

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

**Seventy-Seventh Session
March 21, 2013**

The Committee on Government Affairs was called to order by Chairwoman Teresa Benitez-Thompson at 8:03 a.m. on Thursday, March 21, 2013, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at 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
Assemblywoman Peggy Pierce
Assemblyman Lynn D. Stewart
Assemblywoman Heidi Swank
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

Assemblyman Harvey Munford (excused)

GUEST LEGISLATORS PRESENT:

None

Minutes ID: 580



STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst
Bonnie Hoeffcker, Committee Manager
Lori McCleary, Committee Secretary
Cheryl Williams, Committee Assistant

OTHERS PRESENT:

Andrea Engleman, Private Citizen, Carson City, Nevada
Donna DePauw, Private Citizen, Carson City, Nevada
Lawrence Werner, representing Carson City, A Consolidated Municipality
Mary Walker, representing Carson City, A Consolidated Municipality
Steve Hill, Executive Director, Governor's Office of Economic
Development
Jeff Fontaine, representing Nevada Association of Counties

Chairwoman Benitez-Thompson:

[Roll was called. Rules and protocol were explained.]

We are going to be hearing two different bills today, Assembly Bill 312, presented by Assemblyman Livermore, and Assembly Bill 333, presented by Assemblyman Healey. I will open the hearing for Assembly Bill 312 and welcome to the table Assemblyman Livermore.

**Assembly Bill 312: Makes various changes to the Charter of Carson City.
(BDR S-41)**

Assemblyman Pete Livermore, Assembly District No. 40:

I am here today to present Assembly Bill 312. Currently, the Carson City Charter provides for the appointment of a charter committee to advise the Carson City Board of Supervisors concerning potential amendments to the Carson City Charter. This bill seeks to revise the nomination and appointment terms that members of the charter committee must be nominated for appointment as follows: Each supervisor shall nominate at least one candidate, and each member of the Senate and Assembly delegation representing the residents of the city shall appoint one member. Excluding members appointed by the Senate and Assembly delegation, the board shall determine the appropriate number of members to appoint to the charter committee.

This bill is very important to me as a legislator. Assembly Bill 312 ensures the place of a state legislator on the city's charter committee. There was some unintended language to the bill, so I have submitted a proposed amendment to

Assembly Bill 312 ([Exhibit C](#)). There is also a copy of the Carson City Charter, revised November 7, 2011, on the Nevada Electronic Legislative Information System (NELIS) ([Exhibit D](#)). This is my attempt to change the legislation on the second page, section 1.080 of the charter, regarding the charter committee nominations, appointments, terms, qualifications, and compensation.

As you can see in section 1 of the amendment, "Charter Committee: Nomination; appointment; terms." This is language that was removed in the bill, but is being reinserted in the amendment. In section 1, subsection 1, it goes on to say, "The members of the Charter Committee must be nominated for appointment or appointed as follows." I propose those words "nominated" and "appointed." In paragraph (a), "Each Supervisor shall nominate at least one candidate; and (b) Each member of the Senate and Assembly delegation representing the residents of the City shall appoint one member." That is important because I do not sit on their board and I have no ability to interview their candidates or their list of candidates.

In section 1, subsection 2, it goes on. [Assemblyman Livermore read from ([Exhibit C](#)), page 2, lines 1 through 31.]

What I would like to bring to your attention is, prior to 1999, the Carson City Board of Supervisors had a charter committee, but it was not in the charter. In 1999, they appeared before the Assembly and the Senate, Assembly Bill No. 539 of the 70th Session, to make various changes to the Carson City Charter. The testimony on the bill from Mayor Ray Masayko ([Exhibit E](#)) indicated that Assemblywoman Bonnie L. Parnell of Carson City was unable to attend the meeting. I would like to bring your attention to the second page of those minutes. It states:

Mr. Masayko explained Carson City does not have an ordinance requiring the board of supervisors to appoint a charter committee, although it is a current practice to do so prior to the legislative sessions. He noted the established charter committee is comprised of 11 members including the board of supervisors and each member of the legislative delegation representing a portion or a complete district within Carson City. He explained the charter committee takes testimony from citizens and makes decisions regarding modifications to the charter, as appropriate. The bill, he pointed out, codifies the appointment of a charter committee.

Three paragraphs below that, it reads, "Shelly Aldean, representing the Carson City Charter Committee, reiterated Mr. Masayko's comments, noting the

recommendations set forth in [Assembly Bill No. 539 of the 70th Session] were the result of deliberations of the charter review committee."

I want to go further to say that I was elected to three terms as a member of the Carson City Board of Supervisors. I served from 1999 to 2010. My term expired in December 2010. When I was elected to the State Legislature, I could no longer serve on the board of supervisors. The day after the election, I submitted my resignation to the Carson City Board of Supervisors. They, in turn, appointed my replacement. I was then identified as a member of the State Legislature. I knew, as a former supervisor, I would have the ability to appoint an individual to the committee. As a member of the board of supervisors, I made two appointments; one to the Nevada State Board of Equalization and one to the Carson City Charter Committee.

As you can see, the testimony I have provided for you ([Exhibit E](#)) is from 1999, when this bill was signed and adopted. The policy that was in place for that period of time continued to be the policy of Mayor Masayko. When Mr. Masayko's term was completed, the appointment process was identified to the new mayor. There was no nomination and there was no open discussion. I used my elective responsibility to appoint a qualified citizen to serve on that board.

Only after I was elected to the Legislature had the policies been recommitted to the 1999 intent. I cannot speak to what took place at the Legislature during that period of time. I have letters of communication from 2012 from the city to me regarding the appointment of my member to the charter committee. My first legislative session was in 2011 and my appointee was Donna DePauw, sitting here at the table with me. It took 14 months to seat her and it took 14 months to seat the charter committee. Last year the committee was appointed in a much more timely fashion. The same process starts all over again, with a letter to me requesting that I submit a nominee or nominees to their pool of candidates. They would make the decision as to the number of members to the committee.

Assembly Bill 312 only clarifies that the members who serve in this body, both the Senate and the Assembly, who serve at the will of the people of Carson City, have the right to appoint a member to that board. I will stand for questions at this time.

Chairwoman Benitez-Thompson:

Thank you for providing the minutes from the May 10, 1999, meeting of the Senate Committee on Government Affairs and also for providing the charter.

That really helps put some of the different references you are making into perspective. Are there any questions from the Committee?

Assemblyman Daly:

Does the charter committee make recommendations for amendments to the Carson City Charter? Did they make the recommendation for this bill? I know you made some technical changes, which I was reviewing. Is one of their duties to make recommendations? Do they have to get approval for those recommendations from the Carson City Board of Supervisors or can they send them on their own? Did they approve the recommendations in this bill?

Assemblyman Livermore:

The charter committee had met and they did have hearings, but they had no bill before the Legislature. What I would like to do, if the Chairwoman would allow, is have Andrea Engleman explain the charter and the process of the charter.

Andrea Engleman, Private Citizen, Carson City, Nevada:

I appreciate your hearing this bill, as it is helpful to Carson City. To quickly answer Assemblyman Daly's questions, this came up for a vote at the charter committee and it failed 4 to 5. It was not passed by the charter committee.

As Assemblyman Livermore stated, the custom was to always have legislative appointees and board of supervisors' appointees. These appointees would meet in the evening so the public could get information and those recommendations would be taken back to the board of supervisors. As time went on, Carson City started to get a lot of representatives because of apportionment and reapportionment and the way Carson City was divided.

In 1999, Assemblymen Joseph Dini and Lynn Hettrick, Senator Mark Amodei, and Assemblywoman Bonnie Parnell were the four Legislators representing Carson City: There are five members of the board of supervisors, which meant there were four appointees from the Legislature. As all of you are aware, there is a love-hate relationship between local governments and the Legislature. The local governments sometimes resent having to come before the Legislature to ask for things. They would prefer to have home-rule and make their own decisions.

When the 1999 Charter Review Committee met, the board of supervisors appointed two additional people, so there were now 11 members on that charter committee. This was an attempt for the board of supervisors to have control over the numbers and who was sitting on the charter committee so they would not be outnumbered by legislative appointees. In fact, if you go to page 3 from the minutes of 1999 ([Exhibit E](#)), the second paragraph,

Senator Care questioned the number of the members. Mr. Masayko indicated that the language was written because the 2000 census was coming up and there would be reapportionment again, which of course might mean that there would be five representatives from the Legislature to be appointed to the charter committee.

The intent of this legislation is not to change how the board of supervisors wants to make their own appointments; that is their right to decide. This bill is only to ensure that when the legislative representatives from Carson City, and there are only two right now, make an appointment, nobody can remove those appointees except the person who appointed them. It also ensures the board cannot go in and question the appointees, say they do not like their point of view or their political affiliation, et cetera, and based on that criteria remove that person.

This puts a legislator in a bit of a conflict if the board of supervisors or the local government wants to remove their member. That is a bit of intimidation to a legislator, not that our board of supervisors would ever do that. A local government could hold that over a legislator's head; removing their appointee if the legislator does not support certain bills. The potential is there and I do not think it should be. It is a feeling of separation of powers. When a legislator makes an appointment, that should be honored.

Assemblyman Daly:

I appreciate that response. The City of Reno has a charter bill in front of this Committee as well. They do not have a charter committee, but may end up with one. Their concern was there were going to be more legislators who have a piece of Reno. They have a seven-member board, if you include the mayor and city council. I understand that situation. You stated you currently only have two legislative representatives?

Andrea Engleman:

Yes.

Assemblyman Daly:

I agree that you should not be able to take the legislative appointed members off. Does the process get cumbersome? Is everyone going to compete over two appointees? Would you not be better off with one and try to put a precinct cap or population cap indicating you have to represent more than ten people in Carson City to get an appointment to the board in order to maintain balance? Speak to me about the autonomy of the charter committee. I will give you a little background. I was on the Sparks Charter Committee for several years. That body reviewed the charter. We had city staff, but they were autonomous.

They reported to the city council and asked for their blessing, but not their permission to make changes to the charter. I am curious as to how that relationship is here. The Charter Committee had to find a legislator to sponsor a bill. Obviously, they did not have a bill draft request from the charter committee. I am curious as to how that works in Carson City, if you could explain that to me and the rest of the Committee.

Andrea Engleman:

Actually, what happened right after all of this passed was Ray Masayko ran for reelection and was heartily beaten by Marv Teixeira. The new mayor said he did not agree with the policy and wanted to do the charter committee the way it has always been done. That is how it proceeded. It was autonomous at that time.

In 2010, Assemblyman Livermore received a letter stating he could not make an appointment, he could only select a nominee. Suddenly, the city took over the charter committee. Donna DePauw is here today and she is the former chairwoman of the charter committee and can give you a bit more information on that. They refused to hold meetings at night; only during the day, in midafternoon, when people were picking their children up from school. People could not be at the meetings, so there was very little public turnout. It was never broadcast along with the other committee hearings. We finally got it broadcast this last time, but it was not broadcast prior to that. It is now somewhat under the thumb of the city government. Now a supervisor will show up, confer with their appointees, and sit in the back of the room. The city staff is there and the city manager is there. There are citizens who are a bit afraid to come before the city manager and criticize the city because of the power the city manager holds. Suddenly, the citizen could be at fault for some minor violation or ordinance; they are afraid.

Assemblyman Daly:

I understand a little better now why Assemblyman Livermore is bringing the bill, even though it did not pass by the charter committee. When I read it, I liked it better the first way. However, I am going to defer to Assemblyman Livermore if he still wants to allow the board of supervisors to have their dual nominees, if you will. I do get concerned over the autonomy issue. It really should be autonomous. You should have a citizen board to look at the charter, since it is really their city. I will talk to Assemblyman Livermore about this to make sure we get it the way it should be.

Assemblyman Livermore:

I represent Carson City through the legislative body. I did not think it was my place to create a policy with the mayor and the board themselves regarding how

they want to appoint. If they were to join in this, I have no problem with that. I have only offered legislation that addresses the Senate and the Assembly.

Assemblyman Daly:

I was just trying to get to the point of why this came without the charter committee. I do understand and I am not opposed.

Assemblyman Stewart:

If I understand correctly, there are 11 members.

Assemblyman Livermore:

Since the reapportionment has taken place, there are currently seven members sitting on the board; Senator Kieckhefer's appointment, my appointment and five members of the city council.

Andrea Engleman:

When the charter committee met this past year, there were nine members because we still had four legislative appointees and then the five supervisors. Now, with the new reapportionment, we only have two legislative representatives.

Donna DePauw, Private Citizen, Carson City, Nevada:

I have sat on the charter committee for over 20 years. I have been a chairperson, but I am here today speaking on behalf of myself, not for the charter committee. I was the lone vote in 1999 who did not want the nomination process. I wanted to stay with the appointing process. At that time, I thought it was the appropriate thing to do, and I still think it is the appropriate thing to do. I would like to read into the record a portion of the minutes of our last meeting of June 25, 2012. "Member Joiner expressed the opinion that an elected official's appointment should never be questioned." That has always been my feeling. I feel it is extremely important that Assemblyman Livermore and Senator Kieckhefer are able to select the person they want without being questioned, interviewed, or go through the whole policy/procedure appointment process. It had always been that way before and I feel it should continue in that direction.

To Assemblyman Daly's question, we can only recommend to the board of supervisors what we would like to see changed. We do have a joint meeting with the board of supervisors at the end of our session. At that time, we give recommendations and it is up to them whether they want to go forward with the recommendations or not. We give them a list of everything that had been discussed during the charter committee session. They are totally aware of what we have discussed and what the public has brought to us. There has been

a concern of staff or board members being at meetings because of the public not feeling comfortable and not being able to speak freely. A lot of them own businesses and have other interests within the city, so it is intimidating. I would like you to consider this bill. I think it is warranted, and I am in total agreement with Assemblyman Livermore that the Carson City Board of Supervisors have the right to do whatever they would like to do as far as their selection process for their nominees. However, everyone gets a letter that says "nominees." It has gotten to the point where they can send out ten people and ask that ten of them be considered for nomination. The board of supervisors has the right to select the one they think is best, or select how many they want because they can select the size of the charter committee.

Assemblyman Ellison:

How many members of the board of supervisors are elected?

Assemblyman Livermore:

There are five members of that board; the mayor and four members that serve within a ward. The four members are also elected.

Assemblyman Ellison:

The charter members are appointed by the board of supervisors, which takes and makes recommendations back to the board. Is that correct? Is the process that is breaking down the recommendations going to the board of supervisors when they bring them forward and not being accepted as presented?

Assemblyman Livermore:

Within their policies today, it also allows them to determine the composition and the number of people seated there. That is why this direct appointment is appropriate. They could decide to seat three or five because their appointments would eliminate the legislative appointments. That is their decision to make and that is what makes this bill so critically important. They have free will to decide how many appointments they wish to have from their members, but it locks in the Assemblyman and Senator appointments to that board.

Assemblyman Ellison:

Is their vote binding?

Assemblyman Livermore:

The charter committee is a citizen's committee to review the charter. It is almost the city's constitution of how the public wants its government to operate. There have been a lot of issues on the agenda that deal with dog tags and mandatory garbage collection, those sorts of things, which usually do not wind up in the charter. However, the public took it to the charter.

The charter committee heard them and made determinations as to whether they supported them or not. At the end of their meeting, they brought forth their recommendations of what the positive vote of that body was. The board of supervisors heard that and had open discussions with them. When I was on the board, they took votes on the issues. From that point, it then became their legislative calendar. They had a bill back then and found someone to sponsor a bill to change the charter.

Assemblyman Ellison:

I just wanted to get clarification whether that is the way the charter is operated.

Assemblyman Daly:

I understand what Assemblyman Livermore said about not wanting to change the appointments of the board of supervisors. However, it is just a process to dilute the legislative appointments. We rejected it when President Roosevelt wanted to stack the Supreme Court. The board of supervisors could also stack the charter committee, so I have some concerns with that. I do find the difference is that Carson City is supposed to advise the board with regards to recommendations of the committee regarding necessary amendments to the charter. The Sparks Charter language states, "Prepare recommendations to be presented to the Legislature." In Sparks, we prepare to go directly to the Legislature. We report to the council and ask for their blessing. The board of supervisors could make recommendations to the charter. If you are not going to give that authority, I would recommend we make the change and let the charter committee be what it is. As far as you getting into the ordinances, dog tags, et cetera, that is not in the charter; those are ordinances. It clearly says that you are going to meet and prepare recommendations and changes to the charter. Then they still have to go to the Legislature to present their case. If the Carson City Charter Committee asked the Legislature if they could have jurisdiction over dog tags, we would probably tell them no.

Andrea Engleman:

Let me briefly give you a little history so you can understand this a bit better. I do not think the board was every concerned with stacking the charter committee. In 1993, we managed to get a ballot question about voting by ward. In Carson City, everyone runs citywide and there are concerns not only about minorities, but about people addressing their neighborhoods and not just the downtown businesses. When we got the question on the ballot in 1993, it was a tie. When that question tied, it scared the board of supervisors and the powers that be. Every year after that, for many years, the charter committee would make a recommendation to the board to add a ballot question about voting by ward, which was never accepted. You may remember former Senator Sheila Leslie brought a bill requiring people to vote by ward or by

precinct. It was different for the four cities that did not have a vote by ward situation. We do not have people representing precincts or neighborhoods in Carson City; they represent the entire city. This is something that Carson City government has been fighting. That is even mentioned in the minutes provided by Assemblyman Livermore, and that was one of the reasons why they wanted to expand the members of the board. The legislative appointees were more interested in the vote by ward, whereas the supervisory appointees did not want the vote by ward. That was the crux of it and that is when the city started to get interested in controlling the charter committee.

Assemblyman Stewart:

To clarify, we have seven members now, and the elected officials, Senator Kieckhefer and Assemblyman Livermore, can nominate to be appointed, but the board of supervisors does not necessarily have to approve the nominations. The board can choose anyone from that pool of seven, correct? This bill would say that the two elected officials would not only nominate, but appoint, and that would give them more power, correct? The person the elected officials appointed would stay for as long as the elected official's term, correct?

Andrea Engleman:

Yes, sir. The terms would run concurrent with their appointments. However, let me be clear, the legislative officials would only appoint their representatives, the board of supervisors would appoint their own representatives.

Assemblyman Stewart:

Each supervisor would have one appointment, is that correct?

Andrea Engleman:

The way this bill is written, the supervisors can appoint at least one, which means they could appoint two or more.

Assemblyman Stewart:

That would be up to the board collectively to decide, correct?

Andrea Engleman:

Correct.

Assemblyman Stewart:

Would they only have a total of five appointments?

Andrea Engleman:

They could have more.

Assemblyman Stewart:

They could expand the board beyond seven?

Andrea Engleman:

Correct.

Assemblyman Daly:

The legislative appointments run concurrently with their terms, but can they change someone if they wanted to?

Assemblyman Livermore:

Yes, they could. There is a removal clause that speaks about missing meetings. I would be confident of my appointment's ability to serve, their sincerity in working for the community as a whole, and their ability to act accordingly. I could not imagine why I would request to remove my appointment from that position. It only duplicates the current policy the board of supervisors has.

Assemblyman Daly:

Not getting into the pluses or minuses of ward-only voting, but on the technical side of what a charter committee is supposed to do, if you add autonomous authority and did not have to go back to the board of supervisors, they should not ask for a vote. That is not what a charter committee does. They can recommend a change to the charter to allow ward-only voting. The charter committee cannot place something on the ballot. They can ask the board of supervisors to place something on the ballot. If they want to make the recommendation to change to ward-only voting, that is where having the ability to present recommendations directly to the Legislature, rather than having to go through the board of supervisors, is important.

Andrea Engleman:

I do understand what you are saying, but we found in Carson City that where the board may want to say no to something, many times they are more inclined to agree to allow the public to have a vote on it rather than change the charter, particularly if it was not something the board liked.

Chairwoman Benitez-Thompson:

Are there additional questions from the Committee? [There were none.] I will welcome those who would like to testify in support of the bill. [There was no one.] We will move to opposition of the bill.

Lawrence Werner, representing Carson City, A Consolidated Municipality:

Initially, I was going to make this fairly simple, but it got a little bit more conspiratorial than I had anticipated. Simply put, I am the Carson City manager

representing my office as the executive on the issues of what has been presented to the city. This issue did go to the charter committee and they voted not to pursue the change of language from nomination to appointment. It was presented again to the board of supervisors in August, where all the issues that were presented to the charter committee were then reviewed in a public setting in a public process to determine if even those that were not recommendations by the charter committee should be discussed again. There is always that public process. This did not come up as an issue that the board of supervisors wanted to pursue.

I think the point I am trying to make is that this is a citizens' committee and it is a public process. The citizens did have an opportunity to decide whether or not they wished to have the charter changed. At the charter committee meeting, other than the chairperson herself and Rob Joiner, and after discussion in the charter committee itself, there was a 5 to 4 vote to say no, they did not want to change it. I am here saying that is the position of the city. The part that is confusing is we were reviewing the original Assembly Bill 312, but now we see there is an amendment. As I read the amendment, it mechanically will not work because it takes away the ability for the board to appoint anyone. It says they have nominees, but the language for the board to actually appoint the members is stricken. Essentially, if the amendment were passed, we would have many nominations, but no appointments. I think there needs to be some fixes there, but I am not going to offer an amendment for it; it is just a concern.

The other thing that is kind of confusing is the size of the committee can be determined by the board of supervisors and can be anywhere from three to a dozen, depending on what the circumstances are. It has always been set at the size of the number of nominees that we received. One of the problems we have run into in the past is that we have not always had nominees from the Legislative representatives. The committee size then had to be adjusted to make it an odd-numbered committee. I know for many years some of the legislative representatives who did not have a big chunk of Carson City did not bother to nominate anyone. That became somewhat problematic in itself. We cannot require that appointment be there because someone may not wish to appoint anyone.

If we were trying to cut the state out, there are seven members: two voting members from the Legislature and five members from the board of supervisors. If there was any idea to eliminate any discussion on the part of the state, the sheer numbers show the state is outweighed. I have never seen that occur, but of course, I have only been here for the last 13 years. I have seen three charter committee sessions and there has never been discussion about who the State Legislator's appointment was or who the board member's appointment

was. The whole idea was to look at the city's charter and determine if there are issues that truly need to be fixed that we need to bring forward to get changed. In most cases, there have not been. I believe the last one related to the Sheriff's Office and the number of special deputies. All in all, as each year goes by, the charter has been determined to be pretty solid. There is really not a reason to mess with it.

There was a comment made about moving the meeting times. What we did is we moved the meeting from a secluded conference room at City Hall that was very difficult to get to, to a standard meeting room where the board of supervisors were so it could be televised. It did require a change from meeting at 6:30 in the evening to meeting at about 3:30 in the afternoon. That was the only slot we could get where we could actually televise the meeting. It is recorded, televised, and you can actually go back to review it on archived television streaming. It actually provided a much greater process and access to the community than what was previously being done. That was a decision to try to make this process more open and more accessible to the community.

The last point I want to make is it concerns me that this is being discussed before you today and it has never been brought to the board of supervisors. We have this issue on the agenda of a special board meeting being held on Monday, March 25, 2013 in order to determine the board's position on this specific bill. Today is our board of supervisors meeting, otherwise the mayor would have liked to have been here also. The concern is our Assemblyman never even presented this issue to the board of supervisors for conversation before it came before you today. I find that somewhat disconcerting.

Chairwoman Benitez-Thompson:

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

Mary Walker, representing Carson City, A Consolidated Municipality:

I am here to support the city manager and answer any questions you may have.

Chairwoman Benitez-Thompson:

Are there any questions for Ms. Walker? [There were none.] Is there any additional testimony in opposition of the bill? [There was none.] Is there anyone wishing to testify as neutral to the bill? [There was no one.] I will invite the bill's sponsor back to table for closing comments or remarks.

Assemblyman Livermore:

I appreciate the Assembly Committee on Government Affairs hearing this bill. I would like to explain to those present that I do not schedule the bill hearings and I had nothing to do with the date it was scheduled for. In fact, I had to

scramble most of the day and evening yesterday in order to get my testimony together. I look forward to answering any questions the Committee may have during the period before the work session is scheduled.

Chairwoman Benitez-Thompson:

I control the scheduling, and all the bills from Monday were thrown onto the calendar. Unfortunately, you get the date I put down and there is no rhyme or reason to it. Are there any additional questions for the bill's sponsor? [There were none.] I will close the hearing on Assembly Bill 312.

We will open the hearing on Assembly Bill 333 and welcome to the table Assemblyman Healey.

Assembly Bill 333: Requires the proposed budget of the Executive Department of the State Government to contain certain information relating to incentives for economic development. (BDR 31-811)

Assemblyman James W. Healey, Clark County Assembly District No. 35:

It is a pleasure to be before you today to present Assembly Bill 333, which is not a new concept by any means. I know Speaker Kirkpatrick has worked on economic development for a long time. Economic development continues to morph here in our state, particularly with the addition of the Governor's Office of Economic Development (GOED) and the ability to be focused 100 percent on diversifying our economy, growing our economy, and most importantly, putting Nevadans back to work.

It is exciting to be before you today to bring a piece of economic development accountability to light. That is truly the intent of A.B. 333—to ensure the incentives we are able to offer industries and businesses that either want to come to Nevada or expand in Nevada are able to do so. It also provides a level of accountability to where the taxpayers, the Governor, and our Legislative body are able to ensure that the return on investment is truly there. I believe this is a piece of economic development that will help our constituents understand clearly what it is that the state, and they as taxpayers, are going to receive in return for these incentives that we provide companies or industries in order to either come to Nevada or expand in Nevada.

Today I would like to give you the intent of A.B. 333. At the same time, I would like to request, through the Chairwoman, permission to continue working with Executive Director Steve Hill of GOED in fine-tuning this bill and clarifying and strengthening the intent even further. Director Hill and I had an opportunity to meet this week to talk about the intent of the bill. During those conversations, we were able to come up with some exciting ways to strengthen

and enhance his office regarding the ability to attract businesses to Nevada, at the same time providing that accountability to those businesses to the taxpayers of Nevada. Additionally, ensuring those incentives, which are extremely important to the industries or businesses that may be coming to Nevada, provide a return on investment. The state needs to ensure we are getting what we are promised at the time these incentives are provided. Director Hill has joined me this morning in order to enhance what our intent is, as well as answer any questions you may have.

At the pleasure of the Committee, I would like to briefly take you through the bill and the amendment we have submitted ([Exhibit F](#)). Please keep in mind, we are going to enhance this. There are a lot of opportunities that I am sure you may have thought of as you read through the bill. We would like your input and we certainly welcome anyone's input in order to truly develop and craft this bill to achieve the intent. I would like to make it clear, this is not to hinder or prevent economic development growth. We want to absolutely spur that on and ensure that is happening. However, at the same, there needs to be a level of accountability. As we are hearing time and time again from our constituents, they want to have access to this information, and this bill will provide that.

Section 1 requires any state agency that provides an incentive for economic development to conduct an analysis of the costs and benefits that those incentives will be providing. The cost and benefit analysis is essentially a report breaking down what the state is going to get; what bang for our buck are we going to get as taxpayers in the state of Nevada in order to provide these incentives.

Section 1 also states the analysis will be sent to the chief of the Budget Division. The chief will have the ability to prescribe, by regulation, the methodology for performing and the reporting of the cost and benefit analysis. That will also help in terms of budgeting and understanding for all of us in terms of what the incentive is providing and what it may be taking away from the state. It may be a property tax incentive that is provided to a particular company. The cost and benefit analysis will show how much of that incentive will not be coming into our budget. On the other hand, it will also show what the benefit is; for example, how many jobs are created, how much payroll tax is being paid, and those types of analyses.

Further, section 1 ensures that these reports are made public. Anyone who wants to look up a particular company or a particular incentive will have access to that information.

The proposed amendment we have submitted ([Exhibit F](#)) addresses a couple of different things, which the bill as originally drafted did not. Director Hill can elaborate on this a little more, but it ensures, before an incentive is actually awarded, there is an analysis done, which is then reviewed by Director Hill's office to ensure the business plan has specifically outlined what the benefits to the State of Nevada will be for receiving that incentive.

The amendment also addresses the criteria which should be utilized. This is really an area where Director Hill and I would like an opportunity to tighten up some of the areas that we feel are important. These include the number of new primary jobs associated with the incentive, the number of new primary jobs within the targeted clusters associated with the incentive, the average salaries of these new primary jobs, and the total investment associated with that incentive—what is this company going to invest in the state of Nevada. Again, what is the return on the investment. I think we have seen through GOED's efforts that one of their missions is to ensure the new jobs that are created for Nevada are more than minimum wage jobs that have no benefits. That does not help our State and does not help the Nevadans who need to be put back to work and who need to take care of their families. Nevadans need good, well-paying jobs, as well as benefits. We want to ensure that these companies are committed to creating jobs that are going to accomplish that goal.

That concludes my presentation. If I may, I would like to turn it over to Director Steve Hill from the Governor's Office of Economic Development to expand on this. We would then be glad to answer any questions.

Steve Hill, Executive Director, Governor's Office of Economic Development:

I would like to thank Assemblyman Healey for the work he has done on this bill, for the conversations we have had, and the offer to continue to work together moving forward. I would also like to thank Assemblywoman Kirkpatrick for all the work she has done on this particular topic and in economic development over the last several sessions.

We are completely on the same page as Assemblyman Healey as to the purpose and the content of this bill. One of the things I do want to mention first is virtually all of what is in the content of this bill we are already doing. I think it is appropriate that these directives be in statute.

From the analysis of the abatements, we perform an economic impact analysis prior to approving any abatements that measure both the direct and indirect impact on the economy. We use the IMPLAN software system model for that process, which is the software model that virtually every state and everyone in economic development uses. We also project what future tax revenues would

be if a particular company moved to the state and performed as intended. We do that by different types of taxes; breaking down what will happen with sales tax, personal property tax, real property tax, et cetera. The contract we ultimately enter into with each company that receives incentives outlines the number of jobs they will create, the pay levels for those jobs, the benefits they will provide, and the capital investment they will make. That is all measured before we provide abatements and it becomes a part of the contract.

In that contract, there are clawback provisions in the event the company does not perform. I think the legal requirement is "substantial compliance" with that contract. We have gone back and checked to see how effective those clawback provisions have been and I was, frankly, somewhat surprised to see they had been pretty effective. Obviously, if a company is completely bankrupt, the clawback provisions do not work. However, when the company is still in existence, it has been an effective way for the State to regain the abatements they have provided if the company does not perform as expected.

What we have not done a good job of, and we have worked on this over the past six months or so, and I have worked with the Department of Taxation, is reporting the actual results of what has happened as a result of providing the abatements. In every one of these contracts that we enter into as a result of the abatements or incentives, the Department of Taxation audits the companies after two and five years. That is a part of the contract and a part of what the company has agreed to, and it happens on a very consistent basis. The results of those audits are available, but have not been publicly reported. We have worked with the Department of Taxation to begin reporting the results of those audits and I think that will greatly increase the transparency and accountability with respect to the abatements, and also inform the policy conversations.

From a policy standpoint, and I think the bill addresses this, there should be a circle of goals and policies that are created at the legislative session that are then implemented by our office, measured by our office and the Department of Taxation, reported, and then used to inform the next set of policy and goal conversations at the legislative session. From what I can tell, and I have not been involved in this subject more than this session, this has probably not been completely the case in the past. I think this bill will help to close that loop and allow and cause better reporting that can better inform the policy conversations we have in future legislative sessions.

I will point out that we have been working on this for most of the time that I have been in this job. We commissioned a study by AngelouEconomics on our incentive system, and I think that helped to inform the drafting of this

legislation. It certainly helped to inform what we have done over the past year or so.

The Pew Center on the States also issued a report ([Exhibit G](#)) on how states perform, basically with respect to the content of this bill. They do this regularly, but this is the first time it has happened since I have been in this job. Twenty-six states received an incomplete or an F as it relates to these issues. Nevada is one of those. What the Pew Center on the States measures is not necessarily the effectiveness of the policy and the reporting of abatements, but whether the reporting informs the policy decisions and whether the reporting actually takes place. They grade those two sides of that equation. There were 26 states that do not report the results of their abatements; Nevada is one of those. In addition, those 26 states do not use that reporting to inform the policy conversation. We have said publicly that we intend to correct that and this bill directly addresses that subject.

From a policy thought process, it is a relatively complex subject. It is not that the reporting or the results are difficult to understand—this is not calculus or differential equations—but there are several different variables as you think about what results you would like from the abatements. An easy one, for example, when we look at jobs, we want to create good jobs. How do you think about 100 jobs that pay \$18 per hour versus 10 jobs that may pay \$80,000 a year? There are direct impacts that are very easy to measure, which means what did the company do that received the abatements? Did the company create the 100 jobs? Did the company pay the \$18 per hour? What are the benefits?

There are also indirect results. Typically, the indirect results are higher. When I say indirect results, it is the effect that having those jobs in the community has on the rest of the community. Typically, jobs that are higher paying and in higher innovation and higher technology positions have a much greater, higher, indirect impact on the community than what a direct job may have. Thinking about how to judge all those criteria, and I did not talk about capital investment or things like that, all matter.

The other thing to think about is most of our abatements apply to things we buy. That is because we tax things we buy. Capital investment would pay taxes on that and there are ongoing property taxes and real property taxes on those types of things. We do not tax labor. When we find a company in a service industry that is bringing jobs to the state, the abatements available to them are very low and the costs, if you consider those costs, are also very low. If a company is coming to Nevada and building large facilities, the taxes on that

company will be much higher and, therefore, the available abatements will also be much higher.

I will stop here and would be happy to answer any questions you may have.

Assemblyman Stewart:

I am still having a hard time getting used to some of the combinations at the table here. I am very pleased for them, but it is a very unusual situation. I am very happy to see this new spirit of cooperation and collaboration.

In the time that I have been here, I have often been concerned about abatements. I know the Speaker has also. As one of my rural friends once said, sometimes we give away the farm for a bushel of corn. I think you are doing a great job in trying to control that to make sure we get the best deal we can and that we are not giving away more than we are getting.

In these reports, you do an analysis before the abatement is given and this bill would ensure that the follow-up continues. You had in the bill an audit after a two-year period and then you said periodically. Is that flexible? Could you do an audit more often than two years, or is two years the standard?

Assemblyman Healey:

When the bill was drafted and the word "periodically" was put in there, that was a red flag to me immediately. That will be removed, as I think that is very subjective. As Director Hill talked about, they have already established a time frame as to when these reports are audited. Mr. Hill can expand on that.

Steven Hill:

We suggested that we replace periodically with every now and then. Currently, we have audits that are performed by the Department of Taxation by contract with the companies every second and fifth year after an abatement is granted. It would be our suggestion that future reporting be based on those audits. It is a relatively time-consuming process, so to use one audit not only to perform the audit function but to allow the reporting function, we think would be the most efficient.

I appreciate your comments on our cooperative efforts. We want to be more than just a frienemy.

Assemblywoman Bustamante Adams:

Mr. Hill, you talked about the software tool that most states use in order to make this analysis. Can you expand on that a little?

Steve Hill:

The IMPLAN model is an economic impact analysis software model that is used virtually universally in the economic development field. I think there are probably some competitive programs out there, but the IMPLAN model is what is normally used and cited. It is a software program that takes the inputs from the company's application. It takes into consideration the number of jobs that will be created by the company, the wages that will be paid, the investment the company will make, and what types of investments the company will make. It does a direct and indirect analysis of what that would mean from an economic standpoint for the community and the State.

It also takes into consideration things like where the company purchases what they buy. For example, if the company is purchasing 30 percent of its goods and materials in-state and 70 percent out of state, that type of information is included in that analysis and has a precise impact on the indirect impact that is measured in the program. For example, if we provide incentives to a data center and a lot of the purchases of the actual computer equipment that will be inside the data center will be purchased from out of state, that would not be included in the economic impact because only the purchases in Nevada would have an impact on Nevada. The software itself is very complex, and the process for getting information input is time-consuming, but relatively straightforward.

Assemblywoman Bustamante Adams:

Does the model take into account if the abatement is not construed as valuable because it is heavy upfront and then we actually only end up with five full-time employees? For instance, with solar companies, obviously there are heavy upfront costs, and as far as wages, there are a lot of construction workers required to actually build the facility, but then it tails off. You could start off with 500 workers and then end up with only 5 full-time employees.

Steve Hill:

Yes. The information that is input into the software includes the construction impact, which will basically be a one-time impact with some indirect benefit. The amount of labor in the construction period will be included, but it also projects the number of long-term jobs and the wages for those jobs out for an extended period of time. Just so the Committee is aware, the abatements for energy projects do not run through our office; they run through the Office of Energy.

Assemblywoman Bustamante Adams:

I know the bill calls for state agencies, but I just recently learned that our room tax through the Las Vegas Convention and Visitors Authority (LVCVA) goes to a

nonprofit that gives incentives for companies to have their events in Las Vegas. They would not be covered here, correct? We would not be able to make their incentives or abatements that they give to these entities transparent to the public?

Steve Hill:

I actually do not know the answer to your question. Those incentives do not currently flow through our office. It is not an area that we currently deal with.

Chairwoman Benitez-Thompson:

As a follow-up to Assemblywoman Bustamante Adams' question, is there a way to expand this scope beyond state agencies to look at the entire picture of all those who are able to give abatements at any level? I think that might be a question we pose to the Department of Taxation if they are doing those audits every two years. Are those audits consistent across the board for whether those abatements are coming from the Governor's Office of Economic Development, going through the Office of Energy, or coming from redevelopment at a local level to get a better picture statewide about total state dollars invested at every level and how those end up playing out for us? This is just something for the bill's sponsor to think about because I think it would be a more complete picture for the State.

Assemblyman Daly:

I want to comment to Assemblyman Healey and thank him for bringing the bill. I think it is an important step forward in the right direction to get these reports so we can have some analysis regarding the abatements and incentives that are doled out for economic development. I understand it is an important tool and we have to be competitive with other states. My comments and questions are going to go to Mr. Hill.

I would like to point out another thing I think we do a bad job at. Assemblywoman Bustamante Adams mentioned a little bit about the construction side of this, that it is a one-time impact, but we continue to have some standards, some requirements, some return on our investment when we give abatements directly to a company. Until recently, the construction industry was the second biggest industry in the state. I think we are still third, even though we have the hardest hit area in the country on construction, and there is zero consideration. Companies get these abatements, but there is no consideration and no standards. We need to know if they are beneficial to us. I will use Apple as an example. We gave them \$84 million, they brought in the company from Seattle, Washington, based out of Minnesota. They are performing zero work, they have four employees here, and profits are all going out of state. That is not beneficial to us. Now I understand they are going to

hire subcontractors here, and they are going to try to hire local contractors, but these contractors undercut the rest of the construction industry. They are hiring the contractors that I am personally familiar with, the biggest cheaters in the state, if you will, and I do not think that is beneficial to us. If we do not address this, if we cannot put something in this bill that says we want to have the construction impact so we can have some safeguards on the construction industry, then I am going to continue to be a loud outcrier about those types of standards. Those standards, wages, benefits, and pensions need to be in your report. We do not want these workers to be a drain on the back end of the safety net. If we cannot do it, we really have to put that in the equation. I would say that \$84 million that went to Apple is probably not going to have as big an impact when you consider the construction side of this thing. Any more incentives are doing us no good here. Four jobs and all their profits going out of state. Until we do a better job on that, I am going to have a stink-eye on all of this stuff.

Steve Hill:

As I think Assemblyman Daly knows, and many of you do as well, I came out of the construction industry after 30 years. Four or five years ago, I was chairman of government affairs for both the Associated General Contractors and the Associated Builders and Contractors. It is the industry that has been the career in my life. I certainly appreciate the Assemblyman's comments.

As we think about that, there are a couple of considerations that we should keep in mind. If additional requirements on a company looking to come to Nevada or build in Nevada causes more expense, then the abatements and incentives that we have to provide in order to get them here may have to go up. The idea with tax abatements, and really they are tax discounts, it is not a check that we write to a company, it is charging them a lesser tax rate once they have the activity here in the state. The idea is for those abatements to be a key part of the decision making process of a company. We should not be providing abatements if it is not a part of that decision making. The financial aspect of that is important in causing these things to happen. If we add costs in a different way, we may have to make those costs up through a different mechanism through the incentives.

Economic development is largely about primary job creation. The creation of jobs that are in companies for which their products and services are exported out of the state, that bring money into the state. I think the construction process should be a part of that consideration, but the construction industry is not considered a primary industry. Once that company decides to build the project, the construction industry gets to be here and go to work because of the decision that company made. If the company had not made that decision, those

construction workers would not be here. As you said, I think in most cases subcontractors on those projects would perform a vast majority of the work and are primarily Nevada citizens. Certainly, there are companies that are owned from out of state that do that work. It is a part of the consideration, but I think we need to think about the entire process while we are doing that.

Assemblyman Daly:

I understand the balancing and you and I spoke about this yesterday on a different bill. However, at the same time, that entire segment of our economy, construction, gets one chance to prosper from these abatements that you give out. If you want to discount them entirely, fine. That is what I think I heard you say.

You know, I know, and I think everyone on this Committee knows that the number one concern of businesses coming into Nevada is not what the tax structure is, it is the quality of the workforce, which is an education issue. If we do not improve education, if we do not have people coming out of high school who can be trained to do the work, or attend the universities producing degrees that are in demand for that company, we are not going to be competitive either. When you take this little piece over here about having the entire economy benefit from these economic abatements, but then put the whole equation together, I would rather give no abatements, spend the money on education, and have businesses want to come here because we have a qualified work force. I think the argument about the construction industry not being a primary industry is bogus. If you want to discount that whole segment of the economy, do it at your peril.

Steve Hill:

I must not have communicated very well because that was certainly not my intention. I think it is a part of the consideration. I would also add that if the abatements are actually driving decision making, the company coming here is the construction industry's chance to go to work. The money that is being discounted in the abatement process would not have been here absent the company actually coming. It is not that that money would be available for education at all. I understand your point, sir.

Assemblywoman Pierce:

I have to agree with my colleague from the north. I just do not believe in this stuff. The only economic development is funding education—that is it. This stuff does not work. We had to replace the last thing that did not work. For a quarter of a century I was told that if we kept our taxes low, businesses would come here. That did not work, so now we need a whole other fantasy to tell

ourselves, because God knows we do not want to fund education. Given that fact, we seem determined not to do what everyone knows works.

This bill says that you have to make the audits, such as you do them, public. You have not been doing that. What would possibly be the justification for not making these audits public? This is the public's money.

Steve Hill:

We are in the process of making that happen. We were doing that prior to the introduction of this bill. It had not been done in the past and we had been working on the answer to that. We found that the results of those audits, as they relate to the issues outlined in this bill, can be made public, and we will do so.

Assemblywoman Pierce:

I am not sure that answered my question. What would be the justification for not making these audits public? It is nice that you are moving ahead to do it, but why did you not think you had to do it from the very start? Whose money do you think this is?

Steve Hill:

We agree with that and we are going to make that happen.

Assemblyman Livermore:

I am going to direct this to Assemblyman Healey. As I read the bill, this only requires the executive department of state government to do this, but generally the incentive package could include local government money. In other words, a redevelopment agency might be important to this. How are you going to measure that with this report? Is it going to take into account that contribution?

Assemblyman Healey:

This piggybacks on the Chairwoman's question a few minutes ago regarding local agencies and their being involved. It is something that, in our discussion over the last couple of days, we want an opportunity to look at to see if there is an opportunity to include local agencies. We need to start having those conversations with the local agencies and understand the impact and feasibility of doing that. It is absolutely something we want to continue to pursue and see if it makes sense to include them in this bill. Based on the Chairwoman's earlier point about ensuring any incentive or abatement that is out there, that there is a reporting structure so the general public has an opportunity to see it. Also, to Director Hill's point, it gives us as a legislative body a better understanding and roadmap of how to move forward in each legislative session from here on out.

I think economic development will be on the forefront of ensuring that we are able to spur additional business, as Assemblywoman Pierce's statement about education, to continue to draw more revenue that can be directed toward education and funding education further.

Assemblyman Livermore:

I think the Office of Economic Development has been around for just a couple of years, but redevelopment has existed in Nevada for 20 or 30 years. For most cities or counties that have redevelopment, I am not sure how the Office of Economic Development will capture that. I think that still needs to be explored. It may be another issue to evolve farther down the line. A lot of citizens have made comments about how their redevelopment money is being spent and the effects of development. Last year we talked about Sales Tax Anticipation Revenue (STAR) bonds and other incentives. I think the intent of the bill is headed in the right direction. However, I do not think it includes everything that could be considered. I say that only because of the public's right to see where its money is being spent.

Assemblyman Healey:

I agree with you. I think what has happened with having GOED and having some of these big projects where there are larger abatements, has brought to light the need to understand audits and make available to the public at the local levels any of those abatements or incentives that are provided, as well. As the bill states in section 1, subsection 1, paragraph (a), "each state agency . . . conduct an analysis . . ." and that is where we want to look at maybe adding language that includes the local municipalities.

Chairwoman Benitez-Thompson:

I think Mr. Livermore asked a good question and begs a good point that I have been touching on with different local governments. Redevelopment has been an experiment of 20 or 30 years and a lot of local governments are coming up to the time frame and are asking for extensions. It is begging the question, you have reinvested and you have targeted efforts in a specific area for 20 or 30 years, so what is the result? I think it might be a good bellwether to tell us how we look at that experiment and what it has produced in terms of economic benefits.

Assemblyman Elliot Anderson:

I want to compliment the sponsor of this bill for bringing it forward. I believe these reporting provisions are very important. I want to talk about my frustrations and why I think this bill is a good idea. We are looking at the short term when we look at these abatements instead of looking at building our education infrastructure, which my colleagues have already mentioned. Today,

I think education is the number one, most important issue. We are long past the days when you can lower taxes and expect to get all the jobs in the world. People need to win the race to the top nowadays. We need that workforce that can compete in the twenty-first century. It is really important, if we are going to give abatements, that we are only going to give abatements if they are the deciding factor. Even then, I worry a little too much that companies are getting too used to this. They are getting too comfortable and now they are driving too much of a hard bargain. They will use it to keep us hostage to try to get them in Nevada.

Mr. Hill, in your position as our state's economic development chief, we keep emphasizing education inside this building because, as you know, it is the number one thing. We cannot win the race to the bottom anymore. We have 200 years of environmental and labor laws that are foundational to our society at this point. Even if someone wanted to, which I do not, you cannot get rid of that much law to win that race to the bottom and compete with China and India and other places. I certainly hope, as we work with you on these abatements, that you work with us on driving that message home to legislators; that funding education is absolutely critical to economic development.

Chairwoman Benitez-Thompson:

Are there any further questions from the Committee? [There were none.] I would like to thank both Assemblyman Healey and Mr. Hill for giving us the introduction to this bill. I think it begs another good question, which is the abatement train has been moving forward and it is a good time for us, as legislators, to capture the data. We need to see how this comes out in the wash. Are we getting the bill of goods that we were sold? Maybe it is yes in some sectors and maybe it is no in others, so we can shift money and move it around. I think the first step of moving forward to capture the data and get better reporting on the dollars is a really good first step. We will then be able to use that information to help drive our policy decisions down the road.

I will open testimony in support of Assembly Bill 333. [There was none.] I will open testimony in opposition to the bill, or concerns anyone would like to put on the record as food for thought for the bill's sponsor would be welcome, as well.

Jeff Fontaine, representing Nevada Association of Counties:

We are not necessarily opposed to the bill. We are neutral, but we want to get some items for consideration on the record. First of all, I would like to thank Assemblyman Healey for bringing this bill forward. I would also like to thank Director Hill for recognizing the need for accountability. I appreciate the discussion that has taken place regarding this bill. We share some of the concerns about the details of the bill, in terms of how these reports should be

done, how often, and things of that nature. However, those are the mechanics and I am sure they can be worked out.

I guess the reason I am here is because most of the tax revenues that are being abated are local tax revenues. While we agree it is important to have the analysis done at the statewide macro level, we would encourage some consideration of looking at how these tax abatements affect local communities and local governments, including the benefits of these tax abatements but also the non-benefits or impacts to our local governments and their ability to provide those services. We appreciate the bill and appreciate the conversation and would be happy to work with the sponsor in trying to craft a bill that works for everyone.

Assemblyman Ellison:

Mr. Fontaine, with this bill, how much pressure do you think this will put on local government?

Jeff Fontaine:

The bill, in and of itself, at this point, does not appear to really impact local governments. Like I said, I think it could be a benefit to local governments in terms of doing the analysis so they have some information.

Assemblyman Oscarson:

Assemblyman Healey, I believe Senator Cegavske has a rural economic development bill that she is working on that might tie very nicely into what you are doing here. Mr. Hill has been involved in the discussions on that bill, as well. I think maybe we could all get together and talk about that.

Chairwoman Benitez-Thompson:

Are there any further questions from the Committee? [There were none.] Is there any further testimony in opposition to the bill? [There was none.] I will open the testimony for neutral testimony. [There was none.] I will close the hearing on Assembly Bill 333.

Are there any public comments? [There were none.] I will now close this hearing of the Assembly Committee on Government Affairs [at 9:46 a.m.].

RESPECTFULLY SUBMITTED:

Lori McCleary
Committee Secretary

APPROVED BY:

Assemblywoman Teresa Benitez-Thompson, Chairwoman

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: March 21, 2013

Time of Meeting: 8:03 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 312	C	Assemblyman Livermore	Proposed amendment
A.B. 312	D	Assemblyman Livermore	Carson City Charter
A.B. 312	E	Assemblyman Livermore	Minutes of the Senate Committee on Government Affairs
A.B. 333	F	Assemblyman Healey	Proposed amendment
A.B. 333	G	Steve Hill, Governor's Office of Economic Development	Pew Center Tax Incentives Report