

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

**Seventy-sixth Session
April 13, 2011**

The Senate Committee on Government Affairs was called to order by Chair John J. Lee at 8:15 a.m. on Wednesday, April 13, 2011, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 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:

Senator Greg Brower, Washoe County Senatorial District No. 3
Senator Steven A. Horsford, Clark County Senatorial District No. 4
Senator Ben Kieckhefer, Washoe County Senatorial District No. 4
Senator David R. Parks, Clark County Senatorial District No. 7

STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

J. David Fraser, Executive Director, Nevada League of Cities and Municipalities
Wes Henderson, Nevada Association of Counties
Ted Olivas, City of Las Vegas
Susan Fisher, City of Reno

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Bart Mangino, Clark County School District
Terri Barber, City of Henderson
Mendy Elliott, City of Fernley
Dale Erquiaga, Senior Advisor, Office of the Governor
Andrew Clinger, Director, Department of Administration
Stephen W. Driscoll, Assistant City Manager, City of Sparks
Tray Abney, Reno Sparks Chamber of Commerce
Elizabeth Quillin, City Attorney, City of Henderson
Warren B. Hardy, II, Ex-Senator, Las Vegas Ski and Snowboard Resort
Ron McMenemy, Camp Lady of the Snows Homeowners' Association
Stephanie Myers, Lee Canyon
Lisa Mayo-DeRiso, Northwest Residents for Responsible Growth
Jean Perry-Jones, Mt. Charleston
Tom Padden, Mt. Charleston
Carole Vilardo, Nevada Taxpayers Association
Garrett Gordon, Nevada Land LLC
Ricki Y. Barlow, Councilman, City of Las Vegas
William Arent, Director, Economic and Urban Development Department, Office
of Business Development, City of Las Vegas
Jennifer Lazovich, Forest City Commercial Group, Inc.
Frank Hawkins, Former City Councilman, City of Las Vegas; Associated General
Contractors, Las Vegas; President, National Association for the
Advancement of Colored People, Las Vegas Branch 1111
Jo Cato, National Association for the Advancement of Colored People,
Las Vegas Branch 1111

CHAIR LEE:

We will open the hearing on Senate Bill (S.B.) 233 with Senator David Parks
presenting.

SENATE BILL 233: Establishes the Office of Grant Procurement, Coordination
and Management in the Office of the Governor. (BDR 18-1058)

SENATOR DAVID R. PARKS (Clark County Senatorial District No. 7):

In 1995, Nevada received 73 cents back from the federal government for every
dollar Nevada residents paid in federal income tax. Ten years later, that number
dropped to 65 cents. The closest we have come to getting a positive return on
our tax dollars submitted to Washington, D.C., in the last three decades was in
1968, when we lost 2 cents on every dollar. Our State needs to take advantage

of the opportunities to get our own money back from the federal government. I have provided a document, "State Rankings for Per Capita Amounts of Federal Government Expenditure: Fiscal Year 2009" ([Exhibit C](#)) for your review. If you find Nevada, you will see that we are ranked as fiftieth in the Nation.

Grant writing is an opportunity because hundreds of billions of dollars are allocated to states in the form of federal grants every year. Any state can apply for that money, but we rank fiftieth in the Nation in terms of funds received from grants. I am proposing S.B. 233, which would improve Nevada's grant-writing capacity by creating the Office of Grant Procurement, Coordination and Management. This office would perform a centralized, statewide grant-writing function within State government aimed at capturing funds for use by the State and local governments as well as for private economic development.

It would also improve grant writing for funding our schools and aim to increase the flow of federal dollars for research and development at Nevada's colleges and universities. Senate Bill 233 would establish a central clearinghouse to organize and guide State agencies in the grant application process. This office will ensure that grants are managed effectively and guarantee projects are not duplicated.

It only makes sense that we take advantage of every opportunity to recapture more of the money we send to Washington. This legislation will put that money back where it belongs—in Nevada, in our university research facilities and in our children's classrooms.

SENATOR SETTELMAYER:

For several years, New Mexico actually received \$2 for every \$1 the state sent to the federal government. Why would we not hold our Congressional representatives accountable to ensure our tax dollars are used wisely and returned to our own State?

SENATOR PARKS:

In the early 1980s, we managed to get a major portion of our funds back. At that time I was the Budget Director for the City of Las Vegas and worked very closely with the city's grants management office. We had an ongoing relationship with former U.S. Representative James Bilbray in Washington, D.C.,

our staff would communicate daily with his office. The amount of communication was invaluable for what it provided.

Yes, one of the things not included in the bill is that we must do a better of job of communicating with our five, soon to be six, Congressional Delegation members.

SENATOR SETTELMAYER:

Could we ensure our Congressional representatives have someone in each office who can locate federal grants for our State rather than creating a whole new government agency?

SENATOR SCHNEIDER:

A good portion of the grants require matching funds. Some of them are two for one; some are three for one for the really large amounts. Do you have to put the money up before you can get the grant?

SENATOR PARKS:

In most cases, you do not have to put money up front. As part of the grant award, you may have to put up 5 percent and, in some cases, you do not need to put any money up front. Sometimes you must put up 50 percent in matching funds, but each grant is different. Each agency can be different as well. When you review some of the economic stimulus grants, you do not have to put up any money for the first two or three years, but then in three or four years you may have to put up as much as 50 percent. In most cases, you do not have to put up funds at the beginning of the process.

Section 2 of the bill creates the Office, section 3 sets forth the duties of the director. We did not include coordinating efforts with the Congressional Delegation, and that is a key aspect of making this work. The City of Las Vegas, Clark County and the Regional Transportation Commission receive a substantial level of federal grants. It is important to maintain a relationship with our Congressional representatives in Washington, D.C.

Section 4 of the bill is a little problematic. We did not intend this to be heavy-handed with the State directing operations of local governments, but we want to work with the local governments, help them and receive feedback. The clearinghouse concept is a two-way street, and we want local governments to be the record keepers. If you were to ask any number of agencies how many

federal dollars come into Nevada, they could not give you a total amount. Many grants do not go through the State to the local governments, so there is no tracking mechanism. Section 4 is intended to be beneficial to both local governments and the State agency.

Section 8 allows the Office of Grant Procurement, Coordination and Management to develop suggestions and proposals for incentive programs to encourage businesses to apply for grants to develop projects in Nevada.

CHAIR LEE:

Is the Director of the Office of Grant Procurement, Coordination and Management a full-time job, or could an existing state agency absorb this job duty? How much work do you envision for this Office? Is this person going to need additional staff? How do you envision this Office being set up?

SENATOR PARKS:

There would be one person directing the Office with office employees. Grant writing in the State emanates out of various departments. This Office would centralize the grant-writing process and bring it under the purview of the Governor's Office. The position should be filled by a professional grant writer, someone who has wide experience relative to the application of grants. We also need to look for opportunities for the private sector in the way of economic development. The Governor's Office is keenly interested in this bill and has made proposals within the Executive Branch budget to include funding. It may require the reassignment of positions from individual agencies.

CHAIR LEE:

Rather than hiring new people, could we reassign people already performing these tasks? Are you aware of any amendments being proposed for your bill?

SENATOR PARKS:

Yes. The amendment deals with section 4, and we need to rewrite that section.

CHAIR LEE:

You see these as friendly amendments to your bill?

SENATOR PARKS:

Yes.

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

We support what the sponsor is trying to achieve for a better return on our tax dollars to bring funding back to Nevada. Our proposed amendment ([Exhibit D](#)) is very simple. The amendment is being proposed by the Nevada League of Cities and Municipalities and the Nevada Association of Counties. Relative to section 4, subsection 2, the amendment removes the words "or local." This subsection indicates an agency does not accept funding and it is not ongoing for a program providing a service. That policy decision should be made at the local level and by the local governments. This change does not remove us from any of the reporting requirements. The spirit of the bill is to enhance cooperation between agencies both at the State and local level. It also leaves the various reporting requirements to keep communications open.

WES HENDERSON (Nevada Association of Counties):

We are in favor of the bill with the proposed amendment presented by Mr. Fraser. This concept will be good for some of the smaller counties do not have the staff to search for and apply for these grants. The assistance from the State would be appreciated to bring more federal dollars into Nevada.

TED OLIVAS (City of Las Vegas):

The League of Cities and Municipalities and the Nevada Association of Counties essentially addressed our concerns in the proposed amendment. In section 4, subsection 1, the reporting requirements need to accomplish what they are trying to achieve with this legislation.

CHAIR LEE:

Are there bad grants that you would not want to accept because there may be strings attached? What is the reason not to accept certain grants?

MR. FRASER:

Going through the process of identifying and applying for grants, we have seen some grants are better than others. The grants all come with different requirements and include ongoing requirements you may not want to commit to over the long term. As Senator Schneider mentioned, there are often matching fund requirements, so when determining whether to accept or apply for a grant, you must take the requirements into account. As the sponsor indicated, you must look at everything because it gives you a chance to leverage your dollars.

There may be occasions when you choose not to apply for a grant based on the requirements.

CHAIR LEE:

Do the cities and counties have grant writers on staff, or does it operate like the State agencies?

MR. OLIVAS:

Most jurisdictions work like the State agencies. We do not have specific grant writers, but we have experts within the various departments who seek grants. These could be management analysts or business specialists but not professional grant writers.

SENATOR HARDY:

The proposed amendment proffers negative ability; removing the words "or local" does not presume the positive action. If we remove "or local," it does not presume the locals will be able to establish a program for providing an essential service. This is not the intent of your proposed amendment?

MR. FRASER:

The language states the local or state agency cannot accept a grant if these things occur. Removing the language does not mean we will automatically accept grants under those circumstances. This is a policy that many local governments will choose to follow anyway. We want to make sure it remains a local policy decision.

SUSAN FISHER (City of Reno):

We support this measure and had the same concerns as some of the other testifiers. We also support the proposed amendment. Our primary concern is the way it is written; without the proposed amendment, the bill would prohibit us from the one-time grants often used as seed money for a particular program. Oftentimes, one grant will help stimulate another grant down the road. Having the ability to get one-time grants is very important to the City of Reno.

In answer to the question about dedicated grant writers, we have someone within the City of Reno who is a grants manager writing grants. She is a specialist in grant writing but also has a number of other responsibilities.

BART MANGINO (Clark County School District):

We appreciate the work of the sponsor of the bill, especially in regard to enhancing communications among the entities. We agree with the proposed amendment for the reasons expressed previously. Regarding the question about grant-writing positions, the Clark County School District has a grants department to secure grants for our programs.

CHAIR LEE:

Does this amendment cover you?

MR. MANGINO:

We would like clarification but believe the proposed amendment regarding section 4 would assist us with the one-shot grants, as these grants are critical to the Clark County School District, particularly for pilot programs for reform. Additionally, the Senator mentioned it was not intended to be heavy-handed. Does this require the Clark County School District to seek permission to apply for federal grants? I would request clarification for that concern.

TERRI BARBER (City of Henderson):

Without belaboring what has already been stated, we support this legislation and feel it presents an opportunity to obtain more funding in needed areas. We also support the proposed amendment.

SENATOR HARDY:

I have not heard a definition for an essential service. Is there a definition that would apply? Is it Medicaid? Is it an ongoing educational program? Is it a program that may be an emergency? What I hear are the one shots, which may not be considered essential because they are not ongoing or critical to the health of the economy or the people. I hear one shots, but I would not call them an essential service.

MS. BARBER:

The City of Henderson frequently has opportunities to apply for grants for public safety for both our police and fire departments. Sometimes they require a match and sometimes they do not. This language might preclude us from applying for those grants which allow us to enhance our public safety forces.

SENATOR HARDY:

If there was a hazmat issue or you needed a new fire truck with a 12-story ladder, would that be considered essential and a one-shot grant?

MS. BARBER:

Yes.

HEIDI CHLARSON (Counsel):

I would direct the Committee's attention to section 3 on page 2 of the bill, beginning on line 21, "The Director of the Office of Grant Procurement, Coordination and Management shall: (a) If requested by a state or local agency, research the availability of grants and write grant proposals and applications" This provision of the bill allows a local agency to ask for assistance but is certainly not required to ask for assistance or be prohibited from seeking grants if it chooses not to go through this newly created office.

SENATOR HARDY:

The cities and counties have grant managers, but the State does not. Is there an ability for the Director to request assistance from the local government entities? Was this discussed? We talk about communication, but it goes both ways.

CHAIR LEE:

I envision the director building relationships with the cities, counties and State agencies and having grant-writing meetings to discuss grants. I will assume coordination would take place at the State level to bring people together. If not, it is on the record that Senator Hardy would like the bill to go this direction.

MENDY ELLIOTT (City of Fernley):

We are in support of the bill and the proposed amendment. As the former Director of the Department of Business and Industry, stimulus czar and head of foreclosure mitigation, I know opportunities can be coordinated to receive funding from the State by working with the local governments. When I was the Director of the Department of Business and Industry, we had opportunities to apply for grants but lacked the expertise to coordinate the grants within the State. The Department of Business and Industry is a bifurcated agency where the Taxicab Authority, the Real Estate Division, and others do have the opportunity to apply for funding; but because of the size of the agency with its other responsibilities, we were prohibited from applying. The process is a priority issue.

This bill seems like a great opportunity for the State to have grant managers coordinating with other agencies. The grant manager can provide the day-to-day functionality of completing the grant applications by working with the local governments and taking advantage of all the opportunities available to them. Coming from the private sector into State employment, I felt this was an area of opportunity the State should pursue.

DALE ERQUIAGA (Senior Advisor, Office of the Governor):

We support the bill. The Governor's Budget contains a grants administration function housed in the Department of Administration. We would ask the sponsor and the Committee to consider that information as you process this bill. The reason for that decision is to allow for continuity during a transition between administrations. If this position is appointed by the Governor, it could become vacant when a new Governor takes office. We would gladly administer the function as it is critical for the State to provide this coordinating role.

ANDREW CLINGER (Director, Department of Administration):

We included three positions in the *Executive Budget* for this new Office of Grant Procurement, Coordination and Management as overseen by the Department of Administration. The three positions include two grants coordinator positions and a management analyst position.

CHAIR LEE:

This fiscal note states that you will have a director, executive assistant, auditor, management analyst IV and two grants and projects analysts in this office. I am counting six positions for this new office.

MR. CLINGER:

A chief assistant of the Budget and Planning Division already exists, and this function would be moved under that management without adding an additional chief. What we have included in the *Executive Budget* is three positions that would be coordinating and writing the grant applications. We would use an existing position for the chief, and we already have the administrative support within our office.

CHAIR LEE:

As this bill will come back in a work session on Friday, are you putting forth an amendment to ensure it will not be direct to the Governor?

MR. ERQUIAGA:

I will be happy to discuss this with Senator Parks.

CHAIR LEE:

Is a reporting mechanism in place? When we spend this money, we would like to see responsible reports presented for review by the Legislature.

MR. CLINGER:

We would build performance measures to determine a return on our investment. The SAGE Commission Report estimated we missed out on \$93 million a year in grant opportunities. Without having a central grant office, one of the difficulties is determining what we are missing in grant opportunities. We will provide performance indicators and report back to the Governor and the Legislature on how the office performed.

CHAIR LEE:

You are on to something here, and it should be wonderful for the State if it functions as proposed.

STEPHEN W. DRISCOLL (Assistant City Manager, City of Sparks):

I also support S.B. 233 and the proposed amendment. Because of budgetary concerns, the City of Sparks eliminated a position of grants manager, but we have expertise in various departments, especially in public safety where we coordinate with other agencies during the application process. We ensure we apply for suitable grants, meaning if it costs more to apply for the grant than we receive back, it is not cost-effective. We coordinate amongst ourselves, so coordinating with the State would be easy to begin the process.

Additionally, we understand the amendment will allow us as a local agency to use grant money for one-time or operational components. We have been running different programs, such as Victim Advocate, through the Police Department and the City Attorney's Office. The people working on the program know they are year to year, but they do good work during the time period. If the grant renews, it is positive, but if it is eliminated, they understand. We are conscious not to make long-term operational decisions with short-term monies.

TRAY ABNEY (Reno Sparks Chamber of Commerce):

We strongly support this bill. We also testified in support of Assemblyman Ira Hansen's bill, which is a similar bill, when it was heard in the Assembly. You

could talk to members of the SAGE Commission who visited Washington, D.C., learning about all the money Nevada leaves on the table and two State agencies competing for the same grant funds. Having a centralized office coordinating this effort would be beneficial.

In regard to Senator Schneider's comments on matching funds, we do not know how many grants are out there. It would help this body, future Legislatures and Governors to know what kind of grant funding is available. The Office of Grant Procurement, Coordination and Management could certainly better understand the funds available and the process to obtain them.

CHAIR LEE:

We will close the hearing on S.B. 233 and discuss our work session bills. Mr. Stewart, we will open the work session with S.B. 100.

SENATE BILL 100: Makes changes to provisions governing local improvement districts. (BDR 21-392)

MICHAEL STEWART (Policy Analyst):

You may recall we heard this bill on March 14. Senate Bill 100 allows certain modifications to a local improvement project (LIP) to be made after the project has commenced and assessments have been levied, provided that such modifications do not increase assessments or, if the assessments are increased, the affected property owners have requested in writing such modifications and increased assessments ([Exhibit E](#)).

We did have a subcommittee that met on this issue, chaired by Senator Mark Manendo and including Senator Joseph Hardy. The subcommittee received testimony from Terri Barber, Greg Harrington, who works with the City of Henderson on bond issues, and Kathy Clewett, representing the City of Sparks.

This is a detailed bill with a number of technicalities, so I will go through each of the amendments and review what was discussed at the subcommittee hearing. We received summary information from Ms. Barber and heard a detailed explanation of the amendment from Mr. Harrington. Mr. Harrington explained that S.B. 100 provides some flexibility for the assessments levied in a local improvement district in order to respond to changing circumstances such as market fluctuations, economic conditions and improvements in construction technology and efficiency. In chapter 271 of the *Nevada Revised Statutes* (NRS)

relating to LIPs, the law does not set forth a mechanism to make these changes or adjustments. Mr. Harrington noted NRS 271 provides some flexibility with these projects while at the same time protecting the various interests relating to these assessments.

There were several recommendations from the subcommittee brought back to the full Committee for amendments. The subcommittee recommends the adoption of S.B. 100 with the attached amendments. I will quickly go through what the attached amendment does. It is detailed but important for the Committee to get a sense of it.

The first is the mechanism under which an LIP can be modified. The amendment sets forth the types of changes that may be made through change proceedings relating to the local improvement project.

Second, it would require the engineer on the project to prepare a report showing the proposed LIP modification and the cost of such modifications, if any, and a revised map of the LIP.

Third, it sets forth three different mechanisms under which the LIP can be modified. The first would be that the governing body may proceed with the LIP modification only if: modifications to the project are deemed to be insubstantial; the modified project is functionally equivalent to the original project; the assessment engineer has confirmed the amount assessed against each tract will not exceed the maximum special benefits to be derived by such a project; and no assessments are increased. If these criteria are met, no protest hearing is required. This is the first mechanism under which an LIP can be modified.

The second mechanism would be to stipulate that in order for a governing body to make the modification, the owner of each tract affected by the modifications must have consented to the modifications; and either: (1) the owners of a principal amount of bonds equal to the amount required to amend the bond indenture must have consented to the modifications, or (2) the modifications must not adversely affect bond owners and bond counsel must have rendered an opinion that the modifications will not adversely affect bond owners; and the assessment engineer must confirm that the amount assessed against each tract will not exceed the maximum special benefits to be derived by such tract from the project, as modified.

The third mechanism in which an LIP can be modified would be to provide that the local government may provisionally order the LIP modifications and, if this occurs, a protest hearing must be held. The protest hearing must be noticed as set forth on pages 8 and 9 of [Exhibit E](#); the notice requirements are largely modeled after NRS 271.305.

The amendment sets forth several specifics concerning the protest hearing provided by the governing body: this criteria provides the hearing must allow all interested property owners to present their views; the governing body must pass on each complaint, protest or objection to the proposed LIP modification; it must provide that if the governing body determines the LIP modifications are not in the public's interest, the change proceedings must stop; certain complaints, protests or objections must be presented in writing or they will be waived; any person filing a complaint, protest or objection within 30 days after the governing body has passed on those complaints may seek relief in court, but after the 30 days, all actions or suits are perpetually barred; a person bringing such an action in court must plead certain items in court and evidence not presented before the governing body must not be considered by the court. In other words, what they present before the governing body must be presented in court and nothing else.

After the protest hearing, the governing body may determine whether to proceed with the LIP modification if the governing body has: disposed of all complaints; determined the owners of affected tracts, on which a majority of the assessments are levied have not objected to the modifications; determined that either no assessment on any tract is increased as result of the modifications or, if the assessment on any tract is increased as a result of such modifications, the owner of such tract has consented in writing to such increase; and determined that either the owners of a principal amount of bonds equal to the amount required to amend the bond indenture have consented to the modifications or the modifications will not adversely affect bond owners and the bond counsel has rendered an opinion to that effect. Those are the four methods in which an LIP can be modified as set forth in the bill.

Finally, this method sets forth the requirements of the governing body if it decides to proceed with the LIP modification, including the adoption of necessary ordinances, the recording of any modified assessments with the county recorder and the establishment of a procedure to pay or credit property

owners for previously paid assessments in the event assessments are reduced as part of the LIP modification.

An additional conceptual amendment proposed by the City of Sparks was agreed upon by the subcommittee: Add language specifying that under any proceedings undertaken pursuant to these provisions, the local governing body may require, before commencing the proceedings, the person or entities, if any, requesting the LIP modification—and also modifications on special improvement districts—in a manner satisfactory to the governing body, the payment of any or all of the expenses incurred by the governing body in connection with such proceedings.

CHAIR LEE:

I would like to thank Senator Manendo and Senator Hardy for working so hard on this bill. I had no idea these local improvement projects would be this detailed. Could someone please explain "a defeasance district project," as listed on page 20 of [Exhibit E](#).

ELIZABETH QUILLIN (City Attorney, City of Henderson):

A defeasance project is when you redeem some of the bonds. For example, some of these master plan communities originally had a ten-year buildout and now, due to changes in the economy, we do not know when some of the future subdivisions are going to be built. This provides a mechanism for the bond holder to ask the municipality to call the bonds and retire that section or that portion of the bond which would reduce the assessment overall through the master plan community.

CHAIR LEE:

Ms. Barber and Ms. Quillin, are you satisfied with this work document?

MS. BARBER:

We are very satisfied. This takes the initial step to get work moving, people back to work and some of these master plan communities moving again in order to help our economy.

CHAIR LEE:

Is everybody who was involved on board with this amendment, or is it going to go to the Assembly and blow up?

MS. BARBER:

I believe we received a consensus. We even received a letter of support from the Southern Nevada Home Builders Association. Our bond counsel worked with the Association's bond counsel, and they came to agreement on several different issues. This document is the result of that effort. We are very pleased to have something that will benefit the community.

CHAIR LEE:

Regarding the Sparks amendment that did not get into the document, is it a friendly amendment to this bill?

MS. BARBER:

Yes, it is a friendly amendment. We think it clarifies that the City has the option to require the developer, the entity or the landowner to pay certain costs that may be associated with holding additional public hearings and keeping the public informed during the process.

SENATOR SETTELMAYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 100.

SENATOR SCHNEIDER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

We will move next to S.B. 232 of the work session document.

[SENATE BILL 232](#): Removes certain tracts of local governmental and private land from the state definition of the Spring Mountains National Recreation Area. (BDR S-181)

MR. STEWART:

Senate Bill 232 ([Exhibit F](#)) removes four tracts of nonfederal land from the defined boundaries of the Spring Mountains National Recreation Area to allow for the development and zoning of those tracts in accordance with State and local law. Testimony indicated these tracts would be set aside for the creation

of an outdoor recreation area. There was talk of creating a snow park type of facility on these tracts.

Testimony indicated a desire by interested parties to specifically set forth in the measure limitations on the use of the land. The mock-up and conceptual amendment explanation in [Exhibit F](#) highlights these development prohibitions on a hotel, inn, motel, motor court, boardinghouse or lodging house; gas station retailer; store which is principally devoted to the sale of consumable products or food for human consumption off the premises of the land, clarifying a snack bar type of operation as acceptable; and gaming enterprise establishment.

CHAIR LEE:

Would ex-Senator Warren B. Hardy, II, please come to the table. I had requested everyone be notified and provided a copy of the proposed amendment in advance of this hearing. Did that happen?

WARREN B. HARDY, II (Ex-Senator; Las Vegas Ski and Snowboard Resort):

We notified everyone on our contact list and asked Clark County to notify everyone on the County's contact list. When this bill was scheduled for work session today, we also provided the proposed amendment to the same list of contacts once we received the final version yesterday morning.

CHAIR LEE:

The proposed amendment for S.B. 232 is usually not contained in State law. I should probably not have included this amendment in statute but wanted to ensure Clark County knew the intent of the bill. It is not good precedence to include this amendment in statute because it is usually handled at the local level. These conditions are usually handled at the local level so the State is not telling Clark County what to do.

Paving, except for restroom pads and American Disabilities Act requirements, should not be included in State law as it is a County issue. By including these provisions, we have set up parameters for what the County should consider when it discusses improvements with the residents. I would like the people in Las Vegas to understand that many of these issues you have requested will be local government issues. When we pass a bill, we are enacting law to cover the whole State, not just for this particular project proposed on Mount Charleston. I have set a precedence by including these items in the bill and probably should not have. I want you to understand our constraints.

RON McMENEMY (Camp Lady of the Snows Homeowners' Association):

We have 60 owners who are adjacent to these land parcels, and not one of us was properly notified with regard to this proposal. I have reviewed the proposed amendment and the previous bill and was involved with A.B. No. 352 of the 75th Session. I wonder: what is the purpose of the amendment?

CHAIR LEE:

If you are just getting caught up on this bill, I can tell you it has been discussed at many, many levels. I can assure you if the bill passes the Senate, it will have a complete new hearing in the Assembly. We need a list of the people on your mailing list to make sure you understand what is happening.

MR. McMENEMY:

This amendment is for the purposes of a recreational snow play area and parking. Is that your understanding also?

CHAIR LEE:

Yes, but with requirements that certain things do not happen on the Mountain to ruin the quality of life of the residents.

MR. McMENEMY:

Yes, therefore we would like to have that language included in the bill. We understand the issues on the Mountain because we live there. If we could have "the purposes of recreational snow play area and parking" included in the bill, that would be most helpful.

STEPHANIE MYERS (Lee Canyon):

We came before you on March 30 and made some very specific recommendations for items to be included in the amendment. You have only included the things that the Las Vegas Ski and Snowboard Resort (LVSSR) suggested, the gas station, convenience store and commercial lodging. You have placed an unrestricted gaming license whereas LVSSR asked for no gaming of any kind.

One, we asked that the property be used only for snow play purposes and that S.B. 232 should reference A.B. No. 352 of the 75th Session. The residents of Mount Charleston do not want any new commercial zoning; prohibition of restaurants or fast food franchises and these things are not included in the amendment. We neither want gaming of any kind, not just an unrestricted

license, nor residential structures beyond rural zoning limitations, which is one structure per two acres. There should be no permanent structures other than the restrooms. In the PowerPoint presentation, LVSSR showed some interesting yurts that could be used for warming huts and concessions. It looked wonderful, and these are on LVSSR's other properties now. This information was left out of the bill completely. We requested no major disturbances of the land. The residents in Camp Lady of the Snows do not want to see 10,000 bulldozers underneath their properties changing the contours of the land. The language in the bill clearly indicates that restrictions not listed in the bill cannot be construed to be permissible. Lastly, at the County level, accommodations must be made for neighboring residents. We oppose this bill in its original form but are willing to support it only if the restrictions we proposed are written into the bill before S.B. 232 exits this Committee for a Senate Floor vote.

Regarding the County property, I know you want to tread lightly with any issue on sensitive land habitats. The County property is such a property. We have been told by Marci Henson that the Department of Air Quality and Environmental Management Desert Conservation Program in Clark County plans to nominate these five acres in the middle of Lee Meadows for Southern Nevada Public Land Management Act funds. We would hope the County property could be taken out of this bill because we would like the property to be nominated.

CHAIR LEE:

You must go to the Clark County Commission on the yurts because it cannot be included in State land. This bill will go for a vote today with the proposed amendments. If you take your information to Commissioner Larry Brown and get the Clark County Commissioners to buy off on your requests, you are welcome to do that. I cannot include these restrictions in this bill because it is a local government issue. You have enough time to obtain the concurrence of Clark County, the local agency responsible for zoning. I have included the issues we all agreed to, but if you want the restroom concrete pads to meet a certain requirement, I would not include that language in this bill. That is a local government issue. I have gone as far as I can, at my level, to protect you. It is now the responsibility of Clark County.

SENATOR W. HARDY:

Because you referenced my prior service as the Chair of this Committee, you are correct, we would not write this into State law. We believe strongly in protecting the integrity of the local government process. I do not know how I

can be more clear, on behalf of the Las Vegas Ski and Snowboard Resort, about what we intend to do with that property if given the opportunity. Since I have been involved with this issue, there have been numerous meetings with residents of the Mountain, and the meetings have gone on well in advance of my involvement with the project. Along with the residents, I look forward to taking discussion matters to the Clark County Commissioners to get those recommendations written into the ordinance. What the residents are asking for makes complete sense; the venue does not make sense. We support what they are trying to accomplish and will work hand in hand with them at the local level to make sure all of those concerns are addressed.

CHAIR LEE:

Senator W. Hardy, your pledge to help is on the record, so you will be held to your promise. I expect these resident's concerns to be discussed and addressed. Ms. Myers, I am going to ask for a vote because we cannot work on this issue past Friday due to an upcoming deadline. I am not removing the opportunity for you to discuss this issue with the Commissioners.

SENATOR SCHNEIDER:

The only thing that can trump the State is the federal government, and we trump State government because we created the cities, the towns, the boards and commissions. I think you could put these recommendations in statute because we can tell anybody what they can and cannot do. It is my opinion we could include the language and tell them what to do. I do this in the Senate Committee on Commerce, Labor and Energy often and believe it is possible to include the recommendation in the amendment.

CHAIR LEE:

Since I have been told I cannot include these recommendations in the bill, once it moves to the Assembly, we will include it then.

MS. MYERS:

The residents have not been consulted about the way S.B. 232 has come about. It does not even say it is for snow play purposes only.

CHAIR LEE:

Did I not just receive an e-mail from you two days ago saying you were satisfied with this amendment and to proceed?

MS. MYERS:

We are not satisfied because our concerns have not been taken into account. We totally oppose this bill unless our concerns are addressed before S.B. 232 leaves this Committee.

CHAIR LEE:

I have a letter from Tom Padden that says draft recommendations for S.B. 232. Are these the recommendations you want included in the bill?

MS. MYERS:

I specified precisely what the residents who live there 24 hours a day, seven days a week have requested. We faxed something up to you. We know the paving has to do with the County. But the other things are exactly what we want. We know there is no commercial lodging, but we do not see anything about no permanent structures. We do not see anything about no major disturbances of the land and nothing to indicate this will only be used for snow play facilities. We see nothing about accommodating neighboring residents and nothing that indicates restricted uses not listed in the bill cannot be construed as permissible.

CHAIR LEE:

If this amendment is included—although I have been told I do not have the authority to include it—and we vote on it today, this satisfies your concerns. I want to hear a yes or no.

LISA MAYO-DE RISO (Northwest Residents for Responsible Growth):

We just faxed another proposed amendment which you should have now. It includes an act relating to land use planning and removing certain tracts of local governmental and private land. As an amendment we ask you to include, the purpose of recreational snow play and parking as a qualifier in S.B. 232. If you were to add that language in the bill—we have just faxed you a copy signed by Tom Padden—in addition to our draft recommendations you already hold, it would improve this bill tremendously.

CHAIR LEE:

I would like Ms. Myers to come back to the testifiers' table.

MS. MYERS:

We definitely want to see the nonrestricted license changed to any kind of gaming license. The other things are fine, but I enumerated when I was last at the table. The property can only be used for snow play purposes and this bill should reference A.B. No. 352 of the 75th Session with the desire of the residents not to have any new commercial zoning. There should be no restaurants or fast food franchises, no gaming of any kind and no residential or any other structures above the rural zoning, which is one structure per two acres. There should be no permanent structures left there by LVSSR and no major disturbances of the land. The language clearly indicates that restrictions not listed in the bill cannot be construed as permissible.

The community is not against what LVSSR wants to do within reason, and we applaud their enthusiasm for wanting to relieve problems on the Mountain. We worry that S.B. 232 could be a blueprint for some sleazy developer who might slip in a commercial enterprise on Mount Charleston. We worry about the peace, tranquility and sanctity of the Mountain and why we moved here in the first place. The Mountain is for outdoor recreation and the beauty and wonder of this magnificent place, not for commercial zoning.

CHAIR LEE:

Senator Schneider has more experience than I do, so I will follow his suggestion to include language in the bill. Here is what I am going to say: This property is to be used only for snow play facilities and for its dependent uses, there are no restaurants or fast food franchises or gaming that is nonrestrictive of any kind, no commercial lodging including condominiums, hotels, motels, houses and cabins. There will be no permanent structures other than restrooms open to the public. There will be no major disturbance of land in the current drainage area, and it must be in harmony with A.B. No. 352 of the 75th Session.

An act relating to land use planning, removing certain tracts of local governmental and private land for the purpose of recreational snow play and parking from the State definition of the Spring Mountains National Recreational Area; and providing other matters properly hereto. Also, this bill removes four tracts of nonfederal land for the purpose of recreation and snow play area parking. I have now included all of your requests into this amendment.

Ms. Myers:

Great. Then we can support the bill.

SENATOR MANENDO:

If we are going to propose all of these changes, it is my understanding there is currently a hotel there on Mount Charleston. In reading this, no commercial lodging will be allowed. If someone wanted to build a condominium complex, will this stifle any and all development ever, ever again? What if something burns down? Could it be replaced if the lodge burns down? By including houses and cabins, it will stifle any and all growth on the Mountain.

SENATOR W. HARDY:

This speaks specifically to the parcels of land included in the bill for the development of a snow play area. It would not impact any other parcels of land. In speaking to the proposed amendment, I want to strenuously object to the notion that we did not reach out to the community. Mr. Chair, if you and this Legislature would like, I will provide stacks of e-mails from the individuals who testified today, thanking us for reaching out and articulating those efforts. To characterize it that LVSSR has not reached out is unfair and unreasonable. I have been here 21 years and have never had my integrity questioned before. What we attempted to do here was draft into the language the objections we heard in the meetings in the community. If S.B. 232 is not drafted the exact way the community wants, we will be happy to make changes. If you go back and listen to the testimony from the original hearing, you will find out that everyone spoke in favor of the bill with the amendments we provided. If they need to be adjusted, we have no problem with that.

Regarding the amendments from Tom Padden, the idea of indicating only a snow play area is difficult because there is not snow in the area year round. The County property we are trying to protect is utilized during the nonsnow season as well. If the community would like to put in an amphitheatre for some purpose, we want to be able to respond to that desire. We have no problem limiting the property to a public use facility or public recreational facility. Limiting it to snow play would prohibit us from responding to what residents of the Mountain and other community members want to see in the summer. With regard to fast food restaurants, we attempted to address that in the amendment; if it is not exactly right, we can change it.

The amendment says you cannot sell food for consumption off the premises. With regard to commercial lodging, we have no objection to the inclusion of condominiums, hotels and motels, but houses and cabins are not currently restricted by the act. The inclusion of that takes a step backwards. We have no

intent of building those things, but it takes a step backwards. With permanent structures, we have provided a photo of the structures we intend to provide for the area. We would like to have the ability to respond and react to what the community wants in the area with regard to a public recreation area. I have not had a chance to speak with my client, but we would not have a problem with a specification that it can only be used for a public recreation area. A snow play area might limit us in responding to things that might make sense for summer recreation on the same land.

I am happy to provide e-mail documentation regarding our outreach to the community. I do not know what else my client could do to reach out to the community.

SENATOR SETTELMAYER:

I am not familiar with the Mount Charleston area; however, I am familiar with ski establishments because of the Lake Tahoe Basin. We have branched out and utilize all of the ski areas for mountain biking during the summer months. We let people take their mountain bikes on the ski trams and ride their bikes down the mountain. As you know, it is easier to bicycle down a hill than it is to bicycle up a hill. With that being said, I am concerned with the amendment because it would restrict the use of this area during the summer. Would you not have to block off these areas during the summer months and not utilize it for parking and other uses because it is not being used for snow play? With that concern, I would suggest we put this off for another day before we vote on it to get these concerns addressed. It seems problematic to be so restrictive.

CHAIR LEE:

I need the people in Las Vegas to draft an amendment you can live with and send it to me so I have it in writing. In that way, I will know exactly what you want to be included in the amendment. Some things are County issues. I want to verify with staff that I can put together an amendment with this level of restrictions.

I agree we do not want to shut the Mountain down in the summer when people are picnicking, but we also want to protect the forest. Senator W. Hardy, please get together with the people in Las Vegas and refine the amendment about what needs to be done at the legislative level and what can be done at the County level. This bill will be brought back in work session on Friday, and I expect it to be all worked out.

JEAN PERRY-JONES (Mt. Charleston):

We are very premature on this bill. We met last fall and discussed options for parking and out of that came this bill. All of these parcels have been identified by the U.S. Forest Service as parcels it would like to acquire and incorporate into the U.S. Forest Service. Even LVSSR indicated it would be amenable to selling the parcels to the U.S. Forest Service, including the Clark County parcel.

There is obvious contention among the community because some of us were notified and some were not. I stopped daily to inquire about progress, and then the general manager began communicating with the rest of the residents. We applaud him for perpetuating that communication because we had not heard from you, Senator Lee. I also applaud Senator Schneider because he is absolutely correct; as a government teacher, I know that federal law supersedes State law, and State law supersedes county and city law. You can put into your bills whatever you want, including the nonpaving.

For those of you who are unfamiliar with the area we are discussing, most of the parcels are adjacent to the road and in a watershed area. The Spring Mountains Range, including Mount Charleston, is a huge portion of the Las Vegas watershed, so any activity on this land may affect it, whether it is paving or putting up restrooms. Mountain bikers can already ride at the ski area, and that would not affect these parcels which are a couple of miles away from the LVSSR. I agree we need to include all of the restrictions and recommendations mentioned. Excluding the gas station retailer was good, as fuel storage should never occur in a watershed or major wash area. Thank you for providing us the opportunity to come back with language we can all live with. If it does not happen, the issue should be postponed until after the people on Mount Charleston can discuss the issues over the summer. If it is put off for a couple of years, it may give the U.S. Forest Service a chance to purchase these lands.

CHAIR LEE:

I talked to the U.S. Forest Service about purchasing the parcels, and it was not able to trade or sell the land. Mr. Padden, you are going to be the last person. I am hoping you can provide me with a clean amendment by Friday.

TOM PADDEN (Mount Charleston):

The facts provided to you today should have occurred with the Legislative Counsel Bureau to work out how these concerns could be integrated into the

bill. I would like to address the concerns about freezing all developments for the future. One of the main concerns of the residents is how we see this potentially departing from A.B. No. 352 of the 75th Session which we worked on last Session. That bill froze the existing zoning for commercial development, and what remains is a single residence per two acres. It also freezes the existing hotels and other facilities right where they are in terms of their zoning. It does not stop anything else. We are looking at this as an opportunity to make some changes. We understand some of these issues must be discussed at the County level, and we have not had the time to properly prepare to distinguish between the two levels, Legislature and Clark County. I look forward to preparing an amendment that will work for everyone.

CHAIR LEE:

The final work session, when bills must be out of Committee, is Friday, April 15.

SENATOR W. HARDY:

To address whether or not the Legislature can include these recommendations, the Legislature clearly has jurisdiction over the local government. The issue is the precedent it sets because we have not done it in the past. We protect the integrity of the local government process in these matters and we always have. I spoke to the real issue of whether it is a good idea to set this precedent.

CHAIR LEE:

I will close the work session hearing on S.B. 232 and open the hearing on S.B. 250.

SENATE BILL 250: Makes various changes relating to state financial administration. (BDR 31-749)

MR. CLINGER:

Senator Ben Kieckhefer was called to the Senate Committee on Finance to vote on some budget closings and asked me to sit in for him. As you know, we had a hearing on this bill last week and several competing amendments, so we are here today to present just one amendment ([Exhibit G](#)).

Section 1 of the amendment provides that if the actual revenue collections, once the Legislature approves a budget, exceed what is estimated in the budget, 40 percent of those excess funds can only be used for the purposes as

enumerated in section 1 of the amendment. The six purposes listed in section 1 are: capital expenditures; reducing unfunded liabilities of the State; providing for one-time matching funds for grants; employee training and education; acquisition or improvement of technology; and supplementary appropriations. Those are the changes suggested for section 1.

The other amended appropriations under section 3 of the bill change the expenditure cap to use a five-year rolling average of the previous expenditures of the State to calculate the cap. Right now the cap is calculated by going back to 1976/1977 expenditures, plus population growth, plus inflation. This would change that formula to a 60-month rolling average so that cap would be adjusted every biennium based on the five-year rolling average, still using population and inflation growth.

The last section of the amendment that is important for the Committee to understand is section 3, on page 8 of [Exhibit G](#) where the mock-up amendment talks about the spending cap and the forecast by the Economic Forum. If the projections provided by the Economic Forum exceed the expenditure cap, 60 percent of that excess must go into the Fund to Stabilize the Operation of the State Government—Rainy Day Fund, and 40 percent can be used for the five purposes listed in section 3, subsection 7: capital expenditures; reducing unfunded liabilities of the State; providing one-time matching funds for grants; employee training and education; and acquisition or improvement of technology. Those are the highlights of the amendment.

CHAIR LEE:

Since Ms. Vilardo has been closely involved with the 60-month rolling average, I would ask her to provide a summation.

CAROLE VILARDO (Nevada Taxpayers Association):

The 60-month rolling average will take care of any anomalies and keep us current rather than going back so many years. Not to usurp the legislative authority, it now ensures any of the excess funds follow legislative appropriations. Effectively, the cap is imposed on the *Executive Budget*, not the Legislative Branch.

CHAIR LEE:

There was a 40 percent and 60 percent split to go to the Rainy Day Fund. Was that your amendment Ms. Vilardo, or Senator Kieckhefer's?

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SENATOR BEN KIECKHEFER (Washoe County Senatorial District No. 4):
There was a discrepancy between where the 40 percent and the 60 percent would go, and we have made it consistent throughout the bill. Sixty percent of the funds would go to the Rainy Day Fund.

SENATOR SETTELMAYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 250.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

We will now discuss S.B. 325 from the work session document.

[SENATE BILL 325](#): Creates the Office of Inspector General in the Department of Administration. (BDR 18-1062)

MR. STEWART:

Senate Bill 325 ([Exhibit H](#)) creates the Office of Inspector General in the Department of Administration. The Governor must appoint the Inspector General, who is directly responsible to the Governor. The bill requires the Inspector General to investigate, audit and review the operation and management of each State Agency to determine whether any act or omission amounting to fraud, waste, abuse or corruption has occurred or may occur within that State agency.

Senate Bill 325 also authorizes a law enforcement agency in this State, upon request of the Inspector General and to the extent that money is available, to provide officers, staff and other assistance to the Inspector General. Finally, the bill includes the operating budget of the Office of Inspector General within certain provisions governing the Department of Administration's Operating Fund for Administrative Services.

There is a conceptual amendment suggested by Chair Lee regarding the Division of Internal Audits. The proposal would shift the Division of Internal Audits from the Department of Administration to the Office of the State Controller.

Specifically, in the mock-up, the amendment deletes sections 1 through 7 of the bill; amends section 8, deleting the reference to the Office of the Inspector General in the original bill and removing in NRS 232.213 the Division of Internal Audits as an entity of the Department of Administration; and amends provisions in NRS 353A placing the Division under the Office of the State Controller.

For the Committee's information, the last page of [Exhibit H](#) provides two references in NRS 353A.045 regarding the current duties of the Chief of the Division of Internal Audits and NRS 353A.055 regarding the duties of the Division.

CHAIR LEE:

This bill was brought forth by Senator Greg Brower and the pros were heard during testimony. The Government Affairs Committee did not have an appetite to pass it; but I felt there were some good points, so I proposed an amendment ([Exhibit I](#)). The duties set forth for the Inspector General in S.B. 325 are similar to the duties already set forth in Nevada law for the Chief of the Division of Internal Audits. Why duplicate these efforts?

Can one Inspector General with a support staff of one adequately audit all of the agencies that need to be audited? I do not think so.

A better use of the \$220,000 annual cost for the Office of the Inspector General would be to hire two to three new auditors in the existing Division of Internal Audits. We will certainly need more than one person to audit Nevada's Medicaid program.

The Division of Internal Audits has experienced and competent staff members who have been in the business of auditing for years. We need to build on that expertise and not duplicate their current duties with another auditing agency. After all, S.B. 325 is trying to avoid government duplication.

Finally, I question the logic of having the Governor appoint and oversee an office like the Inspector General whose duties are to audit and investigate the Governor's own Executive Branch agencies. There is less incentive to identify fraud, misuse and abuse when one's own Inspector General is auditing his or her own agencies. A separation of powers is extremely important in this case.

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SENATOR GREG BROWER (Washoe County Senatorial District No. 3):

There have been ongoing discussions with the stakeholders, and we should have more information from the Governor's Office and the Attorney General's Office who first testified on this bill. They have been discussing the proposed amendment, and we should have a consensus by the end of the week in order to advise the Committee where we all stand.

CHAIR LEE:

I will open the hearing on S.B. 384 from the work session document.

[SENATE BILL 384](#): Authorizes the governing body of a local government to adopt procedures for the sale of naming rights to certain public facilities.
(BDR 28-172)

MR. STEWART:

Senate Bill 384 ([Exhibit J](#)) authorizes the governing body of a local government to adopt, by ordinance, procedures for the sale of the naming rights to a park, recreational facility or other public facility owned by the local government. The naming rights can also be sold for activities, events and programs that take place at these facilities.

Senate Bill 384 was a recommendation of the 2009-2010 Legislative Commission's Committee to Study Powers Delegated to Local Governments. Previous measures extending the authority to Clark County to sell naming rights to specific facilities were approved by the Nevada Legislature in 2007 and 2009.

Two amendments were discussed. The first amendment proposed on behalf of the Reno Aces, Nevada Land LLC, specifies that the authority to sell naming rights would apply to facilities "which are not encumbered by a lease that designates a tenant the right to sell the naming rights."

There was some discussion of how to handle names that may have historic value. A conceptual amendment would add language that names of historic value given to existing parks, recreational facilities or other public facilities would not be impacted by the provisions in S.B. 384.

CHAIR LEE:

Senator Manendo, does this conceptual amendment address your concerns?

SENATOR MANENDO:

Conceptually, it would. I would like to see language that would protect the Robert E. "Bob" Price Community Center. Many facilities have no name, and I am a proponent of reaching out with public-private partnerships. If it is a way for our local governments to obtain some revenue, it is a good thing. I want to ensure we are not selling off already established names, such as the Whitney Recreation and Senior Center or Maslow Park. If there is a soccer park called Soccer Park with no established name, I have no problem with people donating money to have it named after them. Conceptually, it seems okay, but I would like to review the language once it is drafted.

CHAIR LEE:

Existing public and recreational facilities that are already named after historic people would not be impacted.

SENATOR MANENDO:

Yes.

GARRETT GORDON (Nevada Land LLC):

Nevada Land LLC is the developer of the Reno Aces AAA baseball stadium in downtown Reno. The developer currently has a lease agreement with the City of Reno and is designated the right to sell the naming rights. I drafted an amendment for that situation because it may apply to more than just my client. The lease designates the tenant the right to sell the naming rights for the public facility. In the proposed amendment, I included a phrase concerning a park or facility in two different sections that says: "which are not encumbered by a lease that designates a tenant the right to sell the naming rights."

CHAIR LEE:

As a reminder, the Legislative Commission's Committee to Study Powers Delegated to Local Governments requested this bill.

SENATOR MANENDO MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 384.

SENATOR SETTELMAYER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR LEE:

We will now discuss S.B. 385 from the work session document.

[SENATE BILL 385](#): Grants power to local governments to perform certain acts or duties which are not prohibited or limited by statute. (BDR 20-170)

MR. STEWART:

Senate Bill 385 ([Exhibit K](#)) is also a recommendation of the 2009/2010 Legislative Commission's Committee to Study Powers Delegated to Local Governments. It provides that a county commission or city council may exercise any power it has to the extent that power is not expressly denied by the Nevada Constitution, the United States Constitution, the laws of Nevada or granted to another entity. The bill clarifies if there is a constitutional or statutory provision requiring a specific manner for exercising a power, the local governing body must adhere to that provision. Furthermore, if a local governing body wants to exercise a particular power not addressed in law, it must adopt an ordinance setting forth the manner for exercising that power.

The bill also provides a list of powers a county commission or city council cannot do without being expressly authorized by law. These powers include: limiting a local government's civil liability; setting laws governing civil actions between persons; imposing duties on other political subdivisions; imposing taxes or certain license fees or service charges; regulating conduct that is regulated by a State agency; investing money; or ordering or conducting an election. That list of powers is subject to the amendment in [Exhibit K](#).

That amendment from the Nevada Association of Counties and the Nevada League of Cities and Municipalities has been proposed to address the specific exceptions set forth in sections 7, 13 and 20 of the measure. The amendment clarifies the exceptions relating to civil liability and the imposition of duties on another political subdivision to provide that legally executed contracts or agreements, such as interlocal agreements, relating to these exceptions would not be impacted. It also specifies that the exception relating to imposition of a service charge or user fee be "commensurate with the cost of providing" the services.

In speaking further with the Nevada Association of Counties and the Nevada League of Cities and Municipalities, I learned they would like to use the language "actual cost" of providing the services in lieu of "commensurate" with the cost of providing the services.

CHAIR LEE:

The Committee received an e-mail from Juanita Cox, Chair, Citizens In Action, who opposes this bill. Since she is not here to testify, we will enter her statements into the record ([Exhibit L](#)).

SENATOR SETTELMAYER:

Senator Hardy and I had a discussion regarding the proposed amendment changing the word "commensurate" to "actual" throughout the amendment.

With that change I could support the measure. I feel we are giving a learner's permit to individuals who already have driving under the influence convictions.

CHAIR LEE:

We do have the ability to bring this back next Session to make changes if needed.

MR. FRASER:

We are fine with the proposed terminology change to the actual cost.

MR. HENDERSON:

I am also fine with the proposed terminology change.

CHAIR LEE:

With the change of terminology in the proposed amendment from "commensurate" to "actual," is there any further discussion?

SENATOR SCHNEIDER:

Could Ms. Chlarson tell us if that word change affects anything in the law? Also, does this amendment affect any law going forward?

HEIDI CHLARSON (Counsel):

In response to the word change proposed by Senator Settelmeyer, it just clarifies the intent of the proposed amendment. With regard to the impact of this bill becoming enacted in the law, the bill limits the applicability of

Dillon's Rule in Nevada. However, the bill as previously explained does limit the powers of local governments to a certain extent. For example, they would still be subject to certain limitations. They would not be able to impose a tax they were not otherwise authorized to impose. It is not a complete abolishment of Dillon's Rule; however, it grants considerably more authority to the local governments.

CHAIR LEE:

Because there seems to be an appetite to discuss this further, we will bring it back in work session on Friday and allow the proponents to work with the Senators. We will open the hearing on Senate Bill 360.

SENATE BILL 360: Revises provisions governing redevelopment agencies.
(BDR 22-937)

SENATOR STEVEN A. HORSFORD (Clark County Senatorial District No. 4):

Senate Bill 360 is another piece of the job creation package we have been working on this Legislative Session. This legislation also has a special important purpose because it is aimed at helping communities hardest hit by the effects of our protracted economic recession. While the unemployment rate has been in the range of 14 percent or so in the entire State, unemployment in particularly underserved communities is as high as 20 percent, 25 percent or even 30 percent or more.

Senate Bill 360 is targeted at creating jobs in some of the most disadvantaged neighborhoods in Las Vegas Valley with preference given to residents of the Southern Nevada Enterprise Community (SNEC), which encompasses west Las Vegas, east Las Vegas, Meadows Village and parts of North Las Vegas. Within the nine Census tracts of the SNEC are thousands of families who are trying to get by without a family member having a job. Senate Bill 360 seeks to change that. The legislation would create new incentives for developers within southern Nevada redevelopment areas to hire from within the redevelopment areas themselves and in particular from within the SNEC. Developers of redevelopment projects already received incentives from redevelopment agencies in the form of tax increment financing, which allows a portion of increased property taxes generated by a project to be used to finance infrastructure in the project area through bond financing.

For instance, developers of the City of Las Vegas's redevelopment area typically qualify for up to 40 percent of increased property tax revenues to help finance their own projects by paying for streets, water lines, utilities and other infrastructure improvements. While this is a great incentive to the developer, we need to ensure that the residents who live in that area benefit from the jobs that are to come both in the development of the project and once it is completed.

I would like to recognize Councilman Ricki Y. Barlow from the City of Las Vegas, who will speak to the bill. For the last year, we have been working to identify some of these areas of challenge and to improve the process.

Existing law under all redevelopment agencies asks for a best-effort requirement from developers in employing individuals in their projects. While that is well intentioned, it has not produced the level of benefits intended in the impacted areas in southern Nevada, which is North Las Vegas and the City of Las Vegas. The whole reason for the redevelopment area approval in Las Vegas was based on the blight that existed primarily in west and east Las Vegas. When the redevelopment legislation was first created, a blight threshold had to be met, which included an assessment. The original boundary for the redevelopment area for the City of Las Vegas was based on the underdevelopment and blight in west and east Las Vegas. These neighborhoods abut the now-flourishing 61 acres that is part of the redevelopment project. Residents who lived in those neighborhoods for 20 years, 30 years, and some of them 50 years or more, were supposed to receive the benefits of these new projects coming in the redevelopment area; unfortunately, it has not materialized. Senate Bill 360 seeks to improve that.

A developer may qualify to receive upwards of 40 percent of property tax revenues. Senate Bill 360 provides 10 percent of the 40 percent of the overall incentive be used to require a developer to hire contractors, subcontractors, vendors and suppliers with a threshold of at least 15 percent of the workforce coming from the redevelopment area as a whole and with preference to residents of the SNEC in particular. The 10 percent portion of the incentive also would be contingent on permanent jobs being created in the redevelopment project, filling 15 percent of the jobs with residents of the redevelopment areas as a whole and giving preference to residents of the SNEC.

Senate Bill 360 builds some accountability into this process. Developers receive and retain the incentive only if they fulfill the hiring requirements and can

document the outreach within communities they have conducted to fill these jobs. A redevelopment agency can withhold all or part of an incentive if a developer does not perform. If developers have already received incentives, they must repay them if they do not meet the specified hiring goals. If developers are given nonmonetary incentives, they must deposit funds equal to 10 percent of the value of the incentives with the redevelopment agency. They will receive that deposit back if they perform the hiring goals as specified.

You can see that S.B. 360 sets a relatively high bar for developers to meet if they want the incentives for redevelopment projects. The hiring goals are achievable precisely because this is an area with some of the highest unemployment rates in the State. People in this area are ready to work, and S.B. 360 will provide them an opportunity to work in their own communities.

I would like to offer three changes for the Committee's consideration included in the Proposed Amendment 6216 to Senate Bill 360 ([Exhibit M](#)). The first change would provide a new section to clarify that the provisions of S.B. 360 apply only to redevelopment agencies encompassing parts of the SNEC that are affiliated with the City of Las Vegas and North Las Vegas. Clark County does have a redevelopment agency, but it is defunct. The reason we have narrowed the scope is because these communities within the SNEC were the original communities that helped to establish the redevelopment boundaries.

The second amendment would be incorporated in section 8 and would require developers to report, in addition to their outreach efforts, on the job training conducted by the developers, contractors, subcontractors, vendors and suppliers in their redevelopment projects. This would help ensure local residents receive training that enables them to remain in the workforce once the redevelopment projects are completed.

The third amendment would seek to determine the feasibility of a project that could provide employment for residents of the SNEC during construction and after its completion. The amendment would make a \$50,000 appropriation from the Interim Finance Committee to study the feasibility of a sustainable center within the SNEC.

A renewable energy sustainability center, which has been identified as a priority by community and business leaders, would provide training in green jobs, business incubation and education, and offer educational opportunities for

children in the area of renewable energy. The study would identify a sustainable location for the center and potential financing mechanisms, including federal funding sources and private financing. I have provided the Committee with an overview ([Exhibit N](#)) of the sustainability center. Because we are asking for money, it warrants an explanation.

The SNEC Board applied for and received a grant from the Commission on Economic Development that allowed for the conceptual development of a sustainability center to be located within the SNEC. It has the support of the private sector with financial commitments to match what is being requested from the Interim Finance Committee. The proposal basically conceptualizes a green district within the SNEC. It would contain an outdoor amphitheater, solar collectors and wind turbines. It would contain all of the various elements we are planning to bring to the renewable energy industry. We want to incubate within a community project in the SNEC and call it the City Green, [Exhibit N](#), with drawings provided for your review.

Last year, a grant unanimously approved through the Commission on Economic Development allowed us to do the initial conceptual design. Now that we have support from the private sector and the community buy-in, we want to move the process forward through additional study and design.

Senate Bill 360 is an ambitious bill, but it has to be if we are to make a difference in putting Nevadans, in some of our hardest hit areas, back to work. The job creation legislation we are processing this Session should be inclusive across all income levels and all demographics. This bill is a step in that direction, and I urge the Committee's approval of this public policy. If the Committee does want to move the bill, it would be appropriate for your action to include referral to the Senate Committee on Finance since the appropriation requested in the fiscal note is not in the Governor's budget.

RICKI Y. BARLOW (Councilman, City of Las Vegas):

Senate Bill 360 is a step in the right direction as it relates to those most impacted by the high foreclosure rate and unemployment that exists in the area and throughout the State, specifically those who are hardest hit within the parameters and boundaries of the SNEC and the redevelopment area.

The City of Las Vegas, as of April 26, passed a resolution similar to S.B. 360. Residents are here today to speak about their concerns of the language.

CHAIR LEE:

Does the Southern Nevada Enterprise Community include Senate District 1? I would like to have a map to identify the SNEC because we are having the same tragedies in my district. What if there is an inability to find trained workers? Could a company be impacted because it was unable to find a particular labor force? Is the Green Center or the sustainability center like a preserve where people visit? And who will be responsible for the management of these facilities? Will the City of Las Vegas or the City of North Las Vegas be responsible for their management?

SENATOR HORSFORD:

I will provide you with a map of the SNEC. The SNEC consists of nine census tracts, initially a federal designation, "Whereas, On December 21, 1994, President William Jefferson Clinton designated nine census tracts in the urban core of the Las Vegas Valley as an 'enterprise community' ... " which has since been codified in State statute. The area does not go as far north as your district would encompass, Senator Lee. The area stops just short of Cheyenne Avenue. It is based on the census tract data that support the highest levels of unemployment, lack of home ownership, business ownership and other criteria included in the federal designation.

CHAIR LEE:

Could someone actually move to rent or own a home or apartment in the area and qualify, or is this for established home ownership families?

SENATOR HORSFORD:

It is defined as residence; as long as you reside in the redevelopment area, you would qualify. The redevelopment area for the City of Las Vegas is much broader, and so is the City of North Las Vegas redevelopment area. That much wider area would include part of District 1, Senator Lee.

The City of Las Vegas redevelopment area goes as far west as Decatur Boulevard and as far south as Sahara Avenue. I will get maps for the City of North Las Vegas and the City of Las Vegas for the Committee's review and then the overlap of the SNEC. The SNEC covers the City of North Las Vegas and the City of Las Vegas.

SENATOR SETTELMAYER:

I would appreciate reviewing the maps because I have no familiarity with the area. You commented the areas are very high in unemployment and have the highest rate of all the counties. We are running about 19 percent in Lyon County, and I wanted a base for comparison.

SENATOR HORSFORD:

I just asked if this information could be broken down with the demographic information. We do not have all of the census tract information for unemployment and other factors. We may have this information in June or July of this year, but the most recent data we have is shows the unemployment in these nine census tracts is as high as or over 30 percent unemployment. Historically, this has been the case for years.

SENATOR SCHNEIDER:

Does this include Henderson also? Downtown Henderson includes Water Street redevelopment, and most of the Boulder Highway is a redevelopment area. For full disclosure, I am building an apartment complex in the Boulder Highway redevelopment area. We obtained some City funds for that project. Would it cover that area also?

SENATOR HORSFORD:

Section 5.5 of the amendment limits the provisions of sections 2 through 9 only to redevelopment areas that overlap the SNEC. Those three redevelopment areas are the City of Las Vegas, the City of North Las Vegas and Clark County, but Clark County's redevelopment agency was suspended or discontinued a few years ago due to lack of support. This would not apply to Henderson.

Councilman Ricki Barlow, Clark County Commissioner Lawrence Weekly, Assemblyman Harvey J. Munford and I all serve on the Southern Nevada Enterprise Community Board along with several residents. The Board was formed out of prior legislation, and the whole focus has been to address the lack of infrastructure, the lack of development and the lack of job opportunities based on the historically high levels of underdevelopment and underemployment in this particular area. It is based on the federal designation and is the only enterprise community in the State. The federal government designated the area as the largest area of need back in 1994. I am not trying to suggest there are not other areas of need in the State.

MR. BARLOW:

One of the strong points about S.B. 360 and the resolution the City of Las Vegas adopted is the ability to withhold 10 percent of all redevelopment dollars that go into a redevelopment project if the developer does not meet the local hiring goal. This is a great incentive for anyone looking to do business within the redevelopment agency to employ those workers who are hardest served within the SNEC boundary.

SENATOR SCHNEIDER:

You have placed all of the burden on the developer, but the developer usually hires a contractor to execute the plan. The contractor is going to actually hire the employees. Have the Associated General Contractors signed off on this? When people get jobs and begin working and their life improves, for example, they move from a one-bedroom apartment to a two-bedroom apartment outside the area, what happens then? Is the whole project at risk?

SENATOR HORSFORD:

We reached 15 percent as a number so it would be realistic and achievable. We have met with developers who would be held to these restrictions if this measure is approved. This issue you raised—as far as efforts the developers must conduct—is being done now. The law says for all redevelopment projects, developers have to make a best effort to employ individuals and have an employment plan in place that speaks to how residents in the area will have employment opportunities. They must conduct job fairs and provide training conducive to the specialty of their jobs. The problem has been it is best effort. We have had some developers who have made every effort to reach out to residents, and we have had developers who wrote a plan, posted one ad and then nothing else was done. That was never the intent under the redevelopment law when drafted. We are now trying to beef this up and hold the developers accountable.

Under section 9 of the bill, a developer may appeal the refusal of an agency to pay the incentive if the developer can demonstrate the following: specific actions were taken to substantially fulfill the requirements; an insufficient number of significant opportunities for appropriate contractors, subcontractors, vendors or suppliers to perform a commercially useful function in the project existed; and use of appropriate contractors, subcontractors, vendors or suppliers would have significantly and adversely affected the overall cost of the project. If the legislative body finds that the developer's appeal has satisfied the

requirements, the agency shall pay the incentive. This is the out based on discussions with the impacted agencies as well as the developers to create a balance.

Now I am on the side of the residents. The people who are unemployed and feel they have not been given enough of a chance to participate in these jobs, either because they were not provided outreach or they did not feel they were included. I recognize the need on the other side with the agency and the developer to have balance and have agreed to the language in the amendment as proposed.

SENATOR SCHNEIDER:

Most developers probably do not have the expertise to go out and deal with the community. They put together the numbers and complete a job; if it is a union contract, they can call the union hall or they put a call out to their subcontractors. It goes down from the developer to the contractor to the subcontractor. Is there a mechanism in place to help the developer and the subcontractors complete the outreach? Maybe Senator Lee gets one of these jobs; how does he go about contacting plumbers within the redevelopment area? Would the community or city assist with that process?

SENATOR HORSFORD:

Every developer and project that qualifies for the incentives has a level of support to carry out these functions through the redevelopment agencies.

MR. BARLOW:

One attractive thing about the redevelopment agency is that we have the ability to incentivize developers coming in to provide employment on the construction side, leading to possible full-time employment once the development is complete. The dollars are generated specifically in low socioeconomic communities blighted with high unemployment and riddled with foreclosures. One of the great incentives for businesses is not only to increase the esthetic value to the area but to provide an opportunity for those residents who are unemployed to become employed as long as they are qualified to perform the work. If they are not qualified to perform the work, we have an opportunity through S.B. 360 to provide a level of training. If they cannot qualify for a job on the current project, they can receive training to qualify for a comparable job on a future project in the community in which they live to provide for their families.

We are not in the position of taking from the poor and giving to the rich; there must be a compromise. We would like to attract businesses into the area, and those businesses can improve the area to create a beneficial shared relationship for the residents and business owners. Once the residents are working, they have an opportunity to provide for their families, keep their homes, and reinvest in their homes and the community in which they live. The residents will also reinvest in the businesses in their community because of the redevelopment dollars received.

We are on the right track and have an opportunity to continue to put those redevelopment dollars to good use. We need to have additional leverage, and this bill and the resolution passed in the City of Las Vegas will provide that leverage.

WILLIAM ARENT (Director, Economic and Urban Development Department, Office of Business Development, City of Las Vegas):

To answer the question posed by Senator Schneider, one of our nonredevelopment projects is the City Hall construction being developed by Forest City Enterprises and Whiting-Turner Contracting Company. We took a step back, looked at that project and said, "What if we were to apply this policy to that project—how would it work?" We asked Forest City Enterprises, on a volunteer basis, to incorporate some of the same requirements into the City Hall project. We had success, but it requires a lot of work. You have to meet with the community members and engage them throughout the process to drive up the numbers. Encouraging diverse hiring and hiring of local residents in our business practices is good business not just for the City but for our private business partners. They agree with our methods and support the bill. The City of Las Vegas is here to support S.B. 360 with the amendment supported by Senator Horsford.

CHAIR LEE:

In the redevelopment area, there is a construction portion and a resident portion. On page 4, section 11, line 30 of the amendment, [Exhibit M](#), "(2) Each employer relocating a business into the area plans to give a preference in hiring to persons living within the redevelopment area" How do you monitor this requirement at the local level?

MR. ARENT:

When we enter into an agreement with the private developer on a redevelopment project, the requirements pertain to the construction as well as the permanent employment. If we are building a new office building for a single tenant, we know the tenant at the time of the project is included in the negotiation process. When we begin negotiations, we explain the policy for the State as well as the City of Las Vegas redevelopment agency. We work with the developer to drive as much local hiring and diverse hiring as possible. We also try to determine as many ways as possible to achieve success. It requires holding job fairs and town hall meetings and making grassroots efforts to ensure the line of communication remains open.

At times, our developer partners will hire a local firm to assist them in completing these requirements. Although the City Hall project is not a redevelopment project, it served as a test case for us to monitor the process to make improvements. Our partner, Forest City Enterprises, hired a local firm to help reach out to the community. We also have clear reporting. There is a clear template where the redeveloper reports results. If the developer does not hit that 15 percent hiring target from within the redevelopment areas, then we hold back 10 percent of the incentive. If the partner does not perform, we can withhold the incentive. It is good policy for the City, State and the SNEC as well.

SENATOR HARDY:

I am intrigued by the concept of a redevelopment agency looking at the redevelopment of people. This is similar to what I have been attempting to do with education. This would be returning dollars to the employment of out-of-work residents.

MR. BARLOW:

Yes, you are on the right track.

SENATOR HARDY:

If you look at prevailing wage, collective bargaining and more diverse hiring requirements, the developer is now concerned with the time allotment when bidding the project. He is concerned with the time for completion based on the workforce already in place, being recruited or those he must train. This would have to be included in the bidding process for how long it would take the developer to get workers at the site and construction started. With the current

training programs in place, do we have workers ready to enter into training? Also, how much money in the redevelopment fund can be put toward this requirement? If there are firms with this kind of expertise, do we have any of that information for feasibility and success?

SENATOR HORSFORD:

Yes, you are correct. This is about emphasizing the employment and training piece of redevelopment of a community, and just as you have indicated, trying to restore from an educational standpoint any revenues diverted from redevelopment. In most cases, a business plan for any business or project includes a finance plan, an operational plan and a labor plan. Are the people there, and how difficult would it be to employ these individuals? The 15 percent threshold is the 15 percent level of unemployment that already exists. The people want to work, but if they lack awareness or the skill set, that needs to be improved. The City of Las Vegas helps to link the individuals wanting to be employed with the developers. This is not onerous. The developer receives a taxpayer benefit up to 40 percent of the property taxes going into the financing to make the project pencil out. In exchange for that public support of private sector projects, it is only fair to ask those developers to do what they can to employ the local residents who help them receive the benefit of that economic incentive.

JENNIFER LAZOVICH (Forest City Commercial Group, Inc.):

We were the test case in southern Nevada for the construction of City Hall. We wanted to see how we could comply with requirements not yet put into law or adopted through a resolution with the City. We wanted to see if we could reach out within that community to bring those residents on board for the project. We had some success, largely because of an early cooperative effort between Forest City and the City of Las Vegas. We are supportive of this bill and think the key component is making sure the contractors and subcontractors who are brought onto the project work with us on getting out into the community to hire that qualified workforce. If we can get that cooperation from our partners, it will only help the developer achieve the numbers included in S.B. 360 and the City's resolution.

CHAIR LEE:

If you were building a project in Lincoln County, everybody in Lincoln County would get a job because the developer would need an experienced labor force or have to provide training. If there was a project in Nye County, the people in

Nye County would get those jobs. This is almost a community within a community.

SENATOR HORSFORD:

The first threshold the developer must meet is the requirement to employ individuals, as noted in section 7, subsection 1, paragraph (a) in the amendment [Exhibit M](#):

At least 15 percent of all employees of contractors, subcontractors, vendors and suppliers of the developer are bona fide residents of the redevelopment area and, among such persons, preference in hiring and contracting is given to residents of the Southern Nevada Enterprise Community.

MR. BARLOW:

These are the boundaries of the redevelopment agency: Sahara Avenue is the southernmost boundary; Carey Avenue will be the northernmost boundary, Decatur Boulevard is the westernmost boundary and Eastern Avenue will be the easternmost boundary.

SENATOR HORSFORD:

The 15 percent threshold starts in the redevelopment area first, and then preference is given if residents live within the SNEC.

MR. BARLOW:

We have numbers that indicate of the 500,000 people who live within the City of Las Vegas proper, approximately 6 percent live within the redevelopment area, which equates to about 34,000 people.

FRANK HAWKINS: (Former City Councilman, City of Las Vegas; Associated General Contractors, Las Vegas; National Association for the Advancement of Colored People, Las Vegas Branch III):

I sent an amendment to Senator Horsford to include with his amendment because Legislative Counsel's Digest in the bill says "section 6 of this bill exempts public agencies who use redevelopment funds" We should strike out the word "exempts" because in the case of the Smith Center, if a project is considered a public works project, then none of this would happen.

CHAIR LEE:

We are not seeing the language you are reciting.

MR. HAWKINS:

I am reading from the S.B. 360 Legislative Counsel's Digest section which is in error. All public works projects by cities should not be exempt; they should be under the same obligation as the developers.

CHAIR LEE:

Since the language in the bill and the digest information do not say the same thing, we will research that point for you.

MR. HAWKINS:

In the Proposed Amendment 6216, page 3, line 5, [Exhibit M](#), the language "Bonding, lines of credit and insurance" has been stricken from the text. As Senator Schneider knows, that is one of the most important issues if you are a contractor or a developer. If you cannot get bonding, a line of credit or some type of financing, you will not be building anything. We would like this language to be left in the bill. Senator Horsford added a new section 5.5 in the amendment, and it should not be selective. The redevelopment should apply to all redevelopment areas. To only apply to the City of Las Vegas and the City of North Las Vegas is incorrect. There are other areas of low-income families and underserved people not working in those communities.

CHAIR LEE:

You indicated you had sent these changes to us, but we do not have them.

MR. HAWKINS:

Yes, an e-mail was sent about 45 minutes ago to all members of the Committee as well as Senator Horsford.

CHAIR LEE:

Usually you must provide this information 24 hours prior to the meeting.

MR. HAWKINS:

Many of these changes were just made this morning. One of the critical issues, when talking about employing low-income people, what happens if the local government elects to utilize a Project Labor Agreement (PLA)? In the Smith Center and the City Hall project, the developer made a commitment to the community to hire people from the redevelopment area but instead hired Whiting and Turner, which is a general contractor, and claimed it signed a PLA. I do not know one worker hired from the redevelopment area. You must speak

to the PLA issues because I see two loopholes. Senator Horsford wanted to put the hardest hit people in these census tracts to work, but if it is deemed a public works project, these workers will be excluded. If the developer or general contractor elects to sign a PLA, that means the people who live in these areas will not be going to work. If you agree, then you must go back and review NRS 338 as it relates to public works in the redevelopment areas.

CHAIR LEE:

The amendment addresses a reporting process which would not exclude bonding, a credit line or insurance.

JO CATO (National Association for the Advancement of Colored People, Las Vegas Branch III):

I will defer my comments to President Hawkins of the National Association for the Advancement of Colored People.

CHAIR LEE:

I would like to acknowledge Mr. Hawkins' concerns when we come back on Friday in a work session. Because of the dollar amount on this bill, it will be an amend and rerefer to the Senate Committee on Finance. I neither have the amendments nor does it look like you have been notified. I want to give you time to work out the amendments.

SENATOR HORSFORD:

I would be happy to do that.

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CHAIR LEE:

I will close the hearing on S.B. 360 and adjourn the Senate Committee on Government Affairs at noon.

RESPECTFULLY SUBMITTED:

Martha Barnes,
Committee Secretary

APPROVED BY:

Senator John J. Lee, Chair

DATE: _____

<u>EXHIBITS</u>			
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Senator David R. Parks	State Rankings for Per Capita Amounts of Federal Government Expenditure: Fiscal Year 2009
S.B. 233	D	J. David Fraser	Proposed Amendment SB233
S.B. 100	E	Michael Stewart	Work session document
S.B. 232	F	Michael Stewart	Work session document
S.B. 250	G	Michael Stewart	Work session document
S.B. 325	H	Michael Stewart	Work session document
S.B. 325	I	Senator John J. Lee	Arguments for the Adoption of an Amendment
S.B. 384	J	Michael Stewart	Work session document
S.B. 385	K	Michael Stewart	Work session document
S.B. 385	L	Juanita Cox	Email Written Testimony
S.B. 360	M	Senator Steven A. Horsford	Proposed Amendment 6216 to Senate Bill No. 360
S.B. 360	N	Senator Steven A. Horsford	SNSC Accomplishments