

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

**Seventy-Fifth Session
May 1, 2009**

The Committee on Government Affairs was called to order by Chair Marilyn K. Kirkpatrick at 9:01 a.m. on Friday, May 1, 2009, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/75th2009/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Marilyn K. Kirkpatrick, Chair
Assemblyman David P. Bobzien, Vice Chair
Assemblyman Paul Aizley
Assemblyman Kelvin Atkinson
Assemblyman Chad Christensen
Assemblyman Jerry D. Claborn
Assemblyman Ed A. Goedhart
Assemblywoman April Mastroluca
Assemblyman Harvey J. Munford
Assemblywoman Peggy Pierce
Assemblyman James A. Settelmeyer
Assemblywoman Ellen B. Spiegel
Assemblyman Lynn D. Stewart
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator Terry Care, Clark County Senatorial District No. 7

STAFF MEMBERS PRESENT:

Susan Scholley, Committee Policy Analyst
Cheryl Williams, Committee Secretary
Olivia Lloyd, Committee Assistant
Cyndie Carter, Committee Assistant

OTHERS PRESENT:

Charles L. Horsey, III, Administrator, Housing Division, Department of
Business and Industry
Lon DeWeese, Chief Financial Officer, Housing Division, Department of
Business and Industry
Renny Ashleman, representing the City of Henderson, Nevada
Brad Jerbig, City Attorney, City of Las Vegas, Nevada
Jennifer Lazovich, Attorney, Kummer Kaempfer Bonner Renshaw and
Ferrario, Las Vegas, Nevada
J. David Fraser, Executive Director, Nevada League of Cities and
Municipalities, Carson City, Nevada
John Slaughter, Director, Management Services, Washoe County,
Reno, Nevada
Ted J. Olivas, representing the City of Las Vegas, Nevada

Chair Kirkpatrick:

[Roll was taken.] Assemblyman Christensen and I are trying to get to a Senate hearing on Homeland Security, so we may both have to leave. Please be mindful that we have to keep eight committee members present to keep working. With that, we are going to open the hearing on Senate Bill 74 (1st Reprint).

Senate Bill 74 (1st Reprint): Makes various changes relating to assistance to finance housing. (BDR S-699)

Charles L. Horsey, III, Administrator, Housing Division, Department of Business and Industry:

Lon DeWeese, my distinguished Chief Financial Officer, is also with me. Senate Bill 74 (1st Reprint) is a very simple bill. About seven or eight years ago, Mr. DeWeese and I determined that the Housing Division needed greater flexibility in order to adapt to the changing financial markets that all of us are

aware of today. The Legislature granted us several provisions that enabled us to respond more quickly to changing market conditions, and the purpose of S.B. 74 (R1) is to make those changes permanent.

I would like the record to reflect our feeling about the "500-pound gorillas" in the financial markets, or Moody's and Standard & Poor's. Approximately six to eight weeks ago Standard & Poor's gave the Housing Division its latest ranking ([Exhibit C](#)), and it reads, "Standard & Poor's Rating Services revised its outlook to positive from stable and affirmed its 'AA-' issuer credit rating (ICR) on Nevada Housing Division (NHD). In addition, Standard & Poor's revised its outlook to positive from stable and affirmed its 'AA-' long-term rating on NHD's outstanding debt. The rating is based on the following strengths: the high quality and low risk nature of its asset base; improving profitability and financial performance; low general obligation (GO) debt, at less than 1 percent of total debt; and a conservative, experienced management team with legislative and gubernatorial support. Mr. DeWeese will take you through the more important provisions, but again it will not take a long time.

Lon DeWeese, Chief Financial Officer, Housing Division, Department of Business and Industry:

With the Chair's permission, I would like to submit the 11 financial audits that we have received since the time of the legislation in 2001 and 2003. This is available on a disk that we will provide to the staff later, because I know that Chair Kirkpatrick likes to have documentation.

The points that I would like to address for the Committee's understanding of this simple piece of legislation, which is to remove the sunset provisions on the alluded-to legislation from 2001 and 2003, are in the legislation itself, namely, in section 2, subsection 3, paragraphs (a) and (b). I will address paragraph (b) first, which has to do with the Division's ability to add computer systems in support of the administration and operation of the Division. We have added three computer systems to the Division with the approval of the Assembly Ways and Means Committee, of course, also without having to go through a very long line of competition with the Department of Information Technology (DoIT).

One of the computer systems allows the 256 apartment buildings that we have financed throughout the history of the Housing Division to directly access our computer system and add changes to their qualified list of renters. The point we would make is that the system has been audited and found to be full of integrity, though we have received a recent notification from the Internet security organization of DoIT asking us to tighten up the use of changes in passwords and to have a procedure for expunging former employees at these

256 apartments. So it has been implemented; it is successful, but it is not perfect.

The other item I would draw to your attention is the use of the ability in section 4, subsection 2, to "finance the acquisition, construction, or rehabilitation of residential housing, including, without limitation, multifamily housing." That specifically alludes to our ability to access the Bureau of Land Management (BLM) land under the Southern Nevada Public Land Management Act so that we can build multifamily housing in areas where BLM and local jurisdictions would allow us to do that. Right now we all know that this is a very difficult time to be adding volume to the market, but as the Chair is well aware, times change.

During the early part of this decade we were in the early planning stages; it is about a two- to two-and-a-half-year process to get land released from the BLM to build multifamily housing. As the market tightens up again we will reinaugurate those efforts, so it is important that we have that legislation.

Finally, with regard to the use of the letter of credit, we would point out that we have indeed used the letter of credit, and that letter of credit is right now being used to securitize a portfolio of down payment assistance loans that no bank in their right mind would want to take on. As a consequence, because we have been able to use our letter of credit, well over 500 people have been able to get down payment assistance loans to get their first-time homebuyer first mortgage. With that, I end my testimony.

Chair Kirkpatrick:

Does anyone have any questions? I have one question on section 2, subsection 3, paragraph (b). Through other bills we have seen that some of the information technology (IT) consulting has become a problem; they buy the software, but the consulting contract to run the software is better than the software that they give away. So what are some of the precautions you are taking to make sure that those costs do not get out of line?

Lon DeWeese:

We currently have no intention of buying additional software. The software systems that we have put in place are used at 43 other state housing finance agencies, and the price that we pay is whatever the other state agencies pay. That was done on a bid basis, and we will continue to use best practices for bidding of any contract.

Chair Kirkpatrick:

Currently, you do not have the ability to employ or contract for some of those services.

Lon DeWeese:

It would expire.

Chair Kirkpatrick:

Then do you go through *Nevada Revised Statutes* (NRS) Chapter 332 or NRS Chapter 333, or do you just do the bidding through your own agency?

Lon DeWeese:

We go through our own agency. We have a computer expert on staff who uses best practices of the Purchasing Division in doing the bidding.

Chair Kirkpatrick:

I fully support section 4 because there are a lot of BLM remnants that we should be utilizing as opposed to letting them collect dust, dirt, and paper. I fully support section 4; I just have some questions on this other provision.

Charles Horsey:

The county itself asked us to become involved, to avail themselves of our expertise, and so we are assisting the county in these efforts.

Chair Kirkpatrick:

We learned that in the affordable housing. Does anyone else have any questions?

Assemblyman Settlemeyer:

Do you have a website that actually has all the different programs? I was reading the Senate information and how you were discussing a new program that offers loans to help first-time homebuyers with their down payments, and I was wondering if you have a website with that type of information.

Lon DeWeese:

Yes, it is NVHousing.state.nv.us.

Assemblyman Settlemeyer:

Another thing that I found interesting from the Senate side was that I agree with you that Standard & Poor's is an excellent way to rate businesses. I had to laugh a little bit about Mr. Horsey's comment that this is the same organization that proposed to buy Lehman Brothers 30 days before they went into bankruptcy.

Charles Horsey:

We have dealt with Lehman Brothers, and they were "AAA" rated right up to the moment they walked into the bankruptcy court.

Chair Kirkpatrick:

Are there any other questions? [There were none.] Is there anyone else you wanted to testify in support of this bill? [There were none.] Is there anyone who would like to testify on S.B. 74 (R1)? [There were none.] Is there anyone in Las Vegas who would like to testify on S.B. 74 (R1)? [There were none.] Is there anyone in Carson City? [There were none.] With that we will close the hearing on S.B. 74 (R1) and open the hearing on Senate Bill 158.

Senate Bill 158: Revises provisions concerning tax increment areas created to benefit the Nevada State College. (BDR 22-905)

Renny Ashleman, representing the City of Henderson, Nevada:

Since I brought you one of the world's most complicated bills yesterday, it is only fair that I bring you a one-sentence bill today. The City of Henderson has approximately 500 acres to be devoted to the uses of the Nevada State College. The intent would be to eventually privatize a good part of it by putting dormitories, bookstores, and food stands on the parcel.

It has no tax revenues right now, but it will eventually have some tax revenues, and we have agreed to donate our segment of the sales tax to a tax increment area that would be for the benefit of that College. All of that is already in statute. When this statute was put in, probably by oversight, they had not indicated what its purpose was. That is noted in section 1, subsection 6, lines 43 through 45, where it reads, "The money in the account must not be used to replace or supplant money available from other sources." It is intended to be supplemental money for special projects, special buildings, et cetera—what in fact would be an accumulation of money in the account, but we wanted to indicate the legislative intent, which we failed to include when the legislation was adopted originally. I would be happy to answer any questions that you may have.

Chair Kirkpatrick:

Are there any questions?

Assemblyman Stewart:

I was very appreciative of the bill when it passed last session. I think that Nevada State College has been kind of the stepchild of the University system, with one building finally built and the old vitamin factory still heavily in use.

Are there any immediate plans for the development of the commercial buildings that would provide these funds?

Renny Ashleman:

At the present time there are not. We do not have the critical mass to make some of these other things work as well as we would hope to have them work. From time to time people have come with proposals, but nothing has really panned out to date.

Chair Kirkpatrick:

Are there any other questions? [There were none.] I think this was the Senate bill from last session that we worked on. Is there anyone who would like to testify on S.B. 158? [There were none.] Is there anyone in Las Vegas who would like to testify on S.B. 158? [There were none.] We will close the hearing on S.B. 158 and open the hearing on Senate Bill 224.

In your homework folder we do have some information on the bill we heard earlier this week that talked about development, shortage supply definitions, and the federal side as well.

Senate Bill 224: Revises provisions concerning voting by members of certain public bodies. (BDR 19-675)

Senator Terry Care, Clark County Senatorial District No. 7:

I would like to think that Senate Bill 224 is a simple bill, although this discussion has arisen in prior sessions of the Legislature going back to 2001. I will not rehash all of that unless it becomes necessary, but the thrust of it is this: In the Legislature we are mandated by constitutional law that no bill can pass out of either House unless the majority of the members—in some cases two-thirds, but generally speaking a majority of the members elected to that Body—vote for the measure.

On the Senate side, for example, there are 21 members, so you have to have 11 votes. Sometimes we have members who abstain, but you still have to have 11 votes. That is not true when it comes to local governments. I am talking about elected boards only, such as county commissions and city councils.

This bill would require, in essence, that in those counties that have in excess of 40,000 people—Clark, Washoe, Elko, Douglas, and Carson City—county commissions and city councils would be treated just like the State Legislature. If you have five members, you need three votes. If three people abstain and two people vote in the affirmative, that will not do it. The measure would fail.

That may seem simple enough. By the way, those figures vary. It could be three in certain counties; in Clark County we have seven county commissioners. The number of city council members can vary as well.

This all arose prior to the 2001 Session, when Assemblyman David Parks and I brought forth a bill that was intended to have that same requirement. What we ended up with was the current law, which requires that if a city council member or county commissioner is going to abstain, he or she has to obtain a letter from the council saying that the individual has to abstain and why. Normally those letters are very short, stating there is a conflict, so under NRS 281A.420 they need to abstain, and they do.

The problem is if you have, for example, seven county commissioners, and two abstain, now you effectively have a county commission comprised of five members, so three votes can get a measure through. We toyed with this in the 2001 Session. The way the bill was originally written it was going to apply to all counties, and we realized that in the smaller counties, where everybody knows everybody, the conflicts of interest are real. In more populous counties, sometimes the abstentions are really not necessary but are used for tactical reasons. The situation has gotten much better since 2001, when we came up with the requirement of the written basis in law for the abstention.

The theory behind this begins with the fact that the voters elect members to a representative body. My personal feeling is that they expect the members of that body to vote, and that nothing can pass out of that body unless a majority of the members elected to that body say that it should. The absurd example would be, of course, that you have a county commission of seven members, six members abstain, and a single member could determine whether a measure passes or fails. The idea behind this bill is to simply treat the other governments, at least elected boards in counties of more than 40,000 people, the same way that we have done things for decades here in the Legislature.

I have had this discussion going back several sessions. Usually the argument is, wait a minute, if you have a lawyer here and someone over there who is in business with someone who has a matter coming before the commission, nothing would get done because there would just be too many abstentions. I guess it comes down to whether you believe, as a matter of public policy, that that should be a reason to allow matters to be passed out of an elected body without a majority of the members voting for or against the measure.

That is pretty much the bill. I think in past sessions we have had this discussion in this Committee. Again, it is a matter of good government. I know

what the arguments are against the bill, and I imagine you will hear them again this morning.

Chair Kirkpatrick:

Does anyone have any questions?

Assemblyman Settlemeyer:

In other words, you want it run just like the Legislature. So, say an individual is a county commissioner. He will have the right to vote, yea or nay, or not vote if he feels that he will be materially affected more or less than any other individual, and that non-vote will count as a no, the same way it does here at the Legislature. Is that all you are asking?

Senator Care:

That is exactly right. Not voting or an abstention would count as a no vote.

Chair Kirkpatrick:

Are there any other questions? Is there anyone who would like to testify in support of S.B. 224?

Senator Care:

I did not bring anyone; I never do on these bills.

Chair Kirkpatrick:

Is there anyone who would like to testify in support of S.B. 224? [There were none.] Is there anyone who would like to testify in opposition to S.B. 224? Mr. Jerbig, I think you are in opposition, correct?

Brad Jerbig, City Attorney, City of Las Vegas, Nevada:

That is correct.

Chair Kirkpatrick:

Is there anyone who is neutral on S.B. 224? [There were none.] Is there anyone in Carson City who is in opposition to S.B. 224? [There were none.] So all of local government loves this idea except for Las Vegas?

Brad Jerbig:

I want to start by saying that I do agree with Senator Care and I believe that the City of Las Vegas and all governments believe that the elected officials are elected to vote, not to take a pass, not to take a duck. When this idea was first proposed in 2001 we had concerns, because NRS Chapter 281A applies to local governments, not the State Legislature. Vast portions of it do not apply to the State Legislature so there are many reasons. There may be a legitimate conflict

under the state ethics laws for an individual to abstain. In the case of Las Vegas, where we have part-time elected officials, many of them have private businesses or they sit on private boards, and under NRS Chapter 281A there are a number of reasons that they legitimately have to abstain because they are conflicted out.

When we discussed this years ago, we asked for an exception so that the quorum of the governing body could be reduced so that we could do business under those extreme circumstances where someone was not taking a duck or someone legitimately had to abstain. The compromise that we arrived at back then was that if the individual who believed he had a conflict of interest under NRS Chapter 281A brought it to the attention of the chief legal counsel, and the chief legal counsel agreed and prior to the meeting put it in writing, then that individual could abstain, and you could reduce the size of the quorum so that you could vote on certain issues.

Since the bill was passed in 2001, a couple of dozen of times we have had to provide written opinions under NRS Chapter 281A to advise a local official that he had to abstain, thus reducing the quorum and allowing something to be voted on. All of those opinions are available for inspection by this Committee or the State Legislature.

I think the reason we wanted the compromise, where things would be put in writing, is so that we could be circumspect, so that we could be examined by independent committees to see if we were just making something up so someone could take a pass or not. I do not think that has happened in the eight years that this law has been on the books. In fact, I think that given Senator Care's philosophy, which is our philosophy as well, you should vote instead of not vote. We really try to make individuals aware of the fact that they are not going to be able to abstain without a legitimate written reason under NRS Chapter 281A. For those reasons we stand in opposition to the bill. We respect the position that everybody should vote, and with that I will be happy to answer any questions.

Chair Kirkpatrick:

Are there any questions?

Assemblyman Stewart:

In those eight years, have there been situations where a minority has decided an important issue because this present law was in effect?

Brad Jerbig:

It depends on how you define important. Everything that is on a council agenda is important to us, but yes, there have been times when three out of four eligible voting people have decided an issue. Generally, it has not been a very controversial issue, but I will give you an example. We have had situations where we have had three or four people on the city council who were members of the Catholic charities board, and that particular group applies for rent money from the city. When that rent money is given out, it is inappropriate for someone who sits on a board to vote for that board to accept money from the governing body that they were elected to serve. So we have advised them under NRS Chapter 281A that they have to abstain, and they do. Under that circumstance perhaps three out of four voting members carry the day, and the grant is either awarded or not awarded. Those are the kinds of situations we have been looking at.

Chair Kirkpatrick:

Are there any other questions?

Assemblyman Settelmeyer:

Are you saying that local governments have more rules to abstain on than the State Legislature? Do you have a section in NRS where you could go to find out the abstention rules for local governments?

Brad Jerbig:

Actually, I called my office just a moment ago during the testimony. I believe that NRS 281A.420 in large part applies to just local governments, not the State Legislature. I am having someone in my staff research that right now and I can get that information up to the Committee. I do not know if it will be in time for this particular hearing, but we do have more ethical restrictions than do the members of the State Legislature; otherwise you would have people in the State Legislature who might be part of the education system unable to vote on raises for teachers and things like that. That happens all the time. In Las Vegas it could not happen; it would be a conflict of interest.

Chair Kirkpatrick:

Are there any other questions? [There were none.]

**Jennifer Lazovich, Attorney, Kummer Kaempfer Bonner Renshaw and Ferrario,
Las Vegas, Nevada:**

I am here today as a lawyer with Kummer Kaempfer, and when I am not appearing before you, my practice down in southern Nevada is land use, so I appear very often before county commissions and local governments. I have been appearing down there as a land use lawyer for going on 11 years.

I have seen my fair share of public hearings. I am here today to tell you that the law that is on the books today actually works. We are unfortunately in opposition to the bill. It is a slightly different scenario if you try to compare the Legislature to the local governments. I do not think you can compare them in terms of your rules on when you disclose, versus not abstain, and when they do that at a local government level. At the local government level, the final decision authority usually rests with either five people, for example, in the case of the North Las Vegas City Council, or seven people in the case of the Clark County Commission. Up here in the Legislature, the final decision rests with a much larger body; it is the Senate floor or the Assembly floor. So ultimately, you can have a scenario where you have enough votes to make a decision because there is a very strong chance that not a majority of people will have to abstain and therefore be counted as no votes.

Our concern with this bill is that you can conceivably have a scenario where you have enough abstentions that count as no votes, so that you cannot ever get the project to a vote. You cannot even have a hearing on it; it is a no before you even start because four people out of seven had to abstain. It has been a rare circumstance in the public hearings that I have attended where a minority makes the decision, but I have seen it happen. Often the people who had to abstain put their reason in writing and anyone could see what it was. For those reasons I stand in respectful opposition.

Chair Kirkpatrick:

Are there any questions? [There were none.] It is very hard to not have any discussion on a bill from both sides, and then somebody will wonder why the bill does or does not move.

J. David Fraser, Executive Director, Nevada League of Cities and Municipalities, Carson City, Nevada:

Ms. Lazovich voiced my primary concern with the bill. I feel that I need to comment. I normally do not include my resume in my testimony, but prior to taking the position of Executive Director of the Nevada League of Cities and Municipalities, I had the privilege of being city manager in three different communities in three different states. So I cannot tell you how many council meetings I have sat through. I appreciate Senator Care's intent as I understand it, and I do appreciate the good work that he does. My concern would be that at these small bodies, which are sometimes comprised of five, and usually no more than seven individuals, just a handful of legitimate conflicts could result in what Ms. Lazovich just spoke about—the inability to take action on something that legitimately needs to be addressed by a vote of that governing body. That would be my concern.

I have another concern about public bodies that are small enough that the math quickly gets in the way. I do not think you should take a pass on a vote, but I also think that there are times when you ought to abstain, and I would not want to see some of our public bodies be put in a position where they could not take action on legitimate business.

Chair Kirkpatrick:

Are there any questions?

Assemblyman Settlemeyer:

You indicated that you had served as a county or city manager in three different states. Were their laws similar to our current laws, or were they closer to what Senator Care is trying to do on the rules of abstention?

David Fraser:

In all of the communities in other states that I have been in, the laws would be more similar to what we have currently—in fact, probably not as restrictive as what we have now. I would characterize what is presently in statute as being a little bit stricter than the other states where I served as a county or city manager.

Chair Kirkpatrick:

I would bet Mr. Settlemeyer that it probably depends on whether the members are full-time or part-time. We tend to be different in Nevada

John Slaughter, Director, Management Services, Washoe County, Reno, Nevada:

The Washoe County Commission did take a position to oppose the bill. They are a five-member board, and I think their position relates to the discussion that you have had about the situation in which smaller boards could find themselves. Our Commission does not typically have that many abstentions, so the instance when this would kick in would be fairly unusual for us, but it would affect that particular vote when it does happen.

Chair Kirkpatrick:

Are there any other questions?

Assemblywoman Pierce:

I do not have a question; I have to admit I am a little stunned that I did not know that it was possible for a body to pass things with two or three votes. I think that it might be useful for me and some of my constituents to realize that this is possible, and maybe we should be rethinking this idea of everything being sort of a part-time job, especially with the land use issues.

Chair Kirkpatrick:

Does anyone else have any comments or questions?

Assemblyman Goedhart:

I could see some of this having an impact on small communities. For example, I think Churchill County has three county commissioners. Say you have someone who has been in the community for a very long time and has a lot of good relationships with a lot of the leaders in the community. This person now wants to pass through a parcel map, but he happens to be good friends with all three commissioners. Would this make it difficult?

David Fraser:

I would defer that question to Mr. Jerbig in Las Vegas. I am not in a position to give background on what would constitute that conflict.

Chair Kirkpatrick:

Mr. Jerbig, would you like to answer that question?

Brad Jerbig:

We do have situations where individuals, because they have private lives and private businesses, have business interests with people who appear before the city council. They appear before the city council on zoning matters, for example. We have had situations where the Mayor, who used to have a law office in downtown Las Vegas, had to abstain because a vote regarding an adjoining property would increase the value of his property.

We have had situations in redevelopment where that has been true as well. I agree there are a number of situations where this particular type of conflict could arise under NRS Chapter 281A.420.

Chair Kirkpatrick:

Are there any other questions?

Assemblywoman Spiegel:

This is just a point of clarification. If something is voted down at a city council meeting because somebody is legitimately absent, and then one or two of the members had to abstain and that caused the matter to be voted down, could the applicant reapply or do they have to wait another period? What is the process?

Brad Jerbig:

The short version is, if it is a combination of people not being there and legitimate abstentions, you wait until the next meeting and you have enough

people to vote. If there are simply not enough people because of legitimate abstentions, the matter cannot be passed until a conflict goes away.

Chair Kirkpatrick:

Thank you for that short version of that explanation. Are there any other questions?

Assemblywoman Pierce:

But also, the conflict going away may not be that complicated; it could just be a matter of hiring a law firm that is not one of the three law firms that everyone thinks of when I say three law firms.

Brad Jerbig:

That is correct. If that is the cause, then perhaps it goes away if they hire someone different. Again, if it is something else, it remains.

Chair Kirkpatrick:

Only in Clark County could you name three law firms. Are there any other questions from the Committee? [There were none.] Is there anyone else who would like to testify in opposition to S.B. 224?

Ted Olivas, representing the City of Las Vegas, Nevada:

I just wanted to follow up very quickly with the Committee. We said that we would provide the Committee with some information and we will get that to you as soon as possible. If you look at this bill on the second page, look at the wording that is taken out. This wording is very clear. Before abstaining from a vote, that member has to receive and disclose the opinion of the legal counsel, and that position has to be in writing and it has to be available to the public.

These decisions are made prior to any of our council meetings, and that information has to be available. This is not something that is done in a vacuum. The legal counsel looks at it very closely and provides that recommendation in writing. This is out in the open. Anyone can come in and take a look at that very specific advice that has been provided by the legal counsel. This process is very well defined in the statute. I just wanted to make that perfectly clear.

Chair Kirkpatrick:

Does anyone else have any questions? [There were none.] If there is no other testimony I will close the hearing on S.B. 224. Are there any comments from the public? [There were none.] Are there any comments from the Committee?

Assemblyman Aizley:

I see this as a problem without a solution. I do not see a good solution there. Is it possible that some public body could override these groups that cannot make a decision? What if everyone had to abstain? What would then be left to do? This is just a comment; maybe it should go to another level of legislation after that.

Assemblywoman Pierce:

I think it might be a great exercise in good government to have some things stop, let it get into the newspaper, and have the citizens of that area discover how their government is working.

Chair Kirkpatrick:

Is there anything else? I will see everyone tomorrow at 10 o'clock.

Meeting adjourned [at 9:45 a.m.].

RESPECTFULLY SUBMITTED:

Cheryl Williams
Committee Secretary

APPROVED BY:

Assemblywoman Marilyn K. Kirkpatrick, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: May 1, 2009

Time of Meeting: 9:01 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 74 (R1)	C	Charles L. Horsey	Newsletter, Standard & Poor's