

**MINUTES OF THE
SENATE COMMITTEE ON TAXATION**

**Seventy-fourth Session
April 12, 2007**

The Senate Committee on Taxation was called to order by Chair Mike McGinness at 1:53 p.m. on Thursday, April 12, 2007, in Room 2135 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 Mike McGinness, Chair
Senator Randolph J. Townsend, Vice Chair
Senator Dean A. Rhoads
Senator Mark E. Amodei
Senator Bob Coffin
Senator Michael A. Schneider
Senator Terry Care

GUEST LEGISLATORS PRESENT:

Senator John J. Lee, Clark County Senatorial District No. 1

STAFF MEMBERS PRESENT:

Tina Calilung, Deputy Fiscal Analyst
Brenda J. Erdoes, Legislative Counsel
Russell J. Guindon, Senior Deputy Fiscal Analyst
Lynn Hendricks, Committee Secretary

OTHERS PRESENT:

Dino DiCianno, Executive Director, Department of Taxation
Mary Henderson, City of North Las Vegas
John Sherman, Washoe County
Michael R. Alastuey, Clark County
Robert Cashell, Mayor, City of Reno
Charles McNeely, City Manager, City of Reno
Andrew Green, Director, Finance Department, City of Reno

Senate Committee on Taxation
April 12, 2007
Page 2

Geno Martini, Mayor, City of Sparks
Shaun Carey, City Manager, City of Sparks
Randy Robison, City of Mesquite
Ted J. Olivas, City of Las Vegas
Gregory E. Rose, City Manager, City of North Las Vegas

CHAIR MCGINNESS:

I will open the work session on Senate Bill (S.B.) 141.

SENATE BILL 141: Increases the rate of the tax on transfers of real property in certain counties to fund capital projects for the county school district. (BDR 32-757)

SENATOR TOWNSEND:

As noted in the handout ([Exhibit C](#)), I recommend an amendment that the bill be placed on the ballot at the next general election for the public to decide on this particular tax.

SENATOR TOWNSEND MOVED TO AMEND AND DO PASS AS AMENDED S.B. 141 WITH THE STATED AMENDMENT.

SENATOR CARE SECONDED THE MOTION.

SENATOR AMODEI:

Would that be just the Real Property Transfer Tax or include other aspects available, for instance, in Clark County?

SENATOR TOWNSEND:

The motion is just for the Transfer Tax. The purpose is to get the bill out of the Committee so there can be dialogue between all parties regarding other options in Clark County originally proposed by the district.

SENATOR AMODEI:

I will support the motion with the proviso that the floor amendment be expanded to include the four areas that were part of the initial discussion.

SENATOR TOWNSEND:

It would be my intention to bring the proposed fiscal note back on all options with all the revenues they generate. Also, the district has a handout that shows

those options and their needs along a time period. At that point, we can pick and choose among them. If the Committee chose to expand that group, I would support that because this tax will come up short.

THE MOTION PASSED UNANIMOUSLY.

* * * * *

CHAIR MCGINNESS:
I will open the work session on S.B. 233.

SENATE BILL 233: Revises and repeals certain taxes on financial institutions.
(BDR 32-951)

CHAIR MCGINNESS:
Senator Joseph J. Heck wishes to amend this bill as noted in the handout ([Exhibit D](#)) by deleting the \$7,000 annual branch Bank Excise Tax, rather than retaining it as the amendment states in error. Also, Mr. DiCianno asked that we make the effective date January 1, 2008. This bill has been identified as exempt.

SENATOR TOWNSEND MOVED TO AMEND AND DO PASS AS AMENDED S.B. 233.

SENATOR AMODEI SECONDED THE MOTION.

SENATOR COFFIN:
Could we have a brief explanation of the fiscal impact of dropping this tax? In the previous discussion on this bill, three options were presented. Which option is the motion addressing?

TINA CALILUNG (Deputy Fiscal Analyst):
I have a handout showing the fiscal impact of this bill and a number of others ([Exhibit E](#)). Page 2 shows the differences in terms of revenue collections under current statute versus the proposed amendment for this bill. The proposed amendment is to phase down the tax rate on the Modified Business Tax imposed on financial institutions by 0.33 percent every year until it equals the tax imposed on nonfinancial institutions or general businesses. The bill is estimated to reduce general revenue by \$13,493,683 in fiscal year

Senate Committee on Taxation
April 12, 2007
Page 4

(FY) 2007-2008 and by \$19,530,260 in FY 2008-2009. Page 1 of [Exhibit E](#) is a matrix showing the total effect of the various taxation bills before you. The figures shown for [S.B. 233](#) are based on the original fiscal note, which would result in a loss to the General Fund of \$21,215,625 in FY 2007-2008 and \$22,983,350 in FY 2008-2009.

THE MOTION PASSED. (SENATORS CARE AND COFFIN VOTED NO.)

* * * * *

CHAIR MCGINNESS:

I will open the work session on [S.B. 321](#).

[SENATE BILL 321](#): Provides certain economic incentives for registered motion picture companies. (BDR 18-1182)

SENATOR COFFIN:

The amendments in the handout ([Exhibit F](#)) are accurate. They include a provision that a certain number of local people are to be employed, along with the language change that this is an abatement rather than an exemption.

SENATOR COFFIN MOVED TO AMEND AND DO PASS AS AMENDED
[S.B. 321](#).

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

* * * * *

CHAIR MCGINNESS:

I will open the work session on [S.B. 324](#).

[SENATE BILL 324](#): Makes various changes in the provision of funding for highway projects. (BDR 32-1139)

SENATOR AMODEI:

It is my understanding the bill is eligible for exemption. If we vote it out of the Committee to keep it in play, it will go to the Senate Committee on Finance and

the discussion will continue. I would move that we amend the bill to take out the gasoline tax provisions and do pass as amended.

SENATOR AMODEI MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 324 WITH THE REMOVAL OF THE GASOLINE TAX PROVISIONS.

SENATOR TOWNSEND SECONDED THE MOTION.

SENATOR COFFIN:

I disagree with the idea of sending this bill to the Committee on Finance. This is the committee of jurisdiction for this bill; we are more skilled in the field of taxation. Why should we lose jurisdiction of the bill? I would prefer to see us amend and rerefer the bill back to this Committee for study.

CHAIR MCGINNESS:

The bill is only exempt if it goes to the Committee on Finance.

SENATOR COFFIN:

I thought the Majority Leader could agree that a bill can stay in a committee. I would like to hear some information on this before we vote on the bill.

SENATOR AMODEI:

I agree that we do not want to lose jurisdiction over the bill. The issue is important, and it is appropriate for it to be considered in this Committee. The purpose of my motion was to keep the bill alive, not necessarily to cede jurisdiction to the Committee on Finance. I do not know if any rule prohibits us from continuing to hear the bill.

SENATOR TOWNSEND:

In moving to remove the gas tax, are you removing the index as well?

SENATOR AMODEI:

Yes.

SENATOR TOWNSEND:

We all agree that we do not want to lose jurisdiction over the bill. However, while not ceding jurisdiction, this Committee still has the right to continue hearings on this next week to come up with a solution and amend the bill on the

Senate Committee on Taxation
April 12, 2007
Page 6

floor. If we cannot come up with a solution in a week, then we need to go to the Majority Leader and ask for a waiver of some kind.

SENATOR COFFIN:

However, once we vote it out of Committee, we have lost jurisdiction.

CHAIR MCGINNESS:

If we do not send it out of Committee, the bill will not be exempt. Those are the rules.

SENATOR TOWNSEND:

We will not lose jurisdiction. After we have worked on the bill in Committee, we can bring an amendment on the floor. That gives us almost 12 days to work on the bill.

SENATOR COFFIN:

We cannot work out all the problems in two meetings of the Committee, realistically.

SENATOR TOWNSEND:

I do not disagree with you, but our only option to keep this bill alive is to send it out.

SENATOR COFFIN:

Is there not a process whereby a Committee could ask for a waiver of the deadlines on a bill?

CHAIR MCGINNESS:

Only the Committee on Finance has that authority.

SENATOR TOWNSEND:

You have to get the leadership of both Houses to agree to do this.

SENATOR COFFIN:

The Majority Leader is trying to grab this legislation and take it into some ad hoc committee. They will not have the skill and experience this Committee has in dealing with taxation. We have seen this happen before; we have lost a bill, and we sit and grit our teeth and wonder why we do not have the bill.

Senate Committee on Taxation
April 12, 2007
Page 7

SENATOR TOWNSEND:

This issue is not as big a concern. If it were a bill of a different nature, I could see it. But I do not expect this Committee, because of the expertise and history it has with these issues, to give up jurisdiction of the bill. Our slate is clean on Tuesday, so we can come back to it and move on it then. I leave my second in place.

THE MOTION PASSED. (SENATOR CARE VOTED NO.)

* * * * *

CHAIR MCGINNESS:

Senate Bill 372 has been withdrawn by Senator Beers.

SENATE BILL 372: Provides for the exemption of fully disabled veterans from the payment of certain fees and taxes required for the registration of certain vehicles. (BDR 43-745)

CHAIR MCGINNESS:

Ms. Erdoes, can you address a new wrinkle in S.B. 152 and S.B. 172?

SENATE BILL 152: Proposes to exempt sales of certain ophthalmic or ocular devices or appliances from sales and use taxes and analogous taxes. (BDR 32-939)

SENATE BILL 172: Proposes to exempt sales of certain mobility-enhancing equipment from sales and use taxes and analogous taxes. (BDR 32-865)

BRENDA J. ERDOES (Legislative Counsel):

The question was asked as to whether the Committee could further amend S.B. 152. You can amend the bill further as long as you do not amend the amendment you voted to accept at the last hearing on the bill. If you want to change the amendment, you must reconsider or rescind.

CHAIR MCGINNESS:

What is the substance of the amendment the bill's proponents wish to offer?

MS. ERDOES:

We were asked to see if it was possible to enact some exemptions in the bill by administrative provision rather than by sending it out to a vote of the people. This would apply to the ocular devices in S.B. 152 and the hearing aids and mobility-enhancing equipment in S.B. 172.

CHAIR MCGINNESS:

Can we do that on the aircraft parts?

MS. ERDOES:

No. That provision would have to be decided by a ballot question.

SENATOR RHOADS:

Would the aircraft parts provision have to be in a special bill by itself?

MS. ERDOES:

No, because these all relate to the sales and use tax. But it would have to go to a vote of the people.

SENATOR COFFIN:

What do we have to do to keep jurisdiction over S.B. 324?

MS. ERDOES:

Under the Standing Rules of the Senate and Assembly, the only way this can be done is for the Committee or an individual Legislator to ask for a waiver for that bill. It would have to be signed by the Majority Leader of the Senate and the Speaker of the Assembly. The Rules provide that they can waive any portion of the Rules, including the one stating the bill must be out of the originating House by the next deadline. If you get an exemption, the bill must go to the money committee, and it cannot come back to this Committee after that. If you get a waiver, the bill will stay in this Committee, and your only worry then is getting it into the other House before the Legislative Session ends.

CHAIR MCGINNESS:

Is there interest in the Committee to further amend S.B. 152 and S.B. 172? Alternately, we could allow the sponsors to take this information to the other House and let them deal with it.

SENATOR RHOADS:
What are our options?

CHAIR MCGINNESS:

As the bills stand now, exemptions for ocular devices, aircraft parts, mobility-enhancing devices and hearing aids all go on the ballot at the next general election. Ms. Erdoes suggested we amend the bills and enact three of those exemptions by administrative provision so that only the aircraft parts go on the ballot.

I will open the work session on S.B. 448.

SENATE BILL 448: Revises provisions governing certain appeals to the Nevada Tax Commission. (BDR 32-1353)

CHAIR MCGINNESS:

We have amendments ([Exhibit G](#)) from Thomas Sheets, Chair, Nevada Tax Commission, and from Barry Smith, Nevada Press Association. Mr. Smith suggests a time line of 30 days. Senator Townsend, could you explain the amendments?

SENATOR TOWNSEND:

The proposal by Mr. Sheets is in three sections. His first amendment gives the Nevada Tax Commission discretion as to whether hearings are closed. When a taxpayer asks for confidentiality, the Commission decides whether to close the hearings; it is not mandatory. Right now, it is mandatory if the taxpayer requests it. This would allow the Commission to have jurisdiction to decide not to close the hearing if they felt it was not proprietary. Second, it expands the pool of people who would be liable for a misdemeanor to include intervenors and any interested third parties. It holds everyone to the same standard for releasing proprietary information. Third, it clarifies that the Commission is not subject to criminal penalties for using confidential information during the hearing process.

Mr. Smith's amendment has to do with the time line to provide the abstract of a decision. He suggested 30 days after the decision was reasonable, but I have not heard from the Commission or the Department of Taxation.

Senate Committee on Taxation
April 12, 2007
Page 10

DINO DICIANNO (Executive Director, Department of Taxation):
We currently have a temporary regulation directing me to create an abstract after 45 days.

SENATOR TOWNSEND:

I would move that we amend and do pass S.B. 448 with the amendments suggested by Mr. Sheets; Mr. Smith's recommendation that the Commission have the sole jurisdiction whether to close a hearing after a request by a taxpayer; and a time line of 45 days after a decision to produce an abstract.

SENATOR TOWNSEND MOVED TO AMEND AND DO PASS AS AMENDED S.B. 448 WITH THE STATED AMENDMENTS.

SENATOR AMODEI SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

* * * * *

CHAIR MCGINNESS:

I will open the work session on S.B. 501.

SENATE BILL 501: Makes various changes to provisions relating to taxation and nonprofit entities that provide emergency medical services. (BDR 32-1406)

SENATOR TOWNSEND:

The amendment proposed by Carole A. Vilardo ([Exhibit H](#)) was to delete the retroactive refund in section 8 of the bill. Her concern was in setting a precedent that every time someone made a bad business decision, they would come running to the Legislature and ask for a check. I am not saying that was the intention of the bill, but that is what it does.

SENATOR CARE:

I agree. I do not know what triggered this bill, but I would point out that we did have Legislative Sessions in 2003 and 2005. I would support the bill with the amendment offered by Ms. Vilardo.

Senate Committee on Taxation
April 12, 2007
Page 11

SENATOR TOWNSEND MOVED TO AMEND AND DO PASS AS AMENDED S.B. 501 WITH THE DELETION OF SECTION 8.

SENATOR SCHNEIDER SECONDED THE MOTION.

SENATOR COFFIN:

The air ambulances referred to in the bill do not use diesel fuel; they use jet fuel. Are we looking just at ground ambulances?

CHAIR MCGINNESS:

I am informed by staff that we need to specifically include diesel in the language if we want to have ground ambulances covered.

SENATOR TOWNSEND:

I will make that part of the motion.

SENATOR SCHNEIDER:

I agree, and my second applies to the amended motion.

THE MOTION CARRIED. (SENATOR AMODEI VOTED NO.)

* * * * *

CHAIR MCGINNESS:

I will open the work session on S.B. 506.

SENATE BILL 506: Revises provisions governing taxation of moist snuff.
(BDR 32-256)

SENATOR COFFIN:

The proposed change in the method of taxation on moist snuff is not as controversial to me as it is to the people in that industry. On the other hand, I do not want any industry to tell us what taxes they ought to pay. If a flat tax of 75 cents an ounce creates a level playing field, so will a flat tax of \$1 an ounce. That is what I would support. That would add \$2.5 million a year to the General Fund. Moist snuff is just as deadly as any other tobacco product.

SENATOR COFFIN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 506 WITH A TAX OF \$1 PER OUNCE.

THE MOTION FAILED FOR LACK OF A SECOND.

* * * * *

CHAIR MCGINNESS:

I will open the hearing on S.B. 153.

SENATE BILL 153: Revises provisions governing distribution of tax revenue to library districts. (BDR 32-360)

SENATOR JOHN J. LEE (Clark County Senatorial District No. 1):

Thank you for allowing me the opportunity to place a few brief remarks of support on the record on behalf of my city, North Las Vegas. The Consolidated Tax Distribution (CTX) issue has been particularly troublesome to our city, which as you know is the second fastest-growing city in the nation, since the formula was enacted in 1997. For us, the problem grows each year just as our population grows. Because of inequities with the formula, my city has the highest property tax rates in southern Nevada. Our taxpayers need relief, and our citizens deserve to be treated as equal partners in the valley.

The amendment North Las Vegas is bringing forward today ([Exhibit I](#)) will go a long way toward fixing inequities in the formula in our two largest counties. I am proud of North Las Vegas and that the city has taken a statewide perspective in addressing this matter. I urge you to adopt this amendment, which adjusts the base for North Las Vegas, Mesquite, Reno and Sparks. This is not about one government or another government; it is about the citizens we all serve and being fair in the distribution of revenues vital to the provision of public service.

MARY HENDERSON (City of North Las Vegas):

Thank you for allowing us to present our views of the world in terms of the CTX formula. After the first hearing on this bill, we went back to the drawing board. As you recall, the bill originally dealt with CTX distributions to our library. What we have done in effect is to gut that bill. The amendment does base adjustments for four entities in Nevada in a way similar to the adjustment made in 2001 for the City of Henderson.

I want to go on record, Mr. Chair, if I might. There has been some representation within these halls by other lobbyists that somehow

or other, what was happening here was going to affect rural cities, counties, the County of Churchill, the City of Fallon. I want to make it very clear to this Committee that there are only two counties and entities within them that are affected by this amendment. One is the County of Washoe, one is the County of Clark. This has nothing to do with Elko County, Churchill County. I want to place it on the record that I am also the contract lobbyist for the City of Fallon. I would never bring anything into this Legislative Building that would put me into that sort of a conflict situation.

In our previous presentation, we recommended a base adjustment as a potential fix. This is similar to what happened in 2001. The four entities to receive base adjustments are the same ones that appealed their bases in 1997 when the original legislation went into place: the City of North Las Vegas, City of Reno, City of Sparks and City of Mesquite. Along with that is a base reduction for the City of Las Vegas, Clark County and Washoe County. Those amounts would apply in future calculations as we distribute those revenues.

CHAIR MCGINNESS:

Thank you. We will limit testimony on this bill to five minutes for each speaker.

JOHN SHERMAN (Washoe County):

We have some supplemental information that casts a different light on the CTX issue than it received at the first hearing of this bill ([Exhibit J](#)). The cities of Reno and Sparks have asserted that Washoe County receives a disproportionate share of the CTX revenue. They incorrectly used only unincorporated Washoe County population assessed valuation taxable sales to represent the County's share of revenue. In all counties, CTX revenues fund services for all county services, not just services provided to residents of unincorporated areas. As you can see on page 4 of [Exhibit J](#), it was represented to this Committee that Washoe County's allocation of the CTX revenue amounted to \$964 per capita. This was incorrectly figured using only incorporated population. If you use the population of the entire County, the allocation comes to \$252 per capita, which is slightly less than the two cities receive. The same thing is true for allocations per \$100,000 assessed value and for allocation per capita for new residents. A resident who lives in Sparks or Reno also lives in Washoe County. They use the district attorney services, the criminal justice system, the libraries, the parks, social services, juvenile services and other services provided

by the County. If you look at these figures on a countywide basis, our funding is on a parity with the two cities.

Washoe County has always been willing to come to the table and discuss operational and financial issues with the cities. Page 7 of [Exhibit J](#) lists some things we have done to accommodate Reno and Sparks, totaling some \$9.5 million in adjustments. Page 8 lists the regional services the County provides that are funded by CTX funds.

Finally, CTX distribution in Washoe County is not unbalanced. It is in proportion to service requirements. Excess revenues over the base allocation are equitably directed for growth of both cities and counties, and they need to share. However, CTX revenue is unstable in the sense that in a slow economy, there is insufficient revenue for many governments to meet our service needs. We suggest that pursuing agreements to reduce expenditures or share services would be a more constructive approach.

MICHAEL R. ALASTUEY (Clark County):

I agree that the comparisons between cities and counties given at the last hearing of this bill were wanting in many respects. The counties provide municipal services not only to those residing in the unincorporated areas, but also to city residents. Most comparisons have some basis in per capita comparisons, and the convenient inclusions or exclusions of populations in or outside cities is a repeated theme. It is easy to bring a story of woeful shortfall, to submit an amendment without giving copies to any of those who might oppose it, give ourselves an upward adjustment of \$15 million and cut funding to other areas, citing the troublesome nature of the CTX. It is bereft of the right kind of analysis, and it ignores the history of the CTX and the reason it was enacted: the time of conversion coupled with revenue neutrality of both the tax shift and the conversion to CTX.

We opposed the original bill; we oppose the amendment as well, not only because it provides a downward adjustment to Clark County, but because it does not give you an adequate analysis to make a rational decision.

ROBERT CASHELL (Mayor, City of Reno):

Some years ago, Washoe County, the City of Reno and the City of Sparks agreed to do a study on distribution. Everybody agreed on the content and the purpose of the study. Washoe County did not like the results on the report of

the study, so they hired a local individual to do a study and said, "Nope, we don't owe you a thing." We have tried to negotiate with them. I will stand by our numbers. The distribution is not fair; it is not equal. We are not trying to get into a contest with anyone. We just need a more fair distribution of the funds.

CHARLES MCNEELY (City Manager, City of Reno):

We are in support of the amendment. We gave a copy of the analysis report to this Committee previously, showing what we believe to be gross inequities in the way CTX revenue has been distributed. We disagree with the County's position that this is a fair and equitable distribution. The formula was initially established with the intent of tracking population; however, if you look at its impact over the last ten years, it has not followed population. The further this formula goes over the next ten years, the worse the inequity will become.

ANDREW GREEN (Director, Finance Department, City of Reno):

We realize regional services are something that residents of both cities and counties must fund. The issue we have with this particular formula is that we are looking for a fair and equitable distribution that incorporates regional and municipal services. To truly compare apples to apples, there has to be some determination on the part of the county as to what they actually pay for municipal versus regional services. The formula should take into account where services are provided and where sales tax is generated.

In FY 2005-2006, the City of Reno had 52 percent of the population and 73 percent of the generated sales in the County; however, we only received 28 percent of the CTX. On the surface, that seems like an inequitable distribution.

SENATOR TOWNSEND:

This may be an uneducated question, but other governments in the country must be having this kind of problem too. Is there a company that does this sort of analysis that is recognized by all parties as the authority in this area? We need to solve this.

MR. MCNEELY:

Any number of firms do this kind of analysis. The issue we encountered was that one side did not like the results. Any firm will do as long as all the parties agree to live by the findings.

GENO MARTINI (Mayor, City of Sparks):

For us, this debate is a matter of public safety. It is not something that has cropped up recently because of our growth; we have been working on this for 15 years.

SHAUN CAREY (City Manager, City of Sparks):

I have a handout detailing the inequities of CTX distribution throughout Washoe County ([Exhibit K](#)). This adjustment is critically needed by the City of Sparks, and it comes at a time when action is truly warranted. We face a dilemma in the area of public safety. Last year, violent crime was up 14 percent in the City of Sparks. With this base adjustment, our City Council could hire 36 additional police officers. All the funds from this base increase would be moved to public safety in our community and would pay direct and important dividends.

We have a structural problem in Washoe County that this amendment addresses. We can debate numbers, but the time for studies is over. We have an inability to agree on the issues. The solution provided in this amendment is urgently needed by my community. As you can see in [Exhibit K](#), we rely heavily on CTX; 49 percent of our budget comes from CTX, and 59 percent goes to public safety. We desperately need additional funds to reverse a growing problem of violent crime, and this is our best vehicle. We want to be our own government. We pursue shared services where they make sense, but bigger government is not the choice of our community. Consistently, in every city poll, over 80 percent of our residents want to remain the City of Sparks.

Additional studies of this issue are not desired by our council. What we would like is your passage of this amended bill.

RANDY ROBISON (City of Mesquite):

We are in support of the amendment not simply because it would affect us in a positive and appropriate manner, but because it is necessary and the right thing to do. We have adjusted the formula in the past from time to time to take care of issues similar to this. We think it is fair and appropriate.

TED J. OLIVAS (City of Las Vegas):

I am sorry I do not have our mayor, city manager or finance director here today. I can assure this Committee that had we known about this amendment before this morning, they would be at this table. We are in opposition to the amendment.

SENATOR AMODEI:

There has been testimony this morning about meetings between the entities in northern Nevada on this matter. Was there ever any indication over the last few years that the jurisdictions in Clark County were going to get together to talk about this?

MR. OLIVAS:

I am not aware of any such discussions.

MR. ALASTUEY:

I have not attended any such meetings. My understanding was that from time to time there were informal meetings among the entities, including North Las Vegas and Clark County.

MS. HENDERSON:

When we had a similar bill in the 72nd Session, we met with the local jurisdictions in southern Nevada in an attempt to resolve this issue at the local level and not bring the problem to you. Those negotiations were not successful, and as a result, we brought a bill in the 73rd Session and again in this session.

GREGORY E. ROSE (City Manager, City of North Las Vegas):

When we presented our original presentation to this Committee, we indicated what we thought was wrong with the formula. The amendment we are proposing is consistent with our previous recommendations. I am baffled by our colleagues' suggestion that we tried to hide this amendment. We have been up front about our intentions the entire time. One of the issues that has been raised is the services provided by counties in incorporated cities. We recognize those services and do not discount them; however, if you look at the services they provide, you must also factor in the property taxes our residents pay. It is misleading for them to leave out that information.

CHAIR MCGINNESS:

I will close the hearing on S.B. 153.

SENATOR AMODEI MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 153 WITH THE AMENDMENT FROM SENATOR LEE.

SENATOR TOWNSEND SECONDED THE MOTION.

Senate Committee on Taxation
April 12, 2007
Page 18

THE MOTION FAILED. (SENATORS CARE, COFFIN, RHOADS AND
SCHNEIDER VOTED NO.)

* * * * *

CHAIR MCGINNESS:

Is there any further business to come before this Committee? Hearing none,
I will adjourn the meeting at 3:12 p.m.

RESPECTFULLY SUBMITTED:

Lynn Hendricks,
Committee Secretary

APPROVED BY:

Senator Mike McGinness, Chair

DATE: _____