

Chairman May called the meeting to order at 3:00 p.m.

MEMBERS PRESENT: Mr. May
Mr. Coulter
Mr. Bergevin
Mr. Brady
Mrs. Cafferata
Mr. Craddock
Mr. Marvel
Mr. Price
Mr. Rusk
Mr. Stewart
Mrs. Westall

Please see attached guest register for guests present.

AB 338 - Authorizes counties to impose tax for support of public transportation.

This bill would authorize a new tax based on retail sales for the purpose of supporting regional transit systems and transportation systems for the elderly and handicapped. It would, additionally, authorize the Board of County Commissioners to enact an ordinance imposing the tax for mass transportation up to $\frac{1}{4}$ of one percent. The ordinance would only become effective when approved by the voters. This new tax would be an increase in the sales tax in those areas that elected to enact it. This measure would give priority of funds generated to transportation systems for the elderly and handicapped. During testimony at the meeting it was brought out that Washoe County would like to levy .08 percent and Clark would need the full .25 percent. These additional revenues would provide a dedicated source of revenue for mass transit for operating expenses and replace federal funds that are diminishing.

Speaking first in support of this bill was Mr. Jerry Hall, Director of the Regional Transportation Commission. He distributed copies of information data relative to the subject matter attached as Exhibits I, II and III. Exhibit I consists of a large report entitled, "1981-1985 Short Range Transit Plan" prepared by the Regional Transportation Commission of Washoe County and on file with the Research Division of the Legislative Counsel Bureau. Exhibit II (attached) consists of a brochure prepared for the Taxation Committee. Exhibit III (attached) is a proposed amendment to AB 338.

Mr. Hall briefed the committee members on some background on transit in the Reno-Sparks area and the funding mechanisms and explained that in 1977 the Nevada Legislature funded an interim subcommittee on transportation and during 1978 that committee met on several occasions throughout the state. They received testimony on public transportation which resulted in the legislature in 1979 approving several recommendations put forth by the interim committee allowing the Regional Transportation Commission and counties to establish and operate

public transit systems. The glaring error was that no funding mechanism was included in that legislation. In 1978 the three entities in Washoe County formed the first regional transit commission in the state and commenced providing public transportation service on September 18, 1978.

He advised the committee that this year they have operated 998,000 miles of service, which is more than twice what they operated in 1980. They have carried 807,000 riders this year, which is up 41% over last year with a fleet of 13 transit coaches. In 1982 they will carry over 1 million riders, which represents an additional increase of 32% over 1981; currently they are carrying 3,000 revenue passengers per day.

He pointed out that this bill requires that this question must be submitted to the voters for consideration. In their case in Washoe County they would be unable to submit this question to the voters until the primary or general election in 1982 and, given the mechanics that would have to be established for the collection of the tax revenue, he estimated it would be early 1983 and maybe fiscal 1984 before the impact of that levy would be felt. His agency would have two fiscal years that they would have to survive without any dedicated revenue source. In response to that particular issue, the Board of County Commissioners adopted a resolution in April which indicates that they will proceed with the action necessary to put this funding into operation when the legislation is enacted.

He suggested two amendments. One would delete that section in the bill which would require a vote of the people and would allow the county commissioners to consider the levy and act upon it accordingly. The second amendment would expand the definition of what the tax is levied on. Currently the language that is included in the bill indicates that it is a "sales tax" and does not contemplate "sales and use". This has been discussed with the bill drafter on several occasions and he has indicated that if another amendment comes through, he would not be adverse to cleaning it up. That would simply add in language which would say "retail, or stored, used or otherwise consumed..." which puts it into the realm of sales and use tax. (See attached Exhibit III).

Discussion followed on the provisions for the "Elderport" provisions within their plan with Mr. Coulter stressing that transportation for the elderly and the handicapped is one of his high priorities in any program of transportation.

Speaking next in support of this bill was Mr. Patrick Pine, representing Clark County. He pointed out that some of the exhibits presented by Mr. Hall contain resolutions indicating the support of Clark County. They do have two areas where they would like to see amendments. They are as follows:

Section 2, Subsection 2 on the definition of a public transit system. They suggested the following wording: Section 2 (2): "Public transit system means any publicly owned, operated, maintained, contracted or supported system of transportation including, but not limited to: surface, underground, or overhead railways, tramways, buses or other means of conveyance by whatever type of power operated for public use in the conveyance of persons providing local transportation within a county, and buildings, structures, furnishings and equipment appurtenant thereto, but not taxis."

He explained that they would feel more comfortable with a broader or more flexible definition of a public transit system.

Additionally, they had some concern about Section 6, Subsection 3a, Page 2, Line 32, (1st reprint) which indicates that "for each county the State Controller would transfer 1% of all collections into the general fund". They would propose that be amended to say something to the effect that after the word "transportation" on Line 32 you add, "the amount of actual cost of collection and distribution not to exceed" 1%. Mr. Bergevin reminded those present that we had provided for "1%" in AB 369 and felt we should be consistent with that. Mr. Pine stated their only concern was that in the two larger counties you are going to have substantially more fees coming in and the smaller counties would be a small amount, so the collection cost would probably vary by county, but this is written to transfer 1% per county.

These are not major issues but they would like the committee to be aware of the county's concerns.

He then pointed out that their planning staff has some wording on Section 9, Page 3 about tying-in systems they may fund, whatever the public transit system is, to your transportation plan. Their one criticism is that they are not certain that we have appropriate language which states whatever systems we run or whatever projects we run must somehow tie into a plan that we have already enacted.

They are indicating some general support from Clark County and some of the other entities in southern Nevada as well. In response to a question from Mr. Bergevin as to whether they subsidize the transit system in Clark county with county funds, Mr. Pine advised that they do. The general relationship is that they provide capital funding for a privately-operated system and each of the entities have been contributing money. Recently the county put in in excess of \$200,000 to acquire several new vehicles for the system. Primarily, the arrangement has been to provide capital funds to acquire buses, but there has not been a lot of subsidies provided for riders, etc.

Mrs. Dorothy Pharis, Director of Elderport Services, testified next in support of AB 338 with county option, which will serve to fund the Elderport and the Citifare systems. The need is critical to transport the senior citizens of our area and under the current operation, the Elderport provides services where the Citifare leaves off. Mrs. Westall asked what happened to the federal funds that had been allocated to this program and was advised by Mrs. Pharis that the funds will be coming for the year that ends October 1 of this year but they were applied for and should have been coming beginning October 1 of last year. They did receive approximately \$180,000 last year and, in response to an additional question from Mrs. Westall, \$9,000 was received from the City of Sparks and \$29,000 from the City of Reno and they have been in service for nine years. The funds received from the City of Reno will no longer be available and the funds received from the Community Block Grant Funds will be available to them for one more year.

In response to a question from Mr. May on the difference between Elderport and Citifare, Mrs. Pharis stated that Citifare is a mass transit program and is publicly owned by the Regional Transportation Commission and by the three local entities and they run regular bus routes. Elderport provides door-to-door transportation for low-income elderly for medical, nutrition and essential needs. Their service is for people who may be ill and on medication who need to get to a doctor's office and who cannot get there unless someone comes to the door and picks them up. They service 453 people per day and, according to a cost analysis they have done, they spend approximately \$3.50 per day per person.

Testifying next in support of this bill was Mr. John Ryan, President of the Sun Valley Senior Citizens group. He concurred with the statements made by Mrs. Pharis and added that the people are completely dependent upon this program as their bus service is very poor and a great many people are unable to drive. He urged favorable and early consideration of this measure.

Mrs. Westall stated that the Washoe County delegation is adamant that they will find money for funding of the Elderport Program and that it will not be discontinued.

Speaking next on this bill was Mr. Ernest Newton, Nevada Taxpayers Association, who stated that he was not particularly in opposition to this bill, but wanted to call the committee's attention to another method of financing if the people of the state insist that they are desirous of this service and want to pay for it. He reminded the members that in AB 369 and SB 411 there is a device available to counties, cities or school districts for the funding of separate identified projects. That is, to design the project, calculate the cost, submit it to a vote of the people, and if the people approve it, there is a procedure by which it may be added to their property tax bill. The suggestion has been made that it would

require several years in order to get it done, but he feels it could be combined with the primary election in September of 1982 and could certainly be combined with any special election that may be called for any other purpose. Beyond that, it could be considered at a special election called for that specific purpose and while the special election would cost approximately \$30,000 in Washoe County, that is a method of funding that is available under present law.

Testifying in opposition to this bill was Mr. Pete Kelley, representing the Nevada Retail Association, who read his testimony into the record and which is attached as Exhibit IV. Accompanying the written testimony are letters and telegrams from various businesses supporting the position taken by Mr. Kelley in opposing AB 338. (Attached as part of Exhibit IV).

There being no further testimony to be heard, Mr. May announced to those present that their attendance has been noted by the committee members. In light of the amendments proposed today, Mr. May then suggested that this bill be given further consideration and appointed a subcommittee consisting of Mr. Price and Mr. Coulter to go over the bill, with amendments, and report back to the full committee.

AB 177 - Abolishes requirement for veterans to make annual claims for exemption from property tax.

This bill removes the existing requirement that veterans must apply each year to maintain eligibility for those exemptions allowable under NRS 361 (Property Tax) and NRS 371 (Vehicle Privilege Tax). Currently all veterans who apply can be exempted from \$1,000 of assessed valuation for property tax purposes or \$1,000 of valuation for vehicle privilege tax purposes. Each veteran must file an annual application to enjoy this benefit.

This, additionally, removes the requirement that the veterans must reapply each year and substitutes a requirement that the veterans notify the county assessor if the property on which the exemption is claimed ceases to be exempt under the law.

Mr. May explained that this bill was given a "Do Pass" by this committee, passed on the floor, went to the Senate and was amended over there, passed in the Senate, came back to the Assembly and the Assembly concurred in the amendments. After they had concurred, it was found that there was a monetary factor that had been omitted regarding the "certified mail" and it was then sent back to this committee for further consideration. He advised the members that a letter from Mr. Bart Jacka, Director of the Department of Motor Vehicles, (attached as Exhibit V) has been distributed to each of them explaining the need for additional review of AB 177.

Testifying on the need for amendments was Mr. Hale Bennett, Chief of the Registration, DMV, who stated he had some involvement with pulling this bill back because of some communications he had with several of the large county's assessors. They felt there was some fiscal impact to them, which they indicated they had some problems with and, additionally, a problem with the filing date as far as the privilege tax was concerned. He distributed some proposed amendments (Exhibit VI attached) which would solve the problems or concerns that they had.

The suggested amendments are: on Page 4 (dealing entirely with the privilege tax), Line 39, add the word "agent of". The way the bill is drafted says, "the Department shall mail...", and the concern of the counties was whether the DMV was going to perform the mailing or whether they were going to do it. They feel the county assessor should be the custodian of all exemption records and form them to make a mailing for the property tax and for the DMV to make a mailing for the privilege tax would destroy the validity of their maintaining the exemption records.

Additionally, in that same section, Lines 39 through 42, the date that is in the new language is not in the old language, and this would establish a date by which they would have to file in order to get a privilege tax exemption on their vehicles for the following year. The elimination of the date in the adjacent lines would solve the problems that would be created by this language.

The five suggested amendments, as shown on the Exhibit, create the clarification as far as the agent of the department and delete the four lines that have created the date.

There being no further testimony nor questions from any member of the committee, a motion was introduced by Mr. Price to "Amend and Do Pass", seconded by Mrs. Westall. The motion failed by a vote of 4 aye, 5 nay. Voting aye were: Messrs. Craddock, Price, May and Mrs. Westall. Voting nay were: Messrs. Bergevin, Brady, Marvel, Rusk and Mrs. Cafferata. Messrs. Stewart and Coulter were absent/not voting.

There was not further action taken on the bill at this time.

Mr. May advised the committee that they have three trailer bills that follow the tax package that should have some consideration. They are SB 678 and SB 689 and SB 677. Starting with SB 678 the testimony was as follows:

SB 678 - Makes technical corrections to chapter 130 and 149, Statutes of Nevada 1981.

As amended, this bill would make corrections to Chapters 130, 149 and 150, which are respectively AB 275, AB 369 and SB 411. Section 1 of the bill makes technical corrections only to AB 275 which provides a general cleanup of governmental accounting procedures.

Under amendments proposed by the Committee, Section 2 makes changes to clarify AB 369. First, the \$20,000 minimum monthly distribution of the supplemental City/County Relief Tax (1 3/4¢) would be eliminated. This distribution is a part of the other distributions contained in the subsection. It was originally placed in the bill as a floor, but is no longer needed because every county will receive a distribution in excess of this amount. Additionally, the same section of SB 369 is amended to clarify that the revenue being replaced is an equitable percentage of the maximum allowable revenue determined under the SB 411 cap (Section 3, Chapter 150).

The original Section 3 repealed a provision that has nothing to do with the bill. It is replaced with a new Section 3 which amends provisions of SB 411. First, the cap on the revenue a local government may receive from ad valorem taxes and the supplemental City/County Relief Tax is clarified to state that debt service is not capped. Secondly, a provision is added to prevent the cutoff of supplemental City/County Relief Tax funds if ad valorem increases. Without this provision, taxpayers in a county that overpaid ad valorem taxes one year would not get relief the next.

Advising the committee on this bill was Marvin Leavitt, Finance Director for the City of Las Vegas and a member of the Task Force Committee. He explained that on the first page of this bill is an amendment that relates to the change in the accounting structure at the state level and doesn't have any substantial change that relates to the tax bill.

He proceeded through the bill section by section with general comments and questions from committee members. He was joined by Mr. Jim Lien, a member of the Task Force who participated in the discussion period.

On the top of Page 2, Line 2 there is a substantial change that relates the exemption to construction contracts instead of all contracts and this relates to the exemption for contracts entered into prior to May 1 for construction contracts.

Mr. Ernest Newton, Nevada Taxpayers Association, addressed the committee expressing his concern about the limitation of existing construction contracts. He feels there are other contracts which are completely valid which continue for a period of time up to three to four or five years and this would present a violation of those contracts. For example, on a lease contract on an automobile set at a specific price

per month which includes the sales tax at whatever rate was effective at the time the lease was entered into. That is probably not as critical as a lease for a \$100,000 piece of construction machinery which is often leased for a period of two or three years and when the property goes back to the owner at the termination of the lease. He feels our limitation of this exemption to construction contracts presents a dangerous situation in view of the federal constitutional prohibition against loss in violation of private contracts.

Speaking next was Mr. Patrick Pine with the County of Clark, who explained that he had two or three very technical points to address. On Page 2, Line 32-34, he feels that the intent was that the \$71,110 per month would be phased out over a ten-year period. The wording on Line 34 has always concerned him because it says, "for each succeeding fiscal year this amount must be reduced by \$71,110 from the preceding year." If the intent is to phase this out in ten-year periods, you should say, "after \$7,110 per month from the preceding year". If the intent is to phase it out over 120 years, then you should leave it as is. He was assured by Mr. Lien that it is intended to be a ten-year phase out. He then suggested that by adding, "per month" after the figure \$7,110, you would correct that problem. It was agreed by the members that this change should be made.

Mr. Pine then went on to Page 3 where we changed the estimate of the supplemental CCRT from December 1 to February 15. He pointed out that for perhaps 95% of the entities in the state there is no problem receiving an estimate on February 15. In the case of the County of Clark, it does create a dilemma. In their case, their budget cycle really starts in November and December and by February 15 they are well into the budget process because of the size of the budget. Mr. Lien pointed out that when his assessor gives him the information, he can figure his caps; he knows what the caps are going to be. What this does is to determine what the ratio is going to be between supplementary and ad valorem and that isn't necessary in the budget process itself. At the present time county assessors are not required to give entities the breakdown of assessed valuations until the end of January. Mr. Pine suggested that perhaps, administratively, the department might have a preliminary estimate available earlier for those entities that have to start sooner.

In conclusion, he pointed out on Page 5, Subsection 6, with the new language, he had a question on the clause regarding distribution of supplemental CCRT's, which must not be expended during the fiscal year in which it was collected unless the committee otherwise directs. He is concerned about the situation where there is an expenditure made which you are not clear on until an audit has been completed as to what the situation would be, as then you would have violated the law to expend monies that you were not otherwise directed. There are numerous occasions that they made expenditures and it is not until

the audit comes in well after the fiscal year that you are aware of exactly how much was expended.

Mr. Lien responded that what this bill is saying is that you are allowed "x" number of dollars; if you receive more than that during the fiscal period, you cannot augment your budget. You can't expend it unless you augment it anyway. Mr. Pine reiterated his previous comment on the risks you may be creating for local entities.

Mr. Bergevin referred back to the construction contract discussed earlier and asked if we could write something to the effect on these contracts that did not have an allowance for tax adjustment, i.e., not to extend beyond say a period of five years beyond the date of this bill. He asked Mr. Lien if he would give some thought to language that might be appropriate for this need.

Mr. May deferred action on this bill until the subcommittee could take another look at the proposed amendments and the areas of concern expressed.

SB 689 - Regulates imposition or increases of service charges by local governments.

This is a trailer bill for the 1981 Tax Reform Package. It amends Section 5 of SB 411 (Chapter 150) which provides limits on fees for local government licenses and permits.

Mr. Marvin Leavitt, member of the Task Force, explained that this bill was drafted in response to the concern expressed by bond counsel over service charges related to debt issues. This is simply clarification about what the language means to satisfy bond counsel and is not a substantive issue.

A motion for a "Do Pass" was made by Mr. Bergevin, seconded by Mr. Marvel and carried unanimously.

SB 677 - Extends exemption for contracts on public works from increases in certain taxes on retail sales.

The sales and use of property for performance of an existing public works contract were exempted from the 2½% increase in the LSST and CCRT under SB 369. This bill would extend the exemption to a binding bid made prior to the increase if it is later accepted by the government entity.

The problem under a binding bid arises because of the very short lead time for the tax increases. The bill would hold harmless from the 2½% increase those contractors who submitted binding bids on public works projects prior to May 1, 1981.

Addressing the committee on this measure was Mr. Marvin Leavitt, member of the Task Force Committee, who explained that this is a situation where we have a bid that was submitted prior to May 1 on some type of public works contract, and the bid was not actually accepted until after May 1, but the bid was binding as of the date of the effective date of the legislation, but it was accepted afterwards, so actually the contract did not exist at the time of the passage, but it was binding upon the person who made the bid. This bill solves that problem and is for a very limited duration, but it does involve contracts around that point in time.

There being no further testimony or discussion, Mr. Bergevin moved a "Do Pass", seconded by Mr. Marvel and carried unanimously.

SB 632 - Provides partial exemption from property tax for residences containing shelter against radioactive fallout.

This bill provides an exemption of \$1,000 assessed valuation for owner-occupied residential property that contains a fallout shelter. To qualify, the shelter has to be large enough to accommodate the number of people who normally occupy the residence and provide at least 40 times more protection against radiation to a person inside the shelter than to a person outside the shelter.

The financial effect of this measure would be negligible since there are very few existing shelters and since \$1,000 of assessed valuation on the average will equate to only \$15 to \$17 per year in property tax. The reason for the exemption is to encourage construction of fallout shelters in new homes.

Testifying in support of this measure was Mr. David Horton, National Legislative Vice-Chairman of the American Legion, who read his testimony into the record (attached as Exhibit VII). He submitted copies of letters from Mr. William Reinken, Supervisor of the City of Carson and Mr. N. H. Carver, Former Director of the Nevada State Civil Defense, both in support of SB 632 and urging favorable consideration. (Letters attached as part of Exhibit VII).

There being no questions from the committee, a motion for "Do Pass" was made by Mr. Marvel, seconded by Mr. Rusk and carried unanimously.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Nykki Kinsley, Committee Secretary

AGENDA FOR COMMITTEE ON Taxation

Date: Tues, May 26, 1981 Time: 1:30 pm Room 240

Bills or Resolutions
to be considered

Subject

Counsel
Requested

ALL MEETINGS OF THE ASSEMBLY COMMITTEE ON TAXATION
WILL BEGIN PROMPTLY AT 1:30 PM. PLEASE ARRANGE
YOUR SCHEDULES ACCORDINGLY.

- A.B. 177- Abolishes requirement for veterans to make annual claims for exemption from property tax.
- A.B. 338- Authorizes counties to impose tax for support of public transportation.
- A.B. 608- Imposes estate tax not greater than credit allowed under federal law.
- S.B. 677- Extends exemption for contracts on public works from increases in certain taxes on retail sales.
- S.B. 632- Provides partial exemption from property tax for residences containing shelter against radioactive fallout.
- S.B. 499- Provides exemption from property tax or vehicle privilege tax for widowers and imposes limitation on income for eligibility.
- S.B. 689- Regulates imposition or increase of service charges by local governments.
- S.B. 678- Makes technical corrections to chapter 130 and 149, Statutes of Nevada 1981.

THIS AGENDA SUPERSEDES AND CANCELS PREVIOUS AGENDA FOR THIS DATE.

THIS AGENDA SUBJECT TO POSSIBLE ADDITIONS. FOR FURTHER INFORMATION ON BILLS TO BE HEARD, PLEASE CALL OFFICE OF THE CHAIRMAN.

ASSEMBLY TAXATION COMMITTEE

Date: May 26, 1981

GUEST LIST

PLEASE PRINT YOUR NAME	PLEASE PRINT WHO YOU REPRESENT	I WISH TO SPEAK		
		FOR	AGAINST	BI
Jerry Hall	Reg Tramp Comm Washoe AB338	✓		
David Horton	The American Legion	✓		SB63
Dorothy Pharis	Elderpart Services - Senior Citizens	✓		SB 338
John H. Ryan	Assn of Senior groups Silver Valley	✓		SB338
DONALD DEHNE	NEVADA STATE CIVIL DEFENSE	✓		SB63
DONALD DE CRONA	WASHOE County Civil DEFENSE	✓		SB 632
Jack D Holt	Carson City Civil DEFENSE	✓		SB632
E. L. Newton	NTA			AB338
Thomas H. Park	Dorothy Pharis	✓		AB 338
Deloris Abolinas	Mabel G. Jewell	✓		AB338
M. O. Abolinas	Charles D Kingston	✓		AB338
GEORGE WOODSWORTH	Gabriel Lopez	✓		
Signa M. BLOUSE	Teresa Lopez	✓		
John C. BLOUSE	Mary Amaral	✓		
Pearl Finney				
M. Halcomb				
Norma Buens	Washoe County Treas			689

1047

ASSEMBLY TAXATION COMMITTEE

Date:

May 26, 1981

GUEST LIST

PLEASE PRINT YOUR NAME	PLEASE PRINT WHO YOU REPRESENT	I WISH TO SPEAK		
		FOR	AGAINST	BI
MARGARET A. EATON	Washoe County Treasurer			689
Nylea Briles	Eldersport Services Inc.			
Clara Jensen	" "			
Jucille M Cordis	" "			
Milau J. Joffe	" "			
Evelyn J. Mathis	Department of Taxation			SB678
Jeanne Hannan	" "			
Ernie Henderson	Eldersport	*		
Erna Martin	"	*		
Ralph Pense	"	*		
Evelyn Pense	-			

Exhibit I

**THIS EXHIBIT IS MISSING FROM BOTH THE ORIGINAL
MINUTES AND THE MICROFICHE.**

Regional Transportation Commission

Ed Hastings, Chairman
Steve Brown, Vice Chairman

Barbara Bennett
Bruno Menicucci
James R. Underwood

Jerry L. Hall, P.E., Executive Director
A. Stanyan Peck, Deputy District Attorney

May 22, 1981

TO: ASSEMBLYMAN PAUL MAY
CHAIRMAN
ASSEMBLY TAXATION COMMITTEE

FROM: REGIONAL TRANSPORTATION COMMISSION

SUBJECT: A.B. 338

The information contained in this brochure is being provided in support of legislation which is needed if public transportation is to continue to serve the needs of the people of Washoe County.

Changes in federal programs are being predicted and local entities of government are having a difficult time funding public transportation from general fund sources. A need exists to provide a dedicated revenue source for public transportation system improvements during this critical period of system expansion and growth.

The Regional Transportation Commission respectfully requests the full and aggressive support of the Taxation Committee. This bill will allow the incremental expansion of public transportation in Washoe County in accordance with the plans which have been adopted by the Regional Transportation Commission.

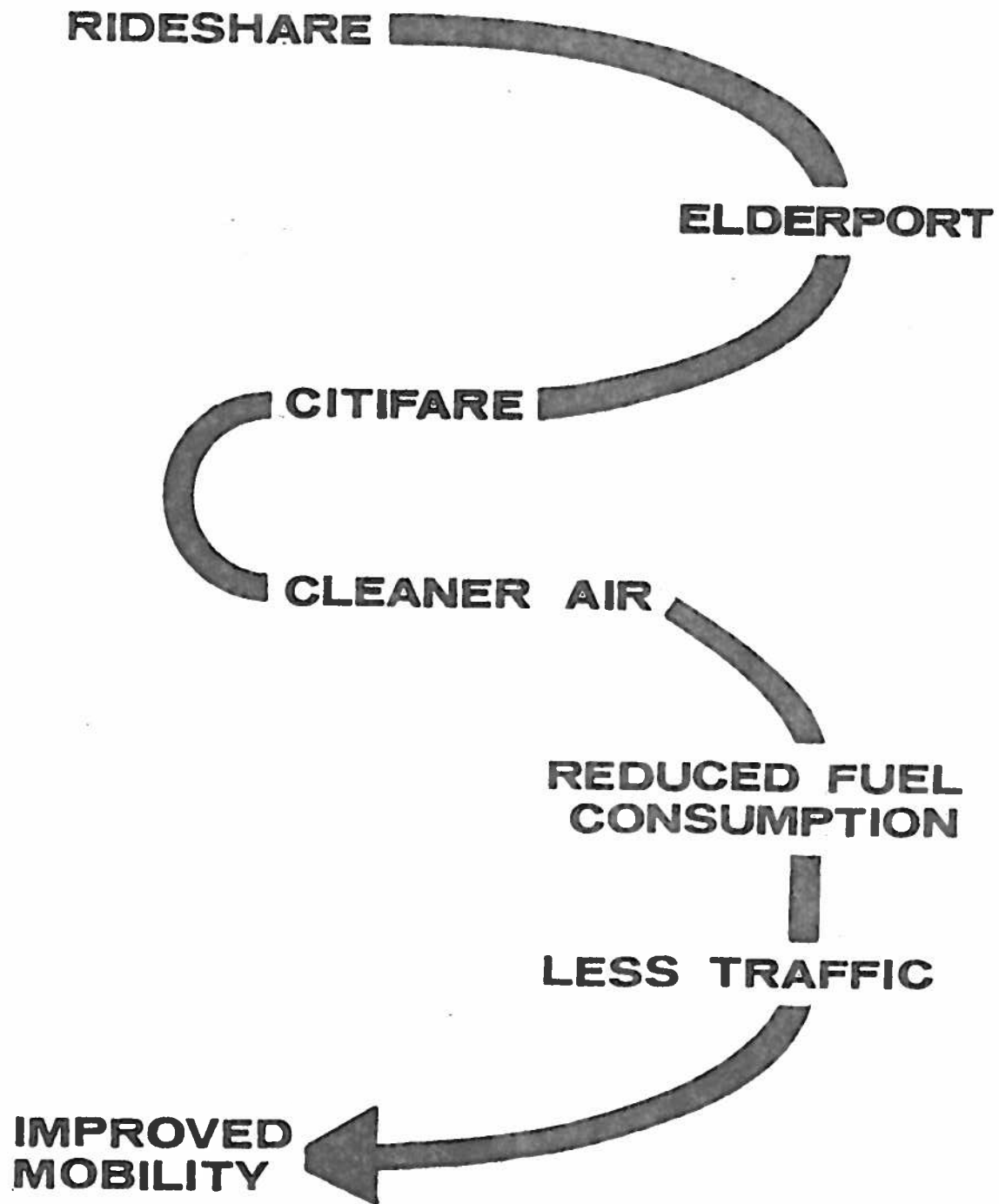
E. Hill II

10-23-81

WHY DO WE NEED PUBLIC TRANSPORTATION

- BASIC TRANSPORTATION FOR TRANSIT DEPENDENT
- TRANSPORTATION ALTERNATIVE FOR ECONOMICALLY DISADVANTAGED
- HEDGE AGAINST FUEL SHORTAGES
- MAJOR CONTRIBUTOR TO IMPROVED AIR QUALITY
- LOCAL TRANSPORTATION FOR TOURISTS

THE PUBLIC TRANSPORTATION SYSTEM



PROGRESS IN PUBLIC TRANSPORTATION

OPERATIONS

- 13 GENERAL MOTORS RTS-02 TRANSIT COACHES
- RADIO EQUIPPED & DISPATCHED FLEET
- 7 ROUTES IN SERVICE AT DECEMBER 1, 1980
- ON TIME PERFORMANCE IMPROVED

MAINTENANCE

- MODERNIZED ADMINISTRATIVE OFFICE AND DISPATCH FACILITIES
- INVENTORY AND TOOL STORAGE AREAS
- INDOOR BUS WASHING FACILITIES
- INHOUSE FUELING CAPABILITIES

ADMINISTRATIVE

- 5 YEAR PROGRAM OF PROJECTS
- MONTHLY BATTERY OF MANAGEMENT REPORTS
- SPECIAL MARKETING EFFORTS
- INTERNAL MANAGEMENT CONTROLS

CURRENT SYSTEM

SERVICE AREA - ROUTES

RENO, SPARKS AND WASHOE COUNTY

- 7 ROUTES UTILIZING 11 TRANSIT COACHES
- 1 ROUTE ON 30 MINUTE HEADWAY
- 5 ROUTES ON 60 MINUTE HEADWAY
- 1 ROUTE PEAK HOUR SERVICE

FARE STRUCTURE

- 60¢ CASH
- 25¢ SENIORS AND HANDICAPPED
- 35¢ 18 YEARS AND UNDER
- COMMUTER - 10 RIDES FOR \$5.00
- MONTHLY FLASH PASS
- YOUTH SUMMER FARE

OPERATING STATISTICS

- FY 1981 447,477 OPERATING MILES
- FY 1982 998,504 OPERATING MILES
- RIDERSHIP
 - + FY 1979 307,980
 - + FY 1980 573,300 86% INCREASE
 - + FY 1981 807,155 41% INCREASE
 - + FY 1982 1,063,075 32% INCREASE

CURRENT SYSTEM

THE CURRENT OPERATING SYSTEM IS SHOWN ON THE FOLLOWING PAGE. A GENERAL ROUTE DESCRIPTION IS PROVIDED BELOW.

- ROUTE 1 30 MINUTE SERVICE FROM GREENBRAE SHOPPING CENTER TO MEADOWOOD VIA THE SPARKS AND RENO CBD.
- ROUTE 2 60 MINUTE SERVICE FROM GREENBRAE TO THE RENO CBD THROUGH NORTHEAST RENO.
- ROUTE 3 60 MINUTE SERVICE FROM KINGS ROW TO KIETZKE LANE.
- ROUTE 4 60 MINUTE SERVICE FROM WEST 7TH TO MGM.
- ROUTE 5 60 MINUTE SERVICE FROM SUN VALLEY TO DOWNTOWN RENO.
- ROUTE 6 60 MINUTE SERVICE FROM DOWNTOWN RENO TO OLD TOWN MALL VIA SOUTHWEST RENO.
- ROUTE 7 PEAK HOUR COMMUTER SERVICE FROM LEMMON VALLEY-STEAD TO DOWNTOWN RENO.

MAINTENANCE FACILITY - THE CURRENT MAINTENANCE FACILITY IS A CONVERTED FREIGHT TERMINAL LOCATED AT 5TH AND CENTER STREETS IN RENO. A TWO YEAR LEASE EXPIRES JUNE 30, 1982.

SERVICE IMPROVEMENTS

LOCAL MATCH FUNDS HAVE BEEN PLEDGED AND A FEDERAL GRANT SUBMITTED FOR ACQUISITION OF AN ADDITIONAL 16 TRANSIT COACHES. IF THESE VEHICLES ARE ACQUIRED AND THE PROPOSED FY82 OPERATING BUDGET IS APPROVED THE FOLLOWING NEW SERVICE IS PROJECTED FOR NOVEMBER 1981.

- | | |
|----------|--|
| ROUTE 1 | 15 MINUTE SERVICE FROM MEADOWOOD TO DOWNTOWN RENO. |
| ROUTE 4 | 30 MINUTE SERVICE FROM WEST 7TH TO MGM. |
| ROUTE 7 | 60 MINUTE - ALL DAY SERVICE FROM STEAD TO RENO. |
| ROUTE 8 | SILVER DOLLAR EXPRESS - 15 MINUTE PREMIUM FARE SERVICE FROM RENO CBD TO SPARKS CBD. |
| ROUTE 9 | RENO GAMBLER - 10 MINUTE SERVICE IN SHUTTLE CONFIGURATION IN DOWNTOWN RENO DURING PEAK TOURIST PERIODS. |
| ROUTE 10 | NE SPARKS COLLECTOR - 30 MINUTE COLLECTION SERVICE FROM RESIDENTIAL AREA TO GREENBRAE TRANSFER SITE. |
| ROUTE 11 | GREENBRAE/INDUSTRIAL - PEAK HOUR WORK TRIP SERVICE FROM SPARKS RESIDENTIAL AREA TO SPARKS INDUSTRIAL AREA. |
| ROUTE 12 | WASHOE ZEPHYR - PEAK HOUR COMMUTER SERVICE FROM WASHOE CITY TO RENO CBD. |

FUTURE YEAR IMPROVEMENTS

IN ADDITION TO THE IMPROVEMENTS PREVIOUSLY IDENTIFIED, THE RTC HAS PROGRAMMED A LOGICAL SYSTEM EXPANSION WHICH WILL BLEND AREA COVERAGE WITH SERVICE LEVEL IMPROVEMENTS THROUGH INCREASING FREQUENCY OF SERVICE. THE MAJORITY OF ROLLING STOCK ACQUISITION WILL BE COMPLETE THIS YEAR WITH UNIFORM ANNUAL ADDITIONS SCHEDULED TO BRING THE FLEET TO 57 COACHES BY 1985. AT THAT TIME, WASHOE COUNTY WILL HAVE A BASIC TRANSIT SYSTEM IN PLACE CAPABLE OF RESPONDING TO PUBLIC TRANSPORTATION NEEDS OF THE COMMUNITY.

A MAINTENANCE FACILITY MUST BE CONSTRUCTED IN THE NEXT TWO YEARS WHICH WILL ASSURE THE ABILITY OF THE RTC TO MAINTAIN THE MOST MODERN FLEET OF TRANSIT COACHES AVAILABLE IN THE STATE OF NEVADA.

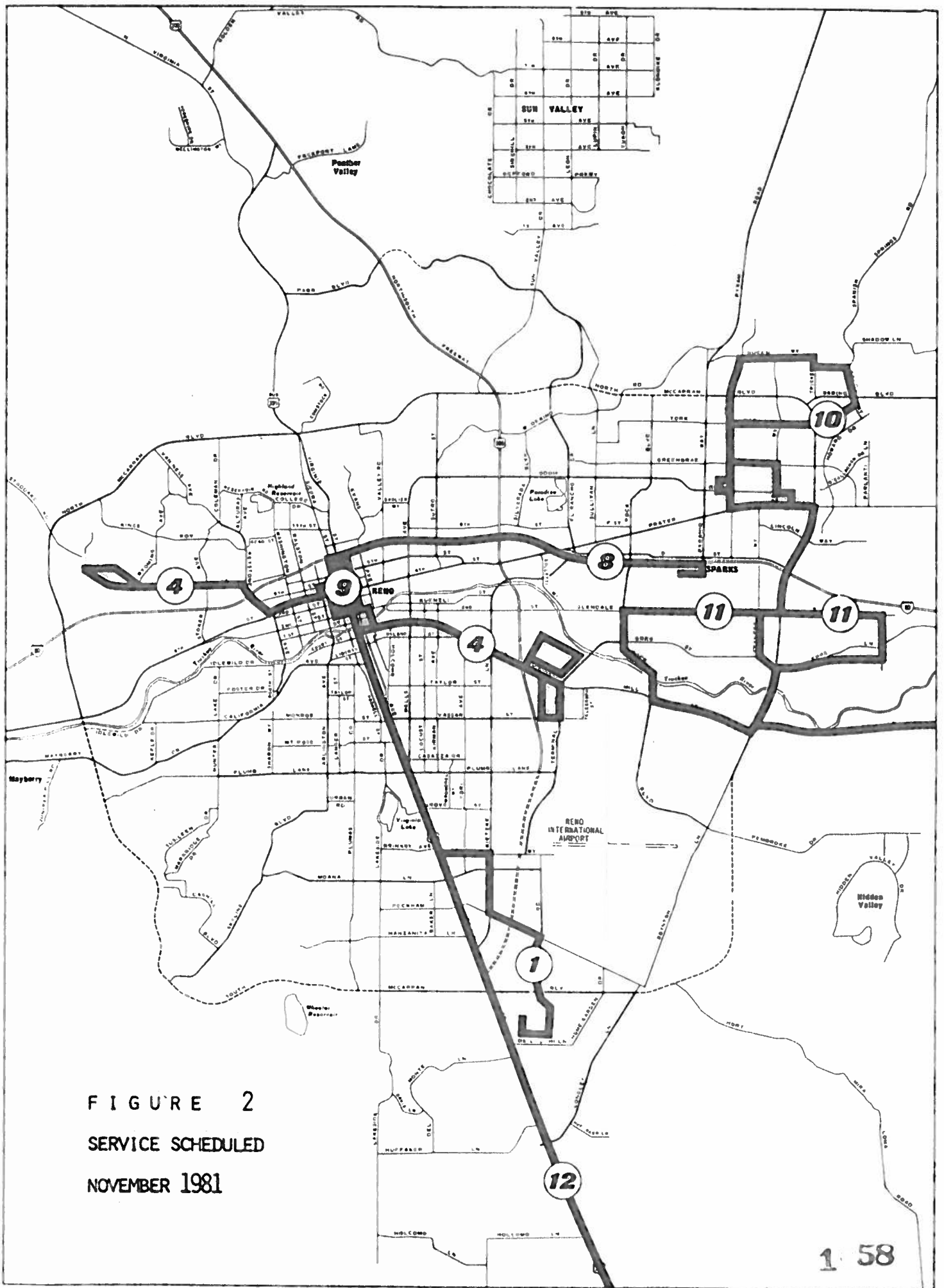


FIGURE 2
 SERVICE SCHEDULED
 NOVEMBER 1981

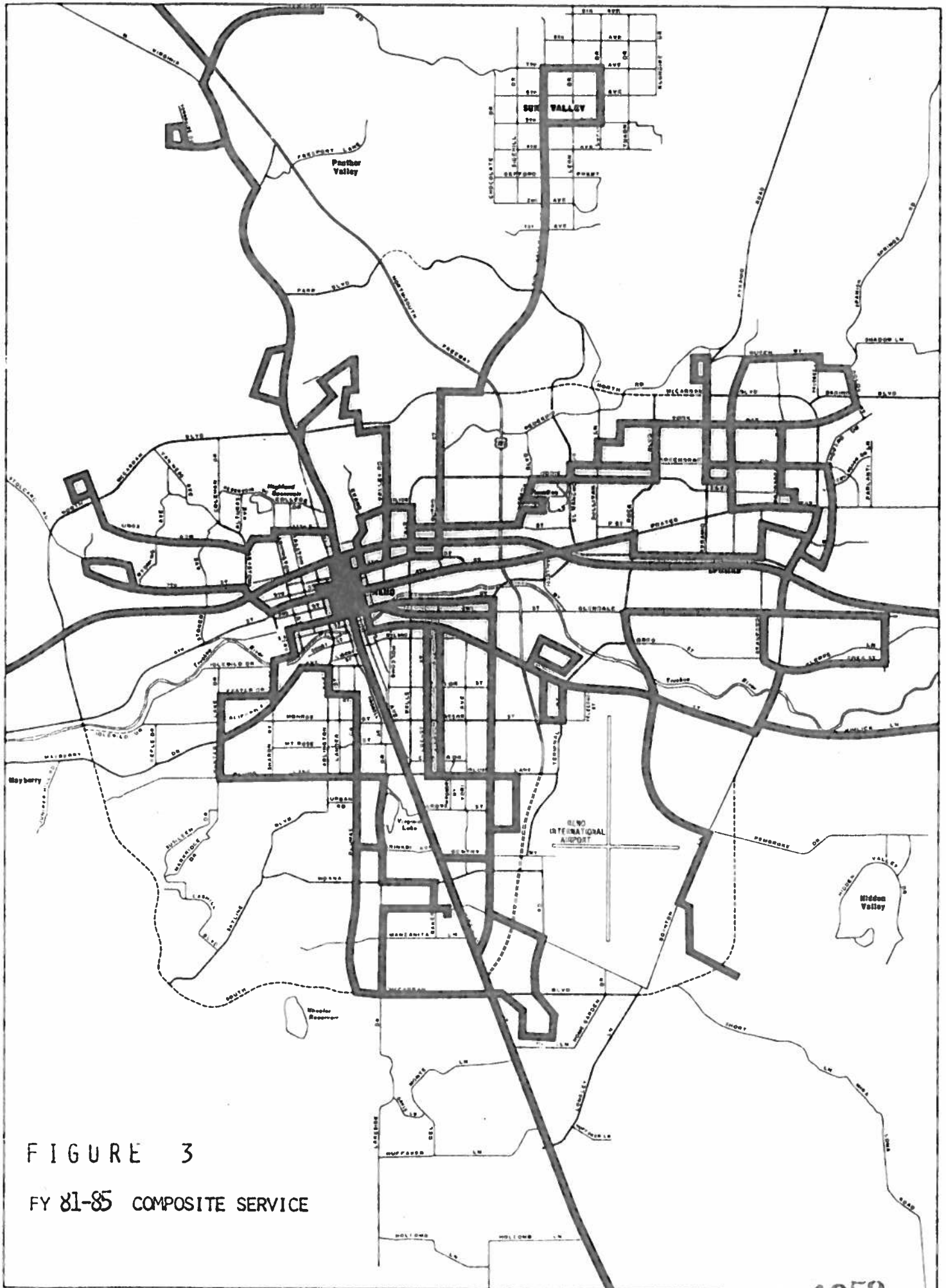


FIGURE 3

FY 81-85 COMPOSITE SERVICE

	1981	1982	1983	1984	1985
RTC OPERATING DEFICIT	\$ 871,155	\$1,715,658	\$2,060,323	\$2,730,809	\$3,753,781
RTC CAPITAL ACQUISITION	3,137,100	4,365,000	1,664,800	1,478,800	2,155,600
ELDERPORT DEFICIT	<u>186,426</u>	<u>222,744</u>	<u>263,222</u>	<u>304,522</u>	<u>356,365</u>
TOTAL REQUIREMENTS	\$4,194,681	\$6,303,402	\$3,988,345	\$4,514,131	\$6,265,746
REVENUE SOURCE					
FEDERAL	\$3,038,470	\$4,461,201	\$2,493,612	\$2,700,705	\$3,779,553
LOCAL	1,156,211	1,842,201	1,494,733	1,813,426	2,486,193

NEED: DEDICATED REVENUE SOURCES WHICH WILL

- ALLOW REASONABLE PROGRAMMING OF TRANSIT IMPROVEMENTS
- REVENUES WHICH RESPOND TO INFLATION

REVENUE REQUIREMENTS

- PUBLIC TRANSPORTATION EXPENSES FALL INTO TWO MAJOR CATEGORIES INCLUDING
 - OPERATIONS
 - CAPITAL EQUIPMENT ACQUISITION

- CURRENT EXPENSES ARE MET THROUGH URBAN MASS TRANSPORTATION ADMINISTRATION SECTION 5
 - OPERATING ASSISTANCE PROGRAM
 - 50% LOCAL MATCH
 - 50% FEDERAL SHARE
 - CAPITAL ASSISTANCE PROGRAM
 - 20% LOCAL MATCH
 - 80% FEDERAL SHARE

- THE REAGAN ADMINISTRATION HAS INDICATED THAT SUBSTANTIAL CUTS IN THESE PROGRAMS CAN BE EXPECTED

- THE SECTION 5 OPERATING ASSISTANCE PROGRAM WILL BE ELIMINATED BY 1985.

REGIONAL TRANSPORTATION COMMISSION
OF
CLARK COUNTY

RESOLUTION NO. 39

A RESOLUTION REQUESTING THE SIXTY FIRST SESSION OF THE NEVADA LEGISLATURE TO ENACT LEGISLATION CREATING A MASS TRANSPORTATION RELIEF TAX.

WHEREAS, under the Constitution of the State of Nevada, the legislature is empowered to establish legislation on behalf of municipal corporations and counties within the Great State of Nevada to enact a county ordinance imposing a relief tax; and,


WHEREAS, the Regional Transportation Commission of Clark County has determined that a publicly owned mass transportation system is needed within Clark County for social and economic reasons; and,

WHEREAS, the Regional Transportation Commission of Clark County has recognized that there exists no adequate funding to publicly own and operate a mass transportation system within said county:

NOW, THEREFORE BE IT RESOLVED by the Regional Transportation Commission of Clark County:

1. That the Regional Transportation Commission of Clark County petitions the Honorable Members of the Sixty First Session of the Nevada Legislature to enact legislation to allow for the imposition of a mass transportation relief tax upon retailers within each county at the rate of one-half of one percent of the gross receipts, as defined, exclusively for acquisition and operation of a publicly owned mass transportation system within each respective county.

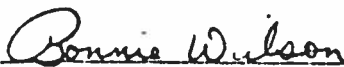
PASSED, ADOPTED, AND APPROVED this 12th day of January, 1981.



RON LURIE, Chairman

REGIONAL TRANSPORTATION COMMISSION
OF CLARK COUNTY

ATTEST:



BONNIE WILSON, Secretary

PROPOSED AMENDMENT
A.B. 338

Amend Section 3, page 1, line 14-17 by deleting line 14-17.

Amend section 4, page 2, line 6 by deleting "retail in a county." and inserting: "retail, or stored, used or otherwise consumed, in a county."

Exhibit 11 1963

REGIONAL TRANSPORTATION COMMISSION
OF
WASHOE COUNTY
RESOLUTION

A RESOLUTION REQUESTING THE SIXTY FIRST SESSION OF THE NEVADA LEGISLATURE TO ENACT LEGISLATION CREATING A MASS TRANSPORTATION RELIEF TAX.

WHEREAS, under the Constitution of the State of Nevada, the legislature is empowered to establish legislation on behalf of municipal corporations and counties within the Great State of Nevada to enact a county ordinance imposing a relief tax; and,

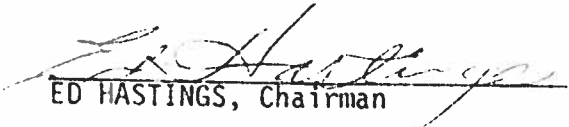
WHEREAS, the Regional Transportation Commission of Washoe County has determined that a publicly owned mass transportation system is needed within Washoe County for social and economic reasons; and,

WHEREAS, the Regional Transportation Commission of Washoe County has recognized that there exists no adequate funding to publicly own and operate a mass transportation system within said county:

NOW, THEREFORE BE IT RESOLVED by the Regional Transportation Commission of Washoe County:

1. That the Regional Transportation Commission of Washoe County petitions the Honorable Members of the Sixty First Session of the Nevada Legislature to enact legislation to allow for the imposition of a mass transportation relief tax upon retailers within each county at the rate of one-half of one percent of the gross receipts, as defined, exclusively for acquisition and operation of a publicly owned mass transportation system within each respective county.

PASS, ADOPTED, AND APPROVED this 26th day of February, 1981.


ED HASTINGS, Chairman

REGIONAL TRANSPORTATION COMMISSION
OF WASHOE COUNTY

ATTEST:


Washoe County Clerk



NEVADA RETAIL ASSOCIATION

POST OFFICE BOX 722, CARSON CITY, NEVADA 89701 • 882-1943

Statement 5/26/81 by Pete Kelley, representing the Nevada Retail Association

AB 338, as amended, is more palatable than the original version, in that any county ordinance enacted for a public transportation system must be approved by a majority of voters in the county. If people want it, they should be allowed to vote on it, knowing completely the costs involved.

However, the Nevada Retail Association continues its opposition to the bill in

that it discriminates against retailers. A transit system could be enjoyed by all individuals and businesses in a county, not just retailers. As such, a tax designed to fund a transit system should be shared by the populace and all businesses located within a county. The tax burden should be distributed across the entire economic - doctors, lawyers, stock brokers, dentists, accountants, public parks and libraries to name a few.

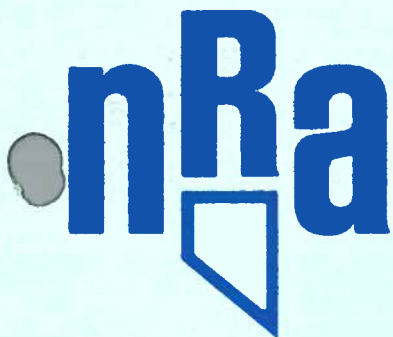
Retailers say, too, that the proposed tax discriminates most when imposed on high volume, low profit businesses such as retailers. It is a deterrent to the establishment of new business as it is common knowledge that new businesses are not profitable for several years. Retailers feel that should this tax be imposed, it stands a good chance of never being removed as it generates high revenue from a low tax rate.

Thank you for your attention. I am submitting with this statement, other statements I've received from retailers in the state, which support this position.

- Call to your attention, S.B. 222 - similar bill - killed in Senate Committee.
- That SCR 70 has been introduced hearing this afternoon before Senate Committee on Legislative Affairs.

1065

Pete Kelley IV



NEVADA RETAIL ASSOCIATION

POST OFFICE BOX 722, CARSON CITY, NEVADA 89701 • 882-1943

The following telegram was received April 14:

Nevada Retail Association
P.O. Box 722
Carson City, Nevada 89701

"Regarding AB 338, Sears, Roebuck and Company
urges the committee's rejection of this bill.
We feel concern over the discrimination against
retailers and the effect of having a hidden tax
which would be passed along to consumers in the form
of higher prices".

(Signed) K.L. Hansen
Manager, Store 1328
Las Vegas, Nevada

DIAMONDS J HERBERGER
1616 SOUTH PRIEST DR
TEMPE AZ 85281

western union

Mailgram



4-058008S100 04/10/81 ICS IPMMT77 CSP RNOB
6022481202 MGM TDMT TEMPE AZ 240 04-10 0615P EST

PETE KELLEY
NEVADA RETAIL ASSN
PO BOX 722
CARSON CITY NV 89701

IN REFERENCE TO AB338 AND SB222 DIAMONDS DEPARTMENT STORES WOULD LIKE TO PRESENT OUR STATEMENT CONCERNING IMPACTING RESULTS THAT THIS LEGISLATIVE ACTION WOULD HAVE ON THE RETAIL INDUSTRY. WE STRONGLY URGE THE DEFEAT OF THIS LEGISLATION BASED ON THE FOLLOWING. THE PROPOSED TAX IS NOT BASED UPON PROFIT OR THE "ABILITY TO PAY" PRINCIPLE. A BUSINESS MAY HAVE AN OPERATING LOSS BUT WOULD STILL BE OBLIGATED TO PAY THIS TAX, WHICH WOULD EXTEND THEIR LOSS

THE PROPOSED TAX DISCRIMINATES MOST WHEN IMPOSED ON HIGH VOLUME, LOW PROFIT BUSINESSES SUCH AS RETAILERS. IT IS A TRUE DETERRENT TO THE ESTABLISHMENT OF NEW BUSINESS AS IT IS COMMON KNOWLEDGE THAT NEW BUSINESSES ARE NOT PROFITABLE FOR SEVERAL YEARS, PLUS SHOULD THIS TAX BE IMPOSED, IT STANDS A GOOD CHANCE OF NEVER BEING REMOVED AS IT GENERATES HIGH REVENUE FROM A LOW TAX RATE

A TRANSIT SYSTEM THAT WILL BE ENJOYED BY ALL INDIVIDUALS AND BUSINESSES SHOULD HAVE A STRUCTURED TAX DESIGNED THAT WOULD BE SHARED BY THE POPULACE AS A WHOLE NOT ONE THAT SINGLES OUT ONE IMPORTANT INDUSTRY - RETAILING

DIAMONDS EMPLOYS 600 INDIVIDUALS IN LAS VEGAS AT OUR 3 STORES. WE FEEL THAT OUR INFLUENCE ON THE GROWTH OF LAS VEGAS SHOULD BE HEARD AND UNDERSTOOD. WE URGE THE DEFEAT OF AB338 AND SB222

SINCERELY YOURS
FRANK SEIF EXECUTIVE VICE PRESIDENT
DIAMONDS
1616 SOUTH PRIEST DR.
TEMPE AZ 85281

1817 EST

GMBOMP MGM

1067

5241 (R1/78)

MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645

western union

Mailgram



4-032257S104002 04/14/81 ICS IPHMTZZ CSP LSVA
1 7028709222 MGM TDMT LAS VEGAS NV 04-14 0240P EST

SEARS ROEBUCK AND CO
4000 MEADOWS LANE
LAS VEGAS NV 89107

THIS MAILGRAM IS A CONFIRMATION COPY OF THE FOLLOWING MESSAGE:

7028709222 TDMT LAS VEGAS NV 85 04-14 0240P EST
PMS BOB PRICE, ASSEMBLY TRANSPORTATION COMMITTEE
LEGISLATIVE BLDG
CARSON CITY NV 89701

AM ASTOUNDED TO LEARN THE PROPOSED TERMS OF AB338. SUCH A BURDEN ON A SINGLE ECONOMIC SECTOR WOULD NOT ONLY BE HIGHLY DISCRIMINATORY AGAINST RETAILERS BUT WOULD CONSTITUTE A HIDDEN TAX ON OUR CUSTOMERS. CLARK COUNTY RETAILING IS EXTREMELY COMPETITIVE. A MAJOR ASSESSMENT ON THIS SCALE WOULD RAISE QUESTIONS OF SURVIVABILITY AMONG MANY RETAILERS ALREADY STRUGGLING WITH RISING COST AND DIMINSHED MARKET SHARE. I STRONGLY URGE YOU SET ASIDE THIS PROPOSAL IN FAVOR OF A SOLUTION WHICH PROPERLY DISTRIBUTES THE BURDEN ACROSS THE ECONOMIC BASE

E STALEY SEARS MEADOWS MALL LAS VEGAS

1443 EST

MGMCOMP MGM

MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645

 Mailgram
western union



4-023618S104002 04/14/81 ICS IPMTZZ CSP RNOA
1 7028262000 MGM TDNT RENO NV 04-14 0105P EST

SEARS ROEBUCK
200 EAST PLUM LN
RENO NV 89502

THIS MAILGRAM IS A CONFIRMATION COPY OF THE FOLLOWING MESSAGE:

7028262000 TDNT RENO NV 51 04-14 0105P EST
MRS ASSEMBLYMAN BOB PRICE
CHAIRMAN TRANSPORTATION COMMITTEE LEGISLATIVE BLDG
CARSON CITY NV 89701

I WOULD APPRECIATE YOUR SUPPORT IN OPPOSING BILL AB338 I BELIEVE THIS
BILL IS HIGHLY DISCRIMINATORY AGAINST RETAILERS AND BASED ON CURRENT
ECONOMIC CONDITIONS THIS HIDDEN TAX WOULD NO DOUBT BE PASSED ON TO
CONSUMERS IN FORM OF HIGHER PRICES I'M SURE YOU WILL ACT WITH
INTELLIGENCE ON THIS RIDICULOUS BILL

R W BURKOWSKI STORE MANAGER SEARS RENO NEVADA NUMBER 2098

1306 EST

REGISTRATION



MEMORANDUM

..... May 22, 19 81

To.....Mr.....Barton Jacka.....

.....Director.....

From.....Hale B.....Bennett.....Chief of Registration

Subject: AB 177 EXEMPTIONS TO PROPERTY TAXES

Several problems have surfaced in the last few days regarding this proposed legislation. In order to ascertain the extent of the problems, I have contacted the Assessors in Clark, Washoe and Carson City to obtain their views which are summarized as follows:

- 1) The fiscal note indicates no impact on Local or State government, when in fact there will be significant fiscal impact. With an estimated 31,000 exemptions granted statewide, the postage and forms cost alone will be between \$12,000 at 18 cent postage and \$57,000 if certified mail at \$1.63 is used.
- 2) The filing date inserted in the bill of 1st Monday in August as the last day to file certification for personal property and vehicle exemptions will cause many people to lose their exemption, particularly this year as the bill goes into effect July 1, 1981.
- 3) The mailing costs that are required in Section 6 are not clearly identified as costs of the Assessor or costs to D.M.V.

For these reasons it is recommended that AB 177 be returned to the Assembly Taxation Committee and that a hearing be held on this bill, in order to resolve these and maybe other problems.

HBB/cf

Handwritten signature: Curtis K070

A.B. 177.- Suggested Amendments to second reprint.

Page 4, line 39 Delete entire line and insert:

"filed with the department. The agent of the
department shall mail to each claimant on"

Page 4, line 39 Delete entire line and insert:

"the tax exemption."

Page 4, line 40: Delete entire line.

Page 4, line 41: Delete entire line.

Page 4, line 42: Delete entire line.

1071

Exhibit VT

STATEMENT OF DAVID HORTON, NATIONAL LEGISLATIVE VICE-CHAIRMAN,
THE AMERICAN LEGION, TO THE COMMITTEE ON TAXATION, NEVADA STATE
ASSEMBLY, IN SUPPORT OF S.B. 632, MAY 26, 1981.

CHAIRMAN MAY, MEMBERS OF THE COMMITTEE:

Twenty years ago, Frank Meyer, former Chief Theoretician of the American Communist Party told me: "Communists are never provoked ... they will start World War III at a time decided upon, in advance, by them."

The strategy followed by the Reds in their continuing successful drive to take over the World, is reflected in their oft-quoted statement of how they will deliver the knockout punch: "And when their guard is down, we will smash them with our clenched fist!"

By our woeful lack of preparedness, we are helping to accelerate the day when the Russians will decide to take us out.

Fortunately, there is a growing determination in this country, to turn this dangerous situation around. But it is not in Washington, D. C. that the job will be done--nor is it in Belleau Wood or Okinawa that the war will be fought. Nuclear War I will happen in Carson City, in Las Vegas, and in Reno. We will not have the luxury of three years in deciding whether to become involved, as in World War I, or two years as in World War II.

We will have fifteen minutes, if our warning systems work properly--and it takes eighteen minutes to unscramble the false alarms that have recently been fed into the NORAD system. This means that we can look to our National Warning System to tell us, three minutes after the bombs drop, "yes, those were indeed Nuclear Weapons that we would like to have warned you about."

A fallout emergency can be upon us when we are at home or when we are at work. That is why an effective shelter

1072

Exhibit VII

program must include home shelters as well as community shelters.

Home shelters tend to be stocked with food. There are counties in this State that have not one marked, stocked shelter space of public accommodation. There have been no federal supplies available to stock public shelters for over ten years. Home shelters are the only practical and workable solution to this crisis.

A fallout shelter system can triple the number of survivors in a nuclear war. S.B. 632 is a minimal contribution for the State to make toward handling of our own nuclear fallout problem.

319 N. Carson Street
Carson City, Nv. 89701
May 26, 1981

Honorable Paul May, Chairman
Assembly Committee on Taxation
Legislative Building
Carson City, Nevada 89701

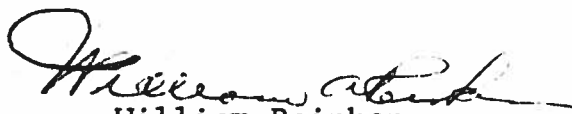
Re: Senate Bill 632

Dear Chairman May:

There is a serious shortfall of fallout shelter spaces in Carson City.

Senate Bill 632 fits into plans to help cure this shortage.

Very truly yours,



William Reinken,
Supervisor
Carson City, Nevada

WR/sh

P. O. Box 1656
Carson City, Nv. 89701
May 26, 1981

Honorable Paul May, Chairman
Assembly Committee on Taxation
Legislative Building
Carson City, Nevada 89701

Re: Senate Bill 632

Dear Chairman May:

Three benefits will result from the passage of S.B. 632.

a. Nevada has never had an adequate shelter program. The growth that has taken place in recent years has made this situation worse. Home fallout shelters will help solve the problem.

b. Declaring the official policy of the State to relieve the shelter crisis should gain Air Force concessions on impact problems generated by the MX system. Nevada will be helping to overcome a problem that is being made much worse by MX deployment. Nevada can then use this contribution of residential shelters as a bargaining point in gaining dollars for handling impact problems.

c. An exemption for home fallout shelters provides an inventory of shelters available in residential areas. Such a list is invaluable in shelter planning.

Very truly yours,



N. H. Carver
Former Director
Nevada State Civil Defense

NHC/sh

1046