

MINUTES OF THE
MEETING OF THE SENATE COMMITTEE
ON GOVERNMENT AFFAIRS

SIXTY-FIRST SESSION
NEVADA STATE LEGISLATURE
May 6, 1981

The Senate Committee on Government Affairs was called to order by Chairman James I. Gibson, at 2:05 p.m., Wednesday, May 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 Gene Echols
Senator Virgil Getto
Senator James Kosinski
Senator Keith Ashworth
Senator Sue Wagner

GUEST LEGISLATORS:

Senator Melvin Close

STAFF MEMBERS PRESENT:

John Crossley, Legislative Auditor
Frank Daykin, Legislative Counsel
Andrew Grose, Research Director
Anne Lage, Committee Secretary

ASSEMBLY BILL NO. 476

Allows counties and cities to issue revenue bonds for historic preservation of structures.

Mr. Donald Hataway, Carson City Manager, felt that this bill would provide more flexibility to the local governmental entities. It would broaden the industrial development bonding program to those projects of a historical restoration nature.

He stated that Carson City had been working with the owners of the V and T Roundhouse in Carson City to try to set up a redevelopment program. He stated that the cost would range from 4 to 7 million dollars for its rehabilitation.

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Senator Ashworth inquired if any consideration had been given toward trying to acquire donations from the community. Mr. Hataway stated that it was difficult to do this as the property in question was privately owned.

Ms. Mimi Rodden, Administrator of the Historical Division of Archaeology, testified in support of this bill. She stated that the Roundhouse project was a very large and highly significant project. She felt this project would produce jobs for people. She did not feel the community would be able to support a collection of shops as there was not a sufficient tourist base. However, there was a possibility of making it into some office spaces, a bank or even a casino as approximately 70,000 square feet were involved.

Mr. Walt MacKenzie, Economic Development Director, testified the Congressional committees were considering a provision which was not included in the Nevada statutes. It would provide for an absolute reporting requirement on the location and use of industrial revenue bonds. He asked that an amendment to this effect be included in this bill.

Senator Kosinski moved "Indefinite Postponement" on Assembly Bill No. 476.

Senator K. Ashworth seconded the motion.

The motion carried. (Senators Ford, Wagner and Getto voted "No".)

ASSEMBLY BILL NO. 517

Extends time for filing in election when time expires on Saturday, Sunday or holiday.

Mr. David Howard, Assistant Secretary of State, testified that this bill was a result of a conflict between a district attorney's opinion in Clark County and a statute. He indicated that there was a possible problem if filing of papers referred to the affidavit of registration as that was required by law to be a Saturday.

Senator Wagner moved "Indefinite Postponement" on Assembly Bill No. 517.

Senator Getto seconded the motion.

The motion carried unanimously.

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ASSEMBLY BILL NO. 616

Provides that unopposed candidates for offices of certain cities incorporated under general law be declared elected without election.

Chairman Gibson explained that this bill would provide, "if at 5:00 p.m. on the last day for filing an affidavit of candidacy there is only one candidate for nomination for any office, that candidate must be declared elected and no election need be held for that office."

Mr. David Howard, Assistant Secretary of State, testified that he was in support of this bill. He stated that this bill would help reduce the cost of elections for cities.

Senator Getto stated that this bill was a result of a situation in Fallon where there were only two seats up for election and the candidates were unopposed.

Senator Getto moved "Do Pass" on Assembly Bill No. 616.

Senator Ford seconded the motion.

The motion carried unanimously.

ASSEMBLY BILL NO. 539

Allows designated beneficiary of deceased employee of state to receive salary of decedent upon request.

Mr. John Crossley, Legislative Auditor, testified that this bill addressed a problem encountered when Gene Pieretti had his accident. It was related to the payment of final compensation. Presently the law does not provide for payment directly to beneficiaries of state employees. The law covered local government employees, so state employees were amended into that law.

Mr. Mitch Bruce, State Personnel, testified that this bill would allow personnel to standardize the payments of all compensation due an employee's beneficiary upon the employee's death.

Senator Kosinski moved "Amend and Do Pass" on Assembly Bill No. 539.

Senator Getto seconded the motion.

The motion carried unanimously.

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ASSEMBLY BILL NO. 393

Broadens permissible kinds of investments for state money.

Mr. Stan Colton, State Treasurer, testified that this bill would clarify that the state could invest in "notes, debentures, and loans" when they were guaranteed by the United States.

Mr. Colton referred to the second change wherein references to commercial paper were deleted. This was done as a result of an attorney general opinion which indicated that commercial paper was a loan and therefore contrary to the constitution of the State of Nevada. As they do not invest in commercial paper, they asked that this be removed.

Senator Ford moved "Do Pass" on Assembly Bill No. 393.

Senator Wagner seconded the motion.

The motion carried unanimously.

ASSEMBLY BILL NO. 413

Allows deposits of public money to be secured with mortgages and deeds of trust.

Stan Colton, State Treasurer, explained that this bill was a remake of Assembly Bill No. 818 from the sixtieth session which was passed by both houses and vetoed by the governor at his request. The purpose of the veto was a mistake in the language. It was processed on the last day and there was not enough time for an amendment. This would allow for caps to be put on the amounts of deposits that could be secured by first mortgages and first deeds of trust.

Mr. Colton stated that there were several states currently using this form. This would free up liquid collateral and allow non-liquid collateral to be used as security.

Mr. Jim Joyce, Savings and Loan League of Nevada, testified that this bill had been requested by the savings and loans last session and they were in complete support of it.

Mr. Pat Pine, Clark County, read a letter in opposition to this bill from R. Keith Latham, Assistant County Treasurer. (See Exhibit C.)

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Senator Kosinski moved "Do Pass" on Assembly Bill No. 413.

Senator Echols seconded the motion.

The motion carried unanimously.

SENATE RESOLUTION NO. 12

Adds new standing rule which provides procedure for deciding contest of election.

Senator Melvin Close recommended that lines 11 to 24 be deleted with a change in the lead in paragraph to read, "the Senate shall not dismiss a statement of contest from want of form if the grounds of contest are alleged with sufficient certainty to inform the defendant."

The committee discussed the possibility of stating that the grounds for contests were not limited to those listed.

It was also decided to include that all testimony given should be taken under oath.

Chairman Gibson assigned Senator Ford to work on the discussed amendments.

ASSEMBLY BILL NO. 510

Removes references to irrigation district bond commissions.

Senator Ford explained that irrigation district bond commissions had been deleted in other parts of the statutes. As the commissions were no longer in existence, all references to them were obsolete.

Senator Getto moved "Do Pass" on Assembly Bill No. 510.

Senator Wagner seconded the motion.

The motion carried unanimously.

ASSEMBLY BILL NO. 167

Consolidates and reconciles provisions for bonding and levy of special assessments.

Mr. Frank Daykin, Legislative Counsel, explained amendments 763 and 764. (See Exhibits D and E.)

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Senator Ford moved "Amend and Do Pass" on Assembly Bill No. 167 using amendment 764 only.

Senator Echols seconded the motion.

The motion carried unanimously.

ASSEMBLY BILL NO. 506

Broadens definition of "emergency" in provision governing permissible expenditures from emergency fund.

Mr. Frank Daykin, Legislative Counsel, explained that the language in this bill did not track existing language in other bills, rather it tracks existing law. Mr. Daykin stated that Nevada Revised Statute 412.122 expressed the purpose for which the governor can call out the guard. Nevada Revised Statute 353.263 listed the purposes for which a particular fund could be used. Thus, it would be reasonable to have the uses of the fund broader than the uses of the national guard.

Senator Keith Ashworth moved "Do Pass" on Assembly Bill No. 506.

Senator Ford seconded the motion.

The motion carried unanimously.

ASSEMBLY JOINT RESOLUTION NO. 24

Proposes constitutional amendment to conform constitutional state boundary to actual boundary.

Mr. Daykin explained that this amendment would bring Clark County and the southern tip of Nye County within the state of Nevada.

Senator Getto moved "Do Pass" on Assembly Joint Resolution No. 24 of the 60th session.

Senator K. Ashworth seconded the motion.

The motion carried unanimously.

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ASSEMBLY BILL NO. 216

Prohibits naming of certain public works after living persons.

Mr. Daykin explained the amendment to this bill. If the school was named by the board when they began the building this bill would not interfere with that. However, any building named after this bill has been passed and approved, would not be allowed to be named after a board member. (See Exhibit F.)

Senator Wagner moved "Amend and Do Pass" on Assembly Bill No. 216.

Senator Kosinski seconded the motion.

The motion carried unanimously. (Senator Ashworth was absent for the vote.)

SENATE BILL NO. 489

Provides for the use of certain surpluses to meet deficiencies in certain special assessments.

Senator Ford moved "Indefinite Postponement" on Senate Bill No. 489 as it had been incorporated into Assembly Bill No. 167.

Senator Wagner seconded the motion.

The motion carried unanimously.

SENATE BILL NO. 606

Provides for certain payment for sick leave upon any termination of service by state employee.

Chairman Gibson distributed a fiscal note on this bill which had been prepared by Jim Wittenberg, Personnel Director. (See Exhibit G.)

The committee agreed to amend this bill by inserting "through no fault of his own" after the word "termination" on line 16.

Senator Kosinski moved "Amend and Do Pass" on Senate Bill No. 606.

Senator Wagner seconded the motion.

The motion carried unanimously. (Senator K. Ashworth was absent for the vote.)

SENATE BILL NO. 236

Alters procedure for filling vacancy in legislature.

Senator Ford explained that the provisions of this bill had been incorporated into Senate Bill No. 597.

Senator Ford moved "Indefinite Postponement" on Senate Bill No. 236.

Senator Getto seconded the motion.

The motion carried unanimously. (Senator K. Ashworth was absent for the vote.)

ASSEMBLY BILL NO. 371

Requires repeal or modification of administrative regulation if corresponding federal requirement is relaxed or repealed.

Senator Wagner moved "Indefinite Postponement" on Assembly Bill No. 371.

Senator Kosinski seconded the motion.

The motion carried. (Senators Gibson, Getto and K. Ashworth voted "No".)

Senator Echols stated that he wished to change his "No" vote to "Aye". Chairman Gibson assigned Senators Kosinski, Wagner and Ashworth to work on some improved language for this bill.

Chairman Gibson read the following Bill Draft Requests:

BILL DRAFT REQUEST NO. 21-1669 (S.B. 652)

Facilitates mechanics of annexation of cities in largest counties.

BILL DRAFT REQUEST NO. C-2061 (S.J.R. 38)

Proposes constitutional amendment to increase the number of days for which legislators may be compensated during regular session.

BILL DRAFT REQUEST NO. 1690 (S.C.R. 57)

Directs legislative commission to study state system of telecommunications.

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The committee agreed to submit these bill draft requests for committee introduction.

REAPPORTIONMENT

Mr. Andrew Grose explained his current status with regard to reapportionment. He stated that a rural plan needed to be agreed on. Until this was done an urban plan could not be finalized.

He also explained that a Senate bill could not be drafted until a firm decision was made on what the composition of the Senate districts would be.

There being no further business, meeting was adjourned at 5:55 p.m.

Respectfully submitted by:

Anne L. Lage
Anne L. Lage

APPROVED BY:

James I. Gibson
Senator James I. Gibson, Chairman

DATE: June 1, 1981

SENATE AGENDA

COMMITTEE MEETINGS

Committee on Government Affairs, Room 243.

Day Wednesday, Date May 6, 1981, Time 2:00 p.m.

A. B. No. 476--Allows counties and cities to issue revenue bonds for historic preservation of structures.

A. B. No. 517--Extends time for filing in election when time expires on Saturday, Sunday or holiday.

A. B. No. 539--Allows designated beneficiary of deceased employee of state to receive salary of decedent upon request.

S. R. No. 12--Adds new standing rule which provides procedure for deciding contest of election. (Not a hearing.)

A. B. No. 393--Broadens permissible kinds of investments for state money.

A. B. No. 413--Allows deposits of public money to be secured with mortgages and deeds of trust.

A. B. No. 510--Removes references to irrigation district bond commissions.

A. B. No. 616--Provides that unopposed candidates for offices of certain cities incorporated under general law be declared elected without election.



Office of the County Treasurer

W. W. GALLOWAY
Treasurer — Tax Receiver
R. KEITH LATHAM
Assistant Treasurer
Phone (702) 386-4011

MEMORANDUM EXHIBIT C

TO: Patricia Mulroy, Management Analyst

DATE: April 9, 1981

FROM: R. Keith Latham, Assistant County
Treasurer

SUBJECT: AB 413

This bill would allow financial institutions to use promissory notes secured by first mortgages or first deeds of trust to collateralize or secure deposits made with them by the State Treasurer. This statute is extended to include County Treasurers by NRS 356.125 according to this bill.

We are not particularly interested in having this type of collateral securing deposits or investments that we have made. The reason is that we would have to do a thorough review and investigation of each promissory note to make sure that it met the requirements set forth in this bill and then we would have to continually monitor this collateral to make sure it continued to meet its requirements set forth in this bill. Depending upon the number of notes pledged, this could be very time consuming and we therefore, are not in favor of this bill.

R. Keith Latham
Assistant County Treasurer

RKL/sem

1036

ASSEMBLY ACTION	SENATE ACTION	Senate	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. 167	Resolution No.
Initial: <input type="checkbox"/>	Initial: <input type="checkbox"/>	BDR 30-485	
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 No 763

Consistent with Amendment No. 764

Amend the bill as a whole by adding a new section designated section 79, following section 78, to read as follows:

"Sec. 79. Subsection 2 of section 77 of this act shall become effective on July 1, 1983."

To: E & E
 LCB File
 Journal
 Engrossment ✓
 Bill

Drafted by... FWD:ama Date 5-2-81

ASSEMBLY ACTION		SENATE ACTION		Senate	AMENDMENT BLANK
Adopted	<input type="checkbox"/>	Adopted	<input type="checkbox"/>	AMENDMENTS to	Assembly
Lost	<input type="checkbox"/>	Lost	<input type="checkbox"/>	Bill No.	Joint
Date:		Date:		167	Resolution No.
Initial:		Initial:		BDR	30-485
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:		Date:			
Initial:		Initial:			

Amendment No 764

Consistent with Amendment No. 763

Amend sec. 6, page 3, lines 46 and 47 by deleting "exceed by at least one-third" and inserting "at least equal".

Amend the bill as a whole by adding a new section designated section 13.2, following section 13, to read as follows:

"Sec. 13.2. NRS 350.618 is hereby amended to read as follows:

350.618 Before selling any municipal securities publicly, the governing body shall:

1. Cause a notice calling for bids for the purchase of the securities to be published at least once [a week for 4 consecutive weeks by 4 weekly insertions a week apart, the first publication to be not more than 30 days nor less than 22 days next preceding] at least 10 days before the date of sale, in a newspaper published within the boundaries of the municipality, or if there is no such newspaper, in a newspaper having general circulation therein.

2. Cause such other notice to be given as the governing body may direct.

3. Cause, at least [3 weeks prior to] 1 week before the date fixed for the sale, a copy of the notice to be mailed to the department of taxation."

Amend the bill as a whole by adding a new section designated section 13.4, following section 13.3, to read as follows:

"Sec. 13.4. NRS 350.630 is hereby amended to read as follows:

350.630 1. As the governing body may determine, any bonds and other municipal securities issued hereunder, except as otherwise

To: E & E
LCB File
Journal
Engrossment
Bill

Drafted by FWD:m Date 5-2-81

provided in the Local Government Securities Law, or in any act supplemental thereto, [shall:] must:

- (a) Be of a convenient denomination or denominations;
 - (b) Be fully negotiable within the meaning of and for all the purposes of the Uniform Commercial Code—Investment Securities;
 - (c) Mature at such time or serially at such times in regular numerical order at annual or other designated intervals in amounts designated and fixed by the governing body, except as herein otherwise provided;
 - (d) Bear interest at a rate or rates of not more than 9 percent per annum, payable annually, semiannually or at other designated intervals, but the first interest payment date may be for interest accruing for any other period;
 - (e) Be made payable in lawful money of the United States, at the office of the treasurer or any commercial bank or commercial banks within or without or both within and without the state as may be provided by the governing body; and
 - (f) Be printed at such place, within or without this state, as the governing body may determine.

2. General obligation bonds [shall mature serially] must mature within not exceeding 30 years from their respective dates and if they mature serially, commencing not later than the [third] fifth year thereafter, in such manner as the governing body may determine.

3. Special obligation bonds [shall] must mature within not exceeding 50 years from their respective dates."

Amend sec. 31, page 14, line 33, by deleting "board of county commissioners" and inserting "governing body".

Amend sec. 31, page 14, line 41 by deleting "board of county commissioners" and inserting "governing body".

Amend sec. 31, page 14, line 45 by deleting "board of county commissioners" and inserting "governing body".

Amend sec. 31.5, page 15, line 8 by deleting "county" and inserting "municipality".

Amend sec. 31.5, page 15, line 10 by deleting "county." and inserting "municipality."

Amend sec. 31.5, page 15, line 16 by deleting "county".

Amend sec. 31.5, page 15, line 22 by deleting "county".

Amend sec. 31.5, page 15, line 24 by deleting "board." and inserting "governing body."

Amend sec. 31.5, page 15, lines 25 and 26 by deleting "board, the county treasurer" and inserting "governing body, the treasurer".

Amend sec. 31.5, page 15, line 31 by deleting "county".

Amend sec. 31.5, page 15, line 34 by deleting "county".

Amend sec. 31.6, page 15, line 43 by deleting "county".

Amend sec. 31.6, page 15, line 44 by deleting "board" and inserting "governing body".

Amend sec. 31.6, page 15, line 46 by deleting "county".

Amend sec. 31.6, page 16, line 2 by deleting "county" and inserting "municipality".

Amend sec. 31.6, page 16, line 5 by deleting "county" and inserting "municipality".

Amend sec. 31.6, page 16, line 14 by deleting "county" and inserting "municipality".

Amend sec. 31.6, page 16, line 16 by deleting "county" and inserting "municipality".

Amend sec. 31.6, page 16, line 17 by deleting "board" and inserting "governing body".

Amend sec. 74, page 40, line 21 before "extending" by inserting an open bracket.

Amend sec. 74, page 40, by deleting line 24 and inserting "systems.] acquiring water projects."

Amend the bill as a whole by adding a new section designated section 74.5, following section 74, to read as follows:

"Sec. 74.5. Section 25 of chapter 167, Statutes of Nevada 1947, as added by chapter 446, Statutes of Nevada 1963, at page 1196, is hereby amended to read as follows:

Sec. 25. As used in [sections 26 to 45, inclusive,] section 25, "improvement" means the construction, extension and improvement of water mains, lines, pipes, conduits and appurtenances and water distribution systems, [and] the acquisition of existing and operating private water companies and mutual water-distributing systems [.] , and generally the acquisition of any water project."

Amend sec. 77, page 42 by inserting between lines 30 and 31:

"(a) Sections 5.3, 5.5 and 5.6 as added by chapter 401, Statutes of Nevada 1957, at page 773, and last amended in part by chapter 646, Statutes of Nevada 1971, at page 1515.

Amend sec. 77, page 42, line 31 by deleting "(a)" and inserting "(b)".

Amend sec. 77, page 42, line 33 by deleting "(b)" and inserting "(c)".

Amend sec. 77, page 42, line 35 by deleting "(c)" and inserting "(d)".

Amend sec. 77, page 42, line 38 by deleting "(d)" and inserting "(e)".

Amend sec. 77, page 42, line 43 by deleting "(e)" and inserting "(f)".

Amend sec. 77, page 42, line 45 by deleting "(f)" and inserting "(g)".

1981 REGULAR SESSION (61st)

EXHIBIT F

ASSEMBLY ACTION

SENATE ACTION

Senate

AMENDMENT BLANK

Adopted
Lost
Date:
Initial:
Concurred in
Not concurred in
Date:
Initial:

Adopted
Lost
Date:
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Concurred in
Not concurred in
Date:
Initial:

AMENDMENTS to Assembly
~~Joint~~
Bill No. 216 ~~Resolution No.~~
BDR 28-981
Proposed by Committee on Government Affairs

Amendment No 765



Amend section 1, page 1, lines 4 and 5, by deleting "which is put to the use for which it was built on or after January 1, 1982,".

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

"Sec. 2. This act shall become effective upon passage and approval."

To: E & E
LCB File
Journal ✓
Engrossment
Bill

Drafted by FWD:smc Date 5-2-82

FISCAL NOTE

BDR 23-1480

A.B. _____

S.B. 606

• STATE AGENCY ESTIMATES Date Prepared May 4, 1981

Agency Submitting State Personnel Division

EXHIBIT G

<u>Revenue and/or Expense Items</u>	<u>Fiscal Year 1980-81</u>	<u>Fiscal Year 1981-82</u>	<u>Fiscal Year 1982-83</u>	<u>Continuing</u>
		<u>\$48,000</u>	<u>\$48,000</u>	<u>\$48,000</u>
Total		<u>\$48,000</u>	<u>\$48,000</u>	<u>\$48,000</u>

Explanation (Use Continuation Sheets If Required)

These cost figures represent employees who terminate with ten (10) years or more State service and would be eligible for payment of unused sick leave. We estimate there are 24 employees who would be eligible for this benefit.

Local Government Impact YES NO
(Attach Explanation)

Signature _____

Title _____

• DEPARTMENT OF ADMINISTRATION COMMENTS

Date May 4, 1981

The above estimate appears to be reasonable.

Signature 11-133

Howard E. Barrett

Title Director of Administration

• LOCAL GOVERNMENT FISCAL IMPACT
(Legislative Counsel Bureau Use Only)

Date _____

1103

Signature _____

Title _____