

MINUTES OF MEETING - COMMITTEE ON TAXATION - 56TH ASSEMBLY SESSION  
February 10, 1971

PRESENT: Kean, Lingenfelter, Swallow, May, Smalley, Glaser, Smith

GUESTS: Mr. Randy Capurro, Assembly  
Mr. Bob Broadbent, Clark County Commissioner  
Mr. David B. Henry, Clark County Administrator  
Mr. Darrell Dreyer, Assemblyman  
Mr. Ray Knisley  
Mr. R. E. Cahill, Nevada Resort Association  
Mr. Joe Digles, Nevada Resort Association  
Mr. Keith Ashworth, Assemblyman

Chairman Kean convened meeting at 8:00 a.m.

Mr. Smith stated Mr. Harold Laird could not be present this morning but would be here tomorrow morning. Mr. Broadbent who was present was invited to make a presentation to the committee on the tax situation in Clark County.

Mr. Broadbent stated Clark County itself gets no part of the so called urban taxes--the liquor tax, the cigarette tax or the  $\frac{1}{2}$ ¢ optional sales tax, yet they offer urban services to the unincorporated areas. Their prime concern is the expanding services to the juvenile and welfare departments. They suffer an impact of necessary funds at the same time the other necessary services continue. The urban tax base or the urban revenue will not take care of all the problems.

In some areas costs cannot be cut back because the commissioners do not control the budget -- such as the juvenile department whose budget is approved by the juvenile judge. Cut backs have been made in other areas. The county has only twenty-five more employees than it had three years ago.

The county has the same tax revenues as the city except for the utilities franchise tax but this is offset by a room tax increase of one-cent over that of the city.

The Commissioners will make their presentation to the Clark County delegation so they can see the comparison of schools and county and city tax needs. They have, as members of the County Commissioners Association, endorsed a 1¢ tax. All of the commissioners realize the problem and would like to solve it locally if there are methods to do so.

Mr. Kean stated the Taxation Committee had been studying measures to replace the  $\frac{1}{2}$ ¢ sales tax should it be declared unconstitutional as anticipated. Under consideration was the repeal of the 1 $\frac{1}{2}$ ¢ tax and the placing of 3 $\frac{1}{2}$ ¢ state wide tax. The actual results would be the people voting on a 1 $\frac{1}{2}$  cent tax.

Another measure under consideration is a services tax that would not bring in quite as much as the  $\frac{1}{2}$ ¢ tax because there is already a room tax; services of doctors and dentists would be exempt; transportation would be exempt because of its interstate nature.

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Mr. Henry stated a part of the county's problems arose from their operation of a number of agencies that were tied to state agencies-- food commodities, medical-social welfare, direct assistance.

Mr. Henry stated the State had a statutory obligation to perform but when they neglected to do so the county had to step into the vacuum and bear the burden of providing for a state agency and also supporting a county agency and make up the deficit for what the state agency did not perform and what the people of Clark County demanded.

Mr. Henry said another problem was that of providing urban services that went directly to incorporated areas. The bulk of the beneficiaries of those human services were inside the city limits. The funding base was not the same as the service area. Mr. Broadbent said some of this could be solved by annexation. He felt that urban services were best provided by urban areas.

Mr. Kean thanked the gentlemen for their presentation and welcomed future comments and suggestions from them.

Mr. Ashworth volunteered to make a study pertaining to the possibility of eliminating the 70¢ to the school districts and substituting that with additional sales tax.

Meeting adjourned.