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NEVADA LEGISLATURE - 54th SESSION

SENATE COMMITTEE ON  
FEDERAL, STATE, AND LOCAL GOVERNMENTS

Minutes of Meeting Held  
March 13, 1967

The 19th meeting of the Senate Committee on Federal, State, and Local Governments was called to order at 1:05 p.m. on Monday, March 13, 1967, by Chairman Gibson.

All committee members were present.

The following bills were considered:

S.B. 336: Amends various provisions relating to regulation of public utilities by public service commission. Introduced by Senator Swobe.

The Chairman stated that Mr. George Allard of the Public Service Commission had come over last week to discuss the bill with the committee, but the committee meeting had had to be canceled, and Mr. Allard therefore had commented on the bill to the Chairman, stating that the change of date from June 1 to July 1 (p. 1, l. 6) is needed because the June 1 deadline simply does not give the PSC enough time to analyze the reports that come in. Making this change then requires the date shifts that are made in lines 10, 12, and 13 on page 1.

As to the insertion of "salaries" on line 3, page 2, this is consistent with legislative establishment of the one mill tax to permit expansion of the PSC staff, since salaries are being paid from that fund.

In discussion of the change in line 24, page 2, relative to accident report forms, a number of members felt perhaps this line should read, "4. The commission shall adopt, provide and utilize all accident"--in the interest of obtaining uniformity of reporting to the PSC.

In discussion of the new language appearing on lines 6-9 on page 3, there was general agreement that this was necessary to insure that the PSC can check out interlocking interests, possible "phantom" organizations, etc.

DISPOSITION: The Chairman will check further with Mr. Allard on the Section 3 changes (lines 24 and 28 on page 2).

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S.B. 382: Establishes additional allowable investments for funds of local governments. Introduced by Senator Swobe.

Senator Hecht stated he had checked with Hugo Quilici of the First National Bank of Nevada, who saw no problem in connection with this bill. Discussion followed, among committee members.

✓ DISPOSITION: Senator Monroe moved, "Do pass"; Senator Young seconded; the motion passed unanimously.

S.B. 384: Authorizes member of board of county commissioners who is sole supplier to sell supplies and services to county. Introduced by Senator Titlow.

Senator Titlow entered the meeting at the request of the Chairman, at this point (1:25 p.m.).

Senator Titlow explained that this bill was prompted by a local situation in Tonopah and Nye County and stated the committee could amend the bill to apply to services only, rather than to supplies and services, and their problem would be met. He also had no objection to an amendment suggested by Senator Monroe whereby services costing in excess of \$500 would be put out to bid.

Senator Titlow left the meeting at 1:28 p.m.

Discussion of the bill followed, with the members agreeing that the bill should be amended to apply to services only and to require that services in excess of \$500 would be put out to bid.

DISPOSITION: Senator Monroe moved, "Amend and do pass as amended." Senator Farr seconded the motion, and it passed unanimously.

S.B. 312: Provides for penalties for failure to pay personal property taxes on unsecured roll and transfers responsibility for collecting such taxes to county treasurers. Introduced by Clark County Delegation.

The Chairman stated it is assumed this bill came from the Clark County Assessor. Has heard from Clark County Treasurer, who is strongly opposed to the bill. The Chairman then read a letter from the White Pine County Treasurer, who described this as vicious legislation. Discussion by members.

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✓ JB 312  
 ✓ DISPOSITION: Senator Bunker moved that "we kill the vicious bill." Senator Monroe seconded the motion. It passed unanimously.

S.B. 404: Clarifies Sparks city manager's responsibility to mayor. Introduced by Senator Farr by request.

Senator Farr explained that this bill requires that reports and budgets now generally submitted to the council shall henceforth be submitted also to the mayor. These additional requirements, set out on page 2 of the bill, are consistent with existing wording in the law as set out in lines 5 to 8 on page 1. Discussion by the members.

✓ DISPOSITION: Senator Monroe moved "Do pass"; Senator Bunker seconded; the motion passed unanimously.

S.B. 331: Authorizes the State of Nevada to borrow money, otherwise to incur obligations, and to issue securities in connection with any project authorized by another act. Introduced by Clark County Delegation.

The Chairman stated this was one of the three enabling bills (Senate Bills 303, 305, and 331) relating to the Colorado River Commission and the Southern Nevada Water Supply Project, and that this particular bill constituted the master State Securities Law, similar in purpose to the University Securities Law and the Local Governments Securities Law; hence it should be considered separately from Senate Bills 303 and 305 applying specifically to said Water Project.

In discussion it was brought out that this law covers all types of bonds that the State would use in any bonding situation.

The Chairman said he had two amendments which had been proposed by Senator Brown. The first comprised a new subsection numbered 11, to Section 107, to be inserted after line 3 on page 27 of the bill. The second was the insertion on line 6, page 26, before the word "tax", of the words "for the approval of any series of bonds to be issued hereunder". This phrase did not fit in properly at just that point, and the committee members, in considering the language, felt probably the insertion should read, "or for the approval of any series of bonds to be issued hereunder" and that it should be placed after the word "conferred" in line 6 on page 2. The Chairman stated that the page 27

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2B 331  
 amendment had been approved by Legislative Counsel Russ McDonald, and that he would check out the placement of the line 6, page 26, amendment with Mr. McDonald. Discussion by the members.

DISPOSITION: Senator Young moved that the two Section 107 amendments be made and that the bill then be reported out of committee with a "Do pass" recommendation. Senator Monroe seconded the motion. It passed unanimously.

Senate Bills 305 and 303 - the trigger bill and the after-the-fact bill, respectively, for the Southern Nevada Water Project - introduced by the Clark County Delegation.

Senator Young stated he had received a letter from Burrows, Smith and Company, Salt Lake City, raising questions on the debt limit, in relation to S.B. 305. He handed the letter to the Chairman, who read the relevant portions to the committee. A vigorous discussion then ensued as to why and how extensively the State is involved in this project. The Chairman explained that the problem is that the contracts are with the federal government, which will not recognize the City of Las Vegas or Clark County, but will recognize the State of Nevada, as they did in the Boulder Dam project, where the faith and credit of the State were also pledged. He pointed out that the CRC has already been authorized to contract with the federal government for the \$47 million pipeline job at 3½% interest and that the CRC has contracts with each of the using agencies guaranteeing to take so much water. He said the function of S.B. 305 was to let the CRC finish the federal facilities and pay back the obligations already contracted for, should the federal government, for any reason, not authorize sufficient funds to complete its work. As to the water treatment plant, referred to as the state facilities, the \$10 million this will cost will be paid for by the state, but will be paid back to the state by local users, with whom CRC already has contracts. He said this federal and state work comprises Phase One of what will eventually be an \$81 million project. He further stated that if Southern Nevada can come up with a better method for proceeding with the project in the future, then they can get the CRC and the State out of the project, but meanwhile this legislation will get the project going.

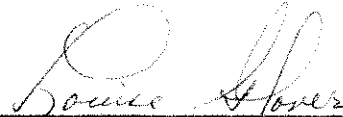
Senator Farr asked that information be furnished to the committee on the allocation of the State's 300,000 acre feet of water from the Colorado River.

DISPOSITION: The Chairman said he would have Legislative Counsel Russ McDonald and Pat Head of the CRC appear before the committee on Wednesday, March 15, at 1:00 p.m., to discuss the debt limit and water allocation situations.

The Chairman announced there would be no 8:00 a.m. meeting on Tuesday, March 14, and that the next meeting would be at 1:00 p.m. on March 14.

The meeting adjourned at 2:00 p.m.

Respectfully submitted,

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Louise Glover - Secretary

I certify that the foregoing minutes are correct.

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Senator James I. Gibson  
Chairman