

MEMBERS PRESENT: Chairman Dini
Mr. DuBois
Mr. May
Mr. Mello
Mr. Nicholas
Mr. Polish
Mr. Prengaman
Mr. Redelsperger

MEMBERS EXECUSED: Vice Chairman Schofield
Mr. Craddock
Mr. Jeffrey

GUESTS: Please refer to the guest list attached to the minutes of this meeting.

Chairman Dini called the meeting to order at 8:00 A.M.

Mr. Dini indicated that he had a request to introduce BDR 34-1032* by the Clark County School District.

Mr. May moved for committee introduction of BRD 34-1032, which was seconded by Mr. DuBois. The motion carried unanimously.

Mr. Dini announced that the first bill that the committee would consider this morning would be AB 275.

Mr. John Crossley, Legislative Auditor testified first. Mr. Crossley stated that this particular bill encompasses many of the audit recommendations contained in our audit reports. Up to two sessions ago we used to have separate bills on each one of these recommendations which was 14 to 15 bills and we decided it would be less expensive to try and incorporate many of the provisions or recommendations into one bill and this is what we have done the last two sessions. We do have other bills of course out of the audit reports but this one takes in many of the recommendations. This particular bill involves the creation, repealing, categorizing and retitling of funds in the State's accounting system. Mr. Crossley handed out a copy of his testimony for the committee, which is attached to the minutes of this meeting as EXHIBIT A.

Mr. Crossley discussed Exhibit A with the committee.

Assemblyman Robinson testified next on AB 151. Dr. Robinson indicated that his motivation for putting in this bill came about as I was subjected to more and more criticism from constituents for having voted for this measure in the first place and of all of the bills over the four sessions that I have been in and voted for, I think this is the only one that I regretted that I had voted for, not that it did not accomplish

the purpose for which the bill was passed, but the fact that I really do believe that circumventing the peoples' right to vote on a measure such as my original bill did is not correct. The history of it was that the voters in Clark County had, on two occasions, turned down requests for bonding for the hospital and subsequently the bill was introduced to allow the county commissioners who are the hospital board trustees to issue the bonds without taking it to a vote of the people which they promptly did not only once but twice and the hospital developed into a flourishing hospital. It went out of the red and into the black coincidental with the hiring of new management which I think had a lot to do with it and not the fact particularly that we had a nice new institution there. I would not vote for such a bill in the future if it comes before us and I would like to try to correct the mistake that was made by repealing that section so that there are no further bond elections or bonds issued without taking it to a vote of the people in Clark County.

Dr. Robinson indicated that he had distributed an editorial from the Las Vegas Review Journal which was subsequent to the introduction of AB 151, but there were several other times where the press took us to task for having passed the bill. Dr. Robinson's editorial article is attached to the minutes of this meeting as EXHIBIT B.

Mr. Dini asked if the hospital was now operating properly and without financial problems.

Dr. Robinson stated that he thought it was operating very well.

Mr. Dini asked if there was no need to expand the hospital right now in Clark County. Mr. Dini asked if all of the applications were turned down.

Dr. Robinson stated that there were applications for four new institutions and two of them were turned down and he thought two of them were approved.

Mr. Nicholas indicated that he believed that there were six and that four were turned down and two were passed.

Dr. Robinson indicated that the net result was that there were two that were approved.

Dr. Robinson stated that one was an entirely new hospital and he did not know if the other was a new hospital or an expansion, but one is a complete new hospital out in the Southwest area of the town which is when it is constructed may look like it is out all by itself, but they expect the expansion in that area to soon surround it.

Mr. Dini asked if in that area Dr. Robinson thought that the hospitals had been allowed to progress and expand as they are needed and that they are in solid, good financial condition.

Dr. Robinson stated he believed so and stated that of course they took other actions too and your committee over the past four years which I think enabled them to get themselves into the black. If you will recall the bills that allowed them to join with other institutions for group purchasing or mass purchasing to allow them to hire management firms and some of the other bills that we have had before Government Affairs over the last years which the new facilities I think, which enabled more staff to practice there has attracted more business to it. There were some other changes that had to do with being paid for services that were having to be absorbed by the county before, but they are now paid for. I think that the federal prisoners might have been one, but I am not sure of that.

Mr. Dini asked the committee if there were any other questions for Dr. Robinson.

Mr. Nicholas stated that he believed that the other applicants who received permission was the Spring Valley Hospital. Mr. Nicholas stated that it would appear that Dr. Robinson's bill may be very timely.

Dr. Robinson stated that naturally there is competition between the private sector hospital and the publicly owned hospital and it is only from the revenue that they receive from non-indigents that allow them to carry the load of the indigents. The other hospitals when they get an indigent in they have to transfer them over to Memorial Hospital as fast as they can I believe, so it is more or less a tribute to them that they are able to carry that, and it is an impressive insitution now.

Dr. Robinson stated that he believed that the bond elections would have passed a vote of the people had it been taken back because bond elections are a matter of education of the voters to the need of the thing and I think that was part of the poor management of the hospital that was running in the red at the time and that might have been one more factor that they were not doing a very good job on was the improper information and education to get the bond issues passed and had the group that are managing the hospital now been in before, they probably wouldn't have had to come to the legislature to ask us to take that out of the law.

Mr. Dini asked if there were any questions of Dr. Robinson or if anyone else wanted to talk or comment for or against AB 151.

Mr. Patrick Pine, representing Clark County testified next. He stated that it is true that Southern Nevada and Clark County did seek to obtain this authority to issue such bonds without

a vote and we did that very aggressively because we perceived the need for some capital improvements we felt were desperately needed and we did pursue that and we have had some legal fights over that which we basically have won. We have sold bonds under this provision which we think have improved the hospital in a number of respects. We have discussed the issue of whether or not in the future these should be taken to a vote with Dr. Robinson and some others. I think our position would be that there has been some public benefit due to these bonds. We do not believe there is any impact on the ad valorem rate however we do have a tremendous amount of people asking for the right to vote on this issue or any other issue in taxation generally. In light of that particular argument I do not think that we are going to say no, we don't think the people should have a right to vote on this type of thing. We do feel that the public has benefited. Now there were some comments about the financial conditions of the hospital and let me make a couple of points on that. Yes, the hospital is in much better condition than it was up until 1975 when we did make a management change. Since that time we have made a number of improvements, some of which are attributable to the capital, some of which are attributable to the management and others I think have to do with some better relationships with doctors in the community. That does not mean that we do not have some financial concerns about hospitals. We are currently experiencing some, what we believe to be temporary difficulties, primarily due to economic conditions. Our relative load of indigents and non-paying patients is growing as the economy continues to stay on the bad side and it does create some problems that we are trying to work out and we are working on that as hard as we can, so I would say that the financial condition is much improved where it was a few years ago. We still have a tremendous task before us in light of the economic conditions which are beginning to throw another major burden on us financially.

The last point I think is that a number of people have asked us to compare the performance of Southern Nevada to other public hospitals, and, quite frankly, the difficulty in comparing that hospital to other hospitals around the country is that in Las Vegas it is one of the only cases that anyone knows of - and we have talked to hospital consultants and various people - where you have one public hospital in competition with that number of private hospitals. Generally around the country you have at least one or two public or non-profit type hospitals and maybe no private hospitals in the community. Because of that competition with a large number of very well run, very successful private hospitals, we have some difficulty in drawing correlations on how do you manage a facility of that type. We have had consultants look at it and they say this is one of the toughest problems as to say how do you take care of the problems there because it is a very unique situation in Las Vegas and has been for some time. There are not any other communities we know of in the West and even in the East that really fit into the same category as

Southern Nevada. I just wanted to make those points for the record.

Mr. Dini asked if Mr. Pine was for the bill or against it.

Mr. Pine asked if he could put it this way. If the public is saying that for any kind of debt issuance that they should have the right to vote and this fits in that framework, I guess we will be like - let me put it this way - Clark County does not believe that the use of the current law has been bad. It has been beneficial, but if people insist that on any debt type issue with a G.O. element built into it that they should have a vote, who are we to argue with that?

Mr. Dini asked if there was anyone else who wished to speak on AB 151.

There was no further testimony on AB 151.

Mr. Dini indicated that the next bill that the committee would hear testimony on would be AB 276.

Mr. Dan Fitzpatrick, representing Clark County, testified first on AB 276. Mr. Fitzpatrick stated that he was not exactly sure the reasons for the amendments proposed to NRS 655, but I have prepared several possible further amendments to this particular bill to bring it in sync with the licensing procedures handled or utilized in Clark County and also utilized in other counties for other types of what we would call privileged licensed investigations. The proposed language in the first section, line 5, says that the sheriff of a county shall investigate each applicant and upon a finding of suitability shall issue a permit. The new language there is investigate and a finding of suitability. This language if adopted would give the sheriff the total authority to both investigate and make the finding of suitability on the particular applicant. This is not even done for a liquor or a gaming applicant. The suggested amendments that I have prepared for you in essence would change this to read the sheriff of a county shall investigate each applicant. Give the sheriff his investigative authority.

Mr. Fitzpatrick presented a copy of his proposed amendments to the committee which is attached to the minutes of this meeting as EXHIBIT C.

The committee discussed NRS 364.270, which Mr. Fitzpatrick indicated was the quarterly reporting by the sheriff of the fees collected.

Mr. Fitzpatrick stated that he has talked to Assistant Sheriff Katzenberger regarding these and he supports the suggested amendments.

Mr. Dini asked if the committee had any questions for Mr. Fitzpatrick.

Mr. Glen Vogler, Captain of the Washoe County Sheriff's Department testified next. Mr. Vogler stated that they support AB 276. He stated that the inclusion under line 5 is to allow the sheriff to send the fingerprint cards in to the FBI and have them classified which they have not been able to do because it was not covered by NRS. Other than that we do support AB 276. We also would have no objections to the amendments made by Clark County.

Mr. Dini asked if there were any questions of Mr. Vogler.

Mr. Dini asked if anyone else wished to testify on AB 276.

Mr. Dini indicated that the testimony on AB 276 was completed.

Mr. Dini stated that the next bill to be heard would be AB 282.

Mr. David Parraguirre of the Washoe County Public Defender's Office testified next. He indicated that their office proposed an amendment to Section 245.216. Our proposal was to amend that statute to put the County Employees - attorneys working for the county - in the unclassified section of NRS rather than have them on the classified. It is my understanding at least in Northern Nevada that it has been the practice that attorneys were always treated in the unclassified, and we wanted that amendment to add that to the statute.

Mr. Dini asked if the committee had any questions.

Mr. Dini asked if the bill did what Mr. Parraguirre intended?

Mr. Parraguirre stated yes.

Mr. Dini asked if anyone else wished to testify on 282.

Mr. Bill Curran of the Clark County District Attorney's Office testified next. He stated that he represented management and I guess in one sense this bill would be favorable to management because it would allow the entire staff, the attorneys, to be taken out of the merit system and to essentially be terminated or disciplined at will and in fact without the finding of cause. Nonetheless, I think we oppose this bill. We feel that even in a large office such as ours - just so you understand the magnitude, we have approximately 55 attorneys. This bill would also apply to our law clerks because it requires that it also applies to anybody who holds a degree in law and our law clerks are required to have a law degree - so that is 55 attorneys plus 10 or eleven law clerks. We feel that frequently when we are recruiting people, and we do have to aggressively recruit personnel for our office, a very frequent question was asked, especially by people who are interested in coming here from out of state, is what their job security is, what the impact in politics may be in the office, whether their job is secure from transition from

one administration to another. We feel that enactment of this bill would severely undermine our efforts at professionalism in the office. The facts of life in Clark County, at least in the last 20 or 30 years, are that there has never been a district attorney who has been re-elected and if every attorney who was either in the office or who was thinking about joining realized that every four years as the changing political winds blew he may be blown out of his job for no reason other than the fact the new person may simply just want to change over the staff, we feel that would severely undermine the efforts that we have made to professionalize the office.

We think that leaving the law as it is now - we have problems with attorneys and we sometimes have people who haven't performed adequately. There are procedures that there is in fact good cause to remove an attorney and we have in fact terminated people. Normally when we ask an attorney we work with them and if they are just not able to come up to par, we normally ask for the resignation and usually it is submitted, but we have had cases where we have terminated people against their wishes and it has been contested and it has been determined that we have good cause and the termination stuck, so we don't feel that we gain anything by the bill and we feel that efforts to professionalize the office would be undermined by this legislation, so we are opposed to it.

Mr. Dini asked if Mr. Curran felt that his attorneys had stabilized in Clark County and if they had a low turnover and more or less professionalized your staff in these positions.

Mr. Curran stated that he would not say that they have a low turnover. We have much less turnover than we have traditionally had.

Mr. Dini stated that even if the bill was passed, they still had to cause to discharge anybody.

Mr. Curran stated that he thought it would be much less. We probably wouldn't oppose this bill or some variation of it if it applied to only the top people. For example in my job as the head of the civil division and perhaps the head of the criminal division, if there was a certain number of key positions where a new district attorney would have the right to place his own people, we wouldn't have any opposition to that although in historical perspective, it has never been a problem because people such as myself have recognized that we were appointed by the incumbent and we may or may not be retained and there has never been a problem with people in top positions have always left if their presence was not desired by the new incumbents. All in all, we would just as soon keep it the way it is.

Mr. Dini asked if there were any questions of Mr. Curran.

Mr. May asked if the Clark County District Attorney's Office had asked for this bill.

Mr. Curran replied no. He stated that this measure by the way would only apply to district attorneys and public defenders. It would not apply to city attorneys, the deputy attorney generals or anybody else, the way it is written at least.

Mr. Curran stated further that he believed that this was requested by the Washoe County Public Defender's Office and I think Mr. Parraguirre.

Mr. Dini asked if Mr. Parriguarre wanted to explain to the committee the problem that he was having in Washoe County.

Mr. Parraguarre indicated that he did not think that it had been any problem that they had, it has just been the practice of Washoe County that attorneys were always treated as unclassified, and we thought we were just directing the bill to conform to what the practice has been in Washoe County. He further stated that he did not see any real problem if it was passed or not passed, but if it was passed, I know that our office has a tremendous turnover because the young attorneys who have just recently passed the bar and start practicing feel that they can get their greatest experience and fastest experience in the district attorney's office and in the public defender's office for a period of two to three years and then they want to get out and get on their own and I don't see where it really makes that much difference if a new head comes in like a new public defender or a new district attorney. I would think that they would want to keep some of their older employees that know the ropes in there pretty well. That is our reason for the amendment. It has been our practice that they have been treated in Washoe County in the unclassified anyway so it is a corrective bill by asking that it be spelled out in the bill. It would be treated as unclassified.

Mr. Dini asked if there was anyone else who wished to testify on AB 282. There was no further testimony on AB 282.

The next bill to be heard was AB 278.

Mr. Bob Cox, representing nine school districts in the State of Nevada testified next. He indicated he was here to speak in favor of AB 278. This particular bill relates to school districts which are political subdivisions of Nevada and would remove the 95% rule, which currently exists under 281.123. The Trustees of the State of Nevada, I represent that association as well, feel that the artificial limitation that has been imposed by this bill places restrictions upon them which should not be placed upon them. The 95% rule is really unrelated to the experience, training or job requirements of the individuals in their district which they must hire. They must compete in a national market particularly for the superintendents of the districts and they need to attract the best and most capable

people and after attracting them they need to retain those people. The 95% rule as it presently is written, fails to take into account the inflationary effect affecting employees, particularly the top chief executive officer of the districts. It fails to take into account the various perks that the governor receives in his office which are not always available to particularly the superintendents that are the chief executive officers across the state.

The way the act, 281.123 now applies, it really takes away from the trustees who are the elected officials in the various school districts, the public trust decision that they must make that after all I have to preside over the vegetary process, and in multi-million dollar figures make those decisions on a regular basis. Certainly that trust has been placed in them by the public and they can make a decision relating to the salary level for their top executives and should be allowed to make that decision. The current exception which would be removed under this act, which is 281.1235 is felt to be really a cumbersome process that must be gone through to go to the interim finance committee to obtain an exception. It would appear that the only time that that would come up is when you are out in the process of seeking a particular position to be filled. That does not always comply with the best and most opportune time to come to the interim finance committee. As a result, I believe I can say the school districts of the state are united behind removing this 95% rule as it relates to them and other political subdivisions of the state. I will answer any questions you might have as well.

Mr. Dini suggested that Mr. Cox might want to explain 281.1235.

Mr. Cox stated that the way that now works is that an exception can be applied for to the Interim Finance Committee and if the particular applicant that you are bringing before the committee shows exceptional qualities or abilities and likewise the position requires unusual skills, abilities, knowledge under the statutory limitation there is no qualified person to accept the position, I think the trustees have to make that sort of decision anyway. It appears to me that if they must come before the interim finance committee it is both a waste of resources for the trustees as well as the interim finance committee. Obviously they have got to make a good many more money decisions that are of a higher level then the \$50,000 level on a regular basis. Those decisions must be made by them and to come before interim finance committee does not seem to be justified. But that is how that works. You must come before the committee and show those particular items in order to have an exception.

Mr. Dini asked if to Mr. Cox' knowledge anyone had ever been turned down?

Mr. Cox stated that he did not know. He stated that he knew there were a number - I don't believe they have been, but I am not sure - perhaps Mr. Mello can speak to that - I know that the exceptions have

almost eliminated the rule by the number of people that have come before the committee. If that is the case it would seem to me that you really are wasting resources to make that requirement.

Mr. Mello stated that some have been turned down.

Mr. Cox indicated that he thought what we are talking about in school districts is really the chief officer is the superintendent. Only two districts in this state are really right up against that particular limitation. Washoe County and Clark County. The others are not. As time goes on, perhaps they will be. I think though that comparable positions in the private sector would be in Washoe County's case paying in the range of \$60,000 to \$65,000; Clark County \$75,000 to \$80,000 for the type of skills, budgets that are presided over and background requirements to fill those positions.

Mr. Dini asked if this would have a budget effect on the caps?

Mr. Cox stated that he could not answer that question.

Mr. Dini asked if it would have a serious effect on our budgetary functions.

Mr. Cox stated that he had not studied the inter-relation of the two and I can't answer that question.

Mr. Marvin Picollo representing the State School Boards Association but not as a paid lobbyist. I think that makes what I have to say more important. I have been told that over the years. The point I think Mr. Cox has made and I don't want to be repetitive, one is comperability and I am not just talking about comparable salaries. Many people say well just because everybody is doing it does not mean that it is the right thing to do. This is true but I think it has bearing on the other points that follow because in the northeastern states, New York, Massachusetts and those places, Alaska and California, you would expect those salaries up but we are talking about border states and southern states, North Carlina, South Carolina, Arkansas and I know this from having both had offers and from examining the offers across the country, that \$50,000 to \$65,000 is not uncommon. Recently and I think this is uncommon, the superintendent of Chicago was offered \$108,000. Of course, \$108,000 for six months may not be a very good deal and I suspect that is what might happen, but so comparability is one point. The second one is to attract it to hold. I think many people are attracted to superintendencies as stepping stones but you have got to remember in large school districts that is more than 25,000 members, students I should say, that the average life expectancy of the superintendent is about 28 months. So you do not have people stay in those jobs. They move on very, very quickly. Some times they are asked to move on, sometimes they move on of their own accord, but salaries are an important factor in both attracting and holding people in those kind of tough jobs, and they are tough jobs. I think the next thing is what effect has

that particular law had. Has it done what the legislator intended it to do? Now I am not in as good a position to speak to the legislative intent as certainly as some of the people here because you were there and knew, but my understanding of the intent was it was explained to me by a senator that is a little bit like putting a cork in the end of the bottle. That should stop what is coming behind, but it has not had that effect. In fact, what has happened is that lots of people have moved up. You have almost a flat system of administration. Everyone is making pretty much the same sort of money. In Washoe County during the time that I was under that ruling, there was a period of time when about \$400.00 separated the superintendent from six other positions. You say well why didn't you stop that from coming through. Because I didn't think that it was proper or appropriate to stop it. So it has the effect then of pushing up against that level and I think you have situations where you have students in various small counties, superintendents there who are making very close to the amount that is being made by the two large counties which seems inappropriate. The other point is circumventing - one way mentioned is to go to the assembly - to the interim finance committee. I found that it was never convenient. There was never a good convenient time to go. For instance you are always in the process of negotiating. How would you like to be on the front page of the Nevada State Journal or the Reno Evening Gazette saying they want to break the rule for the superintendent and this is just after you have come out of the meeting saying to the teachers' association look it is tough - we don't have any money. After all, that is another legislative mandate that we - the schools - have, is to negotiate, so there is never a convenient time to be on the front page of the Reno Evening Gazette saying let's pay the superintendent more and everybody else less. I mean that is the facts of life.

Finally I think the other thing is that I have to say there was never an attempt to circumvent the law in the Washoe County School District but this was discussed. The point being that if this law is not removed, then there are going to be devious kinds of circumvention, such as let's pay a housing allowance to the superintendent. To me that is inappropriate. I think you ought to have the money up front. Everybody can see it and if they don't like it, then it comes to a last point local control. If you don't like paying the superintendents \$65,000 then get rid of the people who are making that choice and now it comes to the final point which is local control. Will it have effects upon other areas? My personal feeling and this comes from analyzing the situation, I think it would be minimal. I think it would affect two county superintendents. I do not think that every effort has been made to untie the superintendent and administrators from the teacher's salary and the classified salary, so it might have minimum effect, but I would have to say no. It will be used in negotiations to say why don't you pay the teachers more because after all you are paying the superintendent in excess of \$48,000. Other than that, I think the effect will be minimal.

I would say personally, I think Washoe County and most of the counties are looking inward and in Washoe County there are hundreds of young people looking for administrative positions so I don't think you have to go outside, so I don't think attracting people is a big factor, but I think holding them is a big factor. When you look over your shoulder and look toward those years when you are getting ready to retire you want to get a few fat years under your belt and so I think it's not so much attracting good people because there are many good people around.

Frankie Sue Del Pappa, a regent of the University of Nevada testified next. She indicated that she was in favor of AB 278. She indicated that the limitation has given them problems. She indicated that the University of Nevada - Reno and Las Vegas, rank 116th out of 124 schools.

Ms. Debbie Langston of the City of Reno testified next. A copy of Ms. Langston's testimony is attached to the minutes of this meeting as EXHIBIT D.

Mr. G. P. Etcheverry of the Nevada League of Cities testified next. Mr. Etcheverry urged the support of the committee in favor of AB 273.

Mr. Etcheverry indicated that other cities would be testifying on behalf of AB 278.

Mr. Joe Cathcart representing the City of North Las Vegas, testified next. He stated that they do support AB 278.

Mr. Greg Rivet of the City of Sparks, Director of Personnel, testified next on AB 278. He stated that they support AB 278. Mr. Rivet stated that one of the important things that we are faced with is that the mood of the taxpayer is the need for tax reform. Mr. Rivet stated that they would urge the repeal of the 95% rule and they support that position.

Mr. Ted Thornton, Carson City Clerk, testified next. He indicated his support of this bill. He indicated that they had 49 people in Carson City Government making more than 5 department heads with the exception of the District Attorney.

Mr. Bryce Wilson testified next on behalf of the Nevada Association of Counties. He indicated their support of this bill.

Mr. Dini asked if the small counties have some problems in financing next year and if this bill would compound the problem?

Mr. Wilson indicated it does that. He indicated that the only problem is to attack it when the situation comes about.

Mr. Robert Gagnier, Executive Director of the State of Nevada Employees Association testified next. Mr. Gagnier indicated that he would like to speak on behalf of AB 278. Mr. Gagnier indicated that he agreed with everything that has been stated here this morning.

Mr. Jim Wittenberg, State Personnel Division, testified next. He indicated that he thought the problem that is caused at the state level is the result of salaries in the structure. He indicated that this law affects some 58 people. He indicated that they had serious recruitment and retention problems.

Mr. Robert Forbus, Clark County School Board testified next. He indicated that he was in favor of this bill, and that he did not have a vested interest.

Mr. Charles Sylvestre, Clark County School District testified next. He indicated that he concurred with the previous speakers. He stated that their district is a very large district. It is the 23rd largest in the United States and employs 7,600 people.

Mr. Dan Fitzpatrick testified next. He stated there was a problem in Clark County. It is a matter of retention and that they had a contradiction in the law. He further stated that there was a situation now where 13 individuals cannot make a comparable salary.

This concluded the testimony on AB 278. The committee took a short recess.

Mr. Dini indicated that the next bill before the committee is AB 275. He stated that this bill needs an amendment.

Mr. Nicholas moved for amend and do pass on AB 275, which was seconded by Mr. Polish. The motion carried unanimously. Mr. Jeffrey and Mr. Craddock were not present at the time of this vote.

Mr. Dini asked Mr. Nicholas about the subcommittee amendments on AB 94.

Mr. Nicholas stated that as a result of the several meetings that we had and the testimony that we took in our final meeting, in conjunction with all of the people who were in attendance at the meeting with Assemblyman Jeffrey and I, worked out this amendment which conforms with the wishes of all present, including Assemblyman Jeffrey and myself, so this is sent back to the committee as the recommendation of the subcommittee on AB 94, for your approval and process.

Mr. Dini stated that the amendment lowers the limit to \$2,000. A copy of the amendment to AB 94 is attached to the minutes of this meeting as EXHIBIT E.

Mr. Dini stated that he would like to commend the committee on AB 94 for their work on this bill.

Mr. Nicholas moved for an amend and do pass on AB 94, which was seconded by Mr. Redelsperger. The motion carried unanimously. Mr. Jeffrey and Craddock were not present at the time of the vote.

Mr. Dini indicated the next bill up for discussion would be AB 151. Mr. May moved for a do pass on AB 151, which was seconded by Mr. Mello. The motion carried unanimously. Mr. Jeffrey and Mr. Craddock were not present at the time of the vote.

Mr. Dini indicated that the next bill to be discussed would be AB 276. He indicated that the committee had the amendments from Dan Fitzpatrick. Mr. Dini stated that with the amendment presented by Dan Fitzpatrick and the conflict notice that that would be a good bill. Mr. Polish moved for an Amend and Do Pass on AB 276, which was seconded by Mr. DuBois. The motion carried unanimously. Mr. Jeffrey and Mr. Craddock were not present at the time of the vote.

The next bill discussed by the committee was AB 282. Mr. Dini stated that he felt personally that AB 282 was a bill that we don't really need on the books.

Mr. Mello moved for an Indefinite Postponement of AB 282, which was seconded by Mr. Redelsperger.

Mr. Dini asked if there was any discussion.

Mr. Mello asked if he could say why he made that motion. Frankly I felt when Dave Parraguarre came back the second time, he gave a good case to keep it. I don't understand the problems. They have been treating the deputies as unclassified and perhaps that is why they haven't any problems and if they treat them like classified, maybe they will have some, but until we actually see if they are going to have problems if they treat them as classified. There are no problems in Clark County, obviously.

Mr. Dini asked for a vote of the committee of who was in favor of indefinitely postponing AB 282. The motion carried unanimously. Mr. Jeffrey and Mr. Craddock were not present at the time of the vote.

Mr. Dini stated that he had the amendments for the bonding bill, AB 189, where the State Treasurer has a municipal bond bank and I would like to have a motion to amend it and re-refer back to committee.

Mr. Mello moved for the amendment and re-referral back to committee, which was seconded by Mr. Schofield. The motion on AB 189 carried unanimously.

Mr. Dini indicated stated then that AB 189 would be amended and re-referred to the Committee on Government Affairs.

Mr. Dini stated that they would next discuss AB 29. He indicated that as the committee knew they had that bill before and we ended up in a 5 to 5 tie. We need another vote to move it out of this committee.

Mr. Dini asked if there was a motion for a Do Pass on AB 29. Mr. Prengaman moved for a Do Pass on AB 29 which was seconded by Mr. Polish.

Mr. May asked for discussion on AB 29, and indicated that over the weekend he drove down to Johnson Lane -

Mr. Dini indicated that AB 29 dealt with PUD's in subdivision law. Mr. Dini indicated that Carson City found a loophole.

Mr. Schofield referred to the 30 days in the bill.

Mr. May stated that he would like to amend the present motion to amend and do pass. He indicated he would like a 30 day requirement. Mr. May stated that he believed it was 15 days.

Mr. Redelsperger stated that he might add that there are two major developments that he has gone through with the various state agencies and I have had them processed quite rapidly, so I am not overly concerned. I voted yes for it last time and I plan to go ahead for it this time.

Mr. Redelsperger stated that he would second Mr. May's motion.

Mr. Dini stated that motion was an amend and do pass and to put the 30 days in it.

Mr. Dini asked if there was any further discussion. Mr. DuBois asked if 30 days was too long?

Mr. Mello stated that he believed you had a motion to do pass and then you have a motion to amend. Do you want to amend it first?

Mr. Dini stated that he believed that was what we were doing right now was to amend and do pass.

Mr. Dini asked if all of the committee members were in favor of inserting 30 days would signify by saying "aye". There was no opposition to the insertion of 30 days.

Mr. Dini then stated that the main motion is to amend and do pass AB 29 with the 30 days requirement right.

The Secretary called the role for the vote on AB 29. The

roll call vote is attached to the minutes of this meeting.

The committee then discussed AB 257. Mr. Dini indicated that he did not know whether or not to send this one over to Ways and Means and re-refer it.

Mr. Mello indicated that he had already requested of the chair that he send it out and re-refer it to Ways and Means and he has no objection to that. It just depend on when he wants to do it.

Mr. Dini asked if we should send this over to Ways and Means too.

Mr. May asked if that would be without recommendation.

Mr. Dini indicated yes.

Mr. Dini indicated he thought this was a taxation and Ways and Means problem. I don't think there is any really corrective medicine.

Mr. Mello stated that he moved that AB 257 be reported out of committee without recommendation with rereferral to Ways and Means. Mr. Nicholas seconded the motion. The motion carried unanimously.

Mr. Dini asked the committee to turn in their bill books to AB 146

Mr. Dini indicated that the other day the attorney general had testified on this bill and that was enough ground really to pass the bill, except for a minor amendment that is needed.

Mr. Redelsperger stated that it said any member before and Mr. Dini indicated that it should say any majority of the commission. Mr. Dini stated that the language was on line 49, page 2.

Mr. Mello asked if the words "simple majority" would be sufficient.

Mr. Dini concurred.

Mr. Mello moved for an amend and do pass on AB 146, which was seconded by Mr. Redelsperger. The motion carried unanimously.

Mr. Prengaman stated that he really felt that an oversight committee should be set up.

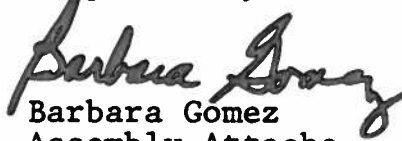
Mr. Dini stated with regard to AB 65 that the amendments were being worked on and would come back to the committee when they were completed.

Mr. Dini further stated that we would have a hearing on AB 168 next week and we just handled AB 189 to refer back to the committees.

Mr. Dini asked if someone would like to handle AB 275 on the floor. Mr. Prengaman agreed to handle AB 275 on the floor.

There being no further business to come before the meeting, the meeting adjourned at 10:32 A.M.

Respectfully submitted,



Barbara Gomez
Assembly Attache

ASSEMBLY GOVERNMENT AFFAIRS COMMITTEE

GUEST LIST

Date March 17, 1981

Please PRINT

<u>PLEASE PRINT YOUR NAME</u>	<u>PLEASE PRINT REPRESENTING:</u>		<u>I WISH TO SPEAK</u>		<u>BILL NO.</u>
			<u>FOR</u>	<u>AGAINST</u>	
DAVID PARRAGUIRRE	Washoe County Pub. Defender	✓	✓		AB 282
BOB GARNIER	SNEA	✓	✓		AB 278
R.E. ROBINSON	Assembly	✓	✓		AD 151
JEFF THORNTON	CARSON CITY CLERK	✓			AB 278
Marvin Prescott	Nevada School Board	✓	✓		AB 278
C. Robert Cox	Washoe County School Dist	✓	✓		AB 278
Glen Vogler	Washoe Co. Sheriff's Dept	✓	✓		AB 276
D. Fitzpatrick	Clark Co.	✓	✓		AB 278
John Crossley	LER - Audit	✓	✓		AB 275
FRANKIE SUE DE (Papa)	Univ. Regents	✓	✓		AB 278
Bill Curran	Clark County P.A.	✓		✓	AB 282
G.P. Fitzharry	Nat League of Cities	✓	✓		AB 278
PATRICK FINE	CLARK COUNTY	✓		X	AB 151
DEBI LANGSTON	CITY OF RENO	✓	✓		AB 278
Paul Martin	Welfare Dev	✓	✓		AB 275
for Cochran	City of North Las Vegas	✓	✓		AB 278
GREG RIUET	CITY OF SPARKS	✓	✓		AB 278

SIXTY-FIRST NEVADA LEGISLATURE
ASSEMBLY GOVERNMENT AFFAIRS COMMITTEE

LEGISLATION ACTION

DATE March 17, 1981
 SUBJECT AB 29 - Amend and Do Pass

MOTION

Do Pass Amend Indefinitely Postpone Reconsider

Moved By Mr. May Seconded By Mr. Redelsperger

AMENDMENT

Moved By _____ Seconded By _____

AMENDMENT

Moved By _____ Seconded By _____

VOTE:	MOTION		AMEND		AMEND	
	Yes	No	Yes	No	Yes	No
MR. CRADDOCK	<u>not present</u>					
MR. DuBOIS		<u>X</u>				
MR. JEFFREY	<u>not present</u>					
MR. MAY	<u>X</u>					
MR. MELLO	<u>X</u>					
MR. NICHOLAS		<u>X</u>				
MR. POLISH	<u>X</u>					
MR. PRENGAMAN	<u>X</u>					
MR. REDELSPERGER	<u>X</u>					
MR. SCHOFIELD	<u>X</u>					
MR. DINI	<u>X</u>					
TALLY	<u>7</u>	<u>2</u>				

ORIGINAL MOTION: Passed _____ Defeat _____ Withdrawn _____
 AMENDED & PASSED _____ AMENDED & DEFEATED _____
 AMENDED & PASSED _____ AMENDED & DEFEATED _____

ATTACHED TO MINUTES DATED March 17, 1981

ASSEMBLY

AGENDA FOR COMMITTEE ON GOVERNMENT AFFAIRS

Tuesday

Date March 17, 1981 Time 8:00 A.M. Room 214

Bills or Resolutions to be considered	Subject	Counsel requested*
AB 151	Removes provision that authorizes general obligation bonds to be issued for county hospitals without election.	
AB 275	Creates and eliminates certain funds and changes certain accounting practices.	
AB 276	Changes duties of sheriff.	
AB 278	Removes 95-percent limit upon salaries of certain public officers and employees.	
AB 282	Exempts certain attorneys from county merit personnel systems.	

*Please do not ask for counsel unless necessary.

AUDIT DIVISION
AB 275
(BDR 31-313)

In the 53 audit reports the Audit Division presented to the Legislative Commission in the last two years, there were many recommendations regarding the creation, repealing, categorizing, and retitling of funds in the State's accounting system. The two funds created in this BDR were already in existence having been created administratively. The 15 funds being abolished were not being used and the accounting was being accomplished in some other fund. We also made recommendations regarding the depositing procedures of money with the State Treasurer. The final thing this bill does is retittle all of the Intragovernmental Service Funds to Internal Service Funds. This change was made by the Municipal Finance Officers Association after considerable study, and is endorsed by the American Institute of Certified Public Accountants.

	<u>Sections</u>
Sections in which Intra-governmental Service Funds are retitled to Internal Service Funds	1,2,8,11,13,14,15,16,17,18,19,20
The following agencies are affected by other accounting features of this bill:	
Controller	9
Supreme Court	3,4,5,6,7,43
Library	30
Human Resources	33,34,35,36,37,38,39
Department of Taxation	22,23,24,25,26,27,28,29
Dairy Commission	41,42
Economic Development	10
Indian Affairs	12
Printing Plant	21
Military Department	31
Veteran Affairs	32
Colorado River Commission	40

Summary of Funds:

Two new funds created (Controller's Office and Colorado River Commission)	<u>2</u>
Number of funds removed from statutes. However, function for which fund was put in law not changed	<u>15</u>
Number of funds only catagorized as to type	<u>2</u>
Number of funds retitled	<u>13</u>

AUDIT DIVISION
AB 275
(BDR 31-313)
(Continued)

NUMBER OF FUNDS RETITLED
(Sections 1,2,18,11,13,14,15,16,17,18,19,20,31)

Section 1 of the bill sets forth the different funds and group of accounts that are to be used in accounting for the financial transactions of the State. If you will note, D, on line 8, formerly was "Intragovernmental Service Funds." In accordance with the Municipal Finance Officers Association, from which this was taken initially, we are retitling the overall category to Internal Service Funds. Accordingly, this meant that we had to go through and also change the title from Intragovernmental Service Funds to Internal Service Funds in the various statutes. This was accomplished in the sections of this bill set forth above. The only exception to that is in Section 31, a fund is titled both as a special revenue fund and as a construction fund. This isn't feasible and it is a special revenue fund which is the way we have set it forth in Section 31.

The change from Intragovernmental Service Funds to Internal Service Funds was accompanied by a corresponding change in the definition which broadened the units of government which these particular funds may service. The former definition for these types of funds reads as follows:

"Intragovernment Service Funds are to account for the financing of special activities and services performed by a designated organization unit within a government jurisdiction for other organization units within the same governmental jurisdiction."

It now reads:

"Internal Service Funds - To account for the financing of goods or services provided by one department or agency to other departments or agency of the governmental unit or to other governmental units on a cost reimbursement basis."

CONTROLLER'S OFFICE
(Section 9)

In this section we are creating the State Payroll Trust Fund. This provides that all transactions relating to the paying of salaries of employees, and related payroll costs which are held by the State Controller, must be accounted for in the State Payroll Trust Fund which is hereby created. This has been created and has been in operation, and this just puts the fund in the statutes.

AUDIT DIVISION
AB 275
(BDR 31-313)
(Continued)

SUPREME COURT
(Sections 3,4,5,6,7,43)

These sections relate to the manner in which the monies of the Supreme Court are deposited and accounted for. For example, in Section 3, subparagraph 7 of 2.250 provides that money shall be deposited each quarter with the State Treasurer. This, of course, is in conflict with the general law NRS 353.250 which requires that money be deposited weekly. In Section 4, we abolish the Law Library Fund which has never been used, and provide that the money will be accounted for in the Law Library's account which is the way they are accomplishing that function currently. In Section 5, we abolish the District Judge Salary Fund as this is all General Fund money and is payed out of an account in the General Fund. Sections 6 and 7, we identify how the money will be deposited and to what credit it will be put to when deposited. Section 43 abolishes the Supreme Court Law Library Federal Fund which has not been used. The Court found that it would not be used and should be abolished.

STATE LIBRARY
(Section 30)

This section abolishes the State Library Federal Fund and provides that the money will be credited to the appropriate account of the State Library. This is currently what they are doing and are not using the fund at all.

HUMAN RESOURCES
(Sections 33,34,35,36,37,38,39)

When the NRS sections incorporated in these sections of this bill were enacted, funds were created in which the accounting for the particular function was to be accomplished. These funds have never been used and all of the accounting has been accomplished in accounts with the General Fund, which is appropriate. Accordingly, what we are doing in these sections is to eliminate the fund and provide that the money, and most of it is appropriated by the Legislature, must be accounted for in particular accounts. Again, these would be in the General Fund. We are eliminating the "Aid to Dependent Children Fund" and the "State Child Welfare Services Fund." We've eliminated the requirement that a separate canteen fund be created for each Division mental health facility and instead provide that these functions will be accounted for within accounts of the Mental Health facilities. This is currently the way they are carrying out that function. We eliminate the Mental Retardation Resident Placement Fund and provide that money will be accounted for separately. We've eliminated the Community Training Center Fund and provided that that will be accounted for within the appropriate account of the Division.

AUDIT DIVISION
AB 275
(BDR 31-313)
(Continued)

DEPARTMENT OF TAXATION
(Sections 22, 23, 24, 25, 26, 27, 28, 29)

The Tax Commission has had several funds in their statutes which they have not been using. We have not been able to amend these funds out of the statutes and include instead the manner in which they are accounting for their financial transactions. Last session, as a result of voter action, the administrative control was given to the Legislature and now we can amend their statutes as they relate to the sales and use taxes, to set forth therein the way they are handling the accounting with which we concur. In Sections 22 and 23, we eliminate the combined Gas Tax Fund which has never been used. Section 24, we eliminate the Liquor Tax Fund which has never been used and provide that there will be a liquor tax account in the State General Fund. Section 25, we eliminate the Cigarette Tax Fund which has never been used and provide that that will be accounted for in the Intragovernmental Trust Fund. Section 26, we eliminate the Sales Tax Fund and provide that all money will be accounted for in the sales and use tax account in the State General Fund. Section 28, we eliminate the Local School Support Tax Fund and provide that that money will be accounted for in the sales and use tax account in the State General Fund. Section 29, we eliminate the City County Relief Tax Fund and provide that the money will be initially deposited in the sales and use tax account in the State General Fund. Now it is important to note that in none of our amendments have we changed the amount of taxes that must be payed, nor have we changed the distribution of that money to those various governmental units that receive the money. These amendments set forth in law the way that they are currently accounting for the receipt and distribution of the tax money. In our mind, this is working extremely well and we feel that it is not necessary to have all of those funds to account for this money.

DAIRY COMMISSION
(Section 41 and 42)

In Section 41, we have amended into the purposes for which the fund may be used NRS Sections 584.176 through 584.179. These particular sections relate to substitute dairy products which the Dairy Commission shall administer and enforce. However, this was never amended into the uses of the money of the Dairy Commission Fund. In Section 42, we are removing the requirement that the money will be deposited monthly. There is a general statute in the books that NRS 353.250, which sets forth how frequently the money must be deposited, which currently is weekly. Rather in this section, spell out weekly we have let the general section rule and if that is changed, then the agency would change accordingly and it would not be necessary to amend each statute when money must be deposited.

AUDIT DIVISION
AB 275
(BDR 31-313)
(Continued)

ECONOMIC DEVELOPMENT
(Section 10)

Again, this was where the Director would have to deposit the money only quarterly with the State Treasurer. Again, as I explained before, they must deposit the money with the State Treasurer, but based on their statute now, they follow the general law.

INDIAN AFFAIRS
(Section 12)

This is just a categorization where we categorize the Gift Fund as a trust fund.

PRINTING PLANT
(Section 21)

This again is where we are taking out the deposit each month and requiring it be deposited with the State Treasurer, and to follow the general law.

VETERAN AFFAIRS
(Section 32)

This is where we are categorizing the Veterans' Relief Fund as a special revenue fund.

COLORADO RIVER COMMISSION
(Section 40)

In this section we are creating the Colorado River Resources Fund, which they had been using, in which we are now incorporating in the statutes. In that section we also provide how the money will be used and how it will be transferred by the State Controller from the different funds that the Colorado River Commission currently has.

Attached are letters from the Department of Taxation, Department of Human Resources, Dairy Commission, Colorado River Commission, and the State Printer. Also attached are correspondence with the Supreme Court and the State Librarian. All of the agencies, during the audit, agreed to these particular changes.

Department of Taxation

Capitol Complex

CARSON CITY, NEVADA 89710

Telephone (702) 885-4892

In-State Toll Free 800-992-0900



ROBERT LIST, Governor

ROY E. NICKSON, Executive Director

February 24, 1981

Mr. John R. Crossley, C.P.A.
Legislative Auditor
Legislative Counsel Bureau
Capitol Complex
Carson City, Nevada 89710

Dear John:

Roy Nickson directed me and our staff to review the proposed statutory revisions dealing with deposits and distribution of money handled by this department.

We are in full agreement with the proposed amendments and look forward to their introduction and passage.

Sincerely yours,

A handwritten signature in black ink that reads "Jeanne".

Jeanne B. Hannafin
Deputy Executive Director

JBH:mfs

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CAPITOL COMPLEX
CARSON CITY, NEVADA 89710



ARTHUR J. PALMER, *Director*
(702) 885-5627

LEGISLATIVE COMMISSION (702) 885-5627

KEITH ASHWORTH, *Senator, Chairman*
Arthur J. Palmer, *Director, Secretary*

INTERIM FINANCE COMMITTEE (702) 885-5640

DONALD R. MFILO, *Assemblyman, Chairman*
Ronald W. Sparks, *Senate Fiscal Analyst*
William A. Bible, *Assembly Fiscal Analyst*

FRANK W. DAYKIN, *Legislative Counsel* (702) 885-5627
JOHN R. CROSSLEY, *Legislative Auditor* (702) 885-5620
ANDREW P. GROSE, *Research Director* (702) 885-5637

February 27, 1981

Dr. Ralph DiSibio
Director
Department of Human Resources
Kinkead Building - Room 600
Capitol Complex
Carson City, Nevada 89710

Dear Dr. DiSibio:

Section 38 of BDR 31-313 amends NRS 435.120 as follows.

435.120 Any [moneys] money collected by the division under NRS 435.060 to 435.110, inclusive, [shall be deposited in a separate nonreverting fund in the state treasury and shall] must be deposited in the state treasury, accounted for separately by the division and must be expended for the augmentation of the mental retardation residential placement [fund, hereby created in the state treasury,] function, in accordance with the allotment, transfer, work program and budget provisions of NRS 353.150 to 353.245, inclusive.

The amendment set forth above does not change the concept that any money collected under NRS 435.060 through 435.110 does not revert to the State General Fund. Any amount collected and not used in a fiscal year must be carried forward to the next fiscal year. Any money collected in accordance with 435.060 through 435.110, according to NRS 435.120, must be used for the augmentation of the mental retardation resident placement function.

Currently, this money is being accounted for in General Fund Budget Account 3167.

Sincerely yours

A handwritten signature in black ink, appearing to read "John R. Crossley".

John R. Crossley, C.P.A.
Legislative Auditor

JRC:hjr
pc: Frank Daykin, Legislative Counsel
Howard E. Barrett, Director
Department of Administration
Jerry Griepentrog, Administrator
Mental Hygiene and Mental Retardation Division

956



STATE OF NEVADA
DEPARTMENT OF HUMAN RESOURCES

CAPITOL COMPLEX
ROOM 600, KINKEAD BUILDING
505 E. KING STREET
CARSON CITY, NEVADA 89710
TELEPHONE (702) 885-4730

DEPARTMENTAL
DIVISIONS
AGING SERVICES
HEALTH
MENTAL HYGIENE-
MENTAL RETARDATION
REHABILITATION
WELFARE
YOUTH SERVICES

ROBERT LIST
GOVERNOR

RALPH R. DISIBIO, ED.D.
DIRECTOR

March 3, 1981

MEMO #56

TO: JOHN CROSSLEY, C.P.A.
LEGISLATIVE COUNSEL BUREAU

FROM: RALPH R. DISIBIO, Ed.D.

BY: FRANKLIN M. HOLZHAUER *FH*

SUBJECT: BILL DRAFT #31-313

We have reviewed those sections of your bill draft #31-313 which pertains to the budgets of the divisions of our department. Other than the question already resolved regarding the non-reverting of funds in Mental Retardation, we find no problems with the proposed changes. These are accounting changes which, according to your office, clean up language which is inconsistent with practice and should reduce some paper work connected with computerized reporting.

F.M.H.

FMH/lis



STATE OF NEVADA

DIVISION OF COLORADO RIVER RESOURCES

ADDRESS REPLY TO
P.O. BOX 19090
LAS VEGAS, NEVADA 89119

TELEPHONE (702) 733-7755

OFFICE ADDRESS
4220 MARYLAND PARKWAY
BUILDING B, SUITE 402
LAS VEGAS, NEVADA 89109

March 3, 1981

Mr. John R. Crossley, CPA
Legislative Auditor
Legislative Counsel Bureau
Audit Division
Legislative Building, Rooms 327 and 345
Carson City, Nevada 89710

Dear Mr. Crossley:

We suggest one minor change in Section 40 of the general accounting bill submitted with your letter of February 23, 1981. In the second sentence of Subsection 3, we recommend deletion of the words "energy to" between the words "and" and "water" and deletion of the word "uses" between the words "water" and "must". The sentence will then read as follows: "All transactions not accounted for in the Colorado River resources fund and the Colorado River research and development fund involving the purchase and subsequent sale of power and water must be accounted for in this fund."

If you feel it is necessary, or would be helpful, for us to testify when the bills are considered by Senate and Assembly committees, just let me know.

Sincerely,


Duane R. Sudweeks
Administrator

Enclosure



THE STATE OF NEVADA
DAIRY COMMISSION

255 WEST MOANA LANE, SUITE 109 (702) 784-6221
RENO, NEVADA 89509

ROBERT LIST
GOVERNOR

WILLIAM X. SMITH
SECRETARY-EXECUTIVE DIRECTOR

GREG NIXON, CHAIRMAN
BANK EXECUTIVE

JAMES C. ANDRUS, CHAIRMAN
CERTIFIED PUBLIC ACCOUNTANT

JAMES R. "DICK" GARRETT, PH.D.
AGRICULTURAL ECONOMIST

JAMES J. BAUMBERGER
FINANCE EXECUTIVE


September 26, 1980

Mr. John R. Crossley, C.P.A.
Legislative Auditor
Legislative Counsel Bureau
Legislative Building
Capitol Complex
Carson City, Nevada 89710

Dear John:

Received your letter of September 24th and the copy of the proposed legislation which you will have introduced at the 1981 session of the Legislature. Just a short note to thank you and your staff for your assistance in this matter.

Sincerely,


William X. Smith
Executive Director

WXS:bp

River research and development fund in addition to defraying the cost to the division of water and power delivered. When collected, [such] these additional revenues [shall be paid directly to the state treasurer and deposited by him in the Colorado River research and development fund.] must be deposited with the state treasurer for credit to the fund.

3. There is hereby created the Colorado River power and water fund as a special revenue fund. All transactions not accounted for in the Colorado River resources fund and the Colorado River research and development fund involving the purchase and subsequent sale of power and ~~energy to~~ water ~~uses~~ must be accounted for in this fund. All revenues received must be deposited with the state treasurer for credit to this fund. Any balance in this fund on June 30 of each fiscal year must be transferred to the Colorado River resources fund the following fiscal year.

4. Money in the funds provided for in this section must be paid out on claims as other claims against the state are paid, after the claims have been approved by the administrator.

STATE OF NEVADA
DEPARTMENT OF GENERAL SERVICES
PRINTING DIVISION
301 S. Stewart Street
Carson City, Nevada 89710
(702) 885-4860

DIVISIONS
Purchasing
Printing
Data Processing
Accounting
Buildings and Grounds

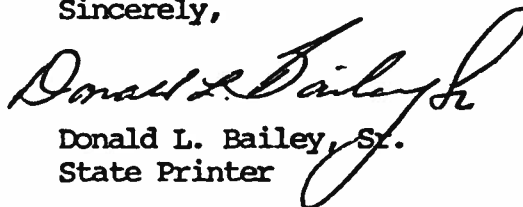
August 14, 1980

John R. Crossley, Legislative Auditor
Legislative Building
Room 327 and 345
Carson City, Nevada 89710

Dear John:

It is alright with me, for you to request legislation to change the amendment. I understand we want to amend 344.120 to conform to NRS 353.250, regarding timeliness of deposits. Please call if there are any questions.

Sincerely,


Donald L. Bailey, Sr.
State Printer

DLB:sn

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CAPITOL COMPLEX
CARSON CITY, NEVADA 89710



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JOHN R. CROSSLEY, *Legislative Auditor* (702) 885-5620
ANDREW P. GROSE, *Research Director* (702) 885-5637

MEMORANDUM ON BDR 31-313

On February 24, 1981, John Crossley, Legislative Auditor, and Nick Shukla, Deputy Legislative Auditor met with Mike Brown, Director of the Administrative Office of the Courts, regarding Sections 3, 4, 5, 6, 7, and 43 of BDR 31-313. These particular sections relate to the depositing of monies by the Supreme Court and the related amendments to the funds and accounts under their jurisdiction.

Mr. Brown informed me that he had no problem with the amendments and would support them.

A handwritten signature in black ink, appearing to read "John R. Crossley".

John R. Crossley, C.P.A.
Legislative Auditor

JRC:rie
pc: Mike Brown

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CAPITOL COMPLEX
CARSON CITY, NEVADA 89710



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JOHN R. CROSSLEY, *Legislative Auditor* (702) 885-5620
ANDREW P. GROSE, *Research Director* (702) 885-5637

BDR 31-313

On March 2, 1981, John R. Crossley, Legislative Auditor, called Mr. Joseph Anderson the State Librarian regarding section 30 of the BDR 31-313. This particular section relates to how money is to be accounted for in the Library.

Mr. Anderson informed me they had no problem with the amendment and would support it.

John R. Crossley, C.P.A.
Legislative Auditor

1 [shall] must be sufficient in amount to maintain the Colorado River
2 research and development fund in addition to defraying the cost to the
3 division of water and power delivered. When collected, [such] these
4 additional revenues [shall be paid directly to the state treasurer and
5 deposited by him in the Colorado River research and development
6 fund.] must be deposited with the state treasurer for credit to the fund.

7 3. There is hereby created the Colorado River power and water
8 fund as a special revenue fund. All transactions not accounted for in the
9 Colorado River resources fund and the Colorado River research and
10 development fund involving the purchase and subsequent sale of power
11 and energy to water uses must be accounted for in this fund. All revenues
12 received must be deposited with the state treasurer for credit to this fund.
13 Any balance in this fund on June 30 of each fiscal year must be trans-
14 ferred to the Colorado River resources fund the following fiscal year.

15 4. Money in the funds provided for in this section must be paid out
16 on claims as other claims against the state are paid, after the claims have
17 been approved by the administrator.

18 SEC. 41. NRS 584.460 is hereby amended to read as follows:

19 584.460 There is hereby created in the state treasury a special
20 revenue fund designated as the dairy commission fund. All [moneys]
21 money received by the commission pursuant to NRS 584.325 to 584.-
22 690, inclusive, [shall] must be paid into the fund and [shall] must be
23 expended solely for the enforcement of NRS 584.176 to 584.179, inclu-
24 sive, and 584.325 to 584.690, inclusive.

25 SEC. 42. NRS 584.545 is hereby amended to read as follows:

26 584.545 [All moneys received by the commission hereunder shall
27 be paid monthly] All money received by the commission pursuant to this
28 chapter must be paid into the state treasury to the credit of the dairy com-
29 mission fund.

30 SEC. 43. NRS 2.500 is hereby repealed.

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STATE OF NEVADA
DIVISION OF COLORADO RIVER RESOURCES

ADDRESS REPLY TO
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LAS VEGAS, NEVADA 89109

March 3, 1981

Mr. John R. Crossley, CPA
Legislative Auditor
Legislative Counsel Bureau
Audit Division
Legislative Building, Rooms 327 and 345
Carson City, Nevada 89710

Dear Mr. Crossley:

We suggest one minor change in Section 40 of the general accounting bill submitted with your letter of February 23, 1981. In the second sentence of Subsection 3, we recommend deletion of the words "energy to" between the words "and" and "water" and deletion of the word "uses" between the words "water" and "must". The sentence will then read as follows: "All transactions not accounted for in the Colorado River resources fund and the Colorado River research and development fund involving the purchase and subsequent sale of power and water must be accounted for in this fund."

If you feel it is necessary, or would be helpful, for us to testify when the bills are considered by Senate and Assembly committees, just let me know.

Sincerely,


Duane R. Sudweeks
Administrator

Enclosure

Opinion

R-J Viewpoint

Legislative mistake must be corrected

In 1977, our state Legislature passed a blatantly anti-democratic measure which circumvented the will of the people as expressed in the voting booth. This year, by passage of Assembly Bill 151, that mistake can be corrected.

Traditionally, local governments must get approval from the voters before they can issue bonds to finance jails, schools, hospitals, sewer facilities or any other public works project. Since the voters' taxes would be pledged to back the bond, the rationale went, the decision should be theirs.

But back in 1974, county residents exerted too much independence to satisfy their governing officials. They soundly defeated a \$12 million bond issue proposed by the county to finance construction at Southern Nevada Memorial Hospital, a public institution.

Our local officials, believing they knew better than the people who elected them, went over the voters' heads. They took their case to the Legislature in Carson City.

Out of their lobbying emerged a bill which gave Clark County commissioners the ability to unilaterally approve bond issues for public hospitals.

Armed with their new power, the commissioners promptly approved the bond issue, over the clear but now silenced voice of the people. And they have continued to use that power, most recently last August with the approval of a \$6.2 million bond issue to improve burn and obstetrics care at Southern Nevada Memorial.

Those improvements were probably necessary, and might very well have been approved by the voters. But that's not the issue here. Misplaced power is.

Assembly Bill 151, introduced by the Commerce Committee, would remove that power from the county commissioners, and return it to where it belongs — to the people.

We urge our legislators to approve the bill, and by so doing repudiate the theory that government knows best what is good for the ignorant citizen.

Is not the American system founded on a belief that a citizen deserves and needs a voice in his government? The 1977 action by the Legislature muted that voice. Now, thanks to someone in the Commerce Committee, the Legislature has a chance to correct its error.

Section 1

655.070

1. ok as written
2. The sheriff of a county shall investigate each applicant and shall issue a permit to [any] each applicant who [pays a permit fee of \$5 and who] qualifies under any ordinance adopted by the board of County Commissioners of [such county regulating] the county which regulates the occupation of locksmiths and is found suitable by the board of County Commissioners.
3. The ordinance adopted by the board of county commission must set a fee for the granting and renewal of a permit.
~~The~~ permit expires 1 year from the date it was obtained and may be renewed. [The renewal permit fee is \$1.]
4. ok as written
5. ok as written

Section 2

364.010 - should read the same as AB 77 with the exception that the deletion of reference to 364.070 is appropriate on lines 11 and 13 of page 2.

ev. 12

STATEMENT CONCERNING AB278
REMOVING 95% SALARY LIMITATION

The City of Reno joins the Nevada League of Cities and urges passage of AB278, which would remove the provision that any person employed by any political division in State cannot exceed 95% of the salary for the office of the governor. We would support an amendment that would also remove this provision as it affects State agencies.

Very simply put, unless this change is made, local governments, particularly metropolitan local governments, and State agencies as well, will find it increasingly difficult to attract and retain skilled career professionals in state and local government.

The current limitation imposes something of an artificial limitation on salaries because the 95% is attached only to the governor's salary...it does apply to other forms of compensation such as the rather substantial, tax free housing allowance. We are not arguing here that the governor makes too much money. Rather, the point is that the current limitation is imposed in a way that is detrimental to local agencies in compensating higher management personnel.

To more specifically demonstrate the problem that this \$47,500 salary limit creates, let's use the City of Reno as an example. Recently, the City recruited nationwide for a City Manager. A highly qualified person was selected for the job. In order to secure that person's services in the competitive management market, the salary offered was very near the \$47,500 state limit. That presents no current problem. The question is then how can we retain this qualified individual in the near future, when he hits the limit and other public agencies in neighbor and nearby states are not subject to such limits. Las Vegas, we understand, has a City Manager who is currently at the State imposed limit. They apparently face the same problem.

The ability for large, complex organizations and communities such as Reno and Las Vegas to attract and retain high level managers will obviously become exceedingly difficult. Organizations and committees such as ours must be able to compete in the market place for the most highly qualified people we can find. The continuance of a State-imposed salary limit substantially reduces our competitiveness in the market place, as well as our attractiveness to qualified professionals.

Again, we urge you to vote in favor of AB278.

1981 REGULAR SESSION (61st)

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"/> Joint
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	Bill No. 94..... Resolution No.
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	BDR 28-233.....
Concurred in <input type="checkbox"/>	Concurred in <input type="checkbox"/>	Proposed by Committee on Government Affairs
Not concurred in <input type="checkbox"/>	Not concurred in <input type="checkbox"/>	
Date: <input type="checkbox"/>	Date: <input type="checkbox"/>	
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	

Amendment N^o 210

Conflicts with Amendment No. 40

Amend section 1, page 1, line 15, by deleting "exceeds \$5,000." and inserting "as a whole exceeds \$2,000."

Amend the bill as a whole by adding a new section designated as section 2, following section 1, to read as follows:

"Sec. 2. Chapter 338 of NRS is hereby amended by adding thereto a new section which shall read as follows:

The requirements of this chapter do not apply to a contract awarded in compliance with chapter 332 or 333 of NRS which is:

1. Directly related to the normal operation of the public body or the normal maintenance of its property.
2. Awarded to meet an emergency which results from a natural or man-made disaster and which threatens the health, safety or welfare of the public."

To: E & E
LCB File
Journal ✓
Engrossment
Bill

Drafted by..... FWD: smc Date: 3-10-81.....