

Mr. McDonald came in and answered questions from the Committee regarding the two bills in question (re/ the Fair and Recreation Board, Winnemucca race track, agricultural districts as applied to the language in these bills, et cetera.) He also pointed out that SB-48 was recommended by the Fiscal Analyst as a result of the last audit of the Racing Commission. He agreed that the easiest way to handle this was to put SB-48 in SB-140, and suggested that Chairman Gibson give him the two bills with the amendments and he would try to integrate them so there would be "one package."

SB-178 Proposed by Senator Titlow.
Increases powers of town boards of unincorporated towns.

Senator Titlow appeared before the Committee and explained the bill, stating that Section 2, subsection 1, 2, provides that a town board can assess a 2% tax of the net profit or a maximum of \$5,000.00 as a franchise tax. Many incorporated cities have this. He cited the City of Gabbs in Nye County as having a franchise tax. He then read Section 3 (which is an amended section), stating that as it now stands if the town board is formed by initiative petition, they are appointed by the county commissioners until the next election, but as long as there is an election, they might as well be elected at the same time.

In Section 3, subsection 2, the Committee and Senator Titlow agreed that the stipulation of 10 days before an election was too short a time. He further read the amended sections of the bill, detailing why certain language was being removed. He said that after the changes the town board would by and large, be in the position of having the powers granted to the county commissioners, acting as town boards, which is the case in these unincorporated towns -- plus the fact that the town board form of government would be in a position to receive -- as with the cigarette tax which is in the bill -- the income of a small unincorporated city without the burden of having this high administrative cost. This prevents towns like Tonopah from having an incorporated city.

Chairman Gibson questioned the advantage of this type of government over that of incorporated cities and Senator Titlow said the main deterrent was the cost of administration in incorporated cities. Chairman Gibson stated that the cigarette tax is in another bill and the language in this bill regarding distribution should be considered. After further discussion, he requested that the section referring to the cigarette tax distribution be taken up in the Taxation Committee in conjunction with the bill that is there now that deals with this question. He requested that certain amendments be made and the two bills be looked at together. Mr. Daykin spoke at some length, clarifying various points in the bill and answering questions from the Committee members. Implications on this bill regarding the power company was also discussed -- as it applies to townships concerned in this bill, and others throughout the State. Chairman Gibson said he felt that there was a need to talk to the utility company regarding this bill out of courtesy.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Patricia F. Burke
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Committee Secretary