

MINUTES OF THE  
MEETING OF THE SENATE COMMITTEE  
ON GOVERNMENT AFFAIRS

SIXTY-FIRST SESSION  
NEVADA STATE LEGISLATURE  
March 6, 1981

The Senate Committee on Government Affairs was called to order by Chairman James I. Gibson, at 11:19 a.m., Friday, March 6, 1981, in Room 243 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator James I. Gibson, Chairman  
Senator Jean Ford, Vice Chairman  
Senator Keith Ashworth  
Senator Gene Echols  
Senator Virgil Getto  
Senator James N. Kosinski  
Senator Sue Wagner

STAFF MEMBERS PRESENT:

Frank Daykin, Legislative Counsel  
Anne Lage, Committee Secretary

SENATE BILL NO. 274

Requires statement of effect of proposed administrative regulations.

Senator Kosinski testified that the initial reasons for introducing this legislation was that frequently in past legislative sessions, members of the business community, health industry, mining industry and particularly the more heavily regulated industries in the state have complained about the difficulty of complying with some of the regulations adopted by the various administrative agencies.

The intention of this bill was that compliance with the mandates in section 2 would occur only after the agency had had the opportunity to hold its hearings on the regulation and had submitted the regulation for approval by Mr. Frank Daykin, Legislative Counsel Bureau.

Senator Kosinski reviewed the reasons for the section 2, subsections of Senate Bill No. 274.

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Senator Keith Ashworth suggested that in section 3, an explanation should be included of the reasons why the Legislative Commission was returning the regulation.

Mr. Frank Holzhauer, Chief of Planning for the Department of Human Resources, testified that he had been requested by Dr. Ralph DiSibio, Director of the Department of Human Resources, to present a letter of support for Senate Bill No. 274. See Exhibit C. Also included was a memo dated September 29, 1980, from Dr. DiSibio which recommended the use of similar guidelines for establishing regulations. See Exhibit D. Mr. Holzhauer testified that their biggest concern was the mechanics involved in the determination of the fiscal impact on the industry.

Mr. Joe Midmore, Nevada State Board of Pharmacy, testified that they had no objections to the intent of this legislation. He did state that public safety sometimes however, would have more priority than the fiscal impact. He also testified that he hoped this bill would not necessitate hiring more staff to fulfill the mandates.

Mr. Fred Hillerby, Executive Director of the Nevada Hospital Association, testified that he was in support of this bill. He felt that agencies should have well defined objectives for what they wish to accomplish with any given regulation. Mr. Hillerby suggested that periodic reviews of existing regulations should be done to determine if those regulations were still necessary.

Mr. John Borda, Nevada Motor Transport Association, testified that he was in support of the concept of this bill.

Ms. Phyllis Otten, Technical Writer for the State Health Division, testified that it should be clarified in section 2 that the information required only applied when a regulation was sent to the Legislative Commission. She indicated that initially, proposed regulations were sent to the Legislative Counsel Bureau for technical advice prior to any public hearing.

Mr. Frank Daykin suggested that the declaration of the objective should be in the public notice. Also, the requirement that public comment be solicited should come at the beginning.

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Senator Ford noted that in Wisconsin they include short and long range economic impact statements. She felt this was important and might be considered when amending this bill.

Mr. Jim Hannah, Executive Director of the State Environmental Commission, passed out material which diagramed their process for regulations. See Exhibit E. He estimated that this bill would increase their operational requirements by about 25 percent.

Chairman Gibson requested that Senator Kosinski work with Mr. Daykin on the suggested amendments and bring the amended version back to the committee for their consideration.

ASSEMBLY BILL NO. 142

Clarifies power to administer oaths in certain hearings and removes statutory language duplicative of Nevada Administrative Procedure Act.

Mr. Daykin testified that he had submitted this bill for clarification of the procedure for administering oaths. The second part of the bill removed duplicative language which was already covered in Nevada Revised Statute 233B.

Senator Keith Ashworth moved "Do Pass" on Assembly Bill No. 142.

Senator Wagner seconded the motion.

The motion carried unanimously.

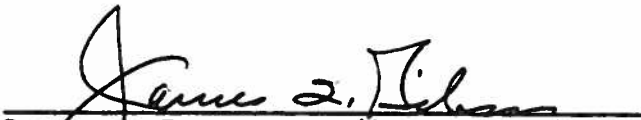
Chairman Gibson assigned Assembly Bill No. 142 to Senator Ford for presentation on the Senate floor.

There being no further business, meeting was adjourned at 1:35 p.m.

Respectfully submitted by:

  
Anne L. Lage, Secretary

APPROVED BY:

  
Senator James I. Gibson, Chairman

DATE: 3/10/81

SENATE AGENDA

REVISED 3/3/81

COMMITTEE MEETINGS

Committee on Government Affairs , Room 243 .  
Day Friday , Date March 6 , Time adjournment  
upon

S. B. No. 274--Requires statement of effect of proposed administrative regulations.

Senator James Kosinski, Prime Sponsor  
Frank Daykin, Legislative Counsel Bureau

A. B. No. 142--Clarifies power to administer oaths in certain hearings and removes statutory language duplicative of Nevada Administrative Procedure Act.

Frank Daykin, Legislative Counsel Bureau

ATTENDANCE ROSTER FORM

COMMITTEE MEETINGS

SENATE COMMITTEE ON GOVERNMENT AFFAIRS

DATE: March 6, 1981

EXHIBIT B

<u>PLEASE PRINT</u> NAME	<u>PLEASE PRINT</u> ORGANIZATION & ADDRESS	<u>PLEASE PRINT</u> TELEPHONE
<i>Joe Midmore</i>	<i>Nevada State Bd of Pharmacy</i>	<i>893-2771</i>
<i>Jim Hannan</i>	<i>NEVADA STATE ENVIRONMENTAL COMMISSION</i>	<i>885-5355</i>
<i>Fred Hillery</i>	<i>NEVADA Hosp. Assoc.</i>	<i>322-6905</i>
<i>Tark Holzhauser</i>	<i>Dept of Human Resources</i>	<i>8854230</i>
<i>John Borde</i>	<i>New Mfr. Trans. Ass'n New Auto Franch. Dist's Ass'n</i>	<i>331-6881</i>
<i>CAROL NEEBY</i>	<i>CLARK COUNTY SCHOOL DIST</i>	<i>883-1890</i>
<i>Phyllis Otten</i>	<i>Health Division</i>	<i>885-4740</i>



ROBERT LIST  
GOVERNOR

RALPH R. DISIBIO, Ed.D.  
DIRECTOR

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

March 5, 1981

EXHIBIT C

MEMO #59

TO: SENATOR JIM KOSINSKI  
FROM: RALPH R. DISIBIO, Ed.D. *[Handwritten signature]*  
SUBJECT: S.B. 274

The several Divisions of this Department regulate a significant number of businesses as well as the general public. The reams of regulations which seem to be undergoing constant modification have in a number of instances caused an extensive burden on all parties involved. The review of these regulations through the public hearing process and with the addition of legislative oversight under NRS 233B enacted during the 1977 session, help to reduce the number of problems related to interpretation of legislative intent and the lack of public knowledge regarding the purpose for such regulatory action.

I fully endorse the intent and concept of S.B. 274. Under any economic situation, but especially in today's tight money conditions, the cost of doing business is uppermost in the minds of everyone engaged in trying to make a living as well as in the minds of those of us in government agencies attempting to carry out our mandated role and function.

The determination of the fiscal impact of regulations is one way to curb the runaway cost of government and to have a genuine effect on the cost of doing business in this state.

In September of 1980, I directed the Divisions of the Department of Human Resources to consider the fiscal impact of all regulations and to review the severity of their impact. In this directive, I initiated a requirement that all regulations accompany a statement assessing the cost impact on the industry affected.

Memo #59  
March 5, 1981  
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Without such a positive approach to oversight, whether it be at the executive or legislative level, none of us in government can rightfully say that we serve the people of the State.

Once again, I want to say that I fully endorse the concept of this proposed legislation. I have attached, for your information, a copy of the directive referred to above.

RALPH R. DISIBIO, Ed.D.

RRD/lis

Attachment



ROBERT LIST  
GOVERNOR  
RALPH R. DISIBIO, Ed.D.  
DIRECTOR

STATE OF NEVADA  
DEPARTMENT OF HUMAN RESOURCES  
CAPITOL COMPLEX  
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DEPARTMENTAL  
DIVISIONS  
AGING SERVICES  
HEALTH  
MENTAL HYGIENE-  
MENTAL RETARDATION  
REHABILITATION  
WELFARE  
YOUTH SERVICES

September 29, 1980

EXHIBIT D

MEMO #257

TO: DIVISION ADMINISTRATORS  
MYRL NYGREN - OHP

FROM: RALPH R. DISIBIO, Ed.D. *rd*

SUBJECT: PROPOSED REGULATIONS

From time to time, your Division is responsible for the promulgation and enforcement of regulations. Oftentimes those regulations are requirements of the Federal Government, present statute, or board directive. There are some occasions where you have latitude with respect to promulgation and/or interpretation.

In this time of budget constraints, it is particularly important that we remain cognizant of the fiscal ramifications of regulations as proposed, promulgated and interpreted. I expect each of you, as your authority permits, to consider carefully the fiscal impact of all regulations, and consider either loose interpretations, rescissions, or amendments where such occasions would not harm the quality of the program, but certainly be more cost efficient. In any event, any proposed change in present regulations or establishment of new regulations, must contain a statement of cost impact to the industry affected. That statement must not be developed in a vacuum, but after consultation with the affected industry or constituents.

RRD/ls

R.R.D.



PUBLIC HEARING PROCESS  
STATE ENVIRONMENTAL COMMISSION (SEC)  
PRE-HEARING PROCESS

EXHIBIT E

PETITION RECEIVED REQUESTING  
REGULATORY AMENDMENT PER FORM # 1

INITIATE REGULATION-MAKING  
PROCEEDINGS

DEVELOP PROPER REGULATORY  
LANGUAGE WITH PETITIONER  
AND NDEP AS NECESSARY

PREPARE AND TYPE  
LEGAL NOTICE

SCHEDULE ITEM FOR  
PUBLIC HEARING AT NEXT  
AVAILABLE MEETING OF  
COMMISSION

TO  
PAGE TWO

WITHIN  
30 DAYS

EITHER  
OR

TYPE ACTUAL NEW LANGUAGE  
OR DELETIONS/ADDITIONS TO  
AFFECTED REGULATORY ARTICLE

SCHEDULE LEGAL NOTICE  
DATES, TYPE 3 LETTERS  
REQUESTING PUBLICATION ON  
DATES LISTED, BILLING AND  
AFFIDAVIT OF PUBLICATION  
FROM NEWSPAPERS.

DENY PETITION

PREPARE AND TYPE FILING  
SHEET COVERING ACTION

MAIL LEGAL NOTICES BY  
CERTIFIED MAIL TO NEWS-  
PAPERS AND ADD NOTICE  
DATES AND HEARING DATE  
TO FILING SHEET

WHEN AFFIDAVIT OF PUBLICATION ARRIVES  
WITH BILLING STATEMENT, SEND COPIES TO  
ACCOUNTING FOR PAYMENT AND FILE ORIGINALS  
FOR PUBLIC HEARING EVIDENCE.

MAIL LEGAL NOTICE OF  
HEARING TO MAILING  
LIST ADDRESSEES  
SOLICITING INPUT WITH  
INSTRUCTIONS FOR  
OBTAINING COPY OF  
PENDING ACTION, ETC  
(MUST BE COMPLETED  
AT LEAST 36 DAYS  
PRIOR TO HEARING).

DM PAGE ONE

MAKE 4 COPIES OF ORIGINAL REGULATORY CHANGE.

HAND-CARRY TO SECRETARY OF STATE FOR DATE STAMPING AND FILING OF ONE COPY - AT LEAST 30 DAYS PRIOR TO THE HEARING.

HAND-CARRY 3 COPIES TO LCB FOR DATE STAMPING ALSO AND FILE 3 COPIES.

RETURN ORIGINAL WITH SECRETARY OF STATE AND LCB DATE STAMPS TO HEARING FILE FOR USE IN PHOTOCOPYING TO PETITIONER, COMMISSIONERS, AND INTERESTED PARTIES.

PHOTOCOPY ORIGINAL AND MAIL TO MAILING LIST ADDRESSEES.

PHOTOCOPY ORIGINAL AND MAIL TO PETITIONER AND OTHERS UPON REQUEST.

PREPARE BILLING STATEMENT WITH COPIES AND SEND TO REQUESTING PARTY.

PHOTOCOPY ORIGINAL REGULATORY CHANGE, PETITION, OTHER HEARING MATERIAL AND MAIL TO COMMISSIONERS AT LEAST TWO WEEKS BEFORE HEARING.

MAINTAIN CHANGES TO MAILING LIST DAILY- ADDITIONS, DELETIONS, OR CORRECTIONS.

WHEN PAYMENT IS RECEIVED CHECK DUPLICATE RECEIPT PAID AND RECORD THE NUMBER OF THE CHECK AND DATE PAID. THEN TAKE TO ACCOUNTANT FOR DEPOSIT INTO SEC ACCOUNT.

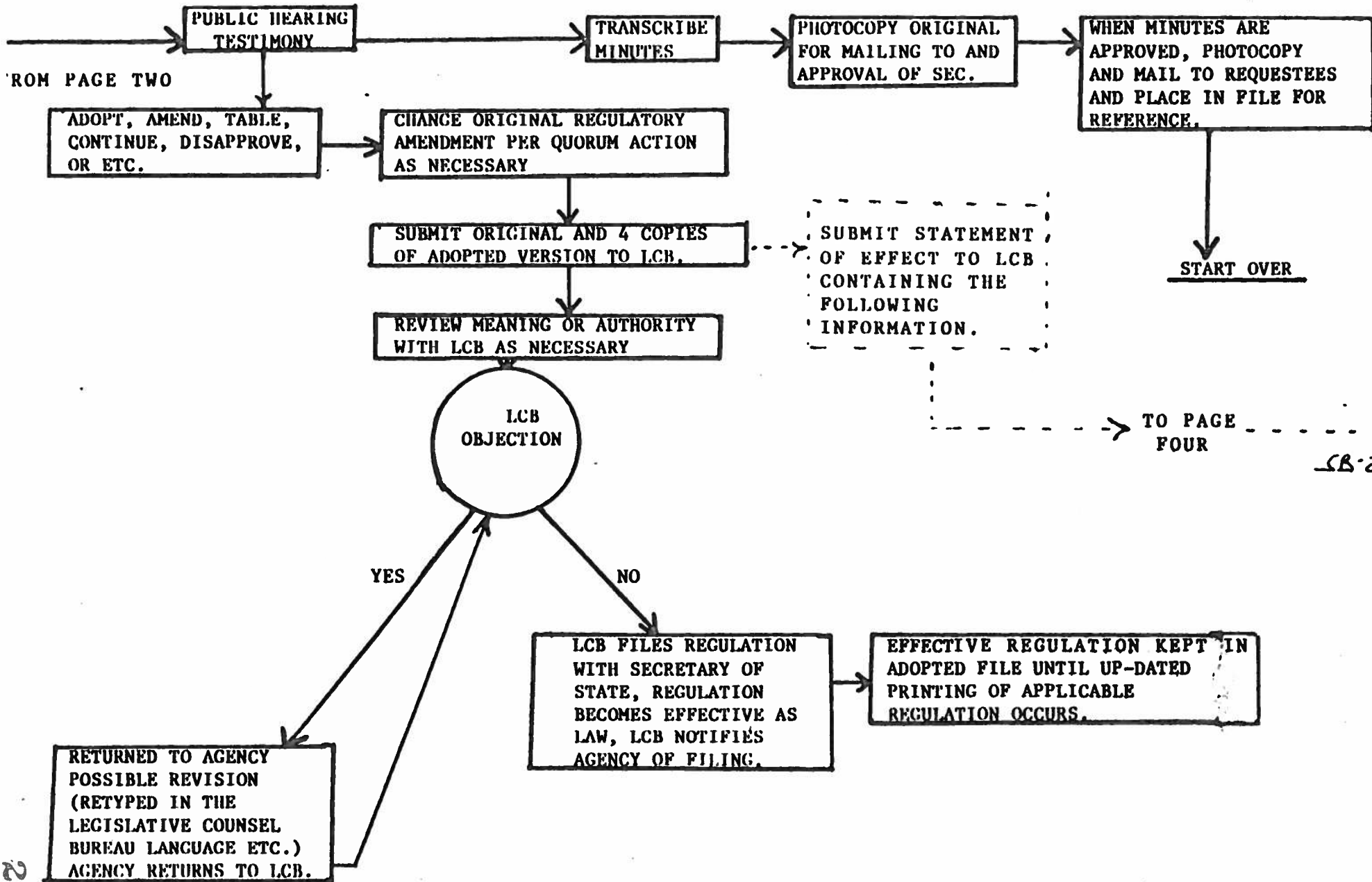
PREPARE AGENDA

POST AGENDA AT LEAST 3 WORKING DAYS BEFORE HEARING

TO PAGE THREE

MAIL AGENDA TO MAILING LIST ADDRESSEES AT LEAST 6 DAYS BEFORE HEARING.

ORIGINAL OF AGENDA KEPT IN FILE FOR REFERENCE.



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SB-27

Section 2

<u>Sub-section</u>	Time Required For Preparation	For Typing	Total Time (in hours)
1. Need and Objective	1 hour	1 hour	2
2a. and 3a. Solicitation Description	0.25	0.25	0.5
2b. and 3b. Summaries of Public and Business Responses	4	2	6
4, 5, and 6. Estimated Economic Effect On:			
Business	2 (if known)	1	3
Public	2	1	3
Enforcement Agency	2	1	3
7. Non-Duplication Non-Overlap	0.5	0.5	1
8. Why duplication or overlap is necessary, etc.	3 (if known)	1.5	4.5
SUB-TOTALS	14.75	8.25	23.0
Xerox and collate the above for distribution			<u>1</u>
		TOTAL	24 hours per regulation

Assuming an average of 18 regulations per year requiring administrative processing with an estimated minimum of 24 hours per regulation of staff time involved in preparing, typing and distributing the statements required in this bill, an additional 0.24 man years would be necessary to adequately implement these new procedures at a minimal level.

$$\begin{array}{r} 24 \text{ hours per regulation} \\ \times \quad 18 \text{ average regulatory changes per year} \\ \hline \end{array}$$

432 additional hours per year

Assuming 1800 working hours per person per year:

$$\frac{432}{1800} = 0.24 \text{ man years}$$

This estimate is a minimal one and does not take into account regulatory changes that were brought to public hearing, but tabled or disapproved and which would have had a substantial amount of time involved in preparation for adoption and review by the Legislative Commission. Pre-adoption information gathering could possibly involve 10-18 hours of staff time that would not be formalized and distributed if the regulation were tabled indefinitely or disapproved.