

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Eightieth Session
February 18, 2019**

The Committee on Government Affairs was called to order by Chair Edgar Flores at 9:02 a.m. on Monday, February 18, 2019, in Room 3143 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 on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/80th2019.

COMMITTEE MEMBERS PRESENT:

Assemblyman Edgar Flores, Chair
Assemblyman William McCurdy II, Vice Chair
Assemblyman Alex Assefa
Assemblywoman Shannon Bilbray-Axelrod
Assemblyman Richard Carrillo
Assemblywoman Bea Duran
Assemblyman John Ellison
Assemblywoman Michelle Gorelow
Assemblyman Gregory T. Hafen II
Assemblywoman Melissa Hardy
Assemblyman Glen Leavitt
Assemblywoman Susie Martinez
Assemblywoman Connie Munk

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Jered McDonald, Committee Policy Analyst
Asher Killian, Committee Counsel
Kirsten Oleson, Committee Secretary
Trinity Thom, Committee Assistant

OTHERS PRESENT:

Vinson Guthreau, Deputy Director, Nevada Association of Counties
Jim French, Chairman, Humboldt County Board of Commissioners
Mary C. Walker, representing Carson City, Douglas County, Lyon County, and Storey County

Chair Flores:

[Roll was called. Rules and protocol were explained.] On the agenda we have two bill hearings. First we will discuss Assembly Bill 21.

Assembly Bill 21: Authorizes a board of county commissioners in certain counties to appoint members of certain local governing boards under certain circumstances. (BDR 20-484)

Vinson Guthreau, Deputy Director, Nevada Association of Counties:

I am presenting Assembly Bill 21 on behalf of the Nevada Association of Counties (NACO). We are the statewide association that represents all of Nevada's 17 counties. In attendance with me today is the Chairman of the Humboldt County Commission, Commissioner Jim French. He will discuss how the bill will provide a solution regarding some of the governing boards in his community. He will also tell you about some of the county districts that manage important public assets but cannot meet a quorum. In those situations, the areas they govern have very small populations that lack individuals to run for seats on those boards. Essentially these boards are no longer able to govern and critical public infrastructure is without local oversight. There are six of these types of county boards that can no longer function. Nevada Association of Counties has provided an exhibit in advance of today's hearing, which you should all have a copy of ([Exhibit C](#)). Just as a note, A.B. 21 would only apply to counties with a population of less than 100,000 people—which are Nevada's rural counties. It would allow certain local governing boards and districts with unfilled seats to request that the board of county commissioners vote to make those boards appointed. It is pretty straightforward. After Jim French's testimony we would be happy to take questions from the Committee.

Jim French, Chairman, Humboldt County Board of Commission:

I am here before you to present an overview of the impacts the bill would have on Humboldt County, with regard to the issues that spawned the request for A.B. 21. Humboldt County has 15 boards that would be affected by A.B. 21. Four of those boards are currently under

the governance of the Humboldt County Board of Commissioners due to the inability to recruit a quorum to conduct business. As a result of acquiring these utilities—two water districts and two sewer districts—the board was forced to form a new public works department for the county. In addition, we were required to set up and staff a new billing protocol for our Comptroller's Office to handle all the new billing responsibilities for that infrastructure. I might add that most of those sewer districts and water districts are at least 70 miles away from Winnemucca, where the county seat is right now. Our road department is now a division of the public works department, which we had to put together. As a result of having to train additional personnel for certifications, for that infrastructure, we are now short four positions in our road department. Over the past 18 months we have trained numerous employees with both water and sewer certifications to meet the demands of these utilities. In the process of doing so, we realized that the infrastructure needed significant repair and maintenance. In the past, these utilities would rely heavily on local citizens to do routine maintenance, such as meter reading, to keep the costs at a minimum. Now the cost of county employees and the benefits that come with that have put a fiscal burden on the communities that is not currently sustainable. By passing A.B. 21, we believe we can begin a process of putting these special districts back in the hands of local citizens who utilize the services they provide. At this point, we have four general improvement districts (GIDs) that the Humboldt County Commission is trying to manage from a distance. Additionally, we have eight GIDs that are currently below quorum and will require the county to pick up and try to manage from a long distance.

Vinson Guthreau:

This bill proposes a new section to *Nevada Revised Statutes* (NRS) Chapter 244. I will slowly walk you through it and then we can answer questions. Section 1, subsection 1 of the bill would enable counties to pass an ordinance to make certain boards appointed, instead of elected, in counties with a population of less than 100,000 people. Subsection 2 lays out the steps that a board of county commissioners must take before it passes such an ordinance. First, the board of county commissioners must determine the number of current members on the local governing body. If the board currently does not have enough members to reach a quorum and conduct business, then the board of county commissioners can vote to make the board appointed. If the board in question does not have enough members to make a quorum, then subsection 2(b) of the bill says that the board of county commissioners may not make a local governing body into an appointed body unless a majority of the current members of the local governing body approve. Subsection 3 addresses how existing board member terms should be treated. Those currently serving would serve out their terms before their seats could become appointed. The terms for the appointed board would be the same length as the elected terms would be.

Subsection 4 of the bill allows any county that has passed an ordinance to make a board appointed. It would allow that board of county commissioners to appeal or amend those ordinances and return those bodies to be elected if they chose. If there were qualified individuals running for the seat, they could amend the existing ordinance. Subsection 5 says that if a county commission voted to make a local governing body appointed, then all other functions, duties, and provisions of law regarding the smaller local governing body would

still apply, and they could not alter that in the existing local governing board. Finally, subsection 6 outlines which boards and what local governing bodies this bill would apply to. It also clarifies that it does not apply to any governing body of a county, city, or incorporated town. Those are the main sections. With that, we will take questions.

Assemblyman Ellison:

We have been dealing with this in some of the rural areas in the northern part of the state, and we have been trying to address this issue for quite a while. I strongly support this bill. I know in some of these areas the people were either termed out or they could not come back in. I do not know if they have the people in these areas to be on the various boards. I think this addresses it pretty well. This is the second time we have run this bill, is that correct?

Vinson Guthreau:

That is correct. A similar bill was introduced last session but not with the exact same language.

Assemblyman Ellison:

I am glad you brought it forward again. This affects a lot of places in rural Nevada.

Assemblywoman Bilbray-Axelrod:

I am wondering about the part that says the individual will receive less than \$6,000 for his or her services. That number seems kind of high to me. Can you give me a ballpark estimate of what the compensation is? I am happy with the number, let me put that out there; however, every board that I am familiar with does not make nearly that amount.

Vinson Guthreau:

That is an outline in statute to make sure we are not covering boards that are in larger populations. It is existing language in statute so it was included in this bill from the Legislative Counsel Bureau.

Jim French:

I am only aware of one compensated position within Humboldt County right now. It is under a general improvement district for a fire district, and that is their top position. They average, generally, under \$5,000 a year. It is not a salary but it is a stipend.

Assemblywoman Bilbray-Axelrod:

That is what I wanted to get on the record.

Assemblyman Leavitt:

It does not really affect me in Clark County. Rural counties are in a unique situation that we do not have in Clark County. People line up to serve on boards in Clark County, and we cannot stop them. It seems like you have some trouble getting people to try to contribute to these elections. It seems like a really good idea to transfer it to an appointment where you can maybe convince people to serve. As far as the stipend goes, is that for travel? I realize these rural counties are geographically fairly large so they have to travel a ways to meet.

Jim French:

You are absolutely correct in terms of the stipend. It is for responsibilities and travel to the training. In many cases it is far below that number. Aside from the fire district, I am unaware of any other compensated positions that this would cover in Humboldt County. To your point, in many areas where we have water districts that the county has had to take over, we simply ran out of folks who would serve. Everyone termed out who had anything to do with that water system. One of the things that came out as we started to take over the responsibilities of these projects is we lost the institutional history of a lot of those systems, as well as a lot of the mapping, in terms of where the water system is and how it is repaired and those types of things.

Assemblyman Assefa:

You mentioned earlier that a similar bill was introduced last session [Senate Bill 127 of the 79th Session]. I was wondering why that bill failed, why this bill is a better bill, and what is different about it?

Vinson Guthreau:

With this new bill, we addressed some of the issues regarding length of term. I could get you a side-by-side comparison of the bills. As far as the bill not being passed, it is at the pleasure of the Legislature.

Assemblyman Hafen:

This is more of a comment but the same thing happens in the southern rural counties. Nye County has the exhibit you provided. We have a number of boards that we have a difficult time getting members for. There are a couple of other boards that I am aware of which we have a difficult time even appointing people to—in addition to the elections. I wanted to thank you for bringing this forward. I had a conversation with the county manager this morning and Nye County is in support of this bill.

Assemblywoman Martinez:

When was the last time someone ran for one of the boards?

Jim French:

It depends on the board. I can tell you that right now in Humboldt County we have four boards in the northern portion of our county that have no membership. We have one fire district in McDermitt that has only one member on its board. As we said earlier, some of the boards that we felt compelled to take over by the county commission had to do with infrastructure, water systems, and billings. Obviously someone had to pick up the ball and run with it. As far as running for those boards, for instance in the TV district in Denio, there is simply no one left to do it. It is a rural portion of the county and it is in an unincorporated city. Most of the folks who call Denio home actually live on ranches or away from the city center.

Assemblyman Carrillo:

I wanted to find out if this bill will allow the commission to turn an elected position into an appointed position even when people consistently run for a particular board.

Vinson Guthreau:

The board would need to request to be appointed, which is how the process gets initiated. There is a provision in the bill to amend an ordinance if there are people who are running. Their intention is not to circumvent people who want to run for an elected office. These are boards where no one is choosing to run for office, or no one is qualified or in a position to run for office. There simply is no one to fill those seats.

Assemblyman Carrillo:

Is that the intent then?

Vinson Guthreau:

That is correct.

Assemblyman Carrillo:

Have there been any thoughts about abolishing the board and just taking the powers under the county—where the county will handle them directly instead of having a specific board to handle that business; or establishing an ad hoc or subcommittee of some sort?

Jim French:

Yes, there has been discussion about that. As a matter of fact, that is where we sit currently with the four boards we are managing right now. One of the things that was a result from that was the loss of institutional history. We also realize that we lost membership on those boards due to term limits—many of those people were there when the original systems were built. Those folks were willing to serve uncompensated on that board, but they could not serve because of the term limits. That is what really spawned the move to appoint those positions.

Assemblyman Carrillo:

I do remember that from the last bill regarding people who still want to serve but are termed out. They are willing to do it because there is no one else who wants to do it. My concern would be that this might encourage some people not to run just so they could instead be appointed. Ultimately, if you do not have to run for a position and you know that all you need to do is be appointed to it, then why take the harder route. That is what my concern is.

Chair Flores:

I do not know if you provided us with an exhibit of a compiled list of as many boards as you can think of where this is an issue. I know you mentioned a few but have you submitted it?

Vinson Guthreau:

That was sent to the committee manager, and I believe she posted it on the Nevada Electronic Legislative Information System (NELIS) ([Exhibit C](#)).

Chair Flores:

Seeing no more questions, I would like to call up anyone in support of this bill.

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

I represent Carson City, Douglas County, Lyon County, and Storey County. We are in support of this bill. We do have problems trying to get people to run for election on these very small boards in very, very rural Nevada. We would appreciate your consideration of this bill.

Chair Flores:

Is there anyone else wishing to speak in favor of this bill? [There was no one.] Is there anyone wishing to testify in opposition? Seeing none, is there anyone wishing to speak in the neutral position?

Jered McDonald, Committee Policy Analyst:

I wanted to note that Mr. Steven Cohen submitted a letter for the Committee to review. The testimony was submitted under neutral and you can find it on NELIS ([Exhibit D](#)).

Chair Flores:

Are there any closing remarks? Seeing none, I am going to close the hearing on A.B. 21. We are going to postpone the hearing on Assembly Bill 103 for a later date.

Assembly Bill 103: Makes certain changes relating to collective bargaining. (BDR 23-251)

[Assembly Bill 103 was not heard.]

The bill sponsor wanted to have some additional conversations. With that I will open up the floor to public comment. Seeing none, the meeting is adjourned [at 9:26 a.m.].

RESPECTFULLY SUBMITTED:

Kirsten Oleson
Committee Secretary

APPROVED BY:

Assemblyman Edgar Flores, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a document titled "[Assembly Bill 21](#): A Solution for Rural County Boards that Cannot Meet a Quorum" presented by Vinson Guthreau, Deputy Director, Nevada Association of Counties.

[Exhibit D](#) is a letter authored by Steven Cohen, Private Citizen, Las Vegas, Nevada, and submitted by Jared McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau, regarding [Assembly Bill 21](#).