

**MINUTES OF THE
SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Seventy-Seventh Session
May 2, 2013**

The Senate Committee on Legislative Operations and Elections was called to order by Chair Pat Spearman at 8:08 a.m. on Thursday, May 2, 2013, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Pat Spearman, Chair
Senator Mark A. Manendo, Vice Chair
Senator Kelvin Atkinson
Senator Barbara K. Cegavske
Senator James A. Settelmeyer

GUEST LEGISLATORS PRESENT:

Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27

STAFF MEMBERS PRESENT:

Carol M. Stonefield, Policy Analyst
Melissa Mundy, Counsel
Mary Moak, Committee Secretary

OTHERS PRESENT:

Carole Vilardo, Nevada Taxpayers Association
Yolanda King, Clark County
Wes Henderson, Executive Director, Nevada League of Cities and Municipalities

Chair Spearman:

We will start off this morning with Assembly Bill (A.B.) 350.

ASSEMBLY BILL 350: Revises provisions relating to the submission of reports to the Legislature. (BDR 17-794)

Assemblywoman Teresa Benitez-Thompson (Assembly District No. 27):

My presentation reviews the three different sections of A.B. 350 ([Exhibit C](#)).

The intent of this bill is to seek out onerous, duplicative and obsolete reporting requirements that exist within the *Nevada Revised Statutes* (NRS). Most of us as policy makers may put language in a piece of legislation that requires a report, but we do not put a time limit on that report. Once that report exists within NRS, the request for those reports often live indefinitely. Up until this point, there has not been a lot of thought about going back to look at those reports and ask whether they are still necessary. Is the information in those reports driving good public policy? Is that public policy issue no longer a burning matter, like it might have been 15 or 20 years ago?

Assembly Bill 350 also creates a process by which those identified reports can be repealed, revised or continued—a way to look critically and thoughtfully at these reports and ask whether this information is benefiting us as Legislators or benefiting the public policy process. If yes, keep them going. If not, then take the burden off the process of generating those reports.

Why A.B. 350? Once created in statute, reporting requirements exist indefinitely. More than 160 reports are required to be submitted to Legislative Counsel Bureau (LCB) by nonlegislative bodies. Many of the reports are never submitted. Oftentimes in the language of our reports, generating a report does not mean we have one report; it may generate multiple reports. An example is a bill from last Session that asked for a reporting requirement through the Assembly Committee on Health and Human Services. That one report alone generated 24 different reports. These reports are often quarterly, biannually or annually, so reports are requested multiple times. I get many legislative reports; there might be two or three I read because of a public policy subject matter which interests me, and the rest may never get read. Those are the reports that are actually submitted. If this legislation were to pass, the first round of 55 reports would be reviewed.

There are three sections to A.B. 350. Section 1 would provide for an automatic 5-year default on the reporting requirements from the effective date. If we, as bill sponsors, feel the need for the reporting period to be more than 5 years,

then a statement would detail the reason for a longer reporting time and the costs and benefits expected from the reporting. There are situations in which we might want 10 years' worth of reports. When a new program is being launched or a Legislator wants to follow an issue over the years, you want these reports generated.

Section 2 lays out the process for removing the reporting request from NRS. The Legislative Commission would review reports 4 years old or older. When the Commission looks at those reports, we want it to consider analyzing the cost and benefits of the reports.

If we have a 50-page report generated quarterly by LCB that no Legislator has requested, then we might want to rethink valuable use of our staff time and resources to keep generating a report that no longer seems relevant. If it is, great; we keep generating the report.

Another question concerns whether the information in the report is somewhere else. Over the years, many different types of information have been consolidated or moved into other reports. There is a lot of duplicative reporting. If we have information being reported at one place, we do not need it in two or three different places. We also want to determine whether the subject matter of the report is deemed important. I could not imagine that the Legislative Commission would say we want to stop seeing reports on budget and fiscal analysis. Those types of reports are useful and drive our public policy decisions. A subject of importance to a Legislator will stay alive with reports being read.

Finally, the Legislative Commission will have the ability to repeal, revise or continue those reports. If a report is not producing useful information, we would have a process to pull it out of NRS. The changes would happen through a bill draft request (BDR). The Legislative Commission would not have the ability, without a BDR, to say a report can no longer be generated. Members of the Commission would need a compelling reason to use one of their BDRs to trigger going into that chapter and striking the language that requires a reporting requirement. With the BDR, there will be a hearing. If you feel the report is necessary, this will give Legislators, the public and departments an opportunity to come before this body and put comments on the record.

That is the bulk of what the bill asks for. This is not a new concept. This is an idea for how we can have less waste in government. Going back through public

policy and analyzing if we need certain things is a trend. We have sunsets in different places. We have legislative committees to review different commissions. We are asking critically about how our government operates, where we can find efficiencies and where we can let some stuff go if needed.

Senator Settlemeyer:

I appreciate the intent of the bill to eliminate the duplicity, getting rid of reports people are not necessarily reading that are a waste of time. Sometimes the concept of reports creates accountability.

Having been on the Legislative Commission for three interims, I know that Speaker Marilyn Kirkpatrick and I always read the reports. I see that she is also a sponsor of this bill. I am a little concerned; would this create a situation where these departments do not have to submit reports anymore so we no longer know what they are doing? Has anyone else shared that concern? What are your thoughts on that?

Assemblywoman Benitez-Thompson:

We have created a process by which we have people checking and rechecking to make sure important information and relative reports stay alive. The initial review is completed by the Legislative Commission. Those bills the Commission suggests would repeal reports that have to come through this body and through the Commission's BDRs. The measures would be vetted by the Assembly and the Senate. The public has a chance to see those hearings. The Legislative Commission has to sit down in front of us public policy folks and identify the rationale to repeal each report.

I am hoping there are enough checks and balances. If for some reason a report of substance got caught and the process did not work, then I would be the first one with an amendment to this bill, ensuring we do not lose good information.

Senator Settlemeyer:

It would create a situation where a recommendation from the Legislative Commission would have to come to us in the form of a BDR to no longer have that report. Do you have the ability to add multiple reports in the one bill? In other words, could you offer just one cleanup bill to eliminate reports?

How much time do you think this will add to the workload of the Legislative Commission? I have been on the committee for three sessions, and I hope to be on again. How much are you adding on to the day?

Assemblywoman Benitez-Thompson:

A lot—because I know you guys are capable of it.

Senator Settlemeyer:

Oh, thanks.

Assemblywoman Benitez-Thompson:

If this bill passed, the Legislative Commission would look at about 55 reports eligible for consideration. I do not imagine all 55 of those bills would be vetted. I imagine a look at what is important and what we do use. Obvious reports would stay alive—for example, the Governor's Office of Economic Development reports concerning the Catalyst Fund and the Knowledge Fund. But folks might look at other reports and ask, did we ever read this? We are requiring this report quarterly, and perhaps LCB says we have not received that report in 4 years. Does it make sense to get this information? If so, let us get this report, hold people's feet to the fire and ask why we have not had this quarterly report for 4 years. On the other hand, if it is obsolete and the reporting information appears somewhere else, then we can say we do not need the report and we have that information elsewhere. That is how I see the process.

Senator Settlemeyer:

As we found out with sunset committees, if you have not submitted a report in 20 years, maybe your department or entity does not need to exist anymore.

Assemblywoman Benitez-Thompson:

It would be up to your discretion.

Chair Spearman:

What procedure are you going through to identify the reports? Is it using paper and pencil? Are you considering some type of computer or other technological assistance? How will we arrive at finding those reports?

Assemblywoman Benitez-Thompson:

It would be a collaboration between Legislators and staff. Staff provided me the first round of reports eligible for the Legislative Commission's review. I also

have information about how many total reports are required to be submitted to LCB. The information out there is provided by staff. It would be an agenda item on the Legislative Commission to say which of these reports seem important or do not seem relevant and to identify where we can cut down on inefficiencies.

Chair Spearman:

I always look to the Secretary of State's Office as an exemplar in terms of technology. If that information is out there and under the Freedom of Information Act, you can probably Google it. If there is a way for us to consolidate whatever the activity we intend to use in this process, perhaps we need to look at adjusting a protocol or getting some type of platform that allows key phrase searches and identifies the numbers of reports in a matter of minutes. I am sure the technology is available; I just do not know what it is called.

I have a bill, S.B. 236, which requires agencies to have their forms online. Senator Debbie Smith has S.B. 405, which sounds a lot like yours. If we look at not amending those bills but how we can collaborate their implementation, we could probably get a long way down the road. Technology is here, and we are wasting money by not using it.

SENATE BILL 236 (1st Reprint): Provides provisions governing state agencies.
(BDR 19-769).

SENATE BILL 405: Revises provisions relating to the submission of reports to the Director of the Legislative Counsel Bureau and certain other persons.
(BDR 17-541)

Assemblywoman Benitez-Thompson:

Technology aided me in the preparation of this bill. The Nevada Legislature home page has links to all the reports. I use that often, especially in the Assembly Committee on Government Affairs, to read reports that cities have to submit and things like that.

You referenced Senator Smith's bill; this is along the same vein. At some point, the two bills might end up meeting and have a happy marriage. Senator Smith's bill specifically looks at 40 outdated reports. At first glance, we potentially have 40 reports not required. This past interim, the Legislative Committee on Education looked at duplicity in reporting. The Committee found

a lot of room for report consolidation and elimination. As a legislative body, we have precedents for looking at this process and asking how can we refine it.

Chair Spearman:

For example; an Excel program helps you determine your return on investment and things of that nature. You put in the formula, and the program brings up the information. I am looking at something like that. We could access information across 10 or 15 different agencies and 55 different reports. Whatever the agencies submit, especially if it is electronic, should be easier to compile. It would be a matter of having whoever initiates the report extracts the information from a database. This would save somebody a lot of work. A day's work by the stubby pencil method would probably only take 30 minutes to an hour accessing the database.

Carole Vilardo (Nevada Taxpayers Association):

I am speaking in support of A.B. 350. I have requested reports that were never done. I found that actually amazing. I have had agencies say they have been concerned particularly on quarterly reports because of the amount of staff time it takes. The review process is important. I hope you will pass the bill.

Yolanda King (Clark County):

I echo the comments of Ms. Vilardo. We as local governments are responsible for preparing a lot of these reports. The reports take a lot of staff time. It is not that we do not want to prepare those reports; on the back end, we just question if they ever get used or reviewed. The review of all the reports is a great idea.

Chair Spearman:

If we are not reading those reports and somebody is publishing them, we are using ink and paper and killing trees. There are many disadvantages to continue doing what we are doing. When I did the research for my technology bill, I found that within the last 2 years we have spent over \$700,000 just buying paper.

We will close the hearing on A.B. 350 and open the work session on Senate Concurrent Resolution (S.C.R.) 1.

SENATE CONCURRENT RESOLUTION 1: Requires the Legislative Commission to conduct an interim study regarding the taxation of services. (BDR R-260)

Carol M. Stonefield (Policy Analyst):

Senate Concurrent Resolution 1 was heard in this Committee on April 18 as noted in the work session document ([Exhibit D](#)).

There was opposition to the resolution. Two individuals spoke against a tax on services, not directly against the study itself. One person spoke against the composition of the advisory committee, suggesting the general public should be included.

Senator Manendo:

I heard conflicting stories that this is just going to be a technical committee that would not talk about identifying the services subject to a sales tax. The document Ms. Stonefield put together states the interim committee would identify the services to be taxed. We need to get clarity on exactly what this committee is to do.

Wes Henderson (Executive Director, Nevada League of Cities and Municipalities):

There are two committees. An interim study committee of Legislators will determine policy and identify which services will be subject to a services tax. The second committee will be a technology advisory committee, consisting of 11 members: three from the Nevada League of Cities and Municipalities; three from the Nevada Association of Counties; four persons with business knowledge; and one from the Department of Taxation. That committee will advise the interim study committee on the nuts and bolts of how it would work; how the revenues are to be distributed; and the process for collection and compliance with the resolution. The technical committee would not look at policy or determine services subject to the tax.

Senator Cegavske:

That is part of the heartache. In our briefing from our staff, the interim study committee is authorized to identify the services subject to a sales tax; given the verbiage, that is one of the issues.

Ms. Vilardo:

Maybe it should say the Legislators of the interim study committee. I do not know how you distinguish the interim committee is comprised of Legislators; it is not the technical committee.

The top part of the resolution deals with the interim committee, which is made up of Legislators. The second part refers to the technical advisory committee. If that is not clear, then we have no problem clearing it up. If it comes forward, we will argue whether we like the services being picked or not.

Senator Cegavske:

The concerns are identifying the services and the terminology.

Ms. Vilardo:

Maybe your legal staff can figure out how to put that onus on Legislators. The technical advisory committee does not want that. We do not want to deal with people who make arguments for or against taxing services. Those are policy decisions; that is the legislative part.

Senator Cegavske:

Could we postpone the vote till our next work session? The resolution needs to be clarified. If we do not, issues will go through each House.

Chair Spearman:

In two different places, the bill as written right now says the interim study committee is to make those decisions.

Senator Manendo:

It also says the interim study committee in conjunction with the technical advisory committee would be examining the concept. I think it does interlock. I have some concerns. Can we just hold it and work with the Legal Division?

Chair Spearman:

I suggest taking the amendment and the bill, seeing where those conflicting concepts exist and ironing them out.

Ms. Vilardo:

Would it be all right to ask your legal counsel the best way to distinguish it or delineate it?

Melissa Mundy (Counsel):

We would be happy to work with the sponsor to clarify the intent of the bill.

Chair Spearman:

We will postpone a vote until a later date.

Next on the agenda is A.B. 108.

ASSEMBLY BILL 108 (1st Reprint): Revises provisions relating to the eligibility to vote of certain persons. (BDR 24-267)

Ms. Stonefield:

Assembly Bill 108 was heard in this Committee on April 23 and presented by Assemblyman Elliot T. Anderson as noted in the work session document ([Exhibit E](#)). There was no opposition expressed. The bill passed the Assembly unanimously.

SENATOR MANENDO MOVED TO DO PASS A.B. 108.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Spearman:

We will follow through with A.B. 350, which we discussed earlier.

SENATOR MANENDO MOVED TO DO PASS A.B. 350.

SENATOR CEGAVSKE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Spearman:

The committee on Legislative Operations and Elections is adjourned at 8:44 a.m.

RESPECTFULLY SUBMITTED:

Mary Moak,
Committee Secretary

APPROVED BY:

Senator Pat Spearman, Chair

DATE: _____

<u>EXHIBITS</u>				
Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	2		Attendance Roster
A.B. 350	C	5	Assemblywoman Teresa Benitez-Thompson	Presentation
S.C.R. 1	D	3	Carol M. Stonefield	Work Session Document
A.B. 108	E	1	Carol M. Stonefield	Work Session Document