

**MINUTES OF THE JOINT MEETING OF THE
SENATE COMMITTEE ON REVENUE AND ECONOMIC DEVELOPMENT
AND THE ASSEMBLY COMMITTEE ON TAXATION**

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

The joint meeting of the Senate Committee on Revenue and Economic Development and the Assembly Committee on Taxation was called to order by Chair Ruben J. Kihuen at 6 p.m. on Sunday, June 2, 2013, in Room 4100 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 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.

SENATE COMMITTEE MEMBERS PRESENT:

Senator Ruben J. Kihuen, Chair
Senator David R. Parks, Vice Chair
Senator Moises (Mo) Denis
Senator Debbie Smith
Senator Ben Kieckhefer
Senator Michael Roberson
Senator Greg Brower

ASSEMBLY COMMITTEE MEMBERS PRESENT:

Assemblywoman Irene Bustamante Adams, Chair
Assemblywoman Teresa Benitez-Thompson
Assemblyman Jason Frierson
Assemblyman Tom Grady
Assemblyman Crescent Hardy
Assemblyman Pat Hickey
Assemblyman William C. Horne
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Randy Kirner
Assemblywoman Dina Neal
Assemblyman Lynn D. Stewart

COMMITTEE MEMBERS ABSENT:

Assemblywoman Peggy Pierce, Vice Chair (Excused)

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STAFF MEMBERS PRESENT:

Brenda Erdoes, Legislative Counsel
Russell Guindon, Principal Deputy Fiscal Analyst
Joe Reel, Deputy Fiscal Analyst
Bryan Fernley-Gonzalez, Counsel
Mike Wiley, Committee Secretary

OTHERS PRESENT:

Greg Ferraro, Nevada Resort Association
Brian McAnallen, Las Vegas Metro Chamber of Commerce
Bryan Wachter, Retail Association of Nevada
C. Joseph Guild III, Reno Rodeo Association
Tom Clark, Black Rock City LLC
Richard Perkins, Wynn Las Vegas
David Goldwater, NASCAR Fan Advisory Council; Insomniac Events
Rebecca Gasca, Downtown Project, LLC; Life is Beautiful, LLC; First Friday
Las Vegas LLC
Carole Vilardo, President, Nevada Taxpayers Association
Peggy Lear Bowen

Chair Bustamante Adams:

I will open the hearing on Assembly Bill (A.B.) 508.

ASSEMBLY BILL 508: Revises provisions relating to taxation. (BDR 32-1248)

Assemblywoman Marilyn K. Kirkpatrick (Assembly District No. 1):

I brought back A.B. 508, the Live Entertainment Tax (LET), because of concerns from Legislators and constituents that the bill was too broad. We heard from many constituents, and it was nice for a change to have people we do not normally see in this building participate in the process. This time we removed smoothies, bowling, golf and gym memberships. Assembly Bill 508 is fresh, clean and fair, and the language clears up the definitional changes, such as the issues of conventions and trade shows that could affect economic development. The bill exempts NASCAR only if it brings two races to the State.

We have to stop being afraid of revisiting our tax policy. The revisions are uniform and streamlined, and the rate has been lowered. The 10 percent of the LET is the bulk of our revenue, which is \$126 million. We have to broaden and clarify the 2 percent rate portion and make sure every entity that should pay is paying. I have never waffled, and I have always said that we need to reform our tax policy. If this does not go anywhere, I will work during the interim and bring back a clean bill draft for Assembly Bill 1 of the 2015 Session.

Ms. Erdoes will explain A.B. 508.

Brenda Erdoes (Legislative Counsel):

Section 1 has a change to "admission charge"; the difference is that the phrase "the term includes" is taken out and changed to "including," and the word "or" is replaced by "and." If an establishment has live entertainment with an admission charge or additional charges for table reservations on a minimum purchase, it would be 8 percent of the total admission charges, not on just one of those things.

Section 2 has a definition of "facility," which is critical to how the tax is collected. Facility means any area or premises, indoors or outdoors, where live entertainment is provided and for which consideration is collected for the right or privilege of entering the area or premises. The big change was to clean up a difference in the casino environment with live entertainment but no admission charge. Food and beverage is charged to the LET, and under the changes, only areas in gaming establishments where there are admissions is one charged for the LET. This will eliminate the situation with casinos where on the right side of a walkway the LET is charged, and on the left it is not.

Section 3 changes the definition of disc jockey (DJ) to read, "person who is physically on site in a facility and who presents recorded music." Another change concerns tour guides and escort services to read, "A tour guide who is providing a sightseeing tour or an escort who is escorting one or more persons at a location or locations in this State" would be charged the 8 percent LET. On page 5, section 3, subsection 2, paragraph (b), subparagraph (8), the language has been removed. Changes in section 4, subsection 1, relate to the addition of escorts and tour guides as taxpayers. On page 6, lines 8 through 22 define the taxpayer. If live entertainment is taxable and provided by an escort, the escort pays the tax. If the escort works as an employee, agent or independent contractor, the escort service pays the tax. For the tour guide, the owner or operator of the sightseeing tour pays

the tax. The definitions of escort and escort service came from the Clark County code, which have been upheld by the Nevada Supreme Court as not ambiguous and therefore taxable. Section 5, subsection 5 on page 7 is provisions requiring reports by the two regulators, the State Gaming Control Board and the Department of Taxation, to be submitted every 5 years to the Legislative Commission. The reports will include whether the exemptions and exclusions are effective.

Section 6 shows the change in language for tour guides and escorts. Lines 38 through 44 on page 7 and lines 1 through 4 on page 8 show that for facilities of less than 7,500 persons, the LET goes down from 10 percent to 8 percent for the admission charge and for food and beverage. On lines 1 through 3 on page 8, regarding the larger venues of 7,500 people or more, the rate goes from 5 percent to 8 percent. Lines 5 through 10 show the 8 percent LET is also for tour guides and escorts. This section lists which nonprofits would be exempt from the LET. These would be organizations for charitable or educational benefits and for public benefit as defined in *Nevada Revised Statute* (NRS) 82.021. The tax imposed by section 6, subsection 3 must be added to and collected from the purchaser at the time of purchase for the use of the ticket holder or a ticket broker.

Section 6, subsection 4, paragraph (g) shows the NASCAR exception if a least two race events are held at the same racetrack during the same calendar year. This bill waived the first 2 years as long as the track expresses its intent to hold these two races; and if they do not occur, the tax must be paid by the track for those 2 years. Sections 8 and 9 are changes requested by the Gaming Control Board to make the LET work better in terms of collection and regulation.

Section 10 deletes the 6 percent tax on gross receipts for boxing and other fights. These are included in the large and small venues. Section 12 provides for a 1-year collection allowance for new taxpayers, which allows taxpayers who have not paid the tax before a 0.25 percent deduction against the cost of implementation. Section 13 addresses tickets bought ahead of time for a January 1, 2014, event and provides a payback after the passage of the bill until January 1, 2014. Section 14 relates to the administrative regulations pursuant to NRS 368A, which was adopted by the Nevada Tax Commission, the Nevada Gaming Commission and the Nevada Athletic Commission. The regulations that are no longer accurate based on the bill would be void until repealed. Section 15 contains provisions for NASCAR, and section 16 deals with ticket sales.

Assemblywoman Kirkpatrick:

We have a bifurcated system with the 10 percent LET rate for smaller facilities and the 5 percent rate for larger facilities. With this bill, both facilities will be at 8 percent. To get to a streamlined tax system, the LET will have to work toward taking the food and beverage out. We took the merchandise out of this bill, which was around \$1 million revenue for the State. We wanted to clarify the law so everybody knows what he or she has to pay.

Assemblywoman Benitez-Thompson:

In the section 6 reference to 501(c)(3), do we have any religious organizations that operate tour guides or escort services?

Ms. Erdoes:

This provision was included because sometimes charitable organizations have money raisers where they sell tickets for tours, and we want to make sure that type of event was not included.

Assemblyman Hickey:

Does this include the 501(c)(3) interpretations that apply to the Reno Rodeo?

Ms. Erdoes:

Page 8, lines 19 through 22 in section 6 of the bill provide for a single special event when the sponsoring entity is not a 501(c)(3). It can go to the Department of Taxation and establish a single event through NRS 372.3261. The process uses the same requirements for qualifying for a 501(c)(3), but the entity would not have to establish itself as a 501(c)(3) because the Department will do the certification.

Assemblyman Hickey:

Can we characterize this as revenue-neutral or a new tax?

Assemblywoman Kirkpatrick:

I do not think so. Disc jockeys are a good example because some pay the LET and others do not. This bill will clear up the confusion, close loopholes and allow the Gaming Control Board to enforce the law with greater clarity.

Assemblywoman Neal:

I am trying to understand the escort.

Assemblywoman Kirkpatrick:

It was unclear in the last bill, so we just added clarity.

Assemblywoman Neal:

If I ask for a date, are they collecting and charging a tax for the date?

Ms. Erdoes:

Clark County has a business license for the business of being an escort or an escort service. The tax is imposed on the consideration charged, and the Department of Taxation would be the enforcement mechanism.

Chair Bustamante Adams:

The seating threshold still stays the same, between 50 and 7,500?

Assemblywoman Kirkpatrick:

That is correct.

Chair Bustamante Adams:

On page 7, regarding the two entities producing the reports, this information will be new to us and will allow us to understand how the exemptions or exclusions are affecting the State. Is that correct?

Assemblywoman Kirkpatrick:

Yes. It is hard for us to judge because of the way we report the information in bulk, so this would allow us to have real-time data on how the LET is working. In section 12 of the bill, we added the collection piece so taxpayers not paying will receive the collection allowance for 1 year. The 0.25 percent tax for implementing the new tax to avoid a burden on the taxpayer is consistent with what we have done in the past.

Chair Bustamante Adams:

For boxing and unarmed combat, the tax will go from 6 percent to 8 percent.

Assemblywoman Kirkpatrick:

Correct. We moved these items as we did in the original bill. Broadcasting fees are not included. Other questions have surfaced regarding conventions and trade shows, which would not be subject to the LET. Resort fees and comps are also not

included. We keep the tax structure at 8 percent by changing the rate and adding more clarity.

Greg Ferraro (Nevada Resort Association):

We support A.B. 508. As we discussed before, we are establishing tax policy that is predictable and certain. The section 2 language changes go a long way toward certainty and understanding where the tax is to apply. The LET statute is ambiguous and has caused a lot of confusion over the last decade; this bill clears that up and streamlines that body of law. The Nevada Resort Association in its position of support will continue to work on this bill until we can get it through.

Brian McAnallen (Las Vegas Metro Chamber of Commerce):

We support A.B. 508. We appreciate all the work that went into this bill to include the section 5 changes with reporting language and the data it will provide.

Bryan Wachter (Retail Association of Nevada):

We support the bill. We need to look for ways to improve our tax system to make it less volatile and more secure and stable. We will continue to offer our support to help stabilize our tax system

C. Joseph Guild III (Reno Rodeo Association):

We support this bill. The 501(c)(4) association I represent, the Reno Rodeo Foundation, has presented a check for \$92,000 to the riding rehabilitation center for children with special needs. We appreciate the clarification of our tax policy.

Tom Clark (Black Rock City LLC):

We are concerned about the 8 percent tax on the Burning Man event. We do not have sponsorships or concessions; we only charge the admission price, which goes to fees for local government, law enforcement and the people we employ. We want to be part of the discussion if the bill is discussed during the interim.

Richard Perkins (Wynn Las Vegas):

We are concerned about A.B. 508 as it relates to our nightclub industry and the DJs specifically. We would like to work on the food and beverage areas with staff.

David Goldwater (NASCAR Fan Advisory Council; Insomniac Events):

I have submitted a letter ([Exhibit C](#)). We want to bring to your attention the balancing act between tax abatements and the unique status that drives other

taxes. The economic impact study shows that sometimes unique tax status will increase revenue. We will also be working on this during the interim.

Rebecca Gasca (Downtown Project, LLC; Life is Beautiful, LLC; First Friday Las Vegas LLC):

We respect the intent of this bill and how it will clean up issues about how gaming is affected by the LET structure. This is a fair approach to help an industry that has traditionally shouldered much of the responsibility for the economic well-being of the State.

Our three businesses work within the City of Las Vegas Downtown Redevelopment Agency's Downtown District, which is on the upswing. The supporters of the bill have urged passage for predictability and stability. Those are not the conditions that exist in downtown Las Vegas. The small businesses producing events are creating vibrancy and welcoming places for families, but the professionals and entrepreneurs who produce these events are not experiencing the type of stability long-standing businesses have enjoyed. I have submitted an amendment ([Exhibit D](#)) for the consideration of the Committees.

Many of the small businesses are crowd-funded and put on events where the entertainer is not paid, which the amendment addresses. First Friday Las Vegas has a shuffle zone for kids, and kids pay to enter the zone. The DJs performing for the kids are not paid, which the amendment cleans up. The second part of the amendment applies to entertainment in a redevelopment area that would not be part of the LET, giving these businesses the opportunity to get their footing and their own predictability and stability.

Chair Bustamante Adams:

Could you work with the existing Redevelopment Agency?

Ms. Gasca:

We are willing to work with the redevelopment agencies.

Chair Bustamante Adams:

I would encourage you to check it out because the generosity from this body was substantial.

Carole Vilardo (President, Nevada Taxpayers Association):

I supported the bill originally, but now I am neutral. I would suggest a couple of changes to the bill. I would like to see us move toward all entertainment instead of just live entertainment because it would drop the tax rate even more. The first step was taken by removing merchandise, but we need to remove food and beverage. If this bill is processed, next Session we would have a handle on dollars, and we could come back to make the change to eliminate food and beverage. Tax on live entertainment is touted around the State as something new, but most states do not have the restrictions we do on sales tax because of the 2 percent portion. The Federation of Tax Administrators *Sales Taxation of Services* guide contains a number of items that are live entertainment included in services provisions in other states. We were forced into this, but it does affect our economy.

The NASCAR and baseball exemptions concern me because I would not have the exemption. We could reduce the rate down to 1 or 2 percent. We have other racetracks and baseball stadiums in the State, so treat similar businesses the same way. Representatives of the Las Vegas hockey team contacted me wanting to know why it was not exempted since it is a professional league in Las Vegas. We have professional basketball exhibition games; if the thinking is that it is good policy, then treat similar businesses the same. This would not have a large impact on your revenue because you will pick up the offset from boxing increasing. I am concerned about sightseeing tours being in the bill because the tour operators have not been able to review the bill. They should be given the opportunity to testify on their concerns.

I support the concept. I would like to see this bill passed because it does two things: it goes to one tax rate, and it sets the stage to evaluate the potential with expanding this bill. It could become the services tax.

Chair Bustamante Adams:

We wanted to move further with this bill, but I am looking forward to the evolution as we continue to work on the LET.

Assemblywoman Kirkpatrick:

People need to stop opposing everything and be part of the solution. My concern is that some pay the tax and others do not. We need to clean up our tax structure. Therefore, the discussions need to happen because we do not evaluate what the tax should produce in revenue and make the necessary adjustments. We need to

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have return on our investment with economic development, so we need to have the discussions from all sides.

Chair Bustamante Adams:

I will close the hearing on A.B. 508.

Chair Kihuen:

I will open the hearing on Senate Concurrent Resolution (S.C.R.) 11.

SENATE CONCURRENT RESOLUTION 11: Creates the Select Committee on Nevada Commerce Tax. (BDR R-1250)

Senator Moises (Mo) Denis (Senatorial District No. 2):

I would like to submit S.C.R. 11, which creates the Select Committee on Nevada Commerce Tax. Nevada needs to broaden and diversify its revenue base and reduce its dependence on sales and gaming taxes to support essential services for the State. The present revenue structure has lacked stability, making the budget process difficult and increasingly challenging to meet the demands of our population. The recent recession served to underscore the need for Nevada to broaden the revenue base. Because of the lack of adequate revenue in recent years, the State has encountered difficulty in funding kindergarten through Grade 12 (K-12), postsecondary education and essential services which are necessary for Nevada to thrive. The present revenue structure for the State may be inadequate to address the changing needs of our residents, and consideration of additional sources of revenue is necessary to ensure a strong and stable future for our people and businesses.

Senate Concurrent Resolution 11 considers issues related to the enactment of the commerce tax in Nevada that could be the long-term solution for creating revenue stability. The Select Committee on Nevada Commerce Tax would be a bipartisan panel comprised of four lawmakers from each House of the Legislature. The Committee would be comprised of the Majority and Minority Leaders from both Houses and appointees chosen by the leaders of both Houses. I am disappointed that we were unable to reach a consensus this Session on a long-term tax structure. The Select Committee will not be a study and will not hold votes or make recommendations; it will be an open and transparent means of engaging business groups, teachers, parents and labor. The mission will be to work out the revenue structure that will adequately fund the budget and particularly our schools.

Chair Kihuen:

How often would the Committee meet, and when would the first meeting take place?

Senator Denis:

The Committee would meet quarterly. The first meeting would be in August.

Chair Bustamante Adams:

If entities want to part of the discussion, how would that happen?

Senator Denis:

We would have staff, and we would put together agendas and define the topics. We would meet in northern and southern Nevada as well as rural Nevada. We would want to have discussions on specific areas so everyone attending would know the topics being covered. People could contact the staff once the agendas are set.

Senator Smith:

I was part of this idea and am pleased about it because one of my frustrations is the constant criticism that we have not had discussions or that they are always done behind closed doors. This allows for a lot of input, discussion and transparency because we are not hiring a consultant to tell us everything we already know. There are only so many opportunities for taxes, so we are looking specifically to see the ups and downs, who likes it or does not and how this affects big and small businesses, gaming, mining, retail and individuals. We want an opportunity for an open and transparent process across the State. We hear all the time that our tax base needs to be broadened, so this is the opportunity for us to have the conversation out in the open. The next Legislature will have all the information gathered over the biennium from a great deal of input.

Senator Brower:

You say this is not a study, but it appears to be a study. The proposed resolution uses the term "examine," and I am not sure what the difference is between "study" and "examine." On page 1, the resolution suggests the State has encountered difficulties funding K-12 education and providing adequate funding for education. The majority of my caucus introduced S.B. 513 that would have potentially raised \$600 million per biennium for education. We could not get a

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hearing on the bill. If we are talking about transparency and open dialog, why was the majority not willing to discuss S.B. 513 this Session?

SENATE BILL 513: Proposes the Education Priority Act as the Legislature's competing ballot measure to Initiative Petition No. 1. (BDR 32-1221)

Chair Kihuen:

We are not discussing S.B. 513, but Senator Denis is free to respond.

Senator Brower:

I cannot decide if this resolution makes sense or not, unless we can put this into context and understand why we are not having an open and transparent discussion during this Session.

Senator Denis:

We had many things to consider. We have a limited amount of time, which was one of the frustrating things about this Session. We could dilute the discussion and try to cover three or four major tax policies or we could, as suggested, focus on one area. With the discussion of the mining tax, there just was not time. It is one thing to propose all of these things, but doing it in a 120-day Session becomes difficult. My proposal prompts a discussion on a commerce tax.

Senator Brower:

We just spent the last hour of a joint committee's time rehearing a bill that is going nowhere, so we did have the time for an open and transparent discussion about how we fund education.

Senator Denis:

When we do a study, we hire a consultant to gather information that is dumped on us right before Session, and we have to make a decision on the information. I propose that the discussions be done in a more in-depth and open manner as opposed to a lot of individual meetings.

Chair Kihuen:

I want to commend you for bringing this bill forward. My hope is when this committee convenes, all the people who are now coming to the table with no solutions and opposing everything will come with solutions and ideas.

Senator Denis:

I appreciate the consideration. It gives us the opportunity to ask questions that can be answered in that type of forum. We can use the information to bring legislation on which we can work together to help Nevada's future.

Assemblyman Hardy:

Through this process, it is important to come up a method of evaluating information and determine where we are headed with the information. We need a balance based on population growth and true needs versus wants. That has to be part of the study.

Senator Denis:

We need to have a way of knowing how much revenue it will bring in and how it can be designed for our needs. We need to know the true cost, and in some cases, we have that information. While the focus is on how to implement this type of tax, we need a mechanism to figure out how much we need, and then we need to use that mechanism.

Chair Bustamante Adams:

We need to have discussions with rural areas and bring in local governments for their input as we did with the Consolidated Tax (CTX) Distribution bill. The discussions had already taken place before we had the hearings. Are you suggesting something similar?

Senator Denis:

That is a good model because all the discussion had taken place before Session. When we arrived for the Session, we were able to make a decision. I do envision the same approach.

Ms. Vilardo:

I have a couple of concerns with this resolution. We talk about reducing the dependence on sales tax, and we are actually looking to expand our base on sales tax through the Streamlined Sales and Use Tax Agreement and looking at the services tax study. Based on a study by the Rockefeller Institute, sales tax was the most stable revenue source during a downturned economy; corporate taxes were not. I read the bill as a study because it is not presenting findings; it is making recommendations, and I have to assume the recommendations are for a new tax. I see this as a tax study—and the State needs another tax study like I need another

hat. We have the information, and your staff could take all of the studies and give you a graph on commonalities. You need to know what you are looking at to decide between a corporate tax, a business tax or a gross receipts tax. If you do not have the details, you cannot address the issue. You do need technical committees because you are making recommendations to the next Legislative Session, and it will be the same 120 days. If you do not have that recommendation with the implementation plan or plans, you will not finish in 120 days. In 2003, we needed two special sessions; a bill will be created, and it will not work. Authority has to be given to a regulatory body to make regulations so you will have a tax that works. Those regulations are codified into law in the following session.

This is called a commerce tax; it is obviously a business tax, which has the perception of a commerce tax. We are slowly climbing out of an economic downturn, and this study with the label of a commerce tax sends a chilling notice to anybody who is looking at the State when we are trying to attract economic development. I will provide all the recommendations on revenue and expenditures we have because we have not been antitax.

Chair Bustamante Adams:

I am not sure I understood what you are alluding to because Senator Denis referred to the CTX model.

Ms. Vilardo:

This report coming out of the Select Committee says you will identify or look at a commerce tax. How can there be a technical committee without specifically identifying the tax? The CTX committee worked because we knew what we were looking at. In addition, that committee did use a consultant. The Legislature knew the CTX was important, and the Cities of Henderson and Las Vegas paid for the cost of the consultant to run the models. When you do the technical and mechanical work and you want to look at revenue, you need somebody who knows how to run models for that particular issue. You want to broaden the base, but you have not identified the tax, so what is the technical committee going to evaluate?

Mr. Wachter:

We are not sure what a commerce tax looks like, although we do have a general idea of what a commerce tax might mean. This committee will need to focus on what it wants to do, and it sounds as if each agenda will be categorized around a particular tax or proposal. The most important aspect is the technical committee

because when you look back at recommendations from interim committees, they are all technical in nature. When I read the resolution, the proposed Select Committee is operating under the assumption that the State needs new revenue. We are not considering whether what we have works, asking if it is stable or valid or looking at the validity of those taxes we already have. Rather, we are considering what we can look to further revenue.

The Retail Association of Nevada has been at the table, and we have had conversations as to what taxes look like and how we can make the State better. We need to broaden the base, but we need to look at the taxes we have. This resolution leads us to believe that new taxes are necessary. Part of this discussion needs to be what is adequate funding—that needs to be defined. Economic diversity needs to part of the discussion, and it needs a technical aspect as well. We need clarification as to how the recommendations will be made since there is no voting. We want to continue to be part of the conversation.

Senator Smith:

I am feeling frustrated because it appears we cannot have a conversation where we are asking for a conversation about a possible business tax in the State. The third paragraph of S.C.R. 11 states "lack of adequate revenue." That is confirmed because of all the cuts we have made to the State's budget over the last two budget cycles, especially in education. I just cannot get my head around why we cannot have this conversation. We cannot have the conversation in the interim or in the next Legislative Session because there is never enough time or information. We are talking about an opportunity to have people from across the State give us their input. I would suggest we take out "recommendations" and just report findings. As a reminder, we have a population and growth cap in our budget, but we were \$2 billion under the cap at the start of this Session. I do not understand why this is a horrible conversation to have.

Senator Denis:

I also find it frustrating when we talk about taxes; nobody wants to have the discussion. I understand we have many studies and do not need another one. In these discussions, we can bring all the information together and, with our staff, come up with recommendations. As stated in the resolution, any information has to be approved by a majority of the members. That does not necessarily mean that we have to create any recommendations. I need more information to bring forward

legislation next Session if it is necessary based on the discussion. That way, we can really work on it in the Session.

Chair Kihuen:

I am going to close the hearing on S.C.R. 11 and turn the hearing over to Chair Bustamante Adams.

Chair Bustamante Adams:

Are there any closing comments before we take public comments?

Assemblywoman Kirkpatrick:

My bill (A.B. 508) is cleanup legislation. If it does not pass, I will bring it back next Session. We try to eliminate bill drafts, and we cannot pass them out unanimously. We have heard two bills today: one to work on outside of the building and the other with cleanup language. Nobody wants to discuss them, so let us eliminate all bill drafts.

Senator Brower:

If that were a motion, I would second it. We have too many bill drafts; we waste too much time on bills we do not need to hear. When the sponsor of the bill is talking about Assembly Bill 1 for next session, it is time to move on and get the big bills completed for this Session. Let us get this Session done and leave on time.

Assemblywoman Kirkpatrick:

We have to clean up language on the bill and have the discussion. The Assembly has done its part, so we are going to leave on time.

Chair Bustamante Adams:

We will take public comment.

Peggy Lear Bowen:

We do not waste time in discussion, but maybe we need a different focus. You all have had studies and committee meetings where you take testimony. You are the hub of the wheel, and the spokes of the wheel are the stakeholders—parents, businesses, gaming, etc. What are we as a State willing to do to make us the greatest State in the Union for its citizens? You are the facilitators of the conversation rather than the receivers of the conversation. Bring in the stakeholders and have them bring forward their perceptions of what it will take to

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allow the State to pay for its elders, children and public services. Learn what is enough to make the State a wonderful place to live, what the people want and will pay for. Do not continue to be the old wheel; be the hub on a new wheel.

Senator Roberson:

We all agree on the budget bills, and if we work on them, we can be done by midnight and finish the Session early.

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Chair Bustamante Adams:

With no further business to come before us, the Joint Meeting of the Senate Committee on Revenue and Economic Development and the Assembly Committee on Taxation is adjourned at 7:48 p.m.

RESPECTFULLY SUBMITTED:

Mike Wiley,
Committee Secretary

APPROVED BY:

Senator Ruben J. Kihuen, Chair

DATE: _____

Assemblywoman Irene Bustamante Adams, Chair

DATE: _____

<u>EXHIBITS</u>				
Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	3		Attendance Roster
A.B. 508	C	34	David Goldwater	Re: AB 508 Live Entertainment Tax
A.B. 508	D	1	Rebecca Gasca	Conceptual Amendment