

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

**Eighty-first Session
March 3, 2021**

The Senate Committee on Government Affairs was called to order by Chair Marilyn Dondero Loop at 3:29 p.m. on Wednesday, March 3, 2021, Online. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Marilyn Dondero Loop, Chair
Senator James Ohrenschall, Vice Chair
Senator Dina Neal
Senator Pete Goicoechea
Senator Ira Hansen

STAFF MEMBERS PRESENT:

Alysa Keller, Policy Analyst
Heidi Chlarson, Counsel
Janae Johnson, Committee Secretary

OTHERS PRESENT:

Yolanda King, Manager, Clark County
Kevin Schiller, Assistant Manager, Clark County
Joanna Jacob, Clark County
Kelly Blackmon, Deputy Fire Chief, Clark County Fire Department
Vinson Guthreau, Deputy Director, Nevada Association of Counties
Christi Cabrera, Nevada Conservation League
A.J. Delap, Police Officer, Las Vegas Metropolitan Police Department
Jeff Dixon, State Director, The Humane Society of the United States
John Jones, Clark County District Attorney's Office
Arielle Edwards, City of North Las Vegas
Mark Fiorentino, Nye County; Red Apple Fireworks
Terri Davis
Susan Fisher, Phantom Fireworks
Allison Genco, Associate, Area 51 Fireworks
George Mayfield

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Will Adler, Pyramid Lake Paiute Tribe
Justin Harrison, Clark County
Jim Andersen, Code Enforcement Manager, Clark County
Lisa Skurow, Neighborhood Section 11
Julie Davies
Wesley Harper, Executive Director, Nevada League of Cities and Municipalities
Yvette Williams, Neighborhood Section 11
Jamie Rodriguez, Washoe County
Malcolm Napier, Sergeant, Las Vegas Metropolitan Police Department
Wiz Rouzard, Americans for Prosperity
Jacqueline Flores, Greater Las Vegas Short Term Rental Association
Edmund Uehling
Janice Pegram-Lewis
Eddie Diaz
Louis Koorndyk

CHAIR DONDERO LOOP:

We will open the hearing with a presentation from Clark County.

YOLANDA KING (Manager, Clark County):

Clark County's governance structure is a county commission-manager form of government. It includes seven county commissioners who are elected on a partisan basis. The seven elected county commissioners in turn hire an accounting manager who is responsible for directing the day-to-day operations of the organization and serving at the pleasure of the elected body. The county commissioners cover a geographical area of 8,000-plus square miles, which spans from the Utah to Arizona and California state lines then over to Nye County. The government structure for Clark County includes elected officials such as the county recorder, treasurer, assessor, constables and the sheriff.

The community of Clark County includes 14 unincorporated towns in urban and rural areas, and 5 incorporated cities with a population of 2.3 million residents in total for the County. It is the most populous County in Nevada with over 75 percent of its residents residing in Clark County. Clark County is the thirteenth largest county in the United States. The unincorporated area is just over 1 million residents or 45 percent of Clark County's population. If the unincorporated areas were incorporated into a city, it would be the largest populated city in Nevada and the eleventh largest in the Nation. The unincorporated areas are important in the County for jurisdiction. We are

responsible for providing these municipal services to residents in unincorporated areas. The cities are responsible for providing services to residents who live in the unincorporated cities.

The economy drivers include tourism, gaming and conventions. Clark County is one of the top convention destinations in the world. Prior to the pandemic, the County was No. 1 for trade show destinations in North America for 24 consecutive years. Clark County has attracted 42.5 million tourists in 2019 and is home to the world-famous Las Vegas Strip. We have a room inventory of over 160,000 rooms. The Las Vegas Strip includes 17 of the 20-largest hotels in the United States, and 11 of the 20 are the largest hotels in the world.

In Clark County, every southern Nevadan is a resident. The counties in Nevada provide regional and municipal services on a larger scale. In addition to providing services to the residents, services are provided to the millions of visitors. Municipal services are provided to more than 1 million residents who live in unincorporated areas. Those regional services are typically County human services which are social safety net services. These type of regional services are provided to every resident in Clark County, regardless of whether they live in an unincorporated area or a city. Clark County has over 30 departments which are divided into 2 areas for services, regional area for 2.3 million residents and municipal area for 1 million residents.

The fiscal year (FY) 2020-2021 annual budget is \$9.1 billion and includes departments and other agencies such as McCarran Airport, Las Vegas Metropolitan Police Department (LVMPD) and the University Medical Center (UMC). A significant portion of the total is considered a nondiscretionary budget, meaning the money collected goes to various funds for a specific purpose. The funds must be spent on those specific purposes as mandated by State and federal requirements. The general fund is considered the discretionary fund and is the general operating fund for Clark County. The general fund is \$1.4 billion and approximately 15 percent of the total County budget of \$9.1 billion. A significant portion of the regional and municipal services is accounted for in the general fund. Many of the County department budgets reside in the general fund as payments made to other jurisdictions. The funds for UMC and LVMPD are provided from the County general fund.

The general fund revenue budget in FY 2020-2021 for Clark County is budgeted at \$1.3 billion. The largest revenue source is from property taxes at 39 percent,

and the second-largest revenue source is consolidated taxes (CTAX) at 36 percent. Pre-pandemic, the largest revenue source was the CTAX, but based on the decline of sales tax revenues, property taxes and CTAX have traded places. Property tax is considered the largest source with the pandemic as before it was the second-largest tax. We estimated over that three-year period, starting in 2020 going through 2022, that Clark County would have lost \$139 million in CTAX revenue. The room tax revenues in 2019 were \$729 million of which 35 percent of these collections were allocated to the Clark County School District. The room tax revenue has declined dramatically at about 64 percent. We collect these dollars throughout for various funds in the Clark County budget. It has made an impact on revenues across the State in different jurisdictions.

The budgeted expenditures for FY 2020-2021 are at \$1.4 billion of which over 50 percent of those expenditures are for the public safety function as well as expenditures from LVMPD and the Clark County Detention Center. The LVMPD is responsible for providing policing services for residents in the unincorporated areas along with the City of Las Vegas. Clark County and the City of Las Vegas share the cost of LVMPD expenditures. The 60 percent that Clark County pays for the LVMPD budget comes out of the County general fund. Clark County pays for the Clark County Detention Center and is 100 percent responsible for the expenditures that occur at the Detention Center. Other jurisdictions are funded under the general fund.

Covid-19 responses for Clark County received \$295 million from Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. We are the social safety net for residents in the County, and the Board of Commissioners set a budget to prioritize those expenditures; most of these funds went to human services-type expenses. As of December 30, 2020, 46 percent of expenditures was dedicated to human services. These payments are expenses for housing, utility assistance, basic needs, and emergency shelter programming and financial support to assist families with distance-learning. Of the \$295 million in CARES funding, Clark County only used \$10 million for payroll reimbursement. A majority of what was received went to service residents in different areas.

The Southern Nevada Health District is the designated lead agency for addressing the pandemic. Clark County partnered with the Southern Nevada Health District to activate the Multiagency Coordinated Council Framework. This framework was used in the 1 October Incident. We have been successful in

addressing the needs of the community as well as the pandemic. We set up community testing sites across the Las Vegas Valley in all areas of Clark County. We used our dollars to staff these sites and administrated close to 500,000 tests. Clark County paid for 242,000 additional tests to expand the test capacity. A testing lab set up at UMC was the first of its kind in the State. The UMC testing lab was built with the capacity to process over 10,000 tests per day. The lab supported not only the urban areas but also rural hospitals outside of Clark County.

The CARES funding was used to provide small business support. Three types of grants to support small businesses included rental assistance, business stabilization and retrofit grants. A program for outreach provided services to over 3,000 small businesses and answers for questions received from owners. Legal services were provided to over 700 businesses via partnership with the Legal Aid Center of Southern Nevada. In total, over 1,100 rental assistance, retrofit and stabilization grants were awarded directly to small businesses.

Human services from CARES funds went to over 16,000 households that received rental assistance from Clark County and over 63,000 utility payments were paid. Clark County set up a Hispanic outreach campaign that received over 30 million views. Funding was provided for basic needs with food, utilities and childcare assistance provided by subpartnerships with over 34 nonprofit providers. Over 2 million meals were provided to individuals in households. We were able to provide behavioral and substance abuse counseling services to over 5,900 individuals.

Services to congregate care and group housing-type environments were provided to the population in most need. The County formed a partnership with the City of Las Vegas and set up the Isolation Quarantine Complex for housing the homeless population as a result of capacity reductions in some of the nonprofit areas or congregate care they were living in. When individuals tested positive, they were isolated from the general homeless population.

Clark County set up the School Daze program which assisted over 900 families for learning assistance programs. The program assisted working families with distance learning. To offset the cost for families enrolled in the School Daze program, financial assistance was provided to families who qualified for the Clark County School District free and reduced lunch program. We did have some foster working families who also received financial assistance from the School

Daze program. Isolation was provided for individuals who tested positive to help separate them from their families to not spread the virus. Shelter was provided for homeless individuals and tourists during the closedown processes. We had tourists test positive who were not allowed back into the hotel establishment; we isolated these individuals during this time with shelter.

Excepting the City of Las Vegas that received CARES funding, we did subaward money to Henderson, North Las Vegas, Boulder City and Mesquite. The cities spent their subawards on testing, business grants, rental assistance, personal protective equipment, utility, home schooling, etc. The first allocation of CARES funding has been exhausted, and it is estimated we could not help 12,000 households. We have kept the CARES Housing Assistance Program (CHAP) to receive applications. Since January 1, an additional 8,000 households have applied for rental assistance. We are averaging about 1,000 new applications a week. There is a great deal of need when it comes to rental assistance. Clark County did get additional funding from the federal government for housing help. We will continue to take a regional approach for rental assistance through CHAP. The cities and County have agreed to pull all allocated funds to disburse funding through CHAP. With all the money pulled between the cities and County, there will be \$162 million available for rental assistance. This amount can provide assistance to over 40,000 households.

SENATOR NEAL:

On the property tax, how are you planning for the future? What is the plan going forward for the drop-off in 2023? Are you being more conservative in your budget planning?

MS. KING:

On the property tax, I do not foresee a drop-off. A great deal of abatement for property tax can be capped off at a certain amount. Assessed values have continued to grow, and we have increased assessed value with new property. During the Great Recession, there was a tremendous amount of decline in assessed evaluation. We are not seeing this and do not anticipate seeing it. As a result of the reduction in assessed evaluations, we have received thousands of appeals from the residential and commercial sides for appealing their value.

This would make a difference in terms of property tax due. We are paying close attention to this. January is the last month a resident or commercial property could submit for appeals. We did not see the number of appeals as seen during

the Great Recession. This is an indication—without a large number of appeals because assessed value has not declined—that we do not anticipate a dramatic drop in property taxes.

SENATOR NEAL:

On subgrants from CARES dollars, is there co-reporting with subgrants? Do you know if the municipalities use the money for the designated subgrant?

MS. KING:

The reporting occurs at the level of jurisdiction that received the direct dollars. Clark County was responsible for reporting to the federal government on how these subawards were used. We set up a system, similar to a grant process, when awarding these dollars. We required as part of the interlocal use for the cities that they spend the dollars in accordance with the requirements. The cities had to report to Clark County on a regular basis. Clark County is held accountable for reporting these dollars. If the dollars were not spent in accordance with the federal government guidelines, Clark County would take the hit and have to pay back those monies. A great deal of reporting occurred. We wanted to make sure we were spending our dollars which meant the cities had to spend theirs.

SENATOR NEAL:

Those are public records, where can I find them?

MS. KING:

We can provide them to the Committee.

SENATOR OHRENSCHALL:

When the eviction and foreclosure moratoriums run out, how do you see the County dealing with this?

KEVIN SCHILLER (Assistant Manager, Clark County):

We serve about 40,000 households. Of the 20,000 in the queue, another 20,000 were serviced with the second stimulus. The most recent information we have is the moratorium will be lifted by the end of month. One of the key pieces we are working on is how we interface with the courts. There are a couple of issues with the second round of rental assistance dollars with more requirements tied to eligibility for this funding. It ties to median income and means we need more documents. One of the key pieces we deal with is

tracking down those documents and the time frame to expedite payments. We have over 240 temporary staff in conjunction with regular staff processing these documents.

For evictions at the court level, one tries to limit putting caps on how many evictions can be heard. Some CHAP changes occurred to meet eligibility requirements. We are figuring out a system interface with the eviction process to expedite treating those clients. An additional 140,000 households will need some level of assistance. We are where the buck stops for housing and how to use flexible dollars. The master leases are in effect and transitioned over with funding from A.B. No. 309 of the 80th Session. We are going to end up housing people on an emergency basis while figuring out how to build additional rental assistance. There is hope with the CARES third package for additional dollars to support that when the moratorium is lifted. I can provide follow-up information at a later date.

CHAIR DONDERO LOOP:

To confirm, you said you expect 140,000 people to have possible eviction issues?

MR. SCHILLER:

At the beginning of the crisis with the first round, the Guinn Center statistic was 140,000 total households. Through CARES, we have served one point zero, and the second round is 60,000 of that 140,000. I can provide updated information to the Committee on anticipated eviction numbers. We have some details; we are tracking in terms of filings.

SENATOR NEAL:

Are evictions the same as foreclosures? Can you break out the foreclosures? There was mortgage assistance as well and not just rental. The pandemic lasted longer than some of the assistance.

MR. SCHILLER:

The initial round of CARES relief funding did include mortgage assistance. I will follow up on those who were served during the mortgage assistance. Evictions would need to be separated out because of things happening at the same time. If the eviction moratorium is lifted, a federal protection relates to mortgage forbearance. The issue is the second round of relief funding does not include a component of mortgage relief or assistance. It is only rental assistance. The

federal relief gives forbearance, and those companies are not to foreclose. There is not any direct assistance allowed to provide from relief funding. This might change in the third round. I want to make sure you are clear on that.

SENATOR GOICOECHEA:

If no assistance is available and yet a federal moratorium says they cannot foreclose, this will create a deficiency somewhere.

MR. SCHILLER:

Absolutely. We are looking at how to resource in a worst-case scenario for those who end up homeless. We are trying to go upstream in terms of how to divert. The County has isolated dollars for prevention of homelessness. Funding from A.B. No. 309 of the 80th Session will maximize support for families who do not fall under those federal allowable guidelines. We are maximizing every dollar available to apply for this resource.

CHAIR DONDERO LOOP:

I will open the hearing on Senate Bill (S.B.) 4.

SENATE BILL 4: Revises provisions relating to the imposition of certain penalties by ordinance for certain violations relating to fireworks. (BDR 20-402)

JOANNA JACOB (Clark County):

I am here to present S.B. 4. Each year our County Commission offices are inundated with constituent calls and stories about what they face on the Fourth of July. We get calls from constituents asking us to do something about fireworks being discharged in neighborhoods that are not considered safe and sane under the ordinance. It is particularly an issue for veterans, pet owners and people who are suffering from post-traumatic stress syndrome. Fireworks in our communities have set fires. We had a significant number of fires in Las Vegas Valley last year, and people were injured from these fires. In fact, the number from Clark County Fire Department had 43 total firework incidents from July 3 through July 5. We average around six and half people who go out on these calls. Crews going out and then going out again contribute to those costs.

We put together an ISpy Fireworks website in 2018. This is an alternative to calling 911 or 311 so constituents could report illegal fireworks. This site helps us plan and track where they are for future response efforts. The website has a dashboard for complaints, and there was a 36 percent increase in complaints

between 2019 and 2020. This is the number of people who complained and anecdotal information that people do not complain but deal with this in their community. The LVMPD is our municipal partner and partners with the fire departments. Between July 3 through July 5, for three straight years one in five—360 for LVMPD—calls are for fireworks. We track regional air quality; the first week of July we have unhealthy air quality from fireworks. Clark County Animal Control responded to 236 loose dog calls starting on June 28 through July 7. We have had animals impounded through The Animal Foundation. This is just another County impact we see during this time period.

Enforcement costs within S.B. 4 involve stronger penalties and the ability to levy stronger penalties and a range of penalties set for ordinances. Clark County's intent is not to impose a \$50,000 fine on an individual who may not be aware of the County's policy or if it is a first-time offense. We issue citations, and the first offense is a \$250 fine. A large volume of fireworks are brought into the community and stored, and this poses a danger to the residents. We had a case where an individual was storing 200,000 pounds of illegal fireworks. Fireworks that discharge in the sky are dangerous, cannot be controlled and can cause damage and start fires. We need to do something about the larger volume of illegal fireworks coming into the community. All retail sales of explosives are forbidden except for consumer fireworks which are considered safe and sane.

The safe and sane process is conducted through the Clark County Fire Department and regional fire departments. Safe and sane fireworks are tested and labeled with a period of time when they can be sold in the community. The first offense is \$250, a subsequent offense goes up within one year to \$500 plus disposal costs. The counties under *Nevada Revised Statutes* 244.367 are permitted to regulate by ordinance the sale, use, storage and possession of fireworks and to provide penalties for the ordinance. We would be able to impose a range of penalties. The \$50,000 figure was chosen because the State Fire Marshal's Office has this range of available penalties to enforce codes on unlicensed firework displays that can be penalized for higher amounts. The fines can go up to \$50,000, but these fines are tiered for a number of offenses. It would be our intent with S.B. 4 to make larger penalties, depending on the level of the offense. We are asking for the flexibility to set fines for larger offenders with illegal fireworks.

KELLY BLACKMON (Deputy Fire Chief, Clark County Fire Department):

For those of you who live in Clark County and have looked outside during July Fourth you may see firework displays. Most of them are not permitted, but they are shooting fireworks into the sky. In general, people are looking to the Fire Department to do something about this situation. This is a difficult situation for us to be in. We are looking to reduce the number of responses we go on during this time.

SENATOR HANSEN:

You had said there was 22,559 complaints in 2020, but only 21 citations were issued? I do not see why you need to expand the law when the existing law is not being enforced. The individual who had 200,000 pounds of fireworks—surely this individual got more than a misdemeanor ticket for \$250. If this individual did not go to prison for this offense, then something is missing. The reasoning behind this bill does not make sense when looking at the numbers of complaints versus citations issued. What was the penalty for the individual for having 200,000 pounds of fireworks?

MS. JACOB:

I'll start with the number of citations versus complaints. The truth is you are right. It is as difficult to enforce these complaints as it is hard to identify the people responsible. It is matter of not having the resources and addressing the complaints. The gentlemen in that case went to court and sued us. In court, he was ordered to pay restitution to the County for the costs, and it was distributed to LVMPD. Under the terms of the agreement negotiated in court, all of those fireworks were transferred out of the County to a neighboring reservation.

SENATOR HANSEN:

You lack resources by increasing the penalty to \$50,000. If you issued 21 citations at \$50,000, you can avoid adding more personnel during the July Fourth weekend. I am not seeing the relationship of bumping it up to \$50,000 to potentially add or extend personnel on the ground.

MS. JACOB:

Fines are part of the general fund and go to public safety. When we talk about this level of complaints in our community, we are not churning fines to generate more resources. We want to send a message to the community that this dangerous activity needs to be taken seriously.

SENATOR GOICOECHEA:

The 200,000 pounds of fireworks is 100 tons. What did this individual actually pay other than court costs?

Ms. JACOB:

It was a negotiated deal, and I do not have the dollar amount. I will follow up with this information. The fireworks were being stored. We had to identify the individual and then confiscate the fireworks.

SENATOR GOICOECHEA:

What is under the ordinance process? What would be the maximum fine? I would think \$10,000 would be enough.

Ms. JACOB:

Are you asking about County ordinances?

SENATOR GOICOECHEA:

I would think \$50,000 is a huge fine. Typically under an ordinance process, a violation may be 30 days in jail and \$1,000 fine. I am curious why you landed on the \$50,000 instead of \$10,000, which would be hard to pocket for a second or third offense.

Ms. KING:

The \$250 to \$1,000 is the maximum fine amount that can be imposed from Clark County. This stands for other fines and fees applied. The \$1,000 amount is the maximum to be imposed by ordinance. This is why the bill is presented to go above that amount. The \$250 to \$1,000 in certain situations does not lead to a penalty. In 2018, the ISpy app was built for the intent to assess the activity and isolate the problem throughout the community. Prior to the application being created, we did not have any idea of the number of complaints or where things occurred. The app gathered information to see how large the issue is. It was created to direct or redirect calls from 911 or 311. These lines need to be open for other emergencies. By 2019, it was an application for Clark County and partners to determine the problem. This is why you do not see a lot of citations written.

SENATOR GOICOECHEA:

You can go to Wyoming and buy a cruise missile and call it fireworks. When you have something that dangerous or a ton of fireworks, something else should

kick in. Besides, it is against the law to set off fireworks. I am struggling with this bill. It seems like overkill when you have that much. There should be another law or statute to kick in.

SENATOR OHRENSCHALL:

A large part of my district is unincorporated in Clark County. Every year, I hear from my constituents who are concerned about this issue for veterans and animal lovers whose pets run away. The safe and nonsafe fireworks are being purchased on reservations in counties that do not have the safe and sane requirement. What kind of cooperation does Clark County get from those reservations and counties for informing purchasers that fireworks are illegal in Clark County? I am sure many people who know this violate the law. What kind of cooperation do you see coming from the reservations and counties that do not have the safe and sane fireworks requirement?

Ms. JACOB:

We aim for awareness; our intent is to educate people about the ordinance and what safe and sane is. We work with the jurisdictions to try get the word out. The campaign says, "If you purchase outside of Clark County, it is likely illegal in Clark County." A tremendous effort goes into education with participation from fireworks manufacturers that have offered to be part of the solution.

Ms. KING:

There were conversations with Nye County in regard to what is legal in Nye County but illegal in Clark County. We tried to figure out how to coordinate and work through both of our communities on what is allowed. This did not go far. Recognizing this is a large revenue source for Nye County, how do we balance when it comes to generating revenues for Nye County? We did have conversations with them, but that is far as it went.

SENATOR OHRENSCHALL:

The reservations and counties that do not have the safe and sane requirement need to notify purchasers it is illegal in Clark County.

SENATOR NEAL:

You do not want to hit the regular citizen but go after the big offender. Why not narrow the bill to the big offender? In section 1, there is prohibition around possession, storage and use. What I do not see in the bill is an age limit. What is the possession issue if you find a 17-year-old who went out to the

reservation and bought fireworks? The business impact statement says it is going to be proportionate. Will it be proportionate to \$50,000, proportionate to the 20,000 calls but only 21 citations? What effect are you measuring it to? Make sure the business impact statement is fair.

Of the data you presented, someone can make the argument it is proportional to the animals who left their homes. I do not like the \$50,000 fine; there needs to be clarification to narrow the bill. People not clear on the storage could get a fine for having fireworks in their yard. The LVMPD could show up and the fine could be up to \$50,000 if you stored it and knew it was illegal. There is no age limit in the bill, and it is full of triggers that need to be addressed.

MS. JACOB:

I can understand the statements made. This is the conversation we had at the local level. I will take this feedback and work on these concerns. The bill is broad and talks about storage. Fine levels were set in the ordinance. It will be helpful to look at how it is defined in the ordinance to see if it can be narrowed.

CHAIR DONDERO LOOP:

The age question is excellent on this bill.

VINSON GUTHREAU (Deputy Director, Nevada Association of Counties):

We support S.B. 4 which addresses and provides clarification around the issue of illegal fireworks. Counties have the authority to regulate fireworks. Different counties across the State address fireworks in different ways. Some allow fireworks and others do not. We support the clarification provided in this bill which allows counties to increase the penalties on those who impact the public's health and safety by violating firework ordinances. We understand the purpose of this bill is to increase the tools available to counties to ensure that people are kept safe during the summer and holiday season. On behalf of the 17 counties, we support S.B. 4.

CHRISTI CABRERA (Nevada Conservation League):

I support S.B. 4. Around 90 percent of wildfires in the United States are human-caused. Human-caused wildfires combined with climate change are making the West hotter and dryer, leading to larger, more intense wildfires. Last year's fire season set new records in terms of geographic scale for fire intensity. In 2020, humans caused over 540 wildfires in Nevada, burning over 22,000 acres. These fires destroy and impact natural areas and wildlife habitat.

The pollution effects from smoke are hazardous to our health. Senate Bill 4 will give local governments another tool to help stop illegal fireworks, which will lead to less wildfires in Nevada.

A.J. DELAP (Police Officer, Las Vegas Metropolitan Police Department):

We are in support of S.B. 4. The issue is the Las Vegas Valley is an urban environment and has a dense population base. The purpose behind safe and sane fireworks is to protect the population. One of the challenges we deal with is surrounding counties and certain jurisdictions within our County do not have the same restrictions. These counties do not have the same issues or concerns. We have an influx of illegal fireworks within the community. We do allow for safe and sane fireworks from the abundance of firework stands on the corners that most often support charities and such.

However, fireworks enter the Valley that leave the ground and are loud and explosive. They may be legal in other jurisdictions, but they are not considered safe in ours. We put a lot of resources in through July Fourth and the days leading up to it to help protect the community. This reason is why we support the bill. Although 21 citations seem small compared to the number of calls received, those citations are manpower-intensive. First we have to locate fireworks not meeting the safe and sane requirement. Then we have to conduct an investigation, identify the party responsible and impound the illegal fireworks—which is not an easy task either because they are flammable—working with the Clark County Fire Department and other jurisdictions to accomplish this goal, but it is not quick. It can take anywhere from 45 minutes to 1 hour to conduct an investigation which can end in a citation.

JEFF DIXON (State Director, The Humane Society of the United States):

The Humane Society supports S.B. 4 as referenced from my letter of support ([Exhibit B](#)).

JOHN JONES (Clark County District Attorney's Office):

We support S.B. 4. No State or felony charge would apply to the cases discussed by the presenters. In one local case, a judge returned a large amount of illegal fireworks to an individual charged with violating an ordinance. This bill will give counties more tools, especially to go after those who sell or possess large amounts of illegal fireworks.

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ARIELLE EDWARDS (City of North Las Vegas):

I am calling in for Councilman Richard Cherchio who supports S.B. 4 as referenced from his letter of support ([Exhibit C](#)).

MARK FIORENTINO (Nye County; Red Apple Fireworks):

Nye County understands the issues, but the fireworks industry in Nye County is important for the community and businesses that operate there. We support efforts to increase the counties' ability to enforce their own rules and work together to enforce these rules. We support S.B. 4 and continue to work with the sponsor to resolve any issues.

On behalf of Red Apple Fireworks, we have made the same commitment. Red Apple Fireworks remains committed to working with the sponsor and the Committee on S.B. 4. We do share some of the concerns raised by the Committee and others related to the amount of the fine and how it will apply. I am confident we can work through those issues.

TERRI DAVIS:

I support S.B. 4 as referenced from my letter of support ([Exhibit D](#)).

SUSAN FISHER (Phantom Fireworks):

Speaking on behalf of Phantom Fireworks which has two legal firework stores in Nye County, we are not opposed to the stated intent of the bill but to S.B. 4 as written. Company officials have reached out to officials in southern Nevada to review concerns that need to be addressed by Clark County. We understand the County's intent to target repeat offenders. We support this and cracking down on individuals who may be selling without a license or stockpiling 200,000 pounds of fireworks, which is dangerous. This is enabling legislation. The language of this bill is far too broad, and the fine is too high.

We understand sometimes you need a bigger hammer. Senate Bill 4 as written enables a local governmental entity to charge a licensed store up to \$50,000 for various infractions on the first offense. They would have to go through the ordinance process. There needs to be some guardrails to make sure the inspector is not slapping the store with a high fine. As the bill is written, it is not only going after people and impacting someone who is using fireworks illegally. It could be used against stores as well because it is regulating the sale, use, storage and possession of fireworks. We want to be part of the solution of helping Clark County and the other entities to control illegal sales and activity.

ALLISON GENCO (Associate, Area 51 Fireworks):

We are opposed to S.B. 4 as the bill is written. We have concerns regarding the fines imposed as stated in the language. We proactively reached out to municipal and State fire agencies regarding this issue.

GEORGE MAYFIELD:

I support the intent of this bill, but I am opposed to S.B. 4. It needs to be more effective to go after my neighbors who turn the neighborhood into a war zone. In Nye County, there are seven fireworks stores, and last year the Sheriff tweeted, "Please stop shooting off fireworks as it is out of control." Pahrump is an outlaw region where people can go buy fireworks, and it is not about them knowing they are illegal; as most people know, they are illegal. People come from all over to purchase illegal fireworks from Nye County. There is nothing I can do. I use the ISpy website and call. If the neighbor next to me is shooting off fireworks, I can ask them to stop, but they do not stop.

We need to give tools to the police to enforce ordinances to shut down this activity. The 21 citations are not much, and they can do better than that. We need some real laws, but \$50,000 is too much. If you are having a party and shooting off fireworks from your house, a \$250 fine is nothing for these people; they do not care. The fines need to be bigger. The police need to give out more citations and be smarter than the offenders. Nye County needs to quit selling illegal fireworks. We need to find the right bill and find the right laws.

WILL ADLER (Pyramid Lake Paiute Tribe):

Pyramid Lake Paiute Tribe is neutral to S.B. 4 as written. It does have some general concerns and implications for what fireworks would be in Nevada going forward. The intent is clear to levy heavier fines against larger violators of fireworks crimes. The bill does need additional language. We understand the risk of fireworks, and selling fireworks does impose a risk. We intend to tell people who purchase them on the reservation that there are substantial risks to using them off the reservation. We do try to participate in the safe and sane fireworks requirements in Nevada. We sell a lot of fireworks and would like to see more clarification to the language in the bill.

MS. JACOB:

We will continue to work with those concerns and bring this information back to the Committee.

CHAIR DONDERO LOOP:

We will close the hearing on S.B. 4 and open the hearing on S.B. 57.

SENATE BILL 57: Revises provisions governing the imposition of certain special assessments by a board of county commissioners. (BDR 20-403)

JUSTIN HARRISON (Clark County):

I will be presenting S.B. 57. There are two proposed amendments; one is from Clark County (Exhibit E), the other is from the City of Las Vegas (Exhibit F). Senate Bill 57 provides enabling language and statutory authority for a county to establish ordinances for certain unpaid fines and fees for violation of a county ordinance to be made a special assessment on the tax roll.

Section 1 authorizes a board of county commissioners to recover an unpaid fine or fee for an offense relating to real property by making the unpaid fine or fee a special assessment against the real property, which may be collected at the same time as and in the same manner as ordinary county taxes or property taxes. Sections 2 and 3 eliminate the requirements that 180 days or 12 months, as applicable, have elapsed and the amount of civil penalties be more than \$5,000 for a special assessment for civil penalties to be imposed.

The proposed amendment from Clark County, Exhibit E, would retain the original language in these sections requiring the amount be more than \$5,000 for a special assessment for civil penalties to be imposed. These changes were made after conversations with this Committee and special stakeholders to address the concern that unintended consequences of removing the dollar threshold could potentially cause someone to lose their home due to the smaller dollar amount. The intent of this bill is not to force anyone out of their home. The County has worked hard under difficult economic circumstances to keep folks in their homes. The Board is looking to address the concern and be responsive to constituent complaints and to bring those who are not choosing to observe local ordinances into compliance. The intent of S.B. 57 is compliance.

The number of complaints received from the Code Enforcement Office last year was 10,620 cases open. The total number of unique properties in which fines were issued is 1,101 or about 9.5 percent. The intent is compliance, and these are fines or fees to bring people in compliance for ordinances not being followed. Only 184 fines were issued out of 1,488 cases. Only 129 unique properties or 8.6 percent were issued citations. Rentals had 618 cases opened

for violations with only 76 fines issued. Building without a permit resulted in 588 cases with 207 fines issued to 89 unique properties, which is 15 percent of these cases. The intent of this bill is compliance and not to force people out of their homes. It is to get folks to work with the Code Enforcement Office and to follow the local ordinances established.

JIM ANDERSEN (Code Enforcement Manager, Clark County):

In all of our cases, we explain voluntary compliance to property owners as to what they need to do and how to come into compliance with the codes. We are a reactive organization. All of the cases we receive are from a complaint, and we go out to investigate the complaint. We do not drive around proactively and open up cases. When we get a complaint, an officer is sent out to conduct an inspection of the property to verify if there is a violation. If a violation exists, then a 15-day violation will be issued to the property owner. We include 3 days for mailing, and it gives the property owner 18 days to look at the violation to bring the property in compliance.

At the end of the time frame, we go back to the property to conduct a follow-up inspection to see if the owner is working on the violation. If the violation remains on the property, then a second notice will be sent to the property owner. Depending on the type of violation, if it can be abated—such as trash, debris, an inoperative vehicle, dead weeds and things of this nature—notice of abatement will be sent. This 30-day notice gives the property owner additional time to bring the property to compliance. If it is another type of violation that cannot be abated, a second notice is sent for the violation, giving them an additional 15 days to comply.

With notice of abatement, when someone receives a notice, there is an opportunity for the property owner to request an administrative hearing. If that person requests an administrative hearing, the hearing is conducted by a hearing officer. The hearing officer will make a determination to either uphold the violation if it is found, or have the violation unfound which would close the case. If the violation is upheld, the hearing officer will give the property owner additional time to bring the property up to compliance. If the property owner is not satisfied with the hearing officer's decision, it can be appealed to the courts and have a judicial review. A judge will make a determination on the violation of being upheld on the hearing officer's decision, and the property owner will have time to bring the property up to compliance.

If the property owner does not come up to compliance, there are a couple of options. If the violation has an abatement action, we can proceed with the abatement or issue citations to the property owner to encourage him or her to remedy the violation. On the citation route, there are three different types of citations: administrative citation, misdemeanor citation in court and civil penalties. Typically, our process on most of these cases is the administrative citation process. These have progressive fines, and additional citations will be issued if necessary.

The first violation for an administrative fine is \$100. If a \$100 ticket is issued, the owner is given two weeks from that point of time to bring the property into compliance. If the property owner does not come into compliance, a second citation will be issued for \$250 along with more time to comply. The third citation could be \$500 which is the maximum fine for administrative citations. Each step of the way, the property owner is given time to bring the property into compliance. Administrative citations also have an appeal process to request a supervisor review. The code enforcement supervisor will look at the case and make sure the citation was issued properly. If it is upheld, the property owner has the opportunity for an administrative hearing. This process is the same process for the abatement hearing.

There are many opportunities for property owners to have their cases heard to contest violations, and there are a multitude of opportunities to bring their properties into compliance. If a property owner reaches out to us and is willing to comply but needs more time, we do grant more time as voluntary compliance is the goal. At any step of this process, once we have someone's attention who wants to bring the property into compliance, this is the overall goal of the Code Enforcement Office. We will work with them by giving more time, milestones and goals to grant extensions for as long as the property owner is making progress.

A vast majority of our properties become compliant with no citations, no abatement actions and no civil penalties. We do have some cases that are more challenging to bring into compliance. The challenge we have is if there are penalties and fines on properties, then a lien is placed on the property. On some cases, the property owner understands that a lien does not have to be paid unless the owner sells the property. If an owner does not intend to sell the property and is making money doing whatever on the property, that person does

not have a lot of incentive to stop doing what he or she is doing and discontinue these activities.

Types of violations are building permits, nuisance and dangerous conditions, zoning, short-term rentals and business in a residential area. There are other kinds of violations, but these are the main ones we deal with. Having the ability to place these fines on the tax roll will help us get some compliance on the difficult cases.

MR. HARRISON:

The intent of this bill is compliance. The Code Enforcement Office is willing to work with homeowners and not put them out of their homes.

SENATOR HANSEN:

Was the data from last year? Things are different with Covid-19. Do you have older data for the types of problems you are addressing with this bill?

MR. HARRISON:

Yes. The data was from calendar year 2020.

MR. ANDERSEN:

We do have other data available, but it is a fairly accurate representation of year after year for the percentages we see for compliance. The number of cases was lower for last year.

SENATOR HANSEN:

On short-term rentals, how aggressive are you on watching the party houses? What is the fine for catching someone who has violated the short-term rental codes?

MR. ANDERSEN:

The average fine for a short term rental is \$1,000 per day to show the property was rented. If we can show the property was rented for three days by an individual, the fine is \$3,000 which puts a lien on the property. We do not monitor the advertisements. We verify the complaints and look at the associated addresses and sites. We do additional research, get complaints that are not substantial and send courtesy notices saying you are in violation and cannot do this, and the activity must stop. We do verify, but we are not proactively looking at those websites.

SENATOR HANSEN:

On the website investigations, do you have situations where the property owner ends up suing the County, basically accusing you of interfering in an arrangement that is not a short-term rental?

MR. ANDERSEN:

We have one case; a property owner sued us, and this case is actively in court. We do have several cases that have gone through the administrative hearing process and are in the judicial review process. None of these cases have a disposition yet.

SENATOR OHRENSCHALL:

Say the bill passes with the proposed amendments. If someone is running a mechanic shop in the garage and is cited and fined a few times, and the mechanic work has stopped, are those fines under the proposed amendment subject to late fees and penalties? If the person is not able to pay the fine for some reason, can the fine grow with late fees and penalties or does it stay the same?

MR. ANDERSEN:

We do not have accruing penalties or additional fees applied to existing fines. The fines would remain in place, be due and payable with a lien on the property if it does not meet the threshold of \$5,000 on the tax roll. The property owner would still owe us the money but not be compelled to pay this on the tax bill.

SENATOR OHRENSCHALL:

It would not grow with late fees?

MR. ANDERSEN:

Correct.

CHAIR DONDERO LOOP:

This is a huge problem in my district. There have been many complaints and issues with party homes.

LISA SKUROW (Neighborhood Section 11):

I support S.B. 57. Our district is overrun with party homes. I have seen several inappropriate activities in my neighborhood. It has caused me to explain adult behaviors to my young children. In the last year, there have been 378 crime

records within 1 mile of the short-term rentals. I am surrounded by short-term rentals, and many of them have been retrofitted, rebuilt and remodeled into bigger houses. They are not pulling permits and do not have inspections. They pull gas and electrical lines without permits. During July Fourth, the neighborhood is unbearable with partygoers and illegal fireworks. Many of the homeowners get \$7,500 per weekend when renting out to other people. There have been shootings and disruptions from people knocking on windows and leaving waste along the street. The LVMPD is monitoring certain homes from several complaints on the party homes. I have lived in my home for 17 years with my family, and several other families live with this on a daily basis. I have seen several neighbors move out due to these rental homes.

MR. GUTHREAU:

The enabling language in this bill allows counties to pass ordinances to make fines relating to real property. Special assessment on property tax bills is important for the counties. This legislation provides an additional mechanism to allow local governments to address chronic nuisance issues in their communities. These issues include chronic impacts to public health and safety. On behalf of the Nevada Association of Counties and its 17 counties, we support S.B. 57.

JULIE DAVIES:

I support S.B. 57. We have some groups who claim to be short-term rental associations or are operators in opposition to this bill. These folks have been given misinformation about this bill. Some are unlawful operators and not short-term rental hosts but party operators. They want to continue holding these parties without good code enforcement. Those of us who are legitimate short-term rental hosts are in favor of code enforcement. We want to run law-abiding businesses that are neighborhood-friendly.

There are thousands of these law-abiding businesses in Las Vegas, but not all businesses are legal. When looking at the numbers, there are over 7,000 listings with only 45 bad operators. It shows the majority of hosts are good. The offenders are not deterred as they know how to get around the fines and code enforcement. It is solely to pass a law that cannot be enforced because it only penalizes those who obey the laws. Short-term rentals exist because there is consumer demand.

WESLEY HARPER (Executive Director, Nevada League of Cities and Municipalities): The League fully supports S.B. 57. The statute treats municipalities differently than counties, with the respect of recording special assessments for civil penalties. The municipalities have to wait 12 months to file special assessments for civil penalties related to nuisance abatements, whereas counties can do so in 180 days. This amendment would create a consistent waiting period of 180 days for both municipalities and counties. The practice of county treasurers is to allow the filing of special assessments during a single period each year to efficiently prepare the county tax roll. Under the statute, any implementation for municipalities must wait 12 months to file a special assessment.

Once a penalty is issued by a municipality, this penalty can be outstanding for close to 24 months before it is added to the county tax roll. The additional implication is the 12-month waiting period with the county treasurer's annual window can lead to property ownership changes without the penalties being paid and increase the difficulty to collect any outstanding penalties and costs associated with the property. Under the proposed legislation, nuisance cases are remediated with several penalties necessary to be done more efficiently and effectively, given that assessments will be closer in time through notification. The recovery of civil penalties allows municipalities to update further nuisances and reinvest in communities and assist underserved populations. This would be more effective for collecting penalties and allows for municipalities nuisance abatement funding to be used for more nuisance abatement activities without requiring the use of the general fund budget.

YVETTE WILLIAMS (Neighborhood Section 11):

I support S.B. 57. This is a chronic issue in the unincorporated areas of Clark County. This has been years of suffering, and it is getting worse. In District 10, we are in the center and close to the Strip, and this neighborhood has become a target area. We have legal and illegal innkeepers operating on every block; some of them have several properties that surround one homeowner. Drones are flying into your backyard from party houses. These individuals are infringing on our privacy. All sorts of activities are going on during the day with waste products on the ground—the folks who live in the neighborhood pick up the mess. We have organizations and corporations renting out party houses, knowing it is illegal. I would like to see something added to address individuals entering into these illegal contracts. There were 76 fines with 45 unique properties on short-term rentals. I am wondering how these properties will be resold when the buildings have been extended and do not hold any historical

value. Septic tanks are in the ground that are illegal, and some of these tanks are leaking. This will affect the neighborhood and the ability to sell homes. These are the issues the people are dealing with when it comes to party houses.

JAMIE RODRIGUEZ (Washoe County):

Washoe County is working on a set of ordinances to create perimeters around short-term rentals. There are safety concerns with several of the short-term rentals in Lake Tahoe and Incline Village. We have a number of residential fires as a result of unsafe housing. There are some serious health concerns related to these properties. Senate Bill 57 will give us another avenue to ensure that when these short-term rentals are licensed and operating we are able to hold them responsible if there are safety concerns with the properties. The bill will make sure our residents are safe along with visitors coming to the area. We support S.B. 57.

MALCOLM NAPIER (Sergeant, Las Vegas Metropolitan Police Department):

On behalf of LVMPD, we support S.B. 57. We work on long-term solutions to problems that cannot be solved instantly, such as service requests and conducting outreach. Short-term rentals has been an issue, and several isolated incidents for behavior have occurred. These incidents have included murders, robberies, shootings and properties operating as nightclubs with cover charges, all services and flamethrowers in the backyard. When responding to these incidents, we dealt with crimes and often made arrests. The gap in the problem is ongoing conduct which takes place week after week. We do not proactively seek out short-term rentals. The exceptions to this are when we have identified social media groups promoting properties for involvement with violent crimes.

In 2020, LVMPD responded to 1,007 calls for service of 595 unique addresses for a wide variety of complaints. This number was only calls for service. The larger number does not include Henderson or North Las Vegas. In October 2020, there were 40 shots fired in a residential area striking 6 homes and 4 vehicles. One of our short-term rental owners owes over \$100,000 in fines that are unpaid. In conclusion, LVMPD supports S.B. 57. It will give us, and more importantly, the citizens we serve a tool to use against rental owners who do not rent their properties out responsibly.

MS. EDWARDS:

The City of North Las Vegas supports S.B. 57 as referenced from my letter of support ([Exhibit G](#)).

WIZ ROUZARD (Americans for Prosperity):

I am opposed to S.B. 57 as referenced from my letter of opposition ([Exhibit H](#)). We spoke to Clark County and proposed an amendment ([Exhibit I](#)) which will provide protection for property owners.

JACQUELINE FLORES (Greater Las Vegas Short Term Rental Association):

I am opposed to S.B. 57. This is a Trojan horse. Two years ago, these fines of \$1,000 per day to short-term rental owners began. Clark County thought they would up the ante by passing an ordinance to rollover those fines into property taxes for these property owners. Board of Commissioners Chair Marilyn Kirkpatrick said if she could do more to stop people from renting their homes for less than 31 days, she would. The County Commissioners are restricted by State law. Ms. Kirkpatrick stated she would put more power in the next Legislative Session to go after the property owners and sign them out of existence because the County needs to protect the hotels.

Senate Bill 57 is being proposed by Clark County. Make no mistake, this is what was promised two years ago. Frankly, I am shocked this bill is being proposed during a global pandemic when the economy is in the gutter and when so many Nevadans find themselves unemployed with many still not getting their unemployment benefits. Many property owners rely on short-term renting as their only source of income. Some are senior citizens with a set income trying to make extra money to pay for medical expenses. Hundreds of laid-off culinary employees rent out to make ends meet to save their homes. Senate Bill 57 punishes and makes life more difficult for these people. Hundreds of people have large fines from Clark County. A few bad apples have shaped the short-term rental community. We should be focusing on ways to help struggling Nevadans keep their homes.

EDMUND UEHLING:

Clark County is asking the Legislators to hand in additional weapons to use in its war against small businesses, homeowners and regular people while pleasing the resort cartel. Clark County holds millions in code violations and fines. It was pointed out that two-thirds of these fines relate to short-term rentals. The short-term rentals are being targeted. The County is a mess since this \$1,000-per-day penalty with 57 percent of the fines levied against individual homeowners who have committed the political crime of hosting visitors but supporting the law's intent. I have attended all the public meetings. These fines were to be the remedy of neighborhood pride, ranging from overgrown

vegetation to unsightly buildings. In the years following the imposition of these new fines, Clark County twisted the law to achieve the purpose of satisfying the hotels and to get money for themselves. Clark County wants your help in grabbing their homes. I am opposed to S.B. 57.

JANICE PEGRAM-LEWIS:

I am opposed to S.B. 57. I do not understand why it is 180 days; why not 90 days or 60 days? The \$5,000 threshold was eliminated, and this should have stayed in. I was blindsided by a large fine for replacing my roof. Short-term rentals can assist with remediating those issues. Not everyone is a bad apple, having party houses with large venues that cause upsets. The fines and thresholds should be based on the situations. Those situations need to be fairly evaluated based on the statistics provided. It should be evaluated to those specific situations.

EDDIE DIAZ:

I am opposed to S.B. 57. Of the six testimonies heard, four were government employees and only two residents. This issue is addressing regular property owners who have a right to enjoy their property.

LOUIS KOORNDYK:

I strongly oppose S.B. 57. A couple of years ago, my parents reached the age of having health issues and no longer being able to take care of themselves. I put them in assisted living to receive the care they needed and deserved. Assisted living is expensive, and I rented out my investment property on a short-term basis to pay the bills. The short-term rental was paying for the assisted living and the house payment. I received letters from the County stating I was not allowed to rent my property out for less than 31 days at a time.

In spite of having no issues at all, the County began fining me \$1,000 a day. Code enforcement subpoenaed my records and back fined me. I had \$92,000 in fines, and I stopped renting the property out on a short-term basis. I could no longer afford assisted living, and my parents had to move out. A few months later, my mother passed away, and now the County wants to finish me off. I spent every penny I had taking care of my parents. I certainly do not have \$92,000. The County is asking the State to give the County the ability to take my house. Please reject this bill and do not give the County the unprecedented power to do so.

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CHAIR DONDERO LOOP:

We will close the hearing on S.B. 57 and move to public comment.

MR. UEHLING:

A comment about the procedure. A number of the speakers in favor of the ordinance were allowed to speak longer, whereas three of the speakers against were cut off.

CHAIR DONDERO LOOP:

We are timing people. Please be respectful as we listen to all people who call in.

MR. ROUZARD:

I was timing the speeches, and I do not know what timer you are using. Several exceeded the two minutes. The constitution is important for issues brought up today. I am just reassuring each and every one of you to hold true to the property owners.

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CHAIR DONDERO LOOP:

Seeing no further business, I adjourn this meeting at 6:29 p.m.

RESPECTFULLY SUBMITTED:

Janae Johnson,
Committee Secretary

APPROVED BY:

Senator Marilyn Dondero Loop, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
S.B. 4	B	1	Jeff Dixon / The Humane Society of the United States	Letter of Support
S.B. 4	C	1	Richard Cherchio / City of North Las Vegas	Letter of Support
S.B. 4	D	1	Terri Davis	Letter of Support
S.B. 57	E	1	Clark County	Proposed Amendment
S.B. 57	F	1	City of Las Vegas	Proposed Amendment
S.B. 57	G	1	Arielle Edwards / City of North Las Vegas	Letter of Support
S.B. 57	H	1	Wiz Rouzard / Americans for Prosperity	Letter of Opposition
S.B. 57	I	1	Wiz Rouzard / Americans for Prosperity	Proposed Amendment