

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-ninth Session
May 3, 2017**

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 01:12 p.m. on Wednesday, May 3, 2017, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator David R. Parks, Chair
Senator Mark A. Manendo, Vice Chair
Senator Julia Ratti
Senator Joseph P. Hardy
Senator Pete Goicoechea

GUEST LEGISLATORS PRESENT:

Assemblywoman Sandra Jauregui, Assembly District No. 41
Assemblywoman Amber Joiner, Assembly District No. 24
Assemblywoman Heidi Swank, Assembly District No. 16

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Policy Analyst
Heidi Chlarson, Counsel
Debi Szaro, Committee Secretary

OTHERS PRESENT:

Brian McAnallen, City of Las Vegas
Javier Trujillo, City of Henderson
Craig Stevens, Clark County School District
Steven Augspurgen, Clark County Association of School Administrators and
Professional Technical Employees
Ed Gonzalez, Clark County Education Association
Peter Guzman, Latin Chamber of Commerce Nevada

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Ricky Gourrier, Communities in Schools of Nevada
Kelly Crompton, City of Las Vegas
Brian O'Callaghan, Las Vegas Metropolitan Police Department
John Fudenberg, Clark County
David Cherry, City of Henderson
Jamie Rodriguez, Washoe County
Kimberly Mull, Nevada Coalition to End Domestic and Sexual Violence
Nick Vander Poel, Reno-Sparks Convention and Visitors Authority
Paul Young, Expedia
Lorne Malkiewich, American Resort Development Association
Alicia Reban, Executive Director, Nevada Land Trust
Mark Kimbrough
Nathan Daniel, Executive Director, Truckee Meadows Parks Foundation
Steve Walker, Truckee Meadows Water Authority
Scott Gilles, City of Reno
Roger Moellendorf
Tina Nappe, Toiyabe Chapter, Sierra Club
Kathy Lewis, Association of County Treasurers of Nevada
Dagny Stapleton, Nevada Association of Counties

CHAIR PARKS:

Today we have four bills to be heard. I will open the hearing on Assembly Bill (A.B.) 70.

ASSEMBLY BILL 70 (1st Reprint): Revises provisions concerning the use of certain revenues in a redevelopment area. (BDR 22-413)

BRIAN MCANALLEN (City of Las Vegas):

We have redevelopment agencies within a number of our cities, particularly the City of Las Vegas. *Nevada Revised Statutes* (NRS) 279 requires creation of what we call a set-aside with some of the revenue that would come in from the redevelopment areas and designates specific areas to which the revenue would go. The City of Las Vegas has an education set-aside as well as a housing set-aside. Today, in front of the City Council, we are allocating some of those dollars to the housing set-aside for a variety of projects to address some of the homelessness issues. The education set-aside has taken us some time to accumulate enough dollars in order to put those in toward capital expenses, which is what is required of the set-asides.

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We secure roughly \$1.1 million per year in the set-aside, and it is hard to allocate those dollars toward capital ventures. We have used those dollars for early childhood education and collaboration with our community. One facility you would be familiar with is the old Nevada State Museum at Lorenzi Park that has since relocated to the Las Vegas Springs Preserve. The building in the back of Lorenzi Park has been gutted. We have left the four walls to build an early childhood education program and try to drive Pre-K services for that community within the redevelopment area (RDA), which is the one of our RDA set-aside projects. The second is another Pre-K facility across from Las Vegas Metropolitan Police Department headquarters. We have retrofitted an existing early childhood education facility on Alta Drive and Martin Luther King Boulevard.

We are limited to using the set-aside dollars on existing public education facilities. What we are looking for in A.B. 70 is flexible language to allow us to not only use these funds for capital expense and public education facilities but are asking for new language such as "increase" and "improve." We are asking for language that would allow us to use part of the services for wraparound services within our RDA to support the education facilities and programs that we run. We are not eliminating the opportunity to use these set-aside dollars for capital expenses; we are asking for additional opportunities to use them for programs. By ordinance, we will create some sort of division of how to allocate that money, such as 80 percent toward capital expenditures and 20 percent toward programs.

Some of the programs will be wraparound services but may be tutoring or assistance with learning the English language. We want flexibility that will allow the ability to put those dollars to use for programs instead of sitting in an account until they accumulate for capital expenses. The bill is written a couple different ways because it has population caps for Las Vegas, Henderson, North Las Vegas and smaller cities as well.

CHAIR PARKS:

Why would we have population caps for different cities within a county with a population over 700,000?

MR. MCANALLEN:

One of the reasons would be because we are the only City with a redevelopment area that has two different set-asides. It is exclusive to us that

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we have one for housing and one for education, which was created over a decade ago in a Legislative Session that carved us out into that special category. The other RDA jurisdictions have a stand-alone education set-aside.

CHAIR PARKS:

The planned speaker from Las Vegas is not available to testify?

Mr. MCANALLEN:

Dr. Lisa Morris Hibbler would provide testimony related to the specific programs or answer questions you may have. I do not see her at the Grant Sawyer Building.

JAVIER TRUJILLO (City of Henderson):

We support this bill. There are several sections of the bill that pertain specifically to the City of Henderson. On page 3, section 3, the language speaks to our Eastside Redevelopment Area. In 2013, we proposed legislation that would allow us to reset the base year for that specific redevelopment area. The Great Recession caused the assessed valuation to drop more than 10 percent below the base there, which was essentially rendering that RDA area useless.

On page 8 of A.B. No. 445 of the 78th Session, section 5 refers to NRS 279.6855, speaks to the other redevelopment areas within the County. Both of these sections did not include an 18 percent set-aside. We offered that 18 percent set-aside as part of the process of requesting this legislation. The only city subject to that 18 percent set-aside was the City of Las Vegas that, as mentioned by Mr. McAnallen, is split 50 percent each between housing and education.

We actually provide the entire 18 percent set-aside to education and are collecting close to \$1 million that we are remitting to the school district based on the NRS requirements. We are supportive of the flexibility of the bill. The City of Henderson desires to have influence in how the dollars are spent to ensure our students and the residents of the community benefit to the greatest extent.

CHAIR PARKS:

There have been several proposed amendments submitted and withdrawn?

MR. TRUJILLO:

That is correct. We have had conversations with the school superintendent in the last 24 hours, and have reached an agreement and thereby requested to withdraw those amendments.

CRAIG STEVENS (Clark County School District):

We are happy to support A.B. 70. We support our partnership with the City of Las Vegas and the other redevelopment areas.

STEVEN AUGSPURGER (Clark County Association of School Administrators and Professional Technical Employees):

We support this bill that provides greater flexibility with how funds are spent, moving from facility funding to programming and services for kids. In Clark County, it is more important to think of this bill in the context of what has happened with decentralization of the Clark County School District, namely through A.B. No. 394 of the 78th Session and now A.B. 469. It expands the opportunity for all constituents in Clark County to participate in the education of kids, and the cities have a vested interest in economic development and job diversification. We all know the key is to have a great educational system.

ASSEMBLY BILL 469: Provides for the reorganization of large school districts in this State. (BDR 34-986)

ED GONZALEZ (Clark County Education Association):

We support A.B. 70. I would like to highlight a school in the City of Henderson that may benefit from this legislation. In the last Session, the education reform was a human victory, but some of those schools have been left out. One school is in Senator Joyce Woodhouse's district, Robert L. Taylor Elementary School. It is a three-star school that offers 82 percent free and reduced lunch. There is low-income housing in the area that can benefit from funding.

Robert Taylor Elementary School is a three-star status, which does not receive any of that funding. The hopeful passage of A.B. 70 will allow us to address additional funding better than we have in previous Sessions. This one school in particular can benefit from these programs, but there are many in the Cities of Henderson and Las Vegas.

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PETER GUZMAN (Latin Chamber of Commerce Nevada):

I am in full support and commend the cities for working together in a collaborated effort in regard to education. The Latin Chamber and the City of Henderson have a good relationship.

RICKY GOURRIER (Communities in Schools of Nevada):

We fully support A.B. 70. We are the Nation's leading dropout prevention organization. We have had success with the City of Las Vegas and its ReInvent Schools initiative and the work on the Pre-K through 20 pipeline.

I have provided written testimony in support ([Exhibit C](#)).

KELLY CROMPTON (City of Las Vegas):

We look forward to working with the school district to continue providing educational services within the City of Las Vegas.

CHAIR PARKS:

I will close the hearing on Assembly Bill 70. The next bill is Assembly Bill 297.

ASSEMBLY BILL 297 (2nd Reprint): Requires certain local governments to designate sites for persons to meet in order to complete the sale of personal property that was initiated on the Internet. (BDR 20-765)

ASSEMBLYWOMAN SANDRA JAUREGUI (Assembly District No. 41):

I will discuss Assembly Bill 297 that covers crimes resulting from an e-commerce transaction. I will give testimony followed by a presentation ([Exhibit D](#)).

In 2013, I met a man at an Albertson's parking lot to buy tickets to a New Year's Eve concert. I paid \$400 for two tickets that I later learned were fraudulent, and I had to repurchase the actual tickets for \$300. I never reported the \$400 loss to the police. In February, in this building, I heard the testimony of a Nevada family whose son was killed during a craigslist exchange over an iPhone.

The intent of my bill is to promote public safety and protect Nevadans by deterring future crime. What my bill attempts to accomplish is have each county, city and township designate one police station as an e-commerce exchange zone where Nevadans can go to exchange products purchased online. If someone attempts to commit a crime during a transaction, the person is less

likely to do so in a police station parking lot. Police stations across the Country are creating trade stations or exchange zones to protect citizens during online transactions. These stations or zones will allow people to conduct swaps of merchandise and money safely.

In 2015, according to the FBI's Internet Crime Report on crimes relating to online sales, there were over 1,615 such victims in Nevada with a total loss of \$3.2 million. The FBI also states that only about 15 percent of the crimes are reported.

I created a presentation of crimes that have resulted in the creation of exchange zones and reports of crimes resulting from e-commerce sales and examples of what the zones look like at existing stations ([Exhibit D](#)). If we could prevent one robbery, one assault and one death in Nevada, that is a win for our State.

I have found in 42 states that there are areas and counties that have established stations with safe trade zones. Some safe trade zones are a designated parking spot; some designated safe trade zones are areas in front of the police stations, on sidewalks or grassy areas. Some states designate the spot based on whether there is 24-hour surveillance monitoring. I did not make that a requirement in the bill because I wanted to leave it to the discretion of the stations as to what their capabilities were. If the stations have the capability of providing the area with 24-hour surveillance, that will be great. If they do not and just want to designate a parking spot or a sidewalk, it is at their discretion.

It is our duty to be proactive and deter future crime from affecting our constituency. I am just asking for a sign designating an area or a parking space as an exchange zone in one police station in each city, township or county.

SENATOR GOICOECHEA:

There is no requirement that the zone have a police officer in attendance?

ASSEMBLYWOMAN JAUREGUI:

I worked with the concerns that municipalities had, and they wanted to leave it to their discretion. If the station is open from 5 a.m. to 7 p.m., it can have a sign that states the e-commerce exchange zone is open from 5 a.m. to 7 p.m., no personnel present. There is no requirement, just a designated area that someone can go to make an e-commerce exchange so Nevada can be proactive instead of reactive with crime.

SENATOR GOICOCHEA:

For rural stations such as those in Austin and Eureka, even though the police station may be open, the patrol officer may not be in the facility. I do not know how you would post that or if you would want to. The only other requirement is that it be posted on the sign stating it is an exchange zone, and you would have to put on the bottom of the sign to use at your own risk or something like that.

I know you are saying there is no exposure to the sheriff or sheriffs' office. If people thought someone was in the office, given a safe exchange zone sign and no personnel available—I am nervous about the exposure.

ASSEMBLYWOMAN JAUREGUI:

I did work with our rural county sheriffs' officials, and we left it up to their discretion. We did not specify in the bill what it had to say. They could post a sign that says, e-commerce exchange zone, no personnel present, if that is what they choose. I did hear their concerns, and they were happy and in support for the bill after the amendments. They did make me aware that there are not always personnel in the office.

SENATOR MANENDO:

The sheer presence of performing a transaction at a substation or sheriffs' office, hopefully, will deter someone from doing harm to another or getting swindled out of your own money. We have been asking craigslist to not sell or have a spot on the Website for puppies or any animals. Sadly, there are many people who purchase animals, and a cat or dog is sick. Maybe that will prevent people who sell sick pets. Hopefully, there is more than one location, especially in Clark County. Who will pay for the signs?

ASSEMBLYWOMAN JAUREGUI:

Great question. There is not a fiscal note. I did have an amendment on the bill. The counties did request the language because it will be at their expense to have a sign made, and we pushed the effective date to October 1 to allow them to get ready.

SENATOR MANENDO:

It is a minuscule fee for a sign, maybe \$30 or \$40. I was curious if people can donate or if the county or municipalities would cover it. I was just curious.

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HEIDI CHLARSON (Counsel):

I want to point out to the Committee that there is not a requirement in the bill that a sign be posted; the requirement is that a location be designated. Certainly the counties or cities can post signs, but it is not a requirement under this bill.

CHAIR PARKS:

In the signs displayed in the presentation, I did not see a sign where it stated that the location has camera surveillance. Did you encounter any signs with camera surveillance?

ASSEMBLYWOMAN JAUREGUI:

The presentation did have many signs that stated there was 24-hour surveillance, but I want to leave it to the discretion of the station. There was a sign in the presentation that had the disclaimer that the police station would not be liable for anything that may occur. I gave an example of various signs that different municipalities have used.

BRIAN O'CALLAGHAN (Las Vegas Metropolitan Police Department):

We worked the liability and camera issues out with the sponsor of the bill and are in full support of this legislation.

CHAIR PARKS:

You are satisfied with the bill in the revision in the second reprint.

MR. O'CALLAGHAN:

Yes.

JOHN FUDENBERG (Clark County):

I echo the prior testimony. We support the bill and support the language.

DAVID CHERRY (City of Henderson):

We appreciate the discretion given to the municipalities in determining where and how this legislation will be enacted and see the benefit to community safety.

JAMIE RODRIGUEZ (Washoe County):

We are in full support. We did create a minimal fiscal note for the sign, but it is something that we as a county are completely comfortable with.

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KIMBERLY MULL (Nevada Coalition to End Domestic and Sexual Violence):
We fully support this bill. We see this as a victim-focused bill. Unfortunately, across the county and on a national level, the sexual violence organizations are sponsoring similar bills because of sales transactions over the Internet that are used to lure women or to get to their homes in order to sexually assault or do other things to these people.

This is a way to help prevent victims and offer safety. We would love to see this move across the State. It is a great idea and a great program. As a cohesive unit, we would love to be a leader in the Country to say this is something we did across Nevada and inspire other states to do the same.

CHAIR PARKS:
I will entertain a motion.

SENATOR MANENDO MOVED TO DO PASS A.B. 297.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

The next bill to be heard is Assembly Bill 321.

ASSEMBLY BILL 321 (1st Reprint): Authorizes a county or city to require a hosting platform to provide certain reports and information to a county or city. (BDR 20-1138)

ASSEMBLYWOMAN HEIDI SWANK (Assembly District No. 16):
There are friendly amendments; one is from the American Resort Development Association ([Exhibit E](#)). I also will be reviewing my Proposed Amendment 4344 ([Exhibit F](#)). This is part of a larger effort to help local jurisdictions become better informed on the growing sharing economy under their jurisdiction.

Assembly Bill 321 allows local jurisdictions to adopt an ordinance that would require a hosting platform such as Airbnb to gather anonymized data on such businesses. This data sharing comes out of the Airbnb Policy Tool Chest and has been adopted in part or in whole by various jurisdictions including

New Orleans, which has a similar tourist economy to Las Vegas, Amsterdam, the Country of Portugal as well as Arizona.

This bill is needed because there has been significant growth in the number of short-term rentals. Most of the folks are good actors and work hard to be good neighbors within the areas they are located. However, there have also been several problems. In my Las Vegas neighborhood of Beverly Green, off the north end of The Strip, we can often hear the rides at the top of the Stratosphere. We have had three local issues with Airbnbs in my neighborhood. There have been thefts.

In one case, an unregistered Airbnb that had a residence behind a neighbor, guests at the Airbnb crawled over the neighbor's wall and stole and damaged all her pool floating devices. From the same unregistered Airbnb, drones flew over in that same neighbor's backyard and would peer into her glass doors and rear windows. Another case involved a child protection issue. A neighbor found her two children under 8 years of age peering over another neighbor's backyard wall into the yard of a short-term rental where a music video was being filmed with scantily clad folks.

Regardless of the distance from The Strip, our development is considered a family-friendly neighborhood, and we want it to stay that way. This bill is not intended to remove all short-term rentals from Nevada. The intent is to help create a good relationship between local jurisdictions, short-term rental platforms, short-term renters and neighborhoods. We all love a good Airbnb.

Section 1 of the bill applies to counties. Section 2 applies to cities; otherwise, the language of both sections is identical. I will review the first section of Assembly Bill 321. Subsection 1 of section 1 is a new section to NRS 244. This section allows a local jurisdiction to adopt an ordinance for data collection of a hosting platform that facilitates the rental of a residential unit in the county or a room or space within such a residential unit for the purposes of transient lodging to submit a quarterly report to an agency of the county. This is permissive. I would say if local jurisdictions think they do not have any Airbnbs, they may be surprised and they may want to do it.

Section 1, subsection 2, subparagraphs (a) through (d) require the report to state: the number of bookings, listings, owners and lessees in the jurisdiction; the average number of bookings per listing for the county; the annual revenue

collected per owner or lessee for the county; and the average length of a rental in the county. Subsection 3 allows the ordinance to state that the local jurisdiction can issue a subpoena to the hosting platform for information if it is suspected that a short-term rental is operating contrary to State law. It also has requirements for issuing a subpoena for sufficient evidence and the violations identified on the subpoena.

Subsection 4 states the hosting platform must give notice of the subpoena to the entity listed on the rental on the hosting platform. The hosting platform must produce any required documents within 21 days. Subsection 5 allows for the local jurisdiction's recourse to the district court if the documentation is not provided. Subsection 6 is definitions. All of this is repeated in section 2 but at the city council level.

SENATOR GOICOECHEA:

Typically, for a rental under 30 days, a paying guest is considered transient and subject to the room tax?

MR. MCANALLEN:

The days are what triggers the transient definition. I know there are other bills throughout this Session that are trying to establish the equalization for collecting that room tax from short-term rentals similar to what we are describing. There are bills working their way through the Chambers that address some of those issues because there are jurisdictions, and not just the City of Las Vegas, not collecting the room tax revenue from those entities. That is not what this bill seeks to address.

SENATOR GOICOECHEA:

It is not to have a record and capture some of that room tax.

MR. MCANALLEN:

Getting the data would move us closer to that kind of thing.

CHAIR PARKS:

Does Proposed Amendment 4344, [Exhibit F](#), have a major change from the first reprint? Would you distinguish between the two amendments?

ASSEMBLYWOMAN SWANK:

Proposed Amendment 4344 is what the first draft should have been.

CHAIR PARKS:

Will other city or other county ordinances dealing with short-term rentals be pretty well addressed by virtue of city or county code?

MR. MCANALLEN:

On the Las Vegas City Council agenda, we are introducing a bill that would further define an ordinance for some of the short-term rentals in those categories and qualifications, so there are parts of municipal code, and I assume county code as well, that deal with those issues. The industry has evolved, and we are dealing with things like Airbnb instead of the traditional bed-and-breakfast types. New entities will arise as that industry further evolves.

We have pushed this ordinance on the Council agenda today. The Assemblywoman spoke about some of the experiences in her neighborhood. We have had significant reports throughout the City with party houses that may be on a platform like this. It may be someone who owns a house and advertises it somewhere, but we are not collecting information about that. That person may not have a business license, and it becomes a code enforcement issue.

As Senator Goicoechea was alluding to regarding this data collect, this moves us forward in the ability to manage what is in our city and deal with noise disturbances, the code enforcement challenges, the neighborhood feeling unprotected and the increase in law enforcement issues. It addresses these things as well as having or not having a business license for people operating a real business out of their house. We should have a sense of what is going on so we have proper regulation. A lot of this comes out of referenced ideas or referenced elements within the Airbnb Tool Kit, which is an inch-and-a-half thick, based on what has happened in other communities. Yes, we do have existing ordinances to regulate similarly licensed entities. We look forward to this bill to further refine that and ensure that our community is protected.

SENATOR HARDY:

Proposed Amendment 4344 does not include Lorne Malkiewich's proposed amendment, [Exhibit E](#), but it is a friendly amendment?

ASSEMBLYWOMAN SWANK:

It is a friendly amendment.

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CHAIR PARKS:

Is the friendly amendment Proposed Amendment 4344?

ASSEMBLYWOMAN SWANK:

It is not, it is not.

CHAIR PARKS:

We are talking about a hosting platform that facilitates housing rentals. Airbnb comes to mind as being the preeminent platform for housing. Are there others, and do you foresee a problem with having Airbnb comply with what is in your bill?

ASSEMBLYWOMAN SWANK:

There are many others. The provision in section 1, subsection 3 does allow the local jurisdiction to issue a subpoena if there is not compliance. We know folks like Airbnb are good actors. I am sure there are some hosting platforms that are not such good actors, but there is a way for the local jurisdictions to get access to this reporting should these less-than-helpful folks not get back to the jurisdictions with their required reporting.

SENATOR PARKS:

My major concern is we know Airbnb is out of San Francisco. They can be headquartered almost anywhere in the world. I am just concerned the entities may be hard to reach to get them to comply with what you put in your bill.

MR. CHERRY:

The bill sponsor allowed this bill to be permissive to allow it be the decision of the City of Henderson or any municipality as to whether to enact this ordinance. We see a benefit in this bill even if we do not permit this use. The bill will be helpful as a tool if we were to pass an ordinance requiring this information to be submitted. We could see how many rentals were in fact taking place in our community. If they were not permitted, then we could use it as an enforcement tool. A permissive piece of legislation would be helpful to cities who adopt the ordinance, and we are in support.

MR. FUDENBERG:

We support Assembly Bill 321.

NICK VANDER POEL (Reno-Sparks Convention and Visitors Authority):

We support this measure. The Reno-Sparks Convention and Visitor's Authority (RSCVA) took a proactive approach and worked with Airbnb and negotiated terms as it relates to the market in northern Nevada. We believe with the membership on the RSCVA with the City of Sparks, Washoe County and the City of Reno represented, this will give the tool a little teeth and allow us to go after some of the bad actors.

PAUL YOUNG (Expedia):

We oppose Assembly Bill 321. The main concern Expedia has is it is an umbrella company with subsidiaries that offer short-term rentals. Expedia has a few different business models. One is a subscription model which allows people to list their homes on the site, but the booking takes place offline between the traveler and homeowner so Expedia is not privy to the booking data. This bill would mandate Expedia to collect the data even though we are not collecting the data. Some of our specific models collect data and some do not collect; therefore, this mandate will create an issue with our current business model because we are not getting all the data to create the reporting required pursuant to Assembly Bill 321.

SENATOR GOICOCHEA:

I need clarification. You say the transaction does not occur between Expedia and the buyer but rather the renter and the other person. I would think it would be incumbent on the renter, the person providing the unit—it would be up to that person to provide the data, not Expedia.

MR. YOUNG:

That would not be the issue for Expedia. If the renter who owns the home wants to go forward with the reporting, it is the potential mandate to Expedia that rents X home in Henderson. It creates an issue for Expedia because Expedia, for this transaction, was to only advertise the home online. If the homeowner goes forward and does the reporting, then that could take place.

SENATOR GOICOCHEA:

As I read the bill, I think it would be up to the homeowner, and also to follow up, who would have to have a business license regardless of where he or she is advertising.

SENATOR HARDY:

Is Expedia working only with people who have a business license, or is there any requirement at all for Expedia on the people that it advertises the home for?

MR. YOUNG:

I do not have an answer as to whether everyone Expedia works with has a business license. The company recommends clients obtain business licenses. That is an issue with speaking to people, but I do not know at this time that everyone Expedia works with has done so. Expedia is going through a case-to-case basis with the whole transaction or just the advertised transaction.

SENATOR HARDY:

Is anyone able to report the data that is being proposed if Expedia is not the one that tracks this activity or does the accounting of such activity?

MR. YOUNG:

Your question is, are the homeowners reporting it?

SENATOR HARDY:

Yes.

MR. YOUNG:

Not to my knowledge. I understand that is the issue; the homeowners, especially the bad actors, are probably not reporting it and not getting business licenses, therefore creating the issue.

SENATOR HARDY:

It is not being reported somewhere else, so there are bad actors everywhere. We do not have any states that have figured out how to capture them?

MR. YOUNG:

My understanding is that is part of the issue.

SENATOR MANENDO:

Are you with HomeAway or with Expedia?

MR. YOUNG:

I am with Expedia; however, HomeAway is a subsidiary of Expedia. I am testifying on behalf of Expedia, my client, not HomeAway.

LORNE MALKIEWICH (American Resort Development Association):

I have submitted the proposed amendment to Assembly Bill 321, [Exhibit E](#), on behalf of the American Resort Development Association. The provisions of the bill are not intended to cover the sale of timeshares. The amendment language says "without limitation, an apartment, condominium, townhouse or duplex," is the definition of residential unit, and a hosting platform is someone who advertises a residential unit. This clarifies that timeshares, which are governed by NRS 119, are not covered by the bill. We are neutral on the bill.

ASSEMBLYWOMAN HEIDI SWANK:

We are happy to work with Mr. Young, whom we met with yesterday. He did not bring up any of the concerns that were brought up today. We are happy to work with him to find a resolution. Senator Goicoechea has provided us with a good solution, so we will definitely meet with him and make sure it works out in the end. This bill provides for good quarterly reporting to make sure we know where these entities are and is straightforward enabling legislation for local jurisdictions should they need this reporting.

CHAIR PARKS:

I was not aware until now that my temporary residence in Carson City is listed on Airbnb. I think they got a good deal for five months. I was surprised to find out how many Airbnb listings there are here in the Carson City area.

I have one document in opposition to Assembly Bill 321 ([Exhibit G](#)) from NetChoice. I will close the hearing on Assembly Bill 321. I will open the hearing on Assembly Bill 379.

ASSEMBLY BILL 379 (1st Reprint): Authorizes certain local governments to create a parks, trails and open space district. (BDR 25-211)

ASSEMBLYWOMAN AMBER JOINER (Assembly District No. 24):

I believe in outdoor spaces for public health for our children but also for people of all ages. I was looking for an outdoor activity for the Girl Scout Troop that I lead. I approached the staff of one of our local parks in Washoe County and was informed their staff and services had been cut so they could not provide a tour for the Troop. It was nothing like the tour I had received, and I felt it was a disservice to what that park is and wish we had more resources so the Troop would have had a better experience. They handed me the brochures and suggested I give the Troop a tour. During the Great Recession, there was a

40 percent cut to the parks budget. I am attempting to find ways to improve funding for our parks in Nevada.

Parks compete with other resources, such as senior services and other essential services. A group of persons I met introduced me to the concept of park districts. Park districts are found in many states. They are special districts. This bill authorizes creation of such districts and is another tool in the toolbox to help our cities and counties fund parks and outdoor spaces.

In Nevada, there are special types of districts already, but none of them provide all the mechanisms to run a park or recreation area. A park district would need to authorize the expenditure of funds for needs such as the acquisition or creation of facilities; the operation, management and maintenance of the facility; conservation and reservation of natural vegetation; and personnel for educational activities. The University of Nevada, Reno, performed a survey of the Truckee River Project and examined all the types of districts in Nevada. The survey determined we do not have one district for our parks and outdoor spaces.

Parks, trails, and open space districts should not be exempt from the requirements of the Special District Control Law in NRS 308.020 and detailed in section 54 of the bill. These districts should be required to form a service plan and notice the public as provided in NRS 308 and noted in my document ([Exhibit H](#)).

SENATOR HARDY:

Is your vision to have a cross-jurisdictional park district that goes from one end of Reno to Sparks with an elective body that has the funding ability and the taxing ability in order to fund the park district that is contiguous with Truckee River or different parks? Is that kind of the vision?

ASSEMBLYWOMAN JOINER:

The vision is to have an overlay of a special district of some type for a variety of parks needs. Before I found a group of people working on the One Truckee River, I wanted there to be an ability for various uses. I do not have a particular vision in mind, but I believe this bill will authorize something like the One Truckee River group which is cross-jurisdictional for a certain area. An example might be a regional park in the north where all the residents might choose to create a district to preserve the park—to ensure it stays open and is free from a

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fee. You can have one local governmental entity or multiples. I hoped it would be a diverse tool to be used under multiple circumstances and statewide.

SENATOR HARDY:

And the district will have funding ability to tax like a redevelopment area where you take a property tax, or how would it work?

ASSEMBLYWOMAN JOINER:

Like a general improvement district. It would have either taxing or fee authority for the area.

SENATOR HARDY:

It will be independent from any of the jurisdictions, and would that bump up against your \$3.64 per \$100 assessed value property tax limit?

ASSEMBLYWOMAN JOINER:

That is one of the conversations for the cap to be in place. It would not be outside the cap. Legal will have a better ability to answer that, although it was discussed that the cap would be in place and the language is clear. It may be a fee assessment rather than a tax.

SENATOR HARDY:

On the people who use it?

ASSEMBLYWOMAN JOINER:

On the people in the area.

SENATOR GOICOECHEA:

You talk about vacant public lands and public lands in section 29 of A.B. 379. What is the meaning of those? I think there is a lot of concern. Maybe this district or whatever may have the ability to encroach on private lands that are vacant. Section 29 states a board may construct and maintain works upon or over vacant public lands which are, or may become, property of the State. That is pretty far-reaching if you are going to have a district that can go out and reach State lands. I just want your intentions.

ASSEMBLYWOMAN JOINER:

That may be directly from the general improvement district chapters. We were not trying to create any new power in that way.

Ms. CHLARSON:

Assemblywoman Joiner is correct. This section is also in NRS 318 relating to the general improvement districts (GID). Most of the bill is based on the provisions of the GID statutes; however, these districts are slightly different in how they are formed. That is why these proposed special districts did not go into the GID chapter, but a lot of the sections are mirrored off the GID chapters. This is not a new concept, and provisions are specific to park districts. This is something that the GIDs already do or can do.

SENATOR GOICOECHEA:

Under a 318 district you have to have 51 percent of the property owners in that GID or that district for a petition to become part of a district. I do not see that in this bill. It just says a petition. I assume that could be a petition in which one person requests that the district be created by ordinance. It flies in the face of a 318 district which requires 51 percent of the property owners in the district to sign on.

ASSEMBLYWOMAN JOINER:

I do not want to create a new standard, so we will definitely look at that for any amendments. My intent was never to create new criteria. I will look at the GID chapter again.

ALICIA REBAN (Executive Director, Nevada Land Trust):

Nevada Land Trust is our State's first independent, nationally accredited conservation land trust working across Nevada to develop conservation solutions with ranching families, hunters, mountain bikers, birders and numerous others that meet the needs of individual communities. I have provided written testimony in support of A.B. 379 ([Exhibit I](#)).

SENATOR GOICOECHEA:

I do not see the flexibility that allows each jurisdiction to be part of a district. What I see is an overlapping district and do not see the opt-out provisions in the bill for each jurisdiction. I may not have read the bill close enough.

Ms. CHARLSON:

On page 5, section 11 of the bill provides that a governing body of counties, cities or towns cannot create a parks, trails and open space district if, in subsection 2, line 27, the proposed boundaries of a district include areas within more than one counties, city or town and the governing bodies of all such

counties, cities or towns have not entered into an interlocal agreement. Therefore, there is flexibility for a district to be proposed to include more than one jurisdiction; however, it cannot be formed if there is not an interlocal agreement with each one of the local governments.

SENATOR GOICOECHEA:

What concerns me in section 3 of the bill is language, "it is hereby declared as a matter of legislative determination." It is kind of a direction for local jurisdictions. That is what concerns me.

Ms. CHLARSON:

Section 3 of the bill is based in part on declarations of legislative intent that are in NRS 318 relating to general improvement districts. There is not a requirement that any jurisdiction form a parks district, and there is a process set forth for how the initiation of a district can be done. The process for how the local government would go about forming the district is not a requirement, and the provisions of section 3 are not intended to be interpreted that it is creating a requirement.

SENATOR GOICOECHEA:

It is Legal Counsel's interpretation that if this bill passes, any jurisdiction can say no, we are not going to pass the ordinance.

Ms. CHLARSON:

Yes. In a city, county or town, there is a provision where if the proposed district overlaps with a general improvement district, the GID has to agree to the formation. There are provisions that would prevent the inclusion of certain territory if the governing body of that district or local government did not agree.

SENATOR GOICOECHEA:

This is done by ordinance. I assume that the governing body can put its own triggers in the ordinance as well, similar to a GID where we are disagreeing on whether you need 51 percent indicating support. They can say we want at least 60 percent of the taxpayers in that region to sign on a petition? Can they do that to require the formation of the district?

Ms. CHLARSON:

I do not think there will be a problem with each individual local government involved setting its own parameters. The requirement is that unless all

interested local governments enter into a interlocal agreement, and certainly there can be provisions put into that interlocal agreement that are specific to those type of issues.

SENATOR RATTI:

You have heard the sponsor's vision. Is there a limitation within NRS 318 that does not allow us to accomplish that vision? If so, what is the limitation?

MS. CHLARSON:

I think one of the main limitations in NRS 318 is that a general improvement district is formed by a county. The board of county commissioners of the county has to form it. There is no authority for the city council or a town board to form a general improvement district.

SENATOR RATTI:

A city or a town resides within a county. As an example, I will refer to the One River Truckee Project. The Cities of Reno and Sparks are located within the same County and decide to create a parks district for that river, but it did not go into unincorporated Washoe County. Would the County be able to opt out?

MS. CHLARSON:

I think the County can opt out in regard to the unincorporated parts of the County that it controls. I do not think that this bill does or that there was intent to allow a county to tell a city that the city cannot form a park district within the boundaries of the city.

MARK KIMBROUGH:

I am here in support of A.B. 379. I have provided written testimony for your consideration ([Exhibit J](#)).

NATHAN DANIEL (Executive Director, Truckee Meadows Parks Foundation):

Since the Great Recession, the parks department for Washoe County has seen over a 60 percent reduction in funding. Nine years after the Great Recession, the parks department is operating on 60 percent of what it used to have, putting the parks in a grave situation. The park managers do not have the staff or resources to maintain the parks. If you look at the parks, they do not support our quality of life for our region.

The immediate problem is the budget remains flat for the forecast for

short- and mid-term budgets for the parks. The City of Reno had a budget of \$21 million, and it is now \$10 million. We need other options, which is what this bill does. It will provide the opportunity for people in local government and citizens to make their own decisions. If the people in any given community decide they do not want to create a parks district after thoughtful consideration, then they will not vote on it.

This bill will allow us to move ahead with creating such a district. This bill does not have an effect on general improvement districts such as the Sun Valley or Incline Village districts that are doing well and do not need to be included in future districts if they manage as well as they are. It will be new areas. This bill also has no effect on homeowners at this point. It just allows local government and community members to make their own decisions without immediate impact.

SENATOR GOICOECHEA:

My concern is section 31, which references a fee or special assessment, which I assume falls under the \$3.64 tax cap. Will it diminish revenue in some areas if in fact there was?

MS. CHLARSON:

There is authority in this bill for the district to be funded through fees, special assessments or property taxes. The property taxes authorized would be subject to the \$3.64 property tax cap; however, fees and special assessments are not subject to the \$3.64 provision.

SENATOR GOICOECHEA:

Depending on how they are created, it might cut into what is available for general improvement districts or other programs. I think most of Washoe County is probably bumping the cap if not already there.

SENATOR RATTI:

Washoe County is at the cap, so there is no room under the cap. If the jurisdictions choose to divert a penny of existing property tax or something along those lines into a park district, is there anything in this bill that precludes them from removing existing funds should they choose to? That may be the more practical scenario if there was enthusiasm on all the jurisdictions' part. We went this route when we had the animal services consolidation, water authority, health district, those kinds of things.

MS. CHLARSON:

I would need to look into that issue. I do not know if this bill specifically authorizes that. All the entities need to enter into an interlocal agreement, so certainly the funding mechanism of the district could be part of that. I will look into it.

SENATOR RATTI:

I would like to make sure that if we are moving toward an amendment, it does not preclude or mandate it.

STEVE WALKER (Truckee Meadows Water Authority):

We support the intent of Assembly Bill 379. We realize there are mechanical issues, but our support of the One Truckee River project is based on that if this bill passes, our water quality improves, which is our focus. We are supportive.

SENATOR HARDY:

What have you done to the Truckee River? We use to call it the "yuckee Truckee" when we were kids.

SENATOR RATTI:

We have a conservation organization in the Keep Truckee Meadows Beautiful project which harnesses thousands of hours of volunteer time to clean the river twice a year that cost taxpayers almost nothing and does an amazing job. The collaboration between the nonprofit community and the parks in Washoe County is stellar and deserving of national awards.

SCOTT GILLES (City of Reno):

My City Council is interested in and supports A.B. 379. We see the legislation as a potential tool that can help us in cross-jurisdictional projects. Districts within our own borders may be more appropriate for an assessment or fee type of creation. Our park funds compete with everything else and oftentimes get short shrift. This bill may provide funding for our parks, so that we come up with a creative way to fund and maintain our parks in a way that we may not be able to right now.

ROGER MOELLENDORF:

I am here to speak in favor of A.B. 379. Local governments need to look at ways of being more efficient and effective in delivering services, particularly in the parks and recreation field. I have seen what districts have done in other

states and believe it would prove to be beneficial to the citizens of Nevada. I have provided written testimony in support and for your consideration ([Exhibit K](#)).

TINA NAPPE (TOIYABE CHAPTER, SIERRA CLUB):

I served four years on the Washoe County Regional Parks Open Space and Commission and currently serve on several organizations related to parks. This bill will provide the opportunity to raise money, even private money, and bring in more volunteers on a broader spectrum of parks that are part of a district. There are organizations that help, but there is no concentrated citizen effort that works on an ongoing basis to raise money. I am not referring to taxes. I am referring to donations and working with the business community ([Exhibit L](#)).

In Washoe County, when the money dropped spectacularly, it was not worthwhile to apply for a grant because there was not staff to implement the grant. As our communities grow, we want the parks and park districts to not only maintain what they have but for the parks to grow with education programs and features. This bill gives us a chance to work together on a focused area and a broader avenue. Whatever deficiencies there are in A.B. 379, you will be able to overcome them and support this bill.

KATHY LEWIS (Association of County Treasurers of Nevada):

I am speaking on behalf of the Association of County Treasurers of Nevada from the perspective of the collectors of property taxes in our counties. We are neutral on this bill and understand it is a policy decision of what is placed on a tax bill; however, it needs to be carefully considered because of the consequences.

When additional fees are added to residential tax bills, it may be the tipping point for homeowners to pay their taxes. We are required by State law to sell the property at a tax sale if people default, adding the extra fees may be that tipping point.

Ms. RODRIGUEZ:

We will continue working with the sponsor on A.B. 379. We understand there is a conceptual amendment; however, my testimony is on the language in the bill. There are concerns of being exempt from NRS 308, which requires a service plan, similar to a business plan, requiring explanation of what is planned to be implemented.

The details of what will be done, the amount of funds required and how the funds will be obtained is important for the county to consider when creating the district, but it will also need to update the residents of the district. If the bill passes, notification mailers will need to be addressed to residents for consideration because of the fiscal impact. The district will be given ad valorem taxing ability. Counties at the cap, like Washoe County, would not be able to request new taxes. The bill does not detail what will be given up, as part of the pie, for those taxes. It is a concern because it can be one district or five districts in the county which can become problematic if several districts want pieces of the property taxes.

The 51 percent protest can also be problematic if districts are larger. Current GIDs are usually 1,000 homes or less, so if it is a large area, 51 percent written protest will be impractical and difficult to obtain. The math will be different for our current GIDs with 1,000 properties. Giving the districts the ability to tax, assess and create a fee structure without any oversight of the current county or city once the park district is created is a concern.

If there are vacancies in the parks district, the district has the authority to appoint to fill the vacancy. Our belief is the county or city should have the authority to appoint the vacancy. Normally, a vacancy is appointed by an oversight board, which appoints an elected body position. Authority powers granted to these districts will be in conflict with other governmental agencies. That was one point mentioned by the sponsor.

Things like fire risk management and other conservation measures are not mentioned on how they would be addressed if there were conflicts. The bill ultimately creates a new governing board with strong authority to tax, assess and develop lands, which is the responsibility of local governments, without any oversight from those governments. Current GIDs are used to give municipality functions that are not available in those unincorporated areas that we have concerns about.

DAGNY STAPLETON (Nevada Association of Counties):

We are neutral and committed to working on the language with the sponsor. On behalf of all the counties, we echo the concerns that Ms. Rodriguez stated on behalf of Washoe County. We understand the intent of A.B. 379 and the prior cuts to parks and park services and revenue preventing services that could be restored, but the administration and details in the amendment to the bill create a

new type of local government entity that would have powerful functions.

MR. CHERRY:

Henderson's award-winning parks are the crown jewels of our community and add immensely to the quality of life that our residents enjoy. There is strong support for providing open spaces, trails and areas where families can gather to enjoy the outdoors, participate in sports and recreational activities, and draw other benefits that are provided by presence of parks in our neighborhoods.

I am neutral because this proposed legislation continues to be a work in progress, and questions regarding the final language are concerns. We hope to participate in a future working group discussion to help resolve outstanding issues discussed at the table, such as to ensure a local government cannot be forced to be part of a district without the consent of a city council or other governing body as well as issues identified in the sponsors' distributed document, [Exhibit H](#). Representation of all local government entities that are involved on the initial appointed board need to ensure there is no conflict with laws related to local governments.

MR. FUDENBERG:

We share similar concerns and hope to work with the bill sponsor to arrive at a compromise.

SENATOR RATTI:

Assemblywoman Joiner is not present for closing remarks, so I wish to thank the Nevada Land Trust and Keep Truckee Meadows Beautiful nonprofit organizations that were able to bring significant financial resources into our community to facilitate a very impressive yearlong project that focused on the Truckee River. The Truckee River, as seen today, is the culmination of that result. There are issues about how to work collaboratively along the river corridor within many jurisdictions, so their leadership and persistence on this issue is to be admired.

I want to recognize the Truckee Meadows Parks Foundation which from the grassroots started with a membership base and is doing the work and channeling the passion that people have for parks into raising dollars and donations to support our parks. You do not normally see retired public employees who are so passionate about the work over the course of decades on the park system come together for a real solution.

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CHAIR PARKS:

Thank you for the summation. We look forward to having a bill we can pass out. I have 12 documents in support of A.B. 379 ([Exhibit M](#)) and 1 document in opposition from the Nevada Farm Bureau Federation ([Exhibit N](#)).

I will now close the hearing on A.B. 379. The meeting is adjourned at 3:02 p.m.

RESPECTFULLY SUBMITTED:

Debi Szaro,
Committee Secretary

APPROVED BY:

Senator David R. Parks, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	7		Attendance Roster
A.B. 70	C	1	Ricky Gourrier / Communities in Schools of Nevada	Written Testimony
A.B. 297	D	15	Assemblywoman Sandra Jauregui	Cyber Crime Presentation
A.B. 321	E	1	Lorne Malkiewich / American Resort Development Association	Proposed Amendment
A.B. 321	F	4	Assemblywoman Heidi Swank	Proposed Amendment 4344
A.B. 321	G	2	NetChoice	Document in Opposition
A.B. 379	H	1	Assemblywoman Amber Joiner	Document
A.B. 379	I	2	Alicia Reban / Nevada Land Trust	Written Testimony in Support
A.B. 379	J	1	Mark Kimbrough	Written Testimony in Support
A.B. 379	K	1	Roger Moellendorf	Written Testimony and Support
A.B. 379	L	2	Tina Nappe / Toyibe Chapter, Sierra Club	Written Testimony and Letter of Support
A.B. 379	M	15	Senator David R. Parks	12 Documents in Support
A.B. 379	N	1	Nevada Farm Bureau Federation	Document in Opposition