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PREPARED BY  
RESEARCH DIVISION  
LEGISLATIVE COUNSEL BUREAU  
Nonpartisan Staff of the Nevada State Legislature

# WORK SESSION

## Assembly Committee on Government Affairs

- 
- Senate Bill 78 \_\_\_\_\_
  - Senate Bill 103 \_\_\_\_\_
  - Senate Bill 312 \_\_\_\_\_
  - Senate Bill 447 \_\_\_\_\_

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ASSEMBLY GOVERNMENT AFFAIRS  
DATE: 5-15-03 ROOM: 3143 EXHIBIT C  
SUBMITTED BY: SUSAN SCHOLLEY  
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# WORK SESSION

## Assembly Committee on Government Affairs

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### **SENATE BILL 78**

**(First Reprint)**

**Makes various changes relating to assistance to finance housing. (BDR 25-467)**

**Sponsored by:** Senate Committee on Government Affairs,  
On behalf of the Department of Business and Industry,  
Housing Division

**Date Heard:** April 25, 2003

Senate Bill 78 authorizes the Housing Division of Nevada's Department of Business and Industry to issue letters of credit to finance residential housing if, at the time of issuance, the Division has a credit rating within one of the three highest rating categories of a nationally recognized credit rating agency. The measure also extends the bonding authority limit of the Housing Division from \$2 billion to \$5 billion. In addition, the Housing Division may acquire information systems and is added to the list of agencies that may negotiate with Nevada's Department of Information Technology for the development of information systems.

**Amendments:** At the hearing on the bill, concerns were expressed about the deletion of the sunset date of July 1, 2003, in Senate Bill 552 from the 2001 Session. Senate Bill 552 expanded the authority of the Housing Division. A bill summary for S.B. 552 is attached.

As an alternative to the removal of the sunset date, a six-year extension of the sunset date to July 1, 2009, has been proposed.

**Opposition:** None

**Fiscal Impact:** Local Government: No  
State Government: No



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**BILL SUMMARY**  
71st REGULAR SESSION  
OF THE NEVADA STATE LEGISLATURE

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**SENATE BILL 552**  
**(Enrolled)**

**Topic**

Senate Bill 552 makes various changes relating to financial assistance for affordable housing.

**Summary**

The measure allows the Housing Division of the Department of Business and Industry to enter into rate reduction and protection contracts on debt issues, upon approval by the State Board of Finance. Additionally, the bill updates the general powers of the Division and specifically adds that the issuance of bonds by any legal entity controlled by the Division is subject to approval by the State Board of Finance.

The bill makes urban renewal projects eligible to receive loans. To remove inconsistencies with the Federal insurance program, the measure eliminates existing provisions regarding guaranteed and insured loans, and updates the definition of a mortgage loan.

**Effective Date**

The bill is effective on July 1, 2001, and expires by limitation on July 1, 2003.



# WORK SESSION

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### SENATE BILL 103

Extends time county may lease real property of county to corporation for public benefit under certain circumstances. (BDR 20-831)

Sponsored by: Senator Tiffany (Joint Sponsor: Assemblyman Beers)  
Date Heard: May 8, 2003

Senate Bill 103 extends the period of time for which a board of county commissioners may lease any real property of the county to a corporation for public benefit, from 30 years to 99 years.

As requested by the Committee at the hearing, attached is the written testimony of Dr. Robert Horne, in support of the bill on behalf of the Las Vegas International Scouting Museum.

**Amendments:** None.

**Opposition:** None

**Fiscal Impact:** Local Government: No  
State Government: No



# LAS VEGAS INTERNATIONAL SCOUTING MUSEUM

TESTIMONY OF ROBERT LYNN HORNE, M.D.  
BEFORE THE ASSEMBLY GOVERNMENT AFFAIRS COMMITTEE  
ON BEHALF OF THE  
LAS VEGAS INTERNATIONAL SCOUTING MUSEUM

Madam Chair and Members of the Committee,

My name is Dr. Robert Lynn Horne from Las Vegas, Nevada. I am the President of and represent the Las Vegas International Scouting Museum, a 501(c)(3) charitable organization. I am testifying today in favor of SB 103.

N.R.S. §224.284(a), as currently written, limits the period of time to 30 years that counties may lease county land to charitable organizations. SB-103 would extend this period to 99 years.

It is interesting to note that two years ago, the Legislature amended this statute to give counties the power to donate county property to charitable organizations. On behalf of all the charitable organizations in Nevada, we would like to thank the Legislature and especially those members of this committee that supported that amendment to N.R.S. §224.284.

The purpose of this amendment is two fold.

First, it gives counties the flexibility to make excess county property available to charities even though the county obtained such property through the use of its powers of eminent domain.

If a county wishes to dispose of such property it is typically required to offer the prior owner the opportunity to repurchase the property. When the prior owner elects to exercise their right of "first-refusal," the goal of the county board of commissioners to use this property for charitable purposes is frustrated.

By allowing counties to enter into long term leases, the question of a prior owner's rights of "first refusal" is avoided, the local government maintains ownership of the property, and its goal to make the land available for charitable purposes can be achieved.

Second, it significantly enhances a charity's ability to obtain funding for major capital improvements through donations and/or long-term financing. Few individuals or organizations are willing to provide significant funding for the construction of building - especially custom designed and built ones - if they know that in a few years the property and the buildings could revert to the county at the expiration of the lease. This is especially true in our post 9/11 world when we are faced with a worsening economy and a reduction in charitable donations.

For these reasons, we ask that you support SB 103

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# WORK SESSION

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### SENATE BILL 312

(First Reprint)

Authorizes state and local governmental entities to accept consular identification card for purposes of identifying person under certain circumstances. (BDR 19-823)

Sponsored by: Senator Carlton (Joint Sponsor: Assemblywoman  
Ohrenschall)

Date Heard: April 30, 2003

Senate Bill 312 specifies that state agencies and local governments may accept a consular identification card for any activity in which the government entity accepts an identification card issued by the Department of Motor Vehicles. A consular identification card may be used by a notary to identify a person or by a business as a condition for taking a check. The bill states that the provisions apply for the purposes of identification and do not convey an independent right to receive benefits of any type. "Consular identification card" is defined as "an identification card issued by a consulate of a foreign government, which consulate is located within the State of Nevada."

The bill was supported by the Latino Chamber of Commerce, Nevada Bankers Association, Las Vegas Metropolitan Police Department, Washoe County Sheriff's Department, the Cities of Las Vegas and North Las Vegas, and the ACLU.

**Amendments:** None.

**Opposition:** Janine Hansen from Eagle Forum, David Schumann from Nevada Committee for Full Statehood, John Wagner from the Nevada Republican Assembly, Lynn Chapman from Nevada Families Education Foundation, and Alan Culver from Friends of Immigration Law Enforcement spoke in opposition to the bill.

**Fiscal Impact:** Local Government: No  
State Government: No



# WORK SESSION

## Assembly Committee on Government Affairs

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### **SENATE BILL 447**

**(First Reprint)**

**Revises provisions relating to investment by local governments and monitoring of collateral to secure certain deposits of public money. (BDR 31-302)**

**Sponsored by: Senate Committee on Government Affairs,  
On Behalf of the State Treasurer**

**Date Heard: May 6, 2003**

Senate Bill 447 clarifies that a local government, including counties, cities, towns, boards, school districts, other districts, and any agency or department of a county or city which prepares a budget, may purchase securities for investment purposes and may delegate authority to place money into a lawful investment. The bill also authorizes the State Treasurer to establish a program to monitor the collateral maintained by depositories (insured bank, savings and loan association, or credit union in this state). The measure sets forth the standards that the program must require of each depository. The State Treasurer may levy a pro rata assessment against each depository and the depository must pay the assessment within 45 days. The bill also gives the State Treasurer authority to adopt regulations necessary to carry out these provisions.

**Amendments:** Although no amendments were proposed at the hearing, the sponsor has agreed to accept amendments proposed by the City of Mesquite relating to redevelopment revenues. A mock-up of the amendment to Chapter 279 is attached.

**Opposition:** None

**Fiscal Impact:** Local Government: No  
State Government: Yes (attached)

**Special Note:** Concurrently referred to the Assembly Committee on Ways and Means. The bill requires a 2/3 majority vote because it includes fees.



**PROPOSED AMENDMENT TO SENATE BILL 447  
BY CITY OF MESQUITE**

May 14, 2003

**NRS 279.676 Allocation, division and disposition of money from taxes; limitation on revenue; repayment of bond or other indebtedness.**

1. Any redevelopment plan may contain a provision that taxes, if any, levied upon taxable property in the redevelopment area each year by or for the benefit of the state, any city, county, district or other public corporation, after the effective date of the ordinance approving the redevelopment plan, must be divided as follows:

(a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the redevelopment area as shown upon the assessment roll used in connection with the taxation of the property by the taxing agency, last equalized before the effective date of the ordinance, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for such taxing agencies on all other property are paid. To allocate taxes levied by or for any taxing agency or agencies which did not include the territory in a redevelopment area on the effective date of the ordinance but to which the territory has been annexed or otherwise included after the effective date, the assessment roll of the county last equalized on the effective date of the ordinance must be used in determining the assessed valuation of the taxable property in the redevelopment area on the effective date. If property which was shown on the assessment roll used to determine the amount of taxes allocated to the taxing agencies is transferred to the state and becomes exempt from taxation, the assessed valuation of the exempt property as shown on that assessment roll must be subtracted from the assessed valuation used to determine the amount of revenue allocated to the taxing agencies.

(b) Except as otherwise provided in paragraphs (c) and (d) and NRS 540A.265, that portion of the levied taxes each year in excess of the amount set forth in paragraph (a) must be allocated to and when collected must be paid into a special fund of the redevelopment agency to pay the costs of redevelopment and to pay the principal of and interest on loans, money advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by the redevelopment agency to finance or refinance, in whole or in part, redevelopment. Unless the total assessed valuation of the taxable property in a redevelopment area exceeds the total assessed value of the taxable property in the redevelopment area as shown by the last equalized assessment roll referred to in paragraph (a), all of the taxes levied and collected upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies. When the redevelopment plan is terminated pursuant to the provisions of NRS 279.438 and 279.439 and all loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

(c) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a tax rate levied by a taxing agency to produce revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the debt service fund of that taxing agency.

(d) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the appropriate fund of the taxing agency.

2. Except as otherwise provided in subsection 3, in any fiscal year, the total revenue paid to a redevelopment agency must not exceed:

(a) In a municipality whose population is 100,000 or more, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 10 percent of the total assessed valuation of the municipality.

(b) In a municipality whose population is 35,000 or more but less than 100,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 15 percent of the total assessed valuation of the municipality.

(c) In a municipality whose population is less than 35,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 20 percent of the total assessed valuation of the municipality.

If the revenue paid to a redevelopment agency must be limited pursuant to paragraph (a) or (b) and the redevelopment agency has more than one redevelopment area, the redevelopment agency shall determine the allocation to each area. Any revenue which would be allocated to a redevelopment agency but for the provisions of this section must be paid into the funds of the respective taxing agencies.

3. The taxing agencies shall continue to pay to a redevelopment agency any amount which was being paid before July 1, 1987, and in anticipation of which the agency became obligated before July 1, 1987, to repay any bond, loan, money advanced or any other indebtedness, whether funded, refunded, assumed or otherwise incurred.

4. For the purposes of this section, the assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan is the assessment roll in existence on March 15 immediately preceding the effective date of the ordinance.

**EXECUTIVE AGENCY**  
**FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: April 01, 2003

Agency Submitting: Office of the State Treasurer

Items of Revenue or Expense, or Both	Fiscal Year 2002-03	Fiscal Year 2003-04	Fiscal Year 2004-05	Effect on Future Biennia
Bank Assessment (Revenue)		\$63,024	\$60,382	\$62,971
Personnel (Expense)		\$54,901	\$57,366	\$59,955
In-state Travel (Expense)		\$1,608	\$1,608	\$1,608
Operating (Expense)		\$1,927	\$1,408	\$1,408
Furniture (Expense)		\$2,688		
Information Services (Expense)		\$1,900		
Total				\$0

Explanation (Use Additional Sheets of Attachments, if required)

This bill would require the addition of one full time employee (FTE) to implement, monitor and manage the requirements set forth in the bill. While the costs of the additional FTE would have an organizational impact on the Treasurer's Office, it would not have an impact on the State as all expenses incurred by the Treasurer's Office would be offset by an assessment to all banks holding collateral.

Name Mark Winebarger  
Title Deputy Treasurer, Cash Mngt.

DEPARTMENT OF ADMINISTRATION'S COMMENT

Treasurer's Office estimate appears reasonable.

Date April 03, 2003

Name John P. Comeaux  
Title Director