

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Eighth Session
April 10, 2015**

The Senate Committee on Government Affairs was called to order by Chair Pete Goicoechea at 1:02 p.m. on Friday, April 10, 2015, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Pete Goicoechea, Chair
Senator Joe P. Hardy, Vice Chair
Senator Mark Lipparelli
Senator David R. Parks
Senator Kelvin Atkinson

GUEST LEGISLATORS PRESENT:

Senator Ben Kieckhefer, Senatorial District No. 16
Senator Michael Roberson, Senatorial District No. 20

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Policy Analyst
Heidi Chlarson, Counsel
Suzanne Efford, Committee Secretary

OTHERS PRESENT:

Zev Kaplan, MV Transportation, Inc.; Keolis Transit America, Inc.
Jeff Fontaine, Nevada Association of Counties
Misty Grimmer, Cox Communications

Chair Goicoechea:

I will open the work session with Senate Bill (S.B.) 65.

SENATE BILL 65: Revises provisions relating to the use of water. (BDR 48-366)

Jennifer Ruedy (Policy Analyst):

Senate Bill 65 is a lengthy bill with the lengthy Proposed Amendment 6372. It is not eligible for exemption and has a zero fiscal note from the Division of Water Resources. The Division of Water Resources held three informal working groups to iron out differences among the interested parties. Chair Goicoechea held an additional informal working group. Proposed Amendment 6372 in the work session document is the result of those four informal working group meetings ([Exhibit C](#)).

Senate Bill 65 increases certain fees, defines perennial yield and revises provisions relating to the adjudication of vested water rights; applications, permits and certificates for the appropriation of public waters; underground water and wells; and the planning and development of water resources.

Some of the items that were the topic of much discussion have been eliminated. The definition of “perennial yield” was deleted because the informal working groups could not come to an agreement.

There was much concern about the change in language at the beginning of section 51 in Proposed Amendment 6372. The wording “ ... 250 acre-feet of groundwater ... ” was changed to “ ... 25 percent of the perennial yield or 1000 acre feet of groundwater, whichever is less”

There was much opposition to “1,000 feet” on page 48, line 3 of the proposed amendment. If the property line of a parcel is not more than 1,000 feet from the municipal waterline, the parcel would be required to be connected to the municipal waterline. That has gone back to 180 feet.

Chair Goicoechea:

Most of the revisions to the bill involve adjudication.

Everyone is aware of the drought situation and where we are headed. Nevada has the best water laws in the Nation, but sometimes they have to be cleaned up. The more we tried to change them, the more opposition we garnered. Senate Bill 65 and Senate Bill 81 have at least 30 hours of working time each.

SENATE BILL 81: Revises provisions relating to the management and appropriation of water. (BDR 48-367)

It is not as if we did not vet them. I feel comfortable where we are today. We probably missed some things. However, this bill has to go through the same process in the Assembly. I hope that by the time we get these two bills out, they will be good water bills.

Senator Atkinson:

Will this bill require a two-thirds majority vote on the floor because of the fee changes?

Chair Goicoechea:

No, this bill does not have a fiscal note; however, S.B. 81 has a fiscal note and will require a two-thirds majority vote.

Ms. Ruedy:

It does require a two-thirds vote.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 65.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR ATKINSON VOTED NO.)

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Senator Atkinson:

I am going to reserve my right to change my vote. I want to review the amendment more.

Chair Goicoechea:

We have three ayes and one nay. We will check on Senator Parks' vote when he gets here.

We will move on to S.B. 81.

Ms. Ruedy:

Senate Bill 81 was similar to S.B. 65 because the informal working groups spent much time on it. This bill is eligible for exemption. Senate Bill 81 does not have the two-thirds majority vote requirement.

I will summarize S.B. 81 from the work session document ([Exhibit D](#)).

Much is deleted in Proposed Amendment 6310. The language "without limitation" in section 4 of Proposed Amendment 6310 was deleted in response to much concern.

Chair Goicoechea:

Senate Bill 81 went through the same process as S.B. 65 with much public involvement. It may not be a perfect bill; however, it is at least palatable to go through the Assembly. There will probably be more changes.

This bill is critical to the overappropriated groundwater basins across the State. We have two poster children, Diamond Valley and Pahrump Valley. Twenty-six other basins are right on the edge. We must have tools like this if we are to address the water shortage.

SENATOR LIPPARELLI MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 81 WITH PROPOSED AMENDMENT 6310.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR ATKINSON VOTED NO.)

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Chair Goicoechea:

The next bill is S.B. 185.

SENATE BILL 185: Makes changes relating to fire and related emergency services in certain counties. (BDR 42-121)

Ms. Ruedy:

Senate Bill 185 is summarized in the work session document ([Exhibit E](#)).

This bill is not eligible for an exemption. An amendment proposed by the Truckee Meadows Fire Protection District added three words, "structure or brush."

Chair Goicoechea:

What is the effective date of the bill?

Ms. Ruedy:

The effective date of the bill is October 1.

Senator Hardy:

Does this preclude giving aid before October 1?

Chair Goicoechea:

The law would not be in effect until October 1 unless we change the date.

Heidi Chlarson, Legal Counsel:

It does not prohibit a fire agency from giving aid before October 1. The provisions of this bill that require giving aid do not go into effect until October 1.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 185.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

The next bill in the work session is S.B. 241.

SENATE BILL 241: Revises provisions relating to collective bargaining.
(BDR 23-1030)

Ms. Ruedy:

The summary of S.B. 241 is in the work session document ([Exhibit F](#)).

This bill has Proposed Amendment 6390, and section 5, subsection 2 should read:

A school administrator whose annual salary, adjusted for inflation as provided in this subsection, is greater than \$120,000 must be excluded from any bargaining unit. The annual salary provided in this subsection must be adjusted on July 1 of each year for the period beginning that day and ending on June 30 of the following year

This limits the scope of the bill. Most of the changes were discussed at the hearing. Section 10 was not discussed in the hearing. It was added because of concerns about the automatic dismissal and encouraging principals to take assignments in challenging schools where 50 percent of the teachers request reassignment because of reforms.

The language added in section 10, subsection 4 is, "A principal described in subsection 2 is subject to immediate dismissal by the board of trustees of the school district on recommendation of the superintendent" Also in section 10, subsection 1, 2 years was changed to 3 years.

Those changes are different from what was discussed in the meeting.

Senator Atkinson:

What is the reasoning in section 5, subsection 2? If salary defines a school administrator, can an administrator receive less than \$120,000? I am confused about that.

Ms. Ruedy:

This was discussed in Committee. The intent is to narrow the scope so school administrators receiving salaries less than \$120,000 are not affected by this.

Chair Goicoechea:

The \$120,000 is the threshold; therefore, no one under that is affected. Salary is the benchmark. We wanted a threshold rather than include everyone.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 241.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS ATKINSON AND PARKS VOTED NO.)

Chair Goicoechea:

We will take up S.B. 254 in the work session.

SENATE BILL 254: Revises provisions relating to public works. (BDR 28-791)

Ms. Ruedy:

I will summarize S.B. 254 as contained in the work session document ([Exhibit G](#)).

We have Proposed Amendment 6374 that in addition to deleting section 1, which was related to changing the definition of public work, a small change in section 2, subsection 3 reinstates the word "may" instead of having "shall." This was in statute prior to the bill and was in response to concerns.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 254.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chair Goicoechea:

The next bill in the work session is S.B. 285.

SENATE BILL 285: Revises provisions relating to local law enforcement agencies. (BDR 20-208)

Ms. Ruedy:

Senate Bill 285 relates to constables. I will summarize from the work session document ([Exhibit H](#)).

This bill requires a two-thirds majority vote.

The example was offered of closing down two nightclubs in Las Vegas and what happens with that vast quantity of liquor.

Amendments brought by Clark County and the Southern Nevada Rural Constables Alliance are incorporated into Proposed Amendment 6375 as prepared by the Legal Division.

In section 11, subsection 3, paragraphs (a) and (b) of Proposed Amendment 6375 retain language that the bill had proposed to delete.

Clark County testified that the authority in section 12.5, subsection 3 was deleted in 2013 along with many good changes to the law. The counties need this authority when their volume of work requires additional clerks.

The reference to township was deleted in section 13, subsection 2, paragraphs (c) and (d).

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 285.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

We will move on to S.B. 289.

SENATE BILL 289: Revises provisions relating to the protection of technology.
(BDR 19-892)

Ms. Ruedy:

Senate Bill 289 is summarized in the work session document ([Exhibit I](#)). This bill is about peering. All fiscal notes were zero, indicating they could not be determined at the time.

Proposed Amendment 6376, recommended by the bill's sponsors subsequent to the Committee hearing, deletes the entirety of the bill and instead requires the Information Technology Advisory Board to conduct a study of peering.

SENATOR LIPPARELLI MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 289.

SENATOR HARDY SECONDED THE MOTION.

Chair Goicoechea:

There was only one question, and I want to make that comment on the record because this is going to the Assembly. That question was whether the Information Technology Advisory Board has the expertise to look into the peering issue. Maybe the bill's sponsor could raise that in the Assembly because we are not going to discuss it here.

THE MOTION CARRIED UNANIMOUSLY.

Chair Goicoechea:

Let us take up S.B. 312 in the work session. We have an additional change to this bill.

SENATE BILL 312: Revises provisions relating to certain taxes. (BDR 21-834)

Senator Ben Kieckhefer (Senatorial District No. 16):

I will present Proposed Amendment 6388 to S.B. 312 ([Exhibit J](#)) in the work session document.

We have tried to work out some of the details on this bill, and while we have not reached a unanimous position, we have addressed some of the concerns and agreed to disagree on others.

This Proposed Amendment 6388 refines the nondowntown district to include properties within 20 miles of that district. That will exempt the hotels in Incline Village, Crystal Bay and the one in Gerlach.

Section 4.5, on page 7 of Proposed Amendment 6388, defines how the revenue can be used. It indicates that any revenue collected by the surcharges must be used to implement the strategic plan, which includes but is not exclusive to marketing, air service development, capital expenditures and other identified projects within the strategic plan adopted by the local board. It would be the Reno-Sparks Convention and Visitors Authority (RSCVA) for Washoe County.

Proposed Amendment 6388 also prohibits the use of these funds for marketing professional bowling, which supports the agreement of the properties and prohibits the RSCVA from using the funds for operational expenditures. This is an add-on for tourism development and marketing.

Finally, to address concerns about the collection and disbursement of the revenue, under Proposed Amendment 6388, the county commission would establish that by ordinance when it creates the district pursuant to the bill.

Chair Goicoechea:

Are there any conceptual changes to Proposed Amendment 6388?

Senator Kieckhefer:

Proposed Amendment 6388 should stand on its own. I should also point out that it does incorporate the language, as originally intended, for all properties and is not restricted to gaming properties.

Senator Parks:

When someone makes a reservation at a hotel, will this be included in the price he or she is quoted? I ask that only because a major resort in Las Vegas just was hit with a class action lawsuit for failure to detail all the charges it proposes to levy.

Senator Kieckhefer:

I am unable to answer that question.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 312.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

We will move on to S.B. 401 in the work session.

SENATE BILL 401: Revises provisions relating to notaries public and document preparation services. (BDR 19-895)

Ms. Ruedy:

Senate Bill 401 and Proposed Amendment 6397 are summarized in the work session document ([Exhibit K](#)).

SENATOR ATKINSON MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 401.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

Senate Bill 406 is the next bill in the work session.

SENATE BILL 406: Revises provisions relating to public retirement systems. (BDR 23-1049)

Ms. Ruedy:

Senate Bill 406 relates to the Public Employees' Retirement System (PERS), the Judicial Retirement System and the Legislators' Retirement and is summarized in the work session document and Proposed Amendment 6422 ([Exhibit L](#)).

Changes made in the proposed amendment address concerns raised about the provision wherein anyone who commits a felony forfeits his or her retirement. That has been narrowed in scope. Section 2, subsection 1 states:

... any felony involving accepting or giving, or offering to give, any bribe, the embezzlement of public money, extortion or theft of public money, perjury, or conspiracy to commit any of those crimes arising directly out of his or her duties as an employee forfeits all rights and benefits under the System.

In addition, the language in section 5, subsection 1, paragraph (c) was added to all three of the retirement systems as follows:

... unless the member has a family medical emergency. For the purposes of this paragraph, the Board shall define by regulation "family medical emergency" and set forth by regulation the circumstances pursuant to which purchased service credit may be considered in determining the number of years of service of the member who has a family medical emergency.

The Clark County School District requested that section 29.5 in Proposed Amendment 6422 include language to remove the prohibition on the critical labor shortage in NRS 286.523, which is scheduled to sunset on June 30.

Section 16.5 provides clarification on "killed in the course of judicial service" for the Judicial Retirement Plan, pages 12 and 13 of Proposed Amendment 6422, [Exhibit L](#).

Senator Michael Roberson (Senatorial District No. 20):

The idea was to provide an expanded definition of "beneficiary"; however, it should not be limited to judiciary. It should be included in each retirement system.

Ms. Chlarson:

Section 4.5 was added to Proposed Amendment 6422. This section relates to regular police and firefighter members of PERS. Sections 16 and 27.5 make the same change to the Judicial Retirement Plan and the Legislators' Retirement Plan. Each retirement plan has its own chapter in NRS; therefore, the same change was made three times to make sure the changes relate to the three different plans. That is already in Proposed Amendment 6422.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 406.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS ATKINSON AND PARKS VOTED NO.)

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Chair Goicoechea:

We will take up S.B. 448 in the work session.

SENATE BILL 448: Revises provisions governing the deposit of certain public money in insured institutions. (BDR 31-1141)

Ms. Ruedy:

Senate Bill 448 is summarized in the work session document ([Exhibit M](#)).

Chair Goicoechea:

Testimony was that this bill would help some of the smaller rural institutions in making more cash available.

SENATOR LIPPARELLI MOVED TO DO PASS S.B. 448.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Goicoechea:

Let us take up S.B. 478.

SENATE BILL 478: Revises provisions relating to regional transportation commissions. (BDR 22-1111)

Ms. Ruedy:

Senate Bill 478 is summarized in the work session document ([Exhibit N](#)).

Zev Kaplan (MV Transportation, Inc.; Keolis Transit America, Inc.):

I had a discussion with Larry Brown, the Chair of the Regional Transportation Commission of Southern Nevada (RTC SNV). He indicated that as long as the

RTCSNV is excluded from the bill, which is the intent of the population qualifier, he has no opposition to the bill. He recognizes that the Regional Transportation Commission of Washoe County (RTC) is in favor of the bill.

Senator Parks:

I expressed concerns when we heard the bill, and I would like to suggest either an amendment today or that it be taken up in the Assembly. I ask that within 6 months of the enactment of this statute, the RTC contractors must report all savings derived from the limited liability cap. They also must report how these savings are being used—under the contract between the contractor and the RTC—to lower prices for the provision of services and any refunds.

I do not want the savings to go to the bottom line of a contractor. I want something that shows this reduces transit costs and costs for the transit rider and the taxpayer.

Chair Goicoechea:

The population cap gets down into the rural counties. I do not know if we will see any rural provider outside of Clark County.

Senator Parks:

Yes. It is under the 700,000 limit, and sometimes governmental regulations tend to be so onerous that smaller businesses find it prohibitive to submit a proposal.

Chair Goicoechea:

Senator Parks, I am trying to deal with your amendment. Would you feel comfortable putting that on the record and asking that it be dealt with in the Assembly because this is deadline day? I will make a commitment to help you in the Assembly as much as I can to make sure that language is incorporated.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 478.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS ATKINSON AND LIPPARELLI
VOTED NO.)

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Chair Goicoechea:

The final bill with Proposed Amendment 6412 in the work session document ([Exhibit O](#)) is S.B. 481. Another amendment brought forward at the last minute has eight word deletions and nothing added ([Exhibit P](#)). Has everyone agreed to the conceptual amendment? We are not going to rehear the bill, but I want to ensure everyone is comfortable enough to send it to the Assembly.

SENATE BILL 481: Prescribes certain requirements relating to the receipt, maintenance and disclosure by a county or incorporated city of certain information of a public utility. (BDR 20-1114)

Jeff Fontaine (Nevada Association of Counties):

We have been working with the proponents of the bill to come to an agreement on language. We do not disagree with the intent of the bill, but the language needs some additional work.

First, we need to address the issue at the end of section 1, subsection 2, paragraph (b) that talks about “entered into before the effective date of this act.” That needs to be deleted to reflect new franchise agreements and needs for utility permits within the rights-of-way. We want to make sure that whatever we do in this bill that affects existing encroachment permits and franchise agreements carries on into the future.

Second, Cox Communications proposed an amendment to include public water systems in this bill. Public water systems are defined in NRS 445A, and there are probably 650 or 700 public water systems in this State. The federal definition says a water system that serves more than 25 people is considered a public water system. Many, if not most of those public water systems, are owned and operated by local governments; therefore, we do not want to be in a position of prohibiting local governments from modeling their own water systems. We need to address that also. For this work session to move this bill forward, as long as we can address those issues, we will be okay.

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Misty Grimmer (Cox Communications):

To clarify, the additional amendment, [Exhibit P](#), is an amendment to the amendment so the two go together. The local governments have met with us to continue this conversation, and we look forward to working with them in the Assembly to answer some of those questions.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 481 WITH BOTH AMENDMENTS.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senator Parks:

Regarding S.B. 406, I would like to reserve my right to change my vote to a yes on the floor.

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Chair Goicoechea:

The meeting of the Senate Committee on Government Affairs is adjourned at 2 p.m.

RESPECTFULLY SUBMITTED:

Suzanne Efford,
Committee Secretary

APPROVED BY:

Senator Pete Goicoechea, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit		Witness or Agency	Description
	A	1		Agenda
	B	3		Attendance Roster
S.B. 65	C	56	Jennifer Ruedy	Work Session Document
S.B. 81	D	12	Jennifer Ruedy	Work Session Document
S.B. 185	E	2	Jennifer Ruedy	Work Session Document
S.B. 241	F	19	Jennifer Ruedy	Work Session Document
S.B. 254	G	14	Jennifer Ruedy	Work Session Document
S.B. 285	H	15	Jennifer Ruedy	Work Session Document
S.B. 289	I	4	Jennifer Ruedy	Work Session Document
S.B. 312	J	9	Jennifer Ruedy	Work Session Document
S.B. 401	K	8	Jennifer Ruedy	Work Session Document
S.B. 406	L	22	Jennifer Ruedy	Work Session Document
S.B. 448	M	1	Jennifer Ruedy	Work Session Document
S.B. 478	N	4	Jennifer Ruedy	Work Session Document
S.B. 481	O	7	Jennifer Ruedy	Work Session Document
S.B. 481	P	1	Cox Communications	Proposed Amendment