

Assembly
GOVERNMENT AFFAIRS COMMITTEE
MINUTES OF THE MEETING
APRIL 12, 1973

MEMBERS PRESENT: CHAIRMAN DINI
 VICE-CHAIRMAN ULLOM
 ASSEMBLYMAN BROOKMAN
 ASSEMBLYMAN MAY
 ASSEMBLYMAN SMITH
 ASSEMBLYMAN GETTO
 ASSEMBLYMAN GOJACK
 ASSEMBLYMAN YOUNG
 ASSEMBLYMAN FORD

ALSO PRESENT: SEE ATTACHED LIST

The meeting was called to order by the Chairman.

✓ SB 491 - Provides for assumption and retrocession of state jurisdiction over indian country.

Mr. Boswell of the Inter-Tribal Council told the committee that FL 284 was passed by the U.S. Congress, which allowed indians to be under federal and tribal law or under state law. Indians in Nevada were not given any choice in the matter. The county commissioners were allowed to choose which system the indians residing on indian land would have. Assemblyman Brookman stated that this law would help every indian living in the state.

Ross Morris told the committee that this law would only apply to indians under state law at present.

Julian Smith told the committee that this interpretation differed from Mr. Morris'; he felt that the indians would be allowed to vote whether or not they wanted to be under federal or state control.

Mr. Morris pointed out that the indians who wanted federal control would have to be accepted by the BIA.

Mr. Yewell told the committee that this was supported by the Inter-Tribal Council of Nevada and he felt it would solve many problems on the indians living on indian land.

Mr. Meder told the committee that he felt that the county commissioners would not oppose the bill, but did question what the cost of providing law enforcement on indian land would be.

AB 955 - Authorizes counties to provide fire protection services and issue general obligation bonds for acquisition of fire protection facilities.

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Mr. McDonald told the committee that there was no basis in law for the county to provide fire protection for the county area. He felt this was a legal problem which should be solved. At present a portion of the general tax monies are used to provide fire protection. The forming of general improvement districts and the issuance of bonds will provide for fire facilities and equipment. If the land where the fire station is located is annexed to the city then the city would take over the obligation of meeting the bonds.

Mr. Hendrickson told the committee that he had a suggested amendment which would remove fire districts formed by vote of the residents from the bill. This would protect some of the smaller fire districts in the state.

Mr. Adams said he opposed this bill as it seemed to him that the city and the county were both taxing for fire service.

* AB 954 - Changes title of fiscal analyst to legislative auditor and makes interdivisional transfer of duties.

Mr. Oliver and Mr. Crosley told the committee that this would created an audit division in the Legislative Council and separate the audit section from the fiscal division. They presented a list of technical amendments to the bill.

Assemblyman May moved "AMEND, DO PASS AND RE-REFER TO COMMITTEE". Assemblyman Getto seconded the motion. The motion carried unanimously.

SB 135 - Declares policy for public employees' retirement system. Mr. Presnell told the committee that the Retirement Board did not oppose this bill.

SB 555 - Relaxes restrictions on casual employment by local governments.

Mr. Oakes told the committee that his organization strongly opposed this bill. He said it was intended to allow the governments to hire at below scale wages. He said it referred to day labor in a different sense than was generally used in the trade.

Mr. Meder told the committee that the intent of this bill was to allow the governments to hire students at the wages paid to regular employees during their summer vacations.

Mr. Smith explained that the term "day Laborer" was defined in the NRS and he had to base his opinion on the legal definition, not on common usage.

The chairman appointed a sub-committee of Assemblyman Ullom and Brookman to study this matter and make a recommendation to the committee.

* - see Attachment

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Assemblyman Gojack moved that the committee recind its action on AB 8.
Assemblyman Getto seconded the motion.
The motion carried unanimously.

Assemblyman Getto moved that AB299, 307, 336, 431 and 456 be referred to a study committee.
Assemblyman Ford seconded the motion.
The motion carried.

Assemblyman May moved "DO PASS" on AB 130.
Assemblyman Smith seconded the motion.
The motion carried.

NAME

BILL #

TESTIFY
YES NO

REPRESENTING

NAME	BILL #	TESTIFY YES NO	REPRESENTING
Paul F. Pissinger	AB955		North Lake Tahoe Forest Dept Division of Forestry No. LAKE TAHOE F.P.D.
George Zappellini	AB955		" 9 N J L C - P O
Dennis K. Wilson	AB955		P.E.R.B.
Keith J. Hennikson	AB-955	X	P.E.R.B.
Charles C. ...	SB 135	✓	State Tribal Council
Gregory ...	SB 135	✓	Executive Board of ...
Bill ...	SB-491	✓	Attorney General's Office
Raymond D. Jewell	SB-491	✓	
Tullian Smith	SB-491	X	
Ron ...	SB-491	✓	

GOVERNMENT AFFAIRS COMMITTEE

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PM AJOURNMENT

ROOM 214

- SB 491 Provides for assumption and retrocession of state jurisdiction over Indian country
- AB 900 Deletes requirement of permission from board of county commissioners prior to seeking assistance of Attorney General's office.
- AB 801 Provides for the use of state funds to enable local programs for the aging to obtain federal matching funds.
- SB 555 Relaxes restrictions on casual employment by local governments.
- SB 565 Clarifies right of local government to license and regulate contractors.

	Initials
Prepared By	
Approved By	

AB 954
Proposed Amendment

18 of the same title.
 19 SEC. 3. NRS 218.2378 is hereby amended to read as follows:
 20 218.2378 1. With the approval of the [fiscal analyst,] legislative
 21 auditor, the board shall cause to be created such records and accounts as
 22 may be necessary to show:
 23 (a) The total accumulated contributions of each member;
 24 (b) The amount held in the legislators' retirement fund;
 25 (c) Income to the fund from each source of income;
 26 (d) Interest earned by the fund;
 27 (e) Disbursements from the fund; and
 28 (f) Such other information as may be deemed necessary by the board
 29 and the [fiscal analyst] legislative auditor to the operation of the legis-
 30 lators' retirement system.
 31 2. Assignment of interest earnings shall be made in the manner
 32 agreed upon by the board and the [fiscal analyst,] legislative auditor.

46 SEC. 5. NRS 218.620 is hereby amended to read as follows:
 47 218.620 1. There is hereby created the Nevada legislative counsel
 48 bureau, which shall consist of a legislative commission, an interim finance
 49 committee, a director, a [fiscal and legislative] auditing division, a legal
 50 division and a research and fiscal analysis division.

1 2. The [fiscal analyst] legislative auditor shall be chief of the [fiscal
 2 and] [legislative] auditing division. The legislative counsel shall be chief of
 3 the legal division. The research director shall be chief of the research and
 4 fiscal analysis division.
 5 3. The legislative commission shall:
 6 (a) Appoint the division chiefs and fix their compensation.
 7 (b) Appoint one of the division chiefs director of the legislative coun-
 8 sel bureau, who shall serve as director without additional compensation.
 9 4. The director of the legislative counsel bureau shall, with the con-
 10 sent of the legislative commission, designate one of the division chiefs or
 11 an employee of the legislative counsel bureau as deputy director, who
 12 shall serve as deputy director without additional compensation.
 13 5. The director of the legislative counsel bureau, the chiefs of the
 14 divisions and legislative counsel bureau employees shall be entitled to
 15 receive, when engaged in official business for the legislative counsel
 16 bureau, travel expenses and subsistence allowances as provided by law.

Proposed Amendment

39 SEC. 10. NRS 218.770 is hereby amended to read as follows:
 40 218.770) The powers and duties of the [fiscal analyst] legislative
 41 auditor shall be:

42 1. To perform a postaudit of all accounts, books and other financial
 43 records of all state departments that are charged with the collection, cus-
 44 tody or expenditure of public funds, and to prepare a written report of
 45 each audit for the legislative commission and for such other person or
 46 persons as designated in this chapter.

47 2. To personally, or by his authorized assistants, examine and audit
 48 when ordered by the legislative commission all fiscal books, records and
 49 accounts of all officers, personnel, custodians of public funds, disbursing

1 officers, property custodians and purchasing agents, and to make inde-
 2 pendent verifications of all assets, liabilities, revenues and expenditures
 3 of the state, and its officers and departments, now in existence or hereafter
 4 created.

5 3. To recommend such changes in the accounting system or systems
 6 and record or records of the state departments as in his opinion will aug-
 7 ment or provide a uniform, adequate and efficient system of records and
 8 accounting.

9 4. To determine whether the handling of the public money is pro-
 10 tected by adequate accounting controls.

11 5. To determine whether all revenues or accounts due have been col-
 12 lected or properly accounted for and whether expenditures have been
 13 made in conformance with law and good business practice.

14 6. To determine whether the fiscal controls established by law and by
 15 administrative regulation are being properly applied.

16 7. To determine whether fraud or dishonesty has occurred in the
 17 handling of funds or property.

18 8. To determine whether property and equipment are properly
 19 accounted for and that none is improperly used or disposed of.

20 9. To determine whether the accounting reports and statements
 21 issued by the agency under examination are an accurate reflection of the
 22 operations and financial condition.

23 10. To cooperate with the executive officers of any and all state
 24 departments in outlining and installing a uniform, adequate and efficient
 25 system of records and accounting.

26 11. To require the aid and assistance of executives and officials, audi-
 27 tors, accountants, and other employees of all the state departments at all
 28 times in the inspection, examination and audit of any and all books,
 29 accounts and records in their possession.

30 12. To employ and authorize, at his discretion and subject to his
 31 direction and responsibility, an independent public accountant or firm of
 32 public accountants, doing business within the State of Nevada, to perform
 33 an audit, inspection and examination of all books, accounts, claims,
 34 reports, vouchers or other records of all state departments whose dis-
 35 bursements in whole or in part are paid out of the funds received from
 36 sources other than the general fund, or whose funds may be considered
 37 funds held in trust and not used for general governmental purposes, or
 38 whose funds are invested. The expenses and costs for such independent
 39 audit shall be paid by the state department audited. The provisions of this
 40 subsection shall not be applicable to the employment security department.

41 13. [To ascertain facts and make recommendations to the legislature
 42 concerning the state budget and the estimates of the expenditure require-
 43 ments of the departments, institutions and agencies of the state govern-
 44 ment.

45 14. To make projections of future public revenues for the use of the
 46 legislature.

47 15.] To make recommendations to the legislative commission for the
 48 enactment or amendment of statutes based upon the results of the per-
 49 formance of his postaudit duties.

	Initials
Prepared By	
Approved By	

AB 954

Proposed Amendment

1 state's financial position in order that a sound fiscal policy may be devel-
 2 oped and maintained for the State of Nevada.]

47 ~~14~~ [3.] After the [fiscal analyst] legislative auditor has furnished a
 48 preliminary report to the head of the state department, the [fiscal ana-
 49 lyst] legislative auditor or his designated representative shall discuss the
 50 report with the head of the state

1 department desires, he may submit to the [fiscal analyst] legislative
 2 auditor within 10 days after the discussion his written statement of expla-
 3 nation or rebuttal concerning any of the findings, and the [fiscal analyst]
 4 legislative auditor shall quote in the final report the officer's explanation
 5 or rebuttal to any of the findings included in the final report.
 6 ~~5~~ [4.] Each final report shall be submitted to the legislative com-
 7 mission. After such report has been accepted by the legislative com-
 8 mission, copies of each final report shall be filed with the governor, the
 9 lieutenant governor, the secretary of state, and each member of the legis-
 10 ture.

New
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	Initials
Prepared By	
Approved By	

AB 954

Proposed Amendment

11 SEC. 12. NRS 218.800 is hereby amended to read as follows:
12 218.800 1. The [fiscal analyst] legislative auditor shall recommend
13 a uniform system of accounting, cost keeping and reporting for every state
14 office, department or institution, which shall exhibit the true financial
15 condition, correct accounts, and statements of funds collected, received
16 and expended for any purpose whatever by all public officers, employees
17 or other persons.
18 2. The accounts or statements shall show:
19 (a) The receipt, use and disposition of all public property.
20 (b) The income, if any, derived from all public property.
21 (c) The income, if any, derived from all sources of public income
22 and the amounts due and received from each source.
23 (d) All receipts, vouchers and other documents kept, or that may be
24 required to be kept, necessary to prove the validity of each transaction.
25 (e) All statements and reports made and required to be made for the
26 internal administration of the office to which they pertain.
27 (f) All statements and reports regarding any and all details of the
28 financial administration of public affairs.]
29 SEC. 13. NRS 218.810 is hereby amended to read as follows:
30 [218.810 1. [In addition to the other duties provided for the fiscal
31 analyst, he shall thoroughly examine all departments of the state govern-
32 ment with special regard to their activities and the duplication of efforts
33 between departments.
34 2.] Upon completing the examination of any state department, [he]
35 the legislative auditor shall furnish the head thereof with a preliminary
36 report of, among other things:
37 (a) The status and condition of all public funds in charge of such
38 department.
39 (b) [The amount of duplication between work done by the depart-
40 ment so examined and other departments of the state government.
41 (c)] The expense of operating the department.
42 [(d)] (c) Breaches of trust and duty, if any, by an officer, property
43 custodian, purchasing agent, or other custodian or disbursement officer
44 of public funds.
45 [(e) Any suggested changes looking toward economy and the elimi-
46 nation of duplication and inefficiency.]

Repeal

Repeal

1 department desires, he may submit to the [fiscal analyst] legislative
2 auditor within 10 days after the discussion his written statement of expla-
3 nation or rebuttal concerning any of the findings, and the [fiscal analyst]
4 legislative auditor shall quote in the final report the officer's explanation
5 or rebuttal to any of the findings included in the final report.
6 [4.] 3. Each final report shall be submitted to the legislative com-
7 mission. After such report has been accepted by the legislative com-
8 mission, copies of each final report shall be filed with the governor, the
9 lieutenant governor, the secretary of state, and each member of the legis-
10 ture.]

	Initials
Prepared By	
Approved By	

AB 954
Proposed Amendment

43 SEC. 16. NRS 218.830 is hereby amended to read as follows:
 44 218.830. 1. The [fiscal analyst] legislative auditor shall prepare an
 45 annual report for the governor, the legislative counsel bureau and mem-
 46 bers of the legislature. Copies of the report shall be filed in the office of
 47 the secretary of state.
 48 2. The annual report shall contain, among other things:
 49 (a) Copies of, or the substance of, reports made to the various state

1 departments, as well as a summary of changes made in the system of
 2 accounts and records thereof.
 3 (b) Specific recommendations to the legislature for the amendment of
 4 existing laws or the enactment of new laws designed to improve the func-
 5 tioning of various departments of the state government to the end that
 6 more efficient service may be rendered and the cost of government
 7 reduced.

replace with

Legislative Auditor 218.830 Biennial report of Legislative Auditor
 1. The ~~fiscal analyst~~ shall prepare ~~an annual~~ report for the governor, A Biennial
 the legislative counsel bureau and members of the legislature. Copies of
 the report shall be filed in the office of the secretary of state. which shall be submitted 2002
Biennial 2. The ~~annual~~ report shall contain, among other things: 3:00 PM each even-numbered
 (a) Copies of, or the substance of, reports made to the various state
 departments, as well as a summary of changes made in the system of
 accounts and records thereof.
 (b) Specific recommendations to the legislature for the amendment
 of existing laws or the enactment of new laws designed to improve the
 functioning of various departments of the state government, ~~to the end~~
 that more efficient service may be rendered and the cost of government
 reduced.
 [11:205:1949; 1943 NCL § 7345.11]—(NRS A 1963, 1020; 1969,
 134)

due to SB 469 ch 269
 section 16 may have to
 effective 12.01

	Initials	Date
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AB 954
Proposed Amendment

8 SEC. 17. NRS 218.840 is hereby amended to read as follows:
9 ~~218.840~~ 1. All recommendations submitted by the [fiscal analyst]
10 legislative auditor shall be confined to those matters properly coming
11 within his jurisdiction, which is:
12 (a) To see that the laws passed by the legislature dealing with the
13 expenditure of public moneys are in all respects carefully observed.
14 (b) To see that the attention of the legislature is directed to all cases
15 of violation of the law and to those instances where there is need for
16 change of existing laws or the enactment of new laws to secure the effi-
17 cient spending of public funds.
18 2. The [fiscal analyst] legislative auditor shall not include in his rec-
19 ommendations to the legislature any recommendations as to the sources
20 from which taxes shall be raised to meet the governmental expense.
21 3. All reports by the [fiscal analyst] legislative auditor shall call
22 attention to any funds, which in his opinion have not been expended in
23 accordance with law or appropriations by the legislature. His reports
24 shall make recommendations to the legislature as to the manner or form
25 of appropriations which will avoid any such improper expenditure of
26 money in the future.

repeal

27 SEC. 18. NRS 218.850 is hereby amended to read as follows:
28 218.850 1. Each of the audits provided for in this chapter shall be
29 made and concluded as directed by the legislative commission and in
30 accordance with the terms of NRS 218.740 to 218.890, inclusive, but
31 shall be concluded and reports thereof made not later than 30 days before
32 the convening of each regular session of the legislature, except in the case
33 of an audit in progress, continuing work on which has been approved by
34 the legislative commission.
35 2. The legislative commission shall direct the [fiscal analyst] legisla-
36 tive auditor to make any special audit or investigation that in its judgment
37 is proper and necessary to carry out the purpose of this chapter or to
38 assist the legislature in the proper discharge of its duties.

39 SEC. 19. NRS 218.860 is hereby amended to read as follows:
40 218.860 1. The legislative commission shall direct the printing or
41 mimeographing of such number of any reports of the [fiscal analyst]
42 legislative auditor as it thinks necessary and proper.
43 2. All reports of the [fiscal analyst] legislative auditor filed by the

repeal

	Initials	Date
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AB 954
Proposed Amendment

45 SEC. 20. NRS 218.870 is hereby amended to read as follows:
 46 218.870 1. The [fiscal analyst] legislative auditor shall keep or
 47 cause to be kept:
 48 (a) A complete, accurate and adequate set of fiscal transactions of the
 49 office of the legislative counsel bureau.]

*of accounting
Records and reports for all legislative
operations.*

1 (b) A complete file of copies of all audit reports, examinations, inves-
 2 tigation and any and all other reports or releases issued by him.

3 (c) A complete file of audit work papers and other evidences pertain-
 4 ing to work of the [fiscal analyst] legislative auditor.

5 2. Whenever the [fiscal analyst] legislative auditor has photographed
 6 or microphotographed or filmed all or any part of the records kept by
 7 him pursuant to subsection 1 in a manner and on film or paper that
 8 complies with the minimum standards of quality approved for such photo-
 9 graphic records by the National Bureau of Standards, and has placed
 10 such photographs or microphotographs or films in conveniently accessible
 11 files and made for preserving, examining and using them, the [fiscal
 12 analyst] legislative auditor may, upon the approval of the legislative com-
 13 mission, cause the original records from which the photographs or micro-
 14 photographs or films have been made, or any part thereof, to be disposed
 15 of or destroyed.

16 SEC. 21. NRS 218.880 is hereby amended to read as follows:
 17 ~~218.880 1. If the [fiscal analyst] legislative auditor finds, in the~~
 18 ~~course of his audit, evidence of improper practices of financial administration~~
 19 ~~or inadequacy of fiscal records, he shall report the same immediately~~
 20 ~~to the governor, the legislative commission, and the department head or~~
 21 ~~heads affected.~~

22 2. If the [fiscal analyst shall find] legislative auditor finds evidence
 23 of illegal transactions, he shall forthwith report such transactions to the
 24 governor, the legislative commission, and the attorney general, *and to*

*district attorney of the county
of jurisdiction.*

70 101
Proposed Amendment

27 SEC. 28. NRS 353.210 is hereby amended to read as follows:

28 353.210 1. On or before September 1 of each even-numbered year,
29 all departments, institutions and other agencies of the executive depart-
30 ment of the state government, and all agencies of the executive depart-
31 ment of the state government receiving state funds, fees or other moneys
32 under the authority of the state, including those operating on funds des-
33 ignated for specific purposes by the constitution or otherwise, shall pre-
34 pare, on blanks furnished them by the chief, and submit to the chief
35 estimates of their expenditure requirements, together with all anticipated
36 income from fees and all other sources, for the next 2 fiscal years com-
37 pared with the corresponding figures of the last completed fiscal year and
38 the estimated figures for the current fiscal year. The chief shall direct that
39 one copy of the completed forms be delivered directly to the [fiscal anal-
40 yst] legislative auditor and one copy directly to the research director of
41 the legislative counsel bureau on or before September 1 of each even-
42 numbered year.

43 2. The expenditure estimates shall be classified to set forth the data
44 of funds, organization units, character and objects of expenditures. The
45 organization units may be subclassified by functions and activities, or in
46 any other manner at the discretion of the chief. In any department, insti-
47 tution or other agency of the executive department of the state govern-
48 ment, whether its funds be derived from state funds or from other moneys
49 collected under the authority of the state, shall fail or neglect to submit
50 estimates of its expenditure requirements as herein provided, the chief

1 shall have power and authority, from any data at hand in his office or
2 which, in his discretion, he may examine or obtain elsewhere, to make
3 and enter an arbitrary budget for such department, institution or agency
4 in accordance with such data as he may have at hand or obtain.

5 3. Agencies, bureaus, commissions and officers of the legislative
6 department and the judicial department of the state government shall, at
7 the request of the chief, submit to him for his information in preparing the
8 executive budget the budgets which they propose to submit to the legisla-
9 ture.

10 SEC. 29. NRS 353.215 is hereby amended to read as follows:

11 353.215 1. Not later than June 1 of each year the governor shall
12 require the head of each department, institution and agency of the execu-
13 tive department of the state government to submit to him through the
14 chief a work program for the ensuing fiscal year. Such program shall:

15 (a) Include all appropriations or other funds from any source whatever
16 made available to the department, institution or agency for its operation
17 and maintenance and for the acquisition of property.

18 (b) Show the requested allotments of appropriations or other funds by
19 month or other period as the chief may require for the entire fiscal year.

20 2. The governor, with the assistance of the chief, shall review the
21 requested allotments with respect to the work program of each depart-
22 ment, institution or agency, and the governor shall, if he deems it neces-
23 sary, revise, alter or change such allotments before approving the same.
24 The aggregate of such allotments shall not exceed the total appropriations
25 or other funds from any source whatever made available to the depart-
26 ment, institution or agency for the fiscal year in question.

27 3. The chief shall transmit a copy of the allotments as approved by
28 the governor to the head of the department, institution or agency con-
29 cerned, to the state treasurer, to the state controller, [and] to the [fiscal
30 analyst, legislative auditor] and to the research director of the legislative
31 counsel bureau.

32 4. All expenditures to be made from the appropriations or other
33 funds from any source whatever shall be made on the basis of such allot-
ments and not otherwise, and shall be broken down into such classifica-

	Initials	D
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AB 954
Proposed Amendment

26 SEC. 32. NRS 353.319 is hereby amended to read as follows:
27 353.319 1. The state controller shall proceed immediately upon July
28 1, 1969, to implement the provisions of the Fiscal and Accounting Pro-
29 cedures Law.
30 2. The state controller shall present reports on the development and
31 implementation of the Fiscal and Accounting Procedures Law to the
32 [fiscal and] [legislative] auditing division of the legislative counsel bureau.
33 3. All proposed changes in the method and procedures of accounting
34 shall be presented to the department of administration and the [fiscal
35 and] [legislative] auditing division of the legislative counsel bureau and the
36 state board of finance for their review and recommendations prior to
37 implementation.

Initials	
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Approved By	

AB 954

Proposed Amendment

46 SEC. 34. NRS 383.110 is hereby amended to read as follows:
47 383.110 The council may accept any gift, grant or bequest from any
48 source for the purpose of carrying on its work. All such sums shall be
49 deposited in the state treasury in a nonreverting gift fund and expended

1 in accordance with the budget laws of the State of Nevada upon prop-
2 erly itemized and verified claims approved by the state librarian and the
3 council. [The [fiscal analyst] legislative auditor shall audit, examine and
4 report on the fund.]

5 SEC. 35. NRS 387.013 is hereby amended to read as follows:
6 387.013 On and after July 1, 1970, the state controller shall, each
7 quarter, prepare a complete financial report of the state permanent school
8 fund. A copy of this report shall be submitted to the state board of
9 finance [and to the fiscal and auditing division] [the legislative auditor
10 and the research director of the legislative council] bureau.