

Assembly

Minutes of the Meeting of
STATE, COUNTY AND CITY AFFAIRS and
WAYS AND MEANS COMMITTEES
February 22, 1968
2:45 PM

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Members Present: State, County and City: Hilbrecht, Dini, Young, Smith, Tyson, McKissick, Petrini, Garfinckle

Members Absent: Hafen

Ways and Means: Glaser, Mello, Bowler, Tyson, Ashworth, Webb, Howard, Young, Jacobsen

Members Absent: None

Chairman Hilbrecht of State, County and City Affairs opened the meeting.

The subject for the meeting was SB 9 - Enacts Tahoe Regional Planning Compact. Executive estimate of cost: \$40,000 per year.

Chairman Hilbrecht stated that in meetings with the Senate Finance Committee and the Federal, State and Local Governments Committee, his Committee had added Paragraph F to Section 7, stating that no obligation contracted by the agency shall bind either state or political subdivision, over the amount due the agency by this bill.

Chairman Hilbrecht explained that this bill had been divided between the two Committees, with State, County and City Affairs concerning itself with the governmental aspects of the bill, and Ways and Means considering the financial matters. He explained that this compact would, after being accepted by the California Legislature, and ratified by the Congress of the United States, supersede state law in this area.

The amendments added to this bill fall basically in two areas. First, those amendments which were directed at the governmental requirements to insure an orderly governmental process. One amendment provides for a representative from the State to represent the State at large, to be appointed, this appointment can be from any area of the State, instead of being a resident of the basin. This bill was also amended to clarify the point of two separate bodies, the planning agency, which makes recommendations and plans to submit to the governing body. The governing body shall hold public hearings, in much the same manner that now the County Commissioners in the Counties do.

This agency is not set up to take away local powers, but, rather to set standards for the local governments, which will be uniform throughout the basin, no ordinance enacted by the agency shall become effective for 60 days, to give local governments a chance to adopt such ordinances. Therefore, the enforcement of such ordinances will have to rest with the local governments. It is obvious from the budget set for the agency that they could not enforce the ordinances, or to have them do so would not make sense. Local governments can set equal or higher standards using the standards of the regional agency as a basis.

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The second area of concern in amending SB 9, was to provide protection for the industry of gaming, and to provide for the orderly growth of this business. Article 6, Paragraph A, contains the so-called grandfather clause, which not only protects existing licensees, but also protects the land use as adopted by a master plan, for the growth of gaming. Councils for various gaming concerns have read this section and agree that it provides enough protection to satisfy them. It will not freeze or lock in gaming.

Assemblyman Webb asked if this would protect all business licensed by the county and state. Assemblyman Hilbrecht answered no, only gaming because of the unusual nature of the business. This would not restrict the Planning Board or the Governing Board from enforcing legitimate planning activities in the area of gaming anymore than in any other business.

Assemblyman Ashworth asked if this would allow anyone from California who was a member of the Compact any say in our gaming. Only in the area of making them comply with planning regulations, such as they must do now. Chairman Hilbrecht answered.

Chairman Glaser stated that there were no amendments which involved finances and felt that his committee could rely on the State, County and City Affairs as so far as the amendments that they had worked out, and that he thought that the Committee had done a good job. The State of Nevada would have to put up about \$45,000.00 in order to start the agency, after that the counties would carry the largest share of the cost of operation. However he would like to know just how this procedure would operate, would the State bill the counties for the amount of their share?

Mr. Daykin stated that the agency would bill the counties, and that the State would pick up $\frac{1}{2}$ of the counties bills, the counties would bill the State.

Assemblyman Young asked if it would be a continuing cost to the State. Mr. Daykin answered that as long as the Compact was in effect, the State would have an obligation, however it would be limited by the \$150,000.00 ceiling in the bill, and Nevadas share would be about \$25,000.00 per year. In order to change this amount it would take an act of the Nevada Legislature, the California Legislature and the United States Congress.

Assemblyman Jacobsen asked how the counties could put up their share, as it has not be budgeted.

Mr. Daykin replied that they would have to have an emergency re-budgeting to cover this cost.

Assemblyman Jacobsen stated that many of the counties could not afford this amount, and that one of the counties envolved was almost bankrupt at this time.

Assemblyman Glaser asked if the entire amount of \$45,000.00 would be spent.

Mr. Daykin replied that the money would be paid out in claims as they were presented, and it is possible the entire amount would not be spent, or if action on this bill was slow and the California Legislature and the United

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States Congress did not act swiftly, no money would be spent.

Assemblyman Dini asked if it was possible that the assessed valuation could rise in the area and the amount could rise.

Mr. Daykin said it was possible, but not likely.

Assemblyman Jacobsen presented an amendment to the Committees, limiting the power of the agency to control gaming only in regard to water clarity and water purity, or to prevent air pollution.

Chairman Hilbrect asked if this amendment would apply only to gaming.

Mr. Daykin answered yes, all other businesses would be controlled in regard to planning.

Assemblyman Jacobsen stated that he felt that California might want to interfere in gaming and if they did not accept this amendment, we would know right now how they felt about it. This amendment would protect gaming in the State of Nevada.

Mr. Ray Knisley stated that he was familiar with the feelings of the California Legislature, and that this bill and any hope of a Compact would be dead if such an amendment was added to SB 9, it would render the Compact valueless. He stated that California had various form of gambling, which accounted for a large percent of their income, more than in Nevada, and that he knew that there were plans to build a race track in the Meyers area. Plans for this would have to be approved by the agency, and it was only fair that Nevada submitted to the same rules.

Assemblyman McKissick stated that he had spoken to many of the attorneys for the gaming interests and that they were satisfied with the grandfather clause.

Assemblyman Webb asked if the future interests of gaming were protected by the bill.

Assemblyman Hilbrecht stated that they were protected by the including of any land zoned by the master plan as of February 5, 1968. Chairman Hilbrecht stated that the members of the committees were familiar with the area he was sure, and that adoption of such an amendment would prevent control over such areas as signs. Anyone who has seen the area can tell that some type of sign control is needed.

Assemblyman Smith asked if this amendment would also exempt gaming from county and city building ordinances .

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Mr. Daykin replied that it would not affect the counties, it only limits the power of the agency. The counties could have higher standards in regard to building codes and sign ordinances and planning than the agency would suggest. This amendment would only deny the power to the Bi-State Compact.

Assemblyman Petrini moved that the Jacobsen amendment not be adopted. Assemblyman Smith seconded the motion.
The motion carried.

Chairman Hilbrecht asked for a vote on SB 9 from his Committee. Assemblyman Young moved SB 9 be given a DO PASS recommendation. Assemblyman Garfinckle seconded the motion.
The motion carried unanimously.

Chairman Glaser asked that his Committee take action of SB 9. Assemblyman Ashworth moved that SB 9 be given a DO PASS recommendation. Assemblyman Bowler seconded the motion.
The motion carried.

The meeting was adjourned.