

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Seventy-Sixth Session
March 29, 2011**

The Committee on Legislative Operations and Elections was called to order by Chair Tick Segerblom at 1:34 p.m. on Tuesday, March 29, 2011, in Room 3142 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 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/76th2011/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:

Assemblyman Tick Segerblom, Chair
Assemblywoman Lucy Flores, Vice Chair
Assemblyman Richard (Skip) Daly
Assemblyman Pete Goicoechea
Assemblyman Tom Grady
Assemblyman Crescent Hardy
Assemblyman Pat Hickey
Assemblyman William C. Horne
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Richard McArthur
Assemblyman John Ocegüera
Assemblyman James Ohrenschall
Assemblywoman Debbie Smith
Assemblyman Lynn D. Stewart

COMMITTEE MEMBERS ABSENT:

Assemblyman Marcus Conklin (excused)

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Patrick Guinan, Committee Policy Analyst
Terry Horgan, Committee Secretary
Michael Smith, Committee Assistant

OTHERS PRESENT:

Matt Griffin, representing the Capitol Company
Scott Gilles, Deputy for Elections, Office of the Secretary of State
John Wagner, State Chairman, Independent American Party
Kathy Clewett, Government Affairs Coordinator, City of Sparks
Ross Miller, Secretary of State
Lynn Chapman, representing the Nevada Eagle Forum
Jim DeGraffenreid, representing the Nevada Republican Party
Christine Burns, Private Citizen, Carson City, Nevada
Janine Hansen, State President, Nevada Eagle Forum

Chair Segerblom:

[Roll was taken.] The first bill we are going to hear is Assembly Bill 337, which is sponsored by Assemblyman Skip Daly.

[Assembly Bill 337](#): Revises provisions governing campaign practices.
(BDR 24-721)

Assemblyman Richard (Skip) Daly, Washoe County Assembly District No. 31:

Today we are dealing with an amended version of A.B. 337 ([Exhibit C](#)). The genesis of this bill stems from a problem some of us experienced in our campaigns involving the use of express advocacy—anonymous, independent expenditure in campaign advertisements. It is my understanding of current court rulings that you are not required to disclose who is behind those advertisements. Without a name on such advertisements, there is no way for the state to ensure those advertisers have actually complied with the other parts of the campaign disclosure laws under *Nevada Revised Statutes* (NRS) Chapter 294A that say you must file as a political action committee (PAC) if it is determined to be express advocacy either for or against a candidate. There is no way to be certain they have filed campaign contribution and expense (C&E) reports as required by law. Not having to put identification on mailings or other

types of advertisements does not relieve someone from the reporting and disclosure requirements under state law.

Unfortunately, under current law, there is no mechanism for the Office of the Secretary of State to follow up if a complaint is filed. The Secretary of State's Office can accept the complaint, but it does not have any way to investigate whether the mailing was anonymous or an independent expenditure. This bill gives the Secretary of State's Office, under certain circumstances that we are keeping narrow and not mischievous so that it is not investigating frivolous complaints, subpoena power to carry out the mandates that have been authorized under their jurisdiction by the Legislature. We reviewed this amendment with Matt Griffin when he was the Deputy for Elections in the Secretary of State's Office, and he will provide examples of the types of issues this bill would address.

Existing law states that "A person who believes that any provision of this chapter has been violated may notify the Secretary of State, in writing" He must sign the complaint with his full name and provide "A clear and concise statement of facts sufficient to establish that the alleged violation occurred" and any evidence he may have to substantiate the complaint. Sometimes it is just a document or mailer you received. If you do not have a name, you may not have too much other evidence.

We deleted language that stated, "A citation to the specific provision of this chapter alleged to have been violated." You may have noticed that NRS Chapter 294 is very complicated and may not address the exact situation, but there may be a complaint nevertheless, so we did not want to make it too onerous. "A statement by the person alleging the violation that the facts alleged in the notice are true to the best knowledge and belief of that person" should be made, as well as supplying any other information in support of the alleged violation.

In the amendment, we added "If based upon the notice of violation pursuant to subsection 2, the Secretary of State finds that reasonable suspicion exists that a violation of Chapter 294A has occurred, he may conduct an investigation pursuant to subsection 4." After consultation with the Secretary of State we removed the language stating "Within 30 days after receiving the copy, the person may submit a response to the Secretary of State concerning the alleged violation." If this is happening relatively close to the election, the Secretary of State wanted to be able to send a letter saying the individual has a shorter time to respond. We do not want people to be able to close their PAC, leave town, and disappear, so the Secretary of State wanted a shorter window as a

particular case might dictate. We added the word "any" to make the sentence flow.

On the second page, beginning with subsection 4, we are adding "When conducting an investigation . . . ," which will give the Secretary of State subpoena power to get the information to actually investigate the complaint in order to take action. From what I have been told, the Secretary of State gets a complaint and has the mailing or whatever that shows express advocacy. He determines the proponents needed to submit a C&E report and the various disclosures that accompany that report, but there is no way to check that the disclosure actually took place. Without that evidence, the investigation stops right there, because there is not enough information to turn it over to the Office of the Attorney General. Even if it did, the Attorney General's Office will probably exercise its prosecutorial discretion, saying the case is not big enough, that there is insufficient information, and that it is not going forward. With this tool, the Secretary of State can provide good information, and the Attorney General can actually carry out the intent of the legislation.

We wanted to make it clear but not too onerous. We also did not want to give some lawyers the ability to say they do not have to provide the information under the subpoena because it is obtainable elsewhere. That is why we removed paragraph (b) of subsection 4 at line 9 on the last page of the amended bill. The rest of the bill speaks for itself, and Matt Griffin is going to give you some examples. Hopefully, you will support this measure that would let the Secretary of State carry out the intended policy.

Matt Griffin, representing the Capitol Company:

I am here on behalf of Mr. Daly to give you some concrete examples, although some members of the Committee may have already experienced the tactics used with independent expenditures in the State of Nevada and, in fact, nationwide.

In 2008 and 2010, websites were put up that were disparaging of opponents but made no mention of who was behind the website or who was advocating the website. The 2008 website was also soliciting contributions to defeat certain candidates at the ballot. You can go to Go Daddy, or other mechanisms like it, to try to find out who is behind the website or publication, but rarely, if ever, does it actually lead you to a person and/or PAC and/or nonprofit you can take any action against. The 2010 website was put up in the same manner, with no accountability and no notification of who was behind it or who was funding that website.

The second example occurred in Nye County. It was a local race for sheriff and involved "robocalls." There was discussion in Nye County about whether the sheriff's stance on sexual assault was harsh enough. What came out of that was a robocall. From everyone I talked to, it was a rather offensive robocall involving a distressed woman. The people who received the call almost unanimously thought the woman had just been sexually assaulted and was on her way to the hospital. One gentleman I talked to said he thought it was his daughter. He called 911 before reporting the incident to the Secretary of State's Office. It was very inflammatory and emotionally driven. The Secretary of State's Office looked into it. In such cases, there are always suspicions and rumors as to who might be involved, but without any concrete evidence, there is really not much that can be done. There was no ability to issue a subpoena or to find out who was behind the robocalls. The robocalls occurred, and we knew they occurred, but the Secretary of State had no tools to get to the bottom of them.

Those are two examples that occurred during the last two elections. As Assemblyman Daly mentioned, Mr. Gilles and I met with him last week and went over some of the changes he is proposing to A.B. 337, specifically including a reasonable suspicion requirement so that the Secretary of State would have some type of legal standard. If a subpoena were filed, he would be required to present evidence showing the facts on which he based the decision to issue the subpoena. That gives the judge in a district court the ability to evaluate whether there was cause to issue the subpoena, so it is a threshold requirement that the Secretary of State ultimately would have to answer for as to why he issued the subpoena.

Chair Segerblom:

To clarify, right now, if you independently spend over \$100 either promoting or opposing a candidate, you have to file a separate report with the Secretary of State, correct?

Matt Griffin:

In most circumstances, yes. Generally speaking, yes, if it is what is called "express advocacy." In simplest terms, express advocacy is literature, a commercial, or something similar that can be taken in no other way but as a plea for action in support of a candidate. It cannot have any issue of advocacy involved in it at all.

Chair Segerblom:

So even though you do not have to identify in the mailer you sent, or the phone call you made, who is paying for it, you would still have to report to the

Secretary of State that you had mailed this mailer or made a phone call and where the money came from?

Matt Griffin:

Correct.

Chair Segerblom:

As far as getting a subpoena, would the Secretary of State go to the court for it, or is that done through the Attorney General?

Matt Griffin:

When I was at the Secretary of State's Office, the Attorney General would represent our office on all legal matters. My understanding of how this would work is that the Secretary of State would make the determination about whether there were grounds to issue a subpoena. Should someone challenge that subpoena in court, the Attorney General's Office would represent the Secretary in support of the subpoena.

Chair Segerblom:

Are there any questions for Mr. Griffin?

Assemblyman Hickey:

You have given us a couple of examples from local Nevada races. There were obviously a number of independent expenditures concerning our most recent federal race. Would this law apply to those out-of-state expenditures as well?

Matt Griffin:

They would apply so far as they are addressing state elections. If the expenditures are designed for the benefit or detriment of a federal candidate, they are exclusively federal jurisdiction. But if the expenditures are made to affect a state race, then it is the Secretary of State's jurisdiction. Even if it is an out-of-state group or federal PAC, if it files an independent expenditure against you, to the extent that the money is spent in the state to affect your state race, it is the Secretary of State's jurisdiction.

Assemblyman Hickey:

Would they also be required to report, as we are, in time for media and public scrutiny prior to the election?

Matt Griffin:

My understanding is that was the language originally requested in the bill. Nevada's disclaimer requirement was thrown out in 2004 by the Ninth Circuit Court of Appeals, so you do not have to disclose who is funding an independent

expenditure in Nevada, except when a candidate is tied to it. What was originally proposed in the Secretary of State's bill was a trigger—once you hit an expenditure threshold, say \$5,000, within 48 hours of making that expenditure you would be required to file a C&E report. Currently, without those changes, you would be required to report whenever the regular campaign financial reports are due. Right now, that is seven days before a primary election and seven days before a general election.

Scott Gilles, Deputy for Elections, Office of the Secretary of State:

The Secretary of State supports this bill in that it provides our office with additional means by which to investigate election law violations that are brought to our attention.

The decision to extend that authority is obviously a policy decision for the Legislature to make, but I will tell you that this bill would provide our office with flexibility in obtaining documentation or testimony from the person who has been alleged to have made the violation. We would be able to do that through subpoena before submitting it to our attorney general and having him do his due diligence and go down that road. It does provide us with another avenue to collect information and investigate these election law violations.

Following up on Mr. Griffin's testimony, there is a provision in one of the Secretary of State's bills regarding independent expenditures that would require disclosure regarding who paid for an ad. If the ad was in favor of a candidate, further information would be required to be disclosed. As that bill stands now, there is no additional reporting requirement with respect to a 48-hour window if independent expenditure of a certain amount is made. That language, we believe, was removed by the Legal Division of the Legislative Counsel Bureau.

We support this bill as it provides us with more flexibility. It does not require us to take any steps; it is permissive, which is good for us.

Chair Segerblom:

A number of people have signed in on this bill. Is there anyone else who wishes to speak?

John Wagner, State President, Independent American Party:

We generally support the bill, but what about the accused? Is there any due process for the accused in it? Someone could make a charge, but what would happen then? I am concerned about the accused.

Kathy Clewett, Government Affairs Coordinator, City of Sparks:

We like the bill as well; however, we would like clarification concerning how long this person would have to file a complaint as described in section 1, subsection 2. We were thinking approximately six months, so it would not go on forever. I have spoken with the bill's sponsor, Assemblyman Daly, about this.

Assemblyman Daly:

No one told me they had any opposition to this bill except for the one comment from the City of Sparks about the time frame. We want there to be some hoops so that the Secretary of State's Office does not have subpoena power over every little thing. You can file complaints online; that is not what I am talking about. You do have to sign the complaint, and I do not have a problem with adding a time limit that would restrict when a person would file a complaint. I do not want to have a complaint filed two or three years later or 19 months after an election. You either knew or should have known within a certain time period, so I have no problem with that.

Chair Segerblom:

Thank you. We will close the hearing on A.B. 337 and open the hearing on Assembly Bill 452.

Assembly Bill 452: Revises provisions relating to elections. (BDR 24-1136)

Ross Miller, Secretary of State:

I am here today to present A.B. 452, which is a complementary bill to the legislation I proposed relating to improving transparency and accountability in Nevada's campaign finance laws (Exhibit D). In prior testimony before this Committee, I have stated that there are few provisions contained in my elections bills that are more important than those that mandate the electronic filing of campaign contribution and expense (C&E) reports and financial disclosure statements, changing the reporting deadlines to make those filings more relevant and up-to-date, and making the Office of the Secretary of State the single entity statewide for maintaining those files. I have said it before, and I will continue to emphasize, that those three things alone would send voters a message that transparency is a priority in our campaign and elections process, and the three go hand in hand toward increasing accessibility. Without all three of those provisions, the reform we seek to achieve would be incomplete.

A big part of the transparency we want to provide is letting voters know who is funding the campaigns. The reasons are obvious, and the need is equally obvious, even to those outside Nevada. The single most important thing we can do in terms of election reform is to make information publically available in a

timely manner, meaning it would be available in real time and in an easily accessible format.

The simple truth is that, under our current laws, a candidate could file a 200-page, handwritten finance and expenditure report and mail it from anywhere in the country with a postmark that meets the deadline. My office would receive it days later; then we must scan it and get it online. That is not timely, as 60 percent of the public has already cast ballots through early voting, and the scanned information is not always the most accessible for public dissemination. It is not fair to expect the public to sift through hundreds of pages of Portable Document Format (PDF) files to determine who is financing certain campaigns and whether that information will have an impact on their votes. This legislation would move us to instant, online filing of campaign C&E reports.

The bill would also change reporting deadlines so that the public would receive additional and updated reports by the Friday night before elections. The new deadlines in A.B. 452 would require reports be filed four days before the start of early voting for both the primary and general elections. Additional reports would be due four days prior to both the primary and general election days.

Some have expressed concerns about access to technology and the fact that some people may not have the ability to file online, so this legislation has provisions that would allow someone to file an affidavit stating that he cannot file online and that he will be submitting a paper filing.

The proposed legislation will affect candidates, PACs, independent expenditures, recall committees, and legal defense funds. Mandating the electronic filing of C&E reports will generate public access to information about who is funding the candidates' campaigns. The public will then be able to query contribution and expenditure information by name, address, and dollar amounts in a searchable and user-friendly database.

There will also be a requirement for candidates and appointed officials to file financial disclosure statements with my office. If we are going to have electronic filing, the only way it makes sense is to have the Secretary of State be the sole filing office for virtually every race, rather than the public trying to chase down information on municipal and county elections and candidates at various sites. In fact, some questions arose today as a result of the mayor's race in Las Vegas.

A centralized approach to storing the information, and disseminating it, is the only efficient way to serve the public's right to know. Imagine the public

response if we made this simple but substantive change—electronic reports filed in a single location prior to when the public votes. No excuses. It would lead to uncompromising integrity and the public's faith in the electoral process.

You will decide during this Legislature whether Nevada will continue to fail in campaign-finance transparency, but I personally believe it is clear that the voters deserve better from us. We can change that with the passage of just three key elements in this legislation—electronic filing, more relevant deadlines, and my office as the single custodian of records for campaign information.

Chair Segerblom:

Are there any questions for Secretary Miller?

Assemblywoman Kirkpatrick:

I do not oppose instant, online filing because I think we have a great system. I frequently buy materials from Office Depot, and one week the expense might be \$35, but the report says to include items of over \$100. If a person filed instantaneously, would that \$100 limit keep people from including lesser amounts on their reports altogether? I believe the system might be circumvented by not including items less than \$100.

Ross Miller:

The reporting structure would remain essentially the same; just the format would change. The system would allow you to report those expenditures if you wanted to. By law, the Secretary of State's Office is prohibited from requesting expenditures or contributions of less than \$100. As you know, some candidates choose to report those amounts, so the system would allow you to do that.

Assemblywoman Kirkpatrick:

If I reported every day and spent \$35 a day, could that be a loophole?

Ross Miller:

You would not need to instantly report it. You only report twice—four days prior to early voting and then again four days prior to the election.

Assemblyman Daly:

On page 32, subsection 4, on lines 17 through 20, where electronic signature is mentioned, how do you plan on doing electronic signatures? I have to file reports in my day job and I needed to pay a \$200 fee. My signature was actually transferred to the document I was filing electronically. Are you talking about some other procedure?

Ross Miller:

Under the current system, a candidate would create an electronic account, and under penalty of perjury sign that it was his or her report and then submit it electronically. It would carry with it the same penalties that could apply if there were perjury or false filing of the document.

Assemblyman Daly:

So there is not any actual signature; you do not actually sign it.

Ross Miller:

Right.

Assemblyman Daly:

What happens if your system goes down? A federal website I use was down for a week. We were not prosecuted for late filing, but will there be a contingency or some language addressing this?

Ross Miller:

I assume we will be able to address that either through regulation or the broad powers of the Secretary of State, which does allow for corrective actions in the event of an emergency. Certainly, that would be the basis for a good-faith reason why reports had not been submitted.

Assemblyman Daly:

There may be several hundred people filing on your website at the same time during the last three hours of the day reports are due.

Ross Miller:

We had a couple million people get on our website to check out the election reports, so I think the pipe is big enough to handle the traffic.

Assemblyman Stewart:

Mr. Secretary, I noticed a fiscal note on the bill, but I cannot understand where that would come from. It seems to me this would save money, not cost money.

Ross Miller:

We should be able to do this in-house. I am not sure where that fiscal note came from either. We already have the system, so we would just be making enhancements to our current online system.

Assemblywoman Kirkpatrick:

Can you clarify the exact time reports would be due? Is it 5 p.m. on the due date of the report? If we are reporting online, more people may be trying to report at 11:45 at night.

Ross Miller:

Reports are due on the calendar day, so you have until midnight to file them.

Chair Segerblom:

We also have a second presenter on this bill. This is a Committee bill, Mr. Speaker. Did you want to make a presentation?

Assemblyman John C. Ocegüera, Clark County Assembly District No. 16:

I am supportive of the bill and the three changes the Secretary of State just outlined. Assembly Bill 452 would also establish a two-year cooling-off period for public officers, including elected officials and regulators. They could not be hired to lobby a government body where they had served. Currently, under *Nevada Revised Statutes* (NRS) Chapter 281A, there is a one-year cooling-off period for certain public officers. Under section 27 of the bill, that cooling-off period for a former member of some entities would be increased to two years. Section 22 establishes that other public officers who are currently covered by a cooling-off period must refrain from being paid or undertaking certain lobbying activities for a period of two years.

Basically, the intent of these sections is to create a reasonable buffer time between being a public officer and acting as a lobbyist, so that the public entities are not unduly influenced. Since the Legislature meets only every two years, a one-year cooling-off period did not seem sufficient to me. It does not prohibit someone from lobbying in an unpaid manner, nor does it prohibit someone from moving from the Legislature to a job in an Executive Branch office where one had to lobby in front of the Legislature.

As I said, I support the Secretary of State in his endeavors; however, it did not appear to me that the provisions in some of his bills would get our full cooperation, so I requested another bill with provisions I think will get full cooperation from the Legislature.

Chair Segerblom:

With the two-year restriction, you would not be able to lobby the Legislature during the next session after you leave, but you could lobby two sessions later.

Assemblyman Horne:

You mentioned taking a job with the Executive Branch. But what if you were an attorney who was hired by a law firm and sent here to lobby?

Assemblyman Ocegüera:

There are specific exemptions, but I do not know if that one would count. I would say that would be a no. The specific exemptions are listed under section 22, subsection 2, paragraphs (a), (b), and (c). One is if you went to work for the press. The second is the one I just explained—a former public officer now employed by another governing body—and the third exemption is if you are an elected official in another capacity; for instance, if you were subsequently elected to a city council or county commission and you lobbied before the Legislature. In the case you described, I believe you would not be allowed to do that.

Chair Segerblom:

Does that change your opinion of the bill?

Assemblyman Horne:

Yes. I would be a no. As an attorney, you are telling me that I cannot represent my client. I represent my client in a court of law and in various different capacities, and now you are telling me I cannot represent my client in that capacity. I am not the only attorney in this legislative body.

Chair Segerblom:

Are there any other questions from Committee members? Seeing none, do we have anyone here in favor of the bill?

Lynn Chapman, representing the Nevada Eagle Forum:

We are in favor of this bill. We would like to submit some amendments proposed by Janine Hansen for the record ([Exhibit E](#)). I would like to point out that on the candidate forum it talks about "under penalty of perjury" in section 18, subsection 4, on page 32 at lines 19 and 20. We would like to add "or with an oath so help me God." That way, we would have the right, the constitutionally protected right, of freedom of religion. That is one of the reasons Janine received a civil penalty of \$15,000 when she added that oath to one of her filings. After all, you, as legislators, were able to decide whether you wanted to swear an oath or use "under penalty of perjury" when you took the oath of office. We think it is only right and fair that candidates and citizens should have that same right. We have also included under NRS 282.020 the "Form of official oath" for you to look over. That is the first amendment we are proposing.

The second amendment we are proposing applies to section 18. Assemblywoman Smith also expressed concern that there was no opportunity for candidates to write explanations or additional information. We are asking that the electronic reporting form include a section for additional comments, explanations, and information. Both amendments would not change the original intent of the bill; they will enhance it.

Chair Segerblom:

Have you shared your proposed amendments with the Secretary of State?

Lynn Chapman:

I do not know if Janine Hansen has.

Chair Segerblom:

It appears Mr. Gilles has your proposed amendments, so they will have a chance to review them before we have the work session.

John Wagner, State President, Independent American Party:

Several of our members feel very strongly about using the religious oath rather than the secular oath, so for that reason, as a party, we support that proposed amendment.

One of the things that always bothers me, aside from this issue we have already discussed, is the \$100 figure. There is not a single member of this Committee or this body who is ever going to be swayed by a \$100 contribution. I would like to see that threshold amount increased to \$1,000. Who really wants to know who is giving you money? Your campaign opponent might want to know. The fact is, many people do not want to contribute too much because they do not want their names made public.

Chair Segerblom:

Are you proposing an amendment?

John Wagner:

I am. I have not put it in writing.

Chair Segerblom:

I will ask Mr. Guinan to accept that as a potential amendment for our work session. Are there any questions for Mr. Wagner? Is there anyone neutral on the bill? Is there anyone opposed to the bill? [There was no response.] All right, we will close the hearing on Assembly Bill 452.

There are several people here for the hearing on Assembly Joint Resolution 2, so I will turn the meeting over to our Vice Chair.

Vice Chair Flores:

We will open up the hearing on A.J.R. 2.

Assembly Joint Resolution 2: Proposes to amend the Nevada Constitution to revise provisions relating to the State Legislature. (BDR C-683)

Assemblyman Tick Segerblom, Clark County Assembly District No. 9:

This is a very simple bill. By way of history, it actually passed the Assembly last session, but died in the Senate. We have returned with a couple of revisions to last session's bill, which hopefully will allow it to get all the way through the Senate. This is a constitutional amendment, so it does not have to go to the Governor; it just has to pass each house by a majority vote.

Assembly Joint Resolution 2 calls for annual sessions of the Legislature. For those of you who are new, you can already tell that there is way too much to do in 120 days. I have several documents as backup material. One shows the number of special sessions there have been since 2001 ([Exhibit F](#)). I believe there were ten special sessions. In the past couple of years, we have had several special sessions, which indicates that it is almost impossible in this day and age to budget and plan for two years ahead of time. Things move too fast, and it seems as soon as we leave, something happens and we have to return. One of the purposes of this legislation is to establish the fact that we are going to be coming back on a regular basis, as opposed to being called back by the Governor.

Something to note is that Nevada is one of just a couple of states that have biennial sessions. We are much different than we were in 1864; we are a modern society with 3 million people. This year's proposal would change the length of the session in the odd years from 120 days to 90 days, and would start the first of March. The session in the even years would last for 60 days.

Right now, you are paid only for the first 60 days of a legislative session. This bill seeks to review that by establishing a commission that will look at other states' legislative bodies and come back and propose what legislators should actually be paid. As you know, we are woefully underpaid when compared with any other elected office in the State of Nevada, and we are not paid at all for 60 days, which is amazing. Realistically, it is time for Nevada to move into the 21st century.

Assemblyman Stewart:

Mr. Segerblom, would you be agreeable to adjusting the number of days to perhaps 90/30? Some states have a regular legislative session one year, and the following year they just have a budget session.

Assemblyman Segerblom:

Yes, there is nothing magic about the numbers, although 30 days seems pretty quick, but it might be possible to accomplish something if committee people had already been working on it. The shorter session could certainly be less than 60 days.

Assemblyman Stewart:

Maybe in April or May?

Assemblyman Segerblom:

The only problem is the fact that we now have the primary elections in early June, so we would probably have to meet in March.

Assemblyman Hickey:

You would still meet for 120 days, although you could look at splitting it 60/60. In effect, you would be creating a full-time legislature, which would change its character. I assume the commission looking into it might say someone might not be able to keep his or her private- or public-sector job if we had to meet annually. Would your presumption be that, salary-wise, it would turn into a full-time job if not a full-time legislature?

Assemblyman Segerblom:

I do not think it will ever be a full-time legislature. Thirty or sixty days are not a full year, but, for example, in Arizona, they are paid \$2,000 a month throughout their term. To me, something like that would be very reasonable. The reality is, just because you are not here in Carson City does not mean you are not working. A lot of people are on committees that are working full-time, particularly if you are on one of the money committees. If you look at what members of interim committees are paid, it is almost that much anyway. There are different ways to look at it, but I do not view it as a full-time paid position. Certainly, we should be compensated for what we are worth, and I think we are undervaluing ourselves by just accepting the current system.

Vice Chair Flores:

Are there any more questions from the Committee?

Assemblyman Hardy:

What you stated was you thought it would limit or minimize the chance for special sessions. Is that correct?

Assemblyman Segerblom:

Yes.

Assemblyman Hardy:

Being a freshman here, they say this is a difficult session, and it looks as though we may go into overtime. How would this solve that problem?

Assemblyman Segerblom:

If, for example, we had come last year for 60 days, or whatever the number of days we decided upon, we probably would not have had to start from square one right now, so we might be able to get more accomplished and get things to the Governor before the very end. That might avoid what could be a special session, although I do not think anyone is hoping for that.

Last year, right about this time, we were up here for ten days because when we left in June 2009, we were not able to predict the fact that everything would collapse, so we had to come back and raise money. The first session I was here, we came back two or three times in special sessions just because the money was not there or we had to transfer money. The reality is that it is difficult to predict two years in advance. If we knew there was going to be a 30-day session, we could schedule what we needed to do in that session. We would be able to "keep the ball in the air" as opposed to having to start from square one.

Assemblywoman Smith:

We have received a lot of emails on this, and one example used on this issue is Texas. I have researched Texas and how they build their budget. They meet for about 140 days every other year, but interestingly enough, they have long and numerous special sessions all the time. Last year, they had 90 days of special sessions on three different occasions. In 2007 they did not have a special session, but virtually every other year they meet in numerous and long special sessions.

Assemblyman Segerblom:

Also, their committees never go out of session, so they are meeting virtually year-round.

Assemblywoman Smith:

They have budget hearings prior to the session starting. Those hearings are not like ours, but the agencies hold their budget hearings and they have a long informational process prior to the start of their session. I just thought I would mention that, as Texas was given to us as an example in many of the emails we received.

Assemblyman Segerblom:

As far as I can tell, the only state that is close to us is North Dakota, which has about 400,000 people.

Assemblyman Ohrenschall:

I support the bill. In 2008 when the foreclosure crisis hit, especially in southern Nevada, if we had been able to come into session, and perhaps pass the mediation program a year earlier, I think a lot more people might have been able to stay in their homes. However, the Legislature was not in session, and the Governor at that time did not want to call us into a special session on that issue.

Assemblywoman Kirkpatrick:

I have always been concerned that if we went to annual sessions we would not have a citizen legislature. It is very important to me that Nevada residents have a consistent voice. When your legislator makes \$150,000 a year, you are not really in touch with the people you represent. Utah has a 30-day session one time and then meets for 120 days the next session. It still keeps the legislators somewhat grounded.

I would never want to go to a full-time legislature—120 days every year—because I think then you are out of touch with your constituents. I almost look forward to session, because it is easier than being home and trying to work, care for my family, and deal with my legislative responsibilities. As we continue to grow and have bigger issues to deal with, annual sessions do have their benefits, but I could never support going to a full-time legislature such as California or New York have.

The need for special sessions creates uncertainties for me and my boss because I have to drop everything. It might be a little easier if he knew I would be gone for 60 days one year and 60 days the next year. Working as a salesperson, I have to turn everything over to someone else for four months, which sometimes makes it harder. I am a little more likely to support splitting it in half or splitting it, as Assemblyman Stewart suggested, a little bit differently.

Unfortunately, our state has changed and we have to make some changes, but I would never want to be in the Legislature if I lost touch with my constituents.

Assemblyman Segerblom:

I agree. Personally, as a lawyer, to be gone from my business for 120 days in one year would be a lot tougher than being gone 90 days one year and 30 days the next or 60/60. That last month, things really get ragged.

As you know, this is a constitutional amendment. It would have to pass both houses of the Legislature twice, and then it would go to a vote of the people. The first time this would actually apply would be in 2016, so we are talking about changes many of us would not be around for, but I think it is our obligation to look ahead.

Assemblyman Grady:

We have received a number of emails on this subject, and I have not received one yet that is in favor of it. Some of us have been around long enough to remember the vote to raise our wages to pay us for the 120 days. It lost by a vote of almost 70 percent to 30 percent, if I remember correctly. I do not think people are ready to accept this.

Vice Chair Flores:

Any further questions?

Assemblyman McArthur:

This seems a little weak on details. Would you work out when the primaries are going to start and whether you can fund-raise before and after? We are going to run into a lot of problems, so are details like that going to be entered into this bill?

Assemblyman Segerblom:

This is just a constitutional amendment that gives us the authority to have the sessions. All those other laws are statutes, so obviously, you would have to change the statutes. If you have the primary the first of June, there would be a problem with fund-raising, so we would have to deal with that with legislation. This just deals with the *Nevada Constitution*, which right now says we are limited to one 120-day session every other year, and we are paid for 60 days.

Vice Chair Flores:

I echo the sentiments of many of my colleagues that the makeup of the state has changed. Our population has grown significantly in the last 20 years. As you already mentioned, to create a budget and forecast two years in advance, as we have all seen, is very difficult. In the last five to ten years, how many

years have we had to go into special sessions to deal with either the budget or other issues that came up? That obviously demonstrates the need to deal with issues on a more frequent basis.

Assemblyman Segerblom:

We have that information available ([Exhibit F](#)).

Assemblywoman Kirkpatrick:

Before there was the 120-day time frame, there were legislators here for six to eight months, is that correct? I am not a proponent of a full-time legislature. That is not what I signed up to be. I signed up to represent my constituents, but I think we are in a really different situation. We have now changed the time frame to 120 days, during which we must address all these issues. We have now run into an unusual budget situation. We must change the way we do things. The constituents have been telling us that for the last couple of years.

I just wanted to mention that legislators were here a lot longer before the mandated 120-day sessions. At least now, we have a little more certainty.

Assemblyman Segerblom:

I agree.

Vice Chair Flores:

Are there any other questions from the Committee? [There was no response.] I am going to call others who would like to testify in support of A.J.R. 2 as well as those who are neutral on the bill. [There was no response.] All right, we will move now to those who are in opposition to A.J.R. 2.

Lynn Chapman, representing the Nevada Eagle Forum:

I remember coming to the Legislature before the 120-day limit. It was the Fourth of July weekend, it was really hot outside, and we were in this building waiting for votes, but we are not in favor of annual legislative sessions. One reason is that we do not want to have to come down here every year.

If you want shorter sessions, you need to cut down the number of bills. I do not think you really need to have 1,200 to 1,500 bills every other year. Why do we need that many laws? It does not seem right, and that would be one way of cutting things back.

Political scientists have said that the longer legislatures are in session, the more legislation they produce, which leads to bigger, more expensive, and more complex government. States with full-time legislatures generally rank near the top of the biggest taxing and spending states per person. Texas has a 60-day

session every other year, but they are near the bottom of the list when ranked by per person taxing and spending.

Private citizens would like to serve in the Legislature, but if you have to come every year, it makes it a little bit difficult to tell your boss you need all that time off. I know it is very difficult for private citizens to try to serve when they must come down here for a number of days. One session, every other year, is not quite as bad.

Assemblyman Horne:

Ms. Chapman, you mentioned that we should start by eliminating bills, but whose bills would you eliminate? There are bills you like, there are bills other people like, so whose would you eliminate? That becomes a problem, because what is important to you may not be important to someone else, and vice versa. There are bills I see you testify against, like this one, that you would eliminate, but they are important to someone else. I do not think it is as easy as saying just eliminate a number of bills.

Also, you mentioned the time we are away from our employers. Do you think it might be less burdensome to an employer to have an employee gone for less time each year instead of four months in one year?

Lynn Chapman:

Yes, there a lot of bills that I do like, but I am worried that we see so many bills introduced every other year. We are being overrun by all these different laws, and it does get a little complicated. I think some things can be consolidated. Instead of having ten bills all saying the same thing, they should be consolidated. How many laws can we live under? That is what I am concerned with. Updating laws is good, but new laws each session are a little overwhelming to some people.

To come every year might be a little harder. I can usually handle coming here once every other year. If I can do that, I assume other people can, too.

John Wagner, State President, Independent American Party:

The 120 days you have now includes Saturdays and Sundays. It could be suggested that if you worked Saturdays and Sundays, 120 days would be sufficient, although I do not think anyone wants to work 120 days straight through. I do not know why they could not meet for 120 days with the weekends off, and stretch it out a little bit, although that would provide a problem for people like Assemblywoman Kirkpatrick because they must be away from their employers.

I fully believe you should be paid for every day you are here, and I have said that in the past. I have also stated that you should have health insurance while you are here. It should cover you and your families, and I think something should be done even if you must work it out without a bill.

Vice Chair Flores:

Thank you. Are there any questions from the Committee? [There were none.]

Jim DeGraffenreid, representing the Nevada Republican Party:

We are in opposition to this bill because it encourages the further expansion of government by holding sessions more often, and it adds an additional 30 days of legislative sessions every two years.

We think the business of the state can be done in the time currently allotted in the *Constitution*. Texas has been mentioned earlier. Texas has a population of about 25 million compared to our just-under 3 million. Montana is the only state that is reasonably similar. They have a population of about 1 million and meet for 90 days every other year.

As far as special sessions go, I researched with the Legislative Reference Library of the Texas Legislature, and it shows that it had three special sessions for a total of 90 days in 2005. Since that time there has been only one special session, on July 1 and 2, 2009. Montana, in that same time period, has had two special sessions, and those were in May and September of 2007. It seems that states that are limiting themselves to a certain number of days do not have to go into nearly as many special sessions as we have. During that time period, here in Nevada, we have had four special sessions.

The fiscal note from the Legislative Counsel Bureau shows a cost to the state of just over \$5 million, which does not count the cost of any of the additional legislation that would be passed in those extra 30 days. In their fiscal notes, the Legislative Counsel Bureau also mentions that there could be an additional impact because of staffing, and that it is unknown what that impact would be because the Legislature would need to decide how those sessions would be handled every year instead of biennially.

I echo Lynn Chapman's support for hearing and passage of a current bill that would limit the amount of legislation proposed. That bill has the bipartisan support of 22 Assembly members and 5 Senators, as well as a majority of this Committee's members. That would be a better solution than extending the legislative session.

Within this bill there is a provision to pay the citizen legislators for all days of a regular session. We think that makes complete sense. We do not understand why you are paid for only half the session to begin with, so we would support the creation of a commission to study that compensation.

Assemblyman Stewart:

Would you be agreeable to annual sessions if they were 60/60 or 90/30 with the same number of days as we currently have?

Jim DeGraffenreid:

The biggest issue is the extension of the number of days, so it would be a better bill if it did not increase the total number of days. However, there may still be some efficiency questions, as referenced in the fiscal notes that relate to having the Legislature in session for the same number of days, but split apart instead of all together.

Vice Chair Flores:

It has been stated that we should be able to get this done within the 120-day session. We went to 120 days in 2001, but since then we have had a special session every year except for 2006 and 2009. It is fine that we think we should be able to do this in the time allotted, but based on the last ten years' performance, it is clear that we cannot. How do you explain the fact we have had to have special sessions every year except those two years? How do you say there is not a need for it?

Jim DeGraffenreid:

I base that on the fact that other states, particularly Texas, with a much larger population, are able to do so. We are introducing too many bills for the time allotted. There is a bill that may solve that issue for us by causing us to focus on the critical bills rather than introducing so many every session.

Vice Chair Flores:

I appreciate your answer, but I believe it is an apples and oranges comparison. Nevada is not Texas. We have different needs and a different economic structure.

Assemblyman Horne:

I am still confused about how it would work to limit the bills. Who would decide which bills would be heard? The party in power? I do not know how you cull the number of bills. Do they do that other places? How do they decide?

Jim DeGraffenreid:

The language in the other bill actually leaves culling of the bills to each individual introducer of bills. For example, rather than allowing Assemblymen to introduce five or six bills, depending upon their status, it would cut the number to three. It leaves each member of the body to decide for himself which bills are important enough to introduce in the session.

Assemblyman Horne:

Does that include committee bills?

Jim DeGraffenreid:

I believe there are limitations in that bill for committee bills as well, but I do not have the language in front of me.

Assemblyman Horne:

Some committees, such as the Assembly Committee on Commerce and Labor and the Assembly Committee on Judiciary, have a wide swath of issues they hear. There are a number of very important issues in those committees that may exceed that number. Would they just be out of luck? I chair the Judiciary Committee, and issues concerning crime, gaming regulations, construction defects, and jobs are all heard in my Committee. I do not know how you limit bills when you have pressing issues. If I am allowed only 10 committee bills when I know there are 20 pressing issues, are we going to have to wait until the next session to address those issues? Circumstances, not an arbitrary number, dictate the importance.

Jim DeGraffenreid:

At the moment, those limits do exist and priorities are dealt with. The bill that has the support of the majority of this Committee proposes simply to lower those limits. Those limits are already in place and being worked within.

Assemblyman McArthur:

I can answer questions concerning the number of allowable bills, if you would like.

Vice Chair Flores:

We are moving away from the substance of A.J.R. 2, but we are going to eventually hear that bill, I think.

Do we have further questions? [There was no response.] Do we have anyone else who wants to testify in opposition?

Christine Burns, Private Citizen, Carson City, Nevada:

Sometimes we forget the basics of common sense. As has been stated, we feel you should all be paid for the time you are here serving your constituents. Even though you are not paid for those extra days, you are still willing to be here, which says a lot, and we need to remember that.

I have a problem with the commission they want to establish that would compare us with all other states. As you said, Madam Vice Chair, our state is unique. To compare us to other states and base your pay on theirs is not necessarily fair to you or to us as citizens of the state.

With that, I have my doubts concerning the viability of having a legislature that continues to grow in the number of days and the amount of pay. As we forget common sense and want to litigate everything and make rules for everything, we forget the basics of using what is available to us.

Vice Chair Flores:

Are there questions from the Committee? [There were none.] Does anyone else want to testify in opposition?

Janine Hansen, State President, Nevada Eagle Forum:

I am opposed to this bill. I do support you being paid for all the days you are here, and I have always supported that. I think it contributes to something very important, which is maintaining a citizen legislature. Having annual sessions might harm the idea of a citizen legislature because it would be more days that individuals would have to take away from their regular occupations in order to be here. One of the answers to the overwhelming burden you all feel as a result of the legislative session is to limit the number of bills that are introduced. It would not be out of the question to reduce them by half. We have seen a lot of duplicative bills as well as many that could be consolidated. That would go a long way toward making your job here more doable and productive.

We continue to support the will of the people, which was to limit the session to 120 days every other year, so we oppose this bill. We do have a lot of concerns about the pressures and difficulties you are under as you struggle with the important questions that come before you as legislators of this state. We want you to know we appreciate each one of you for all you do.

Vice Chair Flores:

Are there any questions from the Committee? [There was no response.] Is anyone else in opposition to A.J.R. 2? [There was no response.] We will close the hearing on A.J.R. 2 and welcome the Chairman back to the Committee.

Chair Segerblom:

I just want to remind the Committee that Thursday's meeting is a joint meeting with the Senate in Reno at Lawlor Events Center. It starts at 5:30 p.m. Saturday morning we meet at 10 o'clock in the Grant Sawyer State Office Building, where we will have another public hearing on redistricting. Are there any comments from the public? Hearing none, the meeting is adjourned [at 2:54 p.m.].

RESPECTFULLY SUBMITTED:

Terry Horgan
Committee Secretary

APPROVED BY:

Assemblyman Tick Segerblom, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Legislative Operations and Elections

Date: March 29, 2011

Time of Meeting: 1:34 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance roster
A.B. 337	C	Assemblyman Richard (Skip) Daly	Proposed amendment
A.B. 452	D	Ross Miller	PowerPoint on transparency
A.B. 452	E	Lynn Chapman	Amendments proposed by Janine Hansen
A.J.R. 2	F	Assemblyman Tick Segerblom	Special Sessions 2001-2010