

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

**Seventy-ninth Session
March 27, 2017**

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 1:10 p.m. on Monday, March 27, 2017, 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 David R. Parks, Chair
Senator Mark A. Manendo, Vice Chair
Senator Julia Ratti
Senator Pete Goicoechea

COMMITTEE MEMBERS ABSENT:

Senator Joseph P. Hardy (Excused)

GUEST LEGISLATORS PRESENT:

Senator Moises Denis, Senatorial District No. 2

STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Chuck Callaway, Las Vegas Metropolitan Police Department
Michael Sherlock, Executive Director, Peace Officers' Standards and Training
Earl Mitchell, Constable, Henderson Township
Jonathan Martin

Tammi Davis, Treasurer, Washoe County; Association of County Treasurers of Nevada
Kathy Lewis, Clerk-Treasurer, Douglas County; Association of County Treasurers of Nevada
Cheryl Blomstrom, Nevada Taxpayers Association
Lawrence Burtness, Recorder, Washoe County
Lisa Gianoli, Washoe County
Les Lee Shell, Director, Office of Risk Management, Department of Finance, Clark County
Mary Walker, Carson City; Lyon County; Storey County
Dagny Stapleton, Nevada Association of Counties

CHAIR PARKS:

We will open the meeting with the introduction of nine Committee bill draft requests (BDRs): BDR 31-93, BDR 22-146, BDR 25-495, BDR 20-496, BDR 23-556, BDR 23-685, BDR 28-1041, BDR 23-1042 and BDR 23-1043.

BILL DRAFT REQUEST 31-93: Revises provisions relating to business license fees. (Later introduced as [Senate Bill 463](#).)

BILL DRAFT REQUEST 22-146: Enacts provisions governing safety at residential facilities for groups. (Later introduced as [Senate Bill 477](#).)

BILL DRAFT REQUEST 25-495: Reorganizes provisions relating to local improvement districts. (Later introduced as [Senate Bill 471](#).)

BILL DRAFT REQUEST 20-496: Makes various changes relating to general improvement districts. (Later introduced as [Senate Bill 462](#).)

BILL DRAFT REQUEST 23-556: Revises provisions governing the membership of the Local Government Employee-Management Relations Board. (Later introduced as [Senate Bill 460](#).)

BILL DRAFT REQUEST 23-685: Revises provisions relating to collective bargaining. (Later introduced as [Senate Bill 469](#).)

BILL DRAFT REQUEST 28-1041: Revises provisions relation to convention centers. (Later introduced as [Senate Bill 464](#).)

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BILL DRAFT REQUEST 23-1042: Revises provisions relating to state employees.
(Later introduced as [Senate Bill 465](#).)

BILL DRAFT REQUEST 23-1043: Revises provisions relating to state employees.
(Later introduced as [Senate Bill 478](#).)

SENATOR MANENDO MOVED TO INTRODUCE BDR 31-93, BDR 22-146,
BDR 25-495, BDR 20-496, BDR 23-556, BDR 23-685, BDR 28-1041,
BDR 23-1042, and BDR 23-1043.

SENATOR RATTI SECONDED THE MOTION.

THE MOTION CARRIED.

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CHAIR PARKS:

We will open the hearing on Senate Bill (S.B.) 250.

SENATE BILL 250: Revises the certification requirements for constables in
certain townships. (BDR 20-947)

SENATOR MOISES DENIS (Senatorial District No. 2):

Constables in Nevada were created by statute around the time of statehood in 1864. The Legislature gave county commissions the authority to create townships and constables and provided for the election of constables.

Assembly Bill (A.B.) No. 114 of the 72nd Session added two qualifications to statute for a person to be eligible to the office of Constable: to be 21 years of age or older and to be a qualified elector.

Assembly Bill No. 55 of the 72nd Session added a third requisite qualification, that constables not have been convicted of a felony.

In response to well-publicized problems with the Las Vegas Township Constable's Office, A.B. No. 223 of the 77th Session made many changes regarding constables. It includes authorizing a constable, who is subject to a board of county commissioners, to appoint clerical and operational staff. The

staff does not have the powers of peace officers and may not possess a weapon or carry a concealed firearm while performing their duties for the constable. It also added a requirement that certain constables be certified by the Peace Officers' Standards and Training (POST) Commission as category I or category II peace officers within one year of taking their positions. The POST Commission may grant a six-month extension of this requirement.

On March 19, 2013, the Clark County Board of Commissioners voted to abolish the Las Vegas Township Constable's Office in 2015.

Nevada Revised Statutes (NRS) 258.007 requires that,

Each constable of a township whose population is 100,000 or more and which is located in a county whose population is 700,000 or more, and each constable of a township whose population is 250,000 or more and which is located in a county whose population is less than 700,000, shall become certified by the Peace Officers' Standards and Training Commission as a category II peace officer within 1 year after the date on which the constable commences his or her term of office

Senate Bill 250 repeals the POST certification requirement for certain constables.

This measure would apply to 3 of the 11 townships in Clark County—Henderson, Las Vegas and North Las Vegas Townships—and possibly the Reno Township. However, the Reno Township does not have a constable. The Clark County Board of Commissioners abolished the constable's office in the Las Vegas Township. Therefore, the bill only affects the constables in the Henderson and North Las Vegas Townships.

Section 4 of the bill states that the act becomes effective on July 1.

One of the reasons I brought this bill was that I was having a discussion with Robert Eliason, one of the constables who represents parts of my district. We were talking about the changes and how the POST certification came about. It was added to NRS 258.007 in A.B. No. 223 of 77th Session; then in S.B. No. 285 of the 78th Session, NRS 258.007 was amended to apply only to constables in counties with a certain population. The interesting part is that

constables, especially in the bigger townships, are administrators. The constable does not interact with the public. The deputies go out and do the work.

It did not seem fair that we were requiring training, especially criminal training, when the constables only deal with civil cases. It looked like S.B. No. 223 of the 77th Session was introduced specifically to take care of one problem that Clark County was having with the Las Vegas Township Constable. It captured other constables as well, so I reviewed NRS to determine what could be done. That is where this bill came from.

It is an overly burdensome requirement that serves no purpose. As we have seen in the North Las Vegas Township, Robert Eliason has been the elected constable since 2015 without POST certification and without any issues. He represents part of my constituency, and all I have heard is that he is doing a good job administering what needs to happen there. That is the reason I brought this forward.

I understand that there are people who would like to make changes to S.B. 250. I have not spoken to anyone other than the POST representatives who called about the bill. No one else has approached me about any issues. However, I understand there might be some things we could look at.

Section 1, subsection 2, line 7 on page 1, deletes constables and their deputies and leaves deputy constables. This makes sense because the deputies are interacting with the public and they need POST training. It is interesting that we did not have any of this training in statute before 2013. It is there now, and we do not want to punish people who are doing a good job with something that we apparently did not have any problems with until 2013. The bill writers wanted to deal with a constable with whom they were having a problem.

SENATOR GOICOECHEA:

It covers deputy constables who have to be certified. That is appropriate.

CHUCK CALLAWAY (Las Vegas Metropolitan Police Department):

I did not have a chance to discuss this bill with Senator Denis. However, looking at the bill, I do not have a concern with what he is trying to do. If someone is doing an administrative job only, and does not get involved in exercising police powers, then I do not have a concern with him or her not being POST-certified.

However, as was mentioned in testimony, we had significant problems in Clark County with the Las Vegas Township constables. Those constable duties are now performed by my agency because Clark County abolished the Las Vegas Township Constable Office.

I am concerned about someone wearing a badge, wearing a uniform and carrying a gun who is out in the public exercising police powers without POST certification. Having a category II level of POST certification is important for those who are interacting with the public. In some cases, constables are performing vehicle stops and writing citations for out-of-state license plates and other things. If they are out interacting with the public and exercising law enforcement power, they should have that POST certification.

After speaking with the people from POST, an amendment might fix this issue so that if the person is performing administrative duties only, he or she is covered and would not necessarily have to have POST certification.

MICHAEL SHERLOCK (Executive Director, Peace Officers' Standards and Training): We strongly oppose the current draft of this bill for several reasons. Peace Officers' Standards and Training establishes the minimum standards for certification of peace officers in this State. The public expects every person who exercises peace officer powers to meet the minimum standards we have established. In addition, the public presumes that a person who appears to be a peace officer has met those standards. Adding another person, as this bill does, to the short list of those who may exercise peace officer powers without meeting POST minimum standards undermines the public trust and puts POST in a bad position.

The bill asks the Legislature to waive the POST requirements and allow a person to exercise the powers of a peace officer without certification. Under current law, the POST Commission has the authority and statutory responsibility to deal with certification. Specifically, the Commission has the authority to waive any provisions under NRS 289. This bill would be usurping the power of the Commission to waive those requirements.

The reason the Las Vegas metropolitan area constables were required to be certified regardless of their duties, administrative or not, was to address some apparent wrongdoings in the Las Vegas Township. That particular constable was not certified, which from our perspective serves as a good example of why

there are standards. I am not sure why we want to put ourselves back into that position.

The purpose of this bill could be accomplished in another way. Instead of amending NRS 289 to allow another person to exercise peace officer powers without any standards and abolishing NRS 258.007, which requires certification, NRS 258 could be amended with a couple of sentences. If the constable is only an administrator and does not exercise peace officer powers, then he or she does not need POST certification. That way both desires are accomplished and it would not involve POST.

If the constable in North Las Vegas is acting in an administrative capacity only, there is no need for POST certification. Constables exercising peace officer power and legislating that they are recognized as peace officers without meeting any minimum standards concerns us.

SENATOR GOICOECHEA:

Does the North Las Vegas Constable drive a car with lights and sirens? Someone on the streets with the ability to pull someone over is an issue.

MR. SHERLOCK:

I would not know that.

EARL MITCHELL (Constable, Henderson Township):

I oppose S.B. 250 as written. I have been in law enforcement in Henderson for over 30 years. This change is ill-advised. Serious problems a few years ago in the Las Vegas Township Constable's Office were directly related to an unqualified individual with little or no law enforcement credentials serving as head of that agency.

I ask you to save the integrity of the office. Do not eliminate the current certification requirements. If anything, law enforcement professionals want higher standards, not lower. As a suggestion, you might look at authorizing the POST Commission to grant waivers across the board for law enforcement on a case-by-case basis. Please do not abolish all hard-fought-for POST certification requirements for constables.

I have been authorized to speak on behalf of Boulder City Township Constable Steve Hampe. Constable Hampe is a retired Boulder City police officer in his

third term as Boulder City Constable. Constable Hampe is also opposed to S.B. 250. He stated that this could put someone in a dangerous situation.

I have also been authorized to speak on behalf of Stan Olson, a 36-year-retired police executive and former State Senator. He is also opposed to S.B. 250. He stated that,

This is a bad move and goes against the grain we in law enforcement have stood for. Politics and law enforcement should not be mixed, and having qualified people to maintain professionalism of the constable office is imperative.

Stan Olson said he would submit a letter outlining his opposition to the Committee.

Senator Denis stated he understood that the constable position is basically administrative. I can only speak for the Henderson Constable's Office. I am in my sixth term. It is not strictly administrative. I am in the field constantly. I am a category I certified peace officer. I have been involved in arrests and drug situations.

Through the years, 80 percent to 85 percent of my duties have been civil and 15 percent have been criminal duties. We make arrests on warrants. For example, one of my deputies had an arrest during a foreclosure a few weeks ago. In addition, we have encountered drug houses and child abuse during evictions. Sometimes, I have to respond out in the field to supervise a situation. We have also had shootings in which someone commits suicide while a deputy is serving an eviction notice. I need to have peace officer authority when I respond in the field.

Senator Denis commented that the North Las Vegas Constable is a good administrator. I have also heard that. I have not heard anything negative regarding how he administers the office.

I have to agree with Mr. Sherlock on his recommendation that we cannot drastically limit the qualifications for those of us who need it and should have it. If a constable is in an administrative position, there are other ways to do that.

I noticed that this bill gives the deputies more peace officer authority than the constables. As a 30-year law enforcement officer, deputies or patrol officers should not have more authority than the sheriff, the constable, the chief or whoever is in charge of the law enforcement agency.

SENATOR GOICOECHEA:

Do you drive a car with red lights and a siren?

CONSTABLE MITCHELL:

Yes, however, the car does not have overhead lights. They are hidden lights. It has government plates and subdued lights. However, if there is an emergency that I have to get to, I do have lights and sirens.

SENATOR GOICOECHEA:

Can you run code 3?

CONSTABLE MITCHELL:

Yes, I can.

JONATHAN MARTIN:

I am a retired police detective with the City of North Las Vegas. During my police career, I have had the honor of working with the North Las Vegas Township Constables as well as doing ride-alongs.

What you decide here has far-reaching consequences, not only now but also for the future. By changing this law, you are opening the door for anyone without a shred of law enforcement training to become a constable. That is important because the constable is the head of that office, and he or she is going to dictate policy for the deputies who are armed and encounter the public daily. That office needs an on-the-ground boots-working constable because he or she has to know what to do when the time comes. Because it is an administrative position, does that constable do nothing when called to the scene of a critical incident? No, you need a boots-on-the-ground constable who can run the office and who is POST-certified.

SENATOR DENIS:

We could come up with a solution for this issue. It is always nice when people come to you ahead of time so you can talk about issues. I hate to find out about issues during a hearing. However, I can answer Senator Goicoechea's question.

The North Las Vegas Township Constable does not drive a car with lights. He performs administrative duties and does not have police officer powers.

I am willing to sit down and talk to everyone with concern to determine what we do. Amending the bill to affect only administrative duties would make sense.

From the comments made today, it is interesting that it took 100 years or more years to put this in place. However, if it was so important, they would have done it much sooner. I agree that we need to make people safe. If constables are performing police officer duties, then they need to have the right training.

Very little of a constable's duties would involve criminal training. The POST that is offered is all criminal. Therefore, maybe there should be a change in the training if POST certification is required. Constables will be able to get the civil training they need. We will see what we can do to come up with something that works.

SENATOR GOICOECHEA:

When I was a county commissioner, we had two constables in Eureka County. There were no requirements. If a person put his or her name on the ballot and was elected, he or she got to drive the county car. We thought we would fix that by setting the salary at \$1 per year. Some continued to run because of the health care insurance. We finally had to abolish the office.

SENATOR DENIS:

Not many of the smaller townships have constables today. This bill only deals with larger townships. To be fair, the population cap should be deleted in order to apply the requirements across the State equally.

SENATOR GOICOECHEA:

My point was that this would probably be good. Not all constables are problems. With these requirements in place, we would be electing a much better class of constable.

CHAIR PARKS:

We will close the hearing on S.B. 250 and open the hearing on S.B. 245.

SENATE BILL 245: Revises provisions governing county treasurers. (BDR 20-599)

TAMMI DAVIS (Treasurer, Washoe County; Association of County Treasurers of Nevada):

Property taxes are a key revenue source, not only for counties but also for cities and a variety of other local government agencies. As treasurers, we serve as the property tax collectors for those agencies.

For several years, we have been discussing our concerns because we have become more reliant on technology to do our jobs. The calculations for billing and properly allocating property taxes have become complex. We rely on technology to do those calculations. It is important that technology is up to date, accurate and fully functional.

During those discussions, one of the topics was the fact that 15 of our 17 counties operate an AS/400 platform for technology. That is an old platform. Most of today's technology is Windows-based. We know that at some point in the future the technology will have to be upgraded. It is getting harder to find people who know how to write programs for that platform. Almost ten years ago, Washoe County moved from that platform for our tax billing system. It was difficult for Washoe County to find technology people to maintain the AS/400 database.

Often, the cost of a new system is more than can be covered in one budget cycle for a county. Technology is becoming more complex and more costly. The maintenance costs are also large. When we discussed the needs for property tax billing and collection, we also recognized that we are the bankers for the counties; therefore, we interface with the banking industry on a regular basis. Banks are moving from paper technology to electronic technology also. More often, we are being asked to do things online. When we collect checks in Washoe County, they are imaged and the file goes to the bank electronically. That is another important piece of technology that we rely on to do our jobs.

That includes not only efficiently managing collections and payments from the county, but if that technology is not up to date, there are also security issues. We are dealing with financial information not only for the county but also for our customers from whom we receive payments or to whom we are making payments.

We are the elected officials who are responsible for making sure that all of these processes work efficiently, in order to make the best use of taxpayer money, and they are accurate and secure.

The Association of County Treasurers of Nevada has proposed an amendment to S.B. 245 ([Exhibit C](#)). The amendment was submitted in response to concerns we heard from the counties. From the beginning, we have been open with them and have wanted to work with them to address their concerns. The changes in the amendment are to section 1 only.

Section 2 of the bill amends NRS 249 and updates the requirements for treasurer's facsimile signatures. We use these most often to sign checks because the volume of checks prohibits manual signing. The language is quite old and harkens back to when the treasurer's signature was on a physical plate that imprinted on a check. This language brings it up to date into our digital world where signatures are now stored digitally and makes sure we follow the letter of the law with available technology.

Section 1 also updates NRS 249. As proposed, the amendment establishes the Account for the Acquisition and Improvement of Technology in the Office of the County Treasurer. It defines the allowed uses of the funds within that Account. It provides that funds can be used in the office of the treasurer or in others that have operational impact upon treasurers' offices. It requires annual reporting to a board of county commissioners regarding those funds, how they have been spent and how we foresee them being spent in the future. It provides that any money in the Account that is not committed for use in subsequent fiscal years would revert to the county general fund.

We realize that sometimes the costs of the systems we are talking about are more than could easily be accumulated in one budget cycle. Therefore, it is important that those funds accumulate over time.

Section 3 updates NRS 361 and provides the funding mechanism for that account. In law, personal property tax collections have an 8 percent commission reserved from allocations to the various taxing agencies, which includes cities, counties, school districts, general improvement districts, fire districts and any other local government agencies that have the authority to levy a property tax. Of that 8 percent, 2 percent goes to the assessor's technology account and 6 percent goes the county general fund. Section 3 would require that 2 percent

of the 6 percent going to the county general fund be directed to the treasurer's technology account.

It is important to note that the treasurers looked at a variety of funding mechanisms. A few things concerned us. One was that we did not want to affect our constituents, the taxpayers, with any fees that did not currently exist. We wanted to minimize the effect on other agencies, so we looked for the most neutral fiscal impact.

While we are asking that 2 percent of the 6 percent going to the general fund be earmarked for the treasurer's technology account, our current technology needs are paid out of the county general fund. Therefore, the cost to the general fund would be reduced by the amounts we are spending from the technology account. The timing may be different, but it is important for those funds to accumulate over time for some of the larger purchases we know will be necessary. After that analysis and with those goals in mind, this funding mechanism would best meet those needs.

KATHY LEWIS (Clerk-Treasurer, Douglas County; Association of County Treasurers of Nevada):

Douglas County is one of the counties that has its property tax assessment and tax collection on the AS/400 program. The company that has that program has given us a deadline. It will be closing its doors in 2019. We have to replace that system sooner rather than later. If we had had this technology account earlier, we would be able to fund a new system. In fact, the Douglas County Assessor has been saving his technology funds to help replace this system. However, it does not cover the whole cost. It will cost Douglas County from \$500,000 to \$1.2 million to replace the system.

The treasurers' offices are in a rapidly changing technology environment with credit cards and banking fees. We need to respond to the changes as quickly as possible in order to keep data safe and secure.

SENATOR GOICOECHEA:

How much would 2 percent generate in Washoe County?

Ms. DAVIS:

Our estimate is about \$500,000 per year.

SENATOR GOICOECHEA:

Is that all 2 percent would generate?

Ms. DAVIS:

That 2 percent is only on the personal property tax roll, which is the smaller of the tax rolls.

SENATOR GOICOECHEA:

The way the bill is drafted, the board of county commissioners will approve your budget as the treasurer. The way section 1, subsection 3 is worded, if the board of county commissioners does not approve expenditures out of the technology fund, it would revert at the end of the year. You have to submit a report to them. They could say that you do not need to do that. You would not be able to make those expenditures and the funds would revert.

Ms. DAVIS:

The language in the amendment and the language in subsection 3 mirror what the assessors have in place now. It has not worked that way.

SENATOR GOICOECHEA:

I did not think the assessors' technology fund reverted. This one would revert. The board of county commissioners could refuse. A report will be submitted that says this is how the money will be spent. The board of county commissioners might not approve that part of the budget or cut it in half. Then, what is left in the fund that they have control over would revert.

Ms. DAVIS:

If that is the case, that does not meet our intent. The language in the amendment is what the assessors have. If we do not have plans for that money, it would revert. The practice is that if the assessors can show to the board of county commissioners that the money is needed in future years for a new system, then it would not necessarily revert.

We do not intend to accumulate a pot of money that may never be needed and cannot be used for other things. We want to find that happy medium, knowing there is no magic number that would work in every county. We want to meet our needs but not encumber any money that would not be expended.

SENATOR GOICOECHEA:

I agree it is good language. However, if you had a hardline board, it could stop you from spending it and hijack it every year. I thought the assessors' technology fund did not revert.

I remember that the AS/400 was one of the first big purchases we made as a county commission for Eureka County and how painful it was. However, I hate to say it, but it has been nearly 30 years ago.

SENATOR RATTI:

What is the balance in your technology fund?

Ms. DAVIS:

Do you mean the assessors' technology fund? The treasurers do not have a technology fund. That is what we are seeking to establish.

SENATOR RATTI:

That is what I am not following. I thought the bill said that funding is already allocated. Is that funding allocated to the assessor?

Ms. DAVIS:

It is allocated for the assessors. I do not know the balance in that fund.

CHERYL BLOMSTROM (Nevada Taxpayers Association):

Tax collection is near and dear to our hearts. The more efficiently and effectively it is done, the better it is for the taxpayers.

When I was analyzing this bill, I had not factored in security that is incredibly important. That is an important component when you are managing to and from financial transactions. Therefore, we support S.B. 245.

I share Senator Goicoechea's concern about accumulating funds. If Washoe County generates \$500,000 a year, and Douglas County, which is substantially smaller than Washoe County, needs between \$500,000 and \$1.2 million to replace its system, it is going to take Douglas County more than a couple of budget cycles at 2 percent to accumulate that money. The intention is solid. I am not sure that the words say what the sponsors think they do.

LAWRENCE BURTNESS (County Recorder, Washoe County):

I support a technology account for the treasurers as provided in S.B. 245. It may be just a sign of the times, but we continue to be asked to do more with less. That typically means we need to provide more services at a higher level of quality, get it done with fewer resources, or all of the above. Successfully achieving this leads us to using technology. To improve our business processes, we find ourselves implementing a more effective software solution or replacing outdated and failing equipment. In order to employ effective methods to archive our records, both historical and current, technology is an effective tool.

Speaking firsthand from having the resources of a technology account, I can confirm the benefit it has had on the Washoe County Recorder's Office. From staff recommendations, from customer suggestions and from changes in statute, we identify where we need to make improvements. With access to a technology account, we have been able to implement these changes more easily.

In the ongoing competition for financial resources, the technology account enabled my office to press forward with a vital need or just a great idea rather than having it scratched before it was even given a chance.

LISA GIANOLI (Washoe County):

We oppose this bill. Because we are doing so much of this now, between the Assessor's fund and the Recorder's fund we have about \$5 million sitting in those two accounts. This will add another \$500,000. It takes away the ability of the County to manage all of its capital needs and prioritize them.

I understand the treasurers' issues. Technology is a significant issue. However, the past few years have been difficult because of a shortage of funds. Generally, funding for these sorts of things would rise to the top because collecting, assessing and recording are critical operations that are the lifeblood of the County.

We are concerned about setting a precedent. We have already done it. In this case, the general fund money will come out of the County's resources and go into a segregated fund that will be allocated in any way we see fit.

In the case of the assessor and the recorder, additional revenues were added so it was new money. This is will take \$500,000 out of the general purpose fund

and put it in a separate fund. We are concerned of setting the precedent that will take some of the decision-making away from the Board of County Commissioners.

LES LEE SHELL (Director, Office of Risk Management, Department of Finance, Clark County):

We are concerned that this is a reallocation of existing general fund money for a purpose to which the County would not be able to designate. When the assessor's technology fund was created, the assessment was increased from 2 percent to 6 percent, which was a new funding source. It was not taking existing general fund money and reallocating it.

We want to thank the proponents of the bill for being willing to listen to our concerns. We can work together to find a resolution to help those counties for which this is a critical need. We would like to be part of that solution.

MARY WALKER (Carson City; Lyon County; Storey County):

We oppose the bill as originally written. We have been working with our treasurers, and we appreciate Senator Parks and Senator Ratti for bringing this forward. As I understand it from my counties, the assessors funding does revert to the general fund at the end of the year. Paragraph 1 of the amendment, [Exhibit C](#), strikes out, "Any money remaining in the Account at the end of a fiscal year does not revert to the county general fund and must be carried forward to the next fiscal year." It is our interpretation that with this amendment, it would not carry forward from year to year.

The dilemma is that we have to take care of our AS/400 systems. You are right, Senator Goicoechea. It is a 30-year-old system that is going to cost rural counties millions of dollars to replace. It is the treasurers and assessors in all 15 counties. In addition, many of the rural counties have to change their entire accounting systems. The accounting systems for most of the rural counties are based on this very old format.

The issue is having this come up at the same time we are trying to grapple with securing millions of dollars to replace entire systems, not just the treasurers' systems. It takes resources away from the counties to try to fund this ongoing AS/400 system.

We want to work with the treasurers and the proponents of the bill to find a solution. I do not know how we get around the funding part. For example, in Lyon County, it would cost \$72,000 of general fund monies. They would have to lay off someone. We are concerned about that.

VICE CHAIR MANENDO:

Did any of you have a chance to talk with Senator Parks?

SENATOR GOICOECHEA:

With the language in subsection 4 of the amendment, the funds will now revert. It says it must not be used to replace or supplant funds. We all know how it works. Even the assessor's technology fund in the rural counties is spread around. Things are bought that the assessor might not need that are needed for the county government.

This can work. I understand your concerns. There are only so many bites of that pie, and this is another one that will be carved away. I am sure that Senator Parks can make these numbers work, and I look forward to seeing the amendments.

MS. WALKER:

We have been working with our treasurers. We received this amendment just today. I did not have a chance to talk with Senator Parks about it.

DAGNY STAPLETON (Nevada Association of Counties):

Some of our members expressed concerns about the bill that are similar to those articulated by the county representatives who spoke in opposition. However, our organization as a whole is neutral on the bill.

SENATOR PARKS:

There are good elements in this bill. We welcome the input and comments from other governmental entities. We can bring back an amendment that I hope will satisfy all interests.

The facsimile signature element is quite important.

MS. DAVIS:

Our amendment was intended to address the concerns we heard from the counties. I apologize for it coming forward so late. We had the opportunity to

meet as a group of treasurers last Friday. We are willing to work with the counties and find something that will benefit both sides.

Our intent was never to harm the counties. We have been great partners with them and we want to continue that relationship.

SENATOR RATTI:

What is the new revenue in the assessor and recorder fees?

Ms. DAVIS:

Starting in 2003, the assessors came forward requesting a technology account similar to what they now have. When they did that, it took several budget cycles and a 6 percent commission reserved from personal property tax collections. When they decided on the funding mechanism they have now, instead of taking the 2 percent that had been going to the county general fund, they added an additional 2 percent to make it an 8 percent commission. That additional 2 percent went to the assessors.

SENATOR RATTI:

I apologize for not being familiar with the term "commission." Did that increase what was being collected from each parcel's property tax?

Ms. DAVIS:

No, the bill goes out to the taxpayer, and the taxpayer pays the bill in full. When that bill is collected, before it is allocated to the taxing agencies, the commission comes off the top.

SENATOR RATTI:

It is a little bit of money that comes from everyone's portion across the board. It was not actually new revenue because taxpayers did not pay more taxes. The assessors decided they were all willing to give up a little bit of the money divided between the agencies. In this case, instead of asking all of them to give up a little bit and raise it to 10 percent you are asking the county to eat the whole thing.

Ms. DAVIS:

That is correct. We are asking the county that has been paying these costs all along to give that up. It is allocated so it can accumulate and be available when these large purchases are needed.

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SENATOR RATTI:

Did you consider asking everyone to raise it to 10 percent so that the treasurers could have that piece as well?

Ms. DAVIS:

It is something we discussed. That would be more difficult because the counties had been covering these costs historically.

SENATOR GOICOECHEA:

We can get there. The expenditures will be approved by the board of county commissioners in the end. Even though it is general fund money, it will revert if it is not expended. The board of county commissioners still controls how that money will be expended.

Ms. DAVIS:

We are going to go back and make sure we get that clarified. That was not necessarily our intent. Our intent was that if we had a plan for the funds going forward, it would not revert. Any funds that are not needed would revert.

SENATOR GOICOECHEA:

That is how the bill reads. If the funds have been committed, they would not revert. I am struggling with the board of county commissioners still having the authority to say that the funds can or cannot be expended. That needs to be clarified.

VICE CHAIR MANENDO:

We will close the hearing on S.B. 245.

SENATOR PARKS:

We have one more BDR, which provides for collective bargaining by State employees.

BILL DRAFT REQUEST 23-1040: Revises provisions relating to state employees.
(Later introduced as [Senate Bill 486](#).)

SENATOR MANENDO MOVED TO INTRODUCE BDR 23-1040.

SENATOR RATTI SECONDED THE MOTION.

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THE MOTION CARRIED.

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CHAIR PARKS:

Having no further business, the Senate Committee on Government Affairs is adjourned at 2:18 p.m.

RESPECTFULLY SUBMITTED:

Suzanne Efford,
Committee Secretary

APPROVED BY:

Senator David R. Parks, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	3		Attendance Roster
S.B. 245	C	1	Tammi Davis / Association of County Treasurers of Nevada	Proposed Amendment