Senate

COMMITTEE ON FEDERAL. STATE AND LOCAL GOVERNMENTS

Minutes of Meeting -- February 25, 1971

The fourteenth meeting of the Committee on Federal, State and Local Governments was held on February 25, 1971, at 3:00 P.M. in the office of Mr. Russ McDonald of the Legislative Counsel Bureau.

Present were:

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James I. Olbson Warren L. Monroe Carl F. Dodge Coe Swobe

Russ McDonald

The main purpose for this meeting was for consideration of the following:

<u>SB-203</u> Abolishes two-colors-of-bond-ballots elections; authorizes approval of bond questions; other proposals submitted at elections by majority of electors voting thereon; ratifies actions taken pertaining thereto.

Chairman Gibson explained that he had had a request from the Washoe County School District saying that their bond counsel has told them they should have this on the books before the primary election, which is in May.

<u>Mr. McDonald</u>: Right at the moment the State of Nevada is "dead in the water" with respect to its ability to borrow any money by the issuance of securities. There are two prongs to the argument. One is that legally, as the result of a series of Supreme Court cases, extreme doubt has been cast as to the constitutionality of Nevada's system. Nobody has come out plainly and said it is good or bad, but the practical aspect is that we will not get a marketable opinion on any Nevada bonds on the basis of our present statute. They go further to say (bonding counsel) no way are we going to approve a Nevada issue.

Ever since the so-called Cipriano case, which was handed down a couple of years ago, this was the first indication, although it was a question of revenue bonds, upon which only tax-paying electors had a right to vote, and was followed



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then by what we call the Phoenix case, which definitely knocked out a \$40,000,000 City of Phoenix bond issue. In Arizona the constitution, of all things, says that only tax-paying electors can vote. So, everybody has pretty well come to the conclusion that as a matter of constitutional law, that you are then giving a minority the right to veto -- and this is the main thrust of the constitutional argument.

Now, as to the practical aspect -- we got by with the validation act which the governor signed last Friday, and even our state park bonds were tinged with this illegality on the constitutionality because it was a two-color-ballot law in effect when the people voted on it.

Chairman Gibson asked Mr. McDonald whether or not this bill would cover every conceivable bond election situation. Mr. McDonald said that to the best of his knowledge it did, and then identified each section as follows: 293, general election law; 349, state election law; 350, local government securities law (applies to other than school districts); 387, school code; and 266, general charter cities. These are followed by the individual charters and the water districts.

In response to a question from Chairman Gibson regarding the convention hall, Mr. McDonald stated that this would fall under Chapter 350. He demonstrated this by referring to Chapter 244.705 (fair and recreation boards, county fair and recreation boards, and bonds for recreational facilities). This says, "for any such purpose the county fair and recreation board at any time . . . may issue in the manner provided in 350.001 to 350.006 (county bond commission) and 350.010 to 350.070 as from time to time amended general obligation bonds, double-barrelled bonds . . . " In the last session we took care of all this by bringing them into reference to one of these three major acts.

Senator Monroe moved "Do Pass," seconded by Senator Swobe. The motion carried. Mr. McDonald then stated that they could add any "housekeeping" amendments later.

<u>SB-290</u> Amends Consolidated Local Improvements Law to authorize cities with commission form of government to acquire, operate, maintain electrical projects.

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Mr. McDonald explained that what they propose to do is amend this to add the telephone project, and will be limited to a municipality organized under the commission type of government. He further stated that he would have an amendment to this bill ready by Monday.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Mary Jean Fondi, Committee Secretary

S. B. 203

SENATE BILL NO. 203—COMMITTEE ON FEDERAL, STATE AND LOCAL GOVERNMENTS

FEBRUARY 15, 1971

Referred to Committee on Federal, State and Local Governments

SUMMARY—Abolishes two-colors-of-bond-ballots elections; authorizes approval of bond questions, other proposals submitted at elections by majority of electors voting thereon; ratifies actions taken pertaining thereto. Fiscal Note: No. (BDR 30-959)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to elections; concerning the submission of bond questions and other proposals at elections, the registration of electors and the manner of voting on and approving such proposals; validating, ratifying, approving and confirming outstanding public securities of the state and all corporate subdivisions and agencies thereof and acts and proceedings had or taken preliminary to or in the approval or purported approval of a bond question or other proposal at an election, or based upon such an approval, and pertaining to public securities; amending the charter of Carson City, the charters of the cities of Henderson and Sparks and the act creating the Las Vegas Valley Water District; and otherwise providing matters properly relating to elections and proposals submitted at elections.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

1 SECTION 1. NRS 293.481 is hereby amended to read as follows: 2 293.481 1. Except as provided in subsection 2, every governing 3 body of a political subdivision, public or quasi-public corporation, or 4 other local agency authorized by law to submit questions to the qualified 5 electors or registered voters of a designated territory, when such govern-6 ing body decides to submit a question:

(a) At a general election, shall provide a copy of such question to each county clerk within the designated territory on or before the 1st Monday in August preceding the election.

(b) At a primary election, shall provide a copy of such question to each county clerk within the designated territory on or before the 3rd Monday in July preceding the election.

13 (c) At any election (other than a primary or general election) at which 14 the county clerk gives notice of the election or otherwise performs duties 15 in connection therewith other than the registration of electors and the 16 making of records of registered voters available for the election, shall

> Original bill is <u>27</u> pages long. Contact the Research Library for a copy of the complete bill.

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a addition to the power specified in

SENATE BILL NO. 290-COMMITTEE ON FEDERAL, STATE AND LOCAL GOVERNMENTS

FEBRUARY 22, 1971

Referred to Committee on Federal, State and Local Governments

SUMMARY-Amends Consolidated Local Improvements Law to authorize cities with commission form of government to acquire, operate, maintain electrical projects. Fiscal Note: No. (BDR 21-1552)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT amending the Consolidated Local Improvements Law to authorize incorporated cities with a commission form of government to acquire, improve, equip, operate and maintain electrical projects as defined.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

1 SECTION 1. Chapter 271 of NRS is hereby amended by adding 2 thereto a new section which shall read as follows: 3

"Electrical project" means any facilities for the transmission and distri-·4 bution of electrical power, either above or beneath the surface of the ground, including lines, poles, conduits, house connections, transformers and related appliances, and all appurtenances and incidentals necessary, useful or desirable for any such facilities (or any combination thereof), including real and other property therefor.

SEC. 2. NRS 271.265 is hereby amended to read as follows: 271.265 *1*. The governing body of a municipality, upon behalf of the 10 municipality and in its name, without any election, shall have power from 11 time to time to acquire, improve, equip, operate and maintain, within 12 13 or without the municipality, or both within and without the municipality: 14

- [1.] (a) A curb and gutter project;
- (b) A drainage project; 23
- (c) An offstreet parking project;
- (d) An overpass project;
- (e) A park project;

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- (f) A sanitary sewer project;
 - (g) A sidewalk project;
 - (h) A storm sewer project;
 - (i) A street project; 9.
- (j) An underpass project; and
- (k) A water project.

Original bill is 2 pages long. Contact the Research Library for a copy of the complete bill.