

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Seventy-Eighth Session  
April 24, 2015**

The Committee on Commerce and Labor was called to order by Chairman Randy Kirner at 2:53 p.m. on Friday, April 24, 2015, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 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 [www.leg.state.nv.us/App/NELIS/REL/78th2015](http://www.leg.state.nv.us/App/NELIS/REL/78th2015). In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Randy Kirner, Chairman  
Assemblywoman Irene Bustamante Adams  
Assemblywoman Maggie Carlton  
Assemblywoman Olivia Diaz  
Assemblyman John Ellison  
Assemblyman Ira Hansen  
Assemblywoman Marilyn K. Kirkpatrick  
Assemblyman Erven T. Nelson  
Assemblyman James Ohrenschall  
Assemblyman P.K. O'Neill  
Assemblyman Stephen H. Silberkraus

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Victoria Seaman, Vice Chair (excused)  
Assemblyman Paul Anderson (excused)  
Assemblywoman Michele Fiore (excused)  
Assemblywoman Dina Neal (excused)



**GUEST LEGISLATORS PRESENT:**

Senator Pete Goicoechea, Senate District No. 19  
Senator James A. Settelmeyer, Senate District No. 17

**STAFF MEMBERS PRESENT:**

Kelly Richard, Committee Policy Analyst  
Matt Mundy, Committee Counsel  
Earlene Miller, Committee Secretary  
Olivia Lloyd, Committee Assistant

**OTHERS PRESENT:**

Debra Gallo, Director/Public Affairs, Southwest Gas Corporation  
Matthew Griffin, representing Apex Holding Company  
Michael Vannozzi, representing Las Vegas Global Economic Alliance  
Warren Hardy, representing City of Mesquite  
Samuel McMullen, representing City of North Las Vegas  
Angel DeFazio, Private Citizen, Las Vegas, Nevada  
Donald J. Lomoljo, Utilities Hearing Officer, Public Utilities Commission of Nevada  
K. Neena Laxalt, representing Nevada Propane Dealers Association  
Mike Eriksen, President, Wells Propane, Inc., Wells, Nevada  
Paul J. Moradkhan, Vice President, Government Affairs, Las Vegas Metro Chamber of Commerce  
Victor Joecks, Executive Vice President, Nevada Policy Research Institute  
Tray Abney, Director of Government Relations, Chamber of Commerce of Reno, Sparks, and Northern Nevada  
David W. Carter, representing Nevada Legislative Affairs Committee  
Aaron Baker, representing City of Mesquite  
John Wagner, State Chairman, Independent American Party  
Rusty McAllister, President, Professional Fire Fighters of Nevada  
Marlene Lockard, representing Service Employees International Union, Local 1107  
Mike Ramirez, Director of Governmental Affairs, Las Vegas Police Protective Association Metro, Inc., and representing Southern Nevada Conference of Police and Sheriffs (SNCOPS)  
Tim Ross, President, Washoe County Sheriff Deputies Association, and representing Peace Officer Research Association of Nevada  
Stan Olsen, representing Nevada Association of Public Safety Officers  
Randy Brown, Director, Regulatory and Legislative Affairs, AT&T Nevada

Mary Walker, representing Carson City, Douglas County, Lyon County,  
and Storey County  
Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber  
of Commerce  
Mike Cathcart, Business Operations Manager, City of Henderson  
Matthew Richardson, representing Nevada Association of Public Safety  
Officers

**Chairman Kirner:**

[The roll was taken. A quorum was present.] We have five bills on the agenda, but will only be hearing four. We will not be hearing Assembly Bill 480 today.

**Assembly Bill 480:** Provides for the licensing and regulation of mortgage loan servicers and revises provisions governing the administration of the Division of Mortgage Lending of the Department of Business and Industry. (BDR 54-1174)

I will open the hearing on Senate Bill 151 (1st Reprint).

**Senate Bill 151 (1st Reprint):** Requires the Public Utilities Commission of Nevada to adopt regulations authorizing a natural gas utility to expand its infrastructure in a manner consistent with a program of economic development. (BDR 58-52)

**Debra Gallo, Director/Public Affairs, Southwest Gas Corporation:**

I am here to present Senate Bill 151 (1st Reprint) and have submitted my prepared testimony (Exhibit C). This bill requires the Public Utilities Commission of Nevada (PUCN) to adopt regulations authorizing a natural gas utility to expand its infrastructure in a manner consistent with the program of economic development with projects that would be proposed by the public utility and approved by the PUCN. We began discussions on this concept right after the 2013 Legislative Session, and this was based on various requests we had for natural gas service from several areas within Nevada which lack the critical natural gas infrastructure necessary for business and industry that require natural gas for some of their processes. There are certain areas within Nevada that are disadvantaged when competing with other areas and other states that have natural gas infrastructure in place to support businesses wishing to relocate or expand.

The issue is that traditional ratemaking and line extension policies appropriately require significant up-front investments from prospective residents, businesses, or communities for the extension of natural gas to unserved and underserved areas. Unserved areas are those areas that have no infrastructure, but there are

some underserved areas. That means there is some level of infrastructure in the area, but there are some parts of the area where households and businesses do not have access to service. We researched and reached out to our industry organization, the American Gas Association, and learned that this is not a problem limited to Nevada. Two years ago there were 16 states that had identified natural gas infrastructure as a key component to driving economic development. Subsequently, they enacted mechanisms of various sorts to allow expansion of natural gas infrastructure. The most recent statistic is that 35 states have made the change either legislatively or through regulatory commissions. From there, we developed a concept that we thought was right for Nevada that we shared as a part of the Southern Nevada Forum in the economic development section. We then created language for this bill.

The bill contains three parts. It requires the Commission to adopt regulations that would be procedures for the application and for recovery of cost. They would develop regulations that would allow us to propose and then to approve alternative cost recovery methodologies. The bill also has definitions of programs of economic development.

This puts the process at the PUCN, which we believe is the appropriate venue when discussing ratemaking issues for regulated natural gas utilities. Each project would be unique and would be filed with the Commission, and each cost recovery methodology would be very dependent on the circumstances of the area in question. The Commission has the ultimate discretion. It can approve, disapprove, edit, and amend, just as it does now with any other rate or type of application that is made to the Commission.

**Chairman Kirner:**

Are there any questions?

**Assemblyman Ellison:**

We have a lot of propane dealers in our area. Will this have a financial impact on them? There was a letter circulating saying they were not serving the community, and that is not true. What do you think the rate increase is going to be across the board?

**Debra Gallo:**

The goal of this bill is not to convert propane or electricity. Some of that may happen, but that is not the goal. The goal of this bill is to expand natural gas infrastructure to areas that need it. There are certain manufacturing processes that cannot use any other fuel. It gives another option.

As far as a rate impact, I cannot tell you because each area would be different. We would propose, depending on what kind of load we would get, whether they would be paying customers or charged a surcharge. It could be a zonal rate. It would be on a case-by-case basis. Mesquite would be a completely different set of circumstances from an area such as Apex where we know a little bit more.

The way our line extension policies are now, we would need certain things to be able to allow the infrastructure to be expanded. When you are talking about expanding your infrastructure and growing more customers, you are taking your fixed costs and spreading them over a greater number of customers. It is not our intention to expand and have existing customers pay for that expansion. We want each project to rest on its own merits. It would be an open, public process at the Commission so the public could ask questions and participate.

**Chairman Kirner:**

Are there any in support of this bill?

**Matthew Griffin, representing Apex Holding Company:**

I want to express our appreciation to the sponsors of the bill and our support for this legislation.

**Michael Vannozzi, representing Las Vegas Global Economic Alliance:**

We are the regional economic development authority for Clark County. We are in strong support of this bill because we represent Apex, which has a tremendous development opportunity, and Mesquite.

**Warren Hardy, representing City of Mesquite:**

We are in strong support of this legislation. We have expended significant efforts in the past several years on economic development, and we consistently come up against the challenge of not having natural gas. Propane is an option in some cases, but very often natural gas is required because it burns at a different temperature, or things of that nature. We feel like we are literally in a holding pattern until we get natural gas service to the City of Mesquite. Mesquite has significant attributes that are desirable. We are centrally located in the United States on the Interstate 15 corridor. We are constantly up against the challenge of not having natural gas. We have a list of projects that we believe we have lost over the past few years because we have not had natural gas. This is extraordinarily important for Mesquite.

**Samuel McMullen, representing City of North Las Vegas:**

This is an extremely important proposition and project for North Las Vegas. Apex is a real asset for North Las Vegas and the entire Las Vegas Valley.

This helps us make sure that pieces of land have all of the infrastructure for any development. We want to be sure that when Las Vegas Global Economic Alliance brings someone out there, that the parcel has the whole infrastructure on its way to being developed and they do not have a one- or two-year delay. They can look at the land as a very current opportunity for the state and for their development in our valley. We want to be able to attract those people and not lose them to another state where the infrastructure is on a quicker time table. We heartily want your support of this bill.

**Chairman Kirner:**

Are there any in opposition? Angel DeFazio will testify by telephone.

**Angel DeFazio, Private Citizen, Las Vegas, Nevada:**

Our concern is Southwest Gas is apparently taking a page from the NV Energy's playbook from Senate Bill No. 123 of the 77th Legislative Session. When you want something and do not want to risk the PUCN not approving it the way they want, they have to enact it into law. Southwest Gas wants the PUCN to oversee this and the PUCN has subject matter jurisdiction and, therefore, there is no reason for a legislative ruling. No proof has been offered by the bill proponents that the bill strategy will bear any economic development. Where are the specific commitments from new businesses to locate in these great areas if only there were natural gas service?

*Nevada Revised Statutes* 231.053 calls for the Office of Economic Development, Office of the Governor, to expect new businesses which can be developed in the state. Have we designated specific business types, identified relocation for expansion candidates, or laid out a strategy for developing these three geographic areas? Nothing has been submitted with the proposed legislation. If any businesses, except manufacturers, need large quantities of natural gas to operate, are there any fund commitments from manufacturers to locate or expand? Warehouse and distribution centers are not large users of natural gas.

At present, the Apex area of Clark County is largely undeveloped. If the landowners in this area wish to build on their property, they, their tenants, and their purchasers should pay to develop utility and transportation infrastructure through the formation of a general improvement district and the issuance of bonds. It is not up to all of the ratepayers to subsidize improvements to another person's property. There can be numerous problems at the PUCN in considering consumer interests and objective analysis that we can balance in public policy. It would be imprudent to place responsibility for developing alternative cost-recovering mechanisms.

The artificial and irrelevant distinction between direct and indirect beneficiaries from the expansion of natural gas lines obscures the point that ratepayers in south Las Vegas receive no discernable benefits by paying for natural gas expansion in these three areas. I hope the members of the Committee will ask Southwest Gas to fully define what they meant by indirect benefits.

**Chairman Kirner:**

Are there others in opposition? Seeing none, are there any to testify from a neutral position?

**Donald J. Lomoljo, Utilities Hearing Officer, Public Utilities Commission of Nevada:**

Our interpretation of the bill is that it allows broad discretion to the Commission in the rule-making process and the subsequent application process. We appreciate that, and we are neutral on the bill.

**K. Neena Laxalt, representing Nevada Propane Dealers Association:**

We have no opposition to this bill, and we do not want it to be perceived that we are in any way competing with natural gas. We fully support natural gas. We are here due to comments made in the Senate. The comments were that Elko County was having problems with their delivery of propane. One of the proponents said that the kids were freezing in their schools. We want to be on record as saying that is not true. There has only been one time in the 20 years that I have been with the Nevada Propane Dealers Association that there was a shortage of delivery due to a very cold winter and a driver shortage. It had nothing to do with supplies.

There were also comments made in the Senate by a man who owns property in Elko and wants the expansion of natural gas to develop his property. He talked about distributing the cost of the infrastructure amongst all of the ratepayers. We are concerned about that because we are mom-and-pop businesses for the most part. The propane companies pay for their own extensions and lines. The people who benefit from the extensions pay for it. With the distribution of the costs amongst all of the ratepayers for Southwest Gas, that would put a lot of these propane dealers out of business.

We are not opposed to this bill, but wanted to clarify comments about propane delivery in the rural counties. The discussion in support of this bill is aimed at southern Nevada, but there are rural impacts where propane is one of the primary sources of energy, and we want to know who will be paying for those infrastructure extensions.

**Mike Eriksen, President, Wells Propane, Inc., Wells, Nevada:**

In my written testimony ([Exhibit D](#)) there is a letter from Thad S. Ballard, President of the Elko County School District Board of Trustees. It will clear up any misrepresentations made in the prior testimony. I would encourage you to read my testimony as well.

**Chairman Kirner:**

Are there any questions from the Committee?

**Assemblywoman Carlton:**

I am going to ask the parties who are interested in this bill to come talk to me before I make a decision on this bill.

**Assemblyman Nelson:**

Who will bear the cost of these rate increases?

**Debra Gallo:**

It would be the areas that we would propose, and it would also depend on what is proposed there. We would consider how many customers we would be getting right now versus customers that might be coming on line. There is never an intention that it would all go into the rate base and all customers would pay for it. It would be looked at on a project-by-project basis. The goal of the bill is not to convert, but there may be some appropriate conversions. We are not looking to going into an entire town or area. Each project would be looked at individually. We are not looking at going into every street in Mesquite, which is different from what has been done in other states, and people count on those conversions. We would propose a surcharge for a certain amount of time and a zonal rate. That is what we would propose, and that will all be decided at the Commission as it is now.

How it is done now is that we have a model to look at, and it is very strict. There has to be a payback within five years. The Commission does not have the ability or the authority to look outside that. When you are not in that parameter, there is nothing else you can do except somebody has to come up with the money. This bill gives the Commission some options to maybe say there is a surcharge for ten years or a zonal rate until that amount of investment is paid. Currently an allowable investment goes into the rate base and you are earning from day one and everyone pays for that.

**Assemblywoman Kirkpatrick:**

Regulations are important, and I want to make sure there is some legislative intent on what the expectation is when regulations come. In section 1,



subsection 3, what do you envision would have to be in the regulations for a program of economic development?

**Debra Gallo:**

We worked with the Legislative Counsel Bureau in drafting this bill to come up with what would be a program of economic development. There are various areas, including business, manufacturing, and residential that could be left open enough that the Commission could accept if they had a tie to one of the areas of economic development. We need to keep in mind that it would be on a project-by-project basis where those areas came to us.

We have reached out to all the economic development agencies, including the Office of Economic Development, Office of the Governor, and we want to work in partnership. It has to be where it makes sense and is appropriate. We would put that package together through them and take it to the Commission. That is where they would really look at it. It would be for one of these areas so that you are setting legislation not for just right now, but potentially for the future so the Commission would have the authority to look at it if it meets one of the criteria.

**Chairman Kirner:**

Please follow up with Assemblywoman Carlton.

**Debra Gallo:**

I will try to meet with everyone, and I would be happy to come back and talk again.

**Assemblywoman Carlton:**

I have spoken with Ms. Gallo. It is all of the others with whom I have not had a chance to speak. I think it is important to get their viewpoint also.

**Chairman Kirner:**

I will close the hearing on S.B. 151 (R1).

I will open the hearing on Senate Bill 158 (1st Reprint).

**Senate Bill 158 (1st Reprint): Revises provisions relating to collective bargaining by local governments. (BDR 23-704)**

**Senator Pete Goicoechea, Senate District No. 19:**

Senate Bill 158 (1st Reprint) is an effort to bring transparency to collective bargaining. The public deserves to know what is collectively bargained and what was settled before an agreement was ratified. When the bill began,

it required ten days prior to the action by the local government, and it was going to be a hardship on the larger local governments because they typically post three days prior, so we settled on that. The bill says if you are going to take an action on any collective bargain or similar agreement, you will post and make available to the public what was bargained and the settlement so the public could have some input.

We had an amendment that was rejected in the Senate ([Exhibit E](#)). It was to expand these provisions to all employees. The concern was if a local government had to post prior to giving every employee a raise, it would be problematic.

**Chairman Kirner:**

Are there any questions? Seeing none, are there any to testify in support of the bill?

**Paul J. Moradkhan, Vice President, Government Affairs, Las Vegas Metro Chamber of Commerce:**

We would like to offer our support. We believe this is a good transparency bill that will bring greater understanding to the public. Clark County and the City of Las Vegas do this, and we think it is a very good practice. We would like to offer our support for consistency throughout the state.

**Victor Joecks, Executive Vice President, Nevada Policy Research Institute:**

We are in support of the bill and think the public has the right to see the bill before the taxpayers are paying it.

**Tray Abney, Director of Government Relations, Chamber of Commerce of Reno, Sparks, and Northern Nevada:**

We agree with the previous testifiers in support of the bill.

**David W. Carter, representing Nevada Legislative Affairs Committee:**

I support this bill with the proposed amendment ([Exhibit E](#)).

**Aaron Baker, representing City of Mesquite:**

The City of Mesquite strongly supports this bill. We believe it will give our city council additional tools and additional transparency in the process.

**John Wagner, State Chairman, Independent American Party:**

I agree with the previous testifiers.

**Chairman Kirner:**

Are there others in support of this bill? [There was no one.] Is there any opposition?

**Rusty McAllister, President, Professional Fire Fighters of Nevada:**

If the rules were different, we would not oppose this bill. We are in support of the concept of this bill and the transparency that it will bring. We have no problem with putting our documentation online because we believe it is a good process. We also believe—and that is why we submitted the amendment ([Exhibit E](#))—if you want to be transparent, be all the way transparent. Contracts for managers and supervisors never see the light of day. The public never hears those. When Mr. Joecks said the public has a right to know, they do not have the right to know for only employee organizations, they have a right to know for everybody. If you are going to do consent agendas where you are passing millions of dollars in expenditures, there should be supporting documentation. That is what we tried to address in the amendment. We just want to be treated equally.

If you are going to put our stuff up, put everybody's stuff up. The example was given in the Senate hearing of documentation that showed one supervisory person from one entity in southern Nevada which was a 27-page PowerPoint presentation justifying why that person deserved a raise, including qualifications, education, and comparables to entities of the same size throughout the United States. The other entity had a one-page document that was a review of the supervisor's performance. When it was done, the performance evaluation ended up being a \$50,000 raise.

We agree that the public has a right to know. Let us do it for everybody.

**Marlene Lockard, representing Service Employees International Union, Local 107:**

We, too, support the transparency intent of this bill. I would invite the Committee to look at the exhibits submitted for this bill in the Senate. I submitted a document that outlines in detail the number of issues before the Clark County Commission that were on the consent agenda. None of it was posted on the Internet, and it represents millions of dollars to the taxpayer. We feel that the taxpayers should know how the county commission is spending their dollars in public entities. We support this measure and would like you to adopt the amendment that requires that the fine print be noted for all of the agreements.

**Mike Ramirez, Director of Governmental Affairs, Las Vegas Police Protective Association Metro, Inc., and representing Southern Nevada Conference of Police and Sheriffs:**

We feel the same way as our two colleagues. If you want to know, put it out there, but put everyone out there.

**Tim Ross, President, Washoe County Sheriff Deputies Association, and representing Peace Officer Research Association of Nevada:**

I would like to echo the sentiments of my colleagues.

**Stan Olsen, representing Nevada Association of Public Safety Officers:**

We support the bill and the amendment ([Exhibit E](#)). The public has the right to know all of it.

**Chairman Kirner:**

Is there any other testimony in opposition? [There was none.] Is there any testimony in neutral? Seeing none, I will invite the bill sponsor back.

**Senator Goicoechea:**

The amendment did not pass in the Senate, and it will be up to this Committee to decide. This is about *Nevada Revised Statutes* (NRS) 288.153. I think if you are talking about transparency through the whole process, that is a different bill in a different chapter. If you are talking about the consent agenda and what is being spent there, that is probably a different bill.

**Chairman Kirner:**

Are there any questions?

**Assemblywoman Kirkpatrick:**

I thought we put in a bill in 2005 that said when people got raises and evaluations it had to be public. I think what they are doing now might circumvent that if they are putting that on the consent agenda. I thought people had the right to know on evaluations, so maybe this is the appropriate bill. If local governments are currently circumventing the process that we put in place, we need to remind them that it has to be transparent.

**Senator Goicoechea:**

I am saying that is the law now, so does it help to put it in the law now? My argument is that this is about collective bargaining, and I think we need to stay focused there. I agree that we put it in place and it is supposed to be transparent when they do an evaluation. I would assume that in most cases it is, but I am hearing from some of the people in southern Nevada that there are

consent agendas that are extending \$50,000 raises. That is clearly not allowed in statute.

**Assemblywoman Kirkpatrick:**

I want to follow up because NRS 239.010 does not allow for the consent agenda. I would like to have a further conversation about how to have the Governor put out an executive order to make people do it right or claim they are null and void. We worked hard on that legislation to ensure that. Many people have asked us to undo it. If local governments have figured out how to circumvent, why would they not circumvent this process as well?

**Senator Goicoechea:**

I will leave this in the capable hands of this Committee, and I look forward to working with you.

**Chairman Kirner:**

I will close the hearing on S.B. 158 (1st Reprint) and open the hearing on Senate Bill 86 (1st Reprint).

**Senate Bill 86 (1st Reprint): Revises provisions governing pipeline and subsurface safety. (BDR 58-347)**

**Donald J. Lomoljo, Utilities Hearing Officer, Public Utilities Commission of Nevada:**

Senate Bill 86 (1st Reprint) deals with two safety functions that the Public Utilities Commission of Nevada (PUCN) oversees. The first is in section 1, which raises the maximum fines that the Commission can enforce regarding the Natural Gas Pipeline Safety Act of 1968 as amended. That is a federal law that the Commission enforces in cooperation with the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration. The Commission receives grant money from that agency to fund that program, and if the Commission does not raise the maximum fine amounts, those grant funds would be at risk. The PUCN's enforcement of the act only applies to pipeline operators in the state of Nevada. We enforce those codes against intrastate operators, the main ones being Sierra Pacific Power Company in the Reno and Sparks area and Southwest Gas in the Carson City area and other communities throughout the state.

The second safety oversight function that this bill covers is the Call Before You Dig law. The main changes are contained in section 2 and section 5 of the bill. Section 2 creates a new category of subsurface facility: a high consequence subsurface installation which would designate high-pressure gas lines, petroleum pipelines, pressurized sewage pipelines, high-voltage power lines,

high-capacity water pipelines, high-capacity fiber-optic facilities, hazardous materials pipelines, and other such high consequence facilities. They are receiving enhanced protection under the Call Before You Dig law by making violations concerning those facilities subject to triple the normal penalty amounts.

Section 5 proposes to increase the current penalty amounts and the maximum penalty amounts applicable to Call Before You Dig violations. For willful violations, the penalties would be \$2,500 per day, not to exceed \$250,000. For negligent violations, the penalties would be a maximum of \$1,000 per day and \$50,000 for a related series of violations. Reflected in section 5, subsection 4 is the possibility for a tripling of a fine regarding a high consequence facility. Section 5 also details the considerations the Commission would look at in determining a fine amount and clarifies that any fines collected by the Commission go to the State General Fund and not the Commission. That is the legal interpretation of the Commission in enforcing the Call Before You Dig law and we want to make that clear in statute.

**Chairman Kirner:**

Are there any questions?

**Assemblyman Ohrenschall:**

In section 2, it looks like the responsibility for natural gas pipelines in Call Before You Dig comes from the Natural Gas Pipeline Safety Act of 1968, as amended. This new expanded authority in section 2 of the bill that would go to petroleum pipelines, pressurized sewage pipelines, high-voltage electric supply lines, high-capacity water pipelines, optical carrier lines, hazardous material pipelines, and any other subsurface installation, is that an expansion of the remedy to the PUCN that we are not required to have by federal law? I am assuming it is civil/criminal penalties now. Is this an expansion of PUCN authority to the other kinds of underground subsurface installations not required by federal law?

**Don Lomojlo:**

These are separate issues. Section 1 is the federal partnership of the Natural Gas Pipeline Safety Act. Sections 2 through the remainder of the bill are purely state law, the Call Before You Dig law. They are not comingled. With federal pipeline safety, you are looking at obligations of the pipeline operator in terms of maintenance and recordkeeping regarding their pipelines. Call Before You Dig covers every sort of subsurface facility that there is in the state. It already covers telecommunications, subsurface facilities, petroleum, and the whole gamut of subsurface facilities. That is purely a state law.

**Assemblyman Ohrenschall:**

So this addition to Chapter 455 of the *Nevada Revised Statutes* (NRS) is not an expansion of the PUCN's authority of these other installations?

**Don Lomojlo:**

That is correct.

**Assemblyman Ellison:**

When I met with your people, it was my understanding that you were trying to increase fines for the big incidents, and you are not going after the middle-sized and small contractors. Is that correct?

**Don Lomojlo:**

Our philosophy, which has been borne out in how we have enforced Chapter 455 of the NRS to date is that our emphasis for everybody, large or small, is primarily on education and prevention. We only seek penalties when there is an egregious violation or there are repeated violations where the operator or excavator is not getting the message. We do not like to react after an explosion; we want to reach people before that happens through education.

**Assemblyman Ellison:**

What kind of protection is there for mismarking by utility companies?

**Don Lomojlo:**

Mismarks would also be a violation of Chapter 455 of the NRS. It puts the responsibilities on the operators and excavators of subsurface facilities. A mismark would be looked at like any other violation. If it was a minor issue, the operator would only receive a verbal or written warning. Everybody is treated equally, and we would look at the individual circumstances.

**Chairman Kirner:**

Seeing no other questions, would the supporters of this bill come forward?

**Randy Brown, Director, Regulatory and Legislative Affairs, AT&T Nevada :**

We would like to thank the PUCN staff for working with us in advance of delivering this bill. We worked collaboratively, and we are here in support.

**Chairman Kirner:**

Are there any questions? Seeing none, is there other testimony in favor of this bill? Seeing none, is there testimony in opposition? Seeing none, are there any to testify from a neutral position? [There was no one.] Are there any closing comments? [There were none.] I will close the hearing on S.B. 86 (R1) and open the hearing on Senate Bill 168 (1st Reprint).

**Senate Bill 168 (1st Reprint): Revises provisions relating to collective bargaining by local government employers. (BDR 23-602)**

**Senator James A. Settelmeyer, Senate District No. 17:**

In communication with some of the counties that I represent, they seek to have more of a reserve account than they currently have under Nevada law. They also sought to have a definition of a financial emergency in statute. It is currently up to the county and the collective bargaining unit to determine the definition of financial emergency. Unfortunately, when we had bad times, that created a situation because they did not have a definition. The concept of the reserve seemed to be inadequate for those counties. Through a lot of work, we tried to address some of the issues and concerns that individuals had, but all were not addressed. There were some people who felt that it was too much to have three months of income in reserve, and they did not like the definition. Some of the definitions that were offered, and will be offered today, created a situation in the Senate where the Chairman of the Senate Committee on Commerce, Labor and Energy felt that the reserve was equivalent to a four-day supply of money and found that to be too limited and problematic.

**Chairman Kirner:**

Are there any questions?

**Assemblywoman Kirkpatrick:**

I hope I can discuss this with you because I feel like I lived this last session since I represent North Las Vegas. If it is good for one, why is it not good for everyone, including the school districts? I do not think it is fair. I am concerned because there is a fiscal emergency bill, Assembly Bill 54, which defines fiscal emergency based on what really happened. Has there been any discussion about what happens if those two bills collide?

**Senator Settelmeyer:**

There were some counties which did have definitions, so we tried to look at a hybrid of those that made the most sense and were the most fair to all. That is where we made this definition. The school district issue was a last-minute amendment on the floor of the Senate. They were left out because their backstop is the State of Nevada and the Legislature, not the counties. It did not seem logical. I also had a problem because several counties have been giving 2 to 3 percent raises to the teachers and quite a bit more to the administrators. I did not feel that it was necessary to ensure that they had the ability to have a three-month reserve because I did not agree with their disproportionate pay raises between the teachers and the administrators. That is why there was an amendment.



I was unaware of A.B. 54, but I can look at it to try to work with you to determine if we can make a better definition of financial emergency that would better suit all. We had a fair amount of input from Senator Goicoechea to try to create something that would work.

**Assemblywoman Kirkpatrick:**

I will work with you because I lived the entire process for almost two years. The Department of Taxation was part of the entire situation. I think I could bring some reality to what happens.

**Senator Settlemeyer:**

My county has lived it, too, and it is horrific when you have to look at laying off workers and reducing the size of a police force because you cannot get agreements.

**Chairman Kirner:**

Are there any in support of the bill?

**Mary Walker, representing Carson City, Douglas County, Lyon County, and Storey County:**

I would like to put on record that the Nevada Association of Counties supports this bill, but they have a board meeting today and were not able attend. The Nevada League of Cities and Municipalities is also in support of S.B. 168 (R1).

We support S.B. 168 (R1) because we believe it will save jobs, will reduce layoffs, and will minimize service reductions to the public in future recessions. It gives local governments two tools to stave off layoffs and service reductions during a recession. It allows for a three-month operating fund balance or 25 percent of expenditure fund balance and for a reopening of a collective bargaining agreement during a financial emergency.

Today in Nevada law, local governments have very limited financial stabilization tools. There is *Nevada Administrative Code* (NAC) 354.660 which allows for a one-month or 8.3 percent fund balance not available for negotiations and the 10 percent stabilization fund, which can only be used for declining revenues and natural disasters such as flooding or wildland fires. These limited tools did not work during the last recession in eliminating layoffs or service level reductions. In essence, they were not enough. With these limited tools, many local governments still experienced a 15 to 30 percent reduction in revenues and had no choice but to reduce their staff by 15 to 30 percent.

What local governments need is for sound fiscal policy to be inserted into the collective bargaining process. This bill is the first step to achieving this. The national Government Finance Officers Association (GFOA) has recommended local governments have a minimum unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. Furthermore, the GFOA states governments' particular situations often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. For example, the GFOA cites the dependence on volatile revenue sources, such as Nevada's local governments reliance on the sales tax through the Consolidated Tax Distribution (CTX) as reasons for a higher than two-month fund balance. In the last recession, the CTX statewide declined by 5 percent in fiscal year 2008, 13 percent in fiscal year 2009, and 10 percent in fiscal year 2010. This is one of the largest revenue sources for local governments. The combined decline in that three-year period was 28 percent.

In addition, property taxes, which are one of the primary sources of local government revenues in Nevada, are not distributed to the local governments until two months into the fiscal year, leaving potential cash flow issues through the summer months. In our own household finances, experts always tell us to have operating savings equivalent to six months of expenditures. We are only asking for a three-month operating fund balance.

The union contract reopener in S.B. 168 (R1) would be triggered by either a 5 percent reduction in revenues in a year as substantiated by the annual audit or if the local government has a fund balance of less than 4 percent of expenditures. Four percent of expenditures equates to less than two weeks of expenditures and has been described by NAC 354.650 as a "low ending fund balance" requiring the local governments to explain to the Department of Taxation the reason for the low fund balance and how the local government plans to increase the fund balance. In regard to the 5 percent reduction in revenues which would trigger a reopener, we are talking about the total general fund revenues, the ongoing revenues. To get a 5 percent reduction, you would actually need your CTX to decline by more than 10 percent. The CTX for local government typically represents about 40 to as high as 60 percent of the total revenues. In order to get a 5 percent reduction, you would have to have more than a 10 percent reduction in the CTX, which is a major recession like those in 2001, 2008, 2009, and 2010.

Unions may say we do not need S.B. 168 (R1) because the unions will reopen their collective bargaining agreements during a recession. For most unions, this is true. However, it is not true in all cases. You can look around Nevada today

and see the local governments whose unions did not work with them, and they continue to be in a difficult financial situation. Senate Bill 168 (R1) may very well have no effect on those unions who are enlightened enough to reopen their agreements because they would have done so anyway. The unions that this bill will affect are those unions who refuse to reopen the agreement, leaving the local government with no choice but to lay off their employees.

Unions may also say local governments have the 8.3 percent fund balance and the 10 percent stabilization fund, so that is 18.3 percent they have available. But, as we have seen in this last recession, when up to 30 percent of local government jobs were eliminated, it is not enough. The current system does not work. It does not provide financial stability to the local government services it provides to its taxpayers.

We need to take the gamble out of the current system by establishing sound fiscal policy as S.B. 168 (R1) will do if enacted. A higher fund balance and the union agreement reopener will allow local governments the ability to meet the demands of recessions yet to come. It will reduce the need for layoffs and service reductions to our citizens until local governments and the unions can cut costs together to avoid layoffs or reductions in service. [Mary Walker submitted ([Exhibit F](#)) and ([Exhibit G](#)) to the Committee.]

**Chairman Kirner:**

Ms. Walker, you have exceeded your allotted time to testify.

**Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber of Commerce:**

We are in support of the concepts of S.B. 168 (R1) and the flexibility it would allow for local governments during a fiscal emergency.

**Victor Joecks, Executive Vice President, Nevada Policy Research Institute:**

We think this is a great bill.

**Mike Cathcart, Business Operations Manager, City of Henderson:**

The mayor and city manager of Henderson were able to testify on this bill in the Senate. We are in support of S.B. 168 (R1). We have a strong relationship with our collective bargaining units. We believe this bill will provide further stability for us as a local government.

**Aaron Baker, representing City of Mesquite:**

I am here in support of S.B. 168 (R1). We believe this bill provides additional tools that will allow the city council to more effectively perform their responsibilities as stewards of public funds.

**Assemblywoman Kirkpatrick:**

I watched the City of Henderson go through the process, and you were able to work with your people. What has changed that you want to change the process, which has been in place since 2011, when we asked to make changes to get a revenue source to support the state?

**Mike Cathcart:**

I do not think anything has changed. We still have an amazing relationship with our collective bargaining units. We still meet with them on a monthly basis. Our chief financial officer and our management staff meets with them, and we open up our books and look at our long-range plans with them. We believe that the piece with the three months in case of emergencies is important to this bill.

**Assemblywoman Kirkpatrick:**

Does that include all of the redevelopment dollars that are put aside in a different pocket and all the other pockets of money that you set aside? Do you have that discussion regularly with your employees?

**Mike Cathcart:**

Our five-year financial plan does include other funds: all of the funds that we use for capital construction and our enterprise funds. Funds like our city shop and our municipal facilities funds where we put dollars for capital construction are part of our discussions and part of our five-year financial plan.

**Assemblywoman Kirkpatrick:**

I am talking about abatements or the freezing of dollars that all local governments do. Are those taken into consideration before you give out more redevelopment dollars? Do you have those discussions with your employees? Our state employees are collectively begging all of the time for the state to do something for them. There have to be promises given and kept, but if things go awry, they can still plan for themselves. If you are going to continue to give away redevelopment dollars and other funds, how does that factor into ensuring that we have recruitment and we retain our employees on the promises we have given them?

**Mike Cathcart:**

I do not believe our redevelopment fund is part of the discussion. The redevelopment is a completely separate legal agency from the City of Henderson. Our city council sits as the redevelopment board, but they file a separate budget and a comprehensive annual financial report.

**Assemblywoman Kirkpatrick:**

Do you envision that these dollars would be encompassed in the 25 percent? The reason I asked is that some redevelopment agencies are healthy. I have seen a lot of cities put money into their redevelopment or slush funds and take it out of their general fund. Where do those dollars come back? I am frustrated because I have worked with the City of Henderson many times to help you fix problems, and you have never said there was a problem with the ending fund balance. In fact you were the leaders in southern Nevada on how to work with your employees. You are testifying to something that I have never heard was an issue. I have heard your city stand up and say what a great process you have and thank goodness for your type of employees.

**Mike Cathcart:**

We worked with our employee groups throughout the recession. It was a partnership to enable the city to get through it. Our property taxes dropped 30 percent, and we had large drops in our CTX revenue as well. It took both. Our employees came to the table and we worked with them. We also drew down all of our capital funds to maintain the 8.3 percent general fund. We had to stop doing our pay-as-you-go capital improvement plans. That is where we are now. We have a large infrastructure deficit. We have used a lot of those dollars to maintain that 8.3 percent in our general fund as it is. We feel that over the long term, if we would have had more set aside in the general fund, it would have helped us even further to weather that storm and continue to provide services to our citizens.

**Tray Abney, Director of Government Relations, Chamber of Commerce of Reno, Sparks, and Northern Nevada:**

We support this bill.

**John Wagner, State Chairman, Independent American Party:**

A lot of our members work for government. I know it is no fun being laid off. Anytime two sides can get together and mutually agree on cutting salaries or reducing expenditures, it is a good move.

**David W. Carter, representing Nevada Legislative Affairs Committee:**

I support this bill because if this had been in effect when I lived in California and worked at the Adelanto School District, I may have been able to continue to work there. I was laid off because 80 percent of the department was cut. They took a 33 percent pay cut or better. All of the administrators, the budget officer—which was me—and all of the other staff were laid off because the bargaining units would not negotiate until everyone else had had their salaries cut extensively. I think it is good when you can have an opportunity to force

better negotiation. We only had to have a 3 percent reserve and because of that I ended up losing my position.

**Assemblywoman Carlton:**

It is my understanding that the school districts are exempt in this bill.

**David Carter:**

I understand that, but I am saying that my experience with the school district is the same thing that happens with cities and counties.

**Chairman Kirner:**

We will move to the opposition.

**Rusty McAllister, President, Professional Fire Fighters of Nevada:**

We are in opposition to the bill, but not because of what it is trying to do. We understand the concept of maintaining some reserve, and we do not have a problem with increasing the 8.3 percent currently in statute which is not negotiable in a bargaining agreement. We have talked to Senator Settlemeyer about it. Our opposition is to the way that you get to that process.

We have an issue with section 1, subsection 2, paragraph (w), which was put into statute in 2011. It is a subject of mandatory collective bargaining and requires through the bargaining process that employers and employee organizations negotiate what would be the grounds for reopening contracts. I have examples of four different entities that have already done that and have documentation in place for when they would reopen a contract and they are different. It would seem that this would nullify those agreements that they have made for what constitutes an emergency.

Section 1, subsection 4, paragraph (a), subparagraphs (1) and (2) define what constitutes a financial emergency. Our concern is that it says when you have a 5 percent drop of revenue in the general fund of a local government during the last preceding fiscal year. It is not uncommon for employers to divert revenue before they release their general fund whether it be to support other funds. They put money in other funds, not just their general fund. Our concern is that the appearance would be that if they were going to have a surplus above 25 percent in the ending fund balance, they would divert it to other funds before it got to the general fund. Therefore, you would never reach that 25 percent ending fund balance. Any good finance officer can divert money before it ever gets to the general fund and show there had been a 5 percent drop in revenue. In my experience in the negotiation process, local government employers over-budget expenditures and they under-budget revenues.

It is a good budgeting process, but if you are using this means, it will allow them to open contracts any time they want.

In section 2, subsection 3, regarding the 25 percent ending fund balance, we agree with the sponsors that 8.3 percent may not be enough. We have tried to find compromise in providing the number of 16.67 percent, which is two months of reserves. The Government Finance Officers Association uses that as a standard. I did some research and found information: A book by Moody's Investor Services called *The Six Critical Components of Strong Municipal Management* and a memorandum by the New England Public Policy Center at the Federal Reserve Bank of Boston. Moody's book says that it looks for one to two months of reserves, or 5 to 10 percent of annual revenues when it is evaluating for bonding levels. Standard and Poor's Financial Services considers 15 percent or more reserves as strong. The Center on Budget and Policy Priorities also uses a target level of 10 to 15 percent of the budget. There is documentation that shows that the numbers we suggest work.

We have offered an amendment ([Exhibit H](#)), which we worked on with an accountant who gave us some recommendations. The proposal is to look at the amount of revenue and the ending fund balance to give a good idea of the amount of money coming in and the expenditures going out. It gives a clearer picture of the financial situation. I have been told that the real clear picture is that if you have a drop in property tax, CTX, and fair share money, it is a good indicator to reopen contracts. We tried to find a middle ground and proposed to open collective bargaining if there was an ending fund balance of 4 percent and that combined revenue dropped by 10 percent in one year or 5 percent in two consecutive years.

Mary Walker said that the numbers would not have applied to any entity in the state during the recession. We looked at the numbers in North Las Vegas to see if this would have applied to them. The answer is yes and no. Did they have a drop in revenue? Yes. In 2010 to 2011, they had a 21 percent drop in revenue. In 2011 to 2012, they had an 11 percent drop in revenue, so they met the qualifications in either year. The problem is that in 2010, they moved \$34 million from an enterprise or sewer fund into their general fund. They had a \$15 million loss on top of that. They had a \$40 million loss and ended up with an ending fund balance of 4.2 percent. If they had not moved the \$34 million, they would have certainly qualified under this provision. In 2011, they moved \$30 million out of the enterprise fund and had a \$15 million loss, but ended up with an ending fund balance of 8.34 percent. They artificially propped up the ending fund balance by moving money from enterprise funds. Had that problem been identified earlier, it could have been addressed

in 2010 and 2011, instead of 2014 with Assemblywoman Kirkpatrick's efforts to save the city.

We would like to work with the sponsor or any interested parties to consider our amendment. It is not a far stretch; 16.67 percent is in the middle of 8.3 percent and 25 percent. We believe there are standards that match that and the reopening of contracts because of a financial emergency should not be easy. We think this helps identify a true emergency and we believe the local governments and the employee organizations are willing to work together to fix the problems.

**Marlene Lockard, representing Service Employees International Union Local 1107:**

We are opposed to this bill and concur and support Mr. McAllister's amendment.

**Mike Ramirez, Director of Governmental Affairs, Las Vegas Police Protective Association Metro, Inc., and representing Southern Nevada Conference of Police and Sheriffs:**

We would like to concur, but we want you to know that we gave concessions. We have come to the table and worked with our employees unless it was a fiscal emergency. Ms. Walker said she does not want people to be laid off. As far as I am aware, since 1991 we have not laid off a police officer.

**Matthew Richardson, representing Nevada Association of Public Safety Officers:**  
We oppose this bill and support the proposed amendment ([Exhibit H](#)).

**Chairman Kirner:**

Are there any questions?

**Assemblywoman Kirkpatrick:**

Mr. McAllister, what concerns me is that there is no Committee on Local Government Finance to intervene on what a financial emergency is. In the past, at least the Committee on Local Government Finance calls people in and tells them that their numbers are not working out so well. They should be involved in the process too. If we get to a financial emergency and there is still a stalemate, what happens? I have been concerned about North Las Vegas since 2005 that their budget was inflated, and it fell on deaf ears. I have also seen other local governments do it the opposite way. The City of Ely raised rates for trash and put the money into a fund and transferred the money when it was convenient. In 2009, when I brought up the enterprise fund bill, every local government was angry with me. What have you seen? I think there are



extremes of both, and when does the Committee on Local Government Finance get involved in this process?

To clarify, when you are going through negotiations, give me an example of what happened in 2010 and 2011 when the local entity says they cannot make their budget and they ask to open contracts. We passed legislation that said any new contracts from the time they were opened had to have a clause that they must be reopened. I thought North Las Vegas had the most egregious contract, and we made them open it. Where does it go from there?

**Rusty McAllister:**

The entity that I work for was not in as severe a financial situation, but they came to us. They said, Here is the financial situation, and we are dividing up what we would like each of the employee organizations to come up with in a dollar value to fix our problem. They worked with us and asked for a 5 percent decrease in salary for each of two years. We asked for the dollar value of that, and we countered with the same dollar reduction without reducing salaries. They were amicable and worked with us. I have been led to believe that the City of Henderson is the model throughout the state. Their city administration and finance department have been extremely forward. They lay it all out on the table and explain it so the bargaining units know the exact financial situation. They work with the employee organizations to come up with reasonable solutions to the problem.

The opposite situation is North Las Vegas. The firefighters there could never get the financial information on the table. That created a problem. They knew there was a problem, but they did not know how much. They were not given the resources to make a sound decision. The firefighters made concessions over and over to help the city.

**Assemblywoman Kirkpatrick:**

I am trying to prove that there has to be a partnership because people do not have the ability to walk off the job. The numbers in North Las Vegas changed on a daily basis, and we could never resolve the issue. I believe that they have the longest contracts running forward. I think it has been resolved. Mr. McAllister, you worked with me on Senate Bill No. 98 of the 76th Session. I think it was a 5 percent combination of CTX and property tax. Typically, if your property tax is going to fall, so is your CTX. We have seen that consistently, and I can pull that information for 90 percent of the people. I feel the Committee on Local Government Finance is to be involved at some point if there is a financial emergency because that is their responsibility.

**Rusty McAllister:**

There are two different definitions with which we are working. A financial emergency in this bill and the Nevada Tax Commission has what they call a severe financial emergency, which has a different standard. The Commission has a laundry list of things that could indicate that an entity is in financial hardship. That should be an indicator that some entities have problems and would have the ability to start looking at ways to open contracts if needed. The language that was worked on in Assembly Bill 54 defines when you would open a contract when a severe financial emergency exists under the provisions of the Nevada Tax Commission and the Committee on Local Government Finance. It allows for the reopening of contracts and the renegotiation of the monetary issue within a contract. That bill is in the Senate now. We were able to work with the Nevada Tax Commission and get some good language in the bill for what describes a financial emergency and the ability to reopen contracts. If an entity did not want to reopen a contract, there are provisions for layoff.

**Chairman Kirner:**

Under your proposed amendment, would it have triggered a mandatory reopening of contracts in North Las Vegas?

**Rusty McAllister:**

North Las Vegas had a dramatic revenue loss. If they had not propped up their budget, it would definitely have opened the contracts. It would have made them come to the table and renegotiate the contracts.

**Assemblywoman Kirkpatrick:**

They did the same thing in reverse. In North Las Vegas in 2005, when times were good, they transferred all the sewer money into their general fund, but they transferred it out after the contracts were done. That is why the numbers were so hard to get. I believe this amendment would help with transparency. I think everyone wants to know what is really there so local governments can have some stability and the employees know what is reasonable to ask.

**Tim Ross, President, Washoe County Sheriff Deputies Association, and representing Peace Officer Research Association of Nevada:**

I want to say the same things as Rusty McAllister. I negotiated the last seven or eight contracts with Washoe County. In that time, we have gone to arbitration twice. We won one and lost one. In 2010, we gave back like everybody else did. Negotiations always boil down to a cat-and-mouse game of money. The onus is always on us to find the money. Ultimately, I would argue that in 2008, we could not, but in 2012, we could. It boils down to trust. Sometimes we have it and sometimes we do not, depending, for us, who is running the county.

**Chairman Kirner:**

Is there anyone to testify from a neutral position? [There was no one.]  
Are there closing comments?

**Senator Settlemeyer:**

For clarification, the schools are out of the concept of the reserve. They are not out of the concept of the definition of a financial emergency. I look forward to working with Assemblywoman Kirkpatrick. I do not see the definition of financial emergency in A.B. 54, but I appreciate the definition and admission by Mr. McAllister that we need a definition. I would like to be shown how the definition has ever, or would ever, have been triggered, because I believe that over the past 10 or 12 years, we have definitely seen a financial emergency. If it were not triggered, I do not believe that definition is correct.

**Chairman Kirner:**

Are there any questions?

**Assemblyman Ellison:**

Enterprise funds are usually never allowed to be transferred unless the city council is asked to transfer that money. That is an open issue to the public, is that right?

**Senator Settlemeyer:**

I do not know the answer to that, and I will get back to you.

**Assemblyman Nelson:**

With respect to the school districts, the financial emergency would be on the part of the state since the state funds them. Is that correct?

**Senator Settlemeyer:**

The definition of financial emergency would still apply from the county aspect due to the fact that sometimes you have property taxes to build or do maintenance. They were carved out of the reserve because we are the backstop. But the definition is still there in case there is not enough income because property taxes decreased and there was not enough money to provide for salaries. We were trying to give them that ability if something went wrong.

**Assemblywoman Carlton:**

When we had to do a lot of cutting in 2009 through 2011, one of the things that was blatantly clear was that we funded the school districts, but we could not tell them how to spend their funds. We are the backstop, but we are not a partner. I am concerned that without anything to lay out the ground rules for them to make sure that they are responsible, they could make any decision and

come back to us. I do not mind funding the school districts, but I want a say in what is going on. They should play by the same rules as everybody else, or they can come back to us and we will have to cut someone else. I do not want to live through that again.

**Senator Settlemeyer:**

If we could add an amendment that the administrators would never have a pay raise larger than the teachers, I would accept that.

**Chairman Kirner:**

That completes our agenda. Is there any public comment? Seeing no public comment, the meeting is adjourned [at 4:33 p.m.].

RESPECTFULLY SUBMITTED:

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Earlene Miller  
Committee Secretary

APPROVED BY:

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Assemblyman Randy Kirner, Chair

DATE: \_\_\_\_\_

<b><u>EXHIBITS</u></b>			
<b>Committee Name:</b> <u>Assembly Committee on Commerce and Labor</u>			
<b>Date:</b> <u>April 24, 2015</u>		<b>Time of Meeting:</b> <u>2:53 p.m.</u>	
<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
S.B. 151 (R1)	C	Debra Gallo, Southwest Gas	Testimony
S.B. 151 (R1)	D	Mike Eriksen, President, Wells Propane, Inc., Wells Nevada	Testimony including letter from Thad S. Ballard, Elko County School Board
S.B. 158 (R1)	E	Senator Pete Goicoechea	Amendment from Professional Fire Fighters of Nevada
S.B. 168 (R1)	F	Mary Walker, representing Carson City, Douglas County, Lyon County, and Storey County	S.B. 168—How it Could Work in the Next Recession
S.B. 168 (R1)	G	Mary Walker, representing Carson City, Douglas County, Lyon County, and Storey County	Employee Charts
S.B. 168 (R1)	H	Rusty McAllister, President, Professional Fire Fighters of Nevada	Proposed Amendment