

MINUTES

ASSEMBLY  
GOVERNMENT AFFAIRS  
February 18, 1977  
8:00am

MEMBERS PRESENT: Chairman Murphy  
Mr. May  
Mr. Craddock  
Mr. Jeffrey  
Mr. Mann  
Mr. Moody  
Mr. Robinson  
Mrs. Westall  
Mr. Rhoads

Chairman Murphy called the meeting to order at 8:04 and announced that the purpose of the meeting was to discuss A. B. 135, S. B. 30, S. B. 33, S. B. 34.

ASSEMBLY BILL 135

Henry Gallas, First National Bank, Clay Ward, Security National Bank, Albert Larsen, Pioneer Citizens Bank, Dave Hampton, Valley Bank, Fran Breen, National Society of Banking Associations came before the committee. Mr. Gallas was the main speaker for the group. He told the committee that the definition of "dormant" was not clear and that each bank had its own definition and that they use "dormant" for control purposes. He stated that the bill had no provisions for accruing interest on the money that is escheated to the state. He added that the paperwork involved in this transfer to the state would be too much trouble.

Assemblyman Moody asked at what point would the banks say an account was dormant. He was told that it varied from bank to bank.

Assemblyman Mann asked if the men could give an approximate figure as to just how much money is in dormant accounts. There was no firm answer to his question.

Assemblyman Jeffrey asked how many accounts would they classify as dormant in their banks. He was told that it was too much trouble to find out.

Assemblyman May asked if there were any provisions in the state or federal charters that had to do with escheating money to the state. He was told that there were none.

Assemblyman Robinson commented that Nevada's sister states did not seem to think that the escheating procedure to the state was too much of a problem. He also told the committee that there is another bill written by the Attorney General's office on the same matter and that perhaps the committee should not take action until that bill is also considered. He suggested a possible interim study by the Legislative Commission on the subject of escheating.

SENATE BILL 33

Mike Melner and Bud Gubleman from the Department of Commerce told the committee that Senate Bills 33 and 34 were housekeeping measures. S. B. 33 expands the definition of "real property" in Nevada Housing Finance Law to include rights to space above the lands. The gentlemen discussed the legal fiction of "air space" with the committee.

SENATE BILL 34

Mike Melner and Bud Gubleman from the Department of Commerce told the committee that bond counselors drafted this bill to put some additional protections into the statutes because in the past they have been dealing with the concept of a sponsor which is not discussed in the NRS. A sponsor is someone who puts the project together. They want to make sure there is some kind of statutory definition of what a sponsor is and who they are dealing with. They have been very careful over the past two years but feel that it should be made a little more concrete. The bill also sets out a new way to protect collateral which will expedite the relationship with the participating lending institutions in Nevada. The changes in section 4, subsection 5 of the bill says that the \$200,000,000 should not be construed as a contract to existing bond holders that the limitation will never be taken off so that if the limitation is desired changed in the future by the Legislature there would not be a contract to stop them from doing this.

Mr. Jeffrey asked if there was a reason for the counties to be left out of section 1 line 8. He was told that there was no specific reason except that they did not feel that the language was necessary. Mr. Jeffrey asked Mr. Tom Moore later to find out from the Clark County Housing Authority if there were any problems with this bill.

ASSEMBLY  
GOVERNMENT AFFAIRS  
February 18, 1977  
Page Three

Chairman Murphy asked Mr. Melner if, since Mr. May, Mrs. Westall and he were involved in the real estate business, there would be any conflict of interest if they voted on the bill. Mr. Melner said that there would be no conflict.

SENATE BILL 30

Mrs. Thalia Dondero, member of Clark County Commission, reviewed with the committee the amendments that the Senate put into the bill. It was noted that the committee had already heard testimony on this bill in a joint session on January 27 with the Senate Government Affairs committee.

Assemblyman May asked what the approximate increase in the rates for the consumers would be. He was told that until the facilities are working the increase would be approximately 44¢ per month. He also asked if there were any provisions to allow senior citizens to have a discount of their rates, he was told that under the federal regulations the rates have to be across the board to everyone. After the facilities are working the increase will probably double the average sewer bill. The commercial user will pay the exact same rates as the family dwellings or anyone else. These rates will be figured on gallons of waste disposed with strength of matter considered.

Assemblyman Murphy asked Mr. Parrot who had joined Mrs. Dondero at the witness table, if he felt that this piece of legislation was strong enough in terms of water quality so that in a few years the federal government coming back and saying that this treatment is not enough and the quality of the water is not good enough you are going to have to build another plant and make additional changes. He continued by asking if there were any guarantees that what the people are putting all this time and money into will be good for a little while. Mrs. Dondero told the committee that she had had the same concerns and had contacted the EPA office in San Francisco and was told that this was the latest and probably the most desirable treatment and that it would be valuable and good for years and years to come. Mr. Parrot told the committee that there was no guarantee but that they had had many conversations with EPA, the facility is designed completely in accordance with their guidance and wishes. The EPA national guide says that phosphorus is the problem and this facility will eliminate the phosphorus problem. The guide does not speak to nitrogen. There is no intent in this design to eliminate nitrogen. He said that he did not think that the committee should have any worries about EPA coming back and ordering any changes. He added that the State might attempt to order changes regarding nitrogen as they had tried to do in the past.

ASSEMBLY  
GOVERNMENT AFFAIRS  
February 18, 1977  
Page Four

Chairman Murphy asked what kind of problems and damage does the nitrogen that remains in the water do. Mr. Parrot told him that if phosphorus is eliminated then the bacteria cannot grow to fix nitrogen so by in large there is no need to eliminate nitrogen for growth of algae purposes. There may be other reasons to rid nitrogen from the water but unless the case is proven before the mandate to rid the water of the nitrogen it would be unfair.

Assemblyman Craddock asked if all costs of operation will be prorated according to the strength/volume concept of the federal government and then asked if anyone had any objections to an amendment at a later date to mandate such proration.

Assemblyman Mann commented that he did not think that an amendment was necessary because the legislative intent that it be an equal prorated rate has been made very clear and that if it is not followed the Legislature can take care of it two years from now.

Mr. R. Guild Gray explained to the committee the need for expediency in passage of the legislation to meet the deadline of March 17 to get the money.

Mr. Richard Bunker representing the City of Las Vegas told the committee that he supported S. B. 30 but that he would like the committee to be aware of an amendment that Mr. Parrot has no objections to. This amendment could be added to the Act later along with the ones that the Senate are proposing so as not to hold up the passage of the bill. The amendment is to:  
Amend section 2, paragraph 5 on page 2 line 2 by inserting after "interest therein." "This shall not be construed however to mean that the state, acting through the board, shall have the power to acquire facilities of any municipality in the county without consent of its governing body and payment of just compensation."

Mr. Bob Warren, Nevada League of Cities, told the committee that the City Manager's office in Henderson would like to be on record as in support of the above mentioned amendment.

Steven Stucker, representing the City of North Las Vegas, told the committee that his office also supported the amendment offered by Mr. Bunker.

After conferring with Mr. Frank Daykin, Legislative Counsel, who told the committee that Mr. Bunker's amendment could be introduced as a separate piece of legislation, the committee took action on the bill.

ASSEMBLY  
GOVERNMENT AFFAIRS  
February 18, 1977  
Page Five

COMMITTEE ACTION

SENATE BILL 30 - Mr. Jeffrey motioned for a DO PASS, seconded by Mr. Robinson, passed unanimously.

After discussion,

SENATE BILL 33 - Mr. Moody motioned for a DO PASS, seconded by Mr. Jeffrey, the vote was 7 ayes with Mr. Mann voting no and Mr. Robinson abstaining.

The Chairman obtained permission for committee introductions on several BDRs.

There being no further business, the meeting was adjourned at 10:15.

Respectfully submitted,

*Kim Morgan*

Kim Morgan, Committee Secretary

GOVERNMENT AFFAIRS COMMITTEE

GUEST REGISTER

DATE: 2/17/77

NAME, ADDRESS & PHONE NO.	REPRESENTING	TESTIFYING ON BILL NO.
William Payish 248 W. 1st Reno 3237161	New Ind Ins Agents	AB 128
VERNE ROSSE 202 MARY ST CARSON CITY 8826328	Env. Prot. Services	AB 146
BERT J. LAUIT 823 So 6th St LAS VEGAS, NV 702-3824010	NATIONAL ASSN OF PROFESSIONAL AGENTS	AB 128
Robert L. Piddock 4239 Pinecrest Circle West LAS VEGAS Nevada	Self -	AB 128
Jim Woodhams INSURANCE DIVISION		AB 128

GOVERNMENT AFFAIRS COMMITTEE

DATE: 2/18/77

	PRESENT	EXCUSED	ABSENT
CHAIRMAN MURPHY	✓	Aye	
VICE CHAIRMAN MAY	✓	A	
ASSEMBLYMAN CRADDOCK	✓	A	
ASSEMBLYMAN JEFFREY	✓	A	
ASSEMBLYMAN MANN	✓	A	
ASSEMBLYMAN MOODY	✓	A	
ASSEMBLYMAN ROBINSON	✓	A	
ASSEMBLYMAN WESTALL	✓	A	
ASSEMBLYMAN RHOADS	✓	Howard ✓ A	

20  
58