

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Seventy-Eighth Session
April 23, 2015**

The Committee on Legislative Operations and Elections was called to order by Chair Lynn D. Stewart at 4 p.m. on Thursday, April 23, 2015, in Room 3142 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and also available on the Nevada Legislature's website at 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; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Lynn D. Stewart, Chair
Assemblywoman Shelly M. Shelton, Vice Chair
Assemblyman Elliot T. Anderson
Assemblywoman Michele Fiore
Assemblyman John Moore
Assemblyman Harvey J. Munford
Assemblyman James Ohrenschall
Assemblywoman Victoria Seaman
Assemblyman Tyrone Thompson
Assemblyman Glenn E. Trowbridge

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator Becky Harris, Senate District No. 9
Senator Michael Roberson, Senate District No. 20
Senator Pete Goicoechea, Senate District No. 19



STAFF MEMBERS PRESENT:

Carol M. Stonefield, Committee Policy Analyst
Kevin Powers, Committee Counsel
Patricia Hartman, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

Alan Glover, Special Assistant, Office of the Secretary of State
John Wagner, State Chairman, Independent American Party
Janine Hansen, President, Nevada Families for Freedom
Lynn Chapman, Washoe County Chairman, Independent American Party
Andrew Zaninovich, representing the Nevada Conservation League
Alex Tanchek, representing the Nevada Cattlemen's Association
Juanita Clark, Private Citizen, Las Vegas, Nevada

Chair Stewart:

[Roll was taken.] We have two bills and a Senate joint resolution today. First, Ms. Stonefield will address cleanup matters.

Carol M. Stonefield, Committee Policy Analyst:

The Chair has asked me to provide you with information about the plans for next Tuesday's Committee meeting. This past year, the National Conference of State Legislatures (NCSL) has been conducting an elections technology project. Nevada was one of eight states that participated in this project. On Tuesday, April 28, Wendy Underhill, who is a program manager with NCSL, is going to be here to talk about elections equipment and the Help America Vote Act.

In addition, there will be representatives from the Office of the Secretary of State as well as county clerks and registrars of voters to discuss the status of election equipment in the counties. This same presentation will be held in the Senate Legislative Operations and Elections Committee on Monday, April 27, in case any of this Committee's members want to attend. Following that presentation, the Senate Legislative Operations and Elections Committee will take a tour of the Carson City Elections Office, as members of this Committee did a month ago. Those who were not able to take that tour are invited and those who did go on the tour are welcome to do it again.

Chair Stewart:

We will open the hearing on Senate Bill 322.

Senate Bill 322: Revises provisions relating to printed electioneering communications. (BDR 24-733)

Senator Becky Harris, Senate District No. 9:

Senate Bill 322 brings transparency to campaign practices and specifically to political advertisements. During the last campaign season, I was often asked by people throughout the county if I had seen political advertisements such as brochures, signs, or billboards, and if I knew where they originated or who paid for them. Depending on the type of political advertisement, in small print you could find a disclaimer of the person responsible for the advertisement, although sometimes you could not. I started thinking that we have requirements in Nevada to disclose who pays for political advertisements. That is nothing new.

Since 2007, Nevada law has required such disclosures for published statements that expressly advocate for the election or defeat of a clearly identified candidate. In 2011, the disclosures were expanded to include expressed advocacy communications, emails, advertisements, and mailings or solicitations for contributions. The Legislature added a definition in *Nevada Revised Statutes* (NRS) 294A.0025 of "advocates expressly" or "expressly advocates" to mean a communication that is an appeal to vote for or against a clearly identified candidate or group of candidates or a question on the ballot.

Even back in 1997, the Nevada Legislature required disclosures for persuasive polls, and we also get those during the elections seasons. Despite the disclosure requirements, the only guidance we currently have in Nevada law regarding the prominence of any disclosure for state and local elections is found in subsection 4 of NRS 294A.348, which states that these disclosures and statements must be clear, conspicuous, and as easy to read or hear as applicable. What is clear and conspicuous is vague in its meaning and means different things to different people. That is clear based on the different types of campaign speeches we encounter throughout various campaigns. Looking at the issue, it seemed that a better standard for political advertising disclosures might be needed.

Since the early 1980s, Title 2 of the *United States Code* in Section 441d, has required advertisement disclosure for federal candidates, and since 2002, Title 11 of the *Code of Federal Regulations* has set forth specific font size requirements for disclaimers found on political advertisements. So for any printed materials smaller than 24 inches by 36 inches, disclosures must be in at least a 12-point font. Given these federal guidelines, it seemed logical to include the same size ratio in Senate Bill 322 and make it apply to Nevada's state and local candidates. We have borrowed these disclosure requirements

from the *Code of Federal Regulations* and placed them in Senate Bill 322 for inclusion in Chapter 294A of the NRS.

Essentially the bill states that disclosures for written election communications which are no larger than 24 inches by 36 inches must be printed in at least a 12-point font. Using the same size ratio, the bill states that for printed materials larger than 24 inches by 36 inches but smaller than 48 inches by 72 inches, the disclosure must be in at least a 24-point font. Anything larger than 48 by 72 inches including, roadside signs and posters, require disclosure in at least a 48-point font.

Finally, in an effort to provide some flexibility, Senate Bill 322 authorizes the Secretary of State to set larger font sizes by regulation, if necessary.

This bill is not in conflict, but in harmony, with Senator Settlemeyer's legislation, Senate Bill 104. He provides an exception for advertising disclaimers on articles of clothing regardless of its cost and certain other forms of advertising such as buttons, pens, candy, et cetera.

In summary, the font sizes set forth in Senate Bill 322 are modeled after federal law for federal candidates. This bill calls for the same font size for state and local candidates and doubles the font size for double the sign or poster size. I urge your support of this bill. I think it will bring more transparency to our campaign, election laws, and process. It would make it easier for candidates who are making a concerted effort to comply with the different rules and regulations and help them know they are doing what is required of them with regard to their campaigns.

Assemblyman Ohrenschall:

Referring to the Legislative Counsel's Digest in the bill, it says this applies only to printed electioneering communications. It would not apply to email ads or websites, correct?

Senator Harris:

No, because there are already disclosure requirements for those types of advertising. This applies to posters, yard signs, and brochures.

Assemblyman Ohrenschall:

Would this apply to electronic billboards?

Senator Harris:

It would apply to an electronic billboard. The intent was for roadside signs, which would include billboards.

Assemblyman Ohrenschall:

Assuming this passes as is, and something is published with an incorrect font, what are the penalties?

Senator Harris:

That would be the decision of the Secretary of State. We did not include any type of penalty because it is new and our purpose is to provide guidance and clarity. It is my experience that political candidates want to be in compliance with the requirements, but it is hard to be in compliance if you do not know the requirements.

Assemblyman Thompson:

I think candidates know and understand this. There may be special interest groups that might want to put out opposing or supporting advertising. How thorough is the investigation process? How does the Secretary of State's Office determine who sent out the postage?

Senator Harris:

That is a question for Secretary of State Cegavske.

Alan Glover, Special Assistant, Office of the Secretary of State:

Assemblyman Thompson, those are complaint-driven issues. If there is a sign that does not have the disclosure statement on it and you advise the Secretary of State's Office, that would start the investigation. In the past, a letter is sent to a candidate advising him or her they had not provided the disclosure statement and to respond within a designated number of days. Our office would request that the candidate contact the printer about the font size of the signage. Oftentimes, the candidate does not pay attention to the details of the signage. If it requires further investigation, then our office would contact the candidate or the group. Penalties would be resolved when regulations are drafted on this legislation, if it moves forward.

Assemblyman Ohrenschall:

Some of us who have campaigned in previous elections have extra signage in the garage. In my case, I have jar openers. I am concerned that if we have extras that we might recycle, if there is not a disclaimer on it because it was printed before the law passed, would we be subject to penalties if we reused this signage?

Alan Glover:

Senator Settelmeyer's bill takes care of jar openers and similar items. I know of people who, after serving one term, put "reelect" on signs they previously used

in their campaigns. The disclaimer has to be put in the correct font and posted on the signage.

Chair Stewart:

Is anyone in favor of this bill? [There was no one.] Is anyone opposed to the bill? [There was no one.] Is anyone neutral on the bill? [There was no one.] We will close the hearing on S.B. 322 and open the hearing on S.B. 307.

Senate Bill 307: Revises provisions relating to public officers and candidates for public office. (BDR 17-768)

Senator Michael Roberson, Senate District No. 20:

Senate Bill 307 addresses a number of important lobbying disclosure and campaign finance issues to promote openness, transparency, and clarity in Nevada's reporting requirements. I believe this bill is long overdue as it finally provides consistency in language and form between the Nevada Lobbying Disclosure Act and Nevada's Financial Disclosure Act. It gives much needed guidance on how to report matters such as travel expenses and costs associated with educational or informational meetings. While the bill may seem lengthy, a number of the sections are housekeeping in nature to change simple terminology or replicate provisions between the two acts.

Senate Bill 307 addresses the Nevada Lobbying Disclosure Act in *Nevada Revised Statutes* NRS Chapter 218H by amending the definition of "expenditure" to clarify that an expenditure can be anything of value provided for in an educational or informational meeting, event, or trip. The definition removes references to entertainment and instead makes such activities specific to the cost of a party, meal, function, or other social event to which every legislator is invited.

The definition of "gift" is also clarified to not include anything of value provided for in an educational or information meeting, event, or trip, or the cost of a party, meal, function, or other social event to which every legislator is invited. Under the bill, the existing gift exclusion also now includes anything of value received from a domestic partner as defined in section 3 of the bill. To provide consistency in the law, this definition of gift found in Nevada's lobbying laws is included in section 19 of the bill for Nevada's Financial Disclosure Act. This should eliminate confusion and requires all of us to work under the same definition.

The new definition of "educational or informational meeting, event or trip" is the same in both acts as they apply to legislators, public officers, and candidates.

Regarding educational and informational meetings, S.B. 307 clarifies in the Nevada Lobbying Disclosure Act that lobbyists must disclose expenditures made for educational or informational meetings, events, or trips provided to state legislators. Moreover, and again to provide consistency, public officers and candidates must disclose on their financial disclosure statements any educational or informational meeting, event, or trip that has been provided by persons having a substantial interest in legislative, administrative, or public action of the public officer or the candidate. No longer will the public be kept in the dark regarding sponsored fact-finding trips we hear about in the news. These trips must be reported by lobbyists or disclosed by public officers and candidates on their financial disclosure statements.

The definitional changes set forth in S.B. 307 comport with the changes proposed in section 11 of the bill, which removed the categorical reporting of expenditures made by a registered lobbyist in favor of the reporting based on regulations adopted by the Legislative Commission. These regulations already categorize reportable expenditures for entertainment, group events, gifts, loans, and other expenditures.

Senate Bill 307 also removes the \$100 on the prohibition of lobbyists giving or receiving gifts and instead provides that a lobbyist shall not knowingly or willfully give any gift to a member of the Legislative Branch, nor shall a member of the Legislative Branch accept any gift from a lobbyist. The bill clarifies that such prohibition applies whether or not the Legislature is in regular or special session.

Section 22 of S.B. 307 further streamlines the filing of financial disclosure statements for each public officer or candidate, which can already be filed electronically. Section 22 also clarifies that the Secretary of State must provide access through a secure Internet website for the purpose of filing these statements electronically. Sections 25 and 26 of the bill make housekeeping changes to comport with this requirement.

The measure specifies that a financial disclosure statement (FDS) is deemed to be filed on the date filed if such filing occurs no later than 11:59 p.m. on that date. The bill also expands the definition of "candidate" for the purpose of NRS Chapter 281 to also mean any person who seeks to be elected to a public office and clarifies that the term does not include a candidate for judicial office who is subject to the requirements of the Nevada Code of Judicial Conduct. Several sections of the bill jointly refer to the terms "public officer or candidate" since financial disclosure reporting is required for both.

Finally, Senate Bill 307 makes a few changes to NRS Chapter 294A as they relate to the timing of filing of campaign contribution and expense reports both during election and nonelection years. To provide clarity, the terms "election year" and "nonelection year" are defined respectively to mean the entire calendar year an election is held and the calendar year when an election is not held. The measure provides that the required nonelection contribution and expense reports must be filed 15 days after the end of that nonelection year and clarifies that the reporting time period covers the entire year. This timeline also applies to the disposition of unspent contributions reports.

For election year reporting, the measure removes the sometimes confusing language that requires four reporting times during the election year and instead requires a monthly contribution and expense report through the election year to be filed 15 days after the end of each month.

Senate Bill 307 has many critical components, and I wanted to make sure this Committee understood the many provisions of this important bill.

Assemblyman Thompson:

We, as legislators, want to enhance our skills to make us better legislators in order to serve our constituents. If you are going to a conference or are accepted in a leadership academy, is the lobbyist the trigger for reporting?

Senator Roberson:

Yes, the key is that the funds are being paid by someone who has an interest in the legislative process.

Assemblyman Thompson:

If it is the various organizations that legislators may support, such as a scholarship or fellowship, would that be okay?

Senator Roberson:

You would need to report those. I know Senator Atkinson raised the issue around the Council of State Governments (CSG) and National Conference of State Legislators (NCSL), so yes, if those organizations are paying for your expenses, you would need to report those expenditures. The issue is clarity because what happened prior to this session was that the Legislative Counsel Bureau's (LCB) legal position has always been that expenses incurred in fact-finding trips are not gifts and, in fact, the Ethics Commission has ruled they are not gifts. On the FDS, there is no category other than gifts to list these expenditures. The Secretary of State, at the time, came out with an advisory opinion of sorts that did not have the force of law that said, no, we consider them gifts and they are required to be reported. So, there was a disagreement

between LCB and the Secretary of State. This bill would foster the transparency of letting the public know who is paying for our trips to go places but would not categorize them as gifts on the FDS. There will be one section for gifts and another section for fact-finding trips for which expenses have been paid on your behalf. The purpose of the bill is to eliminate the confusion over identifying the expense and also to foster transparency so the public knows who is paying for us to do certain things, such as educational trips.

Assemblyman Ohrenschall:

I appreciate that in section 4 we are trying to add more clarity to the statute. Section 4, subsection 3 states "The term does not include a meeting, event or trip undertaken or attended by a Legislator for personal reasons or for reasons relating to any professional or occupational license held by the Legislator, unless the Legislator participates as one of the primary speakers, instructors, or presenters at the meeting, event or trip." As a scenario, you or I went to an NCSL or CSG meeting that was sponsored for all legislators and there was a symposium which included a continual education credit that could be earned by practicing attorneys in attendance. How would that expense be classified? Because then the legislator who is also a practicing attorney could be earning continual education credit toward his or her requirements for the bar license but is there as a legislator and also getting a professional benefit.

Senator Roberson:

It is best to err on the side of transparency and disclose that expense, but if that needs to be clarified in the bill, I am open to working with you and others to clarify any instances that would create a gray area. When there is a question, we contact our Legislative Counsel, Brenda Erdoes, and ask her for the solution. I do not think that is going to change. They are there for us as attorneys for advice on whether or not these types of expenses should be disclosed.

Assemblyman Ohrenschall:

My concern is new candidates who are interested in running for an office and want to get more involved in the community. Would this give them one more reason for not getting involved?

Senator Roberson:

I believe there should be a minimum level of competency for people to file for office. If someone is not willing to go online to show the public the amount of money they raise monthly, how much dedication and diligence will they put forward in representing those constituents in the Legislature? I think it is a low bar to exceed.

Assemblyman Ohrenschall:

I understand, but I think new candidates may be dissuaded by red tape and paperwork.

Assemblyman Moore:

Is there any reason the contribution and expense reports do not include political action committees (PAC) in this bill?

Senator Roberson:

The way this bill is structured, it requires candidates who are up for election in a given election year to file a report on a monthly basis. A candidate would not have to file on a monthly basis in a year they are not running for election. Since political action committees are not running and are not candidates, I am not sure that would make sense. I think the point is for our constituents to know who is giving money to candidates on a regular basis for elective office and how those dollars are spent. I think to the extent that a candidate receives money from the PACs, there is disclosure on activities of a political action committee because if a candidate receives money from a PAC, the candidate has to disclose receiving that money along with the \$50 received from his or her neighbor. Perhaps \$50 is a bad example because we only require the report to be filed if it is more than \$100, but I think you see my point.

Kevin Powers, Committee Counsel:

I agree with Senator Roberson. As this bill is structured, the bill is based on the candidate and whether he is running for office in an election or nonelection year. If the decision was made to expand the monthly reporting to the PAC, the determination would have to be made if the reporting was every month of every year or every month of every election year. Political action committees cover every election year versus candidates who may have four-year terms and have one election year during that four-year term. It would be a different approach, but it could be done.

Assemblyman Moore:

My point is to have more accountability on PACs for reporting of their contributions.

Senator Roberson:

I have no problem with your suggestion if you chose to add it to the bill.

I would like to go back and address the question Assemblyman Ohrenschall had regarding section 4. In reviewing it again, in section 4, subsection 1, an educational or informational meeting, event, or trip is limited to the extent it would have to be disclosed. Under section 4, subsection 1, paragraph (a), it is

an event in which the legislator or a member of the legislator's household receives anything of value from a lobbyist to undertake or attend the meeting, event, or trip. Subsection 1, paragraph (b) states "and" the legislator provides or receives any education or information on matters relating to the legislative, administrative, or political action of the legislator. Unless the trip and those expenses are being funded by a registered lobbyist, I do not believe with the way this bill is structured that it would necessitate disclosure on the FDS. So, the question is who is funding the trip to the event, is it the CSG or NSCL, or a lobbyist who may or may not be registered as a lobbyist? We are talking about lobbyists who are funding trips even if they are educational. The idea is letting the public know that the legislator is going on a trip funded by a lobbyist, but it is not being categorized as a gift because under the law it is not a gift. It is advising the voters that this is an educational trip the legislator has attended.

Assemblyman Elliot T. Anderson:

I have a question on section 20 regarding the definition of "interested person." I need clarity on that definition. I see that you defined lobbyist as a part of that, and I think it is straightforward and easy to understand. I am looking for a broader and more inclusive definition in terms of a person who has substantial interest in the legislative, administrative, or political action of a public officer or a candidate if elected. I do not understand that reference because I tell my constituents they should care about what happens at the state Legislature since they have a stake in what happens here. Would you explain the intent of the language and where it originated?

Senator Roberson:

I have the same question. My original intent and request of the Legal Division was to draft a bill that would ban gifts from lobbyists. In section 20, subsection 2, paragraph (a), it specifically designates a lobbyist but also under subsection 2, paragraph (b), it states a group of interested persons acting in concert, whether or not formally organized. I see your point on the definition of "interested person." It may be something this Committee needs to clarify.

Kevin Powers:

The source of this language is in the existing financial disclosure statute [NRS Chapter 281]. The persons who are defined are those whose gifts fall under a certain category. It is the exact language that an "interested person" means a person who has a substantial interest in the legislative, administrative, or political action of a public officer or a candidate if elected. That type of person is who the legislator would disclose receiving a gift from. This language would extend to the educational and informational meetings, events, or trips. If that person gave the legislator a gift under the existing law, it would have to

be disclosed if its value was over \$200. Under this bill, if that same person funded the legislator's educational meeting, event, or trip, then it would be the same kind of person the legislator would have to disclose receiving that funding from. The key here was trying to provide consistency in the law by taking the existing gift requirements for those interested persons and applying them to the educational and informational meetings and trips.

The first part of the bill applies only to registered lobbyists who lobby at the Legislature during the legislative session. The financial disclosure provisions of the bill are broader and apply to all public officers and candidates at the state and local levels. This is the reason this definition is broader because the FDS goes beyond registered lobbyists. They are included in this type of person, but the definition has to be broader because at the state and local levels outside of the Legislature, there are going to be public officers who are not included in the Lobbying Disclosure Act.

Assemblyman Elliot T. Anderson:

As a hypothetical situation, I am back in my other life at William S. Boyd School of Law at the University of Nevada, Las Vegas. Someone is working on a project who is involved in a nonprofit organization and that person gives me a ticket to a Rebel game. Would I be in violation under current law?

Kevin Powers:

Under existing law, if a legislator received a ticket to a basketball game and its cost exceeded \$200, and that person or organization that gifted it had an interest in your legislative affairs, then that legislator would have to disclose the amount on his or her FDS as a gift exceeding \$200. It is the same under this bill and would not qualify as an informational or educational fact-finding meeting, event, or trip. Under this bill, if someone sent the legislator to a conference involving legislative matters, then that cost would have to be disclosed on the FDS. This does not change the gift requirement as it still has to be disclosed on the FDS.

Senator Roberson:

There have been good questions today. This is an additional burden on all of us legislators and candidates. There are going to be tighter limitations on receipt of gifts, more disclosure requirements on the FDS, and more frequent reporting requirements on the contribution and expense reports. I believe we are privileged to hold these positions. I do not think it is too much to ask of any of us or any candidates running for public office to be willing to do this so that Nevada can be seen as a transparent state with good governmental policies. One of the reasons is because over the last several years, organizations rate the

states on how open and transparent their governments are, and Nevada is too far at the bottom of that list. This bill would make that change.

Chair Stewart:

Is anyone in favor of A.B. 307? [There was no one.] Is there anyone who is opposed to the bill?

John Wagner, State Chairman, Independent American Party:

We oppose this legislation. Monthly reporting is going to be a hassle for us. The only person who cares about how much money the candidate received or where it originated is the candidate's opponent. If the Secretary of State (SOS) conducted a survey about where money originates for various candidates, the results would be minimum. If a candidate's source of income is eliminated, that candidate loses. The monthly disclosure is ridiculous. I think the number of times we now have to complete a disclosure report is enough.

Janine Hansen, President, Nevada Families for Freedom:

I have been working on the candidate disclosure issues and campaign reporting since the mid-1990s, and I am concerned about how the increased reporting requirements suppress participation in the election process. The reporting also suppresses opposition to those who are in control of the major political parties, challengers who are trying to get into the process, and minor parties.

When I ran for office, there were people who were enthusiastic about my campaign but were concerned about the amount of their contribution because they did not want it to be reported by the SOS. They did not want it publicized that they were supporting someone who was not a member of their party.

Because the threshold in the law is \$100, it suppresses this kind of participation. It suppresses free speech because without money in campaigns, there is no free speech. The dollar threshold has been extended up to \$1,000 if the candidate is participating in an initiative petition campaign. So, unless the candidate has been given more than \$1,000, that person's name is not reported to the SOS. We were able to do that with the PACs, but the reporting continues to be a suppression on those who are running for office and who do not have big money backing them.

Years ago, we were in the "Ax the Tax" petition campaign and one of our members gave money to it. As a result, he lost all of his contracts with the casinos. People are retaliated against financially in the political process when others disagree with them. These laws, rather than providing transparency, provide opportunities for those with the power to suppress opposition.

It is a burden to be required to report monthly. When I ran for the state Senate, I campaigned to Pahrump from my home for weeks at a time and was not able to complete the report. Some people may not have accountants to do the reporting, or a lawyer to help with the stipulations. It is becoming increasingly oppressive to have more rules and reporting. This monthly reporting is unnecessary. We have not seen anyone report illegal money or any of the other problems we are trying to address except for those who want to know if people are giving the candidate money. I received an email from a candidate who was not a favorite candidate and she said this happened to her. Her funds were suppressed by those who disagreed with what she was doing. This probably has even happened to some of you. Candidates could be eliminated because they would be unable to raise funds because of the tight rules. Monthly reporting would make it even more difficult. I do not oppose the rest of the bill; I am only concerned about monthly reporting.

Lynn Chapman, Washoe County Chairman, Independent American Party:

We are not concerned about the lobbyist information regarding gifts. I am concerned about the monthly reporting. There are members in our organization who do not have computers, which makes it difficult for them to complete their reporting requirement. There was a candidate running for a county office who had to leave town and was having difficulty getting his report sent. He was penalized for a situation that was out of his control. It was ultimately resolved, but it created difficulties. The monthly reporting will create even more hardships because there is neither the time nor the resources to complete them, so we are not in favor of them. Do more reports equal more transparency? I say no because if it is a good report in the first place, the four reports required during the campaign should be enough.

John Wagner:

I was also involved in helping people in our organization who had problems with reporting. In some cases, I did the reporting for them.

Chair Stewart:

Are there others in opposition to A.B. 307? [There was no one.] Is anyone neutral on the bill? [There was no one.]

Assemblyman Thompson:

Because I believe that people want to do the right thing, if this bill is passed, what type of communication will the SOS distribute or have on the website?

Alan Glover:

I am not the best expert in that area because I have never been involved with it. I know there will be regulations adopted and Secretary of State Cegavske will be working on it. Also, I know your input would be appreciated.

Assemblyman Thompson:

We need to make it as clear as possible not only in the language of the bill, but also to clarify the dos and don'ts because I do not think a candidate or a legislator wants to be in violation. They want to be true to the bill.

Alan Glover:

I agree and I know Ms. Cegavske is interested. The SOS does not want to prosecute anyone. It is better to get the information to the candidates ahead of time so they know the rules. We will get the information on the website as well as distribute handouts to the candidates. We will make sure the county clerks also get the information.

Assemblyman Ohrenschall:

Is there any data under existing reporting with the Aurora System about compliance for all candidates versus new candidates or candidates from minor parties who might find it difficult to comply with monthly reporting? I know it is easier than the old system.

Alan Glover:

I do not have that information, but I would be interested in knowing it. I do not know if it could be separated from those who are first-time candidates or those who have previously been in office. We will get that information to you.

Chair Stewart:

I will now close the hearing on Senate Bill 307, and open the hearing on Senate Joint Resolution 2.

Senate Joint Resolution 2: Urges Congress to require the sharing of federal receipts from commercial activity on certain public lands with the State of Nevada and its counties. (BDR R-452)

Senator Pete Goicoechea, Senate District No. 19:

Since 2005, there was an opportunity for the state and the county to share in geothermal receipts. In 2009, when we swept the budgets, we took that ability away from local governments and the counties. They previously received 25 percent of whatever geothermal receipts were returned to the state and counties from the federal government.

Senate Joint Resolution 2 is related to the fact that the federal government controls 87 percent of the state. Nevada has a lot of resources, whether they are mineral, oil, or geothermal. With this resolution, we are asking that Congress consider the federal government's share of those receipts on a basis with the local and state governments. It is a simple and straightforward resolution. The state gets 12 1/2 cents out of the animal unit month (AUM) fee, which is \$1.58 this year, and funds the state's grazing boards. Very little money, even from the grazing rights, is returned to Nevada or to the counties. Technically, we administer the grazing rights and are responsible for the initial outbreak of fires. We think it is reasonable that the federal government share with us those receipts they are generating from federal lands, and until we can change the scenario, we are asking Congress to share in those receipts. We need money back from those lands that are managed in this state.

Chair Stewart:

Do you have a suggestion on the percentage we should get?

Senator Goicoechea:

One hundred percent would be a good place to start.

Assemblyman Ohrenschall:

How optimistic are you that our friends in Washington D.C. will listen to your proposed legislation? Are you hopeful it will get them to act?

Senator Goicoechea:

There was a provision in the Energy Policy Act of 2005 that required sharing of geothermal receipts on federal lands with the state and counties within the geothermal areas. It does not hurt to have this legislation in front of them, and maybe it will succeed. When our oil resources reach \$100 a barrel, there will be significant activity in oil production. Hydraulic fracturing will be another issue and with fracking we can generate more oil production. The state and counties are responsible for maintaining and managing the roads and deserve a share of those resources.

Chair Stewart:

I am sure the six members of our hardworking congressional delegation will act on this with enthusiasm, and I would not be surprised if this is enacted soon. Is anyone in favor of this resolution?

Andrew Zaninovich, representing the Nevada Conservation League:

We are in support of this measure and believe the counties can benefit from sharing in the revenues in order to support infrastructure and my personal favorite, conservation efforts.

Janine Hansen, President, Nevada Families for Freedom:

I have worked for the Nevada Committee for Full Statehood since 2000 on these land issues. As Senator Goicoechea stated, until we can get a better resolution, this is an interim one. Here in Nevada, Lincoln County only controls about 1 percent of their land in private ownership. It is critical for control of the money that is going to the federal government to be returned to the counties that are responsible for overseeing these lands. We support this resolution as an interim measure. It is important for us to make a statement about what we want in Nevada.

Alex Tanchek, representing the Nevada Cattlemen's Association:

The Cattlemen's Association is in support of S.J.R. 2.

Chair Stewart:

With the cattlemen and the congressional delegation, I am sure this legislation will rapidly go forward. Is anyone else in favor of S.J.R. 2?

Juanita Clark, Private Citizen, Las Vegas, Nevada:

I am the spokesperson for Charleston Neighborhood Preservation, and we are in favor of S.J.R. 2.

Chair Stewart:

Is anyone else in favor of S.J.R. 2? [There was no one.] Are there any other comments?

Juanita Clark:

Regarding Senate Bill 307, reporting by a candidate every month is redundant and has never been a value regarding the quality or standards of a candidate running for office; it only provides for additional government employees. We agree with the comments from Assemblyman Thompson.

We ask for a no vote on Senate Bill 322 from the board and the group that met to discuss printing electioneering communications. We see no surety of honesty in this bill.

Chair Stewart:

Is anyone in opposition to S.J.R. 2? [There was no one.] Is anyone in the neutral position on this bill? [There was no one.]

Senator Goicoechea:

All this resolution asks for is a sharing of federal receipts from commercial activity on public lands in Nevada and its counties because we are sharing the costs incurred as these resources are developed and used.

Chair Stewart:

The hearing is closed on S.J.R. 2. Is there any public comment? [There was none.] The meeting is adjourned [at 5:08 p.m.].

RESPECTFULLY SUBMITTED:

Patricia Hartman
Committee Secretary

APPROVED BY:

Assemblyman Lynn D. Stewart, Chair

DATE: _____

EXHIBITS

Committee Name: Assembly Committee on Legislative Operations and Elections

Date: April 23, 2015

Time of Meeting: 4 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster