. Gold or silver dollars are now considered tender in payment of debts. Someone could give 99 silver dollars and they would not have to be reported, but that would be significantly more than the \$100 limit. This issue is critical. If we continue under these threats, we will invoke civil disobedience by not participating in disclosure so we can have a political party.

I use this bill as a vehicle—is it fair that LLCs should have to report? It is another loophole around the whole process. There are loopholes because big people with big money always find a way. These disclosure laws hurt small people trying to participate in the election. Every time you enact a lower limit and more rules, average American citizens in Nevada have their participation squashed while big people find a new way. Whether you limit these LLCs is open to discussion, but the whole issue of campaign financial disclosure violates the free speech and participation of many people in this state—not only republicans and democrats, but independents as there are now three, third parties.

DAVID K. SCHUMANN (Nevada Committee for Full Statehood):

This is the first step towards the McCain-Feingold-Cochran campaign reform bill, which is a terrible bill on the federal level. The notion that the government can plug all these loopholes is out of the mind-set of the Soviet Union. Free people will find a way to get around these things, and we have a First Amendment right to political free speech. Senator Titus had a whole list of ads about the ways you can use LLCs to dodge creditors and carry on illicit business. It would be appropriate for the Nevada Legislature to go after these LLCs when they engage in that kind of fraud.

I agree with Ms. Hansen—the federal government says \$5,000, why not go with the federal limit? I doubt we are so poverty-stricken in this state that folks cannot come up with \$5,000 or more. If it is good enough for the federal government, it ought to be good enough for Nevada.

It looks like we are going after the First Amendment. If we have free political speech, let us get it on and have free political speech. If people have good ideas, they are good. If they come out spending a lot of money on bad ideas, give people credit for sorting through bad ideas and making decisions accordingly. I stand against this bill.

LYNN CHAPMAN (Nevada Eagle Forum):

I reiterate what Janine Hansen was talking about with persecution. I have been at the office a number of times when we received death threats on the phone. A number of people who wanted to donate to Eagle Forum told me they were concerned about identifying with us because they or their kids at school may be persecuted. Candidates in the Independent American Party, I was told, did not want to run this last time because of concern about persecution they were getting from the Secretary of State's Office. That is some of the persecution we face all the time. Who is next?

CRAIG WALTON (Nevada Center For Public Ethics):

In response to Ms. Hansen's concerns, we Nevadans are neither politically elected officials nor big money contributors or anything of the sort, but we are hearing concern about these secret sources of campaign contributions. The problem of secret ways to put money into the political process is alarming many Nevadans. We strongly support S.B. 144 and A.B. 80. We concur with Senator Titus and her emphasis that most LLCs have nothing to do with political contributions; they have business purposes and are not affected by S.B. 144.

We suggest possible changes. First, on page 2, line 23, we ask to insert the words "or ballot measure" because <u>S.B. 144</u> deals with candidates but inadvertently leaves out groups that push for or against ballot measures. <u>Assembly Bill 80</u> covers both cases of candidates for and against and ballot measures for and against. This would bring <u>S.B. 144</u> into harmony with <u>A.B. 80</u> and cover an important area. We do not want secret monies allowed for ballot measures but disallowed for candidates.

Our other suggestion amends the reporting process in *Nevada Revised Statute* (NRS) 294A by inserting the phrase "in a timely manner." Though not part of <u>S.B. 144</u>, this is in <u>A.B. 80</u>. Standing NRS 294A provisions for reporting do not include any reference to the Secretary of State posting these reports in a timely manner. Members of the 2007 Legislature have told us about submitting disclosure report forms and checking the Website a few weeks later to discover

they are not there yet. How useful is the Website to anybody if the information has been provided but not posted?

If concerns by Ms. Hansen and the Eagle Forum about persecution are that strong, the thing to do would be for the Legislature to face the problem of political persecution head-on rather than hold off this sunshine provision for campaign contributions. Neither Ms. Hansen, the Eagle Forum, any third-party Nevadan nor any individual should be persecuted. These things are sickening to all of us no matter what party. To some extent, people in Nevada think persecuting persons for their beliefs because they are too minority or far off the mainstream is okay and everybody looks the other way. We should not let that happen, and we may need to address this soon. It is an issue for the Eagle Forum, Independent American Party and all of us.

BILL FRAKELL (Nevada Center For Public Ethics):

Disclosure of contributions imposes no burden on citizens and a minimal burden on candidates. Candidates by virtue of running for office become public officials and a different set of standards apply. They have chosen to enter this forum. Open elections are a right of every citizen. This has a mandate, a full disclosure. The public has a right to know who is for or against a candidate or ballot measure.

CHAIR CEGAVSKE:

We close the hearing on $\underline{S.B. 144}$ and open the work session, $\underline{Exhibit G}$, with S.B. 78.

SENATE BILL 78: Revises the provisions relating to misconduct in the signing or filing of petitions. (BDR 15-770)

This increases the penalty for a misdemeanor to a Category D felony for various crimes related to signing or filing petitions. Some people had concerns with this bill, but Senator Raggio and Brenda Erdoes did a good job alleviating those concerns (Exhibit G).

SENATOR RAGGIO MOVED TO DO PASS S.B. 78.

SENATOR BEERS:

I have some comments.

SENATOR RAGGIO:

I withdraw the motion on S.B. 78.

SENATOR BEERS:

I am concerned about how these new crimes would be proven and the potential for someone to be falsely accused for the existence of these crimes. Forgery crimes are almost always financial crimes which involve people repudiating transactions. Excepting the observation of an individual falsifying a petition, it seems difficult to prove but easy to claim. We have an existing mechanism to eliminate false signatures from petitions through the signature accounting process by our clerks.

Brenda J. Erdoes (Legislative Counsel):

The normal standards for proving a crime would apply in this case. Once you take this from a civil penalty or an offense-type provision and make it a felony, all protections that apply in the criminal justice system would become applicable. For example, case law says you cannot have a too ambiguous statute and still convict someone of a felony. Those standards apply in this case which would raise the bar for a conviction. The manner in which these types of provisions are looked at changes when you change the crimes to criminal offenses.

SENATOR RAGGIO:

The language is already in the law. We are all concerned about the sanctity of the election process including ballot measures and the process by which referendums or any petition of that kind is pursued.

The provisions of this bill require anybody who brings a charge to prove willfulness. The term willfully is controlling as it already exists. Any prosecutor who brings this matter would have to prove it was a willful act. It is not difficult to prove; the circumstances in these matters are usually pretty clear. I do not see a great change in either the acts that constitute a crime, criminal offense or procedure to follow in charging somebody with an offense.

As our legal counsel has indicated, the procedure and proof required in a felony situation is more strict. You go to a preliminary hearing in a justice court as well as a trial in a district court, whereas a misdemeanor is just a matter of a trial in the justice court. I do not see any great difference in the manner in which you prove a commission of an offense.

SENATOR RAGGIO MOVED TO DO PASS S.B. 78.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION PASSED. (SENATOR HORSFORD WAS ABSENT FOR THE VOTE.)

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CHAIR CEGAVSKE:

We will close the hearing on S.B. 78 and open the hearing on S.B. 87.

SENATE BILL 87: Provides for audits by Legislative Auditor of entities which are not state agencies but which receive appropriations of public money. (BDR 17-91)

Senator Mark E. Amodei brought this to us, and you were provided a proposed amendment from Carole A. Vilardo of the Nevada Taxpayers Association. Non-state agencies have the ability right now with their own auditors to audit themselves. The proposed amendment says we would accept their audits (Exhibit G).

Ms. Erdoes:

What she refers to is the independent audit. They need their own audit by an independent auditor. It is a different type of audit than what the Legislative Auditor would be doing.

SENATOR RAGGIO:

As I understand the bill, we make a lot of appropriations to non-state agencies, usually nonprofit corporations of one kind or another. It requires that if they get an appropriation, they must agree through our Legislative Auditor to make available all books, accounts and any information necessary in the event an audit would be pursued. Because it does not necessarily require an audit, I am not sure what is the purpose of the proposed amendment.

CHAIR CEGAVSKE:

The bill itself was favored by this Committee. We only need to review whether it needs an amendment.

SENATOR RAGGIO:

Does the proposed amendment make it apply to local governments?

Ms. Erdoes:

My understanding of this proposed amendment is the opposite. It would not apply to local governments because they already have an annual independent audit requirement in the statutes.

SENATOR HARDY:

I remember not having any concerns with the proposed amendment because there were already statutory requirements. If state money is given to a local government, we can accept those audits done by an independent auditor.

Ms. Erdoes:

When the Legislature makes an appropriation to a nonprofit corporation, language included in that amendment basically says this same thing. We have not done that with local government appropriations to date because it was our opinion you could require them to submit to this audit anyway.

SENATOR HARDY:

This could potentially limit us because we only audit through our Legislative Counsel. This allows us to accept some other audit we think is acceptable.

CHAIR CEGAVSKE:

We already can. It would restrict us.

SENATOR HARDY:

My concern is if local governments were included, it would restrict us to audit.

CHAIR CEGAVSKE:

You could not audit them. You would have to accept theirs.

SENATOR BEERS:

Audit is a term used in accounting for a certified public accountant to attest that the financial statement is prepared substantially in accordance with government-accepted accounting principles. That is a typical financial audit we require of local governments. This is a performance audit. The amendment would prohibit us from ordering a performance audit or legal-compliance audit for a local government.

CHAIR CEGAVSKE:

That was my understanding.

SENATOR BEERS MOVED TO DO PASS S.B. 87.

SENATOR RAGGIO SECONDED THE MOTION.

Ms. Erdoes:

I bring up the possibility of an amendment should one be necessary. I would like to talk with the Legislative Auditor on the issue raised at the last hearing whether confidentiality of proprietary information should be required. There was some concern that we were not adequately protecting such information. I thought NRS 218 already provided that protection, but if not, would you consider an amendment?

SENATOR BEERS:

I withdraw the motion on S.B. 87.

SENATOR RAGGIO:

I withdraw the second on S.B. 87.

CHAIR CEGAVSKE:

We will put that on next week's work session and close the hearing on <u>S.B. 87</u>. We will open the hearing on S.B. 124.

SENATE BILL 124: Revises provisions governing state personnel and independent contractors. (BDR 23-613)

There were not any issues with the language other than in the first section with the words "must" and "shall." Senator Hardy was going to put in the word "may." In talking with Legislative Counsel, we were also looking at deleting that entire first section. Those are the choices we have as a Committee.

SENATOR HARDY:

To refresh the Committee's memory, when somebody voluntarily accepts a position or advancement and does not make the probation period for whatever reason, we should not be required to hold their job for them or place the person who replaced them. That is the reason for this amendment. I can not imagine

that kind of activity in the private sector. It places too much of a burden on our government agencies to comply with that.

CHAIR CEGAVSKE:

Senator Hardy, would you be opposed to deleting that first section?

SENATOR HARDY:

We need to use the word "may" as the amendment in my mock-up (<u>Exhibit F</u>). My amendment changes the bill in the first section.

CHAIR CEGAVSKE:

We could delete the whole first section.

Ms. Erdoes:

That is one option. This option in front of you makes it permissive, and it is likely the agency could do it anyway. You could get rid of the section because that is all it does or you could opt to put in the provision the bill proffered that gives them a similar position.

SENATOR HARDY:

By removing section 1, I was concerned legislative intent might be interpreted to mean their old position should not or could not be offered. It is appropriate if they show desire to be restored to the prior position. That is why I did the amendment this way instead of just removing section 1. I do not want any misunderstanding that it cannot be done.

MICHELLE L. VAN GEEL (Committee Policy Analyst):

The first amendment to $\underline{S.B.}$ 124 in the work session document ($\underline{Exhibit}$ G) was originally brought by Linda Law, the Interim Manager, Financial Management and Post Review, Division of Internal Audits. During Committee discussion, in the original hearing on $\underline{S.B.}$ 124, there appeared to be concerns with abuse of overtime—particularly some instances from recent news articles in southern Nevada. Ms. Law offered an alternative amendment on page 10 of $\underline{Exhibit}$ G. For the Committee: this is an either/or, or a combination of the two.

SENATOR HARDY:

I remember the discussion. We did not want to create a circumstance where a highway patrolman who needed to respond to something would have to call a supervisor to get permission. That is why we include the words "generally

approved." It looks like we have carved out an additional permission in unique circumstances specifically related to the protection of public health. The suggested language fulfills the conversation I recall.

CHAIR CEGAVSKE:

Page 9 of Exhibit G provides suggested language, and page 10 gives language for the alternative amendment. Do you want the first one, Senator Hardy?

SENATOR HARDY:

I like the term "generally"—and I do not know if it is a term of art—because that says you can discuss the types of situations where overtime is appropriate and not have the language as stringent and formal.

SENATOR BEERS:

I argue for the alternative amendment that says "Except in cases where it is impractical to do so" This is because the more specific we are with the law, the better it will serve the people. This would cover emergency response workers who need to respond to emergencies without having to stop and participate in the bureaucratic chain of command.

CHAIR CEGAVSKE:

Page 10 of the <u>S.B. 124</u> section in <u>Exhibit G</u> has more language changes than page 9.

SENATOR HARDY:

Though more formal, I prefer the proposed amendment on page 9 but not enough to disagree with Senator Beers. If it is the will of the Committee to do the alternative amendment on page 10, I am fine with that.

SENATOR RAGGIO:

Going back to the first provision, when somebody completes a probationary period and is not retained in that position, if their old position is still vacant, they have to be reinstated to that position. Is that correct?

Ms. Erdoes:

Yes, that is correct. The bill proposes "or have a similar position." That is the proposition in the bill that they are asking to add. The law says you have to put them back in their existing position.

SENATOR RAGGIO:

But there has to be a vacancy?

Ms. Erdoes:

No. It can create a cascade effect.

SENATOR RAGGIO:

That is why I was concerned. Would they have to create a position?

Ms. Erdoes:

No, you take the person who filled the vacated position out of the position and put the original person back.

CHAIR CEGAVSKE:

That is the existing law.

SENATOR RAGGIO:

What does the proposed amendment do then?

Ms. Erdoes:

The amendment proposed by Senator Hardy would change the existing law to they do not have to.

SENATOR RAGGIO:

They may do it.

Ms. Erdoes:

Right.

CHAIR CEGAVSKE:

There is one more amendment.

Ms. Van Geel:

The second amendment for <u>S.B. 124</u> in <u>Exhibit G</u> with language from Kimberly Tarter is on page 11. This allows the State Board of Examiners to establish policy identifying the dollar amounts of contracts that may be approved on behalf of the Board.

CHAIR CEGAVSKE:

It proposes to amend section 6, subsection 5 and subsection 6 paragraphs (a), (b) and paragraph (c) to the bill.

SENATOR HARDY:

Are we doing this because it is in the same statute? This is a different policy discussion.

CHAIR CEGAVSKE:

It is a different issue.

Ms. Erdoes:

It looks like this could go to another BDR you proposed because of the subject matter. I am worried whether it would comply to the Joint Standing Rules which say amendments have to be germane to the subject matter. It is getting broader as we go along.

CHAIR CEGAVSKE:

Is there another bill for placement of this material?

Ms. Erdoes:

<u>Bill Draft Request 23-569</u> that you introduced today deals with this. You might want to put it in there.

SENATOR HARDY:

I would be more comfortable if we had a full hearing on this.

CHAIR CEGAVSKE:

I agree.

SENATOR HARDY:

I would move to amend and do pass with my amendment, changing "must" to "may" and opting for Senator Beer's or Senator Raggio's preference on the emergency overtime issue.

CHAIR CEGAVSKE:

Page 10 of $\underline{\text{Exhibit G}}$ says "Except in cases where it is impractical to do so because of an emergency"

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 124.

SENATOR BEERS SECONDED THE MOTION.

SENATOR WIENER:

I support the language about the emergency. I am not comfortable with permissive language so I will vote no because of that particular amendment on the bill.

THE MOTION CARRIED. (SENATOR WIENER VOTED NO. SENATOR HORSFORD WAS ABSENT FOR THE VOTE.)

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SENATOR MATHEWS:

I voted yes, but I may vote against it on the Senate Floor.

CHAIR CEGAVSKE:

Thank you for that disclosure. We will close the hearing on <u>S.B. 124</u> and open the hearing on Senate Joint Resolution (S.J.R.) 1.

<u>SENATE JOINT RESOLUTION 1</u>: Proposes to amend the Nevada Constitution to remove requirements concerning affidavits that must be affixed to referendum petitions and initiative petitions. (BDR C-688)

SENATOR HARDY:

Is this necessary because of a U.S. Supreme Court ruling?

CHAIR CEGAVSKE:

Correct.

SENATOR HARDY MOVED TO DO PASS S.J.R. 1.

SENATOR HARDY:

I just noticed we did not discuss the proposed amendment in $\underline{\text{Exhibit G}}$. I withdraw the motion on S.J.R. 1.

Senate Committee on Legislative Operations and Elections	3
March 1, 2007	
Page 19	

CHAIR CEGAVSKE:

A proposed amendment was submitted to us, but there was a discussion and our Legal Division told us it was not necessary. Matt Griffin, Deputy for Elections in the Secretary of State's Office, said he would pull the proposed amendment. This bill has no amendment.

SENATOR HARDY MOVED TO DO PASS S.J.R. 1.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR HORSFORD WAS ABSENT FOR THE VOTE.)

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CHAIR CEGAVSKE: This meeting is adjourned at 2:43 p.m.	
	RESPECTFULLY SUBMITTED:
	Josh Martinmaas, Committee Secretary
APPROVED BY:	
Senator Barbara K. Cegavske, Chair	
DATE:	