

GOVERNMENT AFFAIRS COMMITTEE

Minutes of Meeting - February 25, 1977

Present: Chairman Gibson
Senator Foote
Senator Faiss
Senator Hilbrecht
Senator Raggio

Also Present: See Attached List

Chairman Gibson opened the sixteenth meeting of the Government Affairs Committee at 1:50 p.m. with a full quorum present.

SB-35

Revises duties of and staff support for the State Board of Finance and State Treasurer. (BDR 31-453)

Mr. Lawrence McCracken, Employment Security Department Administrator, spoke to the committee against this bill. Feels that there should be a more equitable distribution of costs between the other State agencies. See Attachment A.

Earl Oliver, Legislative Auditor, explained that this would be somewhat of a difficult task to perform. Understands the problem that E.S.D. is faced with but the solution might be more costly. Thought that they might prepare a letter for the federal auditors explaining the situation in Nevada.

Senator Hilbrecht also questioned the cure might be more expensive that the problem within E.S.D.

Chairman Gibson noted that after discussion outside the committee room between Mr. Mirabelli and Mr. McCracken, an agreement had been reached to go with the bill as it is and try to work out the problem internally. (See Attachment prepared by the Treasurer labeled B)

Motion of "Do Pass" by Senator Foote, seconded by Senator Raggio Motion carried unanimously.

SB-205

Exchanges land between State Park System and adjacent owner. (BDR S-799) Senate

Senator Ashworth introduced the people who were the cause of this bill being drafted, Mr. Mrs. St. Amonds, and explained their

unique problem. He had a map and went over it with the committee showing the boundary problems the St. Amonds have had with the State Park system.

John Meder, Department of Conservation and Natural Resources, stated that he was in agreement with Senator Ashworth's testimony and had been working to correct the situation also. Mr. Meder presented the secretary with a letter to be entered into the minutes. (See Attachment C)

There were a few technical corrections to be made and Frank Daykin, Legislative Counsel, indicated that these errors were found by his people and were already being corrected.

Motion to "Amend and Do Pass" by Senator Hilbrecht, seconded by Senator Foote. Motion carried unanimously.

SCR-9

Creates select committee on public lands. (BDR 91)

Senator Blakemore indicated that this came out of SCR-35 of the last session and is a companion bill to SCR-3. Senator Blakemore feels that this would be a very effective tool to Nevada. It would give us better input and representation back in Washington D.C.

Harry Galloway, State Board of Agriculture and representing Tom Ballow who could not be present, indicated that they were in favor of this bill.

Senator Raggio expressed concern on the representation. Feels that it should be equal. He was also concerned about the use of public lands for agriculture. Wants to insure that certain lands can remain "free and wide open".

Jan MacEachern, League of Woman Voters, expressed concern about the selection process used to obtain certain lands, page 2, paragraph no. 2; are you being allowed to purchase the land from the federal government? Will the land become state owned or be turned over to private ownership? Also will we give up federal funding for the privilege of private or state ownership.

Senator Blakemore answered her questions and began with the selection process on a selection basis is what all the other states do now. Nevada was terminated at 13%. We are unable to go beyond that. As an example, Alaska, as a new state in their selection process (before they reach the end) will have 26.8% of their land and an additional option of 10% beyond that. These lands are selected within their boundaries to be used for whatever the state agency needs it for.

Senate

Bob Warren, Nevada League of Cities, indicated that they were in favor of this bill. It seems to be a good vehicle to encourage more use of public domain for both public and private use.

Assemblyman Rhoads testified in favor of this bill. He indicated that he has made ten trips to Washington D.C. and felt that this type of personal involvement from Nevada would be very helpful.

Senator Raggio suggested making the representation more equal, three Senators and three Assemblymen.

Motion to "Amend and Do Pass" by Senator Raggio, seconded by Senator Faiss. Motion carried unanimously. Amendment is to change the representation to three Senators and three Assemblymen.

SJR-1

Proposes to amend Nevada Constitution to permit variety in forms of county government. (BDR C-241)

Chairman Gibson indicated to the committee that this bill was drawn up as a result of the action taken on SB-601 which the supreme court threw out as it was special legislation prohibited by our State constitution. Chairman Gibson requested Mr. Daykin to research other states for their constitutional requirements to see if it would be possible to amend our constitution to allow us to acknowledge the differences in counties. We can not set up the same type of provisions for each and every county.

Frank Daykin, Legislative Counsel, stated that SJR-1 goes directly to the heart of the problem. It removes the prohibition against special laws, Section 20; in Section 25, instead of requiring a uniform system of county and township government throughout the State it would say positively the legislature may provide appropriate forms of county government which need not be uniform throughout the State. The remainder of the resolution merely conforms the section pertaining to Carson City, in article 4 it drops out references to what were prohibitions but would no longer be prohibited.

Chairman Gibson also noted that the ability of the legislature was becoming more confined in its desires to help counties with their governing policies.

Senator Raggio questioned the change in Section 25. How far will this go? This might lead to some abuse.

Chairman Gibson stated that many times the legislature has had to work around Section 25 in helping county governments. He reiterated that we do indeed need more flexibility in county governments.

Jan MacEachern, League of Women Voters, indicated that they were in favor of this type of legislation and support the bill.

Bob Broadbent, County Commissioners, indicated that most of the commissioners supported the bill.

There was no action taken by the committee at this time due to the fact that there was not full representation of the committee.

SB-237

Clarifies relation of general obligation securities to state debt limit. (BDR 30-1062)

Frank Daykin, Legislative Counsel, indicated that this bill was suggested by bond counsel. This bill is a clarification. As the law now stands it provides that the general obligation bonds exhaust the debt incurring power of the state, under any debt limitation pertaining thereto, constitutional or statutory. The clarification would be that general obligation bonds exhaust the debt incurring power of the state, unless they are issued 1) for the purpose of defraying extraordinary expenses - or 2) for one of the purposes mentioned in the second paragraph of Section 3, article 9 - protection and preservation of the State's natural resources or properties.

It takes the general language about debt limitation and makes specific the two exceptions from it.

Motion of "Do Pass" by Senator Raggio, seconded by Senator Faiss. Motion carried unanimously.

AB-4

Increases number of taxing districts in Carson City. (BDR S-624)

Harold Jacobson, Mayor of Carson City, testified in favor of this bill indicating to the committee the amount of growth in Carson City and how many people who are not paying the full tax are receiving the full city benefits. If it is increased to four taxing districts then those who receive the benefits would pay the appropriate taxes.

Henry Etchemendy, City Manager of Carson City, testified in favor of this bill noting many of the same reasons as Mr. Jacobson. He felt that on line 5, page 1 the description should be deleted as it was outdated. Also deleted is a provision calling for annexation. On line 42, page 5 would like it to read as follows: "owner within a taxing district being established or changed where the combined tax rate for the current fiscal year is less than the maximum (strike the words "permitted by law") being levied within Carson City. This would satisfy the intent and preclude the city from mailing about six or seven thousand notices ^{sent} (Note: words that are underscored are new language)

John Flanders, resident in Ormsby District stated that he lives in one of the taxed districts that would have increases if this bill passes and doesn't agree that he gets services that aren't paid for in his taxes.

John Hayes, Board of Supervisors, supports this bill, he also represents most of the people that live in the district that Mr. Flanders lives in and believes that most of the people do get the benefits without paying the proper amount of taxes. He feels that if they do pay these taxes all will receive the city benefits.

Assemblyman Glover testified in favor of this bill. He felt that this bill would be enacted in an orderly fashion but reiterated Mr. Jacobson's views of fair taxation to those who do receive the services.

Brian Brock, resident in one of the districts in question, stated that he also did not receive the benefits of the urban community and does not want the taxation to be increased.


John Etchemendy, resident in Carson City, feels that this is one way the city can circumvent annexation. Is against the bill.

Mayor Jacobson objected to this view, still feels that this bill is very much needed in a city the size of Carson City with the growth problems that they have experienced over the last five years. Assured the people that it would be done fairly and for the best interest of all.

It was the decision of the committee to study the bill and take no action today.


With no further business the meeting was adjourned at 3:30 p.m.

Respectfully submitted,



Janice M. Peck
Committee Secretary

Approved:



Chairman

TESTIMONY FOR SB 35
FEBRUARY 25, 1977, 1:30 P.M.

I AM LAWRENCE McCracken, HERE TO TESTIFY ON SB 35.

THE BASIC PROBLEM WITH SB 35 FROM THE EMPLOYMENT SECURITY DEPARTMENT'S PERSPECTIVE, CONFIRMED BY THE DEPARTMENT OF LABOR, IS THE INABILITY OF THE TREASURER'S OFFICE TO EQUITABLY DISTRIBUTE COSTS TO ALL USER AGENCIES. THE IMPLEMENTATION OF THE BILL AS WRITTEN WILL MOST ASSUREDLY RESULT IN A FEDERAL AUDIT EXCEPTION AGAINST THE EMPLOYMENT SECURITY DEPARTMENT. THE EMPLOYMENT SECURITY DEPARTMENT IS NOT OPPOSED TO PAYING ITS PROPORTIONATE SHARE OF COSTS FOR SERVICES PROVIDED BY THE TREASURER'S OFFICE.

AS A SOLUTION, IT IS SUGGESTED THAT PARAGRAPH (7) OF SECTION 4, NRS 226.110 BE AMENDED TO READ:

"ESTABLISH AN EQUITABLE COST ALLOCATION PLAN FOR DETERMINING CHARGING AND COLLECTING COSTS FOR SERVICES RENDERED TO STATE AGENCIES."

gjm

NEVADA STATE TREASURER
PROPOSED RECOVERY OF
GENERAL FUND EXPENDITURE
FY'S 1977-78 & 1978-79

The State Treasurer's budget request for fiscal years 1977-78 and 1978-79 proposes a partial recovery of expenditure by billing the Employment Security Department directly for the following services:

General Banking Services - deposits, cancelled checks, stop-payments, bank statement reconciliation, record keeping; 75% of one position, rate is composite Senior and Principal Account Clerk	\$ 8,298.
Daily check signing; 12-1/2% of one position, rate is composite Senior Account Clerk & Account Clerk	1,212.
Travel Advance Fund Services; 9.0% of one position, rate is composite Senior & Principal Account Clerk	996.
Daily/monthly records, TCD handling; 5% of Chief Deputy's rate	<u>1,047.</u>
Total Salaries	\$11,553.
Related Salary Costs - @ 14%	1,617.
**Lump Sum Overhead Charge	<u>6,279.</u>
Total Proposed Recovery from Employment Security Dept.	<u>\$19,449.</u>

**Since several employees spend various amounts of their time providing services to the Employment Security Department, it becomes difficult to identify specific operating costs chargeable to the benefits derived. Therefore, it appears to be more reasonable to take the operating request amount of \$73,995. in the Treasurer's budget request and reduce it by an amount of \$11,205. for items which specifically DO NOT apply to Employment Security and place a flat charge of 10% against the balance of \$62,790. until such time as a more equitable base may be established.

NEVADA STATE TREASURER
PROPOSED RECOVERY OF
GENERAL FUND EXPENDITURE
FY'S 1977-78 & 1978-79

A recovery of general fund expenditure is proposed by charging a portion of the Treasurer's budget against the interest income earnings BEFORE making distributions to other funds.

	<u>FY 77-78</u>	<u>FY 78-79</u>
Total Budget Request	\$234,869.	\$245,150.
Less Recovery from ESD	(19,449.)	(19,449.)
Less Treasurer's Salary	(22,500.)	(28,000.)
Less Travel Expense	(3,775.)	(4,025.)
Less Board of Finance Salaries	(1,920.)	(1,920.)
Balance used as base for recovery	\$187,225.	\$191,756.
Average Distribution to Other Funds - 22%	x <u>.22</u>	x <u>.22</u>
Recovery from interest income	\$ 41,190.	\$ 42,186.
Recovery from Employment Security	<u>19,449.</u>	<u>19,449.</u>
Total Recovery Proposed	<u>\$ 60,639.</u>	<u>\$ 61,635.</u>



STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

Division of State Lands

February 22, 1977

M E M O R A N D U M

TO: Senator James Gibson, Chairman, Committee on Government Affairs

FROM: Addison A. Millard, Administrator

A handwritten signature in cursive script, appearing to read "Addison A. Millard".

SUBJECT: Senate Bill 205

The Land Office has reviewed the property described in SB 205 and recommends the following change.

Page 1, line 18 - Change legal description to conform as follows:

"S 89° 23' 30" W 182.25 ft." The description given in SB 205 erroneously show this bearing to the East with no reference to feet as the unit of distance.

AAM/kam

cc: Norman Hall, Director, Department of Conservation and Natural Resources
John Meder, Administrator, Division of State Parks

SENATE

AGENDA FOR COMMITTEE ON..... GOVERNMENT AFFAIRS.....

Date. Friday, 2-25-77 Time. 2 PM Room. 243

Bills or Resolutions to be considered	Subject	Counsel requested*
SJR-1	Proposes to amend Nevada Constitution to permit variety in forms of county government. (BDR C-241)	Yes
SCR-9	Creates select committee on public lands. (BDR 91)	
SB-205	Exchanges land between State Park System and adjacent owner. (BDR S-799)	
REVISED AGENDA - 2-17-77		
ADDED:		
AB-4	Increases number of taxing districts in Carson City. (BDR S-624)	
REVISED AGENDA - 2-18-77		
ADDED:		
SB-237	Clarifies relation of general obligation securities to state debt limit. (BDR 30-1062)	Yes
REVISED AGENDA - 2-22-77		
ADDED:		
SB-35	Revises duties of and staff support for State Board of Finance and State Treasurer. (BDR 31-453)	

WILL BE
HEARD AT
1:30 P.M.

*Please do not ask for counsel unless necessary.