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

## Seventy-Seventh Session May 6, 2013

The Committee on Government Affairs was called to order by Chairwoman Teresa Benitez-Thompson at 9:06 a.m. on Monday, May 6, 2013, Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada and videoconferenced to Carole C. Harter Classroom Building Complex, Building B, Room 117 at the University of Nevada, Las Vegas, 4505 South Maryland Parkway, Las Vegas, Nevada 89119. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at nelis.leg.state.nv.us/77th2013. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

## **COMMITTEE MEMBERS PRESENT:**

Assemblywoman Teresa Benitez-Thompson, Chairwoman Assemblywoman Dina Neal, Vice Chairwoman Assemblyman Elliot T. Anderson Assemblywoman Irene Bustamante Adams Assemblyman Skip Daly Assemblyman John Ellison Assemblyman James W. Healey Assemblyman Pete Livermore Assemblyman James Oscarson Assemblyman Lynn D. Stewart Assemblywoman Heidi Swank Assemblywoman Melissa Woodbury

#### **COMMITTEE MEMBERS ABSENT:**

Assemblyman Harvey J. Munford (excused) Assemblywoman Peggy Pierce (excused)

#### **GUEST LEGISLATORS PRESENT:**

None



## **STAFF MEMBERS PRESENT:**

Jennifer Ruedy, Committee Policy Analyst Jim Penrose, Committee Counsel Bonnie Hoffecker, Committee Manager Maysha Watson, Committee Secretary Jennifer Dalton, Committee Secretary Cheryl Williams, Committee Assistant

#### **OTHERS PRESENT:**

Katherine Duncan, President, Ward 5 Chamber of Commerce Ted Olivas, representing City of Las Vegas William Arent, representing City of Las Vegas Dan Musgrove, representing City of North Las Vegas Alan H. Glover, Clerk/Recorder, Carson City Debbie Conway, Recorder, Clark County Lawrence R. Burtness, Recorder, Washoe County Diana Alba, Clerk, Clark County Nancy Parent, Chief Deputy Clerk, Washoe County Margaret Flint, representing Chapel of the Bells, Reno; Arch of Reno Wedding Chapel; and Silver Bells Wedding Chapel, Reno Steve Walker, representing Carson City, A Consolidated Municipality; Douglas County; Lyon County; Storey County; and Eureka County Karen L. Ellison, Recorder, Douglas County; and President, Nevada Recorders Association Jen Chapman, Recorder, Storey County Mary Milligan, Recorder, Lyon County

#### **Chairwoman Benitez-Thompson:**

[Roll was taken and protocol reiterated.] We are going to be hearing two bills today. Senate Bill 135 (1st Reprint) is sponsored by Senator Atkinson, but one of the cosponsors, Assemblywoman Neal, is going to present it. We will then be hearing Senate Bill 364 (1st Reprint), which will be presented by Alan Glover, who is the Carson City Clerk-Recorder.

We will go ahead and open up the hearing on Senate Bill 135 (1st Reprint).

<u>Senate Bill 135 (1st Reprint):</u> Revises provisions governing redevelopment agencies. (BDR 22-876)

## Assemblywoman Dina Neal, Clark County Assembly District No. 7:

I am here to discuss <u>Senate Bill 135 (1st Reprint)</u>. I want to explain a couple of things. There is an amendment (<u>Exhibit C</u>). If you look at the amendment in the original bill that was passed by the Senate, that amendment did not represent what the Senate Committee on Government Affairs discussed and stated they wanted in the bill.

Basically, an amendment was passed out of the Senate, but they did not read it. I am not trying to be mean. I corrected this amendment on Friday, and now it represents what Senators Goicoechea, Hammond, and Spearman wanted it to say. When you read the bill it is important to understand that you are looking at something new, but it was an error. I caught it on Friday before I left.

The City of Las Vegas has an actual employment plan. It is a discretionary hiring plan. Senate Bill 135 (1st Reprint) tries to codify the discretionary hiring plan. Sections 1 through 5 of the bill list definitions. If you look at section 1 of the employment hiring plan (Exhibit D), there is a recap of certain terms, such as "build-to-suit developer" and "build-to-suit owner/lessee." This does not mean S.B. 135 (R1) is ignoring or excluding what is in section 1 of the hiring plan but not in sections 1 through 5 of the bill. It is just trying to codify that certain provisions of employment hiring and minority hiring are applied to the terms listed.

Section 6 of the bill speaks to what this particular bill would apply to. If you read section 6, it says, "The provisions of sections 2 to 10, inclusive, of this act . . . ." This particular section has been expanded. This bill came forward in 2011, and it was vetoed by Governor Sandoval because it was too restrictive in terms of the redevelopment area (RDA).

You have a map of the Southern Nevada Enterprise Community (SNEC) (<u>Exhibit E</u>). The area is now inclusive of not only SNEC but RDA 1 [(<u>Exhibit F</u>), page 2] and RDA 2 [(<u>Exhibit F</u>), page 3], as well. It also includes the neighborhood revitalization area (<u>Exhibit G</u>), which is under the City of Las Vegas. Also, there is the Community Development Block Grant (CDBG) area.

The idea was to avoid a veto and to make the area a little bit wider to make sure that it captured folks who were looking for employment. When I looked at the neighborhood revitalization area and the CDBG, they represented some of the same groups that RDA 1 and RDA 2 were trying to capture in terms of income and need. That is why that area is wide and broad. The veto letter said it was too narrow. The idea was to be more inclusive and to extend the boundaries out to other areas that may be of need.

Section 7 says, "A public agency that uses redevelopment funds for the design or construction of a redevelopment project . . . ." The discretionary plan encourages the hiring of economically disadvantaged residents, members of racial minorities, women, disabled, or veterans. It captures a wide group.

I had to do the research. If preference was a problem in 2011 and there was a veto, what legal basis was there to establish a best effort preference that was not discretionary? The case that is on the Nevada Electronic Legislative Information System (NELIS) was the *White v. Massachusetts Council of Construction Employers, Inc.*, 460 U.S. 204 (1983) case (Exhibit H). When I was looking at section 7 of the bill, I was trying to figure out if there was a legal basis for a public agency to recycle its own funds.

If you look at page 5 of the case, insofar as the city is expending its own funds in entering into construction contracts for public projects, it is considered a market participant. When you act as a market participant you are acting like a corporation within your own city. The city is not acting as a regulator; it is acting as a corporation or a business. If it is acting as a business, which makes it a market participant, and expending its own funds, then there can be a certain level of preferences. The case sets that out and says on page 6 that if you have an identifiable class of economic activity, which, in this case is construction, then there is some leeway for you to go forward and apply your dollars in a way that it gives a preference.

In the court case, they talked about the CDBG. That is why I included it. In the second column on page 7 (Exhibit H), it says, "Similarly, CDBG regulations provide that a recipient of funds must 'comply with section 3 of the Housing and Urban Development Act of 1968, as amended . . . .'" It was okay because it fit under a certain legal analysis where you could apply a certain preference if the city was expending its own funds for a specific economic activity.

I read more than one case. I read at least six, but this was the one that codified what this bill was trying to get at. It also was distinguished but not overruled. It was distinguished in areas that had nothing to do with this bill.

I know I am moving fast, and I am probably giving more information than you need. However, I am trying to get you to understand a bill that may not read exactly the way that it should, and I am also trying to explain why the amendment is there.

## **Chairwoman Benitez-Thompson:**

Are there questions from Committee members on sections 1 through 7?

## **Assemblyman Stewart:**

Why does this bill only apply to Las Vegas?

## **Assemblywoman Neal:**

Las Vegas has the discretionary hiring plan to begin with. No one else has that redevelopment hiring plan that I know of. It made sense to apply this bill to Las Vegas because that was what they were doing in their discretionary hiring plan.

#### **Assemblyman Stewart:**

The Governor vetoed this original bill two years ago. Why will he not veto it this time?

## Assemblywoman Neal:

The reason the Governor vetoed the original bill in 2011 was that the bill only applied to SNEC. That was one area. He said it was too narrow. He also said that the clawback provision of 10 percent was too strong. That is the best way to say it. Those were the two reasons.

This was not my bill, but when I looked at the veto letter I realized that SNEC was too narrow. There was another agenda going on. That is why the current bill is inclusive of several different areas, which are represented in the maps (Exhibit F), that still represent people in need, such as minority groups or economically disadvantaged groups within Las Vegas. That is why it is broader now.

The clawback provision is in the amendment (<u>Exhibit C</u>). It is being added back into the bill in section 8, subsection 2. Senator Goicoechea felt that there needed to be a clawback provision to make sure that the developers fulfilled their due diligence. That went back in the bill. They brought it up in work session. They brought it up in the regular hearing. He said he would not vote for it unless the 10 percent, or some clawback provision, was added back.

## **Assemblywoman Bustamante Adams:**

Could you give some history of why the bill is coming forth? Could you back up before we go through the bill section by section so that we could understand why an employment plan is sometimes necessary?

#### **Assemblywoman Neal:**

There was an employment plan created in 2001. The one that you are looking at is the updated version for 2011 (<u>Exhibit D</u>). There were community residents who felt that the construction projects going forward with redevelopment dollars were not inclusive of the residents who actually lived within the area.

The suppliers, the subcontractors, and the people who could actually work were not being afforded the opportunity in what could sometimes be \$20 million projects.

There was a discussion and a push to bring legislation. This was brought forth by Senator Horsford in 2011 with community input. He tried to codify the discretionary hiring plan to make sure that it was not discretionary but was actually something that the city would have to do going forward. In the plan itself, you can see the groups. The employment plan encompasses not just minorities but veterans, the disabled, and women. The idea was for these vendors to have the ability to at least participate in those redevelopment dollars, since the money was being driven from that tax base. There was a need for equity. That is the backstory.

## **Assemblyman Daly:**

I am going to follow up on what Assemblyman Stewart said. I read section 6 as a limiting factor, which puts this in Clark County and not in any of the other redevelopment agencies. I do not know that anybody else has an enterprise community that is currently or was previously established pursuant to *Code of Federal Regulations*, Title 24, Chapter 5, Part 597. We obviously do not have SNEC outside of Clark County. Is that a limiting factor as to why it is in Clark County? That is the way I read it.

#### **Assemblywoman Neal:**

We are reading it differently, then. Maybe that is an error. I sent you the SNEC map in your email (<u>Exhibit E</u>). It actually crosses over Las Vegas, and I believe it is positioned in RDA 1. Can you see it on the map?

#### Assemblyman Daly:

I understand that. I am just saying it is entirely in Clark County. I agree it applies to Las Vegas, North Las Vegas, and southern Nevada in general. I am just saying that if another redevelopment agency, such as the one that is in Sparks or Reno, does not have an enterprise community, this does not apply to them. Section 6 says, "The provisions of sections 2 to 10, inclusive, of this act do not apply . . . ." That is why I believe it is just in southern Nevada at this point. Nobody else meets the requirements to have this apply to them.

## **Assemblywoman Neal:**

You are right. I was not hearing what you were saying.

## **Assemblyman Daly:**

I was just trying to help clarify that a little bit. I appreciate the court case. We have seen similar cases. You might want to look up the Boston Harbor

decision, which was a 9-0 Supreme Court ruling regarding project labor agreements [Building and Const. Trades Council of Metropolitan Dist. v. Associated Builders and Contractors of Massachusetts/Rhode Island, Inc., 507 U.S. 218 (1993)]. It made the same analysis. The argument in that case was you cannot enter into a collective bargaining agreement as a public agency when you are acting as a regulatory body, but if you are acting as a consumer of construction services, the same as anyone else would act, you can enter into those types of agreements. That would give additional validation to the point you are trying to make.

I am not saying that any of this is bad. The parts that I have problems with, which I would leave to future litigation, are these mandatory plans and having provisions like using your best efforts. It all comes down to who is administrating and how they interpret things. That is only one part of it. People then try to turn those into quotas. There are problems with that. Furthermore, who decides if the cost increase from using these vendors or people is too much of a threshold to bear? There is nothing in there, and the Las Vegas plan says that. It speaks to other things. These are all warm and fuzzy wiggle words that have no solid definition in the eye of the beholder, and that is part of the problem I have with some of this.

However, the basic intent is they are trying to have people and vendors in the area benefit. It is a worthwhile effort. How you get there is the hard part.

## **Assemblywoman Neal:**

Let me give a little bit more background to what you said. Those are legitimate points. If you look at page 5 of the Las Vegas Employment Plan (<u>Exhibit D</u>), in bold under "Resident Participation Requirement," they state that the reporting and demonstration of efforts is required. They have been using the best effort preference for a while.

Senator Hammond had asked how things would be dealt with if they could not find a trained person. There needs to be a caveat that allows them to move forward if they tried but could not find a trained person.

One thing that I did not get a chance to bring up was that, on page 8 of the Las Vegas employment plan, they have the referral agencies. That was a big concern. Where do they find them, and what are they supposed to do with them? In the discretionary plan, they have these referral agencies, such as the Asian Chamber of Commerce, Women's Chamber of Commerce, and Latin Chamber of Commerce. If they already have the referral agencies to figure out who is trained and qualified, then the "best effort" language that I put in the amendment may make sense. It may be too flexible, but I think they need

flexibility to come out of a mandate situation and then have the ability to do what you said, Assemblyman Daly.

If I am making the argument that the city is acting as a market participant, and if there is a specific economic activity that I am trying to capture, such as construction, then how does a business perform in seeking out entities or people who are eligible? You need to have a referral agency. You need to have the ability to train because you are acting as a business. You are, at least in some format, performing that way in the market.

These are good things that help the best effort move forward. Not only does it give you a set group of entities to speak to and rely on, but the employment plan also includes a training program [(Exhibit D), page 9]. There must be in-house training provided.

I felt that in-house training might also be a burden that someone could argue. In the amendment, the "best effort" language includes expending training dollars or subsidies through applicable training programs that may exist through state or local agencies that an employer may be able to apply for to assist training efforts (Exhibit C). I was thinking, if I owned a company and you were telling me I have to do in-house training through the law, which is an entirely different discretionary hiring policy, what tools are you offering me? Knowing that the Department of Employment, Training and Rehabilitation has training programs to help businesses, why not build the connection there? We are offering free programs to help businesses train employees and then offer to pay their wages for three or six months while they are being trained. It is probably a little less time than that, but you know what I am trying to get at.

I thought that was probably a better way to come out of mandate. They may be saying do X, but they also offer assistance to allow you to do X so the burden is not on your business. It is on the state programs that exist. If you cannot do it, the amendment says to give your "best effort."

#### **Assemblyman Stewart:**

I am still a little confused here. Las Vegas is the only one who has developed a plan. They already have regulations, but is the plan not working? If anybody else comes along with a plan, such as Sparks or Henderson, then this does not apply to them or to their plan. In that SNEC map (Exhibit E), it looked like this development area went into North Las Vegas. Will that not apply to them because it only applies to Las Vegas? I still have a lot of concerns.

## **Assemblywoman Neal:**

I understand your concerns. From my understanding, no one else has a discretionary hiring plan. If they do, I would like for them to testify. No one did so on the Senate side. I do not recall it coming up in the 2011 hearing. I do not know what Sparks has going on in terms of their redevelopment, their discretionary hiring plan, or whether or not there is a great need to be inclusive of veterans, women, and minorities. I think we are talking about a lower percentage of folks the farther north we go.

I think when Las Vegas put out the discretionary hiring plan community residents had been complaining for several years. They wanted to be a part of the development in Las Vegas.

Regarding the issue with the North Las Vegas area on the SNEC map (Exhibit E), even RDA 1 [(Exhibit F), page 2] goes over to Lake Mead Boulevard and Martin L. King Boulevard. It crosses over a little bit into North Las Vegas. I think the reason why SNEC is in there is because it has been the administrator of that area for the past five years. I think that was the impetus to be inclusive and why you see North Las Vegas by the boundary. However, if you feel that North Las Vegas should be included, that is up for discussion. I do not know what North Las Vegas is doing in terms of redevelopment. They actually have a redevelopment plan, but I do not know how they are going forward in terms of money. This may be a provision that could kick in and apply to North Las Vegas upon the receipt of actual dollars that they are going to expend in the city. That would be the closest nexus to deal with the 1988 redevelopment extension, which is in red in the RDA 1 map [(Exhibit F), page 2].

## **Chairwoman Benitez-Thompson:**

For clarification, who did you say the administrator was for that area that crosses into North Las Vegas?

#### Assemblywoman Neal:

It is the City of Las Vegas.

#### **Chairwoman Benitez-Thompson:**

Within the maps that are represented here and the way the language is written, the language is specific to Las Vegas, or to all of Clark County. That is why we capture this area of North Las Vegas, although it is administered by the City of Las Vegas.

#### **Assemblywoman Neal:**

Let us just say there is an overlap into the county because of SNEC, which was established through federal law under the Clinton administration in 1995, I believe. I think that is why section 6 was put in the bill, to try to define that area. There is an overlap into the county, into North Las Vegas, and into Las Vegas, which you can see designated in red on the RDA 1 map [(Exhibit F), page 2]. You can see how it crosses in. If you compare the SNEC map (Exhibit E) to the RDA 1 map [(Exhibit F), page 2], you can see a portion of SNEC is included in the green portion of RDA 1, which was added in 1996. I know it is confusing if you do not have the SNEC map laying on top of the RDA 1 map. If you superimpose the two maps, you can see how the red and the green overlap. There are portions of the Las Vegas RDA inside of SNEC. Does that make sense?

#### **Chairwoman Benitez-Thompson:**

It does. Within section 8, on page 3, line 35, it states, "an agency proposes to provide an incentive to a developer for a redevelopment project . . . ." When you say "agency," you mean that to capture not only the city but the SNEC area. Is that the intent of that language?

## **Assemblywoman Neal:**

Did you say you were on line 35?

#### **Chairwoman Benitez-Thompson:**

Yes. I am on line 35 on page 3. You use the term "agency." What is your meaning with that term?

#### Assemblywoman Neal:

It would be the City of Las Vegas.

#### Chairwoman Benitez-Thompson:

It overlaps into other areas, as long as those areas are within SNEC. Is that correct?

## **Assemblywoman Neal:**

Yes. That would be the best way to apply it. We needed to see the map because no one knows where the SNEC boundary is or what that enterprise community is. There is a nexus between SNEC and Las Vegas because they have a small strip of shared area. Las Vegas would only be responsible for that part within the SNEC boundary. Ideally, since they have a direct nexus as a result of their expansion in 1998, there would not be a problem in terms of that relationship. There would be a problem if there was no extension of Las Vegas RDAs into SNEC. They would ask why they care or why it was any of their

business. I think that was the idea. That was the impetus behind adding that in.

## **Chairwoman Benitez-Thompson:**

We were taking questions on sections 1 through 7. Do you want to walk through the rest of the bill, or do you want to open up for questions for the rest of the sections?

## **Assemblywoman Neal:**

Let me at least explain section 8. There are lot of strikethroughs in the amendment. Section 8 is going to be more of a compare-and-contrast conversation. I gave you the redevelopment plan (<u>Exhibit D</u>) so you could see what the differences were in section 8. I think that is important to note.

In section 8, subsection 1, paragraph (a), it says, "At least 15 percent of all employees of contractors, subcontractors, vendors and suppliers . . . ." In the actual employment plan, what the bill does is apply the 15 percent to each type of contract. I think that is the best way to explain it.

If you look at the resident participation requirement, resident preference incentive, and minority participation goal on page 5 of the employment plan (Exhibit D), all of that is what section 8 is dealing with. In the redevelopment plan, all new jobs created as a direct result of the project are required to be filled by bona fide residents of the Las Vegas RDA. It applies to new construction jobs and build-to-suit permanent employees. If you read section 8 in the bill, at least 15 percent of all employees of contractors, subcontractors, vendors, and suppliers of the developer are bona fide residents of the RDA. Fifteen percent of the employees of contractors are going to now have to be bona fide residents or pull from that by best effort. It goes on to say that "preference in hiring and contracting is given to residents of the Southern Nevada Enterprise Community." It is not supposed to be that narrow. With the amendment, it should include SNEC, CDBG, RDA 1 and RDA 2, and neighborhood revitalization. Section 8, subsection 1, paragraph (a), line 2 on page 4 was an error that should have been caught on the Senate side. This preference applied not just to one area but several areas. It is the same in That is a problem. It is not just SNEC. It is more than paragraph (b). just SNEC.

Paragraph (b) says, "At least 15 percent of all jobs created by employers who relocate . . . ." That is a new provision. That basically states that if you are going to relocate, then you also need to try to fill positions with bona fide residents of the RDA.

#### **Chairwoman Benitez-Thompson:**

Are there questions from Committee members on section 8? [There were none.]

#### **Assemblywoman Neal:**

In paragraph (c), it says, "The developer or build-to-suit owner or build-to-suit lessee complies with any requirements . . . ." I do not know if you know what that means, but I had to look it up. As it says in section 2 of the bill, "'Build-to-suit developer' means a private developer who constructs a redevelopment project . . . ." This encompasses the developer and the build-to-suit owner or lessee. They must comply with the requirements imposed by the agency relating to the employment plan in the agreement for the redevelopment project, and the developer must satisfy all reporting requirements as described in section 9.

You should have a copy of the City of Las Vegas employment plan reporting templates (Exhibit I). I have no intention of changing the existing reporting requirements. There are about six or seven pages of reporting templates. Within a certain number of days, the developer is supposed to provide their hiring information to the City of Las Vegas. That is what paragraph (d) in subsection 1 of section 8 of the bill is referring to. I wanted to show you the reporting templates so you could see what was already being done. No one is trying to reinvent the wheel. The same City of Las Vegas reporting project would also be applied under section 9, which is referenced in paragraph (d) of section 8.

Subsection 2 of section 8 says, "If an agency provides nonmonetary incentives to a developer . . . ." That basically means having skin in the game. Subsection 2 was a part of the City of Las Vegas redevelopment plan (<u>Exhibit D</u>). This is just further establishing that if you get something, you have to give a little something. It is a deposit.

In section 9, you have what I just said on the reporting. In subsection 1, paragraph (a), when it talks about the outreach efforts that the developer has utilized, that is laying out everything that is in the Las Vegas reporting plan (Exhibit I). I do not know if you want to go through that, but I hope that the current reporting process is what is envisioned by the actual sponsor of this bill.

On page 3 of the Las Vegas reporting templates (<u>Exhibit I</u>), it lists the required documents for submittal. There is an employment plan statement of commitment, subcontractor data summary, baseline employee chart, and so on. The subcontractor data summary requires the developer to lay out the number of subcontractors, jobs, and the payroll for their various minority-, women-,

disabled-, or veteran-owned business enterprises. The City of Las Vegas is already going about classifying and identifying who is participating. If you look below the subcontractor data summary, there is a form for information on these subcontract awards and trades. Personally, I think this is very detailed. There is no reason to change it or to add something new to it.

On page 5, we have the subcontract baseline employee chart. In the first column, the developer must identify their classification as either "RDA resident" or "RDA non-resident." That will probably change because it needs to be inclusive of the new RDA boundaries. The other columns require the developer to provide their job title, annual summary, whether they are full-time or part-time, et cetera. I think this particular reporting requirement is really good, although the classification column needs to be expanded. This tells you exactly what this particular company would be reporting back to the City of Las Vegas.

If you have questions on section 9, then we can talk about that, but I think we need to talk about it in reference to the City of Las Vegas reporting document (Exhibit I).

## **Chairwoman Benitez-Thompson:**

Are there questions on that last part of section 8 or on section 9?

## **Assemblyman Stewart:**

I am not trying to be difficult. I understand what we are trying to do here. However, if I am contractor trying to match the employment plan with the bill and some parts are okay while others are not, it seems as if it would be very difficult to come up with the intent.

#### Assemblywoman Neal:

I think that is a good comment. My explanation of section 8 is definitely confusing. Under the bill, at least 15 percent of all employees of contractors, subcontractors, vendors, and suppliers of the developer are bona fide residents of the RDA. Also under the bill, you would be making sure that at least 15 percent of all the jobs created by employers who relocate to the RDA are filled by bona fide residents.

On page 5 of the Las Vegas employment plan (<u>Exhibit D</u>), it says 15 percent of all new jobs created as a direct result of a private redevelopment project must go to bona fide residents of the Las Vegas RDA. It also explains the minority participation goal, which is an aspirational goal of 15 percent participation of minority-, women-, disabled-, or veteran-owned business enterprises. It represents the total value of subcontracts and materials awarded to these businesses. Instead of having a specific carve-out for minority participation

listed in the redevelopment plan, you just have 15 percent of all jobs being applied to bona fide residents and 15 percent being applied to the employees of contractors, subcontractors, vendors, and suppliers, making sure that they are bona fide residents.

Instead of it just being the RDA, it now includes SNEC (Exhibit E), CDBG, and the neighborhood revitalization area (Exhibit G). It is this broader captured group that now has the opportunity to be hired and actually participate in those dollars. The neighborhood revitalization area is already a part of Las Vegas. This is an area that they want to grow. This is a neighborhood they want to develop. You cannot develop a neighborhood without jobs. You cannot make anyone who lives there change their neighborhood landscape without them also changing their employment opportunities, if those exist, in order to enhance their area.

To me, it supports the larger goal to revitalize an area, and it also enables those people to work and possibly find legitimate employment through the City of Las Vegas projects.

Is that better?

#### **Chairwoman Benitez-Thompson:**

Are there additional questions from Committee members? [There were none.] Did you want to go into the rest of the bill?

## **Assemblywoman Neal:**

Yes. A lot of this is deleted language. Section 10 is there. Section 10.5 is completely struck out of the bill. It was passing through, representative of other bills that were coming into the Assembly, and there was a question of whether or not it passed the Senate side. Now that certain other bills have passed through, there is no need to have certain provisions in the bill.

Section 11 needs to be clarified because it says "sections 2 to 10.5," but section 10.5 is no longer part of this bill. Section 12 basically is saying that it applies to Las Vegas. It has that "60 years after the date" provision because it passed through exactly that way. It came from this body. There is still a question in terms of, for me, whether or not that section needs to be clarified because it is already going through.

Section 13 is the same as section 11. The amendment strikes "10.5" from the language. The number would be reduced. Section 13, subsection 2, paragraph (d) was this other group. That language in the amendment was flexed a little bit. The amendment says, "The developer will give best effort to

afford an employment opportunity . . . . " It should say "other related projects." The only thing that is missing is that it should also say "veterans." That is something that was missed because I was rushing trying to fix what I found out had not been fixed.

Section 14 was deleted by amendment. Sections 15 and 15.5 were also deleted. Section 15.5 talked about the community revolving loan account.

I apologize that the bill was presented in a way that should have been a lot cleaner. I am also not a senator. I reside in this House.

## **Chairwoman Benitez-Thompson:**

Could you go over what was deleted one more time?

## **Assemblywoman Neal:**

All the revolving loan language was removed from this bill.

## **Chairwoman Benitez-Thompson:**

Section 10.5 was taken out. Section 11, line 5 and section 13, line 30 were taken out.

## **Assemblywoman Bustamante Adams:**

Line 30 was taken out?

#### **Chairwoman Benitez-Thompson:**

Yes. The blue language in line 30 was taken out.

#### Assemblywoman Neal:

It is the part where it says "sections 2 to 10.5, inclusive, of this act." Going all the way up to section 10.5 was being inclusive to the revolving loan language. That is not a part of this bill anymore. That shows up once or twice. Section 14 was deleted because it had that loan or finance language originally. Section 15 was also deleted because there was a reference to a revolving loan or something related to that. Section 15.5 refers to a revolving loan account created by section 10.5. That section was deleted. There is no need to have that provision. It is not associated with this bill anymore. That is going through Assembly Bill 417 (1st Reprint). There is no reason to have that language in there.

Those are the things that were missed. They were errors that came out and were voted on. It is a guarantee this is going back for conference committee. It is also a guarantee that it will be rediscussed. This was the discussed amendment, but somehow the bill was voted on without the amendment.

Section 10.5 was in the bill when they passed it out of the Senate. It was just the other provisions in section 8, paragraphs (a) and (b), where it should not have just said "Southern Nevada Enterprise Community," and the "best effort" language in section 13 in that should have come to this House because of the recommendations from the senators in the Senate Committee on Government Affairs. That was what they asked for. That was what was agreed upon, yet it was not in the floor amendment.

## **Chairwoman Benitez-Thompson:**

Are there additional questions?

#### Assemblyman Daly:

I know it is probably scary, but I did follow most of what you were saying. I was curious about section 7, subsection 2. If you want to leave it in there, you can. However, a lot of these developers come into the redevelopment agency, and they try to keep their business mix as secret as possible. Some developers do not want to know. Some businesses do not want everything to be public. When you say "a developer who constructs a development project for the purpose of conveying or leasing the property to an unknown owner or lessee," you may be missing part of what you want to try to hit. People will keep it quiet and intentionally not tell you. I am not saying this fixes your deal, but I do not see a reason to exclude them on that.

There is a provision in the redevelopment law already that talks about prevailing wage. It says, if you just build a shell and the building sits vacant for five years, the prevailing wage requirement goes away, but if you have a tenant come in and do that first tenant improvement, then it is covered for the first five years. I do not know that you want to exclude them there.

How long does this employment plan go? Let us say you build a shell. You have your first tenant, and it is a restaurant. They are open for a year, but then they go out of business for whatever reason. There is a second tenant that comes in. None of this would apply in that case because they are within the redevelopment agency but are no longer receiving the benefit of the public money.

## **Assemblywoman Neal:**

Those are good points. What statute were you referencing?

## Assemblyman Daly:

I would have to look the section up for you, but it is in *Nevada Revised Statutes* (NRS) Chapter 279.

#### **Assemblywoman Neal:**

I think those are good things to add. There should be a provision. If there is a point where redevelopment dollars no longer exist, the language could be limiting. If you have some suggestions that could make section 7, subsection 2 better, I will take those to Senator Atkinson. Is that good?

## Assemblyman Daly:

I do not think you need subsection 2. You do not need to limit them just because they do not know who their lessee is going to be. If they are building a shell, they have no intention of leaving it vacant for very long.

## **Assemblywoman Neal:**

Okay. I have marked that down. Thank you.

## Assemblyman Daly:

It is either that or they are bad businessmen.

## **Chairwoman Benitez-Thompson:**

Are there additional questions? [There were none.] Let us go ahead and open up for testimony in support. [There was none.] Let us move to opposition.

## Katherine Duncan, President, Ward 5 Chamber of Commerce:

The reason we are coming in opposition to the bill today is because it is just too cloudy. It is too confusing. It is really cumbersome. No one is going to be able to understand it. The Las Vegas RDA has been challenged in Las Vegas already. I am one of the residents that Assemblywoman Neal talked about who were continually challenged by how the RDA affected our neighborhood. When I say "our neighborhood," I am speaking principally about the African-American community. It seems as though the emphasis of the RDA is to build projects on the other side of town, to encourage our people to go across town and work in those jobs for other people.

We believe the intent of the redevelopment dollars should be to also build and support developments in our own community so that we can build our projects and can put our own people to work.

We believe the RDA is challenged because it lacks citizen input. There is no avenue for citizens or chambers of commerce to bring development projects to the RDA. We have suggested at least ten projects be supported by redevelopment over the past five years, and none of them have received any support. We believe, had these projects been accepted by the RDA, we would not be sitting here fighting about how to get our people working on the other side of town.

Just to comment on the history of the RDA a little bit, at one time the city's employment plan had a lofty 51 percent goal of hiring people from the RDA. When they realized that this 51 percent goal was never going to be met, the bar was dropped from 51 percent to a 15 percent requirement, which, unless we incentivize developers, we are not going to reach.

For these jobs, the people are hired from the labor unions, and the developer, because of his contract with the labor union, must hire those people who are sent to him by the union. He cannot pick and choose whether the next one is going to be a woman or an Asian or Pacific Islander. That is a challenge for the developer reaching his employment plan.

Since we have been working with this issue for several years, we have developed a plan which has worked in the industry. We call it the Nevada Plan for Equal Employment. What this does is, when the developer has to fulfill a goal, so to speak, and does not have that particular individual in his hiring pool, we coordinate federal and other state resources to bring these employees to the developer in an on-the-job training situation. We get their first period wages compensated back to them.

There are private industry solutions to these challenges that we are having. What we do not have is an avenue for the government to work with the private industry. We need to align ourselves more with the Ward 5 Chamber of Commerce, which has been very close to this issue since 2007.

We would like to propose that this bill be sent back. It needs to be relooked at with the business community so that we can get it straight once and for all. What we already have does not work. The amendment just makes what already does not work even worse.

#### Chairwoman Benitez-Thompson:

Are there questions for Ms. Duncan?

## **Assemblywoman Bustamante Adams:**

Do you realize that this bill, if it does not go anywhere—I am not sure if it can go back to the Senate—would die, and you would end up with nothing?

#### **Katherine Duncan:**

As it stands now, we get nothing anyway.

## **Chairwoman Benitez-Thompson:**

Are there additional questions? [There were none.] If you see something different, you can point it out, but I do not see anything in this bill that requires

hiring from a labor union hall. I see that folks would have to be paid prevailing wage. At least, if I am wrong, could you point out where you see that language and that interpretation of the bill?

#### Katherine Duncan:

My experience with the RDAs started with the construction of the city hall by Forest City, and it was a union job. I make my references to the job that already happened.

#### **Chairwoman Benitez-Thompson:**

Okay. Are there additional questions? [There were none.] Is there additional testimony in opposition? [There is none.] We will move to neutral testimony.

## Ted Olivas, representing City of Las Vegas:

I believe we also have Bill Arent present in Clark County in case you have any technical questions. He is our director of economic and urban development.

I have had the opportunity to follow this bill and work with Assemblywoman Neal on it. You have an amendment before you (<u>Exhibit C</u>). I know that there appears to be some confusion. I think we were working from an amendment in the Senate. If I may, I will go through this and identify the changes as I see them.

We talked about the provisions of sections 2 through 10 and those being in the City of Las Vegas redevelopment plan ( $\underbrace{\text{Exhibit D}}$ ). A number of those provisions are, in fact, in our plan already. We make a good faith effort for the training and hiring of people from the community.

With section 6, there were some questions about who it applies to. We share that concern because North Las Vegas may be included in this. I believe a portion of their redevelopment area is, in fact, within the boundaries of the SNEC map (Exhibit E). I am not positive, but as we reviewed this over the weekend, that question was one that we could not answer. Looking at the maps, they appear to overlap.

In section 8—this is part of the amendment, where it talks about adding "10 percent"—if you look on page 3, line 36, it should say "10 percent of the amount of the proposed incentive." That is where that language would be added.

If you look on page 4, lines 1 and 2, Assemblywoman Neal is proposing that we add "CDBG, Redevelopment Areas 1 and 2, and neighborhood revitalization

areas" after "Southern Nevada Enterprise Community." That same addition would go on page 4, line 7. She is adding those areas into those two sections.

The second reference to the 10 percent goes on page 4, line 16. It should say "the developer shall deposit an amount of money with the agency equal to 10 percent of the value of the nonmonetary incentives."

We do have some portions of this in our plan. Section 10.5 talks about the revolving loans, and that is covered in A.B. 417 (R1), which is in the Senate now.

Section 12 is the language to extend the Las Vegas RDA. It is different than the bill that the Assembly passed. When you passed that bill, it added criteria that we had to meet to be able to get the extensions. There is a bit of a disconnect in section 12.

We are adding "veterans" into section 13 on page 7.

That is where the bill stands now. If you have any questions about our plan or how it works, Mr. Arent and I would certainly be glad to answer any questions.

## **Chairwoman Benitez-Thompson:**

Are there questions from Committee members?

#### **Assemblyman Stewart:**

If, in fact, part of this does lie in North Las Vegas, then you would have a problem administering something out of your boundaries. Is that correct?

## Ted Olivas:

We would not be responsible for administering, but North Las Vegas may have some concerns about having to comply with this. I have not spoken to any of their representatives.

#### **Chairwoman Benitez-Thompson:**

You said that parts of the current employment plan are included in this bill and other parts are not. I have as part of the handouts the Las Vegas RDA employment plan (<u>Exhibit D</u>) and the reporting templates for the plan (<u>Exhibit I</u>). Could you talk to me a little bit more about what is happening under the plan currently and what provisions of the bill are different from the practices you presently engage in?

#### Ted Olivas:

With your indulgence, may I ask that we go down south and have Bill Arent answer that question?

## **Chairwoman Benitez-Thompson:**

Yes.

#### William Arent, representing City of Las Vegas:

The City of Las Vegas RDA has had an employment plan. As was referenced earlier by Assemblywoman Neal, our current policy has been in place since 2011. There are really two elements in our policy. One is to have resident participation from folks who reside within the RDA. That goal is on page 5 of the Employment Plan Policy (Exhibit D). The second element is a minority participation aspirational goal to hire a minimum of 15 percent of the workforce from one of the following underrepresented communities: minorities, women, disabled, or veteran business enterprises. We then have mandatory reporting of these projects.

Those are the requirements set forward in our current policy. These requirements are not codified in NRS currently. The City of Las Vegas, after working with some of our community partners, decided that this was good public policy. The city council adopted this policy by ordinance in 2011.

The current bill, as I understand it, has some additional requirements, which overlay these requirements. They include participation within SNEC, within areas represented by CDBG census tracks, and within our neighborhood revitalization area, which is an area mapped by the City of Las Vegas and referenced in our 2020 master plan as an area needing revitalization.

There are a lot of layers here, and I think those are some of the new layers that are added. We think this is good public policy. We think it is working. We appreciate the intent of the bill sponsor and also Assemblywoman Neal, trying to codify some of the things that we are doing into NRS. We are concerned that some of these additional layers overlap and may, in some instances, contradict what we are currently doing.

We have a policy on the books. We think it is working. One of our recent projects that was not an RDA project but actually a city-funded project was the construction of the city hall. We actually realized at closeout of the construction that we had a participation rate of over 20 percent. That was one of the ways we came up with the participation rate for the employment plan. What should the aspirational goal be? We wanted to live through a real project to see what was achievable and attainable. After living through that project,

we saw that 15 percent was attainable. Again, this is not codified in statute now, but we appreciate the intent of both the bill sponsors as well as Assemblywoman Neal.

I would be glad to answer any questions that you may have.

## **Assemblywoman Bustamante Adams:**

From your words, you said that you feel like the 15 percent within the employment plan is working. To reference back to Ms. Duncan, she said they are not getting anything now. To me, that is contradictory. Can you address that?

#### Bill Arent:

We have learned over the years what to do and what not to do. The city hall project, as you know, was a fairly recent project. We just finished construction and opened the building in February of 2013. We did have some past projects where we did not hit that level of participation. We wanted to see what we have to do on a real world project to get that community participation. We have records of those contracts as far as which contractors and subcontractors received the work. It is all public record. We would be glad to share that with Ms. Duncan.

I know, in the past, we have not had the success we have had recently, and we have not had a lot of projects come through since 2011. As you know, we are just getting out of a recession. We do not have a lot of projects that are in active construction. We do have a couple downtown. We have not seen the reports come in yet for their construction labor, but we believe the lessons that we learned from the city hall construction project are going to serve us well moving forward to make sure that we meet the intention of our own policy we have adopted by ordinance at the local level.

## **Assemblywoman Bustamante Adams:**

There is improvement, then. From the previous statement, I felt like nothing was working at all. However, in your statement, there is improvement. You are making the effort, and you are moving forward. This bill would help to codify some of the things that are within the current policy. Is that correct?

## Bill Arent:

To answer the first question, that is correct. I think we are seeing improvement. To answer the second question, we like the intent of the bill. We like some of the language in the proposed amendment by Assemblywoman Neal. We had a difficult time, as the Assemblywoman did, reconciling what came out of the Senate versus what the intent of the bill

sponsor was and what we wanted to see in the bill. We are supportive of some of the language in the amendment. We do want to reserve judgment on seeing the next bill draft and the work session to really see how it all fits together. We are having a hard time seeing how it fits together. Mr. Olivas alluded to that.

We are supportive of a lot of the language that the Assemblywoman put forward, and we would be glad to work with her on any amendments on this bill. Again, we think the policy is working. We do not really think that this bill is needed, but if there is a desire for the Legislature to codify some of this language, we will certainly work with members of the Committee.

#### **Chairwoman Benitez-Thompson:**

Are there any additional questions?

#### **Assemblyman Stewart:**

Perhaps you can get with Ms. Duncan and reassure her of what has been done. She seems to still have some concerns.

## Chairwoman Benitez-Thompson:

Are there additional questions? [There were none.] Is there additional testimony in neutral?

#### Dan Musgrove, representing City of North Las Vegas:

We have been lucky that our economic development administrator, Terry Sheridan, has been listening to the hearing over the Internet. She believes, based on the testimony of Assemblywoman Neal and based on the fact that it is tied to the SNEC and the RDAs, the bill does not affect us. However, I think that we all would appreciate seeing a mock-up. The Assemblywoman did an admirable job trying to tie it all together with everything that happened and did not happen in the Senate versus what the first reprint and her amendment say. I think it would serve all of us well to see it in writing and perhaps even have the maps interlink with what is considered redevelopment in the SNEC area.

Again, as long as it, at this point, does not apply to us, I think we are okay with that. We are not in a position to put some of this into place, although we are working well with our partners to try to engage the community as we go forth in redevelopment areas. That is very important to us. It is so crucial to get our folks and our city back to work on projects such as this, and it is an admirable goal. That is something that we have been trying to do ourselves.

#### **Chairwoman Benitez-Thompson:**

Are there any questions for Mr. Musgrove? [There were none.] Is there additional testimony in neutral?

#### Katherine Duncan:

I just wanted to clarify the discrepancy between Mr. Arent's testimony and my testimony. He was talking about 20 percent participation for overall minorities. My testimony had to do with participation rates of African Americans. I believe the RDA is most challenged in my community, which lies just north of the downtown area of Las Vegas. Not only are we not working the jobs in the RDAs, we are not getting any RDA funds to develop projects in our neighborhood.

#### **Chairwoman Benitez-Thompson:**

Thank you for that clarification. I appreciate that.

We will go ahead and close this hearing on <u>S.B. 135 (R1)</u>. We will open up the hearing on Senate Bill 364 (1st Reprint).

<u>Senate Bill 364 (1st Reprint):</u> Revises provisions governing governmental administration. (BDR 19-185)

## Alan H. Glover, Clerk/Recorder, Carson City:

This is a fairly straightforward bill. The reason I ended up being the one to present it was because I am the only one in the state who is both a clerk and a recorder. Senate Bill 364 (1st Reprint) is a combination of bills that the clerks and recorders put in.

Section 1, subsection 5 on page 3 of the bill is the change of the date that allows all government agencies to redact personal information that we have in our records. Since 2007, any document that is filed or recorded in this state has to have personal information, such as social security and driver's license numbers, redacted unless it is required by law. There are certain documents for which folks have to fill out a form saying that this includes a social security number or personal identification number, and we keep track of that.

I want to make it really clear that the recorders in the state are very committed to protecting people's personal information. We do not put anything onto the Web if it has that personal information on it. After we redact personal information, then that can go onto the Web. I know this body is very interested in having transparency and easy access to documents, and that is one of our goals.

With section 2 of the bill, counties over 700,000 in population, which is obviously Clark County, may add one or more branches in the county to sell marriage licenses.

We added section 2.5, which was a friendly amendment on the Senate side. That simply deleted the word "copy" because we do not record copies. We record originals, and that has been on the books for years.

Section 3 cleans up the language. It removes the word "revocation" and inserts "removal." It is the same in section 4.

Section 7 of the bill is for Clark County.

That is the gist of the bill. With me is Larry Burtness, the Washoe County recorder. If you have any questions on any of the sections, we would be happy to answer, and I believe Ms. Conway and Ms. Alba have information, as well.

## **Chairwoman Benitez-Thompson:**

Do you want anyone else to put comments on the record before we move on to questions?

## Alan Glover:

I believe if we went to Clark County, that would be best.

## Debbie Conway, Recorder, Clark County:

<u>Senate Bill 364 (1st Reprint)</u> revises current legislation to authorize governmental agencies to ensure that any personal information contained in a document that is submitted before January 1, 2007, is either maintained in a confidential manner or is redacted from the document. Since the legislation was initiated, what we did here in Clark County was install redaction software to complete the redaction process.

I would like to offer some background information just to give you an idea of the number and the volume of redactions that we do here in Clark County. Our estimated document image counts for the period of 1905 to 2012 is over 84 million. Our estimated redaction cost, if we were to redact all of those documents, would be approximately \$2 million. So far, we have redacted documents for the years 2009 to 2012, which is approximately 12 million images or documents. Document images remaining to be redacted go from the years 1905 to 2008. There are over 71 million images in our database that we have yet to redact. If Clark County redacted 1 million images a year, it would take us approximately 71 years to redact all of those documents.

There are several limitations in the redaction requirements. Most of the older records are digitized from microfilm, and the images must be reviewed individually. They have to be reviewed before they are redacted. We have to make sure that the redaction software has not missed any of the information that needs to be taken off the document.

Clark County, as well as some of the other recorders across the state, has seen a decrease in manpower and resources because we have gone through cost containment. We do not, in some cases, have the necessary manpower to be able to perform or complete the work requirements that are currently in statute.

Passage of this particular bill will allow governmental agencies to complete the process in an efficient and methodical manner, ensuring that the redaction is done properly.

To put things into perspective in terms of the number of documents and images that we are talking about, Clark County is the largest recording office in Nevada. On a daily basis, we record over 3,000 documents. Each document has to be looked at and quality checked. One document may contain several pages. It can contain up to 20 pages, in some cases. The redaction software can redact a lot of the items, but each page has to be looked at and quality reviewed in order to ensure that everything has been removed. We are looking at the document more than once. If we have a hard copy, we have to scan it in and then form an electronic image in order to redact it. If we have microfilm, we have to digitize it to create an electronic image and then redact that with the software. If someone requests a hard copy, we have to print it first, and then we have to manually redact the information from the hard copy. We make certain that the information has been redacted before we sell the copy.

As I mentioned before, we have redaction software installed, and we indeed pledge to continue to redact every document. However, it may take us a little bit longer. The folks in our IT department estimated that if we allocated at least five people to the redaction process, and if those persons worked eight hours a day for five days a week, they still would not be able to complete the redaction process of all the 84 million documents in our database by the year 2017.

The labor cost that I estimated initially was about \$2 million to redact all of those documents. If we were to add staff, of course those costs would increase.

We appreciate the opportunity to add this information to the record. We stand ready to answer any questions that you may have. Hopefully, you will be able to support us in this attempt.

#### **Chairwoman Benitez-Thompson:**

The first section of the bill is dealing with *Nevada Revised Statutes* (NRS) Chapter 239B. I am looking at section 5 on page 3 of the bill. We are striking the language of "on or before January 1, 2017." Can someone tell me where that date comes from? I see it in statute, but I am not able to pull up any history on what the relevance of that date is.

#### Alan Glover:

That date was put in the original bill in 2007, assuming that we could have all of this work done by that date. It is pretty obvious that we cannot have work completed by that year.

#### **Chairwoman Benitez-Thompson:**

In 2007, the goal was to have everything loaded up within ten years, and then, as it says in section 1, subsection 5, paragraph (a), maintain everything in a confidential manner, and as it says in paragraph (b), take out the personal information with the redaction software. The purpose of striking this language is to give you folks more time to continue the redaction process with the documents that you have.

#### Alan Glover:

Yes, that is correct. It makes it permissive so that we can keep working back as far as we can.

#### **Chairwoman Benitez-Thompson:**

I see that you have folks here representing other areas of the state. Let us go ahead and hear from them about where they are in their processes. I am wondering what the volume looks like for other counties and cities in terms of the amount of work that is left to be done.

#### Lawrence R. Burtness, Recorder, Washoe County:

Ms. Conway identified 84 million documents in the Clark County database. In the state of Nevada, there are over 125 million total images just in the county recorder offices. This is a significant number. Of those 125 million, about 30 million were recorded between 2007 and 2012. These have all been reviewed and redacted of their personal information. It is the other 95 million that we have some concern with.

Certainly, the county recorders agree that redacting the personal information is critical. We are very passionate about our records.

## **Assemblyman Livermore:**

Has that number grown annually? We know the backlog, but are you able to keep up with today's workload?

#### **Larry Burtness:**

Yes. On an ongoing basis, the county recorders keep up with the redaction. We are whittling away, if you will, at the go-backwards side of things.

## **Assemblyman Livermore:**

Will we ever be able to do 196 million pieces? Is that possible? Are we going to be here 20 years from now still 100 million pieces out?

#### **Larry Burtness:**

That is a good question. I do not have the answer. We may always be chasing our tails trying to get all of the records redacted, but on a go-forward basis, we are committed to doing that.

## **Chairwoman Benitez-Thompson:**

There are 95 million records statewide for county recorders left out there. What would you say would represent a county's best effort in redacting those items? What is realistic? Is it 10 percent a year of a county's current backlog? I am just trying to get a better feel for what is reasonable for a county in terms of addressing that backlog.

#### **Larry Burtness:**

That is a good question. I am not sure exactly how to answer that. I think it depends on the size of the county. It might be easier for smaller counties to get a larger percentage, whereas the larger counties, like Washoe County and Clark County, might be very challenged to redact 1 million or more documents a year. I think Ms. Conway, my counterpart in Clark County, described some of the characteristics, such as time, labor, and the cost to do that on a go-forward basis with the older records.

#### **Chairwoman Benitez-Thompson:**

I see here that we are striking the date and changing "shall" to "may" so the government agency "may ensure that any personal information contained in a document" gets redacted by the sections laid out in paragraphs (a) and (b) and going into paragraph (c). However, the intent is not actually to give the government agencies permissive language of whether or not they can keep it. The goal is to find language that does not hold your feet to the fire with a certain date to have all this work done. Is that correct?

#### Alan Glover:

That is correct. We did not want to be blocked from doing it. We want to do this. That is why the changes are in there.

[Vice Chairwoman Neal assumed the Chair.]

### **Assemblyman Elliot Anderson:**

My question is along the lines of section 2. Why are we proposing the strike of language of requiring a marriage bureau in Henderson?

#### Alan Glover:

That might be a question for the Clark County clerk.

## Diana Alba, Clerk, Clark County:

There has been a mandate in the statute that requires that my office have a branch in Henderson. Since that has been in effect, the City of Henderson has very generously provided office space for me to use there. Should they need that space back, I would be forced to rent space. I have looked into leasing office space and having a security guard and other things that I would need. It represents a significant unfunded mandate for me. This just gives me the flexibility to have an office in Henderson.

I am committed to keeping an office out there. We have worked well with the City of Henderson, but Mayor Hafen understands our need to have some flexibility on this. This is actually just for the future. Like I said, I anticipate keeping that office open, but were the space that I currently have to become unavailable, then it would be a significant cost for me to be forced to rent space.

My office in Henderson is primarily a marriage license office. Getting a marriage license is not like paying your property taxes. It is not something that you do annually, at least not most of us. It is a once or twice in a lifetime kind of thing. Were that office to close, I do not think it would be a hardship on couples to drive from Henderson to Las Vegas to get their marriage license.

That being said, I am committed to keeping it open as long as I have the space available. This just gives me the flexibility for what may happen in the future.

#### **Assemblyman Elliot Anderson:**

There are a lot of jokes to be made there. I am not going to touch any of them.

#### **Assemblyman Stewart:**

As long as Henderson provides the space for you, your plan is to keep that operation. Is that correct?

#### Diana Alba:

That is correct. I see that happening in the foreseeable future.

#### **Assemblyman Stewart:**

Is it in the city hall?

#### Diana Alba:

It is in the city hall. It is in the city clerk's office. It is a very nice space that they provided.

#### **Assemblyman Elliot Anderson:**

Could you instead say "to the extent resources are available"? There was probably reason that language was put in there before. I feel like, if that is your intent, we can speak more specifically to that intent.

#### Diana Alba:

The way the statute is written now, I may have as many as three or four branches at locations of my choosing, but I have to have one in Henderson based on the population.

Another issue is that North Las Vegas has almost reached that population threshold, which, if this stays on the books in the NRS, then I would be required to have an office in North Las Vegas, as well. Having it worded the way we would like it in this bill gives me the flexibility to manage those resources and to have branches where they are most needed. Right now I have a branch in Laughlin. I think that is a greatly needed branch because it is 100 miles from the county seat. That provides significant support for the hotels, casinos, and wedding venues in Laughlin. This just gives me the ability to make those judgments and to provide those branches in the areas where they are needed. Like I said, I am committed to having one in Henderson now and in the foreseeable future, as long as the space is available.

#### Vice Chairwoman Neal:

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

## Nancy Parent, Chief Deputy Clerk, Washoe County:

The Washoe County Clerk's Office supports this bill, particularly the things that relate to our office, which is the cleanup language on recording the original

marriage certificate versus an originally signed copy that just presents problems for everyone.

Sections 3, 4, and 5 change the word "revocation" to "removal," and that relates to minister authorizations to perform marriages. A lot of times, ministers' authority is removed for a number of reasons that have nothing to do with them doing anything bad, and "removal" is just a much more palatable word. We believe the ministers will support that change and prefer it.

Also, section 7 changes the statute to prohibit solicitation from merely at the courthouse property where marriage licenses are issued to any county-owned property where marriage licenses are issued. That is needed because recently the Washoe County Clerk's Office moved out of the courthouse, and we are at the Washoe County Administration Complex. Right now, we are not having any trouble, but we need to keep that enforced, as we are currently located on county property.

#### **Vice Chairwoman Neal:**

Are there any additional questions or comments? [There were none.] We will shift to testimony in support.

[Chairwoman Benitez-Thompson reassumed the Chair.]

## Margaret Flint, representing Chapel of the Bells, Reno; Arch of Reno Wedding Chapel; and Silver Bells Wedding Chapel, Reno:

Specifically, we are here in support of section 7 of the bill. That definitely has to do with the wedding chapel wars that people have probably heard about if they have been in Nevada for any period of time. We just want to be on the record in support of this bill.

#### Assemblyman Oscarson:

Is "wedding chapel wars" the name of a new reality show that is coming out?

## **Margaret Flint:**

It very well could be.

#### **Chairwoman Benitez-Thompson:**

Are there additional questions? [There were none.]

## Steve Walker, representing Carson City, A Consolidated Municipality; Douglas County; Lyon County; Storey County; and Eureka County:

It is the first time in my ten years of representing these counties that we have unanimous support for a bill. I want to make sure I get that on the record.

#### **Chairwoman Benitez-Thompson:**

You see, there can be consensus reached in this building. That is great. Are there questions for Mr. Walker? [There were none.]

#### Diana Alba:

I am in support of this bill. We definitely appreciate Senator Atkinson's help with both the recorders and the clerks. I think the points in the bill have already been pretty much laid out. It cleans up some language that needed to be clarified or made easier to understand. There is even a provision in there from a long ago year where the clerk could charge an extra fee for a marriage ceremony performed after-hours. None of us are even sure when that took place. We think it was in the 1950s.

We feel like this bill does some great things to clarify the statute and to make the operations of the clerks and recorders run more smoothly. We would appreciate your support.

## **Debbie Conway:**

I just wanted to say that we are in support of the bill. No one here today is representing the courts, but the courts also have to redact their documents. I think Mr. Glover and Ms. Alba can attest to the fact that they have even more records to redact than the recorder's office.

Once again, we appreciate your time and your consideration of this bill. We would appreciate your support.

## Karen L. Ellison, Recorder, Douglas County; and President, Nevada Recorders Association:

I am here in support, both for the Nevada Recorders Association and as a recorder for Douglas County.

#### Jen Chapman, Recorder, Storey County:

I am here expressing my support of this bill.

## Mary Milligan, Recorder, Lyon County:

We are all in support of this bill. As far as the smaller counties you had questions about, we still have a smaller staff in proportion to all of the other counties and have been asked to cut staff in the past, and we are still trying to do our best to redact backwards. I am right now working on 1999 documents. Once we get those redacted, then we can upload them to the Internet, which our people in Lyon County really like because we are such a big, spread-out county. The more that we can do, the better, but we do not want to be held to

the 2017 limitation because that is not very realistic for any of the counties. We thank you so much for hearing us.

## **Chairwoman Benitez-Thompson:**

Thank you for your comments. Are there questions from Committee members? [There were none.] Is there additional testimony in support? [There was none.] We will move to opposition. [There was none.] We will move to testimony in neutral. [There was none.] Are there any closing comments? [There were none.]

We will close the hearing on <u>S.B. 364 (R1)</u>. I will open up the microphones for public comment. [There was none.]

Meeting adjourned [at 11:09 a.m.].

	RESPECTFULLY SUBMITTED:		
	Maysha Watson Committee Secretary		
APPROVED BY:			
Assemblywoman Teresa Benitez-Thompson, Chairwoman			
DATE:			

## **EXHIBITS**

Committee Name: Committee on Government Affairs

Date: May 6, 2013 Time of Meeting: 9:06 a.m.

Bill	Exhibit	Witness / Agency	Description
	Α		Agenda
	В		Attendance Roster
S.B. 135	С	Assemblywoman Neal	Amendment
S.B. 135	D	Assemblywoman Neal	Employment plan
S.B. 135	E	Assemblywoman Neal	SNEC map
S.B. 135	F	Assemblywoman Neal	RDA maps
S.B. 135	G	Assemblywoman Neal	Revitalization area map
S.B. 135	Н	Assemblywoman Neal	Court case document
S.B. 135	I	Assemblywoman Neal	Reporting templates