

ASSEMBLY BILL NO. 474—COMMITTEE ON WAYS AND MEANS

MARCH 28, 2011

Referred to Concurrent Committees on Government
Affairs and Ways and Means

SUMMARY—Creates the Sunset Subcommittee of the Legislative Commission to review certain boards and commissions. (BDR 18-889)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to governmental administration; creating the Sunset Subcommittee of the Legislative Commission; providing for its membership; requiring the Sunset Subcommittee to review certain boards and commissions in this State to determine the need for the termination, consolidation, modification or continuation of those boards and commissions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Legislative Commission and provides for its powers and duties, which consist of, in part, investigating and inquiring into subjects upon which the Legislature may act by the enactment or amendment of statutes, governmental problems, important issues of public policy or questions of statewide interest. (NRS 218E.150, 218E.175) Existing law also provides for certain standing subcommittees of the Legislative Commission to carry out ongoing duties, such as the Audit Subcommittee and the Budget Subcommittee. (NRS 218E.240, 218E.255) Finally, existing law requires the Legislative Commission to conduct reviews of existing agencies to determine whether each agency should be terminated, consolidated with another agency or continued. (NRS 232B.010-232B.100)

Section 2 of this bill creates the Sunset Subcommittee of the Legislative Commission and sets forth its membership. **Section 3** of this bill specifies the Sunset Subcommittee's primary duties, which are: (1) to conduct reviews of all boards and commissions in this State which are not provided for in the Constitution of this State or established by an executive order of the Governor and determine whether each board or commission should be terminated, modified, consolidated with another agency or continued; (2) to make recommendations for improving the



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boards or commissions which are to be modified, consolidated or continued; and (3) to determine whether any tax exemptions, abateements or money set aside for a board or commission should be terminated, modified or continued. **Section 3** also requires the Sunset Subcommittee to assess each board or commission reviewed for the cost of conducting the review.

Section 4 of this bill requires each board and commission to submit certain information about itself and how it operates to the Sunset Subcommittee and authorizes the Sunset Subcommittee to direct the Legislative Counsel Bureau to assist the Sunset Subcommittee in investigating, reviewing and analyzing the information submitted. **Section 5** of this bill requires the Sunset Subcommittee to hold public hearings to receive commentary on whether a board or commission should be terminated, modified, consolidated or continued and to accept testimony from members of the general public, any person regulated by the board or commission and representatives or members of the board or commission. **Section 6** of this bill requires the Sunset Subcommittee to make recommendations for direct legislative action to carry out its recommendations regarding the termination, modification, consolidation or continuation of a board or commission. Finally, **section 7** of this bill provides the administrative details of how the existence of a board or commission will be terminated.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 232B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. 1. *The Sunset Subcommittee of the Legislative Commission, consisting of nine members, is hereby created. The membership of the Sunset Subcommittee consists of:*

(a) Three members appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party;

(b) Three members appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party; and

(c) Three members of the general public appointed by the Chair of the Legislative Commission from among the names of nominees submitted by the Governor pursuant to subsection 2.

2. The Governor shall, at least 30 days before the beginning of the term of any member appointed pursuant to paragraph (c) of subsection 1, or within 30 days after such a position on the Sunset Subcommittee becomes vacant, submit to the Legislative Commission the names of at least three persons qualified for membership on the Sunset Subcommittee. The Chair of the Legislative Commission shall appoint a new member or fill the vacancy from the list, or request a new list. The Chair of the Legislative Commission may appoint any qualified person who is a



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1 *resident of this State to the position described in paragraph (c) of*
2 *subsection 1.*

3 *3. The members of the Sunset Subcommittee shall elect a*
4 *Chair from one House of the Legislature and a Vice Chair from*
5 *the other House. Each Chair and Vice Chair holds office for a*
6 *term of 2 years commencing on July 1 of each odd-numbered*
7 *year. If a vacancy occurs in the Office of Chair or Vice Chair, the*
8 *vacancy must be filled in the same manner as the original*
9 *selection for the remainder of the unexpired term.*

10 *4. The membership of any member of the Sunset*
11 *Subcommittee who is a Legislator and who is not a candidate for*
12 *reelection or who is defeated for reelection terminates on the day*
13 *next after the general election.*

14 *5. A vacancy on the Sunset Subcommittee must be filled in*
15 *the same manner as the original appointment.*

16 *6. The Sunset Subcommittee shall meet at the times and*
17 *places specified by a call of the Chair. Five members of the Sunset*
18 *Subcommittee constitute a quorum, and a quorum may exercise*
19 *any power or authority conferred on the Sunset Subcommittee.*

20 *7. For each day or portion of a day during which a member*
21 *of the Sunset Subcommittee who is a Legislator attends a meeting*
22 *of the Sunset Subcommittee or is otherwise engaged in the*
23 *business of the Sunset Subcommittee, except during a regular or*
24 *special session of the Legislature, the Legislator is entitled to*
25 *receive the:*

26 *(a) Compensation provided for a majority of the members of*
27 *the Legislature during the first 60 days of the preceding regular*
28 *session;*

29 *(b) Per diem allowance provided for state officers generally;*
30 *and*

31 *(c) Travel expenses provided pursuant to NRS 218A.655.*

32 *↪ The compensation, per diem allowances and travel expenses of*
33 *the members of the Sunset Subcommittee who are Legislators*
34 *must be paid from the Legislative Fund.*

35 *8. While engaged in the business of the Sunset Subcommittee*
36 *the members of the Subcommittee who are not Legislators are*
37 *entitled to receive the per diem allowance and travel expenses*
38 *provided for state officers and employees generally.*

39 **Sec. 3. 1. The Sunset Subcommittee of the Legislative**
40 **Commission shall conduct a review of each board and commission**
41 **in this State which is not provided for in the Constitution of this**
42 **State or established by an executive order of the Governor to**
43 **determine whether the board or commission should be terminated,**
44 **modified, consolidated with another board or commission or**
45 **continued. Such a review must include, without limitation:**



1 (a) *An evaluation of the major policies and programs of the*
2 *board or commission, including, without limitation, an*
3 *examination of other programs or services offered in this State to*
4 *determine if any other provided programs or services duplicate*
5 *those offered by the board or commission;*

6 (b) *Any recommendation for improvements in the policies and*
7 *programs offered by the board or commission; and*

8 (c) *A determination of whether any statutory tax exemptions,*
9 *abatements or money set aside to be provided to the board or*
10 *commission should be terminated, modified or continued.*

11 2. *The Sunset Subcommittee shall review:*

12 (a) *Not less than 20 boards and commissions specified in*
13 *subsection 1 each year; and*

14 (b) *Each of those boards and commissions not less than once*
15 *every 10 years.*

16 3. *For each review of a board or commission that the Sunset*
17 *Subcommittee conducts, the Sunset Subcommittee shall submit a*
18 *written assessment to the board or commission setting forth the*
19 *costs of the review. In determining the amount of an assessment*
20 *pursuant to this subsection, the Sunset Subcommittee shall*
21 *consider, based upon the information provided by the board or*
22 *commission pursuant to section 4 of this act, whether any*
23 *additional analysis or evaluation is required to review the board or*
24 *commission because of the specialized nature of the board or*
25 *commission. As soon as practicable after a board or commission*
26 *receives a written assessment pursuant to this subsection, the*
27 *board or commission shall pay the amount set forth in the written*
28 *assessment to the Sunset Subcommittee.*

29 4. *Any action taken by the Sunset Subcommittee concerning*
30 *a board or commission pursuant to sections 2 to 7, inclusive, of*
31 *this act is in addition or supplemental to any action taken by the*
32 *Legislative Commission pursuant to NRS 232B.010 to 232B.100,*
33 *inclusive.*

34 **Sec. 4.** *1. Each board and commission subject to review by*
35 *the Sunset Subcommittee of the Legislative Commission shall*
36 *submit information to the Sunset Subcommittee on a form*
37 *prescribed by the Sunset Subcommittee. The information must*
38 *include, without limitation:*

39 (a) *The name of the board or commission;*

40 (b) *The authority by which the board or commission was*
41 *created;*

42 (c) *The duties of the board or commission;*

43 (d) *The operating budget of the board or commission;*

44 (e) *A statement setting forth the income and expenses of the*
45 *board or commission for at least 5 years immediately preceding*



1 *the date the board or commission submits the form required by*
2 *this subsection, including the balances of any fund or account*
3 *maintained by or on behalf of the board or commission;*

4 *(f) A statement of the objectives and programs of the board or*
5 *commission;*

6 *(g) A conclusion concerning the effectiveness of the objectives*
7 *and programs of the board or commission;*

8 *(h) Any recommendations for statutory changes which are*
9 *necessary for the board or commission to carry out its objectives*
10 *and programs; and*

11 *(i) Such other information as the Sunset Subcommittee may*
12 *require.*

13 *2. The Sunset Subcommittee may direct the Legislative*
14 *Counsel Bureau to assist in its research, investigations, review and*
15 *analysis of the information submitted by each board and*
16 *commission pursuant to subsection 1.*

17 **Sec. 5. 1. The Sunset Subcommittee of the Legislative**
18 **Commission shall conduct public hearings for the purpose of**
19 **obtaining comments on, and may require the Legislative Counsel**
20 **Bureau to submit reports on, the need for the termination,**
21 **modification, consolidation or continued operation of a board or**
22 **commission.**

23 *2. At any hearing held pursuant to this section, information*
24 *may be presented by:*

25 *(a) A member of the general public;*

26 *(b) Any person who is regulated by the board or commission;*
27 *and*

28 *(c) A representative or member of the board or commission.*

29 *3. The Sunset Subcommittee shall consider any report*
30 *submitted to it by the Legislative Counsel Bureau.*

31 *4. A board or commission has the burden of proving that*
32 *there is a public need for its continued existence.*

33 **Sec. 6. 1. If the Sunset Subcommittee of the Legislative**
34 **Commission determines to recommend the termination of a board**
35 **or commission, its recommendation must include suggestions for**
36 **appropriate direct legislative action, if any, which is made**
37 **necessary or desirable by the termination of the board or**
38 **commission.**

39 *2. If the Sunset Subcommittee determines to recommend the*
40 *consolidation, modification or continuation of a board or*
41 *commission, its recommendation must include suggestions for*
42 *appropriate direct legislative action, if any, which would make the*
43 *operation of the board or commission or its successor more*
44 *efficient or effective.*



1 **Sec. 7. 1.** *A board or commission may continue in*
2 *existence until July 1 of the year immediately succeeding the*
3 *effective date of its termination for the purpose of winding up its*
4 *affairs, unless the board or commission has been consolidated*
5 *with another board or commission.*

6 **2.** *The powers and duties of a board or commission are not*
7 *abrogated or otherwise limited during the period between its*
8 *termination and the following July 1, but no board or commission*
9 *may enter into or let any contract the performance of which*
10 *extends beyond July 1 of the year immediately following the year*
11 *in which it is terminated.*

12 **3.** *The Director of the Department of Administration is*
13 *responsible for disposing of any property of a terminated board or*
14 *commission. All assets and liabilities of a board or commission*
15 *which has been consolidated with another board or commission*
16 *must be taken over by the successor board or commission. Money*
17 *in the State Treasury which is held in a special fund for a board or*
18 *commission which has been terminated reverts to the State*
19 *General Fund on July 1 of the year immediately following the*
20 *year in which the board or commission is terminated.*

21 **Sec. 8.** NRS 232B.010 is hereby amended to read as follows:

22 232B.010 As used in ~~{this chapter,}~~ *NRS 232B.010 to*
23 *232B.100, inclusive,* unless the context otherwise requires,
24 “agency” means any public agency which the Legislature has
25 designated to be the subject of a review by the Legislative
26 Commission.

27 **Sec. 9.** NRS 232B.080 is hereby amended to read as follows:

28 232B.080 1. The Legislative Commission shall conduct
29 public hearings for the purpose of obtaining comments on, and may
30 require the Legislative Counsel Bureau to submit reports on, the
31 need for the continued operation of an agency, and its efficiency and
32 effectiveness.

33 **2.** At any hearing held ~~{under this chapter,}~~ *pursuant to NRS*
34 *232B.010 to 232B.100, inclusive,* information may be presented by:

- 35 (a) Members of the general public;
36 (b) Any person who is regulated by the agency; and
37 (c) Representatives of the agency.

38 **3.** The Legislative Commission shall consider any report
39 submitted to it by the Legislative Counsel Bureau.

40 **4.** An agency has the burden of proving that there is a public
41 need for its continued existence or regulatory function.

42 **Sec. 10.** This act becomes effective on July 1, 2011.

