

SENATE FINANCE COMMITTEE  
MINUTES OF MEETING  
APRIL 29, 1977

The meeting was called to order at 8:15 a.m.

Senator James I. Gibson was in the chair.

PRESENT: Senator James I. Gibson, Vice Chairman  
Senator Eugene V. Echols  
Senator Norman D. Glaser  
Senator Norman Ty Hilbrecht  
Senator Thomas R. C. Wilson  
Senator C. Clifton Young

EXCUSED

ABSENCE: Senator Floyd R. Lamb, Chairman  
OTHERS: Ronald W. Sparks, Chief Deputy, Fiscal Analysis  
Howard Barrett, Budget Director  
Cy Ryan, UPI  
Assemblywoman Sue Wagner  
Jim Lien, Deputy Executive Director

Senator Gibson referred the Committee to A.B. 334.

A.B. 334: Requires use of 10 percent of liquor tax proceeds for alcoholism and drug abuse treatment.

Senator Gibson read the amendments which had been returned to the Committee.

Senator Glaser moved the bill do pass as amended; Senator Echols seconded and the motion carried. Senators Young, Hilbrecht and Lamb were not present.

A.B. 480: Lowers threshold for payments by state in lieu of taxes on real property and changes applicable rate.

Senator Gibson read the amendments returned to the Committee.

Senator Echols moved that the bill be passed as amended; Senator Wilson seconded and the motion carried. Senators Young and Lamb were not present.

A.B. 335: Clarified coverage of certain public employees subject to both federal and state retirement systems.

Senator Gibson said that this had to do with the agricultural extension agents. He said it was his understanding that the processing of this bill would help to clarify some of the problems that they are having with S.B. 173. He suggested that the Committee put a limitation on this and he understood that it would be acceptable. The limitation would be that the combined retirement benefits should not be more than 90% or 95% of the person's salary prior to retirement.

This suggestion was discussed with the Committee. In answer to Senator Wilson's query, he said he thought this would affect six or seven of those who were affected and who would have a retirement benefit of about 20% greater than their earnings at the time they retired.

Senator Wilson suggested they not mess around with limitations, if they now have it terminated so there won't be any more.

Senator Young moved to limit the combined retirement benefits to no more than 95% of the salary at the time of retirement and do pass as amended; Senator Glaser seconded and the motion carried, 5-1, with Senator Wilson dissenting.

A.B. 277: Provides property tax allowance for structures with renewable resource heating or cooling systems.

Mr. Lien and Mrs. Wagner spoke on this bill.

The property tax allows this for owners of only residential buildings to put in heating and cooling systems which are specifically stated in the bill as solar or wind energy; geothermal resources; energy derived from conversion of solid wastes, or water power. The designated owner who uses one of these systems is entitled to an allowance against the property tax accrued under this bill.

There is a limit on how much rebate would be allowed and there is a restriction placed upon the rebate where it cannot be granted in any assessment year in which the system is not used.

There is a procedure established for getting a rebate as in the Senior Citizens property tax allowance act. Only one owner may file the claim and it must be done under oath and accompanied by proof that the system is working.

There is a penalty for falsifying information. The bill does not address all possible energy systems but those that are considered to have the most potential and those that are the most costly.

Mr. Lien said they had come up with a fiscal note of \$32,000 based on testimony that there were two potential subdivisions, one in the south and one in the north where homes are going to be built with solar systems for the cooling and heating of them. They computed it on 350 units that would have approximately a \$5,000 market value. These are the only two major areas for this type of planned construction that they are aware of.

The Committee discussed the fiscal note. Senator Gibson said he felt they were going to have to have more. Senator Hilbrecht said he thought the fiscal note was unrealistic. It was clarified that this bill would not apply to hot water in the home being heated by this system, only home heating. It was agreed that if the \$32,000 was not sufficient, they would have to go to Interim Finance for more.

Senator Gibson said the Governor was in favor of the bill as long as it did not carry a new tax. There were no further questions and Senator Gibson thanked them for appearing.

Senator Hilbrecht moved that the bill be given a do pass; Senator Young seconded and the motion carried. Senators Wilson and Lamb were not present.

A.B. 536: Permits allocation of park bond funds by concurrent resolution of legislature during session and defines acquisition.

Senator Echols moved lines 6 and 7 on page 2 in Section 3 be amended to be consistent with the language in Subsection 3 of the old act. Senator Hilbrecht seconded and the motion carried, 4-0, with Senators Young, Wilson and Lamb not present.

Senator Gibson read the amendments on A.B. 734. This bill had been voted out on the previous day with an amend and do pass motion.

Senator Young reported back from a conversation with Dr. O'Bryan relative to A.B. 591. Dr. O'Bryan said that in 1975 there was a bill introduced on behalf of the Sparks people and they wanted to have transferred to them some property which she had appraised and it included Stempeck, which they contended was worthless. She said it was appraised at \$673,000, the whole thing. Eventually

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they ended up giving to Sparks a strip from 21st to Glendale, land to widen a street and also Fisherman's Park with a total value in excess of \$100,000, possibly \$165,000 for the parcels that were given. She said that some of the representatives of Sparks who were lobbying down here at that time indicated that there might be some difficulty in having Stempeck properly zoned. She was in the process then of trying to make an exchange; they told her it was not worth anything. She responded that this might result in litigation by the Attorney General's office.

Stempeck was apparently excluded; thereafter Sparks wanted to use the area for recreation during the summer and the Health Institute wrote a letter saying that they could use it but if there was any effort made to interfere with the exchange or zoning, the use would be cancelled as far as a recreational facility.

Senator Young said he asked her if there was anything ever said or done by the state which would estop the state as far as asserting the six months cancellation - it's a 99 year lease - and she replied that it was before her time, but Ted Reynolds, a former employee, had indicated that he had always cautioned them that the property was held subject to that six months cancellation.

Dr. O'Bryan said there was a baseball diamond with grass and a backstop, the diamond roughed in, horseshoe pit or pits that had been donated on the land. She wasn't sure what the value of the improvements would be.

Senator Young said whether there were any equities for Sparks under those circumstances, as he had related them, he would hesitate to say. This may involve consideration of other measures that are pending in the Legislature.

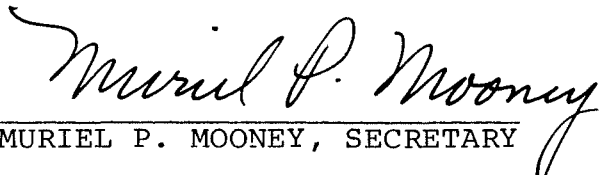
Senator Echols said this was information he had received, that there were very serious difficulties created by Sparks in this situation, which is what Senator Young had really said.

S.B. 469 was discussed but no action was taken.

Senator Gibson said the Committee would meet again at 8:00 a.m. on Saturday.

The meeting adjourned at 9:00 a.m.

RESPECTFULLY SUBMITTED:

  
MURIEL P. MOONEY, SECRETARY

APPROVED BY:

  
JAMES I. GIBSON VICE CHAIRMAN FOR

FLOYD R. LAMB CHAIRMAN

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 334

ASSEMBLY BILL NO. 334—ASSEMBLYMAN GOMES

FEBRUARY 23, 1977

Referred to Committee on Health and Welfare

SUMMARY—Requires use of 10 percent of liquor tax proceeds for alcoholism and drug abuse treatment. (BDR 40-774)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: Yes.

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

AN ACT making an appropriation to the bureau of alcohol and drug abuse in the rehabilitation division of the department of human resources for allocation to certain local alcohol and drug abuse treatment programs; and providing other matters properly relating thereto.

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

- 1 SECTION 1. 1. There is hereby appropriated from the state general  
2 fund to the bureau of alcohol and drug abuse in the rehabilitation division  
3 of the department of human resources the sum of \$150,000 for each of  
4 the fiscal years beginning July 1, 1977, and July 1, 1978, to be allocated  
5 by the bureau to local alcohol and drug abuse treatment programs pursu-  
6 ant to subsection 2.  
7 2. Any money allocated by the bureau shall not be expended unless  
8 an equal amount is provided from another source, and shall be used to  
9 provide for:  
10 (a) Detoxification programs;  
11 (b) Outpatient programs;  
12 (c) Residential programs; and  
13 (d) Education and prevention programs.  
14 3. The bureau shall adopt regulations and establish procedures to  
15 carry out the purposes of this act and shall report the results of the pro-  
16 gram to the 60th session of the Nevada legislature.

21

Original bill is on file at  
the Research Library.

1977

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 480

ASSEMBLY BILL NO. 480—ASSEMBLYMEN  
GLOVER AND JACOBSEN

MARCH 17, 1977

Referred to Committee on Ways and Means

SUMMARY—Lowers threshold for payments by state in lieu of taxes on real property and changes applicable rate. (BDR 32-1457)

FISCAL NOTE: Local Government Impact: Yes.  
State or Industrial Insurance Impact: Yes.

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

AN ACT relating to local governments; postponing the application of the formula for payments by the state in lieu of taxes on real property; making an appropriation for the support of an additional district judge in the first judicial district; and providing other matters properly relating thereto.

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

SECTION 1. NRS 361.055 is hereby amended to read as follows:

1. All lands and other property owned by the state are exempt from taxation, except real property acquired by the Nevada department of fish and game which is or was subject to taxation under the provisions of this chapter at the time of acquisition and except as provided in subsection 4.

2. In lieu of payment of taxes on each parcel of real property acquired by it which is subject to assessment and taxation pursuant to subsection 1, the Nevada department of fish and game shall make annual payment to the county tax receiver of the county wherein each such parcel of real property is located of an amount equal to the total taxes levied and assessed against each such parcel of real property in the year in which title to the same was acquired by the Nevada department of fish and game.

3. Such payments in lieu of taxes shall be collected and accounted for in the same manner as taxes levied and assessed against real property pursuant to this chapter are collected and accounted for.

4. **[All]** After July 1, 1978, all real estate owned by the State of Nevada located in each county shall be listed in a separate tax list and assessment roll book of that county at its full cash value. If the total value of such real estate owned by the state in a county is greater than 17 percent of the total value of all other real estate listed in the county's tax

1 list and assessment roll books, that portion of the value of the real estate  
2 owned by the state which is in excess of such 17 percent may be taxed by  
3 the county as other property is taxed.

4 5. [Moneys] Money received pursuant to this section shall be  
5 apportioned each year to the counties, school districts and cities wherein  
6 each such parcel of real property is located in the proportion that the  
7 tax rate of each such political subdivision bears to the total combined  
8 tax rate in effect for such year.

9 SEC. 2. There is hereby appropriated from the state general fund to  
10 Carson City for the fiscal year beginning July 1, 1977, and ending June  
11 30, 1978, the sum of \$115,000 and for the fiscal year beginning July 1,  
12 1978, and ending June 30, 1979, the sum of \$100,000 for the support of  
13 an additional district judge in the first judicial district.

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Original bill is on file at  
the Research Library.

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

A. B. 277

ASSEMBLY BILL NO. 277—ASSEMBLYMEN WAGNER, MANN,  
BARENGO, HAYES, DREYER, SCHOFIELD, HORN, WEISE,  
GOMES, JACOBSEN, MURPHY, CRADDOCK AND HARMON

FEBRUARY 7, 1977

Referred to Committee on Taxation

SUMMARY—Provides property tax allowance for structures with renewable resource heating or cooling systems. (BDR 32-543)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: Yes.

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

AN ACT relating to property taxes; providing an allowance against taxes on residential buildings equipped with certain heating or cooling systems; providing a penalty; making an appropriation; and providing other matters properly relating thereto.

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

- 1 SECTION 1. Chapter 361 of NRS is hereby amended by adding  
2 thereto a new section which shall read as follows:  
3 1. *As used in this section, "qualified system" means any system,*  
4 *method, construction, installation, machinery, equipment, device or*  
5 *appliance which is designed, constructed or installed in a residential*  
6 *building to heat or cool the building by using:*  
7 (a) *Solar or wind energy;*  
8 (b) *Geothermal resources;*  
9 (c) *Energy derived from conversion of solid wastes; or*  
10 (d) *Water power,*  
11 *which conforms to standards established by regulation of the department.*  
12 2. *The owner of a residential building which is heated or cooled with*  
13 *a qualified system is entitled to an allowance against the property tax*  
14 *accrued:*  
15 (a) *During the current assessment year if the building is placed upon*  
16 *the secured tax roll; or*  
17 (b) *In the next following assessment year if the building is placed upon*  
18 *the unsecured tax roll,*  
19 *in an amount equal to the difference between the tax on such property at*  
20 *its assessed value with the system and the tax on such property at its*  
21 *assessed value without the system.*

1 3. In no event may the allowance:

2 (a) Exceed the amount of the accrued property tax paid by the claimant  
3 on the building or \$2,000, whichever is less; or

4 (b) Be granted in any assessment year in which the qualified system is  
5 not actually used to heat or cool the building.

6 4. Only one owner of the building may file a claim for an assessment  
7 year. A claim may be filed with the county assessor of the county in  
8 which the building is located. The claim shall be made under oath or  
9 affirmation and filed in such form and content, and accompanied by such  
10 proof, as the department may prescribe. The county assessor shall furnish  
11 the appropriate form to each claimant.

12 5. The claim shall be filed between January 15 and March 15, inclu-  
13 sive:

14 (a) Of each assessment year for which an allowance is claimed against  
15 the tax on property placed upon the secured tax roll.

16 (b) Next preceding each assessment year for which an allowance is  
17 claimed against the tax on property placed upon the unsecured tax roll.

18 6. By not later than May 1 of the assessment year, the county  
19 assessor shall provide the auditor of his county a statement showing the  
20 property description or parcel number, name and address of claimant,  
21 and the dollar allowances of each claim granted for the assessment year  
22 under this section with respect to property placed upon the secured tax  
23 roll. After the county auditor extends the secured tax roll, he shall adjust  
24 the roll to show the dollar allowances and the amounts of tax, if any,  
25 remaining due as a result of claims granted under this section. By not  
26 later than June 1 of the assessment year, the county auditor shall deliver  
27 the extended tax roll, so adjusted, to the ex officio tax receiver of the  
28 county.

29 7. The ex officio tax receiver of the county shall make such cor-  
30 responding adjustments to the individual property tax bills, prepared  
31 from the secured tax rolls, as are necessary to notify the taxpayers of the  
32 allowances granted them under this section.

33 8. After granting the claim of a taxpayer whose building is placed  
34 upon the unsecured tax roll, the county assessor shall determine the  
35 amount of the allowance to which the claimant is entitled under this sec-  
36 tion and shall credit the claimant's individual property tax account  
37 accordingly.

38 9. The county assessor shall send to the department, for each assess-  
39 ment year, a statement showing the allowances granted pursuant to this  
40 section. Upon verification and audit of the allowances, the department  
41 shall authorize reimbursement to the county by the state for money appro-  
42 priated for the purpose.

43 10. Any person who willfully makes a materially false statement on a  
44 claim filed under this section or produces false proof, and as a result of  
45 such false statement or false proof, a tax allowance is granted to a person  
46 not entitled to the allowance, is guilty of a gross misdemeanor.

47 SEC. 2. NRS 199.120 is hereby amended to read as follows:

48 199.120 Every person having taken a lawful oath [.] or made affir-  
49 mation in a judicial proceeding [.] or in any other matter where, by law,  
50 an oath or affirmation is required [.] and no other penalty is prescribed,



1 or who [shall] willfully and corruptly [make] *makes* an unqualified state-  
2 ment of that which he does not know to be true, or who [shall swear or  
3 affirm] *swears or affirms* willfully, corruptly and falsely [.] in a matter  
4 material to the issue or point in question, or who [shall suborn] *suborns*  
5 any other person to make such unqualified statement [.] or to swear or  
6 affirm [., as aforesaid, shall be deemed] *in such manner is* guilty of per-  
7 jury [.] or subornation of perjury, as the case may be, and, upon convic-  
8 tion thereof, shall be punished by imprisonment in the state prison for not  
9 less than 1 year nor more than 10 years.

10 SEC. 3. 1. There is hereby appropriated from the state general fund  
11 the sum of \$32,000 to the department of taxation for reimbursement of  
12 allowances granted pursuant to section 1 of this act.

13 2. After June 30, 1979, the unencumbered balance of the appropria-  
14 tion made in section 1 shall not be encumbered and shall revert to the  
15 state general fund.

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Original bill is on file at  
the Research Library.

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

A. B. 536

ASSEMBLY BILL NO. 536—ASSEMBLYMEN GLOVER, KOSINSKI, MELLO, DINI, HARMON, DEMERS, JACOBSEN, BREMNER, BARENGO, JEFFREY, KISSAM, HOWARD, MANN, BROOKMAN, BANNER, HORN, HICKEY, DREYER, BENNETT, MAY, MOODY, MURPHY, WESTALL, SERPA, SENA, ROBINSON, RHOADS, PRICE, POLISH, SCHOFIELD AND CHANEY

MARCH 25, 1977

Referred to Committee on Ways and Means

SUMMARY—Permits allocation of park bond funds by concurrent resolution of legislature during session and defines acquisition. (BDR S-1828)

FISCAL NOTE: Local Government Impact: No. ,  
State or Industrial Insurance Impact: Executive Budget.

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

AN ACT to amend an act entitled "An Act relating to natural resources; directing the submission of a proposal to issue state general obligation bonds for park purposes and fish and game habitat acquisition to a vote of the people; providing for the use of the proceeds if such issue is approved; and providing other matters properly relating thereto," approved May 21, 1975.

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

1 SECTION 1. Section 3 of the above-entitled act, being chapter 660,  
2 Statutes of Nevada 1975, at page 1303, is hereby amended to read as fol-  
3 lows:

4 Sec. 3. 1. If, on the application of the administrator of the state  
5 park system or the director of the Nevada department of fish and  
6 game [.] made during a regular or special session of the legislature,  
7 the legislature finds by concurrent resolution, or if on an application  
8 made while the legislature is not in regular or special session the  
9 interim finance committee finds that specified real or personal prop-  
10 erty, or a combination thereof, ought to be acquired for any one of  
11 the purposes recited in section 2 of this act, [it] the legislature may  
12 direct by its concurrent resolution, or the interim finance committee  
13 may direct:

14 (a) The state board of examiners to issue a sufficient amount of  
15 the bonds authorized pursuant to sections 1 and 2 of this act; and

1 (b) The state park system or the Nevada department of fish and  
2 game to acquire such property from the proceeds of such bonds.

3 2. Neither the administrator of the state park system nor the  
4 director of the Nevada department of fish and game may expend  
5 more than the amount authorized for the acquisition of specified real  
6 or personal property or a combination thereof, unless he has obtained  
7 prior approval from the interim finance committee [.] or of the  
8 legislature by its concurrent resolution.

9 3. The legislature finds and declares that the issuance of bonds  
10 pursuant to this act is for the protection and preservation of the  
11 natural resources of this state and obtaining the benefits thereof, and  
12 constitutes an exercise of the authority conferred by the second para-  
13 graph of section 3 of article 9 of the constitution of the State of  
14 Nevada.

15 4. The provisions of the State Securities Law, contained in  
16 chapter 349 of NRS, apply to the issuance of bonds and the acquisi-  
17 tion of property under this act.

18 SEC. 2. The above-entitled act, being chapter 660, Statutes of Nevada  
19 1975, at page 1303, is hereby amended by adding thereto a new section  
20 to be designated section 4, which shall immediately follow section 3 and  
21 shall read as follows:

22 *Sec. 4. As used in this act, "acquisition" and "acquire" mean*  
23 *the opening, laying out, establishment, purchase, construction,*  
24 *securing, installation, reconstruction, lease, gift, grant from the Fed-*  
25 *eral Government, this state, any body corporate and politic therein,*  
26 *or any person, the endowment, bequest, devise, condemnation, trans-*  
27 *fer, assignment, option to purchase, other contract, or other acquisi-*  
28 *tion, or any combination thereof, of any properties pertaining to a*  
29 *project, or an interest therein.*

30

Original bill is on file at  
the Research Library.