

**MINUTES OF THE  
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-sixth Session  
May 11, 2011**

The Senate Committee on Government Affairs was called to order by Chair John J. Lee at 8:07 a.m. on Wednesday, May 11, 2011, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 5100, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator John J. Lee, Chair  
Senator Mark A. Manendo, Vice Chair  
Senator Michael A. Schneider  
Senator Joseph (Joe) P. Hardy  
Senator James A. Settelmeyer

**GUEST LEGISLATORS PRESENT:**

Assemblyman Pete Goicoechea, Assembly District No. 35  
Assemblywoman Marilyn Kirkpatrick, Assembly District No. 1

**STAFF MEMBERS PRESENT:**

Michael Stewart, Policy Analyst  
Heidi Chlarson, Counsel  
Martha Barnes, Committee Secretary

**OTHERS PRESENT:**

Wes Henderson, Deputy Director, Nevada Association of Counties  
Jay Parmer, Builders Association of Northern Nevada  
Jesse Haw, Hawco Properties  
Kyle Davis, Nevada Conservation League  
Ted Olivas, City of Las Vegas  
Javier Trujillo, City of Henderson  
Brian Patchett, CEO, Easter Seals Southern Nevada

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Constance Brooks, Senior Management Analyst, Office of the County Manager,  
Clark County  
Nancy Boland, Chair, Board of County Commissioners, Esmeralda County  
Bjorn (BJ) Selinder, Churchill County; Eureka County; Elko County  
Jeff Fontaine, Executive Director, Nevada Association of Counties  
Barbara Buckley, Ex-Assemblywoman; Executive Director, Legal Aid Center of  
Southern Nevada  
The Honorable Michael L. Douglas, Chief Justice, Nevada Supreme Court  
Dashun Jackson  
Ollie Hernandez  
Paul D. Elcano, Jr., Executive Director, Washoe Legal Services  
Paula Berkley, Nevada Network Against Domestic Violence  
John R. McCormick, Rural Courts Coordinator, Administrative Office of the  
Courts  
Karen D. Dennison, American Resort Development Association  
Alan Glover, Clerk/Recorder, Carson City  
J. David Fraser, Executive Director, Nevada League of Cities and Municipalities  
Cadence Matijevich, City of Reno  
Jim Galloway, Washoe County Citizens Group  
John Slaughter, Washoe County

CHAIR LEE:

I will open the hearing on Assembly Bill (A.B.) 1.

[ASSEMBLY BILL 1 \(1st Reprint\)](#): Requires periodic reporting of financial  
information by certain governmental entities. (BDR S-49)

ASSEMBLYWOMAN MARILYN KIRKPATRICK (Assembly District No. 1):

Assembly Bill 1 has a couple of different components, and one of the pieces  
assists with our Nevada Sunset Commission. The Governor's Office and the  
SAGE Commission want to revisit how long some of our boards and  
commissions have been in place and how they function. We have conflicting  
numbers expressing the different boards and commissions in existence in the  
State. One portion of the bill allows the Legislature to ask for a one-time report  
for review by the Legislative Commission in order to learn what kind of  
properties and dollars are available from these boards and commissions.

We discussed this issue at a Legislative Commission meeting, and I committed  
to proposing this legislation because we found some of these boards are quite

wealthy. We also learned some boards and commissions had not met in three to four years, and still others did not have any available funding. In order for the Legislature to make decisions, we need information from the boards and commissions. The bill is a repeat of A.B. No. 193 of the 75th Session where we identified the seven agencies for inclusion in the bill. Assembly Bill No. 193 of the 75th Session has been in place for two years, so we received good information, and we needed to know what kind of abatements were provided by the agencies. The report is submitted to the Legislative Commission on a quarterly basis.

There are several other bills that were proposed because of that report. We found the Department of Taxation does not have the ability to clean out records, so there was an arbitrary amount of money that everyone believed was available when it was not. Some of the old records were between 15 years and 40 years old. We have been more concerned with the abatements so we know what is coming and how to react. Mr. Chair, the bill is named A.B. 1 because I introduced the bill the day we left the Legislative Commission meeting.

SENATOR SETTELMAYER:

This issue was discussed with the Legislative Commission because we have boards and commissions that are routinely asking to raise the fees to the businesses they serve. We would ask the board representatives if they really needed to raise the fees and how much money did they have in reserve. Must you raise fees in this economic climate? Some of the board members would actually say to the Legislators, it is none of your business. That was troubling, so we decided it would be good to have as much information as possible before having to make a decision. Assembly Bill 1 is a way to collect the information.

WES HENDERSON (Deputy Director, Nevada Association of Counties):

We are in support of A.B. 1 and particularly the provision of section 2 of the bill. Tax abatements granted by the Commission on Economic Development and the Office of Energy directly affect the tax revenue received by county governments, as most of the taxes abated are from local governments. The reporting requirement contained in this bill provides a tool that can be used to measure the efficacy of these tax abatements. We support the measure.

CHAIR LEE:

I will close the hearing on A.B. 1 and open the hearing on A.B. 454.

**ASSEMBLY BILL 454 (1st Reprint)**: Revises certain provisions relating to land use planning. (BDR 22-1119)

ASSEMBLYWOMAN MARILYN KIRKPATRICK (Assembly District No. 1):

Assembly Bill 454 is a bill that began last Session. Knowing we were entering an economic downturn, we extended the time periods for obtaining approval of final subdivision maps through local governments. There were concerns expressed if the economy turned around in four years that these projects would be completed. Last Session, the Assembly Committee on Government Affairs put sunset provisions on the number of years regarding mapping in A.B. No. 74 of the 75th Session. As the Chair of the Assembly Committee on Government Affairs, I made a commitment to the community that if the economy did not turn around, we would come back and discuss the issue again. Across the Country, people are extending these maps because time is money, but there is also some certainty for residents if the maps are finalized. With so many of the builders underwater, this helps them move forward on their projects.

I served on the North Las Vegas Planning Commission. One of the hardest lessons I had to learn was just because a project comes before you, it does not mean it will be out of the ground in 18 months. There are many required technical inspections. The majority of builders had already been through the process but because of the economic downturn, they were unable to fulfill their obligations.

Speaking with neighbors, I found there are still many open parcels within my district. Most are ranch estates. These people count on the maps which they supported during the public hearings, and the Assembly Committee on Government Affairs thought we should parallel other states by returning to a four-year implementation. I also received requests to include the conservation easement. It is good policy for our rural areas to have the same flexibility as other portions of the State. There was no opposition when the bill was heard in the Assembly because everyone understands the pain that our economy has caused to this industry.

CHAIR LEE:

By the time we get this bill through, it should give people a total of four years to submit final maps for their projects. When this issue was first discussed, we did not want to extend the time period like California, which implemented ten years and the building stopped. Is 50 acres a magic number for a conservation

easement, or is there a way for someone with a smaller project to benefit from this language?

SENATOR SETTELMAYER:

Conservation easements within local communities utilize federal government guidelines, and the federal government wants large areas of land, more than three parcels, so we settled on 50 acres to cover the A-19 zoning in Douglas County. What the federal government was trying to address was someone combining two 20-acre parcels when there was already a house on one of them and the owner wanted to sell the other one. The federal government does not want to approve conservation easement programs of that nature because they do not save large enough tracts of land.

The desire of the federal government and local governments was to create something of a 50-acre margin, but there is nothing written in law to identify this as a minimum amount. The recommendation is that areas of 50 acres or more are large enough to benefit a floodplain, floodway or a flood path to service a community. If it is the prerogative of the Committee, we could increase the number. If we try to decrease the number of acres, we would not be supported by the federal government. Much larger parcels are better because the price per acre is lower than it is on the smaller parcels. The sale price for 100 acres will be lower than the price for 10 acres based on the price per acre. When you look at a 1,000-acre parcel, the price will be much lower, and that is why we included 50 acres as the minimum amount for this bill. We worked this out with the county planning departments so the county governments would be in compliance. We discussed the issue with Carson City, which has conservation easements in place. We also talked with representatives from Lyon County, which is planning to enter into agreements to establish conservation easements.

JAY PARMER (Builders Association of Northern Nevada):

We were involved with the discussions with Assemblywoman Kirkpatrick and Washoe County in 2009 when asking for A.B. No. 74 of the 75th Session. The requested bill provides for a reasonable extension of time to file tentative and final maps. We found it has been beneficial as an opportunity to extend the life of projects that might otherwise go away during these difficult economic times.

JESSE HAW (Hawco Properties):

Our family has built houses from Henderson to Reno and Sparks. I would ask you to support this bill for three reasons. If these maps go away, property taxes in the cities and counties will fall along with the revenue. For the politics within those local governments, some of the biggest fights are over zoning issues and these subdivision maps. Losing the maps will create a tremendous amount of political upheaval at the local jurisdiction level. When the economy picks up, and it will, if these maps are gone, it would add two to three years to the time we could get the product and the home delivered to the new home buyers. Keeping these maps in place will allow us to get the economy going again.

KYLE DAVIS (Nevada Conservation League):

I am here in support of A.B. 454, specifically the section dealing with the conservation easements. Conservation easements are becoming more and more important as we try to solve some of the open space and wildlife habitat issues seen in our State. The language in this bill makes good sense and ensures that conservation easements are options in the rural counties.

TED OLIVAS (City of Las Vegas):

Since this relates to local governments, we testified in support during the Assembly Committee on Government Affairs hearing and are still supportive of the bill. Any bill that minimizes political upheaval is a good bill.

CHAIR LEE:

I will close the hearing on A.B. 454 and open the hearing on A.B. 544.

**ASSEMBLY BILL 544 (1st Reprint)**: Provides for uniformity in the naming of group homes and similar facilities. (BDR 20-675)

ASSEMBLYWOMAN MARILYN KIRKPATRICK (Assembly District No. 1):

Assembly Bill 544 is about definitions of residential facilities for groups. We tried several times to ensure we protected the safety of those people who live in these types of homes. I was granted the authority to conduct an interim study on group homes. We held three meetings, and they began late in the afternoon so the public could participate. There were five bills that came out of that Legislative Commission's Committee to Study Group Homes.

This particular bill was a huge concern because it was clear there were different rules in each city and county. You could go from one county to another and not

know the correct term for the type of facility that was being opened. If we are going to hold these people accountable for being unlicensed, we need to be clear as to what the definitions are for these types of facilities. The people who are running these homes need all of the tools we can provide them in order to comply with the law. This bill has changed a bit, however, and local government agreed to ensure the definitions are consistent. If you open a transitional home in Las Vegas, it would have the same definition as North Las Vegas, Henderson and Clark County. We found that licensing was all over the board because when a person appeared before the county and explained what type of facility he or she wanted to open, the person standing behind the counter could assist him or her. Assembly Bill 544 will bring stability to the process when the terminology is consistent from county to county.

We worked with the Department of Health and Human Services. Clark County voiced some initial concerns because both entities have been sued in the past. We wanted to be careful not to create another lawsuit-type situation for the State or the County. All local governments and the State will be working together. The bill also allows each county to determine what works best for it.

MR. OLIVAS:

Assembly Bill 544 is the result of a great deal of constructive discussion. Assemblywoman Kirkpatrick mentioned the work we put into drafting the language. The first reprint was crafted very specifically by a number of legal minds to ensure it was appropriate for everyone. We do want to maintain consistency throughout the State with this terminology, and we are in support of the bill.

JAVIER TRUJILLO (City of Henderson):

The City of Henderson was involved with the study meetings, and we are in support of the bill.

BRIAN PATCHETT (CEO, Easter Seals Southern Nevada):

As a member of an association of providers that works with group homes, we put forward our support of this bill.

CHAIR LEE:

Could you provide me with a thumbnail sketch of what Easter Seals provides for the community?

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MR. PATCHETT:

Easter Seals provides services to children with disabilities. Last year, we served about 6,000 individuals in southern Nevada. Those services range from child care for children with disabilities, early intervention, supporting living arrangements for folks with developmental disabilities who want to live independently, employment, unrelated services, technology-related services—a whole array of services to help people be successful in life.

CHAIR LEE:

Do you recognize all people for these services, from birth to 90 years old?

MR. PATCHETT:

Yes. Easter Seals has been around since 1919 and in Nevada since 1950. The organization helps people with disabilities to live independently with dignity.

CHAIR LEE:

I always knew Easter Seals was a valuable service to the community, but I was never involved with the organization.

SENATOR MANENDO:

Easter Seals does wonderful work. I have taken tours of its facility. You should take a look at it because it does really good stuff.

CONSTANCE BROOKS (Senior Management Analyst, Office of the County Manager, Clark County):

We would also like to offer our support for A.B. 544 and have been participating with discussions in the interim, as well. This legislation is a step in the right direction to help regulate group homes and to provide a better partnership with the State agencies to make a better situation for those in need of group home residences.

CHAIR LEE:

I will close the hearing on A.B. 544 and open the hearing on A.B. 45.

ASSEMBLY BILL 45 (1st Reprint): Revises provisions governing district attorneys. (BDR 20-251)



NANCY BOLAND (Chair, Board of County Commissioners, Esmeralda County):  
Assembly Bill 45 was proposed by Esmeralda County to clarify the duties of district attorneys and fill a gap that exists in statute establishing office hours. Nothing in the law establishes office hours in counties that have less than 2,500 voters during the last election for the U.S. House of Representatives. We worked with the Nevada District Attorneys Association, all affected district attorneys and the Legislative Counsel Bureau to include language suitable for everyone. We are trying to resolve an issue with what I call the dial-up district attorney in some of the smaller offices. In my written testimony ([Exhibit C](#)), I cited some examples of what has happened and what could happen to the counties if they get someone in the office who is not willing to perform. Another problem in the large and small counties, the district attorneys seem to have a wide interpretation of the duties of the office. Statute says the district attorney shall perform as the criminal prosecutor, attend the meetings of the board of county commissioners while the board is engaged in auditing accounts and claims, and he or she should give advice when required to members of the board on matters relating to their duties. This bill is to flesh out more specifically what "giving advice" means.

Most of you are aware that a board of county commissioners relies on the legal opinion of the district attorney in order to be held harmless on contractual matters. Even if we try to draft legislation in our County, we will request advice from the District Attorney. We may be out of compliance with the statutes because we have not had stellar district attorneys who kept the Board of County Commissioners apprised of the changes in *Nevada Revised Statutes* (NRS) so we could keep pace with our own local ordinances. This is important for all counties, not just ours.

CHAIR LEE:

Is the District Attorney in Esmeralda County elected or appointed?

MS. BOLAND:

It has always been an elected position, but we have had to appoint them from time to time due to vacancies.

CHAIR LEE:

Has there been a question between your County Commissioners and the District Attorney about the responsibilities, or have the district attorneys interpreted that they work for themselves and not for the County Commissioners?

MS. BOLAND:

We have had problems with attendance with district attorneys who failed to make it through their primary race and others we did not physically see for six months. We had another District Attorney whose practice was to call in for meetings. If the Board of County Commissioners had a legal question, the District Attorney indicated he would be available by cell phone, so he would send a clerk, not an assistant district attorney, to sit in his chair. When the clerk tried to contact him, he was unavailable. We actually have more luck with appointed district attorneys than we do with elected district attorneys. We appointed someone to the position and got more legal work out of her in two months than we had from the elected district attorneys in the previous two terms.

This is not just a problem in Esmeralda County; the smaller counties have the same issues. If you ask for a written opinion, they say they will give you a verbal opinion, but they will not put anything in writing. It is very important when you have Open Meeting Law compliance issues. The duties need to be better defined so there is no interpretation error. You cannot recall the person, because he or she is only responsible to show up in criminal court when the claims are being audited. There have also been instances in other counties where district attorneys attend board of commissioners meetings only until the vouchers are signed, and then they stand up and leave.

CHAIR LEE:

Does the District Attorney you utilize in Esmeralda County have other responsibilities in other counties?

MS. BOLAND:

Only Esmeralda County, and the position is the highest paid in the County.

CHAIR LEE:

Would it be better if you were able to appoint your District Attorney in Esmeralda County?

MS. BOLAND:

It is constitutionally required to have a District Attorney.

CHAIR LEE:

You have 952 people who live in Esmeralda County; you must have lawyers who live in that County.

MS. BOLAND:

We do not have any lawyers who live in Esmeralda County. The District Attorney does not have to be a resident of the County. In many of the rural counties, the district attorney comes in from Reno or Las Vegas.

SENATOR SCHNEIDER:

How many people live in Esmeralda County?

MS. BOLAND:

The U.S. Census came up with 775. The State Demographer discovered an error was made and a portion of the County was not counted. The total number is probably closer to 875 for the entire County.

SENATOR SCHNEIDER:

Homeowners' associations in Las Vegas are bigger than that, and they hire attorneys just to come to the meetings. Maybe the counties could get together to hire one guy, and he could float from county to county.

MS. BOLAND:

We would be happy to do that if it was allowed constitutionally. We investigated that option before this legislation was proposed.

SENATOR SCHNEIDER:

We could put that on the ballot to allow it constitutionally or have the Attorney General represent these counties. There has to be a better way for them to receive assistance.

MR. HENDERSON:

We are in support of A.B. 45 for the flexibility it provides to some of the smaller counties to set the hours of the district attorney's offices. It also clarifies the duties of the district attorney to ensure the board of commissioners gets the legal counsel it needs to effectively operate.

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BJORN (BJ) SELINDER (Churchill County; Eureka County; Elko County):  
Speaking on behalf of Eureka County that would come under the purview of A.B. 45, I want to express our support, as it was a group effort to bring this bill forward.

CHAIR LEE:

If this becomes law, how would this person be sanctioned if he or she does not live up to the requirements in the bill?

HEIDI CHLARSON (Counsel):

I will need to check to see if there is any sanction in statute. If the district attorney was not performing his ethical duties, the board of commissioners would be able to report the district attorney's conduct to the State Bar of Nevada for discipline. I will need to review the statutes to determine if there is a specific punishment set forth for district attorneys who do not comply with their statutory duties.

MS. BOLAND:

I am familiar with that process because it was also researched. If the district attorney does not comply with the set office hours and is not called away on duties of the office or does not have permission from the county commissioners, the board can withhold pay for the period during which the district attorney is not performing. If the attorneys totally fail to perform, they can be guilty of a misdemeanor.

SENATOR SCHNEIDER:

How much does this job pay?

MS. BOLAND:

In Esmeralda County, the job pays \$76,366 plus benefits, which brings it up to about \$95,000.

SENATOR SCHNEIDER:

There are a number of unemployed attorneys in the State, so it seems you could find one.

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JEFF FONTAINE (Executive Director, Nevada Association of Counties):  
Commissioner Boland and others have worked hard to review different alternatives to address this problem, and this is the best solution the Nevada Association of Counties and Esmeralda County could come up with.

CHAIR LEE:  
How many counties that are under 9,000 are we talking about? This legislation may involve a group of people.

MR. FONTAINE:  
I believe it would affect seven counties.

CHAIR LEE:  
Esmeralda, Eureka, Lander, Lincoln, Mineral, Pershing and Storey Counties are the seven that would be affected.

MR. FONTAINE:  
During the course of trying to work this bill in the Assembly, all of the counties were contacted with the various iterations and versions of A.B. 45. Initially, there were a few counties with concerns, but we have not heard that any county has a concern with this first reprint.

CHAIR LEE:  
I will close the hearing on A.B. 45 and open the hearing on A.B. 192.

**ASSEMBLY BILL 192 (1st Reprint)**: Revises various provisions relating to fees charged by county recorders. (BDR 20-901)

BARBARA BUCKLEY (Ex-Assemblywoman; Executive Director, Legal Aid Center of Southern Nevada):

Assembly Bill 192 is enabling legislation that allows each county commission, if they so choose, to raise the recording fee \$3 to support the legal representation of abused and neglected children. There is probably no issue I feel stronger about than this one. About ten years ago, the nonprofit organization where I work began representing abused and neglected children as their voice in court. It is probably some of the most important work I have ever done in all of my legal career or legislative career.

Here in the system you have children who are victims. They have done nothing wrong but had the unfortunate circumstance of being the victim of abuse and neglect. Once they are placed in the system, they quickly become the problem and not the victim. It should not be that way, but it is. When children are taken away from their friends, they act out because children naturally act out, especially when they are teenagers. Instead of being grounded, like we would discipline our children, most of the children in foster care end up getting arrested. Often they end up hospitalized in a mental health facility and put on a regimen of psychotropic drugs which probably is not appropriate. What they really need is a loving home.

The Legal Aid Center of Southern Nevada ([Exhibit D](#)) began our representation of abused and neglected children about 11 years ago. We began with one lawyer and our first client. Fast forward to today, and we represent half of the children in care. We have ten nonprofit lawyers. Our starting salary is \$50,000 because we do not have the Public Employees' Retirement System or the Public Employees' Benefits Program. Instead, we have dedicated lawyers who think there is nothing better than representing these kids and finding them a permanent home.

We have 250 private attorneys, lawyers in the community who volunteer their time to support our work. With our 250 pro bono lawyers and our 10 staff attorneys who not only represent kids but train and mentor these attorneys, we are only representing half of the children in foster care. The government has a lawyer, the abuser has a lawyer, but who can file a motion saying, "Let this child visit her brother?" Who can file a motion saying, "An 8-year-old should not be on eight psychotropic medications?" Who can file a motion saying, "Make this adoption happen?" The only person who can do those things is the children's lawyer. That is what A.B. 192 will enable. It is not setting the fee by the Legislature but allowing the counties to assess their own individual needs when going forward.

This bill will end up saving the State money because one of the big things attorneys do when representing kids is try to get them out of the system. That means either back with family or adopted. In 2007 in Clark County, 225 children were adopted out of the foster care system and in 2010, that number rose to 442. This year it could be as high as 600 children adopted out of the foster care system. We have asked the court in Clark County to set a special adoption assessment calendar to speed up the process of issuing orders

stating the adoption will be done shortly. Adoptions have tripled, and our goal is to increase them further.

CHAIR LEE:

How are you funded now? Will this bill eventually allow you to be self-funded?

ASSEMBLYWOMAN BUCKLEY:

Legal Aid services in our State are not funded by the State and never have been. Our funding sources are locally generated filing fees and philanthropy. Right now, funding the children's attorney project, I have one private anonymous foundation in Las Vegas that funds one attorney. I have the Nevada Women's Philanthropy, a number of Las Vegas women who contribute \$5,000 each to fund a community project. They are funding one position for three years. The funding is through a mixture of grants and filing fees. Yes, it is our mission to have this program be self-supporting, and some funding sources will end. For example, the Nevada Women's Philanthropy got us jump-started, but it will end after three years. We have one attorney who is just representing victims of sexual abuse because we had a number of girls getting torn apart on the witness stand without anybody to stand next to them when they were brave enough to report sexual abuse. That position was funded through some American Recovery and Reinvestment Act (ARRA) stimulus money under the Victims of Crime Act budget, and that will also end. Yes, with this measure and Assembly Bill 259, which the Senate should receive sometime soon, we will be able to provide an attorney for every child. It will be self supporting.

[ASSEMBLY BILL 259 \(1st Reprint\)](#): Requires a portion of certain existing fees to be used for certain programs for legal services. (BDR 2-817)

CHAIR LEE:

You receive the money, but are the decisions made by a board of directors?

ASSEMBLYWOMAN BUCKLEY:

Yes. It is a nonprofit board of directors. Three organizations provide services to the indigent under NRS 19.031: Legal Aid Center of Southern Nevada in Clark County; Washoe Legal Services in Washoe County; and Nevada Legal Services in the rural communities. We are governed by a nonprofit board of directors who are accountable to the community. Many of them are lawyers, but we also have client representatives and an accountant. Our services are also overseen by the Access to Justice Commission, which is Chaired by Chief

Justice Michael L. Douglas and Associate Justice James W. Hardesty. There are also others who provide input for our priorities.

CHAIR LEE:

Will your board create a plan to help the organization, then the county commissioners in the appropriate county will have a presentation and decide if they want to proceed and at what level?

ASSEMBLYWOMAN BUCKLEY:

Yes, we will present a plan. For example, in Clark County the plan may be to represent every child but to implement it in phases. By the time the money is collected, it will probably be the year 2012, and we will recommend a phase-in process of implementation. We will plan a prioritization, such as victims of sexual abuse or teenagers who are about to graduate from the child welfare system who need advice. We will prioritize a phase-in implementation and present the plan. If they are in support of the plan, it will likely be approved.

SENATOR MANENDO:

You mentioned the Victims of Crime Program and the funds that would no longer be needed.

ASSEMBLYWOMAN BUCKLEY:

The money we are receiving right now is from ARRA, the federal stimulus, because some extra money was allocated to the Victims of Crime. Not the program where victims apply for medical help, it was a completely separate pot of money that came through the State, not through the local district attorney's office. That money was allocated to pay for one attorney to represent victims of sexual abuse. That money is going away.

SENATOR SETTELMAYER:

Who will decide if an attorney is necessary to represent the child? Does the court determine that or the Court Appointed Special Advocate (CASA)? Will an attorney review and accept the case?

ASSEMBLYWOMAN BUCKLEY:

Each county will decide what it needs. For example, in Clark County it is our goal to have an attorney for every child because even the simple cases wherein you think things may go well may not. It takes one phone call of a child acting



out before he or she is in a psychiatric hospital receiving medication. A simple case can turn into a complex case pretty quickly.

In some of the rural communities where this will not generate enough funds to represent every child, it may be that three or four counties can hire one attorney and provide training for pro bono attorneys or prioritize the worst cases. Let us say a community has a problem where siblings are being separated—and there is nothing worse than being abused, taken from your home, your school, your friends and then to lose your brother and sister. The CASA program may work with the courts to say, our top priority for attorneys is sibling separation cases. Since we do not have enough money to represent every child, would you please prioritize your cases. That would be allowed at the county level as opposed to the State level.

SENATOR SETTELMAYER:

The bill would introduce a fee for recording a document, instrument, paper, notice, deed, conveyance, map, chart, survey or any other writing as well as a signed copy of a certificate of marriage. Do you have any idea how much money that would generate in most counties? In Clark County, there should be a substantial amount of money to help protect the children. In Douglas County, we process many of the documents listed in section 2, subsection 4, and it should produce a large amount of money toward this project.

ASSEMBLYWOMAN BUCKLEY:

Yes, I do have those figures. At the \$1 levels it raises: Clark County, \$800,000; Washoe County, \$111,000; and in the rural counties combined, \$205,000. I do not have the exact breakdown, but that should give you a general idea of the funding level.

CHAIR LEE:

Could you provide me with a summary of the Domestic Violence Project noted in your presentation and explain what it does for the community? Then could you follow up with the Consumer Rights Project, Pro Bono Project, Community Legal Education Project and the Civil Law Self-Help Center? Your organization does much more than provide help for children.

ASSEMBLYWOMAN BUCKLEY:

When I have been here serving, I have not really had the opportunity to educate fellow lawmakers and the public about the work being completed by Legal Aid

throughout the State. We are a 501(c)(3) nonprofit organization, not government, providing help to people in need of civil legal assistance. The great irony is if you are accused of a crime you receive a court appointed attorney, but if you are a victim of domestic violence, an abused child or a senior who has been swindled out of your life savings, the only way you can get help is through legal aid funded by a certain level of fees and philanthropy. We at Legal Aid have grown tremendously over the years. When I began with Legal Aid 21 years ago, we had 1.5 attorneys. We now have 27 attorneys and a staff of 60. We have a few major projects, one of which is the abused and neglected children project that I described. It has been rewarding and valuable to these kids.

Another is our Domestic Violence Project where we provide legal representation in custody and divorce to victims of domestic violence. The reason victims often do not leave their abuser is because they are afraid the abuser will get the kids, so they stay. If the spouse cleans out the bank account and has the assets, that is another reason they stay. Legal Aid levels the playing field. We will represent the victim for free in seeking a divorce, custody or support to reclaim a life from violence.

We run the Pro Bono Project where we ask every lawyer in the community to take at least one case for us for free each year. We currently have 1,000 cases out in the community and we have lawyers from all walks of life, some big firms and corporate counsel. I love it when a judge sees Kim Sinatra, General Counsel for Wynn Resorts Holdings, LLC, walk into Family Court to represent an abused child.

The Consumer Rights Project helps people with payday loans. Did you ever wonder why I was so fixated on payday loans? It was because I saw so many people getting stuck with a \$4,000 judgment from a \$200 loan. We work fraud cases, foreclosures, bankruptcies and garnishments.

The Civil Law Self-Help Center is a brand-new initiative in Clark County in partnership with the Clark County courts and justice courts where they have created the Civil Law Self-Help Center in the courthouse, available to anyone who has a legal problem. Last year was our first year of operation. We received a contract to run it and served 31,000 people in one year alone. It is like a legal emergency room.

The Community Legal Education Project is an amazing partnership with the William S. Boyd School of Law. The law school requires all of its law students to do community public service with our office. Every week, 200 people are taught classes by law students in our small crowded classroom and at the University of Nevada, Las Vegas (UNLV), campus in divorce, custody, guardianship, bankruptcy, small claims court and foreclosure mediation.

We have a wide range of offerings. Every week, 40 people attend a free Ask-A-Lawyer Program on divorce and custody. On Wednesdays, we offer a free Ask-A-Lawyer Program on landlord/tenant law where we help landlords and tenants know their rights. Every Tuesday we have a free Ask-A-Lawyer Program on foreclosure mediation. Because of the recession, we are booming. We have helped more people who never thought they would ever need help in their lifetime—a plumber who walks in and says I have never been without a job in this town and I am losing my house, my wife is divorcing me and I have been sued.

THE HONORABLE MICHAEL L. DOUGLAS (Chief Justice, Nevada Supreme Court):  
We weighed in to support A.B. 192. I am here also as the Cochair of the Access to Justice Commission, and we believe our children should have a voice, especially in this important area of abused and neglected youths. In many cases, this is the difference for these youths to survive and, more important, this can be the difference in us not seeing them further in the juvenile system or the adult system if they have a voice and receive good guidance.

Assemblywoman Buckley covered the salient points and also gave you an overview of what Access to Justice and Legal Services do. We have folks representing all areas of the State. The beauty of this program is that it allows local control and allows our local communities to decide how they want to buy into it and whether or not they want to fund this service. For us, how we are perceived in the State and in the rest of the world is how we take care of our kids.

DASHUN JACKSON:

I am a former foster youth ([Exhibit E](#)) and I am President of the Nevada Life Youth Advisory Board, as well as the Las Vegas Chapter of Foster and Adopted Youth Together. I came here today to make change. I came here to be a voice for those who do not have a voice, I came here to stand, where so many have fallen. I sit here faith-driven and purpose-motivated, determined to say enough

is enough. I pose a question to you, why are so many foster children failing? As you gather your thoughts, I want you to examine a life as a foster child without representation. It is cold and silent. It is scary. It is painful. Foster care is one of the leading causes of high school dropouts and teen pregnancy, and these youths make up a huge percentage of the homeless population. The moment foster children stopped being viewed as victims and started being viewed as criminals was the exact moment the life of a foster child ended. It became dull and colorless; it seemed empty. The sounds of genuine laughter ended. The joyous memories began to flutter away. Rooms without windows of hope begin to fill the minds of foster children. Silent tears now fill a foster child's bed.

Take a moment and meditate on an empty world, colorless, void. Ask yourself a question, could I live like a foster child? Taken to a stranger's home, in search of a better one, but all I get is a cot on the floor, my food thrown down on the ground and I am forced to eat it all up like a savaged animal. Can I go to school everyday, hiding a secret of abuse in fear of being beaten? I can continue to sit at a dinner table eating nothing but peanut butter and crackers, while the rest of the family eats real food. Can I go months without a proper bath? Can I take the beatings in silence, and when I do speak up, no one is listening? Can I be monitored 24 hours a day by cameras placed in every corner of the house? Can I sit sleeping on park benches and on cardboard boxes with only my shirt to keep me warm in the winter? Can I be a jailed monkey, locked away and only kept for financial reasons? If your answer is yes, then there is nothing more to say; however, if your answer is no, then now is the time to make change.

Now is the moment where we say enough is enough and we rise and make a stand. Everything you take for granted is the very thing a foster child treats as gold. I am sensitive to the many problems we are facing economically, and I am sympathetic to the position you are in, but if you continue to be silent and you continue to ignore the voices and the cries of help from foster children, you are ultimately setting them up for failure and defeat. You are saying it is okay if you do not have a great home. It is okay to handle things your way. It is okay to be treated like animals. It is okay.

You are sending a message that says it is okay to grow up uneducated and it is okay to join the statistics. I want you to know today that no matter how hard things got, I managed to find a voice through my attorney and with the support and aid of so many. I sit before you victoriously. I am proud to be who I am and proud to say that had I not had a voice, then I would not be so victorious. I did

not have an attorney until the last year and a half of my case. Before then, I was a silent, dead soul struggling to find a voice in an adult world. So many foster youths need that extra boost. They need someone to stand by their side. I did. I went from being an eternal victim to being eternally victorious.

Before I close, I want to leave you with this question: if the criminals get the steak, then what do the victims get? Lord forbid anything should happen to you, but if it did and your children had to be placed into the foster care system, what would you want their experience to be? Ask yourself, how can a mother and father who have abused a child get represented but treated with respect and dignity, and the victims, the foster youths, get nothing but leftovers and a twisted future?

Martin Luther King, Jr., once said, "The question is not whether we will be extremist but what kind of extremist will we be." The Nation and the world are in dire need of creative extremists. We are extremists, and we are advocating for human rights.

OLLIE HERNANDEZ:

I am a former foster youth who strongly supports this bill ([Exhibit F](#)). Life in foster care was hard to adjust to. My sister and I had our lives yanked out from under us, and now we had to live up to someone else's expectations. When my sister and I moved to our first foster home, it felt strange. I had no idea who these people were, and they quickly assumed the role of parents. They gave me chores, I was required to go to school and I expected them to understand how hard the transition was when trying to start over. I succeeded, but my little sister was a different case. While I was doing better, she was doing worse.

Two years after we moved into our first foster home, we moved into our second one. I had more knowledge in how to interact with the new foster parents, so I did better than in the first home, but my little sister struggled. After three years of being in foster homes, we moved back in with my aunt and uncle because they had gone through training so we could move in with them. Several months after that, we again entered the foster care system.

Over the next two years, my life was chaotic. I bounced through two foster homes in one year and felt lost and alone. I had not seen my older sister in a long time. Six months later I began my freshman year in high school and joined Junior Reserve Officers' Training Corps, which is supposed to be a family

environment, but it really was not. That all changed on one normal day when I met my Children's Attorneys Project (CAP) attorney. My CAP attorney and I clicked instantly. She asked me about my current home life, and I gave her brief details. She also asked me if I had any problems, and I told her how badly I wanted to have regular visitation with my older sister. She made this happen within two weeks.

Through the years following those events, life has accelerated quickly and these years have been the most challenging. My CAP attorney has always been there for me whenever I needed her. She has argued my point of view at every court appearance. When I was placed on antianxiety medication, she fought for me so I did not have to take it. When I was a junior in high school and wanted to complete a summer program at UNLV but could not afford dormitory supplies, she made that happen. She has helped me during my senior year of high school by making sure I kept my grades up, applied for scholarships, applied to colleges and took care of my financial aid. My CAP attorney has been my main support system for the last six years. She has been at every award ceremony that I have ever been a part of, and she has patiently listened to my frustrations, my concerns about the future and my ranting about what college I wanted to go to or what major I wanted to take.

Because I have a CAP attorney, I have accomplished many things that few foster children dream about. A couple of examples: I have graduated from high school and am currently enrolled at UNLV. My CAP attorney has guided me through nine years in foster care. The definition of an attorney is someone who argues for you on a legal basis. I agree with that definition, but a CAP attorney is so much more. A CAP attorney is your advocate, your friend, your parent in times of need and the person who makes sure you are not taken advantage of. If I did not have a CAP attorney, I would not be where I am today.

CHAIR LEE:

I wanted to hear your experiences. I would hope in both your cases you have found joy in certain instances of your life. I know there are some good foster parents out there and we recognize there are also some bad ones. You made very impressive statements. Your testimony has been valuable and relevant to what we are discussing here today.

PAUL D. ELCANO, JR. (Executive Director, Washoe Legal Services):

I represent Washoe Legal Services ([Exhibit G](#)). We are a separate 501(c)(3) organization that provides the same services in Washoe County that the Legal Aid Center of Southern Nevada provides in Clark County. Regarding a couple of questions that were asked, in Washoe County, the court appoints a lawyer in the child advocacy case. I echo all of Assemblywoman Buckley's comments.

Funding for child advocacy in Washoe County comes from several different foundations, filing fees at the courthouse and a contract with Washoe County. Until recently, we represented half of the children in foster care. The number fluctuates but is right around 800 children at this time. Because of County budget cuts, our contract was decreased by about \$80,000, so we are below half of our normal funding. Questions were asked about the quality of lawyers who participate in the Child Advocacy Program. We have four lawyers in our Child Advocacy Program who were No. 1, No. 5 and No. 7 in their law school classes. One is a cum laude graduate from Duke Law School. These are the people who are completing this work.

We appear before the Washoe County Commissioners every three years to renew our contract. During the last renewal process, because of the budget cuts, the Commission told us they were pleased with the work we were doing and wished they could provide more assistance. Assembly Bill 192 gives them the opportunity to provide assistance and live up to that promise.

You heard from the two children who were in the foster care system. This is not the normal lawyer-child relationship that we have here. All of our lawyers build relationships with these children. They end up being mentors, they attend Little League games and ceremonies. It is a very different kind of relationship. In fact, it is a wonderful relationship for those of us like me who participated mainly in the litigation side of the law. It is wonderful to see these personal relationships grow. For many of these children, this is the only time in their lives that someone will stand up and fight for them. It is important to know that somebody will stand up and fight for you. This bill will enable us, with the help of the County Commissioners, to stand up and fight for the rest of the children in foster care who are not represented.

PAULA BERKLEY (Nevada Network Against Domestic Violence):

The one unique point I would like to make is that all of us who are providing services in the community depend on other ones to do their jobs in order for us

to do our job. Our victims quite often have kids, and they are sometimes abused, so this funding makes it possible for us to complete our tasks. This could not be done without the legal advocacy support we have now.

JOHN R. MCCORMICK (Rural Courts Coordinator, Administrative Office of the Courts):

I am here today on behalf of Supreme Court Justice Nancy M. Saitta to echo the comments of Chief Justice Michael L. Douglas and to provide a copy of her written testimony for the record ([Exhibit H](#)).

CHAIR LEE:

For the Committee's information, this is a host bill. Karen Dennison has asked if she can discuss an amendment that might be attached to this bill. If the bill is in any peril, this amendment will not be accepted. I want to make sure you understand the conditions.

KAREN D. DENNISON (American Resort Development Association):

Yes. This amendment ([Exhibit I](#)) is in response to a radical policy change which was communicated in a letter from the Clark County Recorder dated April 20. We received this communication on April 26. This amendment is a product of collaboration between the time-share industry and the title insurance industry. I have spoken to Alan Glover, who is the President of the Nevada Records Association and the Clerk and County Recorder of Carson City. This amendment was brought forward because the letter from the Clark County Recorder addressed a practice which is not the policy of the other 16 counties.

The letter outlined documents which will not be recorded or accepted for recording by the Clark County Recorder. The first category was those documents which have multiple titles. The examples given were a deed of trust, security agreement, pledge agreement and fixture filings. These types of documents are universally used in the commercial lending industry as multiple security instruments, which need to be recorded as one integrated document. The deed of trust and the fixture filing components, which encumber real property, are both indexed in the same index, that being the official records of each of the county recorders. The security agreement and the pledge agreement involve personal property and therefore require no additional indexing.

An example given is the substitution of trustee and full reconveyance. This document is used on payoff of a loan. Oftentimes, it is two separate



transactions that should warrant two separate indexing fees. Regarding the substitution of trustee, normally the lender will substitute itself as trustee so it can convey legal title back to the borrower upon payoff of the loan and not incur a trustee fee in the transaction.

The second type of document included in the policy promulgated by the Clark County Recorder involved documents containing more than one assessor parcel. For example, you are a lender and you had a deed of trust on a condominium project. In units within a condominium project, each one has a separate assessor parcel number. This document would not be accepted for recording.

The third category of documents referencing numerous trusts was aimed at bulk recording of the time-share industry. That is bulk recording of foreclosure notices of default and election to sell and the subsequent recording of bulk notice of sale for numerous time-shares.

One of the members of our law firm attended a meeting with the Clark County Recorder last Friday and was told orally, we have nothing in writing, that this policy has been withdrawn. We feel strongly that the law needs clarification, so we are proposing this amendment.

The first part of the amendment, [Exhibit I](#), was amending NRS 247.145, and we are withdrawing our request that subsection 1 read the County recorders "must" record any document authorized, entitled or required by law to be recorded when presented for recording. We will accept the current language in section 1 to remain as the word "may."

In subsection 2 of our amendment to NRS 247.145 on page 1 of [Exhibit I](#), we have added, "For purposes of this section, a document shall not be considered unauthorized, falsified or otherwise not lawfully recordable for the following reasons:" We are withdrawing paragraph (a) which says, "the recorder believes that the document has been submitted with an incorrect tax exempt status." Likewise, we are also withdrawing paragraph (b) which states, "the recorder is uncertain of the effect of recording the document unless the recorder has substantial reason to believe that the document is fraudulent or forged." We do want the other three paragraphs left in the amendment: "(c) the document contains multiple titles; (d) the document involves multiple parties; or (e) the document involves multiple parcels."

We are also omitting the following sentence from the subsection 2 amendment which describes the role of the recorder:

The role of the recorder shall be to determine if the document presented for recording is in appropriate recordable form and to determine to a reasonable standard of care that the document presented for recording is not a forgery or has not been presented for the purpose of perpetrating a fraud.

CHAIR LEE:

Ms. Dennison, when did you know you were going to make all of these changes to the amendment? For the Committee's sake, we would like to look at a clean proposal.

MS. DENNISON:

I worked with Mr. Glover this morning on these changes, which he has suggested, and it will be submitted for review to the recorders of the other 16 counties.

CHAIR LEE:

I will allow you to finish testifying, but I have some real concerns with this amendment.

MS. DENNISON:

The rest of the proposed language changes to subsection 2 would remain in the amendment which says, "If a request to record is denied the recorder shall, within 2 judicial days after presentation of the document, provide a notice as required by subsection 3 herein." If a recorder fails to make such a determination "and provide such a notice" within a specified period, the recorder shall record the document as soon as practicable, unless otherwise ordered by a court. We have added the notice provision as required by subsection 3 of the law.

The final piece of the amendment has to do with bulk recordings by the time-share industry. I preface my statement by saying that time-share foreclosure notices are traditionally batched or recorded in bulk as a cost-saving measure. Cash-strapped time-share associations are finding it very difficult to foreclose because they cannot afford foreclosure costs. This law would apply not only to the foreclosure of assessment liens of time-share associations but

also deed of trust, notices of default and notices of sale where the property described is a time-share.

For NRS 247.120 subsection 1, page 3 of this amendment offers a new paragraph (q) which would add to the documents entitled to be recorded: "(q) A notice of default and election to sell and a notice of sale. If the document is (i) a notice of default and election to sell or a notice of sale under NRS 107.080," that is the deed of trust foreclosure statute," and the property described in the notice is a time-share as defined in NRS Chapter 119A," this is the deed of trust encumbering a time-share, "or (ii) a notice of default and election to sell or a notice of sale under NRS 119A.560," which is the time-share association lien foreclosure statute, "the notices may apply to multiple owners of up to and including 52 time-shares." We chose 52 because there are 52 weeks in a year and time-shares are typically segregated in one-week increments. "The notices described herein shall be subject to an indexing fee pursuant to NRS 247.305(1)(c) for each time-share after the first." If 50 time-shares were batched in one foreclosure sale notice, then the other 49 would be subject to a \$3 indexing fee, which is already in statute.

Finally, the proposed amendment to NRS 247.305 clarifies what each portion of a document means for purposes of separate indexing. Page 5 of [Exhibit I](#) amends subsection 1, paragraph (c), "Unless specifically required by statute, a portion of a document shall not be defined by reference to the number of interests, parties or parcels contained in a document." We had specifically omitted the number of titles contained in a document because we believe that some county recorders are charging indexing fees of \$3 each for separately titled documents.

CHAIR LEE:

This looks like a Senate Commerce, Labor and Energy Committee issue to me, so I would like to hear from Senator Schneider.

SENATOR SCHNEIDER:

This is a Commerce and Labor issue. The time-share industry has been ravaged by the recession. The time-share buildings have tens of thousands of week and half-week units in them. The people have been walking away, not paying their dues and not making their payments on time. The industry has to foreclose on thousands of these units on the books, and that is why Ms. Dennison is here.

To process each one of these foreclosures individually would be catastrophic because some of the time-share buildings are right on the edge due to the number of foreclosures. Think of it as a condominium project, and you are foreclosing on 90 percent of the project. It would be catastrophic, and the developer would go under. This allows them to move through the process and allow the developer to take the units back to resell and control them again.

We worked with Ms. Dennison last Session when we allowed them to foreclose on these time-share units and then move the foreclosed units to other buildings in the development. This allowed them to have occupied units out front. We have allowed changes to keep these time-share buildings afloat. I was surprised to learn the Clark County Recorder had made this change. I have a question for Ms. Dennison: do the banking industry and the real estate industry know what happened on this other portion where you are recording in these big real estate transactions? Are they aware of what the Clark County Recorder is doing to them? This is also catastrophic for the real estate industry.

MS. DENNISON:

Yes. Since I received the first e-mail regarding this policy on April 26, there has been a flurry of e-mails from the Real Property Law Section and the Business Law Section of the Nevada State Bar opposing this policy. They expressed concern over a policy being withdrawn orally that could be implemented at a later time.

In the banking industry, if you cannot record a document that is a deed of trust, security agreement, pledge agreement or fixture filing, lenders will not lend on commercial properties because that is a normal instrument of choice to encumber not only the real property but the personal property and fixtures within the building. This would be catastrophic, and every member of the Real Property Law Section, of which I am the Vice Chair, has voiced concerns over this particular policy. We would welcome clarification in the law that this policy could not be implemented at a later date.

SENATOR SCHNEIDER:

I realize Ms. Dennison spoke today with the Recorder from Carson City and has a verbal amendment for us. I would like to see the amendment in writing and ask Assemblywoman Buckley to accept the amendment. This is a good amendment to attach to A.B. 192 if this is the only vehicle available.

CHAIR LEE:

Would you like to make a comment, Senator Settelmeyer? We are leaning on you with your Commerce and Labor experience.

SENATOR SETTELMEYER:

I spoke to Assemblywoman Buckley regarding the amendment and was concerned about the language "may be required" to be used in the same sentence which has been addressed. I am also aware of the issues facing the time-shares and condominiums and am surprised about this new issue that has arisen in Clark County. I would really like to hear what Mr. Glover can add to the discussion.

ALAN GLOVER (Clerk/Recorder, Carson City):

Speaking for myself and not for the other recorders, Ms. Dennison's proposed amendment is acceptable. Our original concern with the amendment was that it would inhibit our ability to record documents and, more important, it would have inhibited our ability to collect real property transfer taxes. Ms. Dennison's changes to the amendment correct that. We could get a clean amendment prepared by this afternoon and I can send it to all of the recorders around the State for review. Most of us already do what is written in this amendment. I do not think you will see any objections, but sometimes getting 17 recorders to do anything quickly can be a little difficult. This will work for the recorders and it should solve the problem.

CHAIR LEE:

I understand this as a time-share issue. Some of the counties probably do not have time-shares. I would still like you to get the approval of the recorders and get back to us with what you find out.

MR. GLOVER:

Yes, we certainly will.

CHAIR LEE:

I would like you to meet with every member of this Committee, and I would also like to know all of the recorders in the State agree with your amendment. Assemblywoman Buckley's bill seems to be on its way to success, but I do not want to harm her bill with this amendment. This should have been a bill of its own and heard in the Senate Commerce, Labor and Energy Committee. We will continue to work this, and Senator Schneider will take the lead.

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SENATOR SCHNEIDER:

I will do that by working with Mr. Glover and Ms. Dennison to get this handled. I will also work with Assemblyman Kelvin Atkinson and Assemblywoman Kirkpatrick on the Assembly side.

CHAIR LEE:

I do not want to go into a conference committee with any distractions from the main bill because the Assembly did not get a chance to hear the issue.

ASSEMBLYWOMAN BUCKLEY:

I nervously acquiesce to add this amendment. It does sound like an important issue, and I appreciate Mr. Glover making the amendment work. If all the recorders are in agreement and it helps the time-share industry, then I will support it. The worst thing that could happen would be to have abused children not receive the help they need because of an amendment that had nothing to do with them.

CHAIR LEE:

I will close the hearing on A.B. 192 and open the hearing on A.B. 68.

[ASSEMBLY BILL 68 \(1st Reprint\)](#): Revises provisions governing the sale or lease of real property by counties and cities. (BDR 21-401)

J. DAVID FRASER (Executive Director, Nevada League of Cities and Municipalities):

I am presenting Assembly Bill 68 on behalf of the Nevada League of Cities and Municipalities. The League is governed by the Board of Directors that includes an elected official from each of our member cities. We also have a legislative committee whose members meet for over a year about the legislation we might bring forward during the Session. After getting everything on the table, there is a vetting process and then a process of elimination. During that process, some ideas are brought forward by League staff, some by local government lobbyists and some by our elected officials. If the membership reaches a consensus that is applicable to a large group of our members, it might be included in our legislative package that can be voted on by the Board of Directors at our annual meeting. Assembly Bill 68 was brought forward by the City of Reno. This bill applies to and is supported by all of the other cities in the State.

Inasmuch as there are general law and charter cities, this applies to NRS 268, which is referenced in NRS 266. In NRS 266, it indicates that the general law cities will follow the process outlined in NRS 268 and specifically the section of NRS 266.267 that references three sections of NRS 268. If this bill is successful, it will probably create a new section of NRS 268 and would need to be referenced in NRS 266 as well. The bill specifically addresses counties.

CADENCE MATIJEVICH (City of Reno):

It might be helpful for the Committee to describe the current process since we are attempting to change that process. The process the cities and counties undergo when they are looking to sell or lease a property of any size is that we must first obtain two appraisals of the property. Those appraisals take approximately 60 days to 90 days to complete and cost anywhere from \$1,000 to upwards of \$10,000.

You heard earlier this week a bill from Mineral County with some of the same issues relating to cost and time with appraisals for public property. Following that appraisal process, our council would be required to adopt a resolution determining the sale or lease is in the best interest of the city. If that resolution is, in fact, adopted, we then must post and publish that resolution and the intent to auction that property at least once a week for three consecutive weeks. Essentially, you are looking at five weeks total for that process. With the 90 days it can take for both of those appraisals and the five weeks, we are now four to four and one-half months into this process just to get to the public auction. The cost for each of those published notices is anywhere between \$250 and \$275.

We hold the public auction before the City Council. If we have a successful bidder, the Council will adopt a resolution to accept the bid. If we do not have a successful bidder, which has happened in the case of the City of Reno multiple times, the Council would direct staff to repeat that three-week publication process and have another auction. If we were still unsuccessful, we would then have the option of listing the property for lease or for sale with a commercial real estate broker. You can see the process with large properties is transparent and there is a lot of public notice, creating a lengthy process.

What we are seeking to do with this bill is to change the process for leases only, not sales, of properties less than 25,000 square feet, where the lease term would not be more than three years with no more than

two one-year extensions. We would seek to remove the requirements for the appraisals and the public auction. There would still be a public process, and we will still need to adopt that resolution finding that it is in the best interest of the city or county to lease the property. Following the adoption of that resolution, we would need to post in the newspaper and on various sites where our agendas are posted that we would hold a public hearing wherein we would potentially exercise that lease again. Those are short-term leases of no more than three years with a maximum of two one-year extensions.

In the case of the City of Reno, we own our City Hall building in downtown Reno. It is a large building with 16 stories. When we purchased that building, there were existing tenants. We rely on that lease revenue to help us pay off the debt on the facility. Unfortunately, due to the economy, we have had some businesses in that building close down and we are looking at potential office spaces, some as small as 300 square feet. If we go through this process for the length of time and at the cost for these publications as required, it will take us several years of lease revenue before we have realized the return of those initial costs. Additionally, if we are in a case where we have a potential person or company who wishes to lease our property, sometimes just simply the length of time to complete the process is too long for them, and they go elsewhere.

MS. CHLARSON:

If I understand Mr. Fraser's question, his concern is about the new provision in section 1 applying to both cities incorporated by general law and by charter. The provisions in NRS 268 apply to both types of cities. Whether the cities are incorporated by general law or charter, the provisions of NRS 268 should apply. This section as drafted covers both types of cities.

MR. HENDERSON:

We are in support of A.B. 68 for the flexibility it would provide to the counties, under certain limited circumstances, to lease county-owned property without having to encumber the cost of obtaining an appraisal. As Ms. Matijevich mentioned, this will allow certain counties to lease vacant office space and receive revenue.

CHAIR LEE:

I will close the hearing on A.B. 68 and open the hearing on A.B. 145.



[ASSEMBLY BILL 145 \(1st Reprint\)](#): Requires the posting of certain notices of a proposed annexation of an area by an unincorporated town under certain circumstances. (BDR 21-11)

ASSEMBLYMAN PETE GOICOECHEA (Assembly District No. 35):

Assembly Bill 145 is a fairly simple bill that received a slight amendment in the Assembly with no opposition. The bill requires a board of county commissioners that propose to adopt an ordinance allowing for the annexation of a piece of property outside of an unincorporated town to send a copy of the proposed ordinance by certified mail to each owner of real property in the area. The only amendment that came from the Assembly hearing was that the notice also be posted on the Website if one was available.

In many cases, if you are an absentee owner and have a piece of property on the outside of an unincorporated town and all of a sudden the board of county commissioners propose an ordinance that would annex you into that town, you would never be notified of the change until the action was taken. This bill requires the property owner to be noticed.

CHAIR LEE:

Does this give the property owner time to stop the action?

ASSEMBLYMAN GOICOECHEA:

Clearly, if you are going to propose an ordinance, it would give the property owner an opportunity to appear at the public hearing, which is required for the adoption of any ordinance.

CHAIR LEE:

Clark County Commissioner Tom Collins had a bill that if you annexed property near an unincorporated town and the lines were moved, the taxes would go with the property. This seems like the same type of situation that when the land moves, all of the money that could be generated would move with it.

ASSEMBLYMAN GOICOECHEA:

In this scenario, we are just saying if you propose the ordinance, we want you to notify those who could be affected by it.

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CHAIR LEE:

We may be missing Committee members all the way through the remainder of the meeting. We will now hear bills on the work session agenda.

MICHAEL STEWART (Policy Analyst):

You have before you nine bills in work session. Only one of them has a proposed amendment.

[ASSEMBLY BILL 42 \(1st Reprint\)](#): Authorizes a county to lease certain real property acquired from the Federal Government in certain circumstances without obtaining an appraisal. (BDR 20-187)

The work session document for Assembly Bill 42 ([Exhibit J](#)) allows a county whose population is less than 45,000 to lease real property without obtaining an appraisal if the property was acquired from the federal government. In addition, the property must be restricted from being sold and subject to reversion to the federal government upon demand. The Committee may remember we heard testimony from Mineral County Commissioner Jerrie C. Tipton, and no amendments were offered.

CHAIR LEE:

Yes, the County built a building, but the land underneath it does not belong to the County, it belongs to the federal government.

SENATOR SETTELMAYER MOVED TO DO PASS A.B. 42.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\*\*\*\*\*

CHAIR LEE:

We will open the hearing on A.B. 61 on the work session.

[ASSEMBLY BILL 61 \(1st Reprint\)](#): Creates a temporary entity to study issues relating to substance abuse in this State. (BDR 18-290)

MR. STEWART :

We heard this bill on behalf of the Office of the Attorney General. Assembly Bill 61 creates the Substance Abuse Working Group in the Office of the Attorney General ([Exhibit K](#)). In addition to the Attorney General who serves as the Chair, the Working Group consists of nine members appointed by the Attorney General. Those members serve without compensation and are not entitled to per diem or travel expenses.

The Working Group must meet at least once every three months and shall report its findings and any recommendations to the Legislature no later than January 15 of each odd-numbered year. You will see in my special note on the work session document, [Exhibit K](#), that the Governor's Working Group on Methamphetamine Use was created by executive order in 2007. This bill proposes an entity to formulate an ongoing strategic response to broader substance abuse problems. This Substance Abuse Working Group created in A.B. 61 expires by limitation on June 30, 2015. No amendments were offered for this bill.

SENATOR SETTELMAYER MOVED TO DO PASS A.B. 61.

SENATOR SCHNEIDER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

We will move to the next bill on our work session agenda, A.B. 73.

ASSEMBLY BILL 73 (1st Reprint): Revises provisions governing the appropriation of water for a beneficial use. (BDR 48-467)

MR. STEWART:

As noted in the work session document ([Exhibit L](#)), Assembly Bill 73 was brought to us by the Division of Water Resources. This bill authorizes the State Engineer to enter upon lands where water is being diverted or used, or dams or other obstructions are located, to investigate or carry out the State Engineer's duties.

The bill clarifies that certificated rights are subject to forfeiture and, if an extension of time to work a forfeiture is granted, the State Engineer may declare a water right forfeited 30 days after the extension expires.

With respect to granting credit to public water systems for the abandonment of domestic wells, the bill deletes the requirement that the State Engineer had denied a municipal application for groundwater and eliminates the requirement for a public hearing before granting such credits. There were no amendments offered.

SENATOR SETTELMAYER MOVED TO DO PASS A.B. 73.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

We will now hear A.B. 237.

**ASSEMBLY BILL 237**: Authorizes counties to issue securities for projects and programs concerning public water and sewer systems. (BDR 20-243)

MR. STEWART:

Assembly Bill 237 was a request from the Legislative Committee to Oversee the Western Regional Water Commission ([Exhibit M](#)). Senator Lee served as Vice Chair of that Committee during the interim. It allows Washoe County to participate in the County Bond Bank when issuing bonds or other securities for the County's program to assist persons hooking up to a municipal water or sewer system. The revenue generated from general property taxes may not be used to repay special obligation bonds issued for this assistance program. No amendments were offered for this bill.

SENATOR SCHNEIDER MOVED TO DO PASS A.B. 237.

SENATOR SETTELMAYER SECONDED THE MOTION.

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THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR LEE:

We will open the hearing on A.B. 420 before we lose Senator Schneider to the Assembly Government Affairs Committee.

ASSEMBLY BILL 420 (1st Reprint): Revises the rights of members of the Nevada National Guard. (BDR 36-1033)

MR. STEWART:

Assembly Bill 420 was the Nevada National Guard bill coming from Assemblyman Lynn D. Stewart that requires the county recorder to maintain personal information related to the military service of a Nevada National Guard member as confidential (Exhibit N). It does allow some disclosure of that information to a person designated in writing by the National Guard member.

The bill also provides protection against termination of employment due to service in the National Guard and grants an additional five points on a competitive examination for State employment for a member of the Nevada National Guard who submits a letter or recommendation from the commanding officer of his or her unit. No amendments were offered on this bill.

SENATOR SETTELMAYER MOVED TO DO PASS A.B. 420.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

We will hear A.B. 422 from the work session document.

ASSEMBLY BILL 422 (1st Reprint): Revises provisions relating to water. (BDR 48-681)

MR. STEWART:

In the work session document ([Exhibit O](#)), Assembly Bill 422 authorizes a public body to lease its water rights to persons who are using groundwater in excess of that permitted by the State Engineer. It also adjusts the term of a member of the Advisory Committee for the Management of Groundwater in the Las Vegas Valley Groundwater Basin from two to four years and allows the Advisory Committee to meet once a year. There were no amendments offered for this bill.

SENATOR HARDY MOVED TO DO PASS A.B. 422.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

We will quickly hear A.B. 472 from the work session document, ([Exhibit P](#)).

[ASSEMBLY BILL 472 \(1st Reprint\)](#): Revises provisions relating to youth shelters.  
(BDR 20-1134)

MR. STEWART:

Assembly Bill 472 repeals the authority of a county to designate by ordinance approved youth shelters while retaining the existing limited immunity from civil liability for the director, employees, agents and volunteers of youth shelters. There were no amendments offered.

SENATOR MANENDO MOVED TO DO PASS A.B. 472.

SENATOR SETTELMAYER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR LEE:

I just passed up A.B. 403 that someone wanted to discuss from our work session document ([Exhibit Q](#)), but any proposed amendments might impede the progress of the bill today, so it will be brought back for discussion at a later time.

**ASSEMBLY BILL 403**: Requires the adoption of certain permanent regulations.  
(BDR S-974)

I will close the hearing of A.B. 403 and open the hearing on A.B. 238.

**ASSEMBLY BILL 238 (1st Reprint)**: Revises provisions concerning the refunding of certain municipal securities. (BDR 20-244)

MR. STEWART:

In our work session document ([Exhibit R](#)), the other bill considered from the Legislative Committee to Oversee the Western Regional Water Commission is Assembly Bill 238 which allows Washoe County to refund, as part of a lending project, municipal securities issued for an infrastructure project on or after October 1, 1999. During testimony there was a technical amendment offered to conform section 1, subsection 1 with section 2, subsection 6, paragraph (a), subparagraph (2) to change the word from "before" to "after." That amendment was proposed by John Sherman, Director, Washoe County Finance Department, and that was the only amendment offered.

CHAIR LEE:

Although we are in work session, I received a call from former Washoe County Commissioner Jim Galloway who had an issue to discuss regarding this bill. I met with him this morning, and he asked if he could testify during the work session.

JIM GALLOWAY (Washoe County Citizens Group):

I am representing the many citizens who e-mailed and appeared before the Washoe County Commission yesterday. The Washoe County Commission was considering an ordinance that would utilize this bill. Citizens showed up and urged the Washoe County Commissioners not to jeopardize the financial solvency of Washoe County by making loans that could be risky under this ordinance. There are some troubled municipalities in Washoe County. This bill would allow the debt to be refinanced at the credit risk of Washoe County for

projects never backed by the full faith and credit of Washoe County and in which some citizens of Washoe County never had any representation. We also heard from Washoe County Employees Association about its opposition to the County passing the ordinance. The opposition was so strong that the County Commissioners were urged not to introduce the ordinance. No Commissioner did. Washoe County Commissioner Bonnie Weber made a motion to table it, which passed, and this is a step in the right direction.

This bill essentially increases the scope to which risky lending could be done by Washoe County. I know the State does not engage in the practice of refunding risky debt from troubled municipalities, and I do not think you should open the door for it. The County, unions and even the most conservative people who appeared yesterday are all in agreement. As it stands, Washoe County has no intent of using the powers granted by the passage of this bill. This has been a lead story on KOH News all morning and I urge you to oppose A.B. 238. I submit my written testimony ([Exhibit S](#)).

CHAIR LEE:

It seems this bill had something to do with trying to reduce the interest rate on existing projects. Is that correct?

MR. GALLOWAY:

The original bill was trying to reduce the interest rate, if used, on new projects, and this bill allows it to reduce the interest rate on old debt on municipalities and utilities that could be in trouble. But it is done at the cost of increasing the lending cost to the County. This example was provided to the Commissioners yesterday: if a new entity such as the Flood Project needs to issue \$400 million worth of bonds based on fees that it will assess, it may get a rating of B+ and it can borrow the money at that rate. But Washoe County may have comparable debt of \$400 million, so the proposal is for Washoe County to buy \$400 million worth of B+ debt from the Flood Project and then issue under its own name \$400 million backed by the full faith and credit of Washoe County at a higher rating. I assure you that rating will not be AA; when the lenders see that Washoe County intends to double its general fund debt and the backing for half of it is B+ security, they will lower the rating. Then every time Washoe County tries to renew its existing \$400 million, and these come due every year, it will not get AA anymore, either. The County will get the middle rate. It will cost money for the taxpayers of Washoe County.



Carla Fells from the Washoe County Employees Association pointed out that we have been making sacrifices and going without cost of living adjustments for three or four years in order to keep this County solvent. Many employees have lost their jobs. Do not do something that will cost Washoe County money. How can you say you do not have enough money for a cost of living adjustment and then turn around and give away money by putting yourself in the investment banking business? Most people consider investment banking a risky business even when it is done for profit, and this would not be done for profit. Even with the profit, it is considered a risky business because in investment banking the lender loans the money again or he or she borrows at a higher rate.

CHAIR LEE:

Mr. Slaughter, are you prepared to answer these remarks, or do you need some direction from the County Commission?

JOHN SLAUGHTER (Washoe County):

I was not in attendance at the Washoe County Board of Commissioners meeting, and I did not receive additional direction regarding A.B. 238. My answer to your question would be to ask for some time to get direction from Washoe County before we proceed.

CHAIR LEE:

Things change quickly in local government, which can react faster than we do in the Legislature. I am going to hold this work session bill until you have a chance to work with the citizens of Washoe County. If this bill progresses, it will be heard next week.

MR. GALLOWAY:

In the meantime you might direct your staff to verify how the Washoe County Employees Association feels about this bill. I would like to point out that yesterday the Board of Commissioners overrode the recommendations of John Sherman, Director of the Washoe County Finance Department, and County Manager Katy Simon, for whom Mr. Slaughter works.

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CHAIR LEE:

We should receive information directed to the Committee. Another bill was not heard today from the work session document. I am not willing to hear the bill without Senator Schneider in attendance. I will close the hearing on A.B. 238 and adjourn the meeting of the Senate Committee on Government Affairs at 11:18 a.m.

RESPECTFULLY SUBMITTED:

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Martha Barnes,  
Committee Secretary

APPROVED BY:

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Senator John J. Lee, Chair

DATE: \_\_\_\_\_

<b><u>EXHIBITS</u></b>			
<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
A.B. 45	C	Nancy Boland	Written testimony
A.B. 192	D	Barbara Buckley	Presentation to the Nevada Legislature, May 2011
A.B. 192	E	Dashun Jackson	Written testimony
A.B. 192	F	Ollie Hernandez	Written testimony
A.B. 192	G	Paul D. Elcano, Jr.	Testimony, Washoe Legal Services
A.B. 192	H	John R. McCormick	Written testimony from Supreme Court Justice Nancy M. Saitta
A.B. 192	I	Karen D. Dennison	Proposed amendments
A.B. 42	J	Michael Stewart	Work session document
A.B. 61	K	Michael Stewart	Work session document
A.B. 73	L	Michael Stewart	Work session document
A.B. 237	M	Michael Stewart	Work session document
A.B. 420	N	Michael Stewart	Work session document
A.B. 422	O	Michael Stewart	Work session document
A.B. 472	P	Michael Stewart	Work session document
A.B. 403	Q	Michael Stewart	Work session document
A.B. 238	R	Michael Stewart	Work session document
A.B. 238	S	Jim Galloway	E-Mail: Please Vote No on AB 238