

MEMBERS PRESENT

MR. DINI, CHAIRMAN  
MR. HARMON, VICE-CHAIRMAN  
MR. BERGEVIN  
MR. BEDROSIAN  
MR. GETTO  
MR. JEFFREY  
MR. CRADDOCK  
MR. ROBINSON  
MR. FITZPATRICK  
MS. WESTALL  
MR. MARVEL

GUEST LIST ATTACHED

Chairman Dini called the meeting to order at 8:00 AM AND requested testimony on

A.B. 779: Enables local governments to purchase development rights to land.

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Sam Mamet, Representing Clark County notified the committee that he was including the support of Russ MacDonald and the Co. Commissioners Association in his remarks. He informed them that this bill is a bill drafters interpretation of a resolution passed by the CC Association last November. The resolution, as read into the record is as follows:

WHEREAS the state of Nevada is experiencing dramatic and increasing growth pressures in urbanization; and

WHEREAS existing legislation does not provide local governments with the potential for retaining productive agricultural land and scenic areas or protection against flood or seismic hazards, and

WHEREAS the program to insure compact and orderly and balanced development is dictated by present development pressures and a tendency toward sprawl, and

WHEREAS the purchase of development rights is proven to be one of the more effective means of insuring orderly development, NOW THEREFORE, the ASSOCIATION request that the legislature adopt enabling legislation to permit the purchase of development rights and that the Association recommends the legislature appropriate money to assist local governments to purchase development rights.

KEN KJER, DOUGLAS CO. COMMISSIONER told the members that Douglas Co. did request this type of enabling legislation although they would have preferred the transfer of development rights amongst private property owners to have been included. He said that it would be a tool in the planning process. This would be a method of protecting the agricultural property in Carson Valley and perhaps assist in maintaining the forest lands at the Lake. He did point out that this bill did only speak to government purchase of development rights

AND said that he doubted that if after this session there would be any money left for purchase of development rights. He explained that this is a new concept for this area but one that he felt may be used effectively and effeciently in maintaining the integrity. of the general plan and is a good procedure to get involved in.

There was no further testimony on this bill at this time since Senator Gibson had arrived to offer testimony on his bill.

S.B. 73: Repeals authority of governor to veto joint resolutions.

Senator James Gibson explained that this bill grew out of an action in 1977 when then Governor Michael O'Callaghan vetoed a joint resolution asking for a constitutional convention for a balanced budget. He noted that it did not seem to him that the governor should enter into an expression of the legislative sentiment. As a result of some questions in the Senate hearings on the resolution, he had the LCB prepare some research on the subject (see attachments) He also mentioned that the Senate had worked out some amendments which will spell out more explicitly what may be included in joint resolutions.

Mr. Marvel moved A DO PASS ON S.B. 73, Mr. GETTO SECONDED.  
MOTION CARRIED UNANIMOUSLY. DO PASS S.B. 73.

A.B. 779: CONTINUED

Gene Milligan, representing the Nevada Association of Realtors, spoke in opposition to the bill and the concept saying that a few years ago in the East there was a movement from a private environmental organization in New York to accomplish what this bill does. He reported that it was however, so complicated that most of them had given it up. He said that it was an attempt to substitute for zoning and planning. When you take the right away from the land you have a piece of dirt.

Gil Buck, from the Realtors Association said that he felt that the green belt law was working very well and this was not necessary.

Mr. Bergevin noted that part of the problem is that one morning you have a zoning of 1 to 5 and the next day they down zone you to 1 - 20 and created a hell of a hardship.

Mr. Dini said that the problem with this bill is one Page 1, Line 9 because if the local government wants to play games this is where it will happen.

Mr. Bob Sullivan, representing the Carson River Basin Council of Governments told the committee that, "obviously this bill is not the intent of the counties, however the concept has worked in other areas. I don't think you should sell this bill short, but my question is that this late in the session is it possible to get another bill ready and out in the time left.

Mr. Bergevin noted that he would like to see an interim study and moved that the committee request a resolution for an interim study which would address the matters covered in A.B. 779. Mr. Marvel seconded.

MOTION CARRIED-REQUEST INTERIM STUDY ON SUBJECT MATTER OF A.B. 779.

Mr. BERGEVIN MOVED FOR INDEFINITE POSTPONMENT OF A.B. 779, Mr. Getto seconded.

MOTION CARRIED UNANIMOUSLY--INDEFINITE POSTPONMENT OF A.B. 779.

SENATOR CARL DODGE appeared to testify on S.B. 356 which he indicated had been requested by the school board and board of Co. Commissioners in Lyon Co. There is definitely a problem with classroom growth keeping pace with population growth. There is a terrific need in the Dayton-Fernley-Silver Springs areas. Two past bond issues have failed and there is another one scheduled for next week. Originally this bill was much broader, applying to other county buildings and state wide instead of this area alone. The bill calls for a specified amount for each new dwelling unit after the board of co. commissioners issued an ordinance at the request of the school board.

When the question of whether a county would legitimately exhaust their bonding capacity, there is a provision that this would not be able to be carried out unless there was a finding by the Nevada Tax Commission of an inability to raise revenues through bonding. He did suggest that on Line 8, Page 2 it should be the Board of County Commissioners rather than the tax commission. He commented that the bill did get good support in the Senate and that with the advent of tax reform, we should be looking toward those people who generate the need for the additional services paying more of the costs.

Mr. Robinson noted that this is obviously a one-shot deal on the original construction or enlargement of schools.

Senator Dodge declared that this bill will in no way supplant bond issues; it simply is not capable of raising that kind of money.

Mr. Craddock stated that he had a problem with the constitutional question of taxing developments for the purpose of providing services the state is obligated to provide.

Mr. Tod Carlini, Lyon Co. School Board Chairman informed the committee members that in Lyon Co. this bill is sorely needed, particularly in the Northern part of the Co. It is a difficult task to declare a moratorium, but we have no control over the growth taking place.

Mr. Dini noted that this would only provide "seed" money.

Mr. Fitzpatrick said that he was only sorry that it did not address all areas because when you live in an area and are forced to build firehouses, schools, etc. it is about time that the people who supply the demand for those services pay for them.

Mr. Craddock asked if there had been any thought to using the state's credit to finance schools and Senator Dodge said that there has not been although he had tried to get the elimination of the permanent school fund on the ballot because nobody has any use except the interest on the money. This however would take a constitutional amendment. He pointed out that another bill passed in the Senate appropriates a million dollars but it only addresses areas of very low income.

Mr. Bedrosian questioned how this bill would deal with the supreme court decision and was told that Mr. Daykin had represented to Senator Dodge that there would not be a problem constitutionally with this bill.

Mr. Jeffrey commented that it seemed to him that the real problem is not so much a question of who pays, but the life time involved.

Joan MCLAughlin, Administrative Assistant to the Storey County Commissioners added that construction cost increases and additional growth have caused a need for more services so it is felt that the fee on new construction is a justifiable fee. Storey Co. does support this bill even though it left out county buildings.

Mr. JIM JOYCE, representing the Home Builders of Nevada said that ordinarily they could be expected to oppose this type of legislation however he was here to speak in favor of this bill. He said that there is a definite need in some areas for this type of front money and the only concern was the hinderance of bond issues being passed because people would not feel obligated. He mentioned that the concept however is certainly appropriate in these impacted areas.

Ken Kjer, Douglas Co. Commissioner explained that all new units bring increased demands for services and the need for funds is immediate.

Mr. Getto and Mr. Dini explained in response to fears expressed by Mr. Robinson and Mr. Bergevin that there are built in safe guards and limits also the fact that all people responsible are elected officials.

Mr. Kjer went on to say that they would not mind a \$1,000 limit, but that right now there is a charge placed on the developer of 500. per unit for schools and \$400. per unit for fire protection. He said Douglas Co. feels it is very important to fairly assess different areas. This bill makes a fair assessment from those who use the services and the realtors and builders in Douglas are in favor because they realize that unless this is done building will be brought to a halt.

MR. STEVE MCMORRIS, DOUGLAS CO. D.A. appraised the committee of the law suit he is currently involved in with the ACLU over the Douglas Co. jail which he claims the people will pay for eventually anyway because there will probably be a federal mandate to do so. He said "we are doing what this bill calls for now but it would be better if it were specified in the law."

Mr. Getto re-iterated that because of the three political entities that anyone would have to go through to accomplish the end result. of this legislation he felt there would be no problems with abuse.

S.B.-344: Requires issuance of birth certificate to replace certificate written in language other than English.

Senator Dodge prefaced his remarks about this bill by saying that it is not often you have a chance to process a "pleasant bill". He introduced Mr. Steve and Mrs. Judy Presnel and their Korean born adopted daughter, Casee. He informed us that there is a procedure in existence for the federal government to issue a certificate of birth date however there are currently no provisions in Nevada to do what this bill would accomplish.

Mrs. Judy Presnel, the adoptive mother read a prepared statement to the committee requesting an unrestricted birth certificate so that the person being issued a supplemental certificate of birth could be raised as an American citizen. She said that a birth certificate is taken for granted by citizens but that one is needed in registering for school, to vote, to apply for a learner's permit to drive, to apply for a marriage license, for a passport, and to petition for adopting a child. She said that without a birth certificate a person has to carry with them several sets of valuable documents to complete many routine procedures. She did not like the idea of the birth data card from immigration identifying her child as an immigrant and should not be the case. She listed over 26 states, including all of our sister states, which issue birth certificates to adopted foreign born children.

Mr. Getto moved a DO PASS, Mr. Dini seconded. Approved unanimously.

S.B. 344 DO PASS

Mr. Robinson asked for information as to whether this child could have been issued a birth certificate if she did not have any evidence of birth.

Mr. Jack Omar, Chief of Vital Statistics said that under Chapter 41 of NRS the court can issue a decree establishing the facts of birth.

S.B. 280: Extends certain time and area limits respecting development of parks and playgrounds.

Sam Mamet from the Clark County Manager's Office testified that this bill was originally proposed by the city of Henderson and that Clark and Washoe both supported this bill. He claimed that the statute

WAS never clear whether you must develop the park within a particular development or if the intent of the legislature included development in a park district or service area as is discussed in a different part of the statute. This would clear up any questions they have in terms of how to deal with this in their area.

Mr. Craddock demanded to know if there are provisions which prohibit use of these funds for people who are not paying the correct amount of taxes.

Ms. Pat Gallagher, pointed out NRS 278.4981 subsection C says monies in such funds shall be expended for the benefit of the residents of the property within the park district or service area from which such monies are derived. She attempted to clarify that this is not ad valorem money; it is money that the developers pay when the subdivision is built: not a tax.

Mr. Craddock said that his problem stemmed from the fact that the taxes provided the ongoing revenue for maintenance, and in his locale it comes from two different tax bases, one much lower.

Mr. Jeffrey remarked that he really did not see any problem with this bill, saying that he did not see how you can say a park is going to only serve certain people.

Henry Etchemendy, Reno City Manager, felt that the new language on Page 2 is strictly to clear an error since throughout the act there is also a provision for park districts or service areas. He noted that Reno has six park districts; he urged a do pass. He also told Mr. Bedrosian in reply to his question that Reno has not yet refunded any money allocated for parks, or any land.

A.B. 797: Adds multifamily residences as authorized enterprise under City Economic Development Revenue Bond Law.

Mr. Collins Butler, Executive Vice-President of Nevada Savings & Loan Association and representing the Nevada Savings & Loan League admitted to the committee that he would like to defeat this bill. He passed out a letter from the Southern Nevada Mortgage Bankers Association also in opposition to the adoption of this bill, declaring it unnecessary since the state Housing Finance Division is for this purpose. The essence of this legislation would authorize individual cities to go into the apartment and multiple project business. Cities with below market rate financing would go into open, direct and unmanageable competition with free enterprise and certainly with the laws of supply and demand. The private sector could not compete on the same basis. He claimed that this bill would put individual cities in competition with the private sector and with the Nevada Housing Division. This type of financing is an end run on tax free municipal financing. He asked the committee to vote indicative of the fact that this is not our type of bill, not in line with the Nevada way of life and free enterprise.

Mr. George Charchalis appeared to testify on

A.B. 805: INCREASES NUMBER OF MEMBERS OF BOARD OF LANDSCAPE ARCHITECTURE NECESSARY TO CONSTITUTE QUORUM AND INCREASES MAXIMUM AMOUNT OF CERTAIN FEES.

He told the committee that he is a member of the Board and explained that the two things this bill changes are the fact that they would like a quorum raised to three since the board is now composed of five. They would also like the responsibility to assess their own fees in insure a self-supporting board. He said that Board Members have been waiving per-diem fees to attempt to keep minimal fees. He injected that the fees in most other states are much higher than the \$100 maximum that they are requesting in this bill. He also noted that they have exams two times per year.

A.B. 760: EXTENDS POWER OF HOUSING DIVISION OF DEPARTMENT OF COMMERCE TO PROVIDE FINANCING PROGRAMS FOR CERTAIN HOUSING PROJECTS.

Mr. Al McNitt, Administrator of the Nevada Housing Division said he wanted to recommend some amendments to this bill which was designed to close an opportunity for a local housing authority to issue tax exempt revenue bonds on behalf of a third party for third party ownership of an apartment project. He asked that section 3 be deleted and the reference thereto in section 1. In section 2, Line 5 after the word financing replace it with this verbiage: "housing projects which are not to be owned by the governing body or authority. He claimed that this does not stop any local housing authority from financing its own projects, it closes the door for projects to be owned by a third party. Section 2 takes care of section 3. Section 6, Line 10 change section 3 to section 2. He also recommended the deletion of section 8 since the housing division already has sufficient authority, according to the Attorney General's Office.

Mr. Bedrosian asked how long the housing division has been in business and was told five years.

Mr. McNitt said the comments in this bill are directed toward a housing authority issuing bonds to finance a project that is owned by someone else. Theoretically he said a housing authority could be created by a governing body; county or city, the housing authority would then set up a subsidiary corporation which could then issue tax exempt revenue bonds and opens the door for local, county or city, tax exempt mortgage bond issues. He felt that the cost of local bureauracy would be prohibitive and probably not efficient.

Mr. Bedrosian voiced concern about this legislation and felt there should be more input, because he felt low income people would be hurt.

A.B. 795: ADDS TO PERMITTED ENTERPRISES UNDER CITY ECONOMIC DEVELOPMENT REVENUE BOND LAW.

Mr. Bob Goodman, consultant for North Las Vegas, recommended passage of A.B. 795 with the inclusion of the words "transportation" and "for wholesale and retail clients". He commented that in attracting

industrial clients in a diversification of the economy, it is a very highly competitive field and this bill would provide an additional tool which should help in attracting industries for development. He related that there are major moves by big companies from the east which have representatives contemplating these areas and this is the language they look to. The first thing they ask is if we have bonding facilities for retail centers?

Mr. Getto asked how this compared with the county economic development revenue bond and was told that it is parallel and Mr. Russ McDonald said this has no effect on the counties.

S.B. 475: Reorganizes communications system used by state.

Mr. Barney Diehl, Chief of the Nevada Highway Patrol spoke in support of this bill which provides for a reduction in the board from seven to three members appointed by the Governor and allows for additional people to act in an advisory capacity. The responsibility for maintaining the microwave system will be transferred to the Highway Patrol under this bill. This will be more economically sound by saving money on positions and capital outlay. Since the first of the year the Highway Patrol has been doing this anyway and this is a method of legalizing activity that is ongoing. Section 3 on Page 8 relates to the mobile radio systems and we hope to consolidate all effort through this.

Mr. Stan Warren, representing Nevada Bell, said that he is here to support this legislation which solves the problem of who will run it and maintain it. Putting the management where the use is most sensitive is a good move.

A.J.R. 28: MEMORIALIZES CONGRESS TO RETURN TO STATES RIGHT TO REGULATE OR PARTICIPATE IN THE REGULATION OF SAFETY AND HEALTH IN MINES.

Mr. Bill Dubois, The state mining inspector, informed the committee that because of the concern across the country of the impact of the Health and Safety Act of 1977 he supported this resolution. There has been a bill introduced on a federal level to exempt crushed stone and sand and gravel operators from the act and as of March 14 has 85 signatures of the house.

Mr. Bob Warren, Executive Secretary of the Nevada Mining Association, also favored passage of this resolution saying that the federal act is becoming contra-productive for the health and safety of the worker. It may be discouraging the historically good relationships with the local mine inspector to the point where conditions for the miners will be impaired. The federal mine inspector can't advise and counsel on conditions which might be dangerous; he must write up the slightest infraction and the people in Washington have taken the position that it is an automatic citation which develops into a cumulative situation whereby the fines are enhanced with each citation.



Mr. Warren said that they felt they had lost ground in having to work with the Washington philosophy .

Mr. Getto injected that the small miner is being regulated out of business with the punitive rather than preventative methods.

S.B.-513: Clarifies provisions of law under which state land may be leased.!

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Jack Shaw, Head of the Division of State Lands, explained that this bill simply allows sale of lands acquired by escheat and outlines how lands may be leased.

A.B. 802: Authorizes state treasurer to invest state money and sell state securities.

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Mr. Stan Colton, The State Treasurer told the committee that this bill simply cleans up some language and is an attempt to get into more liquid investments that will provide the state more latitude when necessary. This ties it to one half of one percent below the going market rate of municipal instruments within one week of the deposit. If a problem occurs the state board of finance may authorize an investment below the level established if the circumstances prevail rather than just let the money sit there. He said that generally, long term investments give the best rate of return on your money however right now short term is giving the best rate.

A.B. 806: Provides for the pooling of money of local governments for investment.

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State Treasurer, Stan Colton told the committee that this would be a new concept for this state however it is a practice that is uniformly used throughout the United States. This allows the small governmental entities to pool their undedicated funds with the State Treasurer for better investment advantage. This is a voluntary situation and allows greater impact on the market and greater return for smaller entities.

Mr. Dini asked how this would affect the local practice of putting this money in local banks.

Mr. Colton related that with the Caps being put on governmental agencies throughout the state they needed the greatest possible yield on their dollars, and provides an alternative.

S.B. 427: Provides alternative procedure for annexation in certain counties when petition is signed by all property owners within area.

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Mr. Charles Zobell, representing the City of Las Vegas, spoke in favor of this legislation saying that the Southern Nevada Homebuilders Assn. had requested this bill through Senator Ford.

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He related that the purpose is to shorten the annexation procedure when a petition is submitted by 100% of the property owners wanting to be annexed. He described the rigorous procedure now followed which may take as long as six to nine months to completion. This applies only to undeveloped land. The savings to the developer is primary.

Senator Ford re-iterated Mr. Zobell's remarks and added that this does not take away any rights of other property owners who will still be able to testify at the ordinance hearing.

Mr. Fitzpatrick asked if there was a minimum land requirement and was told that while it can be only one lot the city must agree to it. He said that he is very concerned about zig zag annexation and the ability to provide services. It was also explained that this same provision was already allowed for counties with populations of 200,000 or less.

Mr. Jeffrey moved DO PASS, Mr. Getto seconded. Mr. Fitzpatrick opposed.

MOTION CARRIED-DO PASS S.B. 427.

Mr. Dini addressed the committee, presenting BDR 22-2026\* dealing with the metro funding formula in Clark County. He explained that this bill provides for a 56/44 split (county-city) and requests a bi-partisan group investigate and study this situation in the interim and make a presentation to the 61st Legislative Session in 1981.

Bruce Spaulding, Clark County Manager, thanked the committee for the approach taken in this problem by introducing a separate bill. He asked for consideration of the amount of the percentage split. He said that regardless of what has been presented, accurately assigning police costs in any scientific manner has not been accomplished; and hoped that the 2 year study would develop some meaningful measures. He expressed concern over the pending litigation wherein the city has filed suit against the county; also the special interest aspect of the legislation where the data has been solely related to Clark County. He indicated that it would be hypocritical to argue the merits of the percentage used since they have already indicated that they would like a flat rate for the interim period. He said that the only logical basis for the 56/44 was one of a number of formulas that the city came forth with and has no basis except in that context. He cited the figure of 14.5 million dollars as being the county portion of contribution to metro this year. He said that an additional contribution between this current year and the year commencing July 1 would be 6,302,927. HE stated that to produce that much beyond what is already committed this year is extremely difficult. With that in mind he requested recognition that the 56/44 figure has to be arbitrary and suggested two options; one setting the figure in the interim of 53/47 or leaving it at 56/44 but delaying implementation until July 1, 1980. He closed by saying that they would like to end the bickering with the city and would like to start on the solutions to these problems.

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Mr. Paul Dorn, Las Vegas City Manager, declared that the city supports this bill and appreciates all the work which has been put into this effort. He said that the City looks forward to the interim study to come up with a fixed formula that will hold through the years.

Mr. Dini asked Mr. Dorn to take a stand on the suggestions by the county.

Mr. Dorn stated that the 56/44 figure is supported along with the bill becoming effective upon passage.

Mr. Getto questioned how the City felt about the proposal to drop the pending legal action, which he feels is fairly important it making any decisions.

Mr. Paul Christensen, Las Vegas City Commissioner, said that he felt that the law suit was totally unrelated to the budget split, or at the very least that the budget issue was only minimally involved. He explained that as he understands the law suit it is filed on technical points . Currently the law suit is sitting in district court.

Mr. Robinson mentioned that it is his understanding that the suit is based on the constitutionality which can be questioned at anytime by anyone and may be the type of thing that both the county and city would like a decision on.

The general committee discussion determined that there would be no point in attempting to extract any agreement on the part of the city to withdraw the law suit since any third party could re-file, etc.

Mr. Larry Ketzenberger, Deputy Sheriff, notified the committee that the Las Vegas City Attorney had announced that the law suit is being held pending what happens at the Legislature.

Mr. Craddock felt that the study and/or possible legislation in the next session may establish a whole different premise for suit.

Mr. Spaulding said that the law suit challenges NRS. 280. and the insertion of the formula in the bill weakens that statute and strengthens the claim of special legislation.

Mr. Dini announced that this would conclude testimony on this bill and no further action would be taken until we had the benefit of the full committee.

A.B. 803: Authorizes certain city employees to issue written citations for ordinance violations.

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Charles Zobell, testifying for the city of Las Vegas, stated that Las Vegas is the only City in Nevada which does not have it's own police department and therefore the city commissioners do not have police powers and cannot deputize city inspectors to issue misdemeanor citations; as in the case of a building inspector finding a minor violation. Currently the Sheriff has, through an agreement with the city, deputized the licensing inspector, building inspector and animal control officers.

This bill allows certain inspectors, animal control officers, and traffic engineers, specifically designated by the governing body may prepare, sign and serve a written citation on a person accused of violating a city ordinance. He requested an amendment adding counties to this provision for the same reason Las Vegas needs it. Line 7 add "or county." Also, the bill is permissive.

Mr. Sam Mamet, representing Clark County, agreed with the intent of this bill and mentioned that other cities and counties would be assisted by this also.

Mr. Etcheverry announced that with the amendments proposed the bill would have the support of the League of Cities. This bill would more narrowly define the role of those people allowed to issue citations.

Mr. Robinson moved AMEND & DO PASS, Mr. Getto seconded. Ms. Westall abstained from voting. Motion carried unanimously.

AMEND & DO PASS A.B. 803.

A.B. 801: Amends Reno city charter to authorize tax increment financing.

Mr. Henry Etchemendy, representing Reno expressed his appreciation for the rapid scheduling of this bill since it is very urgently needed. He estimated that it would cost approximately \$40,000,000 to lower the railroad tracks through downtown Reno and many methods of financing are being explored. One of the elements necessary is the establishment of a tax increment district, which has been included for insertion in the city charter. There is a provision that if the project to be funded by tax increment, it cannot happen unless the railroad itself concurs.

Mr. Dini clarified the issue by noting that when you create a tax increment district, it is created for a specific purpose on a project by project basis.

Mr. Etchemendy indicated that Mr. Russ McDonald had been involved in the establishment of this legislation from the beginning and would be available in the morning if further testimony was deemed necessary.

Mr. Marvel moved DO PASS, Mr. Harmon seconded. Motion carried unanimously.

DO PASS A.B. 801.

S.B. 506: Authorizes general improvement districts to provide space heating.

Mr. Dini acknowledged that this bill is self-explanatory and Mr. Harmon moved DO PASS, seconded by Mr. Craddock.

Motion CARRIED UNANIMOUSLY---DO PASS S.B. 506.

S.B. 446: Revises provisions governing issuance of bonds and collection of special assessments by general improvement district.

Senator Ashworth appeared to comment that this bill merely changes the method of handling bonds. This makes a change in the principal amount of the bond and allows for 20 instead of 15 equal payments. The amended portion is to change the amount in denominations of from 1000 to 5000. This is presently the practice and this makes it a conforming use.

S.B. 513: S.B. 514 & S.B. 515: were represented by Senator Gibson as being clean up bills from Mr. Daykin.

Mr. Getto moved DO PASS to encompass all three Senate bills, Mr. Bergevin seconded. MOTION CARRIED. DO PASS S.B. 513, S.B. 514, & S.B. 515.

A.B. 749: Authorizes boards of county commissioners to establish fire departments.

Mr. Sam Mamet, representing Clark County testified that language had been lifted out of the annexation statute that applies to counties over 200,000 to make it very clear what this is intended to cover and feel it will afford sufficient protection to the concerns of Mr. Craddock. He presented a typewritten amendment (see attached).

Mr. Craddock said that he had reviewed the amendments and agreed with them, although he wanted "by ordinance" included. He moved to amend & do pass. Mr. Getto seconded.

MOTION CARRIED--AMEND AND DO PASS A.B. 749.

Mr. Dini declared that since Janet McDonald of the Public Utilities Commission was present to discuss A.B. 17, the committee should address their concerns to her. She pointed out that New York had developed presumptions, to wit: "We shall presume that a regulated rate will afford the company reasonable opportunity to earn a fair return on its investment in water plant if the rate reflects all new developments, in operating expenses, capital costs, and value of plant, since the time when service began free of charge or at an unregulated rate. The company will bear the burden of overcoming this presumption. The reason for the presumption is that water service, from its inception, will have been provided on terms that create a full opportunity to earn a reasonable return on investment in plant either through water rates or through realty sales proceeds." This went on in great detail and is available in a printout issued 9/21/78 from the New York State Public Service Commission entitled "statement of policy on rates for water service."

Ms. MacDonald had also prepared a statement of memorandum (see attached) in which she outlined a proposal that may be effective in Nevada.

Mr. Marvel moved to get amendments for A.B. 17 and to introduce a water study resolution. Mr. Getto seconded. MOTION CARRIED.

COMMITTEE ACTION

A.B. 765: Amends charter of City of North Las Vegas to require same charges for water services provided to areas within and outside of city.

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Mr. Craddock moved DO PASS, Mr. Getto seconded. Mr. Jeffrey opposed.  
MOTION CARRIED--DO PASS A.B. 765.

A.B. 760: Extends power of housing division of department of commerce to provide financing programs for certain housing projects.

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Mr. Bedrosian requested that this bill be held for more information from the local housing authorities and this was granted.

A.B. 795: Adds to permitted enterprises under City Economic Development Revenue Bond Law.!

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Mr. Bergevin moved DO PASS, Mr. Bedrosian seconded. MOTION CARRIED UNANIMOUSLY. DO PASS A.B. 795.

A.B. 802: Authorizes state treasurer to invest state money and sell state securities.

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Mr. Bergevin moved DO PASS, Mr. Getto seconded. MOTION CARRIED UNANIMOUSLY. DO PASS A.B. 802.!

A.B. 805: Increases number of members of board of landscape architecture to constitute quorum and increases maximum amount of certain fees.

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Mr. Getto moved DO PASS, Mr. Marvel seconded. ....None voted against.  
MOTION CARRIED...DO PASS A.B. 805

A.J.R. 28: Memorializes Congress to return to states right to regulate or participate in the regulation of safety and health in mines.

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Mr. Bergevin moved DO PASS, Mr. Getto seconded. MR. Jeffrey & Mr. Craddock opposed. MOTION CARRIED...DO PASS AJR 28.

A.B. 806: Provides for the pooling of money of local governments for investment.

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Mr. Getto moved DO PASS, Mr. Robinson seconded. MOTION CARRIED UNANIMOUSLY. DO PASS A.B. 806.

S.B. 280: Extends certain time and area limits respecting development of parks and playgrounds.

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MR. ROBINSON moved DO PASS, Mr. Bergevin seconded. MOTION CARRIED UNANIMOUSLY.  
DO PASS S.B. 280.

S.B. 120: Removes exemption of certain large parcels from laws relating to subdivisions and parcel maps.

Mr. Bergevin moved DO PASS, Mr. Marvel seconded. MOTION CARRIED UNANIMOUSLY.  
DO PASS S.B. 120.

S.B. 475: Reorganizes communications system used by state.

Mr. Craddock moved DO PASS, Mr. Bergevin seconded. MOTION CARRIED UNANIMOUSLY.  
DO PASS S.B. 475.

S.B. 446: Revises provisions governing issuance of bonds and collection of special assessments by general improvement district.

MS. Westall moved DO PASS, Mr. Jeffrey seconded. MOTION CARRIED UNANIMOUSLY.  
DO PASS S.B. 446.

Mr. Bergevin said he was afraid of the bonded indebtedness and general discussion ensued which developed several problem areas and the committee agreed to hold the bill for further consideration.

A.B. 333: Consolidates, clarifies and amends certain provisions relating to comparative negligence.

Mr. Dini passed the Chair to Mr. Harmon and then moved that A.B. 333 be sent to the floor with no recommendation. Ms. Westall seconded. Mr. Harmon requested a roll call vote. Mr. Bergevin, Yes; Mr. Bedrosian, yes; Mr. Getto, no; Mr. Jeffrey, yes; Mr. Craddock, yes; Mr. Robinson, no; Mr. Harmon, no; Ms. Westall, Yes; Mr. Marvel, no; Mr. Fitzpatrick, no; Mr. Dini, yes. MOTION CARRIED 6-5.

A.B. 333 SENT TO THE FLOOR WITH NO RECOMMENDATION

Mr. Dini asked the committee how they wanted to handle BDR 22-2026, (The Metro Funding Formula)

Mr. Getto said he had problems with running the law suit and study parallel, but Mr. Robinson responded that he felt that a law suit is beneficial to both parties, and injecting the legislature is not proper.

Mr. Robinson moved DO PASS BDR 22-2026 (A.B. 816), Mr. Fitzpatrick seconded.

Mr. Harmon said he would like to amend the motion to leave the 56/44 in effect, but effective for fiscal year 1980. He said that he felt the county is in a compromising situation. Ms. Westall seconded.

MR. FITZPATRICK questioned line items on the county budget which he felt indicated that there was a stockpile of 7.5 million.

Mr. Spaulding asked the committee to remember that the county is under a consent decree on the jail and a separate capital construction fund has been set up but is not available for police operations. He explained the budget transfers as necessary to be put into the jail fund. He announced that the total obligation would probably be 16 million dollars.

Mr. Fitzpatrick continued questioning Mr. Spaulding about the budget excess that he felt existed and was not clarified as to where it was being transferred.

Mr. Robinson stated that concerning the amendment he is convinced that it is out of balance right now and if another year passes it will be even further out of balance. If that happens, he remarked that he felt the 60/40 figure would be more in line.

Mr. Harmon, Mr. Craddock and Mr. Harmon discussed the figures from both the City and the County which lead to the various percentages and reached a somewhat tenuous agreement that the truth was somewhere in between everything that had been looked at to this point.

Mr. Getto moved to amend Mr. Harmon's amendment to defer action until tomorrow due to the fact that there was no one who could speak for the city commissioners regarding holding off on the law suit.

This amendment was not seconded due to the general feeling that it is not appropriate to put the legislature in a negotiation position between the city and county.

ACTION ON THE AMENDMENT TO MAKE THIS BILL TAKE EFFECT 7/1/80.

ROLL CALL VOTE: Bergevin, no; Bedrosian, absent; Getto, no; Jeffrey, no; Craddock, yes; Robinson, no; Harmon, yes; Ms. Westall, yes; Mr. Fitzpatrick, no; Mr. Marvel, no; Mr. Dini, no. MOTION FAILED.

MOTION TO DO PASS, ROLL CALL VOTE: Bergevin, yes; Getto, yes; Craddock, yes; Mr. Jeffrey, yes; Mr. Robinson, yes; Mr. Harmon, yes, Mr. Fitzpatrick, yes; Mr. Marvel, yes; Ms. Westall abstained from voting.

MOTION CARRIED-DO PASS BDR22-2026 (A.B. 816)

There being no further business, the meeting was adjourned. The next scheduled meeting is 5/3/79 at 9:30 AM.

RESPECTFULLY SUBMITTED,

*Barbara A. Carrico*

Barbara A. Carrico, Steno.





STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING  
CAPITOL COMPLEX  
CARSON CITY, NEVADA 89710



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ANDREW P. GROSE, *Research Director* (702) 885-5637

January 28, 1979

M E M O R A N D U M

TO: Senator James I. Gibson

FROM: Andrew P. Grose, Research Director

SUBJECT: Governors' Vetoes of Joint Resolution

In researching the question of how a constitutional convention might be handled and what it could or couldn't consider, I came across a 1974 American Bar Association publication on the subject. It is entitled Amendment of the Constitution: By the Convention Method Under Article V.

I've enclosed a copy of the pages on which the ABA discusses the right of a governor to veto a resolution calling for a constitutional convention. The ABA study squarely concludes that the governor has no role in this process and thus no right to veto a resolution of the legislature calling for a convention. Following the reasoning of this study, our law requiring the governor's signature on joint resolutions may be unconstitutional in terms of the U.S. Constitution as it affects joint resolutions dealing with amending the U.S. Constitution.

APG/jld  
Encl.

17116  
78

STATE OF NEVADA  
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ANDREW P. GROSE, *Research Director* (702) 885-5637

March 1, 1979

M E M O R A N D U M

TO: Senator James I. Gibson  
FROM: Andrew P. Grose, Research Director  
SUBJECT: S.B. 73/Joint Resolutions Since 1949

NRS 218.380-218.440 was added to the law in 1949. Since that time there have been 834 joint resolutions. Only one, S.J.R. 2 of 1977, has been vetoed.

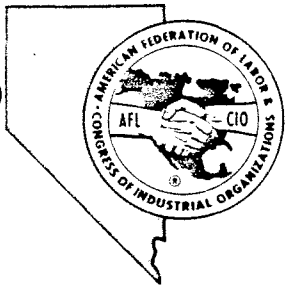
I reviewed all of those joint resolutions by summaries. In addition, our librarian reviewed all the sessions for appropriations by resolution through checking indexes. The overwhelming majority were used for one of two things: proposed amendments to the Nevada constitution or some sort of message to the federal government or an agency or component thereof (see attachment 1). There were 365 proposed amendments to the state constitution or 43.8 percent. There were 436 memorials or similar missives to Congress or some part of the federal government for 52.3 percent.

The remaining joint resolutions, a total of 33, are a hodgepodge and rather than describe them, the summaries of all 33 are shown in reverse chronological order (see attachment 2). Most of the 33 are memorials to someone or something outside the federal establishment. These are noted with an "M." Several more look like mistakes. That is, under Joint Rule 7 they should have been concurrent resolutions.

There was no joint resolution in this period that sought to appropriate money except for S.J.R. 7 of the 1951 session. AGO 85 of that year ruled that resolution void and that brief AGO is provided (see attachment 3). It is clear from the AGO that money could never be constitutionally appropriated by any kind of resolution.

APG/jld  
Attachments

# NEVADA STATE A.F.L. - C.I.O.



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Ely, Nevada

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Las Vegas, Nevada

April 26, 1979

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**MARK TULLY MASSAGLI**  
Post Office Box 7467  
Las Vegas, Nevada 89101

Executive Secretary-Treasurer

**CLAUDE EVANS**  
Post Office Box 2115  
Carson City, Nevada 89701  
Phone (702) 882-7490

TO: 1979 Nevada State Assemblymen

The Nevada State AFL-CIO and its affiliated local unions respectfully request your vote AGAINST A.B. 241 which provides for agreement as to what constitutes employee misconduct for purposes of unemployment compensation. This revision takes away more than the present law does for misconduct and would make our law tougher than any other state.

Sincerely,

Claude Evans,  
Executive Secretary-Treasurer

## METROPOLITAN POLICE DEPARTMENT FUNDING FORMULA

	<u>City</u>	<u>Unincorporated County</u>
Calls for Service (Law Enforcement Requirements)	53.8%	46.2%
Part I Offenses (Historical Crime Statistics)	48.5%	51.5%
Population	47.6%	52.4%
Hotel-Motel Rooms (Transient Population)	24.8%	75.2%
Geographic Area	<u>5.5%</u>	<u>94.5%</u>
Non-weighted Total	180.2	319.8
Non-weighted %	36.1%	63.9%
Weighted Total	660.9	893.2
Weighted %	43.7%	56.3%

AB 749

*John A. [unclear]*  
*John A. [unclear]*

## SECTION 4.

In counties establishing a fire department pursuant to this section:

1. The board of county commissioners shall set the boundaries of the area to be served by the county fire department. These boundaries shall be fixed or altered at a public hearing *by ordinance*

2. In counties over 200,000 all territory may be included within the service area of the county fire department which meets the general standards of subsection 3 and all territory which meets the requirements of either subsection 4, 5, or 6.

3. The total area proposed to be included within the county fire department service area must be contiguous and not within the boundaries of any incorporated city.

4. All territory to be included within the county fire department service area must be developed for urban purposes. An area developed for urban purposes is defined as any area which meets any one of the following standards:

(a) Has a total resident population of two or more persons per acre of land included within its boundaries;

(b) Has a total resident population density of one or more persons per acre of land included within its boundaries, and is subdivided or parceled, through separate ownerships, into lots or parcels such that at least 60 percent of the total acreage consists of lots and parcels 5 acres or less in size and such that at least 60 percent of the total number of lots and parcels are 1 acre or less in size; or

(c) Is so developed that at least 60 percent of the total number of lots and parcels in the territory to be included within the county fire department are used for any combination of residential, commercial, industrial, institutional or governmental purposes, and is subdivided or is parceled, through separate ownerships, into lots or parcels such that at least 60 percent of the total acreage consists of lots and parcels 5 acres or less in size.

5. The board of county commissioners may also include within the boundaries of the county fire department service area any territory which does not meet the requirements of subsection 4 if such area is bounded on at least 75

percent of its aggregate external boundaries by area included within the county fire department service area.

6. The board of county commissioners may also include within the boundaries of the county fire department service area any territory which does not meet the requirements of subsection 4 if the owners of record of not less than 75 percent of the individual lots or parcels of land within such area sign a petition requesting the board of county commissioners to include such area within the county fire department service area. The boundaries of such area must be contiguous to the service area.

SECTION 5.

In counties establishing a county fire department:

1. Such a department shall be supported by ad valorem tax levied with the designated boundaries of the service area for the purpose of fire protection; and

2. The board of county commissioners shall establish a separate fund to account for all expenditures of the fire department.

SECTION 6.

This act shall be effective upon passage and approval.

## MEMORANDUM

EXHIBIT

April 26, 1979

To Members of the Committee on Government Affairs

From Commissioner Janet S. Mac Donald

Subject: PSCN Regulation of Small Water and Sewer Companies in Nevada

It is suggested that the small water and sewer company be defined as a utility with less than \$150,000 in revenues or less than 1,200 customers for purposes of this discussion. The definition effectively eliminates water and sewer utilities which can be handled under traditional ratemaking procedures, namely Sierra Power Company, CP National and Valley Water Company. There are three categories of small water and sewer companies which are the subject of current legislative and regulatory reform.

1. Small water and sewer companies, PSCN jurisdictional per NRS 704.030;
2. Small water and sewer companies operating or under construction but not yet PSCN jurisdictional per NRS 704.030;
3. Small water and sewer companies not yet formed.

Traditional ratemaking procedures have not been totally effective in protecting the public interest. The PSCN audit staff reviewed a total of fifteen annual reports during 1977 for small water and sewer utilities. Trans-Sierra Water Service was granted a rate increase and highest authorized rate of return of any utility in the State of Nevada. Hidden Valley Water Division was denied rate relief. Judging from complaints received at the PSCN, the customers of both these companies and numerous other small water and sewer companies under our jurisdiction are still not receiving adequate water service.

Typically these companies have inadequate records to support a determination of their costs of capital, investment in plant and operating expenses. The water companies are generally closely held corporations associated with land development and are frequently insolvent in the sense that current liabilities cannot be paid.

NRS 704.110(3) establishes the framework for determining revenues, expenses, investments and costs of capital in rate increase hearings for the type 1 and 2 small water and sewer companies. It is suggested that the small water and sewer companies require a different standard for rate increase hearings.

The State of New York has effectively dealt with the small water and sewer company under similar circumstances. Attached is a "Statement of Policy on Rates for Water Service" issued by the State of New York Public Service Commission. In summary, the New York policy statement takes into account that an unregulated rate may or may not be a sole source of return on



April 26, 1979  
Page 2

investment in water and sewer plant by the water company originally associated with land development, and that, in fact, the consumer has made a capital contribution to the water system either directly to the developer or through some intermediate vendee in the guise of the payment for realty, and, lastly, that the regulated rate recognizes the customer's contribution and therefore effectively eliminates a double recovery by the water and sewer company.

The Public Service Commission, using the New York approach, would still have to make determinations of operating costs which are somewhat complicated by the fact that the water company exists as a closely held corporation and the owner-land developer determines many of these operating expenses via a transaction which is something less than arm's length. The Commission would have at its disposal comparisons with costs served in other water companies in the same geographical area. The focus could be on the reasonableness of the expenditure and not on whether the expenditure was incurred at an arm's length transaction.

Current legislation would have to deal with type 3, the company not yet formed. A suggestion for resolving the requirements of the water and sewer companies not yet in existence involves the requirements of NRS 704.679 which requires Public Service Commission of Nevada approval of new subdivisions or other land development plans as to continuity and adequacy of water supply or sewer service. NRS 704.679 is not currently enforced. It is recommended that NRS 704.679 requirements be tied directly to Chapter 278 of the Nevada Revised Statutes, which is the subdivision law. These statutes could be additionally strengthened by requiring that a graduated bond requirement be exacted from new developers under the subdivision statutes to assure viability and continued maintenance of water and sewer plant systems and then rate relief could be fashioned on the basis of the investment in the bond rather than in the plant. The Nevada Supreme Court decision in Zephyr Cove Water Company vs. The Public Service Commission suggests in the case of small utilities, the PSCN allow other evidence of investment to be included in rate base rather than relying exclusively upon investment in plant. The New York Public Service Law takes an additional approach in 89-E which as been attached for your information.

I have not addressed the issue of whether or not the Public Service Commission has sufficient staff to handle immediate jurisdiction of all water companies, including type 2, in the State of Nevada if NRS 704.030 was revised. It is my opinion that the lack of PSCN personnel is not a basis for making a determination as to the best solution in serving the public interests as relates to small water companies.

Chairman Hardy's suggestion that informal proceedings be used to set rates for small water and sewer companies would be enhanced by these suggestions. Costs associated with formal hearings are high and must be borne by the consumer.

If you need additional information, please contact me.

JSM:km