

MEMBERS PRESENT: Chairman Dini
Vice-Chairman Schofield
Mr. Craddock
Mr. DuBois
Mr. Jeffrey
Mr. May
Mr. Nicholas
Mr. Polish
Mr. Prengaman
Mr. Redelsperger

MEMBERS ABSENT: Mr. Mello

GUESTS PRESENT: Mr. Jack Warnecke, Carson River Basin COG
Mr. Robert Sullivan, Carson River Basin COG
D. L. Fitzpatrick, Clark County
M. D. Cool
Glen Finell, Carson City
George Corner, Mayor, Elko, Nevada
G. P. Etcheverry, Nevada League of Cities.

Chairman Dini called the meeting to order at 8:03 A.M. and announced that there was a quorum present.

Mr. Dini indicated that the first bill to be considered by the committee would be A.B. 77.

AB 77. Authorizes counties of lesser population to establish business license departments.

Mr. Dini stated that this bill was introduced by he and Mr. Marvel at the request of the Lyon County Commissioners. The purpose, of course, is to be able to create a license division such as they have in Clark County. The present law allows counties with populations of 250,000 to create this county licensing department.

Mr. Dini indicated that what has been done with this bill is to make it permissive for small counties to do the same thing. I think it gives the county commissioners for small counties another tool with which to become more efficient and that, of course, is what the purpose of the bill is. I would like to solicit the testimony of my witnesses out there in the crowd.

Mr. Jack Warnecke testified first. He stated that he is the Carson City Supervisor and also the chairman of the Carson River Basin Council of Governments. He stated that Carson City already has these provisions but the Carson River Basin Council of Governments would like to support the activities of the smaller counties in their group, and that he was here today to give that support.

Mr. Warnecke indicated that Bob Sullivan is the Executive Director of the Carson River Basin Council of Governments and he will discuss the details of this bill.

Mr. Bob Sullivan testified next. Mr. Sullivan stated that there is not much detail because it was a new idea - a novel idea. He stated that he immediately checked with his constituency, the rural counties in this neck of the woods, including a couple of counties further out into Nevada, and he had not received any negative comments. More than likely most counties will proceed as they are now doing, but it does present that option as outlined by Mr. Dini.

Mr. Dini asked if there were any questions from the committee.

Mr. Bryce Wilson, representing the Nevada Association of Counties, testified next. He stated that they would like to support this bill too. He stated that he felt the comments made by the previous witnesses are totally supportable by his organization.

Mr. Dini asked if there were any questions from the committee for Mr. Wilson.

Mr. Dini stated that testimony was now concluded on AB 77.

Mr. Dini indicated that the next bill to be considered by the committee would be AB 78.

AB 78. Authorizes certain uses for park bonds and relaxes requirements for local matching.

Mr. Jack Warnecke, Chairman of the Carson River Basin Council of Governments. Mr. Warnecke indicated that Bob Sullivan, Executive Director of the Carson River Basin Council of Governments, and Glen Finell from the Carson City Planning Department were with him.

Mr. Warnecke stated that they wanted to speak in favor of this bill. He further indicated that all it really amounts to is some clarification of the language that is in the existing act. The language says that we may use the bond monies for acquisition of park property and it has been variously interpreted as meaning that we can also use this for development of park property and we wanted to make sure that the bill specifically says that.

Mr. Bob Sullivan testified next. He stated that prior to last session, the Nevada League of Cities and the Nevada Association of Counties each had this as part of their legislative package. Unfortunately it ended up to be the county's responsibility to get a bill draft in and by the time we got it in I think you people were on your way home. We were not very prudent on that. The issue is that the statutes apparently seem clear to me. At least as I read it, bond funds can be used for land purchases or equipment purchases, or both, but other people interpret that statute differently. We thought perhaps it could be

handled administratively. We went through then Senator Carl Dodge and he looked at the situation and decided that he wanted a clarification of language. Now we realize that the park bond funds that this addresses are all but spent or at least committed. What we are looking at though is to the future. Should the State of Nevada be in a position to market new bonds, and the funds should be available for recreational improvements, then we assume that the current statutes and our current experience will guide the distribution of those funds. So hence you have before you amendments that speak to the optional purchase of land and equipment or either one and also there is an extra provision here on match. With me here is Glen Finell, as I believe Jack Warnecke indicated. Glen is a Carson City employee, he is a grantsman, and if you have any questions relative to the needs of local governments, Glen can answer those.

Mr. Glen Finell testified next. He stated that as far as Carson City is doing, they have some semi-developed and undeveloped park property which could very easily be used as a match for the state bond fund if it would become available. We just acquired an 85 acre piece of property which when totally developed, we anticipated it is going to be an extremely large project containing six playing fields, acquestrian trails a whole host of recreational facilities. We try and minimize the cost to the citizens through volunteer labor and through using a force account and this would further assist us in reducing the cost of development of a park of this size by being able to use the appraised value of an 85 acre piece of property or the appraised value of a semi-developed piece of park property in order to further the development of those particular areas.

Mr. Dini asked Mr. Finell if under Section 6 if this was what they were doing already.

Mr. Sullivan stated yes, actually section 5 is the one that deals with the clarification. Section 6, he thought, is a very good idea. He stated as he recalled the law doesn't speak to that.

Mr. Dini asked if it was actually being done that way.

Mr. Sullivan stated that he had to plead ignorance on that. That was something that came back on the bill. They were interested in Section 5 at the time. Again, I have to admit I don't have a law library, much less one that dates back to 1975 to try to do some research with. I checked with the counsel bureau and they said well that's what you want.

Mr. Warnecke stated that he thought the key points to him were that it is possible to acquire lands from the BLM, but once you have acquired them you have to put them into usable condition. We want to be able to do it this way and the BLM land you can get quite cheaply, but as soon as you acquire it its value soars. We want to be able to use that value as match money.

Mr. Dini asked if the committee had any questions.

Mr. G. P. Etcheverry, Executive Director of the Nevada League of Cities, testified next. He introduced Mayor George Corner of the City of Elko. Mr. Etcheverry stated that they were here in support of AB 78. He stated that as Mr. Sullivan indicated last session, jointly, the cities and the counties came up with a similar proposal and somehow or another it got lost in the mill or they did not really act upon it as far as their testimony was concerned. Actually, as far as the League of Cities is concerned, this bill, or the request for this type of bill, came from the City of Elko. It was accepted as part of our league package and I think each of you got a copy of that headed under park bonds. Mr. Etcheverry stated that they had some figures that Mayor Corner would like to express to the committee. He further stated that they have felt during their deliberations and their legislative meetings that particularly in Section 5 and 6, that Section 5 might have been an interpretation of what was presently existing as far as rules and regulations in acquiring these funds. With that, I will turn it over to George because he does have some figures he just recently received from the state people on this particular proposal.

Mr. George Corner, Mayor of Elko testified next. He stated that there is \$2.6 million dollars in bonds left and Elko's region has \$83,000 allocated. The way the bill is presently interpreted, 75% goes for the acquisition of lands and only 25% for development and in Elko's case, we are land rich but money poor. We are in the midst of park development and we have land and would like to be able to use that land for the match to develop the park. We are in the midst of rapid growth right now. There is lots of demand for recreation and this would help us considerably if we could use the match of the land and Section 6, labor or materials also.

Mr. Etcheverry further stated that the City of Ely was planning to be here to testify because they are basically in the same position as a result of transfer of lands in the last three and four years in the East Ely area which was incorporated into the township of Ely, but they had conflict meetings and had to be turned back to Ely so they of course were going to testify today. We will be glad to answer any questions on behalf of the League of Cities.

Mr. Dini asked if the committee had any questions.

Mr. Bryce Wilson testified next. Mr. Wilson is with the Nevada Association of Counties. He indicated that this subject was part of the Nevada Association of Counties' package of requested legislation and he had a copy of a resolution by the Association adopted at its convention in November of last year for this year's objectives. Mr. Wilson asked that it be entered into the record. The resolution is attached to the minutes of this meeting as EXHIBIT A. He stated that they supported the bill.

John Meder, Administrator for the Division of State Parks testified next. He stated that after listening to the testimony here he did not have any objections to this bill, but he indicated that he was not sure that all of it was necessary. The original legislation that authorized the sale of the \$10,000,000 bonds referred to the State Securities Act on how the money would be spent and how the bonds would be issued and when you go to the State Securities Act and look at the definition of acquisition, it refers to, well I will read a portion of it to you.

"Used in this act, acquisition and acquire means the opening, laying out, establishment, purchase, construction, securing, installation, reconstruction, lease and . . ."

In 1977 that definition was added into the original bill and it was my understanding that the reason that it was added at that time was to clarify the legislative intent which allowed the money to be used for construction and just what the representatives of the counties have asked for. In 1979, \$840,000 I believe, was appropriated for the Reno/Sparks/Washoe County area, \$640,000 went to the San Rafael Ranch and \$200,000 went to the City of Sparks. It is my understanding that the City of Sparks intends to use that money for construction. There has been no concern expressed about that. The state side of the funds we have used money for Lamb Park, Dayton Park and Wildhorse has all been used for construction. No acquisition. I think where the confusion has come about is that the original resolution which authorized the sale of the first \$5,000,000 of the \$10,000,000 bonds of which 1-1/2 million went to the local governments, had a condition on it which required that - or limited - the use for development to 25%, but that's the resolution that was adopted by the legislature as a legislative intent on that point on how the funds would be used and is not part of the legislation. As I indicated earlier, we have no objection if there is a feel that this needs to be added into the bill, our feeling in that the use of the money that the State has used has already been for construction purposes. The second part of the legislation which would allow the money to be used - or allow the local match to be used by in kind type services as we refer to it - we are already doing that - and if that needs to be clarified we would certainly support that. We have taken the broad interpretation of the local match and allowing that to be not only cash in hand but also services that would be provided for an equal amount. So while we have no objections, it may be redundant to the original legislation.

Mr. Dini asked if the committee had any questions to ask of Mr. Meder.

Mr. Dini asked if anyone else wished to testify on AB 78. Testimony was concluded on this bill.

Mr. Dini asked Mr. Nicholas if he wished to give the committee a report on AB 36.

Mr. Nicholas stated that Mr. Polish and he determined that there were several problems with AB 36. We noted a financial impact that had not been noted consisting of the additional bonding costs and the income from the proposed fee schedule which were not considered in either fiscal notes. The question of technology of the bill would cause trust fund dollars to intermingle with the general funds, by the mingling of the fees that revert at the fiscal year - the source of the fees is the trust fund. The Commissioner, Mr. Bill Hatfield, is now seeking more guidance in conjunction with the audit division of the legislative counsel bureau in rephrasing the bill or I heard by telephone late yesterday afternoon, possibly dropping it. To eliminate the fiscal impact they could decide to eliminate the fees from the bill, however, and ask us to amend.

In addition, Mr. Polish and I requested that Mr. Hatfield, appointed only recently to his job, might consult with Mr. Colton the State Treasurer in the timely investment of some \$761,000 presently invested primarily in savings accounts and of course this would be within the perimeters of the trust fund and investment limits. I believe that I will be coming to you once more with a final word on this situation with either a request for amendment or with a request that it not be considered.

Mr. Dini asked if Mr. Polish wished to add anything. Mr. Polish indicated that he concurred with Mr. Nicholas.

Mr. Dini stated that he appreciated Mr. Nicholas and Mr. Polish's efforts in chasing this down because it does look like an insignificant bill.

Mr. Nicholas asked if he could comment outside of the perimeters of the report. He stated that they did find that it was very timely for them to have the opportunity to sit down with this gentlemen that there had been some real problems in the past and that the audit division was working with it very closely to try and solve some of these problems. I appreciated the opportunity of being able to look into that.

Mr. Polish stated that he did too and also appreciated the opportunity to see some of the mistakes that had been made here.

Mr. Dini stated that the two bills on the agenda for today had been considered and asked if the committee wanted to take action on them.

The committee took the following action:

AB 77 - Mr. Schofield moved for a DO PASS on AB 77. Mr. Jeffrey seconded the motion. The motion carried.

AB 78 - Mr. May moved for a DO PASS on AB 78. Mr. Redelsperger seconded the motion. The motion carried.

Mr. Dini asked Mr. Redelsperger if he would handle AB 77 on the floor and Mr. Prengaman to handle AB 78.

There being no further business to come before the meeting, the meeting adjourned at 8:22 A.M.

Respectfully submitted,

Barbara Gomez

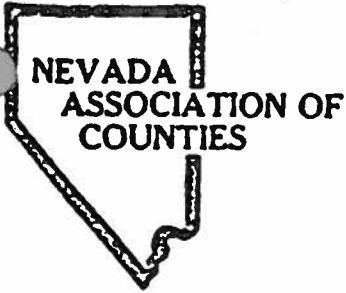
Barbara Gomez
Assembly Attache

ASSEMBLY GOVERNMENT AFFAIRS COMMITTEE

GUEST LIST

Date ~~Jan~~ February 6, 1981

<u>PLEASE PRINT YOUR NAME</u>	<u>PLEASE PRINT REPRESENTING:</u>	<u>I WISH TO SPEAK</u>		
		<u>FOR</u>	<u>AGAINST</u>	<u>BILL NO.</u>
Bob Sullivan	CONSON REVER BREWERY CUG	✓		AB 78
DR. Fitzpatrick	Clark Co.			
MD COX	City of Las Vegas	✓		AB 78
Alan Pineda	Carson City	✓		AB 78
George Connor	MAYOR - ELKO	✓		AB-78
G P Etcheverry	New Lodge of Elko	✓		AB-78



RESOLUTION 80-35

RE: STATE GENERAL OBLIGATION BONDS FOR PARK PURPOSES

WHEREAS, enabling legislation allocates proceeds from the sale of park bonds to acquisition and construction, bicycle paths and historic preservation; and

WHEREAS, as bonds are sold, funds become available for real or personal property acquisition for cities and counties on a matching fund basis with cities and counties in the State; and

WHEREAS, in the distribution of these funds, development is considered with property acquisition; and

WHEREAS, many counties and cities own and possess tracts of land suitable for park development, but are precluded from using the bond monies to develop these lands:

NOW, THEREFORE, BE IT RESOLVED that the Nevada Association of Counties urges the 1981 State Legislature to include a provision that if a political subdivision has all the land it needs for park development, then 100% of the bond money could be used for park development.

PASSED AND ADOPTED this 15th day of November, 1980.

Jack R. Petitti

JACK R. PETITTI, PRESIDENT

ATTEST:

Thalia M. Dondero

THALIA M. DONDERO, SECRETARY

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