

MEMBERS PRESENT

Senator GIBSON	Assemblyman Dini
Senator ECHOLS	Assemblyman Bergevin
Senator FORD	Assemblyman Bedrosian
Senator KOSINSKI	Assemblyman Craddock
Senator DODGE	Assemblyman Getto
Senator RAGGIO	Assemblyman Fitzpatrick
	Assemblyman Marvel
	Assemblyman Robinson
	Assemblyman Westall (absence excused-ill)

Mr. Dini called the meeting to order noting that rather than have the bill sponsors speak first, Representative Gerry Kopel from Colorado would be the first speaker since he would have to leave to get a plane

COLORADO MEMBER OF THE HOUSE OF REPRESENTATIVES GERRY KOPEL TOLD the

committee that he is currently in his ninth year and fifth term in the Colorado House and was the chief sponsor of the Sunset legislation in Colorado. He said that in the first year under sunset a number of unnecessary agencies were done away with and several others were combined and many which survived underwent major changes. He said that the whole point of sunset is the carrot, stick approach. He cited several board which they found to be impotent, and said that they are now in the third year and are looking at the health occupations and Real Estate. It was his personal belief that the government does not belong in the position of mandating continuing education in the professions...IT should set minimum standards, not maximum standards. He announced that in 1979 the cost of sunset review was \$140,000, and explained how deletion of mandating continuing education would save this amount in one year. He felt that most people who object to sunset do not realize that the agencies that are abolished, normally have existed for an undetermined amount of time. He stated that if he had to do the bill over again there are a few changes he would make and one would be to take fewer agencies to start with and concentrate on the licensing agencies and only one major agency the first year. He felt that the review staff should be as independent as possible from leadership policy decisions to avoid diluting the outcome. Since sunset in Colorado, there has been only one new agency created and this is a spinoff benefit of sunset. Many agencies have come forward and been turned down. We all hear the same old story year in and year out as arguments to regulate and now we are better able to look at these statements. He represented that this year Colo. is considering a bill which will, in effect, give a sunset on all rules and regulations every two years. IE: every two years rules and regulations adopted previously would expire unless renewed by the legislature. He further noted that COLO. would be adding more licensees to the sunset process. "Sunset is hard work, but like most legislators across the country, you will do the work anyway. Whenever you take up a new concept, while many people will actually vote for it, fewer will really participate in the process." He claimed that involvement with sunset is very rewarding because you are able to see results in a relatively short period of time.

Assembly Committee on.....

Date: 4/4/79.....

Page: TWO.....

Senator Gibson asked how many agencies were presently under sunset. Representative Kopel told him that presently there are 39 which they started with at the outset. The period of return is six years of extension/renewal. He recognized that approximately a nine months to one year period should be required so that staff will have adequate time for preparation.

Mr. Robinson asked if the review committees were separate or joint within the legislature. Mr. Kopel said that normally they were spread out as to what committee would normally be handling the specifics.

Senator Echols asked questions about the composition of the Colorado Legislature and was told that it is a yearly session composed of 65 in the House and 35 in the Senate and they are paid 12,000. regardless of how long their session lasts.

Mr. Kopel said that when an agency comes forth and wants to be regulated, they use the same arguments no matter what type of group. He also explained that the actual beginning process is the sunset bill which sets the time for review. During the session that an agency is scheduled for review a bill is introduced to continue that agency. In reply to Senator Ford's question he told the committee that there would be some things done differently now that they have had the experience; mainly not so many agencies would be done the first year. He also detailed the lack of problems that they have experienced in the areas of agencies that were abolished. He mentioned Alabama as an example of how not to approach sunset legislation... There are currently 36 states with sunset bills. In answer to Senator Echols opposition to abolishing continuing education for Real Estate Licensees' Mr. Kopel said that it is his philosophy that the government should provide minimum competency, not maximum competency. He further proposed that mandatory continuing education should come in play when the Real Estate Division says to a Licensee, "If you don't become more competent you are going to lose your license." He also told the committee that as a result of sunset, some of the commissions have been given more authority to deal directly with the problems they encounter. She also proposed some amendments. (attached)

Mr. Dini thanked Mr. Kopel for his effort in coming to Nevada and for his presentation to the Committee.

Ms. Wagner presented A.B.523, of which she is the primary sponsor and informed the committee that she had spent a great deal of time on this bill and feels that it is complete. She said she had addressed problems other states had experienced and declared that now is the time for a sunset concept in Nevada. She read a prepared statement into the record (see attachment # 1) and also quoted from the research division of the LCB background Paper 79-4 which may be obtained from the Legislative Counsel Bureau or from the permanent record.

Senator Raggio spoke to his bill, S.B. 318 and admitted that there is really no pride of authorship between he and assemblywoman Wagner either bill could serve the purpose of a vehicle, as long as sunset is enacted by this session of the Nevada Legislature.

(Committee Minutes)

Senator Raggio also read a prepared statement into the record, although abbreviated and presented amendments (see attachments 4 & 5)

Mr. Don Rhodes FROM THE LEGISLATIVE COUNSEL BUREAU, explained the method of constructing the fiscal note and gave background pertinent to sunset legislation on a national level. He quoted from the background paper 79-4. He detailed the criteria necessary to audit and said that the size of the bill was due in large part to the repealing process which takes up 2/3rds of the bill.

RON SPARKS FROM THE FISCAL & AUDIT DIVISION OF THE LEGISLATIVE COUNSEL BUREAU FURTHER detailed the important fiscal considerations and indicated that additional staff would be mandatory to carry out the provisions of sunset legislation.

Mr. Robinson questioned the selection process feeling that it would be better to leave the agencies to be audited unnamed and do somewhat of a random selection to eliminate the possibility of advance preparation. He favored the element of surprise.

JOHN CROSSLEY, CHIEF DEPUTY OF FISCAL DIVISION discussed with the committee the problems involved in staffing for the specific type of audit required in these bills. This type of audit are not automatic although there is a possibility of reducing the fiscal note over the period of years it takes to accomplish the goal of the bill.

MR. JOHN HUMPHREY, SECRETARY OF THE BOARD OF SHEEP COMMISSIONERS talked in an attempt to convince the committee of the value of the commission on which he serves and explained the financing aspect and his statement is attached. (see attachment # 6).

Senator Raggio asked Mr. Humphrey if he saw any reason for not having every Board & Commission looked at periodically by the legislature to determine whether or not it should exist.

Senator Ford offered an excellent explanation of the purpose of sunset legislation after which many people who had come to testify as to the reasons for the existence of the commission or board and to justify same, cleared the room. She also told Mr. Humphrey that she hoped he would now have a clearer idea of what this bill means. This is not a bill to put agencies out of business, rather a means to determine the necessity of all agencies and to allow them the ability to become more efficient.

MR. IRA KENT, A RANCHER requested the deletion in S.B. 318 of Page 4 lines 7 & 8.

Mr. Leslie Stewart, Chairman of the state Grazing Board said that they would welcome an audit and outlined the process they follow.

JOE ROBERTSON from Common Cause spoke in favor of A.B. 523. See attachment # 7.

ESTHER NICHOLSON, representing the League of Women Voters said that they too are in favor of A.B. 523 and read portions of a prepared

(Committee Minutes)

statement. (see attachment # 8)

MR. WALLY RONEHOUSE, REPRESENTING AGING SERVICES, voiced the concern that his agency is under Federal mandate to have a certain committee meet bi-monthly.

Senator Ford explained that that is exactly the type of thing they will be looking at when each agency is reviewed.

MR. PAUL COHEN, ADMINISTRATIVE HEALTH OFFICER FOR THE STATE DIVISION OF HEALTH complained that both bills deleted the public health nurse. He commented that he and Dr. Ravenholtz applauded the concept of this bill but would certainly like public health nurses included in the public health programs.

DONNA LEGG, REPRESENTING WASHOE COUNTY HEALTH DEPARTMENT, testified in the same vein as Paul Cohen and her statement is attached(#9).

Assemblywoman Wagner announced that the amendment that she had submitted would definitely take care of those objections.

JIM JONES, CHIEF OF THE DIVISION OF REAL ESTATE, indicated that he is not apprehensive about the proposed review, but would certainly like to offer his input concerning the criteria, etc. in the performance audit.

SENATOR FORD commented that she felt that there may be some merit in putting together several agency heads for exactly that purpose. to put together the standards for performance audits.

PAT GOTHBERG, REPRESENTING THE NEVADA NURSES ASSOCIATION, commended the committee for going along with the concept of sunset legislation. She noted that the only concern she spoke to was the method of evaluation. She requested ample lead in time prior to review. She pointed out the error in the Senate bill on Page 152, Line 5 and Lines 8 and 9 should read "a nurse".

Senator Echols asked Ms. Gothberg if she felt this legislation would accomplish anything to which she replied that she hoped it would. She also remarked that Mr. Kopel and others with experience with sunset could give valuable input.

Senator Echols suggested a more random selection of agencies to be reviewed.

Since Ms. Wagner's amendment took care of the problem with Physician's Assistants they did not feel the need to comment further.

MR. MERLIN ANDERSON, THE ADMINISTRATOR FOR THE COMMISSION FOR POST SECONDARY INSTITUTIONAL AUTHORIZATION, told the committee that he would welcome a responsible review since there is the benefit that could accrue of whether or not they are accomplishing the legislative intent.

577

EARL YAMISHITA, REPRESENTING THE WELFARE DIVISION, informed the committee that the Senate Bill would have impact on the licensing board for nursing home administrators, the medical care advisory group which are required by federal mandate. The concern he addressed was possibly being in a position where their federal funding would be in jeopardy.

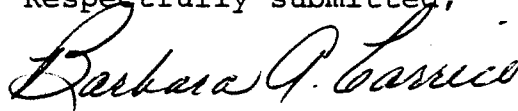
ARTHUR CRUICKSHANK, REPRESENTING COMMON CAUSE, passed out a prepared speech with exhibits and claimed that rather than ten basic principles, there are nine really since on the list # 7 was included particularly for congress. He attempted to clear up any confusion in # 2 saying that legislative oversight should be continuous. Common Cause urges the inclusion of the list of basic principles. (See attachment # 9) He related the troubles Alabama has had with their sunset legislation but cited the reason as their attempt to do "too much too soon". He listed several benefits of sunset legislation and commented that especially with regard to the increased confidence in government elicited by sunset, you can not put dollar value on all of the results.

MR. GEORGE BENNETT, SECRETARY OF THE STATE BOARD OF PHARMACY SUGGESTED some type of screening mechanism whereby you could send letters to those involved asking questions about the number of meetings held, licenses issued, etc. From that you may have some indication of those not involved to the extent you may wish, and may want to review them earlier than others. He spoke of the New Mexico sunset legislation which has proved tremendously efficient and has even allocated more funds to certain agencies wherein it was felt to be of assistance and productive to the state.

Mr Dini called for further testimony, there was nothing further to be discussed.

Senator Gibson moved to adjourn. Unanimously approved. Meeting adjourned 7:20 PM.

Respectfully submitted,



Barbara A. Carrico
Assembly Government Affairs

SENATE GOVERNMENT AFFAIRS COMMITTEE

GUEST REGISTER

DATE _____

PLEASE SIGN - EVEN IF YOU ARE NOT HERE TO TESTIFY.....

NAME		WILL YOU TESTIFY	BILL NO	REPRESENTING - - - - -
Gare Vasquez		✓	AB 523 SB 318	Walt. Dir
Arthur Cruickshank	X	✓	AB 523 SB 318	Common Cause -
Norma Legg	X	✓	AB 523 SB 318	Washoe County Health Dept
Vernon Bennett		✓	SB-318	PER 5 -
Kesha Stewart	X	✓	SB-318	N-2 GRAZING BOARD
Joe R. ...	X	✓	AB 523	Common Cause
Jeri ...	X	✓	SB 318	Qottman
EMAR DAHL	X	✓	SB 318	N-3 Grazing Bd.
...	X	✓	SB 318	N-4 Grazing Bd.
...	X	✓	SB 318	...
...	X	✓	SB 318	...
Edw. ...		✓	SB 318	Neu. State Board of Accountants
W. ...	X	✓	SB 318	Ging Sewage
John E. Humphrey	X	✓	SB 318	Neu. Sheep Comm'n
Reggie S. ...	X	✓	SB 318	4 H & FFA
Shirley J. ...	X	✓	SB 318	4 H & FFA
...	X	✓	—	4 H & FFA
...		✓	✓	✓
...		✓	SB 318	...
PAT GOTHBERG	X	✓	SUNSET	Nevada Nurses' Assn.
Jim Costa		✓	SB 318	Nevada Dept. of Education
...		✓	AB 523	...

AB 523

AB 523 IS A SUNSET BILL. "SUNSET" IS A POPULAR TERM USED TO CHARACTERIZE LEGISLATION WHICH CALLS FOR THE AUTOMATIC TERMINATION OF GOVERNMENT AGENCIES OR PROGRAMS UNLESS THEY ARE EXTENDED BY SPECIFIC LEGISLATION. INTEREST IN SUNSET-TYPE LAWS HAS BEEN FOSTERED BY EFFORTS TO IMPROVE LEGISLATIVE OVERSIGHT, INCLUDING PROGRAM EVALUATION AND IMPROVED BUDGET ANALYSIS TECHNIQUES, WHICH HAVE INTENSIFIED OVER THE PAST DECADE. RECENTLY, THIS INTEREST HAS BEEN FUELED BY TAX AND EXPENDITURE INITIATIVES BEING ^{Legislated} ~~PROPOSED~~ IN MANY STATES.

THE SUNSET CONCEPT IS NOT NEW. FORMER SUPREME COURT JUSTICE WILLIAM O. DOUGLAS, WHEN HE WAS CHAIRMAN OF THE SECURITIES AND EXCHANGE COMMISSION, PROPOSED TO PRESIDENT FRANKLIN DELANO ROOSEVELT THAT EVERY FEDERAL AGENCY SHOULD BE ABOLISHED WITHIN 10 YEARS OF CREATION. IN GO EAST YOUNG MAN, HE SAYS:

"THE GREAT CREATIVE WORK OF A FEDERAL AGENCY MUST BE DONE IN THE FIRST DECADE OF ITS EXISTENCE IF IT IS TO BE DONE AT ALL. AFTER THAT IT IS LIKELY TO BECOME A PRISONER OF BUREAUCRACY AND OF THE INERTIA DEMANDED BY THE ESTABLISHMENT OF ANY RESPECTED AGENCY. THIS IS WHY I TOLD F.D.R. OVER AND OVER AGAIN THAT EVERY AGENCY HE CREATED SHOULD BE ABOLISHED IN 10 YEARS. AND SINCE HE MIGHT NOT BE AROUND TO DISSOLVE IT, HE SHOULD INSERT IN THE BASIC CHARTER OF THE AGENCY A PROVISION FOR ITS TERMINATION. ROOSEVELT WOULD ALWAYS ROAR WITH DELIGHT AT THAT SUGGESTION, AND OF COURSE NEVER DID DO ANYTHING ABOUT IT."

SINCE JUSTICE DOUGLAS MADE THIS STATEMENT TO PRESIDENT ROOSEVELT, MANY WELL-DOCUMENTED EFFORTS HAVE BEEN MADE AT THE FEDERAL AND STATE LEVELS TO IMPROVE PROGRAM EVALUATION IN AN ATTEMPT TO ENSURE THE CONTINUING VIABILITY AND USEFULNESS OF VARIOUS, MOSTLY EXECUTIVE BRANCH, GOVERNMENTAL AGENCIES. SOME SAY, HOWEVER, THAT SUNSET IS THE MOST EFFECTIVE COMPREHENSIVE LEGISLATIVE OVERSIGHT, CONTROL AND PROGRAM EVALUATION TOOL WHICH AN OVERSIGHT BODY CAN USE BECAUSE OF THE POTENTIAL OF FINALITY IT OFFERS TO OUTMODED, UNNECESSARY OR UNDESIRABLE GOVERNMENTAL AGENCIES OR PROGRAMS.

COMMON CAUSE, WHOSE COLORADO CHAPTER IS CREDITED WITH INITIATING THE SUNET CONCEPT, HAS SUGGESTED 10 BASIC PRINCIPLES FOR A "WORKABLE" SUNSET LAW. AB 523 ENCOMPASSES ALL 10 BASIC PRINCIPLES. THEY ARE:

SUNSET PRINCIPLES

1. THE PROGRAMS OR AGENCIES COVERED UNDER THE LAW SHOULD AUTOMATICALLY TERMINATE ON A DATE CERTAIN, UNLESS AFFIRMATIVELY RECREATED BY LAW.
2. TERMINATION SHOULD BE PERIODIC IN ORDER TO INSTITUTIONALIZE THE PROCESS OF REEVALUATION.
3. INTRODUCTION OF THE SUNSET MECHANISM SHOULD BE PHASED IN GRADUALLY, BEGINNING WITH THOSE PROGRAMS TO WHICH IT SEEMS MOST APPLICABLE.
4. PROGRAMS AND AGENCIES IN THE SAME POLICY AREA SHOULD BE REVIEWED SIMULTANEOUSLY IN ORDER TO ENCOURAGE CONSOLIDATION AND RESPONSIBLE PRUNING.
5. CONSIDERATION BY THE RELEVANT LEGISLATIVE COMMITTEES MUST BE PRECEDED BY COMPETENT AND THOROUGH PRELIMINARY STUDIES.

6. EXISTING BODIES SHOULD UNDERTAKE THE PRELIMINARY EVALUATION WORK, BUT THEIR EVALUATION CAPACITIES MUST BE STRENGTHENED.
7. SUBSTANTIAL COMMITTEE REORGANIZATION, INCLUDING ADOPTION OF A SYSTEM OF ROTATION OF COMMITTEE MEMBERS, IS A PREREQUISITE TO EFFECTIVE SUNSET OVERSIGHT.
8. IN ORDER TO FACILITATE REVIEW, THE SUNSET PROPOSAL SHOULD ESTABLISH GENERAL CRITERIA TO GUIDE THE REVIEW AND EVALUATION PROCESS.
9. SAFEGUARDS MUST BE BUILT INTO THE SUNSET MECHANISM TO GUARD AGAINST ARBITRARY TERMINATION AND TO PROVIDE FOR OUTSTANDING AGENCY OBLIGATIONS AND DISPLACED PERSONNEL.
10. PUBLIC PARTICIPATION IN THE FORM OF PUBLIC ACCESS TO INFORMATION AND PUBLIC HEARINGS IS AN ESSENTIAL PART OF THE SUNSET PROCESS.

AB 523 INCLUDES ALL 10 PRINCIPLES. I HAVE DISTRIBUTED A COPY OF THOSE PRINCIPLES TO EACH OF YOU.

IN 1976, COLORADO BECAME THE FIRST STATE IN THE NATION TO ENACT A SUNSET LAW. SINCE THEN EVERY STATE HAS CONSIDERED SUCH LEGISLATION AND, ACCORDING TO THE COUNCIL OF STATE GOVERNMENTS, 30 STATES HAVE ENACTED SUNSET LAWS.*

*ALABAMA (ACT NO. 523 OF 1976), ALASKA (CHAPTER 149 OF 1977), ARKANSAS (ACT 100 AND ACT 392 OF 1977), COLORADO (H.B. 1088 OF 1976 AND S.B. 6 OF 1977), CONNECTICUT (CHAPTER 614 OF 1977), FLORIDA (CHAPTER 76-168 OF 1976 AND S.B. 1238 OF 1977), GEORGIA (S.B. 4 OF

1977), HAWAII (S.B.S 460 OF 1977), INDIANA (H.B. 2181 AND H.B. 1763 OF 1977 AND S. ENR. ACT NO. 43 OF 1978), KANSAS (H.B. 2976 OF 1978), LOUISIANA (ACT, NO. 277 OF 1976), MAINE (L.D. 1206 OF 1977), MARYLAND (S.B. 405 OF 1978), MONTANA (CHAPTER 562 OF 1977), NEBRASKA (L.B. 257 OF 1977), NEW HAMPSHIRE (CHAPTER 436 OF 1977), NEW MEXICO (H.B. 133 OF 1977), NORTH CAROLINA (CHAPTER 712 OF 1977), OKLAHOMA (S.B. 138 OF 1977), OREGON (H.B. 2323 OF 1977), RHODE ISLAND (CHAPTER 260 OF 1977), SOUTH DAKOTA (S.B. 1 OF 1977), TENNESSEE (CHAPTER 452 OF 1977), TEXAS (S.B. 54 OF 1977), UTAH (S.B. 63 OF 1977), VERMONT (ACT NO. 183 OF 1978), WASHINGTON (CHAPTER 289 OF 1977), ARIZONA (CHAPTER 210, STATUTES OF 1978), SOUTH CAROLINA (CHAPTER 608, STATUTES OF 1978), AND MISSISSIPPI (S.B. 2310 OF 1978).

A MAJORITY OF THE SUNSET LAWS (SUCH AS THOSE OF ALASKA, CONNECTICUT FLORIDA, GEORGIA, HAWAII, KANSAS, MAINE, MARYLAND, MONTANA, NEBRASKA, NEW MEXICO, NORTH CAROLINA AND UTAH), ARE SIMILAR TO COLORADO'S AND FOCUS PRIMARILY ON REGULATORY AGENCIES OR SPECIFIC PROGRAMS. OTHERS (SUCH AS THOSE OF ALABAMA, ARKANSAS, LOUISIANA, TENNESSEE AND TEXAS) ARE COMPREHENSIVE AND APPLY TO MOST STATE AGENCIES. CERTAIN STATES, INCLUDING SOUTH DAKOTA AND WASHINGTON, HAVE ENACTED SUNSET LAWS WHICH ESTABLISHED PILOT PROGRAMS TO TEST THE SUNSET CONCEPT. AB 523 WOULD FALL IN THE FIRST CATEGORY -- THOSE OF THE MAJORITY OF STATES -- FOCUSING PRIMARILY ON REGULATORY AGENCIES.

NOW TO THE SPECIFICS OF AB 523. I SPENT A GREAT DEAL OF TIME LAST SUMMER READING ABOUT AND EVALUATING OTHER STATE SUNSET LAWS. I TRIED TO INCORPORATE INTO THIS BILL THE POSITIVES THAT OTHER STATES HAD EXPERIENCED AND A MECHANISM THAT WOULD BE COMPATIBLE WITH THE NEVADA LEGISLATIVE PROCESS.

THE HEART OF THE BILL IS FOUND ON PAGES 1-4. ON THOSE PAGES THE AGENCIES TO BE TERMINATED, THE MECHANISM AND THE REVIEW CRITERIA ARE FOUND. THE REMAINING SECTIONS ENCOMPASS THE REPEALING STATUTORY AUTHORITY FOR THE AGENCIES TO BE EVALUATED.

ISSUES TO CONSIDER

1. WHAT AGENCIES OR PROGRAMS SHOULD BE INCLUDED IN SCOPE OF LEGISLATION?

THAT IS A BASIC POLICY DECISION -- I CHOSE TO GO ALONG THE SUCCESSFUL PATH OF THE MAJORITY OF STATES -- REGULATORY BODIES -- OR OCCUPATIONAL LICENSING BOARDS. THOSE ARE FOUND ON PAGE 2 OF THE BILL. BASICALLY THEY ARE CHOSEN FROM TITLE 54 OF NRS. THE ATTEMPT WAS MADE TO GROUP THOSE BOARDS IN THE SAME POLICY AREA TOGETHER -- THUS THEIR REVIEW COULD BE SIMULTANEOUS IN ORDER TO ENCOURAGE CONSOLIDATION AND REASONABLE PRUNING.

YOU WILL NOTE THERE ARE 10 IN EACH TWO YEAR CYCLE. I MIGHT SUGGEST FOR THE COMMITTEE'S DISCUSSION -- A GENERAL FUND AGENCY MIGHT BE INCLUDED IN EACH TWO YEAR CYCLE. I WOULD SUGGEST ONLY ONE BECAUSE OF THE FISCAL IMPLICATIONS AND TIME INVOLVED. THEY MIGHT BE

I HAVE DELIBERATELY CHOSEN THIS PATH FOR A MOST IMPORTANT REASON

1. INTRODUCTION OF THE SUNSET MECHANISM IS A LEARNING PROCESS AND SHOULD BE PHASED IN GRADUALLY. I THINK AB 523 DOES THAT. THE SUNSET CONCEPT WORKS -- IF DONE DELIBERATELY AND RESPONSIBLY. I WANT IT TO WORK IN NEVADA. I KNOW THERE ARE PROBABLY SOME WHO WOULD PREFER EVALUATING MANY MORE AGENCIES. BUT I DON'T FEEL OUR

STAFF IS SUFFICIENT IN NUMBERS TO UNDERTAKE IN A COMPREHENSIVE WAY THE THOROUGH EVALUATION NECESSARY. THE SUCCESS OF SUNSET IS PREDICATED ON THAT KIND OF ANALYSIS.

ALLEN SCHICK, AN EXPERT ON STATE AND FEDERAL BUDGETING, TOLD THE 1976 ANNUAL MEETING OF THE NATIONAL CONFERENCE OF STATE LEGISLATURES: "THE MORE COMPREHENSIVE YOU ARE, THE LESS ANALYTIC YOU ARE AND THE LESS LIKELY THERE WILL BE CHANGE." IF SUNSET IS PHASED IN AND MADE TO WORK, ITS COVERAGE CAN BE EXPANDED AT A LATER DATE.

APPLYING SUNSET TO REGULATORY ACTIVITIES, AS MANY STATES HAVE DONE IS A LOGICAL WAY TO INITIATE SUNSET. WHILE REGULATORY AGENCIES DO NOT HAVE SUBSTANTIAL BUDGETS, THEY DO HAVE A HEAVY COST IMPACT ON THE ECONOMY AND ARE A SOURCE OF MUCH CITIZEN DISSATISFACTION WITH GOVERNMENT AN ADDED INCENTIVE FOR APPLYING SUNSET TO REGULATORY AGENCIES IS THAT TH ARE NOT WELL SCRUTINIZED DURING THE BUDGET PROCESS.

2. ANOTHER ISSUE TO CONSIDER IS THE APPROPRIATE TERMINATION SCHEDULE FOR THE AGENCIES IN THE SUNSET LEGISLATION.

I HAVE CHOSEN A TERMINATION SCHEDULE OF 6 YEARS. PROPONENTS OF THE SUNSET CONCEPT BELIEVE THAT REVIEW PERIODS SHOULD NOT BE SO SHORT AS TO PROMPT THE AGENCIES TO SPEND MOST OF THEIR TIME ON PUBLIC RELATION EFFORTS DIRECTED AT THE NEXT REVIEW PERIOD NOR SHOULD THE REVIEW PERIOD BE SO LONG THAT THE AGENCIES DEVELOP ENTRENCHED BUREAUCRACIES OR POWERFUL SPECIAL INTEREST GROUPS DEPENDING UPON THEM FOR CONTINUED LIVELIHOOD.

3. WHAT IS THE APPROPRIATE MECHANISM FOR LEGISLATIVE REVIEW WHICH SHOULD BE EMBODIED IN SUNSET LEGISLATION?

SEC.8

IN AB 523 A JOINT REVIEW COMMITTEE IS CREATED, P. 3, LINES 4-18.

THE COMMITTEE WOULD OPERATE AS OUR OTHER INTERIM COMMITTEES UNDER THE AUTHORITY OF THE LEGISLATIVE COMMISSION.

FOR THE 1st CYCLE ON OR BEFORE SEPTEMBER 1, 1980, THE JOINT REVIEW COMMITTEE AND THE COUNSEL BUREAU SHALL PRESENT THEIR RECOMMENDATIONS TO THE COMMISSION. THIS FOCUS REFLECTS THE BELIEF THAT A SUCCESSFUL SUNSET REVIEW MUST INCLUDE PRELIMINARY EVALUATION INDEPENDENT OF THE AGENCY UNDER REVIEW, FOLLOWED BY THOROUGH LEGISLATIVE CONSIDERATION. A MULTI DISCIPLINARY APPROACH IS CALLED FOR -- LEGAL, RESEARCH AND AUDIT.

THE WORK OF THE INTERIM REVIEW FOR THE 1st CYCLE WOULD COMMENCE ON JULY 1st of 1979. THE TIME PERIOD WOULD BE LONG ENOUGH TO PERFORM THE NECESSARY JOB AND WOULD ALLOW US TO UTILIZE EXISTING COUNSEL BUREAU STAFF. ONE OF THE MAJOR PROBLEMS OTHER STATES HAVE HAD IS NOT ENOUGH TIME. COMPLETION OF THE INITIAL REVIEW PROCEDURE SHOULD BE COMPLETED BEFORE THE LEGISLATURE CONVENES.

4. WHAT EVALUATION TOOLS SHOULD BE SPECIFIED IN SUNSET LEGISLATION. AB 253 ADDRESSES THAT QUESTION IN SECTION 9, PAGE 3 BEGINNING ON LINE 23. THIS BILL SETS UP TWO SETS OF EVALUATION TOOLS. THE FIRST BEING NEED -- IS THE COMMISSION OR AGENCY NEEDED? THE SECOND ASSUMES NEED AND ASKS -- HOW THE AGENCY OR LAW COULD FUNCTION BETTER, LINES 47, P. 3 - P. 4, LINE 15. BENJAMIN SHIMBERG OF THE CENTER FOR OCCUPATION AND PROFESSIONAL ASSESSMENT AT THE EDUCATIONAL TESTING SERVICE HAS SUGGESTED THAT THE SUNSET REVIEW BE A TWO STEP PROCESS INVOLVING FIRST A DETERMINATION OF NEED, AND THEN AN EXAMINATION OF HOW THE AGENCY HAS FULFILLED ITS MANDATE. THAT IS WHAT AB 523 DOES -- THE 1st SET OF CRITERIA ARE BASED ON FLORIDA LAW AND THE SECOND COLORADO. MR. SHIMBERG SAYS, "IF NEED CANNOT BE DEMONSTRATED THERE IS NO POINT IN

lines 30
to 42

APPLYING THE CRITERIA RELATING TO PERFORMANCE. I AGREE.

5. FINAL QUESTION -- WHAT SHOULD HAPPEN TO THE STATUTORY LAW RELATING TO AN AGENCY IF THE AGENCY IS ABOLISHED THROUGH THE SUNSET PROCESS. ONE PROBLEM THAT HAS ARISEN IN OTHER STATES IS THAT THE LEGISLATION PROVIDES FOR THE TERMINATION OF AGENCIES WITHOUT REPEALING THE UNDERLYING STATUTES RELATING TO SUCH AGENCIES. AB 523 ADDRESSES THE PROBLEM IN THE REMAINDER OF THE BILL BY LISTING THE REPEALING SECTIONS APPLYING TO THE AGENCIES SCHEDULED FOR REVIEW. ACCORDING TO DAN R. PRICE OF THE STATE BAR OF TEXAS:

"A MAJOR PROBLEM OCCURS WHEN THE AGENCY OR PROGRAM IS ABOLISHED, BUT THE STATUTE CREATING THAT ENTITY REMAINS ON THE BOOKS. FOR EXAMPLE, IN COLORADO, IF THE BOARD OF COSMETOLOGY WAS TERMINATED, THE LAW CREATING LICENSING FOR COSMETOLOGISTS WOULD REMAIN. THUS, THERE WOULD BE A REQUIREMENT FOR LICENSING BUT NO ENTITY TO ISSUE THE LICENSE OR OTHERWISE REGULATE THE LICENSEES. * * * OF COURSE, THIS PROBLEM IS NOT INSURMOUNTABLE, FOR OTHER AGENCIES COULD ASSUME THE ABOLISHED AGENCY'S DUTIES, BUT IT IS MUCH CLEANER TO ABOLISH THE AGENCY AND THE STATUES."

LET ME BRIEFLY ADDRESS SOME OTHER POINTS -- IN SECTION 7, P. 2 -- THAT WOULD ALSO BE FOUND ON THE HANDOUT I GAVE YOU COMPARING THE TWO BILLS. ON P. 9 -- THIS DISCUSSES THE AGENCY WRAP UP PROVISIONS. I THINK IT TOUCHES ON ALL THE NECESSARY ITEMS.

1. MAY CONTINUE IN EXISTENCE UNTIL JULY 1st OF YEAR FOLLOWING TERMINATION -- TO WIND UP AFFAIRS.
2. POWERS AND DUTIES CONTINUE UNTIL FOLLOWING JULY 1st BUT CAN'T ENTER INTO OR LET ANY CONTRACT EXTENDING BEYOND THAT DATE.

3. A) DISPOSAL OF PROPERTY
- B) ASSETS AND LIABILITIES OF CONSOLIDATED AGENCY
- C) MONEY OF TERMINATED AGENCY

BEGINNING OF SECTION 12 AND THERAFTER -- REPEALING LANGUAGE.
THIS DOES NOT MEAN AGENCY REPEALED BY PASSAGE OF BILL. IT PROVIDES
FOR THE REPEALING IF THE AGENCY IS TERMINATED.

LAST PAGE OF BILL -- SECTION 170 -- SECTIONS 12-52 BECOME
EFFECTIVE ON JULY 1, 1981
SECTIONS 53-136, JULY 1, 1983
SECTIONS 137-168, JULY 1, 1985
IF NOT REESTABLISHED BY ACT OF THE LEGISLATURE.

I HAVE SPENT A GREAT DEAL OF TIME ON AB 523. I THINK IT IS
A COMPLETE AND CLEAN BILL. I HAVE ADDRESSED PROBLEMS OTHER STATES
HAVE EXPERIENCED AND I THINK IT'S TIME FOR A SUNSET CONCEPT IN
NEVADA.

A RECENT PUBLICATION ENTITLED, MAKING GOVERNMENT WORK, SAYS:

"THE PROMISE OF SUNSET IS A STRONGER LEGISLATIVE BRANCH
OVERSEEING A MORE ACCOUNTABLE EXECUTIVE BRANCH. SUNSET
CONTAINS RISKS AND PRESENTS DIFFICULTIES, BUT WITH LEGISLATORS
AND ADMINISTRATORS COOPERATING TO SOLVE PROBLEMS, SUNSET IS
HELPING TO ESTABLISH A POSITIVE PARTNERSHIP TO MAKE GOVERNMENT
WORK. THE GREAT PROMISE OF SUNSET IS BECOMING A REALITY AS
STATES FORMULATE WORKABLE SUNSET LAWS AND IMPLEMENT THEM
RESPONSIBLY."

1979 REGULAR SESSION (60TH)

ASSEMBLY ACTION		SENATE ACTION		Assembly	AMENDMENT BLANK
Adopted	<input type="checkbox"/>	Adopted	<input type="checkbox"/>	AMENDMENTS to	Assembly
Lost	<input type="checkbox"/>	Lost	<input type="checkbox"/>	Bill No.	523 Joint
Date:		Date:			Resolution No.
Initial:		Initial:		BDR	54-671
Concurred in	<input type="checkbox"/>	Concurred in	<input type="checkbox"/>	Proposed by	Mrs. Wagner
Not concurred in	<input type="checkbox"/>	Not concurred in	<input type="checkbox"/>		
Date:		Date:			
Initial:		Initial:			

Amendment N^o 455



Amend section 104, page 40, line 11, by deleting "[physician's assistant if" and inserting "physician's assistant [if".

Amend section 105, page 40, line 21, by deleting "[physician's assistant if" and inserting "physician's assistant [if".

Amend section 105, page 40, line 23, by deleting "or".

Amend section 105, page 40, line 24, by deleting the open bracket and inserting ";" after "program".

Amend section 105, page 40, by deleting line 25 and inserting "[approved by the board;] or".

Amend section 105, page 40, line 26, delete the closed bracket.

To: E & E
LCB File
Journal
Engrossment
Bill

Date 4-1-79 Drafted by DAS:ml

STATEMENT OF SENATOR WILLIAM RAGGIO
RE: SUNSET LEGISLATION
April 4, 1979
GOVERNMENT AFFAIRS COMMITTEES

THE IDEA OF SUNSET LEGISLATION, WHICH PUTS A STRICT CHECK ON GOVERNMENT PROGRAMS THAT MAY HAVE OUTLIVED THEIR USEFULNESS AND BECOME DOWNRIGHT WASTEFUL, IS ENJOYING INCREASING POPULARITY.

TWENTY-NINE STATES HAVE ADOPTED SUNSET LAWS IN THE TWO AND ONE HALF YEARS FOLLOWING COLORADO'S ADOPTION OF THE NATIONS FIRST SUNSET ACT. THE NINETY-SIXTH CONGRESS IS CONSIDERING SUCH A BILL AND AT LEAST ONE MUNICIPALITY (AUSTIN, TEXAS) HAS A SUNSET ORDINANCE.

COLORADO, SOUTH DAKOTA, AND NEW MEXICO ARE AMONG THE FIRST STATES TO COMPLETE THEIR FIRST SUNSET REVIEWS. COLORADO HAS ABOLISHED THREE OF THE THIRTEEN AGENCIES BEING REVIEWED, COMBINED TWO, ADDED RESPONSIBILITIES TO TWO, AND PLACED SEVERAL UNDER STUDY. NEW MEXICO TERMINATED OR ABOLISHED EIGHT OF ITS NINETEEN BOARDS, AND SOUTH DAKOTA ABOLISHED ONE OF ITS EIGHT AGENCIES.

THANKS TO ITS PROPONENTS AND DESPITE ITS CRITICS, THE SUNSET CONCEPT IS NOW SAFELY ENTRENCHED AND IT IS CERTAINLY TIME THAT NEVADA ENTERS THE RANKS OF PROGRESSIVE STATES WHICH HAVE REALIZED ITS IMPORTANCE.

THE TWO KEYS TO SUNSET ARE AUTOMATIC TERMINATION, THE CONCEPTS ACTION FORCING MECHANISM, AND PERIODIC REVIEW, WHICH INSTITUTIONALIZES THE PROCESS. THE ALABAMA AND VIRGINIA ACTS AND THE AUSTIN ORDINANCE ARE "QUASI-SUNSET" LAWS PROVIDING FOR MANDATORY REVIEW BUT NOT AUTOMATIC TERMINATION.

THERE REALLY ARE NO MODEL BILLS PROPOSED BY COMMON CAUSE OR ANY OTHER PROPONENT SINCE EXISTING STATE RESOURCES AND GOVERNMENT ORGANIZATIONS VARY CONSIDERABLY. WE CAN, HOWEVER, RELY ON THE EXPERIENCE OF OTHER JURISDICTIONS AND THERE ARE SEVERAL ELEMENTS WHICH ARE CRITICAL TO ACHIEVING THE GOALS OF SUNSET: PHASING IN COVERAGE, EVALUATION WORK PLANS, THE PREPARATION AND STAFFING OF EVALUATION REPORTS, EVALUATION CRITERIA, AND PUBLIC PARTICIPATION.

PHASING IN COVERAGE

WHILE IT WOULD BE NATURAL TO WANT TO APPLY THE SUNSET PRINCIPLE TO ALL GOVERNMENT PROGRAMS AND AGENCIES, THIS IS NOT FEASIBLE AT THE OUTSET. EVALUATION OF SELECTED AGENCIES AND PROGRAMS ON THE STATE LEVEL IS DECIDEDLY PREFERABLE TO SUPERFICIAL EVALUATION OF ALL AGENCIES, PROGRAMS, DIVISIONS, AND DEPARTMENTS OF GOVERNMENT. IF SUNSET IS PHASED IN AND MADE TO WORK, ITS COVERAGE CAN BE EXPANDED AT A LATER DATE.

SB-318 IS DESIGNED WITH THESE IMPORTANT CONCEPTS IN MIND. WHILE THE BILL IS LENGTHY, THE FULL CONCEPT OF THE MEASURE IS CONTAINED IN THE INITIAL FIVE PAGES. THE REMAINDER OF THE BILL PROVIDES

THE MECHANISM FOR CONTINUING FUNCTIONS AND PROGRAMS OF GOVERNMENT WHICH ARE DEEMED NECESSARY IN THE EVENT OF TERMINATION OF THE AGENCY BOARD OR COMMISSION.

SB-318 IS LIMITED ONLY TO BOARDS AND COMMISSIONS AND UNLIKE AB-523 THERE IS NO CONTEMPLATED SUNSET REVIEW INITIALLY OF ANY STATE DEPARTMENT, DIVISION, OR AGENCY. ALTHOUGH THE NUMBER OF BOARDS AND COMMISSIONS EXCEED THOSE OF AB-523, A REVIEW OF THESE WILL INDICATE THAT FOR THE MOST PART THEY ARE NOT "HEAVY" NOR DO THEY REQUIRE EXTENSIVE AUDIT PROCEDURES.

EVALUATION WORK PLANS

IT HAS BEEN SAID THAT THE GREATEST PROBLEM WITH "EVALUATION" IS THAT IT IS NOT USED. ALL TOO OFTEN, EVALUATION IS DONE WITH NO THOUGHT OF WHETHER IT WILL BE HELPFUL TO LEGISLATIVE POLICY MAKERS. ALSO, LAWS OFTEN EXPRESS VAGUE OR CONFLICTING OBJECTIVES, MAKING EVALUATION DIFFICULT.

I REALIZED THE NEED FOR SOME TYPE OF SUNSET LEGISLATION DURING MY EARLIER TENURE ON THE SENATE FINANCE COMMITTEE. WHILE MONEY COMMITTEE REVIEW DURING THE LEGISLATIVE PROCESS DOES SERVE AS A CHECK ON UNNECESSARY EXPENDITURES AND WHILE THERE IS SOME CURSORY REVIEW OF THE EFFECTIVENESS OF AN AGENCY, LITTLE OR NO ATTENTION IS GIVEN TO OTHER IMPORTANT ISSUES. NOT THE LEAST OF THESE ARE WHETHER OR NOT THE PURPOSE FOR WHICH THE AGENCY WAS ORIGINALLY CREATED IS STILL VALID AND WHETHER OR NOT THE AGENCY IS PERFORMING

THIS FUNCTION AND PERFORMING IT IN A MANNER WHICH IS NOT ONLY COST EFFECTIVE BUT OF REAL SERVICE TO THE PUBLIC. SUNSET PROVIDES THE METHOD AND THE CRITERIA FOR MAKING THESE DETERMINATIONS DURING THE INTERIM LEGISLATIVE PERIOD.

CRITERIA

SECTION 10 OF SB-318 PROVIDES THE CRITERIA WHICH SHALL BE UTILIZED BY THE LEGISLATIVE COUNSEL BUREAU IN CONDUCTING THE NECESSARY PERFORMANCE AUDIT. IN DOING SO, THE LEGISLATIVE COUNSEL BUREAU IS CHARGED WITH DETERMINING WHETHER AN AGENCY IS:

1. PERMITTING QUALIFIED APPLICANTS TO SERVE THE GENERAL PUBLIC.
2. COMPLYING WITH REQUIREMENTS FOR AFFIRMATIVE ACTION.
3. OPERATING IN THE PUBLIC INTEREST.
4. RECOMMENDING STATUTORY CHANGES WHICH WILL BENEFIT THE GENERAL PUBLIC.
5. REQUIRING REPORTS TO SHOW THE EFFECT OF ITS REGULATIONS AND DECISIONS ON THE GENERAL PUBLIC REGARDING IMPROVEMENT, ECONOMY AND AVAILABILITY OF SERVICE.
6. ENCOURAGING AND PERMITTING PARTICIPATION BY THE GENERAL PUBLIC WHEN REGULATIONS ARE PROPOSED AND ADOPTED.
7. PROPOSING REGULATIONS WHICH ARE SOLELY FOR THE BENEFIT OF THE PERSONS BEING REGULATED.
8. DISPOSING EFFECTIVELY OF COMPLAINTS WHICH ARE FILED WITH THE AGENCY CONCERNING PRACTICES OF PERSONS SUBJECT TO ITS REGULATIONS.

THESE ARE NOT NECESSARILY THE ONLY CRITERIA WHICH MIGHT BE INCLUDED.

PERFORMANCE AUDIT

UNDER THE PROVISIONS OF SB-318 A PERFORMANCE AUDIT MUST BE CONDUCTED BY THE LEGISLATIVE COUNSEL BUREAU NOT LESS THEN SIX MONTHS BEFORE THE EFFECTIVE DATE OF THE TERMINATION OF AN AGENCY. THESE EFFECTIVE DATES ARE SET OVER A PERIOD OF EIGHT YEARS WITH CERTAIN BOARDS AND COMMISSIONS DESIGNATED FOR EACH OF THE TWO INTERIM YEAR PERIODS. THIS PERIOD OF SIX MONTHS IS ELASTIC AND, OF COURSE, COULD BE EXTENDED TO ALLOW THE NECESSARY TIME FOR COMPLETION OF THE PERFORMANCE AUDITS BEFORE THE NEXT SESSION OF THE LEGISLATURE TO WHICH A REPORT IS FURNISHED:

FISCAL NOTES

THE FISCAL NOTES WHICH HAVE BEEN PREPARED FOR BOTH SB-318 AND AB-523 ARE APPARENTLY BASED ON A FORMULA WHICH SUGGESTS THAT THERE WOULD BE THREE TIMES THE NORMAL WORK HOURS WHICH HAVE BEEN HISTORICALLY RECORDED FOR AUDITS OF THE PARTICULAR BOARD, COMMISSION, OR AGENCY INVOLVED. THIS IS PROBABLY AN EXTREMELY HIGH ESTIMATE. THE PERFORMANCE AUDIT COMTEMPLATED BY SB-318 DOES NOT CONSIST ONLY OF A FINANCIAL AUDIT. FOR THE MOST PART THE PERFORMANCE AUDIT INVOLVES MATTERS OF POLICY CONSIDERATION WHICH ARE BETTER PERFORMED BY OTHER DIVISIONS OF THE LEGISLATIVE COUNSEL BUREAU INCLUDING BOTH AUDIT, LEGAL AND RESEARCH. AS A RESULT, THE ESTIMATE MAY BE RATHER HIGH AND THE NEED FOR PERSONNEL INDICATED MIGHT BE LESS.

A COORDINATED EFFORT IS CONTEMPLATED ON THE PART OF ALL DIVISIONS OF THE LEGISLATIVE COUNSEL BUREAU.

CONCLUSION

IT HAS BEEN STATED THAT SUNSET SHOULD NOT BE VIEWED AS A PANACEA FOR ALL GOVERNMENTAL ILLS AND INDEED IT IS NOT. BUT IT IS A POWERFUL CONCEPT WITH GREAT PROMISE AND IT IS HELPING TO MAKE GOVERNMENT WORK BETTER. IN THIS ERA WHEN WE ARE VITALLY CONCERNED WITH PUTTING A STOP TO GOVERNMENT WASTE AND MAKING GOVERNMENT WORK MORE EFFICIENTLY, SUNSET DOES PRESENT A TREMENDOUS POTENTIAL FOR CREATING A NEW KIND OF DIALOGUE BETWEEN POLICY MAKERS, ADMINISTRATORS, AND THE PUBLIC.

THIS ALSO MEETS THE CONCERN THAT THE LEGISLATIVE BRANCH SHOULD HAVE AND PLAY A STRONGER ROLE IN OVERSEEING A MORE ACCOUNTABLE EXECUTIVE BRANCH. IT IS NO ATTEMPT TO INTERFERE WITH THE HISTORIC SEPARATION OF POWERS. SUNSET CONTAINS SOME RISKS AND PRESENTS DIFFICULTIES BUT WITH LEGISLATORS AND ADMINISTRATORS COOPERATING TO SOLVE PROBLEMS, SUNSET CAN HELP TO ESTABLISH A POSITIVE PARTNERSHIP TO MAKE GOVERNMENT WORK.

1979 REGULAR SESSION (60TH)

ASSEMBLY ACTION	SENATE ACTION	Senate	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to <u>Senate</u>	
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>		<u>Joint</u>
Date: _____	Date: _____	Bill No. <u>318</u>	<u>Resolution No.</u>
Initial: _____	Initial: _____	BDR <u>18-354</u>	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>	Proposed by <u>Committee on Government</u>	
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>	<u>Affairs</u>	
Date: _____	Date: _____		
Initial: _____	Initial: _____		

Amendment N^o 472

Consistent with Amendment No. 473.

Amend section 8, page 4, lines 19 and 20, by deleting "the performance of" and inserting:

"which binds the agency to the performance of any duty".

Amend section 8, page 4, by inserting between lines 21 and 22:

"4. The director of the department of administration is entitled to receive any benefit which is due the state after July 1 of the year following the date of termination of an agency which would be entitled to the benefit if it had not been terminated pursuant to this chapter. If the statutes relating to the function performed by the terminated agency designate a successor, the director shall assign the benefit to that successor. If those statutes direct the application of the agency's assets, the director shall so apply the benefit. If no successor or application is designated, the director shall deposit any money received, or if possible convert another benefit to money, and deposit

To: E & E
 LCB File
 Journal
 Engrossment
 Bill

Date 4-3-79 Drafted by DAS:ml

Amendment No. 472 to Senate Bill No. 318 (BDR 18-354) Page 2

the money in the state treasury for credit to the state general fund.".

Amend section 72, page 18, line 32, by deleting "412.098 and 593.110" and inserting "393.110 and 412.098".

1979 REGULAR SESSION (60TH)

ASSEMBLY ACTION	SENATE ACTION	Senate	AMENDMENT BLANK
Adopted <input type="checkbox"/>	Adopted <input type="checkbox"/>	AMENDMENTS to <u>Senate</u>	
Lost <input type="checkbox"/>	Lost <input type="checkbox"/>	Bill No. <u>318</u>	Joint Resolution No.
Date: _____	Date: _____	BDR <u>18-354</u>	
Initial: _____	Initial: _____	Proposed by <u>Committee on Government</u>	
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>	<u>Affairs</u>	
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>		
Date: _____	Date: _____		
Initial: _____	Initial: _____		

Amendment N^o 473

Consistent with Amendment No. 472

Amend section 7, page 3, by deleting lines 46 and 47.

Amend section 7, page 3, line 48, by deleting "6." and inserting "4."

Amend section 7, page 3, line 49, by deleting "7." and inserting "5."

Amend section 7, page 3, line 50, by deleting "8." and inserting "6."

Amend section 7, page 4, line 1, by deleting "9." and inserting "7."

Amend section 7, page 4, line 2, by deleting "10." and inserting "8."

Amend section 7, page 4, line 3, by deleting "11." and inserting "9."

Amend section 7, page 4, line 4, by deleting "12." and inserting "10."

To: E & E
LCB File
Journal
Engrossment
Bill

Date 4-3-79 Drafted by DAS:ml

Amendment No. 473 to Senate Bill No. 318 (BDR 18-354) Page 2

Amend section 7, page 4, line 5, by deleting "13." and inserting "11."

Amend section 7, page 4, line 6, by deleting "14." and inserting "12."

Amend section 7, page 4, line 7, by deleting "15." and inserting "13."

Amend section 7, page 4, line 8, by deleting "16." and inserting "14."

Amend section 7, page 4, line 9, by deleting "17." and inserting "15."

Amend section 7, page 4, line 10, by deleting "18." and inserting "16."

Amend section 7, page 4, line 11, by deleting "19." and inserting "17."

Amend section 7, page 4, line 12, by deleting "20." and inserting "18."

Amend section 7, page 4, line 13, by deleting "21." and inserting "19."

Amend the bill as a whole by deleting sections 590 through 641 and inserting:

"Secs. 590-641. (Deleted by amendment.)"



STATE OF NEVADA
BOARD OF SHEEP COMMISSIONERS

602 SOUTH ARLINGTON AVENUE
TELEPHONE 323-8479
RENO, NEVADA 89502

6
COMMISSIONERS
RAYMOND P. BORDA, CHAIRMAN
CARSON CITY, NEVADA
LOYD SORENSEN
ELKO, NEVADA
JOHN E. HUMPHREY, SECRETARY
RENO, NEVADA

EXHIBIT

Re: SB 318

Page 2, lines 10 & 11.

Page 7, lines 8 & 10, 562.101 - 320 and 567.100 - 170.

Page 7, lines 12 - 50 and 1 - 31 page 8.

Page 9, lines 16, 567.010 - .090.

My name is John Humphrey. I am one of the three Commissioners of the Nevada State Sheep Commission. I also act as the Secretary of the State Woolgrowers Predatory Animal Committee and the State Predatory Animal and Rodent Committee.

The Commission and the Committees were not consulted about the proposals in SB 318. The Commission is funded entirely by a direct tax on sheep only as is the State Woolgrowers Predatory Animal Committee.

The State Predatory Animal and Rodent Committee has no overhead expense and the only expense incurred in its behalf is for travel to infrequent committee meetings which is borne by the other agencies represented on the Committee.

The Sheep Commission's primary objective is to safeguard the health of Nevada's sheep to insure their acceptance in the market place.

Since the Commission operates at no expense to the State and is funded entirely by the industry, I can see no good reason to include it in a so-called sunset law since it would be an expense to the industry to review for the legislature the reasons for its continuance and would take the valuable time of the legislature for the review as well as the time and expense of the audits. The Commission has operated since 1905 and currently has no full time employees and is on a stand-by basis ready to act if needed because of an outbreak of disease. The Commission has a cooperative agreement with the U. S. Dept. of Agriculture for control of disease.

The State Woolgrowers Predatory Animal Committee is composed of the three Sheep Commissioners and its sole purpose is to levy a tax on sheep only for control of predators under agreement with the Federal Fish and Wildlife Service which conducts the actual work.

The State Predatory Animal and Rodent Committee is composed of five members, one each from the State Board of Agriculture, the State Board of Fish and Game, the Sheep Commission, ~~and~~ the State Board of Health, and the Nevada Farm Bureau. Its only purpose is to cooperate with the Federal Fish and Wildlife Service for

control of predatory animals and rodents. It makes such funds as are contributed to it by private or public agencies, available to the Federal agency which conducts the actual work.

I serve as the secretary of both Committees. All members and the secretary serve without compensation from the Committees but may receive travel expense for committee meetings from their respective agencies for the infrequent meetings of the Committees.

SB 318 would apparently terminate both Committees and Nevada would lose any and all control over predators and rodents and the Federal agency would retire from the field.

In the case of the Sheep Commission, added expense and red-tape would be involved for both the Commission and the Legislature in the sunset reviews, even though the Commission operates at no expense to the State. The bill also seeks to change the language of the Act and I can see no good reason for the changes since the Commission has operated since 1905 without problems in the wording. Any change in wording always seems to create new problems and since no problems currently exist, I can see no good reason to propose changes at this time.

April 4, 1979

My name is Joe Robertson, Assembly District 29. I am a member of the issues subcommittee of the Steering Committee of Common Cause of Northern Nevada. I wish to speak in favor of AB523.

We are gratified that both houses of the legislature are visible in favor of stronger legislative oversight because it is a way to bring the agencies closer to the voters.

AB523 appears to contain the necessary workable, affordable provisions for legislative oversight of regulatory state agencies.

Inevitably, as population increases and resources become more threatened or scarce, our lives will be controlled by more and more regulations intended to implement legislation. We must see that the regulatory agencies are operating efficiently in the public interest, or disbanded if no longer needed.

AB523 is a good bill because it provides for evaluation, continuation, termination, or reestablishment of a modest number of agencies. We regard this as a beginning. Many more agencies must come under review. However, cost and opposition of apprehensive personnel had better be maintained at a reasonable level until the process is given a fair trial.

We urge passage of AB523.

Thank you.

Senator Gibson, Assemblyman Dini and Committee Members:

I am Esther Nicholson and I am a representative of the League of Women Voters of Nevada. The League would like first to commend Senator Raggio, Mrs. Wagner and the many members of both houses who co-sponsored the two bills before you today. The Sunset concept providing for systematic review and automatic termination, unless specifically reauthorized, of the many boards, commissions and agencies which have proliferated at all levels of government, is sorely needed. Without such mandated mechanism for termination, consolidation or authorization for continuance, it seems virtually impossible to reduce or prevent the accelerated growth of government with its increased drain on the public treasury.

The LWV with its emphasis on responsible, accountable and efficient operation of government, supports the Sunset concept and the objectives behind both SB318 and AB523. We do, however, have a number of comments we would like to make about these two bills. Perhaps by the time I get to testify, you will have already heard arguments for and against each bill. You may have heard, also, an enumeration of the 10 principles which Common Cause deems essential to a good Sunset law and the degree to which each of these ten essential elements are embodied in these 2 bills. Probably neither bill should be passed out of your respective committees without some amendments. Mrs. Wagner has said she would accept the addition of at least one larger, more comprehensive, more heavily funded agency to the 10 regulatory ones specified in AB523 for termination in each of the next three bienniums. The League would certainly support such addition. We do strongly support, however, the more limited approach of AB523 as against the very exhaustive approach in SB318 and we feel this way for several reasons. The first has to do with the problem of work load. SB318 provides that the legislative counsel Bureau shall conduct the performance audit to be worked up on each agency. In the first two years, this would involve examining and evaluating 16 agencies. This number might not prove unmanageable. AB523 would require the review of ten which might be expanded by another one or two by amendment. In the second biennium, however, SB318 would cover 29 agencies, in the 3rd biennium 39 and in the 4th biennium 21. Unless the legislature wishes to beef up the Counsel Bureau considerably as to staff and budget appropriation, the League fails to see how such a large number of mandated audits could be carried out in a detailed, in-depth and impartial manner. Hasty, superficial audits would give the legislature insufficient data on which to make judgments on termination or other possible action and could result in ill-considered, unfair and unpopular decisions. We feel this wholesale approach could very well doom the whole sunset concept.

Zeroing in on regulatory agencies as the first to be considered is in line with what the majority of states enacting legislation have done. Of the 27 states passing Sunset laws, 8 cover regulatory agencies only, 3 more are primarily regulatory, 4 cover a limited number of selected agencies and only 6 are comprehensive in character as is SB318. Another argument for the limited approach is that the more boards, commissions and agencies enumerated in the bill initially, the greater the amount of apprehension, fear and outright hostility you engender before sunset even has a chance to be tried out. Agencies heads, employees, their families and their friends tend to feel threatened by just seeing the names listed for possible termination. If the review process can be carried out more or less as a pilot project at first, it will be easier to sell the idea that justifying ones

existence is good and can be done in a fair and impartial manner.

The League would also like to point out several other important differences between the two bills. One has to do with who is to do the performance audits. SB318 as noted above, gives the job to the Legislative Counsel Bureau. AB523 creates a Joint Review Committee of legislators, its membership and method of appointment to be determined by joint rule of the two houses. Section 8, sub-section 3 on page 3 provides also for input by the Legislative Counsel Bureau. The League believes that both a joint legislative committee and the Counsel Bureau should be involved. Members of the legislature are elected by the people served or regulated by these agencies. They are responsible to the public and more closely in touch with it than staff agencies are. They should be actively involved in the audit process from the beginning, not only because of the insight and perspective they can provide, but also because of their heightened knowledge, awareness and, we would hope, commitment to the Sunset process when the audit reports come back to the legislature for action at the beginning of each session. The necessity of using the Legislative Counsel Bureau goes without saying for it provides the necessary staff personnel and research capability which is essential. Perhaps the wording in Section 8, sub-section 3 on page 3 of AB523 and in Section 9, sub-section 1, also on page 3, could be tightened to make more explicit the relationship between the Joint Committee and the Counsel Bureau. I do not have any suggested wording but you might want to take a look at it.

Another difference we think important, is the time table for the review process. SB318 states that a performance audit must be completed not less than 6 months before the effective date of termination. Since the effective termination date is July 1 following each legislative session, this simply requires that the audits of all the agencies, specified for termination, or other action that session must be conducted by Jan 1st of that session year. AB523 on the other hand, states that the Joint Review Committee and the Counsel Bureau shall conduct a review of the need for and the efficiency of each agency named for termination beginning on July 1 of the second year before the scheduled termination date, and that by Sept. 1 of the year before the scheduled termination of an agency, the review shall be presented to the Legislative Commission, together with their recommendations. We feel this time table mandates full use of the interval between sessions and provides time for careful consideration of the review report by the Commission before it reaches the full legislature.

There are two other things we like about AB523. One is that it makes mandatory, the holding of public hearings on the need for continued operation of each agency and on its efficiency. Page 3, Section 9, sub-section 2. SB318 on Page 5 section 10, beginning on line 7, mentions a public hearing but it does not specify that such a hearing shall be held while the review process is still going on. Thus it would seem to apply only to the legislative committee hearing during the session when the question of termination or other action is being decided. We feel the public should be

afforded access for input early in the game.

The other thing we like about AB523 is that in setting up criteria for judging each agency, it divides the process into two parts. The first would consider the need for continuing the work the agency is doing and enumerates on page 3 section 9, sub-section 3 lines 30 through 42, six specific questions. If the answers to these questions are primarily negative, the Joint Review Committee and the Counsel Bureau would need go no further but could recommend termination. If, however, the answers to the six questions establishing need were generally affirmative, the question of whether or not the agency was operating efficiently would be determined by use of the criteria enumerated in section 9, sub-section 3, line 47 on page 3 through line 15 on the following page.

The League sincerely hopes that any infighting that may develop over which bill to push, will not inhibit the great possibilities inherent in passing a good sunset bill this session. The objectives of both bills, as we said in the beginning, are the same. The differences lie in the means to accomplish those goals. At this point, the League feels that AB523 most nearly meets our criteria for a good sunset bill. However, if SB318 seems to be the one most likely "to fly", as I believe you call it, we hope the Senate Government Affairs Committee will open their minds to the possibility of amendment along the lines we have specified as desirable in this testimony and that the Senate and the Assembly will then concur.

Thank you.

WASHOE COUNTY

"To Protect and To Serve"

EXHIBIT



9

DISTRICT HEALTH DEPARTMENT

April 4, 1979

WELLS AVE. AT NINTH ST.
POST OFFICE BOX 11130
RENO, NEVADA 89520
PHONE: (702) 785-4290

FISCAL IMPACT TO STATE AND LOCAL HEALTH DEPARTMENTS

REFERENCE TO: S.B. 318, Page 152, Lines 8 and 9

Because of unique features of public health programs, the inclusion of public health nurses in the law, N.R.S. 454.221 is vital to the Health Department programs in Nevada.


Prescription medications utilized in public health programs cannot be administered one dose at a time (such as baby vitamins with fluoride, daily tuberculosis medications, birth control pills, and prenatal vitamins). Nor can Health Departments afford to hire pharmacists to dispense the needed medications even if one could be found who wanted to misuse his talents in this fashion.

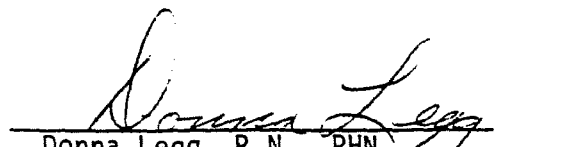
Public health programs are geared to the poor and low-income segment of the population who cannot afford to have prescriptions filled at pharmacies. Health Departments cannot afford to pay pharmacy rates and must rely on buying frequently-used drugs in large quantities and allowing qualified personnel to dispense, under strict controls.

One example of the difference in cost of medications is noted in the Family Planning Program. The Health Department pays 28¢ per cycle (one month's supply) for the most commonly used birth control pills. The cost at a pharmacy is \$3.65. For 2,000 women (for twelve months) the cost of medication to the Health Department is \$6,720. If forced to pay for prescriptions at a pharmacy, the cost to the Family Planning Program would be \$87,600. Even if this could be negotiated to half of the cost, it would be impossible for the Program to handle.

The most common drug used in Tuberculosis Control costs \$1.15 per patient, per month. By prescription it costs \$5.50. All medications are provided by law by the State of Nevada. Currently, at the Washoe County District Health Department, 125 persons are on this medication. The cost to the State per year is \$1,725. If forced to pay for this medication at a pharmacy, the cost would be \$8,250. Another 35 persons with tuberculosis take medications costing the State \$9,240 per year. At pharmacy cost, the price goes to \$24,150.

Without going any further, the cost for ^{not} keeping Lines 8 and 9 on Page 152, of S.B. 318 will be approximately \$100,000 per year just to the Health Department in Washoe County.


Howard Clodfelter
Administrator


Donna Legg, R.N., PHN
Assistant Director, CCHS Division

HC/DL:ack

WASHOE COUNTY IS AN EQUAL OPPORTUNITY EMPLOYER

TEN BASIC PRINCIPLES ESSENTIAL TO ANY WORKABLE
SUNSET LAW

First: The programs or agencies covered under the law should automatically terminate on a date certain, unless affirmatively recreated by law.

Second: Termination should be periodic (e.g., every six or eight years) in order to institutionalize the process of reevaluation.

Third: Like all significant innovations, introduction of the Sunset mechanism will be a learning process, and should be phased in gradually, beginning with those programs to which it seems most applicable.

Fourth: Programs and agencies in the same policy area should be reviewed simultaneously in order to encourage consolidation and responsible pruning.

Fifth: Consideration by the relevant committees... must be preceded by competent and thorough preliminary studies.

Sixth: Existing bodies (e.g., the executive agencies, evaluation units) should undertake the preliminary evaluation work, but their evaluation capacities must be strengthened.

Seventh: Substantial committee reorganization, including adoption of a system of rotation of committee members, is a prerequisite to effective Sunset oversight.

Eighth: In order to facilitate review, the Sunset proposal should establish general criteria to guide the review and evaluation process.

Ninth: Safeguards must be built into the Sunset mechanism to guard against arbitrary termination and to provide for outstanding agency obligations and displaced personnel.

Tenth: Public participation in the form of public access to information and public hearings is an essential part of the Sunset process.

EXHIBIT B

S. B. 318 and A. B. 523 CONTAIN THE TEN BASIS AT THE FOLLOWING POINTS:

First: Definite termination date. SB 318, yes, in Sec. 4-7 AB 523, yes in Sec. 4-7.

Second: Termination periodic - regular evaluation. SB 318, no. AB 523, no.

Third: Gradual phase in. SB 318, yes, Sec. 4-7. AB 523, yes, Sec. 4-6; fewer agencies in each group.

Fourth: Programs and agencies in same policy area, simultaneously reviewed. Attempt made in both bills. Extremely difficult to handle this in three or four groups.

Fifth: Competent, thorough, preliminary study before meetings of committees. SB 318, yes, Sec. 9. AB 523, yes, Sec. 9.

Sixth: Existing bodies undertake preliminary evaluation with evaluation strengthened. SB 318, yes, Sec. 9, 3, Sec. 10, 11. The Legislative Counsel is the review committee. AB 523, yes, Sec. 8, a joint review committee created. Neither bill provides for strengthening, evaluating capacities. Might add members outside of committee structure?

Seventh: - Omit, just for Congress.

Eighth: General criteria to guide review and evaluation. SB 318, yes, Sec. 10, 11. AB 523, yes, Sec. 9.

Ninth: Safeguards against arbitrary termination. SB 318, yes, Sec. 8, 13. AB 523, yes, Sec. 9, 11.

Tenth: Public participation. SB 318, yes, Sec. 12, "At any hearing held - information may be presented by; (a) general public; --" No provision to call a meeting. AB 523, yes, Sec. 9, subsection 2 "The joint review committee shall conduct public hearings --- " Sec. 10, subsection 1,a. "at any hearing held -- information may be presented by: (a) members of the general public.

SUNSET OVERVIEW:

How the 29 State Laws Comply with Common Cause's Ten Principles

	SUNSET MECHANISM	PERIODIC TERMINATION	SELECTIVE COVERAGE	REVIEW BY POLICY AREA	PRELIMINARY STUDIES	USE OF EXISTING EVALUATION UNITS	EVALUATION CRITERIA	WIND-UP PERIOD	PUBLIC HEARINGS
	1	2	3	4	5	6	8	9	10
ALABAMA		x		x			x	x	x
ALASKA —	x	x	x	x	x	x	x	x	x —
ARIZONA —	x	x	x	x	x	x	x	x	x —
ARKANSAS	x			x	x	x	x		x
COLORADO —	x	x	x	x	x	x	x	x	x —
CONNECTICUT —	x	x	x	x	x	x	x	x	x —
FLORIDA	x	x	x	x			x	x	
GEORGIA —	x	x	x	x	x	x	x	x	x —
HAWAII	x	x	x	x			x		x
INDIANA	x			x	x	x	x		x
KANSAS —	x	x	x	x	x	x	x	x	x —
LOUISIANA	x	x		x			x		x
MAINE	x	x	x	x		x	x	x	x
MARYLAND —	x	x	x	x	x	x	x	x	x —
MONTANA —	x	x	x	x	x	x	x	x	x —
NEBRASKA —	x	x	x	x	x	x	x	x	x —
NEW HAMPSHIRE	x	x		x	x	x	x	x	x
NEW MEXICO	x	x	x	x			x	x	x
NORTH CAROLINA	x		x	x	x		x	x	x
OKLAHOMA	x	x	x	x			x	x	x
OREGON	x	x	x	x			x		x
RHODE ISLAND —	x	x	x	x	x	x	x	x	x —
SOUTH CAROLINA —	x	x	x	x	x	x	x	x	x —
SOUTH DAKOTA	x		x	x			x	x	x
TENNESSEE	x	x		x	x	x	x	x	x
TEXAS	x	x		x	x	x	x	x	x
UTAH	x	x	x	x			x	x	
VERMONT —	x	x	x	x	x	x	x	x	x —
WASHINGTON —	x	x	x	x	x	x	x	x	x —

EXPLANATORY NOTES:

- The numbers at the top of the chart refer to nine of Common Cause's ten principles. The seventh principle, referring to committee reorganization, is of primary concern at the federal level so was not included in the chart.
- Principle 3: Defined as laws aimed primarily at regulatory activities or at only a manageable number of programs or agencies.
- Principle 5: Defined as laws mandating preliminary studies

by legislative staff other than the reviewing legislative committees or the agency itself.

- Principle 6: Refers only to laws which use existing bodies to undertake preliminary evaluation. Few states have allocated resources for additional staff.

- Principle 9: Refers only to laws providing for a wind-up period for terminated agencies or programs. Most laws provide for outstanding agency obligations and displaced personnel.

The cost of Sunset may seem large at first, depending on how many agencies are reviewed at a time. In 1977, Nebraska spent \$7,460 to prepare reports for five licensing boards and the Department of Economic Development. In Colorado the first thirteen reviews cost \$133,315. Of this, \$60,000 was the cost of reviewing the Public Utilities Commission and the Insurance Division. The first reports involve start-up costs, determination of appropriate methods, etc., which are one-time costs. Yet Sunset laws have contributed to increased legislative experience and interest in oversight work, improved consumer complaint procedures, and added public participation and public confidence. How do you put \$ marks after those excellent results?

Sunset law is not a panacea for all government ills. Sunset legislation has as its goals to help government work better. Its goal is not simply to terminate, but to increase the effectiveness of the government we have. The test of whether Sunset is working will be seen in agencies made more responsive and accountable to the needs of people.

The experience of Sunset legislation is generally good for the brief time it has been in effect. The secret seems to be the implementing of the basic ten principles. Choose the bill you want, but be sure the 9 state Sunset laws are in the bill.

Let us be the 31st State to have Sunset.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

A.

WHEN DOES THE REVIEW TAKE PLACE?

S.B. 318

A.B. 523

Not less than 6 months before the effective date of the termination of an agency.

Beginning on July 1 of the second year preceding the scheduled date of termination.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

Page No. 2

B.

WHO DOES THE REVIEW?

S.B. 318

A.B. 523

The legislative counsel bureau.

The legislative auditor shall make available any audit or other information which the legislative auditor is required to maintain and which pertains to the agency being audited by the legislative counsel bureau.

The joint review committee and the legislative counsel bureau.

How is the joint review committee chosen?

The legislature shall, by joint rule, determine the membership and method of appointment of the members of the joint review committee. Members appointed at a regular session of the legislature serve until the following general election, and are entitled to the same compensation and allowances for meetings as are members of the legislative commission.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

Page No. 3

C.

WHEN AND TO WHOM ARE REPORTS MADE?

S.B. 318

A.B. 523

The legislative counsel bureau shall prepare and present the performance audits to the legislature at its next regular session.

On or before September 1 of the year preceding the scheduled termination of an agency, the joint review committee and the legislative counsel bureau shall present their review of the agency to the legislative commission, together with their recommendations, including recommended legislation, for the termination, consolidation or continuation of the agency. The legislative commission shall transmit the review and recommendations to the legislature at the beginning of the next regular session.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

D.

WHAT MUST BE INCLUDED IN THE REPORT

S.B. 318

A.B. 523

As part of the performance audit, the legislative counsel bureau shall include the agency's:

1. Statement of its objectives and programs
2. Conclusion concerning the effectiveness of its objectives and programs.
3. Recommendations for statutory changes which are necessary for the agency to carry out its objectives and programs.
4. Evaluation of its objectives and programs for the ensuing fiscal year.

Recommendations, including recommended legislation, for the termination, consolidation or continuation of the agency.

COMPARISON OF THE SUNSET REVIEW PROVISIONS CONTAINED IN S.B. 318 AND A.B. 523

E. WHAT ARE THE REVIEW CRITERIA?

S.B. 318

A.B. 523

The legislative counsel bureau shall in conducting a performance audit, determine whether an agency is:

1. Permitting qualified applicants to serve the general public.
2. Complying with requirements for affirmative action.
3. Operating in the public interest.
4. Recommending statutory changes which will benefit the general public.
5. Requiring reports to show the effect of its regulations and decisions on the general public regarding improvement, economy and availability of service.
6. Encouraging and permitting participation by the general public when regulations are proposed and adopted.
7. Proposing regulations which are solely for the benefit of the persons being regulated.
8. Disposing effectively of complaints which are filed with the agency concerning practices of persons subject to its regulations.

2. The joint review committee shall conduct public hearings for the purpose of obtaining comments on, and may require the legislative counsel bureau to submit reports on, the need for the continued operation of an agency, and its efficiency.

3. In conducting its review, the joint review committee shall first consider the need for the continued operation of the agency by obtaining answers to the following questions:

- (a) Would the absence of regulation significantly harm or endanger the public health, safety or welfare?
- (b) Is there a reasonable relationship between the exercise of the state's police power and the protection of the public health, safety or welfare?
- (c) Is there another, less restrictive, method of regulation which could adequately protect the public?
- (d) Does regulation have the effect of directly or indirectly increasing the cost of any goods or services involved and, if so, to what degree?
- (e) Is the increase in cost, if any, more harmful to the public than the harm which could result from the absence of regulation?

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

E.

WHAT ARE THE REVIEW CRITERIA? (continued)

S.B. 318

A.B. 523

(f) Is the entire regulatory process designed solely for the purpose of, and does it have as its primary effect, the protection of the public?

4. If the joint review committee finds that the answers to questions about the need for the agency are generally affirmative, it shall determine whether the agency is operating efficiently by applying the following criteria:

(a) The agency has permitted qualified applicants to serve the public;

(b) Requirements of state and federal law for affirmative action have been met by the agency and the industry or profession which it regulates;

(c) The agency has operated in the public interest, and the extent to which its operation in the public interest has been impeded or aided by existing statutes and by other circumstances, including budget and personnel matters;

(d) The agency has recommended changes to the statutes which would benefit the public rather than the persons it regulates;

(e) The agency has required the persons whom it regulates to report the effect of regulations and decisions of the agency on the public, particularly regarding improvements in economy and quality of service;

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

E.

WHAT ARE THE REVIEW CRITERIA? (continued)

S.B. 318

A.B. 523

(f) Persons regulated by the agency have been required to assess problems in the industry or profession which affect the public;

(g) The agency has encouraged participation by the public in making its regulations, as opposed to encouraging participation only by the persons it regulates; and

(h) The agency handles formal complaints from the public concerning persons subject to its regulation efficiently and with dispatch.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

Page No. 8

F.

WHO MAY GIVE PRESENTATIONS DURING HEARINGS TO DETERMINE WHETHER AN AGENCY IS TO
BE TERMINATED, CONTINUED OR REESTABLISHED?

S.B. 318

A.B. 523

1. At any hearing held to determine whether an agency is to be terminated, continued or reestablished, information may be presented by:

- (a) The general public;
- (b) Any person who is regulated by the agency; or
- (c) A representative of the agency.

2. The performance audit of the agency shall also be considered.

3. An agency has the burden of proving that there is a public need for its continued existence or regulatory function.

1. At any hearing held to determine whether an agency should be terminated, consolidated with another agency or continued, information may be presented by:

- (a) Members of the general public;
- (b) Any person who is regulated by the agency; and
- (c) Representatives of the agency.

2. The joint review committee shall consider any report submitted to it by the legislative counsel bureau.

3. An agency has the burden of proving that there is a public need for its continued existenc or regulatory function.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

G.

WHAT ARE THE AGENCY WRAP UP PROVISIONS?

S.B. 318

A.B. 523

SEC. 8. 1. An agency may continue in existence until July 1 of the year immediately succeeding the effective date of its termination for the purpose of winding up its affairs.

2. Except as provided in subsection 3, the powers and duties of an agency are not abrogated or otherwise limited during such period.

3. An agency may not enter into or let any contract the performance of which extends beyond July 1 of the year immediately after its termination.

What consideration is given to laid off employees?

In establishing lists of eligible persons, a preference must be allowed for persons in the classified service who have been separated from their positions because the agency by which they were employed has been terminated pursuant to sections 4 to 7, inclusive, of this act.

SEC. 7. 1. An agency may continue in existence until July 1 of the year immediately succeeding the effective date of its termination for the purpose of winding up its affairs, unless the agency has been consolidated with another.

2. The powers and duties of an agency are not abrogated or otherwise limited during the period between its termination and the following July 1, but no agency may enter into or let any contract, the performance of which extends beyond July 1 of the year immediately following the year in which it is terminated.

3. The director of the department of general services is responsible for disposing of any property of a terminated agency. All assets and liabilities of any agency which has been consolidated with another must be taken over by the successor agency. Money in the state treasury which is held in a special fund for an agency which has been terminated reverts to the state general fund on July 1 of the year immediately following the year in which the agency was terminated.

What consideration is given to laid off employees?

In establishing lists of eligible persons, a preference must be allowed for each person in the classified service who has been separated from the service because the agency by which he was employed was terminated pursuant to sections 4 to 6, inclusive, of this act.

EXHIBIT

COMPARISON OF THE SUNSET REVIEW PROVISIONS CONTAINED IN S.B. 318 AND A.B. 523

H. WHICH ARE THE AFFECTED AGENCIES?

S.B. 318

1981

A.B. 523

SEC. 4. Unless continued or reestablished by express act of the legislature, the following agencies terminate on July 1, 1981:

- 1. The multiple use advisory committee on federal lands;
2. The governor's advisory council on children and youth;
3. The Marlette Lake water system advisory committee;
4. The Nevada instructional television planning council;
5. The Nevada educational television community development council;
6. The Nevada legislative communications council;
7. The health facilities advisory council;
8. The state health coordinating council;
9. The oil, gas and mining board;
10. The state board of sheep commissioners;
11. The Nevada junior livestock show board;
12. The state predatory animal and rodent committee;
13. The alfalfa seed advisory board;
14. The rural manpower services advisory council;
15. The state barbers' health and sanitation board; and
16. The state board of cosmetology.

SEC. 4. Unless continued or reestablished by express act of the legislature, the following agencies terminate on July 1, 1981:

- 1. The Nevada racing commission.
2. The Nevada athletic commission.
3. The Nevada liquefied petroleum gas board.
4. The Nevada state board of accountancy.
5. The state board of funeral directors and embalmers.
6. The state barbers' health and sanitation board.
7. The state board of cosmetology.
8. The real estate division of the department of commerce.
9. The Nevada state board of examiners for nursing facility administrators.
10. Each taxicab authority.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

H.

WHICH ARE THE AFFECTED AGENCIES? (continued)

S.B. 318

1 9 8 3

A.B. 523

SEC. 5. Unless continued or reestablished by express act of the legislature, the following agencies terminate on July 1, 1983:

1. The commission on crime, delinquency and corrections;
2. The economic development advisory council on industry;
3. The economic development advisory council on tourism;
4. The youth services agency advisory board;
5. The Nevada equal rights commission;
6. The Nevada Indian commission;
7. The Nevada state council on the arts;
8. The state communications board;
9. The Nevada state rural housing authority;
10. The Eldorado Valley advisory group;
11. The state land use planning advisory council;
12. The state public works board;
13. The board of trustees of the Nevada state museum;
14. The Lost City museum advisory commission;
15. The Nevada historical society;
16. The advisory board for historic preservation and archeology;
17. The Nevada council on libraries;
18. The Comstock historic district commission;

SEC. 5. Unless continued or reestablished by express act of the legislature, the following agencies terminate on July 1, 1983:

1. The Nevada state board of architecture.
2. The board of landscape architecture.
3. The state contractors' board.
4. The state board of registered professional engineers.
5. The Nevada state board of optometry.
6. The board of dispensing opticians.
7. The board of hearing aid specialists.
8. The state board of pharmacy.
9. The private investigator's licensing board.
10. The certified shorthand reporters board of Nevada.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

EXHIBIT

H.

WHICH ARE THE AFFECTED AGENCIES? (continued)

S.B. 318

1 9 8 3

A.B. 523

- 19. The state textbook commission;
- 20. The commission on postsecondary institutional authorization;
- 21. The state park advisory commission;
- 22. The Nevada veterans' advisory commission;
- 23. The state welfare board;
- 24. The state advisory committee on older Americans;
- 25. The mental hygiene and mental retardation advisory board;
- 26. The state board of health;
- 27. The state environmental commission;
- 28. The Nevada racing commission; and
- 29. The Nevada athletic commission.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

H.

WHICH ARE THE AFFECTED AGENCIES? (continued)

S.B. 318

1 9 8 5

A.B. 523

SEC. 6. Unless continued or reestablished by express act of the legislature, the following agencies terminate on July 1, 1985.

1. The state board of forestry and fire control;
2. The state fire marshal's advisory board;
3. The county game management boards;
4. The state board of fish and game commissioners;
5. The state energy resources advisory board;
6. The well drillers' advisory boards;
7. The Colorado River advisory commission;
8. The state conservation commission;
9. The state board of agriculture;
10. The Nevada liquefied petroleum gas board;
11. The state apprenticeship council;
12. The Nevada employment security council;
13. The board of review;
14. The Nevada state board of architecture;
15. The board of landscape architecture;
16. The state contractors' board;
17. The state board of registered professional engineers;
18. The Nevada state board of accountancy;
19. The board of medical examiners;
20. The board of dental examiners of Nevada;
21. The state board of nursing;
22. The state board of osteopathy;
23. The Nevada state board of chiropractic examiners;

SEC. 6. Unless continued or reestablished by express act of the legislature, the following agencies terminate on July 1, 1985:

1. The board of medical examiners of the state of Nevada.
2. The board of dental examiners of Nevada.
3. The state board of nursing.
4. The state board of osteopathic medicine.
5. The Nevada state board of chiropractic examiners.
6. The state board of Oriental medicine.
7. The state board of podiatry.
8. The state board of physical therapy examiners.
9. The board of psychological examiners.
10. The board of marriage and family counselor examiners.

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

H.

WHICH ARE THE AFFECTED AGENCIES? (continued)

S.B. 318

1 9 8 5

A.B. 523

- | 24. The board of Oriental medicine; | |
|---|--|
| 25. The state board of podiatry; | |
| 26. The Nevada state board of optometry; | |
| 27. The board of dispensing opticians; | |
| 28. The state board of hearing aid
specialists; | |
| 29. The Nevada state board of veterinary
medical examiners; | |
| 30. The state board of pharmacy; | |
| 31. The state board of physical therapy
examiners; | |
| 32. The board of psychological examiners; | |
| 33. The board of marriage and family
counselor examiners; | |
| 34. The state board of funeral directors and
embalmers; | |
| 35. The Nevada real estate advisory com-
mission; | |
| 36. The private investigator's licensing
board; | |
| 37. The Nevada state board of examiners for
skilled nursing home administrators; | |
| 38. The certified shorthand reporters board
of Nevada; and | |
| 39. The taxicab authority. | |

COMPARISON OF THE SUNSET REVIEW
PROVISIONS CONTAINED IN
S.B. 318 AND A.B. 523

H.

WHICH ARE THE AFFECTED AGENCIES? (continued)

S.B. 318

1 9 8 7

A.B. 523

SEC. 7. Unless continued or reestablished by express act of the legislature, the following agencies terminate on July 1, 1987:

1. The data processing commission;
2. The advisory personnel commission;
3. The merit award board;
4. The public employees' retirement board;
5. The police and firemen's retirement fund advisory committee;
6. The committee on group insurance;
7. The local government employee-management relations board;
8. The employee-management relations advisory committee;
9. The state board of finance;
10. The state board for vocational education;
11. The board of directors of the department of highways;
12. The medical care advisory group;
13. The water district advisory boards;
14. The ground water boards;
15. The state grazing boards;
16. The central committee of Nevada state grazing boards;
17. The Nevada industrial commission;
18. The medical boards;
19. The occupational safety and health review board;
20. The credit union advisory council; and
21. The public service commission of Nevada.

DEPARTMENT OF HEALTH, HUMAN SERVICES
WELFARE DIVISION

MEMORANDUM

April 2, 1979

TO: ASSEMBLYMAN DINI
COMMITTEE ON GOVERNMENT AFFAIRS

FROM: MINOR L. KELSO, CHIEF
MEDICAL CARE SERVICES *MLK*

SUBJECT: SB 523

Assembly Bill number 523 provides for termination of certain boards, commissions and similar bodies in the Executive Department of State government. As a result of this bill the Medical Care Advisory Group for the Title XIX-Nevada State Welfare Division would be scheduled for termination on July 1, 1987 unless continued or re-established by express act of the Legislature. In addition, the Nevada State Board of Examiners for skilled nursing home administrators would be terminated July 1, 1985.

The Medical Care Advisory Groups are a State Plan requirement (42CFR431.12) and a State law requirement (NRS422.151-157). A State program for licensing nursing home administrators is also a State Plan requirement (42CFR431.700-715).

The function of the Medical Care Advisory Group is to help improve and maintain the quality of the Medical Assistance Program by contributing specialized knowledge and experience and to provide a means of communication between the Nevada Title XIX Program and the individuals, organizations, and institutions in the community that provide medical care and services.

The federal regulations concerning licensing of nursing home administrators (42CFR431.700-715) is directly related to the ability of Title XIX to pay for placement of recipients in long term care facilities. The regulations mandate that only nursing homes supervised by an administrator licensed in accordance with the federal requirements MAY operate in the State.

MLK:GMO:dd

cc: George Miller, Nevada State Welfare Administrator

March 30, 1979

State Capitol Complex
Carson City, NV 89710

RE: AB 523 Sections 102-105

As certified Physicians' Assistants and Family Nurse Practitioners we ask that you give careful consideration to AB 523 Sections 102 to 105. These sections propose to amend NRS 454.191, 454.211, and 454.221 by deleting the phrase: "physicians' assistant if authorized by the board," from administering or dispensing drugs or medicines as are necessary for the immediate needs of the patient. It is also our understanding that this is a "Sunset" bill.

If this bill is intended to eliminate existing boards, as directed by law, then why does the deletion incorporate physicians' assistants? We can only surmise that a deliberate attempt is being made to eliminate our professional group in a general housecleaning procedure. We demand an explanation to the deleting of our profession from NRS 454.191, 454.211, and 454.221.

Physicians' Assistants and Nurse Practitioners are midlevel health care providers who require the ability to administer and dispense medicines in order to function within the scope of their practices. We are practitioners functioning under the supervision of a licensed physician. As practitioners we have the right to dispense. In a letter dated August 30, 1978, from the Deputy Attorney General, Michael W. Dyer, to George T. Bennett, Secretary of the Nevada State Board of Pharmacy, the following conclusion is made:

"Thus physicians' assistants are 'practitioners' within the definition of 21 U.S.C. Sec 802(20) and may directly dispense controlled substances under 21 U.S.C. Sec 802(10)."

Page 2
March 30, 1979
RE: AB 523 Sections 102-105

We are concerned with the future of midlevel health care providers in the state of Nevada. If the dispensing, administering, and possessing privileges were removed from our profession, the gap in health care and delivery to the rural community will widen. The health and welfare to the people of Nevada will suffer, since the absence of regulation would be more harmful than good.

Please be aware of the numerous detrimental results possible should these deletions occur.

Thank you,

Gail Williams

Gail Williams, PA-C, NP
Physicians' Assistant Certified
Nurse Practitioner
870-3191

R. Scott Chavez

R. Scott Chavez, PA-C
Physicians' Assistant Certified
Nevada State Board Certified #36
735-4159

Roger Quinte PA-C

Roger Quinte, PA-C
Physicians' Assistant Certified
Nevada State Board Certified
734-1598

Sue Pearson

Sue Pearson, PA-C, NP
Physicians' Assistant Certified
Nurse Practitioner
870-8263



EXHIBIT

April 4, 1979

Senate Government Affairs Committee
Assembly Government Affairs Committee

On behalf of the Nevada Association of Realtors, I would like to submit the following comments concerning SB318 and AB 523:

SB318 -- The bill does not provide for a public hearing which we would suggest.

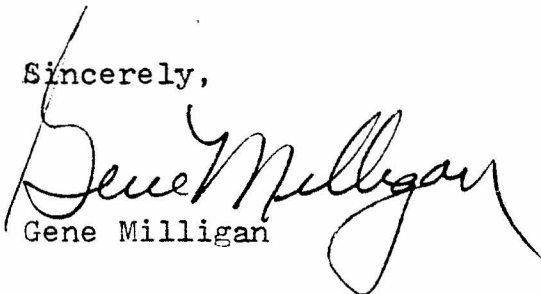
It further provides for the review of some 20 to 30 agencies at the same time. We would suggest that you cut the number of agencies, or that you provide for adequate staffing to conduct the review.

AB523 -- No comment.

In considering the above bills, it should be noted that some kind of balance should be provided for. That is, an Agency that now has a citizen review Commission should not be left without such review.

This is the only handle that the taxpayers have on the bureaucracy, if any. It can be safely demonstrated that government bureaucrats have taken an advocacy position, and the private citizen must now defend himself or herself from the government. Therefore, a citizen commission has considerable value in serving as some kind of buffer between the government and the tax payer.

Sincerely,



Gene Milligan



777 East Williams St. / Carson Plaza / Suite 106 / Carson City, Nevada 89701 / (702) 882-7733

Rt. 1, Box 95
Lovelock, Nevada 89419
April 4, 1979

Senate Committee on Government Affairs
Hon. James Gibson, Chairman
Nevada State Legislature
Carson City, Nev. 89701

Mr. Chairman, members of the committee:

I am writing about the possible impact of SB 318 on the alfalfa seed industry in Nevada, and would like to have this letter entered as testimony during the bill's hearing.

I am engaged in farming in the Lovelock area, and am a member of the Alfalfa Seed Advisory Board. I am writing not only for myself, but for the growers from the Lovelock and Humboldt County areas where most of the alfalfa seed in Nevada is raised. We, like yourselves, are very busy this time of year, and, unfortunately, no one was able to attend your hearing. However, we are very concerned about this bill.

Probably most of you know little about alfalfa seed production in Nevada, but in fact, alfalfa seed is the fourth leading agricultural crop in Nevada, following livestock, hay, and potatoes. Some 6-8% of the seed produced annually in this country comes from Nevada - and this has been as high as 10%. It is indeed an important industry here, and those of us involved hope to keep it strong. Essential to this effort, we believe, is the retention of the Alfalfa Seed Research and Promotion Fund as provided for in NRS 561.409 and the retention of the Alfalfa Seed Advisory Board as provided for in NRS 587.131 through NRS 587.185.

S. B. 318 could, on July 1, 1981 eliminate the Alfalfa Seed Advisory Board, which acts in an advisory capacity to, and is appointed by, the Nevada State Board of Agriculture. The duties now performed by the Alfalfa Seed Advisory Board would become the responsibility of the Nevada State Board of Agriculture.

These duties are outlined in NRS 587.145. Briefly, they include: 1) preparation of a budget covering anticipated income and expenses for utilizing the funds deposited in the alfalfa seed research and promotion fund, 2) adopting procedures for filing with the advisory board any proposed research or promotion projects, and 3) recommending projects and individuals to manage them to the State Board of Agriculture.

It is our opinion these duties can best be performed by people who are directly involved with the industry - the Alfalfa Seed Advisory Board as now constituted. You will note that the Board is composed of six persons actively engaged in the growing and production of alfalfa seed in the State of Nevada and one person actively engaged as a dealer in alfalfa seed in the State of Nevada.

If the Alfalfa Seed Advisory Board is eliminated, who then would provide the input into development of research and market promotional efforts?

As a brief background to the development of the Alfalfa Seed Research and Promotion Fund and the Advisory Board, let me explain that the states of California, Idaho, and Washington have similar systems for generating funds from growers of alfalfa seed to assist in funding research and market promotion efforts. It became apparent that if Nevada Seed Growers were to carry their fair share in correcting production and marketing problems unique to the industry, they would also have to develop a system for participating financially with research projects. Much of the research being conducted is coordinated on an interstate basis to take advantage of specific researchers' expertise and to avoid duplication of effort.

It was only after careful consideration of various alternatives of accomplishing grower-imposed assessments that representatives of the Nevada Alfalfa Seed Industry determined the system identified in the previously-mentioned statutes was the most fair and least costly for participating growers. You will note that growers who do not desire to participate are able to claim a refund of their assessment.

In reference to the funds derived for conducting research and promotion, the total cost for implementation is provided only by alfalfa seed growers. NO state funds are requested or are anticipated for these programs.

The members of the Alfalfa Seed Advisory Board serve without pay and, while they are allowed per-diem, only one request for per-diem has been submitted in the four years of the program's existence, and this was later withdrawn.

Should not a group such as ours, which pays the entire cost of its program, have the right to provide input, in the form of recommended budgets and projects, into the direction research and promotion efforts should take?

We believe our industry has very competent and informed people who can serve a vital role, in an advisory capacity, to the Nevada State Board of Agriculture, in providing purposeful and objective direction to the use of research and promotional funds which we provide. This system has been in existence only four years and has worked well to date.

The Alfalfa Seed Advisory Board, through discussions with growers, determines what types of research are needed, seeks competent people to present proposals, and then selects which projects should be recommended to the State Board of Agriculture.

We in the alfalfa seed industry wish to retain the Alfalfa Seed Advisory Board as now constituted, and, inasmuch as we pay our own way, see absolutely no benefit to the state or any individual through its inclusion in this legislation.

I, therefore, respectfully request, on behalf of myself and my fellow alfalfa seed growers, that Section 4, line 13, and Section 32 through Section 35 be deleted from this bill.

Could you please notify me as to your action on this request? If there are further hearings on S B 318 we will try to send a representative to answer any questions you might have.

Thank you,



ALAN LIST