

SUMMARY BULLETIN  
OF  
REPORTS OF THE LEGISLATIVE COMMISSION  
TO THE 64TH SESSION OF THE  
NEVADA LEGISLATURE



*Bulletin No. 87-34*

LEGISLATIVE COMMISSION  
OF THE  
LEGISLATIVE COUNSEL BUREAU  
STATE OF NEVADA

January 1987



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## INTRODUCTION

This bulletin summarizes 32 legislative study reports which were completed in 1986. Legislative Counsel Bureau Bulletin No. 87-21, the Nevada Legislative Manual, is a regular biennial publication of the legislature and is not summarized in this document.

The 1985 session of the Nevada legislature directed that 28 studies be undertaken by the legislative commission or committees appointed by the commission. The 1985 legislature provided for three studies by creating or continuing legislative study committees. The legislative commission authorized two additional studies.

Interim studies may be mandated by the legislature in at least three different ways: by a concurrent resolution adopted by both houses of the legislature; by a law appearing in the Nevada Revised Statutes (NRS); or by a special act of the Legislature. Of the 32 study reports summarized in this document, 24 were ordered by concurrent resolutions approved during the 1985 legislative session. The reports on the office of consumer's advocate, high-level radioactive waste in Nevada and the public lands committee were directed by laws appearing in the NRS; and the reports on funding higher education in Nevada, industrial programs for prisons, oversight of the Clark County Flood Control District and restraining costs of medical care were initiated by special acts of the 1985 legislature. The legislative commission authorized two additional studies: (1) study of the hazardous materials management committee on chemical, toxic and low-level radioactive wastes, and (2) asbestos abatement activities. The latter report was not completed when this bulletin was prepared and is not included herein.

Reports of these studies were completed and are available as numbered bulletins through the legislative counsel bureau. The purpose of this summary bulletin is twofold. The first is to provide a brief summary, in one place, of the contents of all the separate documents so that every legislator can become generally familiar with the studies and the recommendations contained in them. The second purpose is to provide a reference tool that will facilitate and encourage the use and understanding of the separate bulletins.

The resolution or statutory provision which mandated each study and the legislative personnel who worked on the study are cited for each bulletin. The personnel listing, which does not include legislative staff, is designed to assist legislators or other interested parties in communicating

with people qualified to explain reports and provide additional information. The summary bulletin also contains an abstract and a summary of recommendations for each of the separate bulletins.

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BULLETIN 87-1

STUDY OF MEANS TO ELIMINATE DUPLICATION OF GOVERNMENTAL  
SERVICES BETWEEN CLARK COUNTY AND ITS LARGEST CITY AND  
ALTERNATIVES AVAILABLE TO CITIES IN CLARK COUNTY  
TO PLAN AND PROVIDE FOR GROWTH, INCLUDING THE  
EXTENSION OF SERVICES TO DEVELOPING AREAS

A.C.R. 43 - 1985 Session

A.C.R. 57 - 1985 Session

Interim Subcommittee

Senator Nicholas J. Horn, Cochairman  
Assemblyman O. Charles Horne, Cochairman  
Senator James H. Bilbray  
Assemblyman Jerry J. Fairchild  
Assemblyman Robert E. Price  
Assemblyman Art Rader



FILE NUMBER 104

ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study means to eliminate any duplication of governmental services between Clark County and the largest city located therein.

WHEREAS, The legislature oversees local governments on matters pertaining to economy and efficiency on behalf of the taxpayers of this state; and

WHEREAS, A lack of coordination of functions and services between the governing bodies of a city and a county can result in the unnecessary expenditure of tax revenues for duplicated functions and services, including but not limited to fire protection and suppression, garbage collection and disposal, police protection, building inspection, public transportation and emergency health care; and

WHEREAS, The elimination of any duplication of functions and services between Clark County and the largest city located therein would benefit a majority of the citizens of Nevada; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to study means to eliminate any duplication in the governmental functions performed by and services provided by Clark County and the largest city located therein and determine whether such a unification would result in improved services at lower costs; and be it further

RESOLVED, That the legislative commission is directed to submit a report of its findings and any recommended legislation, including a proposal for any necessary constitutional amendments, to the 64th session of the legislature.



Assembly Concurrent Resolution No. 57— Committee on Legislative Functions

FILE NUMBER...118.

ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study planned growth of cities in Clark County.

WHEREAS, Clark County is a rapidly growing area; and

WHEREAS, Sound development of the cities in Clark County is essential to the continued economic development in that county; and

WHEREAS, The cities in Clark County need the flexibility to expand their boundaries to include developing areas in order to provide the highest quality services to their citizens; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to study alternatives available to cities in Clark County to plan and provide for growth, including the extension of services to developing areas; and be it further

RESOLVED, That the legislative commission submit its report and any recommendations to the 64th session of the legislature.



## ABSTRACT

### STUDY OF MEANS TO ELIMINATE DUPLICATION OF GOVERNMENTAL SERVICES BETWEEN CLARK COUNTY AND ITS LARGEST CITY AND ALTERNATIVES AVAILABLE TO CITIES IN CLARK COUNTY TO PLAN AND PROVIDE FOR GROWTH, INCLUDING THE EXTENSION OF SERVICES TO DEVELOPING AREAS

The 1985 legislature adopted Assembly Concurrent Resolution No. 43 (File No. 104, Statutes of Nevada, 1985) and Assembly Concurrent Resolution No. 57 (File No. 118, Statutes of Nevada, 1985). Assembly Concurrent Resolution No. 43 directed the legislative commission to study means to eliminate duplication of governmental services between Clark County, Nevada, and the largest city in Clark County (Las Vegas, Nevada). Assembly Concurrent Resolution No. 57 directs the legislative commission to study planned growth of cities in Clark County. Because the topics of the two resolutions were closely related, the legislative commission referred them both to the same subcommittee.

The subcommittee chose to act as a catalyst to stimulate negotiations among Clark County, the City of Las Vegas and the other cities in the county. Three of the subcommittee's members were appointed to meet with representatives of Clark County and the City of Las Vegas to receive regular reports on the progress of these negotiations.

As a result of the subcommittee's mediation, several agreements were concluded between Clark County and the City of Las Vegas. These agreements resolved a number of longstanding disputes regarding fire protection and rescue services, membership of local boards and commissions, sewage treatment, and the use of local jails. Clark County, the City of Las Vegas and the other cities in Clark County also agreed not to seek changes in the present law governing municipal annexation.

The subcommittee did not recommend any new legislation measures to the legislature.



SUMMARY OF AGREEMENTS BETWEEN CLARK COUNTY  
AND THE CITY OF LAS VEGAS

At the encouragement of the subcommittee, Clark County, Nevada, and the City of Las Vegas, Nevada, have reached several agreements regarding duplication of services and planned growth. These agreements are summarized in this section.

PLANNED GROWTH

1. The county and the city agree that the boundary adjustment procedures established by existing statutes are acceptable.
2. Under these existing statutes, either the county or the city may reasonably adjust their boundaries to provide for growth.
3. Neither the county nor the city will seek changes in the annexation law without the consent of the other.

BOARDS AND COMMISSIONS

4. Neither the county nor the city will, without the consent of the other, seek changes in the jurisdiction, makeup, or process of the governing boards of the following entities:
  - a. Clark County Flood Control District and General Improvement District;
  - b. Clark County Health District;
  - c. Las Vegas-Clark County Library District;
  - d. Las Vegas Convention and Visitors Authority;
  - e. Las Vegas Valley Water District;
  - f. McCarran International Airport;
  - g. Metropolitan Police Committee on Fiscal Affairs;
  - h. Regional Transportation Commission; or
  - i. Any other regional board in Clark County.

### LEGISLATIVE PROGRAM

5. Clark County and the City of Las Vegas will work together to present a unified legislative program for the 1987 session and subsequent sessions of the Nevada state legislature.

### DUPLICATION OF SERVICES

6. Clark County and the City of Las Vegas agree that the issue of duplication of services can best be resolved by interlocal agreements.

### FIRE PROTECTION AND RESCUE SERVICES

7. The Clark County Hazardous Materials Response Team will respond to appropriate emergencies in the City of Las Vegas.
8. The City of Las Vegas Bomb Squad will respond to appropriate emergencies in unincorporated Clark County.
9. Clark County will pay to the City of Las Vegas, for providing fire service to the "county islands," 125 percent of the fire service area tax collected in those areas.

### JAILS

10. The City of Las Vegas agrees to pay Clark County \$171,384 for housing city prisoners in fiscal year 1984-1985.
11. The county and the city agree on conditions for booking and holding prisoners in each of their facilities and for paying the costs of holding these prisoners.

### ODOR CONTROL

12. The county and the city have adopted a joint resolution providing that each entity will continue its odor control committee until an agreement can be reached to combine the committees or coordinate their activities.

### ADVANCED WASTEWATER TREATMENT BONDS

13. The City of Las Vegas agrees to pay to the county \$713,313 for principal and interest due before December 31, 1985, on bonds issued to construct advanced wastewater treatment facilities.
14. The city agrees that in the future it will promptly pay its share of advanced wastewater treatment bonds.
15. The county agrees to accept the city's payments as full satisfaction in all claims and to forego legal action on these claims.

### OPEN SHARED USE OF WASTEWATER TREATMENT FACILITIES

16. Clark County and the City of Las Vegas have adopted a joint resolution establishing a common position on the shared use of wastewater treatment facilities. The resolution provides that all wastewater treatment facilities owned by the county, the city, and the Clark County Sanitation District should be available for use by any of the three entities as the need arises. Charges for the use of the same facility should be the same for all entities. The county, the city, and the district should work together to develop an area wide plan for wastewater treatment.

### WASTEWATER TREATMENT LITIGATION

17. In 1978, the City of Las Vegas brought suit against Clark County on matters regarding water quality and wastewater treatment. The county and the city have entered into an agreement to conclude these actions and abstain from further litigation.



BULLETIN 87-2

STUDY OF THE PUBLIC SERVICE COMMISSION OF NEVADA

A.C.R. 40 - 1985 Session

Interim Subcommittee

Assemblyman Jane F. Ham, Chairman  
Senator Robert E. Robinson, Vice Chairman  
Assemblyman Barbara A. Zimmer



Assembly Concurrent Resolution No. 40—Assemblyman Ham

FILE NUMBER...102

ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study the public service commission of Nevada.

WHEREAS, The public service commission of Nevada was created in 1919 to supervise and regulate the operation and maintenance of the public utilities in this state; and

WHEREAS, The laws which govern the operation of the public service commission of Nevada have been extensively amended since 1919; and

WHEREAS, No attempt has been made by the legislature in its recent sessions to evaluate the effectiveness of the public service commission of Nevada; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to conduct a study of the effectiveness of the public service commission of Nevada; and be it further

RESOLVED, That the results of the study and any recommendations for legislation be reported to the 64th session of the legislature.

19  85



## ABSTRACT

### STUDY OF THE PUBLIC SERVICE COMMISSION OF NEVADA

The 1985 legislature adopted Assembly Concurrent Resolution No. 40 (File No. 102, Statutes of Nevada, 1985) which directed the legislative commission to study the effectiveness of the public service commission of Nevada (PSCN). The subcommittee assigned to carry out the study met in Las Vegas and Reno, Nevada, and heard testimony from members of the public service commission of Nevada and their staff, from representatives of the office of advocate for customers of public utilities (also referred to as the consumer's advocate), from spokesmen for the regulated utilities, and members of the public.

A large part of the subcommittee's time was spent discussing the regulation of small water companies. The subcommittee adopted recommendations for legislative measures to provide financing for water system improvement, protect purchasers of lots in subdivisions served by these companies, allow more companies to take advantage of simplified rate change procedures, and give the PSCN authority to regulate some water companies which fall below the present size threshold set in the statutes. The subcommittee also recommended transferring the responsibility for regulating railroads from the PSCN to Nevada's department of transportation (NDOT), and asking the PSCN to hold hearings regarding the deregulation of telecommunication services.



## SUMMARY OF RECOMMENDATIONS

This summary represents the subcommittee's recommendations which are based upon suggestions presented in public hearings and written communications to the subcommittee.

The subcommittee recommends:

1. Amending Nevada Revised Statutes 704.095, "Simplified procedure for change of rates for certain public utilities furnishing water or sewerage," to provide that companies which serve 2,000 or fewer persons and have annual revenues of \$500,000 or less qualify for the simplified rate change procedures provided for in Public Service Commission of Nevada's General Order 26.

Deletion of subsection 3 of NRS 704.095 which reads as follows:

3. Do not own or control any other business entity furnishing water or sewer service, or both, within this state.

(BDR 58-60)

2. Establishing a state revolving loan fund that could be utilized as a source of financing for small water companies which are unable to obtain financing from other sources. Direct the PSCN to adopt regulations for the administration of this fund. Further, the source of funding of this fund should be determined by the 1987 legislature. (BDR 58-63)
3. Amending chapter 704 of NRS to require fire districts or other public entities responsible for fire protection to pay for fire flow and hydrants. (BDR 58-64)
4. Amending NRS 704.683, "Supplier of water or services for sewage: Appointment of receiver upon petition of commission," to expand the authority of the PSCN to request the appointment of receivers. The PSCN should be allowed to petition for the appointment of a receiver if a utility is unable or unwilling to comply with PSCN orders or otherwise qualifies for the appointment of a receiver under the provisions of NRS 32.010, "Cases in which receiver may be appointed." (BDR 58-60)
5. Amending NRS 704.683 to grant receivers the authority to petition the bankruptcy court for relief under

bankruptcy laws and to negotiate the transfer or sale of small water companies to the best benefit of the creditors. (BDR 58-60)

6. Amending NRS 278.377, "Certificates by agencies of state; appeal from adverse decision of agency; copies of certain certificates furnished to subdivider and purchaser," to include a reference to NRS 704.679, "Supplier of water or services for sewage to subdivision or other project for development of land: Application; investigation and approval by commission; fee; exceptions," which requires PSCN approval before a subdivision is approved by a county or city government if the subdivision requires establishing a water company. (BDR 22-59)
7. Amending NRS 704.030, "Persons not included in 'public utility,'" to remove the exemption from PSCN regulation for those water companies with the potential of serving 25 or more customers and having \$5,000 or more in gross revenue. (BDR 58-60)
8. Amending NRS 119.183, "Sales: Disclosure to purchaser concerning public services and utilities," to require sellers of subdivision lots to disclose:
  - (a) The extent to which the cost of any sewer and water system is included in the purchase price of the land and the manner in which the seller or other party intends to recover those costs that are not included in the price of the land.
  - (b) The rates or charges for water or sewer service that the seller projects will be charged when the development is 25 percent, 50 percent and 100 percent occupied.
  - (c) An explanation of whether or to what extent the present capacity of the water and/or sewer service is sufficient to meet requirements when the development is fully occupied.(BDR 10-70)
9. Enacting legislation allowing the PSCN to consider the differences between established, independent water companies and those owned by land developers in making regulatory decisions and to give careful scrutiny to water companies which are subsidiaries of land developers. (BDR 22-59)

10. Amending the statutes to transfer all authority for the regulation of railroads from the PSCN to the department of transportation. (BDR 35-58)
11. Adopting a resolution encouraging the PSCN to hold a public hearing to determine whether sufficient competition exists in long distance telecommunication services to deregulate these services per Senate Bill 387 (chapter 360, Statutes of Nevada, 1985). (BDR R-61)



BULLETIN 87-3

FEASIBILITY OF MINTING GOLD AND SILVER MEDALLIONS

A.C.R. 52 - 1985 Session

Interim Subcommittee

Assemblyman Bruce R. Bogaert, Chairman  
Senator Kenneth K. Redelsperger, Vice Chairman



ASSEMBLY CONCURRENT RESOLUTION—Directing legislative commission to study feasibility of minting gold and silver medallions.

WHEREAS, The mining of gold and silver in Nevada was an important element in the development of Nevada and continues to be crucial to the economy of this state; and

WHEREAS, The romance and excitement of Nevada's history is a powerful attraction for tourists from all over the world; and

WHEREAS, The production of medallions of various sizes minted from gold and silver mined in Nevada would be a tangible and lasting symbol of Nevada's heritage; and

WHEREAS, The sale of these medallions could be beneficial to the mining and tourism business as well as to the state; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission, with the cooperation of the Nevada state museum and the department of minerals, is directed to conduct a study of the feasibility of minting medallions of various sizes from gold and silver mined in Nevada; and be it further

RESOLVED, That the legislative commission submit a report of its findings and any recommended legislation, including any constitutional amendments, to the 64th session of the legislature.



## ABSTRACT

### FEASIBILITY OF MINTING GOLD AND SILVER MEDALLIONS

Assembly Bill 692 of the 1985 Nevada legislative session would have authorized the production of gold medallions by Nevada's department of minerals. The bill was patterned after a law and medallion program in the State of California. However, because A.B. 692 was introduced very late in the legislative session (May 17, 1985), there was inadequate time available to adapt a law and program from another state to the situation and governmental structure in Nevada. Therefore, instead of acting on A.B. 692, the legislature adopted Assembly Concurrent Resolution No. 52 (File No. 105, Statutes of Nevada, 1985) which directs the legislative commission to study the feasibility of minting gold and silver medallions in Nevada.

The resolution directs the legislative commission, in cooperation with the Nevada state museum, department of museums and history, and the department of minerals, to conduct a study of the feasibility of minting medallions in various sizes from gold and silver mined in Nevada. The resolution also contains several findings, which relate to:

- The importance of gold and silver mining to Nevada's economy;
- The powerful attraction that Nevada's colorful history is for tourism;
- The desirability of enhancing Nevada's heritage through the production of medallions from gold and silver mined in the state; and
- The benefits to be derived by mining and tourism in Nevada from the sale of medallions.

The study, carried out by a subcommittee of the legislative commission, was comprehensive and received considerable attention from coin collectors, coin dealers, miners and prospectors in the state.

The recommendations in the report pertain to: (1) establishment of a state-operated program for the minting of gold, silver, platinum or nonprecious metal medallions and gold, silver or platinum bullion bars; (2) more restricted uses of The Great Seal of the State of Nevada; (3) an agreement between the department of museums and history and a private firm concerning use of the Carson City, Nevada, "CC" mint mark; and (4) an exemption from the sales and use tax for medallions and bullion bars minted or produced through a state-operated program.



## SUMMARY OF RECOMMENDATIONS

The legislative commissions's subcommittee studying the feasibility of minting gold and silver medallions recommends for the consideration of the 64th session of the Nevada legislature that:

1. Chapter 513 of NRS be amended to establish a state-operated program for the minting of gold, silver, platinum or nonprecious metal medallions and gold, silver or platinum bullion bars. (BDR 46-57)
2. Nevada Revised Statutes 235.010, "State seal and motto; penalty for unlawful use," be amended to require written permission from the governor to use The Great Seal of the State of Nevada, except for:
  - a. Official use by state agencies; and
  - b. Use on medallions and bars produced in conjunction with a minting program sponsored by the State of Nevada as approved by the executive director of the department of minerals in consultation with an advisory committee. (BDR 46-57)
3. The legislature monitor the status of the agreement between the department of museums and history and Marshall Earth Resources, Inc., for exclusive use of the Carson City, Nevada, "CC" mint mark and consider possible legislation if the agreement is terminated.
4. Nevada's Sales and Use Tax Act of 1955 be amended to exempt from taxation medallions and bullion bars minted or produced through a state-operated program, if approved by the voters at the 1988 General Election. (BDR 32-54)



BULLETIN 87-4

STUDY OF THE HAZARDOUS MATERIALS MANAGEMENT COMMITTEE ON  
CHEMICAL, TOXIC AND LOW-LEVEL RADIOACTIVE WASTES

Resolution Adopted on September 13, 1985

Interim Subcommittee

Assemblyman James W. Schofield, Chairman  
Senator Lawrence E. Jacobsen, Vice Chairman  
Assemblyman Joseph E. Dini, Jr.



RESOLUTION

Adopted on September 13, 1985

LEGISLATIVE COMMISSION RESOLUTION - Creating a subcommittee to conduct an interim study of the history, rules and procedures for the transportation, handling, storage, emergency response and disposal of hazardous materials (chemical, toxic and low-level radioactive waste).

WHEREAS, Continuing progress in technology and the resulting increases in manufacturing activity have given rise to larger quantities of hazardous materials; and

WHEREAS, Human health, public safety and the environment are threatened when hazardous materials are not managed in a sound, responsible manner; and

WHEREAS, Knowledge and technology necessary to mitigate adverse effects on health, safety and the environment from the lack of proper management of hazardous materials is available but not uniformly applied; and

WHEREAS, The problem of managing hazardous materials, including transportation, packaging, storage - long and short-term, disposal and long-term perpetual care of hazardous waste, has become a matter of concern to the entire State of Nevada; and

WHEREAS, The recent proposal to offload low-level radioactive waste in the City of Las Vegas for transport to the Beatty waste disposal facility illustrates that procedures used in handling hazardous materials in this state may not be adequate; now therefore, be it

RESOLVED, By the LEGISLATIVE COMMISSION OF THE STATE OF NEVADA that an interim subcommittee is hereby appointed and directed to conduct an interim study of the history, rules and procedures for the transportation, handling, storage, emergency response and disposal of hazardous materials (chemical, toxic and low-level radioactive waste) and other matters relating to the management of hazardous materials and wastes generated by those materials; and be it further

RESOLVED, That the LEGISLATIVE COMMISSION OF THE STATE OF NEVADA select a chairman and vice-chairman of the interim subcommittee entitled "hazardous materials management committee on chemical, toxic and low-level radioactive wastes"; and be it further

RESOLVED, That the subcommittee report the results of the study and any recommendations to the legislative commission.



## ABSTRACT

### STUDY OF THE HAZARDOUS MATERIALS MANAGEMENT COMMITTEE ON CHEMICAL, TOXIC AND LOW-LEVEL RADIOACTIVE WASTES

On September 13, 1985, the legislative commission appointed a hazardous materials management committee to study chemical, toxic and low-level radioactive wastes in Nevada.

The committee held two meetings and then conducted a work session to adopt its final recommendations. The committee received testimony regarding a variety of topics including an overview of Nevada's hazardous and low-level radioactive waste programs, the State of Nevada Hazardous Materials Operations Support Plan, the emerging role of the public service commission of Nevada, an overview of related transportation problems and regulations, related federal programs in the state and an overview of local government concerns.

The committee adopted several recommendations pertaining to the management and transportation of hazardous materials.



## SUMMARY OF RECOMMENDATIONS

The committee adopted the following recommendations:

1. Support funding to the public service commission of Nevada to hire additional staff to work on hazardous materials issues.
2. Amend the prenotification requirement of Nevada Revised Statutes 706.441, "Permit required unless exempted; duties and liabilities of carrier; revocation of certificate and permit for noncompliance," to state the Nevada highway patrol division (NHP), department of motor vehicles and public safety (DMV&PS), is to be notified in addition to the PSCN, prior to transporting radioactive wastes through Nevada. The NHP is also to be notified prior to transporting hazardous materials through Nevada. (BDR 40-199)
3. Enact a resolution encouraging the DMV&PS and the PSCN to enter into a Memorandum of Agreement with the Federal Government in which the Federal Government would agree to notify Nevada when hazardous materials enter the state. (BDR R-198)
4. Require carriers transporting hazardous materials to obtain an annual or temporary license or permit prior to transporting such materials in Nevada. Further, the penalties for violations should be specified as follows:  

Up to \$10,000 for civil penalties; and

Up to \$25,000 for criminal penalties.

(BDR 40-199)
5. Require Nevada's department of transportation to conduct a risk analysis to determine the safest intrastate routes to transport hazardous materials. (BDR 40-197)
6. Require the NDOT to work with the county regional transportation commissions in determining an intrastate routing system. (BDR 40-197)
7. Require the NDOT to designate and coordinate an intrastate routing plan. (Route could be printed in the State of Nevada Hazardous Materials Operation Plan. (BDR 40-197)

8. Require the NDOT to work with regional, interstate organizations to develop interstate routing plans. (BDR 40-197)
9. Enact a resolution urging the State of Nevada to work with regional, interstate organizations on issues regarding the transportation of hazardous materials. (BDR R-192)
10. Require the State of Nevada to impose a permit fee on hazardous materials being shipped across Nevada. The amount of the permit fee should be determined by the 1987 legislature. (BDR 40-199)
11. Provide funding to increase hazardous material training and equipment resources in Nevada. (BDR 40-199)
12. Enact a resolution urging the State of Nevada to work with the Federal Government and with Western regional organizations to establish a Western regional training center located at Stewart, Nevada. (BDR R-193)
13. Enact a resolution encouraging the Federal Government to set strict requirements regarding driver training, placarding and tracking technologies. (BDR R-194)
14. Require that all spills or incidents involving hazardous materials be reported immediately. (BDR 40-196)
15. Require the division of emergency management, department of the military, to establish and provide one telephone number to call if an accident occurs. (BDR 40-196)
16. Require the division of emergency management to implement a uniform hazardous material and waste spill notification and reporting procedure. (BDR 40-196)
17. Define "hazardous materials" in the Nevada Revised Statutes using the same definition adopted by the United States Department of Transportation in the Code of Federal Regulations. (BDR 0-195)
18. Identify the hazardous waste inventories in Nevada and include this information in the committee's report to the legislative commission.

BULLETIN 87-5

STUDY OF FOSTER CARE PROVIDED TO CHILDREN IN NEVADA

S.C.R. 33 - 1985 Session

Interim Subcommittee

Senator Sue Wagner, Chairman  
Assemblyman James A. Stone, Vice Chairman  
Senator Helen A. Foley  
Assemblyman Bruce R. Bogaert  
Assemblyman Patricia L. Little



Senate Concurrent Resolution No. 33—Senators Wagner, Bilbray, Foley, Gibson, Glover, Hickey, Horn, Jacobsen, Neal, O'Connell, Raggio, Rawson, Redelsperger, Rhoads, Robinson, Ryan, Shaffer, Townsend, Vergiels and Wilson

FILE NUMBER...119

SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the foster care provided to children in Nevada.

WHEREAS, The State of Nevada is dedicated to assuring the availability of appropriate care for all children who become the responsibility of the state; and

WHEREAS, With the growth of the state's population and the increasing effectiveness in detecting the abuse or neglect of children, the number of children who will need foster care may be expected to continue to increase; and

WHEREAS, It is necessary that the legislature obtain information concerning the quality and appropriateness of the programs provided for these children; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study the condition of children and the care they receive, in the custody or control of the state and any local public authorities which provide protective services; and be it further

RESOLVED, That the study include:

1. An evaluation of the adequacy of the services provided to a troubled family before the need arises to remove a child to costly foster care;
  2. A determination of the availability of appropriate medical and psychological treatment for children in foster care;
  3. An investigation of the opportunities for adoption; and
  4. Consideration of such other issues, conditions or policies deemed by the commission to be pertinent to the state's responsibility to ensure the proper care of those children;
- and be it further

RESOLVED, That the results of the study and any recommendations for legislation be reported to the 64th session of the legislature.



## ABSTRACT

### STUDY OF FOSTER CARE PROVIDED TO CHILDREN IN NEVADA

The 1985 session of the Nevada legislature adopted Senate Concurrent Resolution No. 33 (File No. 119) which directed the legislative commission to study foster care provided to children in Nevada. The legislative commission appointed a subcommittee to conduct the study.

The subcommittee held three meetings and then conducted a work session to adopt its final recommendations. The subcommittee received testimony from a variety of sources, including staff of the welfare division of the department of human resources, district court judges, counselors, members of private organizations that work with children, national consultants, foster parents and foster children.

The subcommittee made recommendations regarding the placement of foster children, the provision of services to these children and the general operation of the foster care program.



## SUMMARY OF RECOMMENDATIONS

This summary represents the subcommittee's recommendations regarding foster care provided to children in Nevada. These recommendations were developed from suggestions presented at public hearings and written communications to the subcommittee.

The subcommittee recommends:

1. Establishing a statutory maximum caseload of 35 cases per social worker and providing the funding for additional staff positions in the welfare division, department of human resources (DHR), to meet that standard. (BDR 38-176)
2. Encouraging the establishment of multidisciplinary teams within the welfare division by utilizing existing staff.
3. Encouraging and exploring the possibility of coordinating the foster care operations in Clark County, Washoe County, and the rural areas of Nevada into one agency or jurisdiction.
4. Providing funding to begin a formal training program for social services staff within the welfare division. (BDR S-174)
5. Requiring Federal Bureau of Investigation (FBI) checks for anyone having direct contact with children in the foster care system. (BDR 38-183 and BDR 38-184)
6. Supporting the efforts of the welfare division to implement a comprehensive statewide computer system to improve data processing and provide a listing of available placements.
7. Providing funding for emergency services to families to pay for food, medical care, shelter and transportation. (BDR S-165)
8. Providing funding for community treatment homes for abused and neglected children. (BDR S-168)
9. Providing funding to increase the medical assistance to children (MATCH) budget of the welfare division. (BDR S-175)
10. Providing funding for scheduled respite care for foster parents. (BDR S-170)

11. Supporting service organizations providing group outings for foster children to allow periodic free time for foster parents.
12. Supporting recognition programs by service organizations for foster parents.
13. Increasing the amount of monthly payments provided to foster parents. (BDR S-167)
14. Providing funding to hire two social service specialists solely responsible for training foster parents. (BDR S-169)
15. Working in conjunction with the Junior League of Washoe County to train and recruit foster parents in Washoe County, Nevada.
16. Providing funding for emancipation services for foster children approaching or reaching the age of 18 years. (BDR S-171)
17. Increasing the funding for subsidized adoptions. (BDR S-172)
18. Amending chapter 127 of Nevada Revised Statutes "Adoption Of Children And Adults," to permit the welfare division to charge fees for its adoption services. Fees collected are to be used for postadoptive services and any other statutory requirement needed to implement the program. (BDR 38-178)
19. Amending chapter 128 of NRS, "Termination Of Parental Rights," to provide for two elements to terminate parental rights--first and foremost, the best interests of the child; and second, parental fitness. (BDR 11-179)
20. Amending chapter 128 of NRS to provide for a presumption of failure of parental adjustment. (BDR 11-180)
21. Amending NRS 128.105, "Grounds for terminating parental rights: Basic considerations," to add "failure of parental adjustment" as a ground for terminating parental rights. (BDR 11-180)
22. Amending the statutes to delete NRS 128.108, "Specific considerations where child has been placed in foster home," which compares the home the child was removed from with the foster home. (BDR 11-181)

23. Amending NRS 128.060, "Notice of hearing: Contents and personal service," to add that the legal custodian or legal guardian of the child must be served with notice of a hearing to terminate parental rights. (BDR 11-182)
24. Reestablishing a long-term foster care program as one alternative to achieve permanency planning.
25. Resolving to support the efforts of nonprofit agencies in Washoe County, Nevada, to implement a "family-based services" pilot program. (BDR R-177)
26. Supporting efforts to establish a family court in northern Nevada.
27. Providing funding for witness fees in welfare division court proceedings. (BDR S-173)



BULLETIN 87-6

STUDY OF RESTRAINING COSTS OF MEDICAL CARE

S.B. 460 - 1985 Session

Interim Subcommittee

Senator Raymond D. Rawson, Chairman  
Assemblyman Steven C. Francis, Vice Chairman  
Senator Helen A. Foley  
Senator Joe Neal  
Senator Randolph J. Townsend  
Assemblyman David E. Humke  
Assemblyman David D. Nicholas  
Assemblyman Marvin M. Sedway



CHAPTER 645

AN ACT relating to an interim study on restraining the cost of medical services; making an appropriation; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** 1. The legislative commission shall conduct an interim study into ways of restraining the costs of health care in this state while ensuring the quality of those services.

2. The study must include:

(a) An examination of the effectiveness of the legislation enacted by the 63rd session in accomplishing this purpose and its effects upon the subjects of inquiry listed in paragraphs (b) to (j), inclusive, of this subsection;

(b) A review and evaluation of the quality and effectiveness of programs for the prevention of illness;

(c) A comparison of the costs of medical care among communities in Nevada and with similar communities in other states;

(d) An analysis of the overall system of medical care to determine ways to coordinate the providing of services to all members of society, avoid the duplication of services and achieve the most efficient use of all available resources;

(e) An examination of the business of providing insurance, including the development of cooperation with health maintenance organizations and organizations which restrict the performance of medical services to certain physicians and hospitals, and procedures to contain the costs of those services;

(f) An examination of hospitals to:

(1) Increase cooperation among hospitals;

(2) Increase the use of regional medical centers;

(3) Encourage them to use medical procedures which do not require the patient to be admitted to the hospital and to use the resulting extra space in alternative ways; and

(4) Encourage their participation with health maintenance organizations and organizations which restrict the performance of medical services to certain physicians and hospitals;

(g) An examination of medical malpractice;

(h) An examination of the system of education to coordinate:

(1) Programs in education about health, including those for the prevention of illness and those which teach the best use of available medical services; and

(2) The education of those who provide medical care;

(i) An evaluation of the need for a commission to regulate the rates charged by persons who provide medical care; and

(j) Any other matter which is determined by the legislative commission to be relevant.

3. The legislative commission shall submit its report and any recommended legislation to the 64th session of the legislature.

**Sec. 2.** There is hereby appropriated from the state general fund to the legislative fund the sum of \$113,360 for the support of the interim study conducted pursuant to section 1 of this act.

**Sec. 3.** Any remaining balance of the appropriation made by section 2 of this act must not be committed for expenditure after June 30, 1987, and reverts to the state general fund as soon as all payments of money committed have been made.

**Sec. 4.** This act becomes effective upon passage and approval.

## ABSTRACT

### STUDY OF RESTRAINING COSTS OF MEDICAL CARE IN NEVADA

Senate Bill 460 (chapter 645, Statutes of Nevada, 1985) directed the legislative commission, under the auspices of the joint committee on human resources, to conduct a study into:

1. Ways of restraining the costs of health care in Nevada; while
2. Ensuring a high quality of services.

The measure appropriated \$113,360 to support the activities associated with the study.

The subcommittee which conducted the study held 13 meetings, five of which were 2-day sessions. Hearings were held in Las Vegas, North Las Vegas, Reno, Carson City, Ely and Elko, Nevada.

Special speakers were brought into the state from the National Conference of State Legislatures' "Health Care Cost Containment Project," the American College of Healthcare Executives which had conducted a major national study, three other nationally recognized organizations, and three states which have implemented measures designed to address the rising costs of health care. Part of the study's appropriation was also invested in employment of in-house staff, support of a major survey and data gathering effort through the University of Nevada-Reno, and a health needs assessment of Nevada state government employees.

The subcommittee members considered over 250 proposed recommendations. A total of 51 recommendations were approved for submission to the legislative commission. This package of recommendations was designed to address the issue of health care cost-containment in a comprehensive manner. The package contains recommendations in the general categories of regulatory authority, prevention/wellness/education, funding of health care, quality of care, and health care for senior citizens.

The subcommittee's final report contains descriptions of the history of health care and trends in health care costs, a review of major topics associated with health care cost-containment and a discussion of each recommendation. The associated drafts of bills are also included in the report.



## SUMMARY OF RECOMMENDATIONS

Following is a summary of the recommendations approved by the legislative commission's subcommittee to study restraining the costs of medical care in Nevada:

### I. REGULATORY AUTHORITY

#### A. DATA COLLECTION/DISSEMINATION

1. Direct the division for review of health resources and costs, department of human resources (DHR), to compile and distribute to the general public a document (brochure or pamphlet) which lists the hospitals in Nevada and their charges for representative services and procedures. (BDR 40-117)
2. Direct the division for review of health resources and costs to establish a toll-free telephone number to provide consumers with information relative to costs of services at medical facilities within the state. (BDR 40-117)
3. Transfer the health care library collection initiated by the legislative counsel bureau to the library of the medical school at the University of Nevada-Reno. Indicate that the library is to keep the collection current, disseminate information about the existence and contents of the collection, and provide information to people who request assistance.
4. Require that hospitals provide to the state copies of all contracts for provision of medical services. Ensure that the names of the contractors will remain confidential. (BDR 40-1002)

#### B. PROVIDERS OF HEALTH CARE

5. Require that Nevada hospitals offer all residents (who are not already covered by third party benefits) a rate which is no higher than the average daily rate that is allowed members of large groups contracting with each hospital. Specific items associated with this recommendation include:
  - a. Exempting rural hospitals;
  - b. Providing that the special rate must be offered to all Nevada residents who are uninsured and who make arrangements within 90 days for the manner in which their bills will be paid;

- c. Requiring that a patient be offered the special rate or billed charges, whichever is less;
  - d. Establishing the rate for each hospital through an independent audit of each hospital's contracts;
  - e. Requiring that hospitals post and publish their special rates;
  - f. Providing for a random examination of hospital records to ensure compliance (require that hospitals refund the amount of any errors in its favor with an additional 10 percent penalty);
  - g. Providing oversight of the process through the executive branch and a permanent legislative committee on health care; and
  - h. Establishing an office of consumer health advocacy to hear complaints, provide information and facilitate resolution of concerns through referral to proper agencies, boards and committees. (BDR 40-117)
- 6. Do not advocate a ratesetting commission for the State of Nevada, but include a minority report describing the activities of ratesetting commissions as an appendix to the final report.
  - 7. Amend the state statutes to allow county hospitals to engage in health-related enterprise activities. Eliminate statutory constraints on county hospitals generally. (BDR 40-204)
  - 8. Allow hospitals to engage in "pooling" or "semi-blind pooling" of bond issues to obtain needed capital at reasonable interest rates. (BDR 40-205)
  - 9. Include in the final report an explanation of the national ranking of Nevada's nursing homes and a description of methods used in some national surveys which tend to rate the state's nursing homes unreasonably low.
- C. CERTIFICATE OF NEED (CON)
- 10. Express the subcommittee's support for the following recommendations to the subcommittee to study statutes requiring approval by the department of human resources of certain medical projects--CON (Assembly Concurrent Resolution No. 41, File No. 103, Statutes of Nevada, 1985).
    - a. Retain the present "bed/need methodology" as it is, except as proposed in the "State Health Plan."

- b. Raise the threshold above which new technological equipment must be approved before it is purchased from \$400,000 to \$1 million.
- c. Exempt from the CON process replacement of outdated equipment by similar new equipment.
- d. Exempt from the CON process nonmedical capital improvements to an existing facility or institution.

D. LEGISLATIVE OVERSIGHT

- 11. Establish, by statute, a permanent legislative committee on health care. (BDR 40-117)
- 12. Establish an interim study of mandatory coverage in health insurance policies of mental health and alcohol and substance abuse. (BDR R-478)

II. PREVENTION/WELLNESS/EDUCATION

A. HEALTH EDUCATION AND PHYSICAL-FITNESS IN SCHOOLS (K-12)

- 13. Prohibit the use of tobacco products by students in the public schools, grades kindergarten through 12th (K-12), in Nevada. (BDR 34-73)
- 14. Express support for the recommendations of the United Community Task Force on Confronting Youth Chemical Dependency concerning abuse of substances by adolescents. (BDR R-119)
- 15. Include in the final report a statement encouraging the appropriate officials to work toward developing nursing services in the schools (K-12) which meet national and professional standards.
- 16. Send a letter to the state department of education suggesting that a position to coordinate nursing services/programs in the state's school districts be included in the department's future budget requests.
- 17. Express support for a program through which the state department of education will provide inservice training in physical fitness for all elementary school teachers.
- 18. Express support for a program through which the state board of education will sponsor annual statewide curriculum conferences concerning prevention and wellness education.

19. Include in the final report a summary of the presentation and proposal of the Nevada Dental Hygienists Association concerning early detection of dental/oral disease and the use of fluoride.

B. EDUCATION OF HEALTH CARE PROFESSIONALS

20. Direct the appropriate professional organizations to include in at least 10 percent of their continuing education courses for health care professionals the concepts associated with prevention/wellness as tools for health care cost containment. (BDR 54-207)
21. Include in the final report a statement of support for the concepts associated with Area Health Education Centers (AHEC's) for the training/education of health care professionals in Nevada.
22. Appropriate \$1.25 million for construction of the initial phase of a health science center on the Torrey Pines/West Charleston Boulevard property in Clark County. (BDR S-479)
23. Establish a committee to study education of nurses in Nevada. (BDR S-88)

C. STATE EMPLOYEE HEALTH PROGRAMS

24. Fund a health needs assessment of state employees to determine the types of prevention/wellness/education programs which would be most appropriate for this population. (Financed through the study.)
25. Include in the final report a statement expressing support for conducting a prevention/wellness/education program for state employees, if the results of the health needs assessment indicate that such a program would be valuable. Indicate that this program would serve as a model for possible application for other groups in the state. Include a bill draft request which would establish a policy committee to direct a comprehensive wellness program for state employees and make the necessary appropriation. (BDR 23-537)

D. GENERAL PREVENTION/WELLNESS/EDUCATION

26. Require utilization of seatbelts in automobiles. (BDR 43-210)

### III. FUNDING OF HEALTH CARE

#### A. THIRD PARTY PAYERS

27. Require that all group medical insurance policies include provisions whereby spouses of deceased members continue to be eligible for the group program (coordinate with federal law). (BDR 57-206)
28. Require that an employee who is covered by a group health insurance plan and subsequently becomes unemployed must have the option to continue the insurance coverage for up to 180 days (coordinate with federal law). (BDR 57-206)
29. Express support for federal tax credits designed to encourage small businesses to initiate or improve group health insurance programs for their employees. (BDR R-71)
30. Grant the insurance division, department of commerce, the authority to regulate holding companies that own health maintenance organizations (HMO's) in the same manner in which holding companies of insurance companies are regulated. (BDR 57-65)
31. Enact legislation concerning regulation of Preferred Provider Organizations (PPO's) which is similar to model legislation. (BDR 57-72)

#### B. MEDICAID

32. Expand the joint Medicaid/University of Nevada school of medical sciences project for capitated delivery of care to Medicaid-eligible people. Establish a goal that the school expand the delivery to 10,000 people by July 1, 1991. (BDR S-116)
33. Direct the Nevada Medicaid office (state welfare division, department of human resources) to establish a utilization review program which is independent of the state office and is designed to review hospital activities and charges associated with the Medicaid program. (BDR 38-86)
34. Establish a reserve fund of 4 percent of the total Medicaid budget for each fiscal year, requiring approval of the legislature's interim finance committee before a withdrawal may be made from the fund. (BDR 38-121)
35. Amend the state Medicaid program in order to provide reimbursement for home- and community-based hospice services. (BDR 38-203)

36. Place in the statutes a procedure and formula for determining Medicaid reimbursement rates based primarily upon the audited costs of services provided by the most efficient hospitals within similar classifications. (BDR 38-86)
37. Change the state eligibility requirements associated with Medicaid and aid to dependent children to include coverage for two-parent, unemployed families in an attempt to reduce "cost-shifting." (BDR 38-115)
38. Establish the criterion that any person whose monthly income is less than three times the income allowable to receive benefits pursuant to 42 United States Code §§ 1382 through 1383c is eligible to receive assistance to the medically indigent for the purpose of long-term medical care. (BDR 38-123)

C. UNCOMPENSATED CARE AND THE MEDICALLY INDIGENT

39. Recommend continuation of the 3-cent ad valorem tax to support medical services for indigents. Place this recommendation in a letter to the subcommittee to study operation of the program for state aid to the medically indigent (created by Senate Concurrent Resolution No. 34, File No. 120, Statutes of Nevada, 1985).
40. Require acute care hospitals which do not treat their "fair share" of indigents to pay assessments into a "pool" to finance indigent care. (BDR 38-1001)
41. Establish procedures to determine medical indigence and specify minimum standards to apply statewide. (BDR 38-110)
42. Provide that all punitive damages awarded (excluding attorney's fees) in civil liabilities cases be used to assist in financing medical services for indigents. (BDR 3-122)
43. Increase lower limits from \$15,000 to \$25,000 on required automobile insurance and increase administrative penalties for noncompliance. In addition, require that individuals must provide proof of insurance for renewal of automobile registration. (BDR 43-113)
44. Direct the director of the department of human resources to establish a program through which private companies "sponsor" health insurance coverage for needy children, similar to the Blue Cross program in Pennsylvania. (BDR 38-76)

45. Approve a skeleton bill to appropriate \$1 million in fiscal year 1987-1988 and \$1 million in fiscal year 1988-1989 to create a new program for "catastrophic" medical assistance for Nevada citizens who do not qualify for existing programs but have large medical bills which will destroy the family solvency. (BDR 38-120)

#### IV. QUALITY OF CARE

##### A. GENERAL

46. Establish an "ethics institute" at the University of Nevada school of medical sciences. (BDR 34-74)
47. Provide that the position of state health officer must be filled with a medical doctor who also has a background in public health care within 6 months of the time that the position becomes vacant. (BDR 40-118)

##### B. TRAUMA CARE

48. Direct the health division in the department of human resources to develop by January 1, 1988, the system through which a trauma network may be established throughout the state. The system should include the following provisions or elements:
- a. Use of the criteria of the American College of Surgeons for designation of hospitals as trauma centers.
  - b. Indication that designation as a trauma center does not, in itself, require approval through the certificate of need process.
  - c. Provision that a hospital, which is designated as a trauma center, must have an "open admission policy" with complete care until the patient is ready for discharge or until the patient requires transfer to a facility which has a higher level of care.
  - d. Requirement that physicians who work in trauma centers must be qualified and proficient in trauma care, and establishment of a goal that physicians in outlying areas who will be transferring patients into a trauma center have capabilities at least at the level of "Advanced Trauma Life Support."

- e. Provision by the state health division of "Prehospital Trauma Life Support" training and other necessary training to appropriate providers of trauma care.
- f. Compilation by the division for review of health resources and costs of a "trauma registry" within its system for gathering information and statistics concerning health care in Nevada.
- g. Compilation of information for the "trauma registry" through use of the "Cram scoring system" based upon "mechanism of injury" and use of "Champion scores," with physician evaluations taking precedence over evaluations made by ambulance attendants.  
(BDR 40-85)

C. PERINATAL CARE

- 49. Direct the state board of health to develop statewide standards for perinatal care. (BDR 40-114)

V. HEALTH CARE FOR SENIOR CITIZENS

LONG-TERM CARE

- 50. Include a statement in the final report expressing support for the concepts contained in Governor Richard H. Bryan's proposed alternatives to traditional long-term care programs. These alternatives include adult day health care, adult day care, inhome attendant care, respite care, homemakers services and homebound meals. The programs are designed to reduce the institutionalization of Nevada's elderly population and improve its quality of life.\* Include the following specific points:
  - a. Endorse a statewide case management program to coordinate community- and home-based services to seniors and their families.\*
  - b. Support a program to train professional, paraprofessional and family caregivers in the unique needs of the elderly.\*
  - c. Enter into discussions to develop a federal/state partnership in financing programs for the elderly.\*

\*Proposed in Governor Bryan's "Nevada Initiatives for Seniors - An Agenda for the Future."

- d. Promote specialized care units within existing and future long-term care facilities to meet the unique needs of the Alzheimer patient and similar groups.\*
- e. Develop residential alternatives which offer varying levels of support services, such as supervised apartment living.\*

## VI. MEDICAL MALPRACTICE

51. Refer the following recommendations, which have been compiled from testimony presented to this subcommittee, to the subcommittee to study insurance against medical malpractice (A.C.R. 53, File No. 106, Statutes of Nevada, 1985) for its consideration.

- a. Amend the state statutes to allow courts to award damage payments in excess of \$50,000 in installments rather than lump sums.
- b. Modify the collateral source rule to permit a jury to know whether the plaintiff has been compensated from another source.
- c. Establish a structure for attorney contingency fees which is based on a sliding scale and assure that the injured party is the primary beneficiary from the court award.
- d. Limit the amount of noneconomic losses in court awards to no more than \$250,000.
- e. Adopt a resolution supporting United States Senator Orrin G. Hatch's (Utah) Senate Bill 1804 which gives states eligibility to receive federal grants if the states adopt reforms and make them applicable to cases involving medical malpractice.
- f. Modify Nevada's law relative to screening panels for medical malpractice lawsuits as follows:

If the panel determines that the claim is not viable and the case is pursued in court, the patient becomes responsible for the costs of the defense of the provider being sued unless the patient wins the case.

\*Proposed in Governor Bryan's "Nevada Initiatives for Seniors - An Agenda for the Future."

- g. Provide state-supported malpractice insurance for physicians who work in state-supported facilities or programs.
- h. Require that the judge's instructions to the jury in medical malpractice cases include a discussion of the general economic ramifications of the decision.

BULLETIN 87-7

STUDY OF FINANCING OF PUBLIC SCHOOLS

S.C.R. 3 - 1985 Session

Interim Subcommittee

Assemblyman Erik Beyer, Chairman  
Senator Bob L. Ryan, Vice Chairman  
Senator Nicholas J. Horn  
Assemblyman Byron Bilyeu  
Assemblyman Marvin M. Sedway  
Michael Alastuey, State Department of Education  
Ed Greer, Clark County School District  
Chuck Knight, Elko County School District  
Chuck Neely, Washoe County School District



Senate Concurrent Resolution No. 3-- Senator Townsend

FILE NUMBER...130.

SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the methods used to finance public elementary and secondary education in this state.

WHEREAS, The system of public instruction in this state is of critical importance to its future; and

WHEREAS, The rapid growth in the population of this state and the dramatic changes in educational needs warrant an urgent review of the methods used to finance the maintenance, operation and expansion of the public schools in this state in order to ensure that each child receives a reasonably equal educational opportunity; and

WHEREAS, It is imperative that the money received for the support of public schools be apportioned and utilized to provide programs of instruction in the most effective manner possible; and

WHEREAS, The quality of education provided to pupils in this state will decline unless adequate financial means are utilized to support the system of public instruction; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study the means of financing public elementary and secondary education in this state, including:

1. The sources and distribution of the money in the state distributive school fund;
2. The method by which proceeds received from property taxes are used to pay for public education; and
3. The formulas used by the state to apportion the money received for the support of public schools among the several county school districts; and be it further

RESOLVED, That the legislative commission appoint as advisers to its subcommittee, persons who are not legislators but who possess knowledge of the workings of the system of public instruction in this state and the financial support of that system, to assist in the conduct of the study; and be it further

RESOLVED, That the legislative commission report the results of its study and any recommended legislation to the 64th session of the Nevada legislature.



## ABSTRACT

### STUDY OF THE MEANS OF FINANCING PUBLIC ELEMENTARY AND SECONDARY EDUCATION IN NEVADA

The 1985 legislature adopted Senate Concurrent Resolution No. 3 (File No. 130, Statutes of Nevada, 1985) which directs the legislative commission to study the means of financing public elementary and secondary education in Nevada. In response to the resolution, the legislative commission appointed a subcommittee composed of legislators and nonlegislative advisers to conduct the study and recommend appropriate actions to the 1987 session of the Nevada legislature.

The subcommittee received testimony from state officials, school district officials, representatives of the educational community, and other interested persons concerning the financing of public education in Nevada. In addition, the subcommittee examined the formula that distributes state aid to school districts.

The subcommittee found that the current funding mechanisms for public schools, including the state distributive school fund formula, operate to provide each Nevada child with a reasonably equal educational opportunity and serve to equalize educational dollars between school districts. The subcommittee recommended no changes in the basic funding formula.

Further, the subcommittee made several recommendations to improve the quality of education and ensure adequate funding for the public schools.



## SUMMARY OF RECOMMENDATIONS

The subcommittee recommends that the legislature:

1. Amend Nevada Revised Statutes 387.1233 to extend the "double" hold harmless provision for declining school district enrollment for 2 years to July 1, 1989. Continue to monitor the "double" hold harmless provisions to ensure that undesirable anomalies do not occur and to seek a better and more consistent method of protecting school districts from rapid enrollment decline. (BDR S-129)
2. Enact legislation to require that class sizes for grades one through three be reduced to a target size of 22 students per teacher on a statewide basis. Further, that the state department of education, working with the school districts, develop and present to the members of the 1987 legislature a plan to implement class size reductions over a 5-year period for those grades. The plan must include data on the impact of such reductions on each district in terms of new teaching positions and new classroom facilities required as well as the costs associated with those impacts. (BDR 34-130)
3. Continue to address on a case by case basis the special needs of rural or isolated schools rather than adopt an artificial or arbitrary formula mechanism to increase their support.
4. Require the state department of education to study the feasibility of telelearning and associated technologies in Nevada and propose a pilot project to the 1987 legislature for consideration.
5. Authorize an interim study to review the complex issue of special education in order to develop a long-range plan encompassing the availability of special education services as well as its funding. (BDR R-127)
6. Endorse Question No. 5 on the 1986 General Election ballot (estate pickup tax).
7. Enact legislation focusing on the establishment of redevelopment districts and the resulting decrease in school district property tax base as a means to bring this issue to the attention of the 1987 legislature. (BDR 22-228)
8. Amend NRS 387.195 and other related sections to require that school districts receive income from the investment of their debt service funds. (BDR 31-227)

9. Continue to include in the distributive school funding bill the provisions for adjusting the wealth factor for each school district in the second year of each biennium.

BULLETIN 87-8

STUDY OF INDUSTRIAL PROGRAMS FOR PRISONS

S.B. 446 - 1985 Session

Interim Committee

Senator Nicholas J. Horn, Chairman  
Assemblyman John E. Jeffrey, Vice Chairman  
Senator John M. Vergiels  
Assemblyman David E. Humke  
Assemblyman Bob Thomas  
Lieutenant Governor Robert A. Cashell  
Bill Champion, Vice President of Personnel,  
MGM Grand Hotel, Reno  
Bob Hatrak, Assistant Director, Department of Prisons  
Al Puliz, President, Puliz Moving and Storage, Reno  
George W. Sumner, Director, Department of Prisons  
Ray Vega, President, Vega Vending, and President  
Latin Chamber of Commerce, Las Vegas



CHAPTER...572

AN ACT relating to the state government; establishing a committee to select sites for new prisons; requiring advance planning of those prisons; establishing a committee to study industrial programs for prisons; making appropriations; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** 1. The committee to select sites for new prisons, consisting of seven members, is hereby created. The interim finance committee shall appoint five legislators to the committee. The public works board shall appoint one of its members to the committee. The director of the department of prisons shall appoint a representative of the department of prisons to the committee.

2. The interim finance committee shall designate one of the members of the committee as chairman.

**Sec. 2.** 1. The committee to select sites for new prisons shall meet as often as is necessary to review proposals for sites for new prisons. The committee shall submit its findings and proposals to the interim finance committee.

2. After receiving the interim finance committee's approval of proposed sites, the committee shall prepare advance plans for new prisons at those sites and submit the plans to the 64th session of the legislature.

**Sec. 3.** 1. For each meeting of the committee to select sites for new prisons:

(a) Each legislator is entitled to receive the compensation provided for a majority of the members of the legislature during the first 60 days of the preceding session;

(b) The member of the public works board is entitled to receive the compensation provided for his attendance at meetings of the public works board; and

(c) All members of the committee are entitled to receive the per diem allowance and travel expenses provided by law for state officers and employees generally.

2. The expenses incurred pursuant to subsection 1 must be paid from the appropriations made pursuant to paragraphs (a) and (b) of subsection 1 of section 7 of this act.

**Sec. 4.** 1. The committee to study industrial programs for prisons, consisting of 11 members, is hereby created. The interim finance committee shall appoint to the committee five legislators and three persons who are representatives of business and industry. The director of the department of prisons shall appoint two representatives of the department of prisons to the committee. The lieutenant governor shall serve as a member of the committee.

2. The interim finance committee shall designate one of the members of the committee as chairman.

**Sec. 5.** 1. The committee to study industrial programs for prisons shall meet as often as is necessary to review existing industrial programs for prisons and proposals for new programs, and to encourage businesses to cooperate in establishing new programs.

2. The committee shall prepare and submit a report of its findings and recommendations to the 64th session of the legislature.

**Sec. 6.** 1. For each meeting of the committee to study industrial programs for prisons:

(a) Each legislator and the lieutenant governor are entitled to receive the compensation provided for a majority of the members of the legislature during the first 60 days of the preceding session; and

(b) All members of the committee are entitled to receive the per diem allowance and travel expenses provided by law for state officers and employees generally.

2. The expenses incurred pursuant to subsection 1 must be paid from the appropriation made pursuant to paragraph (c) of subsection 1 of section 7 of this act.

**Sec. 7.** 1. There is hereby appropriated from the state general fund to the interim finance committee:

(a) The sum of \$1,470,000 for the costs of the selection of a site for and the advance planning and design of a new prison.

(b) The sum of \$500,000 for the costs of the selection of a site for and the advance planning and design of another new prison.

(c) The sum of \$25,000 for expenses incurred by the committee to study industrial programs for prisons.

2. Any remaining balance of an appropriation made pursuant to subsection 1 must not be committed for expenditure after June 30, 1987, and reverts to the state general fund as soon as all payments of money committed have been made.

**Sec. 8.** Any revenue received on or after July 1, 1986, and before January 1, 1987, which would but for this section be credited to the state general fund and if so credited would increase the unappropriated balance of that fund above the balance remaining after the making of both distributions required by section 8 of Assembly Bill No. 540 of this session, but not more than \$25,000,000 in all is hereby appropriated to a fund for the construction of new prisons and other capital improvements. Interest earned on the money in the fund must be credited to the fund. Money so reserved may not be withdrawn except by further act of the legislature.

**Sec. 9.** This act becomes effective upon passage and approval.

## ABSTRACT

### STUDY OF INDUSTRIAL PROGRAMS FOR PRISONS

The 1981 legislature, through passage of Senate Bill 334 (chapter 520, Statutes of Nevada, 1981), appropriated \$200,000 from the state general fund to the prison industry fund for the purpose of providing working capital. Included in this legislation was the requirement that the appropriation be repaid in three installments with the first installment of \$70,000 due before July 1, 1985. During the 1985 session of the legislature, it became evident the prison industry fund would not be sufficient to make the initial installment on the repayment and to continue operating. Legislation was approved (Assembly Bill 633, chapter 511) by the 1985 legislature which changed the initial installment date to July 1, 1989.

The 1985 legislature, in approving S.B. 446 (chapter 572, Statutes of Nevada, 1985), was cognizant that the existing prison industry program needed improvement. The legislature wanted the industry programs reviewed to determine how the programs currently operate and how they might be made more productive and efficient.

The committee made several recommendations for improvements in the prison industry program. The scope of the committee's work involved a review of the past and existing prison industries. The committee held four meetings and toured successful prison industry operations in Colorado, Illinois, Oklahoma, Texas, and Virginia. To facilitate the tours, the committee received a grant from the National Institute of Corrections. The committee also received a technical assistance grant from the National Institute of Corrections which enabled Howard Skolnik, superintendent of Illinois Correctional Industries, to assess the current prison industry program in Nevada.



## SUMMARY OF RECOMMENDATIONS

This summary represents the major conclusions reached by the prison industry committee, based upon suggestions which came from public hearings; written communications to the committee; information obtained as the result of tours of successful prison industry operations; testimony provided by Howard Skolnik, superintendent, Illinois Correctional Industries; and the department of prison's plan for prison industries as submitted to the committee.

The committee recommends that the legislature:

1. Establish a nine-member prison industries advisory board, appointed by the interim finance committee. Three members of the board will be appointed from members of the interim finance committee; one member appointed as a representative of business and industry; one member appointed as a representative of organized labor; and two members appointed as representatives of manufacturing. The director of the department of prisons and the director of the department of general services should also serve on the board. The board should elect its chairman and otherwise provide for its organization. Board members should serve 2-year terms and be eligible to be reappointed.

- a. All members of the board, with the exception of the directors of the departments of prisons and general services, should be entitled to receive salary compensation provided for a majority of the legislature during the first 60 days of the preceding session.

The prison industry board members should also receive compensation for travel and per diem expenses in the manner provided by law. All compensation will be paid from the prison industry fund.

- b. Board meetings should be at least quarterly, and the board should report to the interim finance committee semiannually.
- c. The board should be charged with reviewing potential industrial programs prior to their implementation for the following criteria:
  - (1) The programs should employ the maximum number of offenders possible.
  - (2) The programs should provide for the use of money produced by the program to reduce the cost of maintaining the offenders in the institutions.

- (3) The programs should produce a profit for the department.
  - (4) The programs should have an insignificant effect on the number of jobs available for the residents of this state. (BDR 16-87)
2. Establish a 50-cent administrative fee on each license plate manufactured at the department of prisons with the revenue credited to the prison industry fund. Based upon the estimate of license plate production by the department of motor vehicles and public safety, it is estimated this fee will generate \$290,000 in annual revenue. (BDR 43-91)
3. Combine the prison industry and farm funds into one single fund entitled "prison industry and farm fund." The farm, however, will maintain a separate budget account for its fiscal activities. (BDR 16-89)
4. Require the director of the department of prisons, with the approval of the director of the department of general services, to establish a procedure for extraordinary and emergency purchases by the department's industry program. (BDR 16-92)
5. Require the director of the department of prisons to appoint, from a list of three names supplied by the advisory board, an assistant director for industry programs who will be in the classified service except for retention purposes. (BDR 16-87)
6. Require the director of the department of prisons to present the comments of the advisory board to the board of state prison commissioners when presenting new industry programs for its approval. (BDR 16-87)
7. Establish and fund six new positions through the general fund for 4 years. However, all operating (including travel) and equipment costs for these new positions should be paid from the industry fund. These positions with their effective date of hire are as follows:
  - a. Assistant director for industries (grade 45)-- March 1, 1987.
  - b. Management assistant III (grade 27)--March 1, 1987.
  - c. Institutional business manager I (grade 35)--July 1, 1987.

- d. Regional sales managers (two--one in the north and one in the south at grade 34)--July 1, 1987.
  - e. Senior accountant (grade 34)--January 1, 1988.
8. Authorize in the prison industry budget, effective July 1, 1987, seven new industry foremen positions (grade 31) to operate the following industry programs should market studies indicate they are feasible:
- a. Furniture manufacturing and metal fabrication--northern Nevada correctional center (medium).
  - b. Bookbinding and soap/detergent manufacturing--Nevada state prison (maximum).
  - c. Commercial laundry--southern desert correctional center (SDCC)
  - d. Auto upholstery and school bus seat renovation--SDCC.
  - e. Furniture refurbishing--southern Nevada correctional center (SNCC).
  - f. Metal fabricating--SNCC.
  - g. Data entry--Nevada women's correctional center.
9. Establish a 12-man inmate work crew complete with a bus and supervisor to work on various buildings and grounds projects in the Carson City, Reno and Sparks, Nevada, area.
10. Require the department of prisons to charge private industries which operate in the prison a monthly rental fee for shop space at 15 cents a square foot. This fee will be assessed to Desert Plasma, Inc.; L.V. Food Distributors; Nevada Plasma, Inc.; and Vinyl Products. Based upon the current space occupied by these businesses, it is estimated that \$51,712 in annual revenue will be generated for credit to the industry fund.
11. Credit the litre payment that is received from the blood/plasma programs totally to the industry fund instead of dividing it between the institution's budget account and the store fund.

Pay the salaries of the correctional officers associated with the operation of the blood/plasma program from the industry fund. The department of prisons estimates \$70,000 in additional annual revenue will be available in the industry fund that was previously deposited to the store fund.

12. Require the department of prisons to repay \$200,000 from the prison industry fund and \$100,000 from the farm fund to the general fund.

BULLETIN 87-9

STUDY OF LIMITATION OF TAXES AND OF PUBLIC EXPENSES

S.C.R. 65 - 1985 Session

Interim Subcommittee

Senator Kenneth K. Redelsperger, Chairman  
Assemblyman Charles O. Horne, Vice Chairman  
Assemblyman Bob Coffin



SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the limitation of taxes and of public expenses.

WHEREAS, The people of this state have in recent years considered and narrowly rejected constitutional amendments proposed by initiative to restrict taxation in various forms, specifically Question 6 in 1978 and 1980 and Question 12 in 1984; and

WHEREAS, Certain other states, such as California, have amended their constitutions or taken other action to limit taxation or public expenditure; and

WHEREAS, This state has by statute imposed such limitations upon local governments; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study:

1. The feasibility and most appropriate means of limiting by constitutional amendment the legislature's power to impose taxes and to expend public revenue; and

2. The need and most appropriate means of further limiting, by statute or by constitutional amendment, the power of local governments to impose taxes and to expend public revenue; and be it further

RESOLVED, That the legislative commission is directed to submit a report of its findings and any recommended legislation, including a proposal for any necessary constitutional amendments, to the 64th session of the legislature.



## ABSTRACT

### STUDY OF LIMITATION OF TAXES AND OF PUBLIC EXPENSES

The 1985 session of the Nevada legislature adopted Senate Concurrent Resolution No. 65 (File No. 138, Statutes of Nevada, 1985) which directs the legislative commission to study the limitation of taxes and of public expenses. The impetus for the resolution was the support for past initiatives to limit taxes such as Question No. 6 in 1978 and 1980, and Question No. 12 in 1984, and the introduction of several bills during the 1985 legislative session to limit state and local taxation or spending. The resolution requires that the study cover:

1. The feasibility and most appropriate means of limiting by constitutional amendment the legislature's power to impose taxes and to expend public revenue; and
2. The need and most appropriate means of further limiting, by statute or by constitutional amendment, the power of local government to impose taxes and to expend public revenue.

The study, carried out by a subcommittee of the legislative commission, included five public meetings held at locations across the state. The subcommittee heard testimony from both the public and private sectors and reviewed a considerable amount of published information.

The report provides background information on the various issues considered by the subcommittee. The recommendations in the report pertain to: (1) amending the limitation upon total proposed expenditures in Nevada Revised Statutes 353.213; (2) limiting general fund expenditures during the 1987-1989 biennium; (3) providing for tax relief and the creation of a budgetary stabilization fund during fiscal year 1988-1989 in the event of an extraordinary budgetary surplus; and (4) supporting the recommendations of the S.C.R. 53 (File No. 122, Statutes of Nevada, 1985) subcommittee regarding changes in the revenue limitations on local governments.



## SUMMARY OF RECOMMENDATIONS

This summary represents the major conclusions reached by the subcommittee. These conclusions are based upon: (1) suggestions made to the subcommittee at public hearings by citizens associated with the private and public sectors of the state economy; (2) written information from various sources pertaining to tax and expenditure limitations in other states; and (3) the experience and knowledge of the members of the subcommittee.

The subcommittee recommends that the legislature:

1. Amend Nevada Revised Statutes 353.213 to change the base biennium used in determining the limit upon total proposed expenditures for subsequent bienniums from the 1975-1977 biennium to the 1987-1989 biennium. Further, the portion of any allowable spending increase due to inflation is to be limited to a maximum of 9.2 percent each biennium. (BDR 31-69)
2. Adopt a concurrent resolution directing the senate committee on finance and the assembly committee on ways and means to limit the increase in general fund appropriations over those in the preceding biennium to a maximum of the increase in state population and consumer prices from July 1984 to July 1986. (BDR R-77)
3. Enact a statute to reduce the budgetary surplus if the unappropriated general fund balance reaches at least \$60 million on July 1, 1988. The reduction would be accomplished through appropriations to the distributive school fund to offset a temporary reduction in local property taxes for schools and to a budgetary stabilization fund to be used only when revenues fall short of projections. (BDR 31-78).
4. Support any actions approved by the interim subcommittee to study the funding of cities and counties in Nevada (S.C.R. 53) to address problems associated with the existing revenue limitations on local governments.



BULLETIN 87-10

STUDY OF STATUTES REQUIRING APPROVAL BY DEPARTMENT OF  
HUMAN RESOURCES OF CERTAIN MEDICAL PROJECTS

A.C.R. 41 - 1985 Session

Interim Subcommittee

Senator Helen A. Foley, Chairman  
Assemblyman Robert G. Craddock, Vice Chairman  
Assemblyman James J. Banner



**ASSEMBLY CONCURRENT RESOLUTION**—Directing the legislative commission to study the effect on the cost of medical services of the requirement of approval by the department of human resources of certain medical projects.

**WHEREAS**, It is necessary to the welfare of the state to ensure that its citizens receive medical services of high quality at a reasonable cost; and

**WHEREAS**, In an effort to control that cost, the legislature has enacted a law requiring the approval of the director of the department of human resources for certain medical projects; and

**WHEREAS**, It is not clear what effect that requirement has had in controlling the cost of medical services; now, therefore, be it

**RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING**, That the legislative commission is hereby directed to study the effect on the cost of medical services of the requirement of approval by the director of the department of human of certain medical projects on the cost of medical services; and be it further

**RESOLVED**, That the results of the study and any recommendations for legislation be reported to the 64th session of the legislature.



## ABSTRACT

### STUDY OF STATUTES REQUIRING APPROVAL BY DEPARTMENT OF HUMAN RESOURCES OF CERTAIN MEDICAL PROJECTS

The 1985 legislature adopted Assembly Concurrent Resolution No. 41 (File No. 103) which directed the legislative commission to study the effect that the Certificate of Need process has on the cost of medical services. The subcommittee which conducted the study held three meetings.

The first two meetings, held jointly with the legislative commission's subcommittee to study restraining costs of medical care (Senate Bill 460, chapter 645, Statutes of Nevada, 1985), were designed to gather information and take testimony from expert witnesses and the public at large. The third meeting was a work session to analyze the data collected, consider alternative courses of action and adopt recommendations. Testimony was taken from a variety of sources including the American Association of Retired Persons, the general public, government officials, the health care industry, legal and research staff of the legislative counsel bureau, the medical professions and private consultants.

The report discusses proposals ranging from abolishing CON to exempting certain equipment or expenditures and targeting other specific areas for CON review. The major issue addressed is "whether Nevada should abolish CON regulation or retain it"; and if it is to be retained, to what degree.

The committee received and reviewed information from states that have abolished CON entirely (Arizona, California, and Utah) and states that have modified their CON regulations (Maryland, Oregon, and Wisconsin).

#### Finding

The consensus of the subcommittee was that current CON statutes in Nevada should be retained but modified.

Recommendations in the report include exemption of certain nonmedical services, replacement equipment, and some new services from the CON process as well as raising technological equipment and capital expenditures thresholds.



## SUMMARY OF RECOMMENDATIONS

The legislative commission's subcommittee reviewing statutes requiring approval by the department of human resources of certain medical projects recommends that the 64th session of the Nevada legislature:

1. Exempt from review capital expenditures which are not directly related to patient services. This exemption could include expenditures for:
  - a. Costs associated with facility maintenance;
  - b. Data processing and communication systems;
  - c. Energy conservation systems;
  - d. Land acquisition;
  - e. Parking structures;
  - f. Renovation costs necessary to comply with life safety, licensure, certification or accreditation standards; and
  - g. Other elements which are determined by the department of human resources not to relate directly to patient services. (BDR 40-154)
2. Exempt from review replacement of medical equipment. (BDR 40-153)
3. Exempt from review all new services which do not involve new beds or exceed capital and equipment thresholds except:
  - a. Burn units;
  - b. Neonatal intensive care units;
  - c. Open heart surgery units; and
  - d. Transplant units. (BDR 40-155)
4. Raise the threshold above which new technological equipment must be approved before it is purchased from \$400,000 to \$1 million. (BDR 40-152)
5. Raise the capital expenditure level to \$2 million. (BDR 40-151)



BULLETIN 87-11

REPORT OF COMMITTEE TO OVERSEE FLOOD CONTROL DISTRICT  
IN CLARK COUNTY

A.B. 169 - 1985 Session

Interim Committee

Assemblyman James W. McGaughey, Chairman  
Assemblyman Danny L. Thompson, Vice Chairman  
Senator James H. Bilbray  
Senator Ann O'Connell  
Senator Raymond C. Shaffer  
Assemblyman Robert E. Price



Assembly Bill No. 169—Assemblymen McGaughey, Thompson, Schofield, Bilyeu, Bergevin, Banner, Horne, Williams, Kerns, Zimmer, Ham, Coffin, DuBois, Arberry, Little, Collins, Francis, Rader, Tebbs, Roberts, Malone, Sedway, Price, Bogart, Humke, Dini, Jeffrey, Nevin, O'Donnell, Lambert, Spriggs, Craddock, Joerg, Getto, Swain, Stone, Sader, Nicholas, Thomas, Beyer and Marvel

#### CHAPTER 425.

AN ACT relating to the control of floods; granting additional powers to a district for that purpose; changing the composition of the board of directors; authorizing the levy of an assessment to pay for certain improvements; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 543 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 14, inclusive, of this act.

**Sec. 2.** *“Acquisition” includes extension, alteration, reconstruction, repair or other improvement by purchase, construction, installation, reconstruction, condemnation, lease, rent, gift, grant, bequest, devise, contract or other means, or any combination thereof. “Acquire” has a correspondingly extensive meaning.*

**Sec. 3.** *“Board” means the board of directors of a district.*

**Sec. 4.** *“District” means any district for the control of floods organized or, in the case of organizational provisions, proposed to be organized, pursuant to NRS 543.160 to 543.830, inclusive, and sections 2 to 14, inclusive, of this act.*

**Sec. 4.5.** *“Hydrographic area” means the drainage basin of a stream and its tributaries, together with any other stream or body of water to which that stream is tributary.*

**Sec. 5.** *“Project” and “improvement” each means any structure, facility, undertaking or system which a district is authorized to acquire, improve, equip, maintain or operate.*

**Sec. 6.** *“Taxpaying elector” means a person who is qualified to vote at general elections in this state, whether or not registered to vote or a resident in the district, and who, or whose spouse, is obligated as an owner or as a contract purchaser at a designated time or event to pay a general tax on real property within the district.*

**Sec. 7.** *A project may consist of any kinds of personal or real property or any estate, interest or right in property, singly or in any combination.*

**Sec. 8.** *When notice is required to be given by publication pursuant to NRS 543.160 to 543.830, inclusive, and sections 2 to 14, inclusive, of this act, publication must be made at least once a week for 3 consecutive weeks in at least one newspaper of general circulation in the district. It is not necessary that publication be made on the same day of the week in each of the 3 calendar weeks, but the first publication must be at least 15 days before the designated time or event.*

**Sec. 9.** *The board may enhance any project of the district by providing recreational facilities, landscaping and similar amenities in order to increase the usefulness of the project to the community, provide aesthetic compatibility with the surrounding community and mitigate the adverse effect of the project on the environment.*

**Sec. 10.** *Any improvement pursuant to NRS 543.160 to 543.830, inclusive, and sections 2 to 14, inclusive, of this act, may be located, constructed and maintained in, along or across any public road or highway in the district in a manner that affords security for life and property. The board shall restore or cause to be restored the road or highway to its former condition as nearly as may be, in order not to impair its usefulness.*

**Secs. 11 through 13.** (Deleted by amendment.)

**Sec. 14. 1.** *The board shall adopt uniform regulations for the control of drainage, in accordance with the master plan, from land which is developed after the regulations become effective. The regulations may include provisions for the granting of a variance by the board upon application and showing of conditions peculiar to certain land which justify the variance.*

**2.** *On and after July 1, 1987, a county or city is not eligible to receive money, from the regional fund for the control of floods, for the acquisition of a project or improvement unless it has incorporated these regulations in its ordinances governing the subdivision of land, parcel maps, and division of land into large parcels. The county or city is then responsible for their enforcement, but the county or any city may bring an action against any of the others to compel enforcement in the latter's territory.*

**3.** *The board may also require as a condition of granting money to a county or city that the recipient comply with uniform policies established by the board for the operation and maintenance of a project or improvement.*

**Sec. 14.5.** NRS 543.170 is hereby amended to read as follows:

543.170 [1. It is hereby declared as a matter of legislative determination that the organization of districts having the purposes, powers, rights, privileges and immunities provided in NRS 543.160 to 543.830, inclusive, will serve a public use and will promote the health, safety, prosperity, security and general welfare of the inhabitants thereof and of the State of Nevada; that the acquisition, improvement, maintenance and operation of any project authorized in NRS 543.160 to 543.830, inclusive, is in the public interest and constitutes a part of the established and permanent policy of the State of Nevada; and that each district organized pursuant to the provisions of NRS 543.160 to 543.830, inclusive, shall be a body corporate and politic and a quasi-municipal corporation. For the accomplishment of these purposes the provisions of NRS 543.160 to 543.830, inclusive, shall be broadly construed.

2. It is hereby further declared as a matter of legislative determination that the notice provided for in NRS 543.160 to 543.830, inclusive, for each hearing and action to be taken is reasonably calculated to inform the parties of all proceedings which may directly and adversely affect their legally protected interest.

3. Nothing in NRS 543.160 to 543.830, inclusive, shall be construed to interfere with or conflict with or limit the functions and responsibilities of:

(a) The health division of the department of human resources as provided by law.

(b) The state engineer as provided by law, and in case of conflict between the provisions of NRS 543.160 to 543.830, inclusive, and such other law, the provisions of such other law shall prevail.】

*The legislature finds and declares that:*

1. *Facilities to alleviate flooding in any district, whether located in a city, an unincorporated town or another unincorporated area of the county, benefit all the residents and owners of property in the district.*

2. *These facilities provide protection for life and property throughout the district, and usually require planning and development throughout a drainage basin.*

**Sec. 15.** NRS 543.180 is hereby amended to read as follows:

543.180 As used in NRS 543.160 to 543.830, inclusive, 【the following words or phrases are defined as follows:

1. “Acquisition,” “acquire” and “acquiring” each means acquisition, extension, alteration, reconstruction, repair or other improvement by purchase, construction, installation, reconstruction, condemnation, lease, rent, gift, grant, bequest, devise, contract or other acquisition, or any combination thereof.

2. “Assessable property” means the tracts of land specially benefited by any project the cost of which is wholly or partly defrayed by the county by the levy of assessments, except:

(a) Any tract owned by the Federal Government, in the absence of its consent to the assessment, or the county.

(b) Any street or other public right of way.

3. “Board” means the board of directors of a district.

4. “District” means any flood control district organized or, in the case of organizational provisions, proposed to be organized, pursuant to NRS 543.160 to 543.830, inclusive.

5. “Mail” means a single mailing, first class (or its equivalent), postage prepaid, by deposit in the United States mails, at least 15 days prior to the designated time or event.

6. “Project” and “improvement” each means any structure, facility, undertaking or system which a district is authorized to acquire, improve, equip, maintain or operate. A project may consist of all kinds of personal and real property, including but not limited to land,

improvements and fixtures thereon, property of any nature appurtenant thereto or used in connection therewith, and every estate, interest and right therein, legal or equitable, including terms for years, or any combination thereof.

7. "Publication" means publication at least once a week for 3 consecutive weeks by three weekly insertions in at least one newspaper of general circulation in the district. It shall not be necessary that publication be made on the same day of the week in each of the 3 calendar weeks, but the first publication shall be at least 15 days prior to the designated time or event.

8. "Shall" is mandatory and "may" is permissive.

9. "Taxpaying elector" means a person who is qualified to vote at general elections in this state, and who, or whose spouse, is obligated as an owner or as a contract purchaser at a designated time or event to pay a general tax on real property within the district. Registration pursuant to the election (or any other) statutes is not required. Residence in the county is not required.] *and sections 2 to 14, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 to 6, inclusive, of this act, have the meanings ascribed to them in those sections.*

**Sec. 16.** NRS 543.240 is hereby amended to read as follows:

543.240 **[A]** 1. *In any county whose population is 250,000 or more, the entire county constitutes the district.*

2. *In any other county, a district may:*

**[1.]** *(a) Consist of one contiguous area or of two or more noncontiguous areas.*

**[2.]** *(b) Include all or part of municipal corporations and other political subdivisions.*

**Sec. 16.5.** NRS 543.250 is hereby amended to read as follows:

543.250 1. **[The]** *In any county whose population is less than 250,000 the board of county commissioners [of any county is hereby vested with jurisdiction, power and authority to] may create districts.*

2. No member of a board of county commissioners or board of directors **[shall be]** is disqualified to perform any duty imposed by NRS 543.160 to 543.830, inclusive, by reason of ownership of property within any proposed district.

3. A district so created may include territory within another *such* county, with the consent of the board of county commissioners of **[such]** *the other county.*

**Sec. 17.** NRS 543.320 is hereby amended to read as follows:

543.320 **[A district shall be]**

1. *Except as otherwise provided in subsection 2, the district is governed by a board of directors consisting of the members of the board of county commissioners of the county.*

2. *If the district coincides with a county in which a regional transportation commission has been created pursuant to chapter 373 of NRS,*

*the members of that commission constitute the board of directors of the district.*

**Sec. 18.** NRS 543.330 is hereby amended to read as follows:

543.330 1. The board shall *meet in July of each year to organize and* choose one of its members as chairman of the board and president of the district, and **[shall]** elect a secretary of the board and of the district, who may or may not be a member of the board.

2. The county treasurer **[shall be]** *is* the treasurer of the board and of the district.

3. The secretary shall keep, in a well-bound book, a record of all of the board's proceedings, minutes of all meetings, certificates, contracts, bonds given by employees, and all corporate acts, which **[book shall]** *must* be open to inspection **[of]** *by* all owners of real property in the district as well as **[to all]** other interested persons.

4. The treasurer shall keep strict and accurate accounts of all money received by and disbursed for and on behalf of the district, in permanent records.

5. No member of the board **[shall]** *may* receive compensation for his services, but members **[shall]** *may* be reimbursed for their necessary expenses in attending district meetings and for necessary expenses incurred in traveling within and without the state when required to carry out the affairs of the district.

**Sec. 19.** NRS 543.340 is hereby amended to read as follows:

543.340 1. **[The board shall meet regularly at least once each year, and]** *In addition to the requirements of NRS 543.330, the board may meet* at such time or times and at such regular meeting place within the district as it **[shall by resolution determine.]** *determines by resolution.*

2. Special meetings may be held on notice to each member of the board as often as, and at such place or places within the district as, the needs of the district require.

3. A majority of the members of the board **[shall constitute]** *constitutes* a quorum at any meeting.

4. *The board shall adopt written policies and procedures for administering the district and for operating and maintaining its projects and improvements.*

**Sec. 20.** NRS 543.360 is hereby amended to read as follows:

543.360 The board may:

1. **[Acquire,]** *By the affirmative vote of two-thirds of its members, acquire, construct, improve, extend, maintain and operate projects [, improvements and facilities] and improvements* for the control of flood and storm waters of the district and the flood and storm waters of streams which have their sources outside of the district **[, but which streams and the flood waters thereof]** *but* flow into the district. *After July 1, 1986, no project or improvement may be acquired unless it is included in the master plan. A project or improvement must not be*

*acquired unless it is first approved by an agreement among the county and all the cities all or part of whose territory is included in the hydrographic area which specifically identifies it, contains an estimate of its cost, and shows its relation to the master plan.*

2. Conserve such waters for beneficial and useful purposes by spreading, storing, retaining and causing [such waters] *them* to percolate into the soil within or without the district.

3. Save and conserve in any manner all or any of such waters and protect from [such] floods or storm waters the watercourses, watersheds, public highways, life and property in the district.

4. Prevent waste of water or diminution of the water supply in, or the exportation of water from, the district.

5. Obtain, retain and reclaim drainage, storm, flood and other waters for beneficial use of the district.

**Sec. 21.** NRS 543.450 is hereby amended to read as follows:

543.450 The board [shall have the power:

1. To enter] *may*:

1. *Enter* upon any land to make surveys and locate the necessary [works of] improvements and the lines for channels, conduits, canals, pipelines, *basins for retention or detention of water*, roadways and other rights of way.

2. [To acquire,] *Acquire*, by purchase, lease, contract, condemnation or other legal means, all lands and water and water rights and other property necessary or convenient for the construction, use, supply, maintenance, repair and improvement of [such] *those* works, including works constructed or being constructed by private owners, lands for [reservoirs for storage of necessary] *basins for retention or detention of water*, and all necessary appurtenances.

3. [To enter] *Enter* into agreements with and do any acts necessary or proper for the performance of any agreements with the United States, or any state, county, district of any kind, public or private corporation, association, firm or [individual, or any number of them,] *other person* for the joint acquisition, construction, leasing, ownership, disposition, use, management, maintenance or repair or operation [to] *of any rights, works or other property of any kind which might be lawfully acquired or owned by the district.*

4. [To acquire] *Acquire* the right to [store water in any reservoir,] *retain or detain water in any basin*, or carry water through any canal, ditch or conduit not owned or controlled by the district.

5. [To grant] *Grant* to any owner or lessee the right to [the use of any water or the right to store such water in any reservoir of the district, or to carry such water through any tunnel, canal, ditch or conduit] *use any facility* of the district.

6. [To enter] *Enter* into and do any act necessary or proper for the performance of any agreement of the district of any kind with a [public or private corporation, association, firm or individual, or any number

of them,] *person, a governmental organization*, or the transfer or delivery [to any such district, corporation, association, firm or individual] of any water, water right or water supply stored, appropriated or otherwise acquired or stored for the use of the district, or for the purpose of exchanging [the same for] *it for any other water, water rights or water supply* [in exchange for water, water rights or water supply] to be delivered to the district . [by the other party to the district.]

7. Cooperate with and act in conjunction with the State of Nevada, or any of its engineers, officers, boards, commissions, departments or agencies, or with the United States Government or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corporation [.] in the construction of any work for the controlling of [flood or storm waters] *floodwaters* of the district, or for the protection of life or property therein, or for the purpose of conserving [such] *those* waters for [the] beneficial use within the district, or for any other [works.] acts or [for] purposes provided for [herein.] *in this section* and to adopt and carry out any definite plan or system of work for [any such] *that* purpose.

**Sec. 22.** NRS 543.510 is hereby amended to read as follows:

543.510 1. The board [shall have the power:

(a) To appoint] *may*:

(a) *Appoint* a chief engineer and general manager who [shall] *must* be a civil engineer registered pursuant to the provisions of chapter 625 of NRS [.

(b) To hire and retain agents, employees, servants, engineers and attorneys, and any other persons necessary or desirable to effect the purposes of NRS 543.160 to 543.830, inclusive.

(c) To prescribe] *and must be selected from among three nominees proposed by a committee of private citizens. The county and each city all or part of whose territory is included in the district shall appoint one member to the committee.*

(b) *Prescribe* the duties of officers, agents, employees and servants, and fix their compensation.

(c) *Create a technical committee for the district. If the board of county commissioners constitutes the board of directors, the technical committee must consist of one member and one alternate appointed by the county and by each city within the district. If the regional transportation commission constitutes the board of directors, the number of members and alternates appointed respectively by the county and by each city must be equal to the number of its representatives on the commission. The committee shall annually choose one of its members as chairman. The chief engineer and general manager has no vote in the committee but shall serve as its executive secretary.*

2. **[All county officers, including the]** *The chief engineer and general manager may hire and retain agents, employees, servants, engineers and attorneys, and any other persons necessary or desirable to effect the purposes of the district.*

3. *The district attorney, the county surveyor, [the county engineer,] the county assessor, the county auditor [and the county clerk,] or comptroller, the county treasurer, their deputies, assistants, clerks and other employees [, shall act as] are ex officio officers, deputies, assistants, clerks and employees of the district. They shall, [unless otherwise ordered] if requested by the board , [of county commissioners.] perform the same various duties for the district as for the county. The board must reimburse the county for the cost of rendering these services.*

**Sec. 23.** NRS 543.550 is hereby amended to read as follows:

543.550 1. There is hereby granted to a district [created pursuant to the provisions of NRS 543.160 to 543.830, inclusive.] the right of way for the construction and maintenance of [flood control channels.] *floodways, ditches, waterways, conduits, canals, [storm] dikes, embankments , basins for retention or detention of water and protective works [.] in, over and across public lands of the State of Nevada [.] not otherwise disposed of or in use, but not in any case exceeding the length or width necessary for the construction of [such] those works and adjuncts or for the protection thereof.*

2. Whenever any selection of right of way for [such] *those* works or adjuncts [thereto] is made by the district, the board shall transmit to the division of state lands of the state department of conservation and natural resources *and any other agency or entity of the state owning land in the area, including the University of Nevada and the Colorado River Commission,* and to the county recorder of the county in which the selected lands are situated a plat of the lands so selected, giving the extent thereof and the uses for which [the same] *they* are claimed or desired, verified to be correct.

3. If the division of state lands of the state department of conservation and natural resources [shall approve] *approves* the selection so made, [approval shall] *it must* be endorsed upon the plat and [there shall be issued to the district a permit to use such] *a permit must be issued to use the* rights of way and land.

**Sec. 23.5.** NRS 543.580 is hereby amended to read as follows:

543.580 1. The chief engineer and general manager [shall have the authority, with the approval of the state department of conservation and natural resources, to] *may* investigate carefully the best plan or plans:

(a) To control the [flood and storm waters] *floodwaters* of the district and the [flood and storm waters] *floodwaters* of streams that have their

sources outside of the district [, but which stream and flood waters thereof] *but* flow into the district; [and]

(b) To conserve such waters for beneficial and useful purposes by spreading, storing, retaining, or causing to percolate into the soil within or without the district, or to save or conserve in any manner, any or all of such waters; and

(c) To protect the watercourses, watersheds, public highways, life and property in the district from damage from such water, and to obtain such other information in regard thereto as may be deemed necessary or useful in carrying out the purposes of NRS 543.160 to 543.830, inclusive.

2. The chief engineer and general manager shall make and file reports from time to time with the board, which [reports shall] *must* show:

(a) A general description of the work to be done on each project or work of [improvements.] *improvement*.

(b) General plans, profiles, cross sections and other general specifications of the work to be done on each project or work of improvement.

(c) A general description of the lands, rights of way, easements and property proposed to be taken, acquired or injured in the carrying out of [such] *that* work.

(d) An estimate of the cost of each project or [works of improvements] *work of improvement* including:

(1) An estimate of the costs of lands, rights of way, easements and property proposed to be taken, acquired or injured in carrying out [such] *the* project or work of improvement.

(2) An estimate of all incidental expenses likely to be incurred in connection therewith, including legal, clerical, engineering, superintendence, inspection, printing and advertising, and stating the total amount of bonds, if any, necessary to be issued to pay for [the same.] *it*.

(3) A comparison of the total cost of the proposed works with an estimate of the cost of condemnation and relocation or replacement of property within the boundaries of the flood plain.

3. The chief engineer and general manager shall, from time to time, as directed by the board, file with the board supplementary, amendatory and additional reports and recommendations as necessity and convenience may require.

4. The chief engineer and general manager may, subject to the control and direction of the board, employ [such] other engineers, surveyors and other persons required for making all surveys and doing any work necessary for the making of the reports.

**Sec. 24.** NRS 543.590 is hereby amended to read as follows:

543.590 1. After a district has been established, the board shall cause its chief engineer or qualified private engineers or consultants to make a survey of the [flood control problems of] *problems of controlling floods* in the district and to prepare a report setting forth:

(a) A description of existing **[flood control]** facilities *for the control of floods* in the area.

(b) Recommendations as to cooperation between the district and the owner or owners of **[such existing]** *the* facilities.

(c) Recommendations for the construction or other acquisition of facilities to carry out the purpose of the district, with a preliminary plan therefor.

(d) A description of the property proposed to be acquired or damaged in the performance of work.

(e) A map showing the **[district]** boundaries *of the district* and location of the work proposed to be done.

(f) *A map showing the hydrographic areas to be used by the district for planning and acquisition of projects and improvements.*

(g) Such other facts and information as the board may request.

2. **[Before submission to the board, the report shall be submitted to the health division of the department of human resources for review of any portions concerning water pollution and shall then be submitted to the state department of conservation and natural resources for revision and comment and returned to the board.]** In the preparation of the report, the director of the state department of conservation and natural resources and the health division may assist in preliminary planning by:

(a) The assignment of **[state]** technical, professional and administrative personnel.

(b) Providing *information for engineering and other planning* **[data.]**

(c) Acting as **[coordinating and liaison agents]** *coordinator and liaison* between the district and participating local, state and federal agencies.

**[Funds]** *Money* expended in preliminary planning may, upon application to the director of the state department of conservation and natural resources and to the health division, be refunded, if **[funds]** *money* for these purposes **[have]** *has* been appropriated by the legislature.

3. The chief engineer for the district shall then prepare *for each hydrographic area* a **[comprehensive program of flood control,]** *master plan for the control of floods which must set forth the most effective structural and regulatory means for correcting existing problems of flooding within the area and dealing with the probable effects of future development, taking into consideration the recommendations submitted in the report. In preparing the master plan, he shall incorporate insofar as possible the planning completed or undertaken by the county, each city all or part of whose territory is included in the area, and any private engineer or developer for any part of the area. The master plan may include as separate elements the immediate needs, indicating their relative priority, and other future needs.*

4. When a **[comprehensive program,]** *master plan* satisfactory to

the board, and after review by the director of the state department of conservation and natural resources, is available, it ~~shall~~ *must* be tentatively adopted. A public hearing on the proposed work ~~shall~~ *must* be scheduled and notice of the hearing ~~shall be~~ given by publication. After hearing and any adjournments thereof which may be ordered, the board may either require changes to be made in the ~~program~~ *master plan* as the board ~~shall consider~~ *considers* desirable or the board may approve the ~~program~~ *tentative master plan* as prepared. If changes are ordered a further hearing ~~shall~~ *must* be held pursuant to notice ~~which shall be~~ given by publication.

5. *The county and each city all or part of whose territory is included within each hydrographic area shall then hold a public hearing to consider adopting the tentative master plan as a component of its master plan pursuant to chapter 278 of NRS. The master plan or its parts for that hydrographic area do not become final until adopted by the county and each city.*

**Sec. 24.3.** NRS 543.600 is hereby amended to read as follows:

543.600 ~~¶~~ *The board shall have power and authority to levy and collect general (ad valorem) taxes on and against all taxable property within the district, such levy and collection to be made by the board in conjunction with the county and its officers as set forth in NRS 543.160 to 543.830, inclusive.* 1. *In a county whose population is 250,000 or more, the board of county commissioners shall hold public hearings before deciding which one or combination of the powers set forth in this section is to be used to provide revenue for the support of the district. The method selected must be approved, in an election held throughout the district, by a majority of the voters voting on the question.*

2. *The board of county commissioners may levy and collect taxes ad valorem upon all taxable property in the county. This levy is not subject to the limitations imposed by NRS 354.59805 to 354.5987, inclusive. A district for which a tax is levied pursuant to this subsection is not entitled to receive any distribution of supplemental city-county relief tax.*

3. *The board of county commissioners may impose a tax of not more than 0.25 percent on retail sales and the storage, use or other consumption of tangible personal property in the county. The ordinance imposing this tax must conform, except as to amount, to the requirements of chapter 377 of NRS and the tax must be paid as provided in that chapter.*

4. *In any other county, the board of county commissioners may only levy taxes ad valorem upon all taxable property in the district.*

5. *In any county, the board of directors may use any other money, including federal revenue sharing, that is made available to the district.*

**Sec. 24.6.** NRS 543.650 is hereby amended to read as follows:

543.650 1. *The proceeds of all taxes and charges levied or imposed for the support of the district and all other revenues received for its account from any source must be deposited in the regional fund*

for the control of floods. No money may be drawn from the fund except for the use of the district.

2. Whenever any indebtedness has been incurred by a district, [it shall be lawful for the board to] *the board may also* levy taxes and collect revenue for the purpose of creating a reserve fund in such amount as the board may determine, which may be used to meet the obligations of the district, for maintenance and operating charges and depreciation, and to provide extension of and betterments to the improvements of the district.

**Sec. 25.** NRS 543.675 is hereby amended to read as follows:

543.675 1. [A fee] *In a county whose population is less than 250,000 an owner in fee* of real property situate in the district [, or the fee owners of any real properties which are contiguous to each other and which constitute a portion of the district,] may file with the board a petition praying that [such] *those* lands be excluded [and taken] from the district.

2. Petitions [shall:] *must*:

(a) Describe the property which the [petitioners desire] *petitioner desires* to have excluded.

(b) State that the property [is not] *does not produce any runoff of floodwater* capable of being served [with] *by the* facilities of the district [, or would not be benefited by remaining in the district or by any future improvement it might make.] *or by any future improvement contained in the master plan.*

(c) Be acknowledged in the same manner and form as required in case of a conveyance of land.

(d) Be accompanied by a deposit of money sufficient to pay all costs of the [exclusion proceedings.] *proceedings for exclusion.*

3. The secretary of the board shall cause a notice of filing of such petition to be published, which [notice shall:] *must*:

(a) State the filing of [such] *the* petition.

(b) State the names of the petitioners.

(c) Describe the property mentioned in the petition.

(d) State the prayer of the petitioners.

(e) Notify all persons interested to appear at the office of the board at the time named in the notice, [showing cause in writing, if any they have.] *and show cause in writing* why the petition should not be granted.

4. The board at the time and place mentioned in the notice, or at the times to which the hearing of the petition may be adjourned, shall proceed to hear the petition and all objections thereto, presented in writing by any person . [showing cause why the prayer of the petition should not be granted.]

5. The filing of [such petition shall be deemed and taken as] *the petition is* an assent by each [and all such petitioners] *petitioner* to the

exclusion from the district of *all or part* of the property mentioned in the petition . **[**, or any part thereof.**]**

6. The board, **[if it deems it not for the best interest of the district that the property mentioned in the petition, or portion thereof,]** *if it considers it not to be in the best interest of the district that all or part of the property* be excluded from the district, shall order that the petition be denied in whole or in part, as the case may be.

7. If the board **[deems it for]** *considers it to be* in the best interest of the district that the property mentioned in the petition **[or some portion thereof]** be excluded from the district, the board shall order that the petition be granted in whole or in part, as the case may be.

8. There **[shall]** *may* be no withdrawal from a petition after consideration by the board nor **[shall]** *may* further objection be filed except in case of fraud or misrepresentation.

9. Upon **[allowance of such]** *granting the* petition, the board shall file for record a certified copy of its ordinance making **[such]** *the* change, **[as]** *in the manner* provided in NRS 543.300.

**Sec. 26.** NRS 543.685 is hereby amended to read as follows:

543.685 **[The]** *In a county whose population is less than 250,000 the* boundaries of a district may be enlarged by the inclusion of additional real property **[therein]** in the following manner:

1. The **[fee owner or owners]** *owner in fee* of any real property capable of being served **[with]** *by the* facilities of the district may file with the board a petition **[in writing praying that such]** *praying that the* property be included in the district.

2. The petition **[shall:]** *must:*

(a) Set forth an accurate legal description of the property . **[owned by the petitioners.]**

(b) State that assent to the inclusion of **[such]** *the* property in the district is given by **[the signers thereto, constituting]** all the **[fee]** owners *in fee* of **[such]** *the* property.

(c) Be acknowledged in the same manner required for a conveyance of land.

3. There **[shall]** *may* be no withdrawal from a petition after consideration by the board nor **[shall]** *may* further objections be filed except in case of fraud or misrepresentation.

4. The board shall hear the petition at an open meeting after publishing the notice of the filing of **[such]** *the* petition, and of the place, time and date of **[such]** *the* meeting, and the names and addresses of the petitioners. The board shall grant or deny the petition and the action of the board **[shall be]** *is* final and conclusive. If the petition is granted as to all or any of the real property **[therein]** described, the board shall make an order to that effect, and file **[the same]** *it* for record **[as]** *in the manner* provided in NRS 543.300.

5. After the date of its inclusion in **[such district, such property shall be]** *the district, the property is* subject to all of the taxes imposed

by the district, and [shall be] *is* liable for its proportionate share of *the* existing general obligation bonded indebtedness of the district . [; but it shall not be] *It is not* liable for any taxes levied or assessed [prior to] *before* its inclusion in the district.

**Sec. 27.** NRS 543.720 is hereby amended to read as follows:

543.720 1. Whenever [any] *the* board determines, by resolution, that the interest of the district and the public interest or necessity demand the acquisition, construction, installation or completion of any works or other improvements or facilities, or the making of any contract with the United States or other persons or corporations, to carry out the objects or purposes of the district, requiring the creation of an indebtedness of [\\$1,000] *\\$50,000* or more, the board shall order the submission of the proposition of issuing [such] *the* obligations or bonds or creating other indebtedness to the qualified taxpaying electors of the district at an election held for that purpose.

2. [Any such] *The* election may be held separately, or may be consolidated or held concurrently with any primary or general election.

3. The declaration of public interest or necessity required by this section and the provision for the holding of [such] *the* election may be included within [one and] the same resolution, which [resolution, in addition to such declaration of public interest or necessity, shall:] *must:*

(a) Recite the objects and purposes for which the indebtedness is proposed to be incurred, the estimated cost of the works or improvements, [as the case may be,] the amount of principal of the indebtedness to be incurred , [therefor,] and the maximum rate of interest to be paid on [such] *the* indebtedness.

(b) Fix the date upon which [such election shall be held and] *the election will be held*, the manner of holding the [same] *election* and the method of voting for or against the incurring of the proposed indebtedness.

(c) Fix the compensation to be paid the officers of the election , [and shall] designate the polling place or places and [shall appoint, for each polling place from the electors of the district, three officers of such election,] *appoint, from the taxpaying electors of the district, three officers of the election for each polling place*, one of whom shall act as clerk.

**Sec. 28.** NRS 543.790 is hereby amended to read as follows:

543.790 Whenever a majority of the members of the board [of county commissioners of any such county deem] *considers* it to be in the best interests of the [county and of the district that any such district] *district and the area served by the district that the district* be dissolved, it shall so determine by [ordinance,] *resolution*, after there is first found and determined and recited in [such ordinance] *the resolution* that all outstanding indebtedness and bonds of all kinds of the district have been paid. The [county clerk shall thereupon certify a copy of

the ordinance to the board of such district and] *secretary of the board* shall give notice by publication of:

1. The adoption of [such ordinance;] *the resolution*;
2. The determination of the board [of county commissioners] that the district should be dissolved; and
3. The time and place for hearing *preliminary to the adoption of an ordinance* on dissolution.

**Sec. 28.5.** NRS 377.057 is hereby amended to read as follows:

377.057 1. The state controller, acting upon the relevant information furnished by the department, shall monthly from the fees, taxes, interest and penalties which derive from the supplemental city-county relief tax collected in all counties and from out-of-state businesses during the preceding month, after making any distributions required by NRS 377.053:

(a) Distribute the amount specified in this paragraph among the following local governments in the following percentages:

Political Subdivision	Percent- age
Churchill County .....	3.23
City of North Las Vegas .....	46.52
City of Carlin .....	2.72
Esmeralda County .....	.20
Eureka County.....	.71
City of Winnemucca.....	5.56
City of Caliente.....	.46
City of Yerington.....	4.77
Mineral County .....	9.96
City of Gabbs .....	4.31
Pershing County.....	2.52
City of Lovelock.....	5.77
White Pine County .....	5.37
City of Ely.....	7.90

For the fiscal year beginning July 1, 1981, the monthly amount is \$71,110. For each succeeding fiscal year, this amount must be reduced by \$7,111 from the preceding year.

(b) Distribute to each local government the amount calculated for it by the department of taxation pursuant to subsection 2.

2. The maximum amounts distributable under paragraph (b) of subsection 1 must be estimated for each fiscal year. The percentage of maximum allowable revenue, as determined pursuant to NRS 354.59805, to be derived from the supplemental city-county relief tax must be as nearly equal among the several counties as possible. The amount apportioned to each county must then be apportioned among the several local governments therein, including the county and excluding the school district, [and] any redevelopment agency, and any other

*local government excluded by specific statute*, in the proportion which each local government's basic ad valorem revenue bears to the total basic ad valorem revenue of all these local governments except that no local government may receive more than the amount to which it is entitled pursuant to NRS 354.59811 and 354.59816. When any local government has received the maximum supplemental city-county relief tax calculated to be distributed to it, any remaining money otherwise distributable to it must be deposited in the reserve fund for the supplemental city-county relief tax.

3. As used in this section, the "basic ad valorem revenue":

(a) Of each local government is its assessed valuation for the year of distribution, multiplied by the rate levied on its behalf for the fiscal year ending June 30, 1981, for purposes other than paying the interest on and principal of its general obligations. For the purposes of this paragraph:

(1) A county whose actual tax rate, for purposes other than debt service, for the fiscal year ending on June 30, 1981, was less than 50 cents per \$100 of assessed valuation is entitled to the use of a rate not greater than 80 cents per \$100 of assessed valuation.

(2) A fire district in such a county whose tax rate was more than 50 cents per \$100 of assessed valuation is entitled to the use of a rate not greater than \$1.10 per \$100 of assessed valuation.

(b) Of the county for the distribution under subsection 1 is the sum of its individual basic ad valorem revenue and those of the other local governments within it, excluding the school district.

4. For the purposes of this section, a fire district organized pursuant to chapter 473 of NRS is a local government.

**Sec. 29.** NRS 543.350 and 543.671 are hereby repealed.

**Sec. 30.** 1. In Clark County the board of county commissioners and the governing body of each city shall appoint its representatives to the committee for nomination of a chief engineer and general manager of the Clark County Regional Flood Control District within 60 days after the effective date of this act.

2. The board of directors shall estimate the amount of money needed to support the district during the fiscal years beginning on and after July 1, 1987, by August 1, 1986. The board of county commissioners shall hold its hearings, decide upon the source of revenue for that support, and submit the chosen method of financing for the required approval at the primary election in 1986.

3. The tax or charge first imposed as the result of this selection must be made effective on July 1, 1987. For the fiscal year 1985-1986 there is hereby levied a tax ad valorem of 2 cents on each \$100 of assessed valuation on all taxable property in the county for the support of the district.

**Sec. 31.** There is hereby created a committee of members of the legislature to oversee the effectuation of this act in Clark County. The

legislative commission shall appoint to the committee a suitable number of the legislators elected from that county. The members of the committee shall lend their good offices to promote cooperation among the local governments involved, and shall report their observations to the 64th session of the legislature. The board of directors of the district comprising Clark County shall meet with the committee at least three times: on or before January 1, 1986, July 1, 1986, and January 1, 1987.

**Sec. 32.** 1. This act becomes effective upon passage and approval.

2. Section 31 of this act expires by limitation except for the required report, upon the adoption of the master plan in Clark County.



## ABSTRACT

### REPORT OF COMMITTEE TO OVERSEE FLOOD CONTROL DISTRICT IN CLARK COUNTY

The 1985 legislature approved Assembly Bill 169 (chapter 425, Statutes of Nevada, 1985) which was signed into law by the governor on June 2, 1985. This bill made substantial technical and policy changes to Nevada's law concerning flood control districts. The bill grants additional powers to a regional flood control district and makes the members of the regional transportation commission the board of directors of the flood control district in those counties in which a regional transportation commission has been created. Clark County, Nevada, presently has the only flood control district in the state organized in this manner.

The bill also specifies the methods of taxation which may be approved in order to provide revenue necessary to run the district. However, public hearings must be held before the methods of financing are chosen, and these methods must be approved through a vote of the people.

Pursuant to section 31 of A.B. 169, a legislative committee was also established to oversee the activities of the flood control district in Clark County. This committee was established specifically to promote cooperation among the local governments involved and was directed to report its observations to the 1987 legislature.

The first two meetings of the legislative committee emphasized the need for intergovernmental and private sector cooperation, and positive public education efforts regarding the proposal that the sales tax in Clark County be increased by .25 of 1 percent for the purpose of flood control. This tax increase was subsequently approved by the voters on September 2, 1986, and is scheduled to go into effect on July 1, 1987.

The second two meetings of the legislative committee were designed to obtain and develop recommendations for the 1987 session of the Nevada legislature. One recommendation adopted by the committee is to advance the effective date of the sales tax increase to March 1, 1987. Legislative approval of this proposal will expedite needed flood control projects in Clark County. The second recommendation combines several technical amendments which will strengthen and improve Nevada's flood control statutes.



## SUMMARY OF RECOMMENDATIONS

The legislative oversight committee on regional flood control in Clark County, Nevada, recommends that the 64th session of the Nevada legislature:

1. Amend section 30, subsection 3, of chapter 425 of the Statutes of Nevada, 1985 to advance the effective date of the .25 of 1 percent sales tax increase (as approved by the voters of Clark County on September 2, 1986) from July 1, 1987, to March 1, 1987. (BDR S-619)
2. Authorize the chief engineer/general manager of the district to perform acts required by the United States Secretary of the Army and Congress of the United States for flood control districts which have a chief engineer/general manager. (BDR 48-618)
3. Require that all state and local government projects be designed and constructed in compliance with district policies and standards according to the master plan requirements. (BDR 48-618)
4. Provide that the Citizens Advisory Committee operate on a continuing basis to advise and assist the district. Membership on the Citizens Advisory Committee should also include one member of the board of directors of the Clark County Regional Flood Control District, plus one representative per entity. (BDR 48-618)
5. Provide for the periodic review, evaluation, update, and revision of the master plan for flood control. This review shall include an annual report which must outline funds received and expended, administrative costs, projects which have been completed, and projects under construction or proposed, including estimated dates of completion. The review process shall also contain a more exhaustive review of the master plan every 5 years, and a revision of the master plan every 10 years. However, the master plan may be revised earlier than the 10-year period if facts and conditions indicate this need. (BDR 48-618)
6. Provide criteria for granting variances from the uniform standards and flood plain ordinance. Variances shall not be issued within the flood plain if an increase in flood levels of more than 1 foot should occur during a 100-year flood discharge, except when such changes are consistent with the flood control master plan. The

board must make the following findings before issuing a variance from the flood plain regulations and uniform standards.

- a. Good and sufficient cause has been shown.
- b. Failure to grant the variance would result in exceptional hardship to the applicant without providing equal or greater benefit to the public.
- c. The granting of the variance will not result in increased flood heights which create additional threats to public safety, extraordinary public expense, a public nuisance, cause fraud on or victimization of the public or conflict with existing laws or ordinances.
- d. The variance is the minimum necessary, considering the flood hazard, to offer relief.
- e. Channel and wash relocations shall not be permitted unless the proposal results in an overall benefit to or maintains a flood control system of equal effectiveness in terms of flood control.

The board also may impose other conditions as deemed necessary. (BDR 48-618)

7. Amend chapter 543, "Control Of Floods," of Nevada Revised Statutes to clarify that NRS 543.610, NRS 543.650 and other applicable sections of Nevada's statutes apply only to money which is raised by a property tax. (BDR 48-618)
8. Amend chapter 361A, "Taxes On Agricultural Real Property And Open Space," of Nevada Revised Statutes to include flood control easements within provisions for open space tax credit. Legislative staff should also examine the process of application to the U.S. Bureau of Land Management for property which may be acquired in the future for flood control purposes. (BDR 48-618)
9. As an alternative to the establishment of a sunset provision for the .25 of 1 percent sales tax increase for flood control purposes in Clark County, request the 1995 session of the Nevada legislature to establish a committee, consisting of legislators from Clark County, to conduct a comprehensive review of the activities of the Clark County Regional Flood Control District and to determine if the district is effectively spending its funds and satisfactorily progressing on its projects. The committee must decide whether to recommend to the

next legislature that the sales tax increase be submitted to the voters for its continuation. (BDR 48-618)

10. Require that the floodway design for all flood control projects include the consideration of potential parks. (BDR 48-618)
11. Through its senate committee on finance and assembly committee on ways and means, consider:
  - a. Placing any excess money into a fund for flood control programs, with the understanding that this would not necessarily take precedence over any other program of the state; and
  - b. Providing outright grants of money instead of loans for the purpose of flood control programs. (BDR 48-618)



BULLETIN 87-12

STUDY OF POTENTIAL USES OF WASHOE LAKE

A.C.R. 39 - 1985 Session

Interim Subcommittee

Assemblyman Bruce R. Bogaert, Chairman  
Senator Randolph J. Townsend, Vice Chairman  
Senator Thomas R. C. Wilson



Assembly Concurrent Resolution No. 39—Assemblymen Bogaert, Kerns, Price, Humke,  
Jeffrey and Roberts

FILE NUMBER.....101

ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to  
study the potential uses of Washoe Lake.

WHEREAS, Washoe Lake is an important natural resource for this state, partly because of its unique location between Carson City and Reno; and

WHEREAS, The public has an interest in ensuring that Washoe Lake's resources and ecology are preserved while encouraging its use for the benefit of the people of this state; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to conduct an interim study of the potential uses of Washoe Lake, including the control of floods, storage of water, recreational needs and conservation of wildlife and open space; and be it further

RESOLVED, That the legislative commission report the results of its study and any recommended legislation to the 64th session of the Nevada legislature.



## ABSTRACT

### STUDY OF POTENTIAL USES OF WASHOE LAKE

The 1985 session of the Nevada legislature, recognizing the valuable resources of Washoe Lake and its unique location between Carson City and Reno, Nevada, adopted Assembly Concurrent Resolution No. 39 (File No. 101, Statutes of Nevada, 1985) to study the potential uses of the Lake.

The resolution states that the public has an interest in ensuring that the lake's resources and ecology are preserved while encouraging its use for the benefit of the people of the state. The resolution further directs the legislative commission to study potential uses of Washoe Lake, including the control of floods, storage of water, recreational needs and conservation of wildlife and open space.

The study, carried out by a subcommittee of the legislative commission, was comprehensive. In addition to a review of existing studies, reports and plans pertaining to Washoe Lake, the subcommittee conducted a preliminary field investigation at the lake, four public hearings and a concluding work session. There was extensive participation in the legislative study by both the general public and governmental agencies.

Key findings of the subcommittee included that:

1. The State of Nevada does not have jurisdiction concerning, nor does the subcommittee have any interest in, private development on privately owned lands at Washoe Lake;
2. Any further discussion of dredging Washoe Lake or commercial development on state-owned lands at Washoe Lake is opposed; and
3. Most issues pertaining to water at Washoe Lake are subject to a water decree issued by the federal court.

The recommendations in the report pertain to: (1) future acquisition of selected private lands, located just east of the Bellevue Interchange of United States Highway 395, by the division of state parks of the state department of conservation and natural resources; (2) future transfer of certain surplus lands, located just east of the Bellevue Interchange, from the department of transportation to the division of state parks; (3) future emphasis on public recreation at the Bellevue Interchange area of Washoe Lake; (4) future transfer of lands located around Little Washoe

Lake from the department of wildlife to the division of state parks for public recreation uses; and (5) the need for all agencies of the State of Nevada and other governmental entities to work cooperatively on an update of the state's master plan for Washoe Lake.

## SUMMARY OF RECOMMENDATIONS

The legislative commission's subcommittee studying potential uses of Washoe Lake recommends for the consideration of the 64th session of the Nevada legislature that:

1. It is recognized that most issues pertaining to water at Washoe Lake are subject to a water decree issued by the United States District Court. However, legal staff of the legislative counsel bureau and affected state agencies are directed to compile and prepare information on issues concerning:
  - a. The high water level of Washoe Lake; and
  - b. Ownership and responsibility for the outlet structure (dam) and flow gate at the north end of Little Washoe Lake.
2. Before developing or improving state-owned lands at the Bellevue Interchange, located just east of United States Highway 395, the State of Nevada should first acquire privately owned lands located in this same immediate area.
3. The department of transportation is encouraged to assist the state department of conservation and natural resources in the appraisal of private properties located in the Bellevue Interchange area which should be acquired by the state (see recommendation No. 2). If additional money is required to perform these appraisals, the agencies involved should present a request to the interim finance committee.
4. After state acquisition of private lands as discussed in recommendations Nos. 2 and 3, surplus lands now under the jurisdiction of Nevada's department of transportation located on the east side of the Bellevue Interchange should be transferred to the division of state parks, state department of conservation and natural resources. The division of state parks should manage these lands in accordance with the agency's master plan for Washoe Lake, with emphasis on public recreation uses.
5. Lands at Little Washoe Lake located north of the east/west section line at the lake's southern neck (or collar) should be transferred from the department of wildlife to the division of state parks. Recreational uses should be restricted south of the neck, and the wetlands and island areas should be protected. Assistance on required land

appraisals is requested from the department of transportation. If additional money is required to perform these appraisals, the agencies involved should present a request to the interim finance committee. The agencies also are requested to determine the amount of money needed to accomplish this transfer considering the required repayment to the Federal Government of funds provided under the Pittman-Robertson Act.

6. It is recognized that both recreational uses and wildlife habitat at Washoe Lake are important but sometimes are not mutually compatible. Therefore, both the division of state parks and the department of wildlife are urged to work together cooperatively on the update of the Washoe Lake master plan now being prepared by the division of state parks. The department of wildlife should take an active role in the plan update instead of merely ratifying the recommendations of the division of state parks. The plan, among other things, should delineate restricted areas and buffers which are needed to protect sensitive wildlife habitat.
7. The State of Nevada does not have jurisdiction concerning, nor does the subcommittee have any interest in, private development on privately owned lands at Washoe Lake. Issues of this type are under the jurisdiction of local government. The subcommittee also opposes any further discussion of dredging Washoe Lake or commercial development on state-owned lands at Washoe Lake.

BULLETIN 87-13

STUDY OF THE STATE'S LAWS CONCERNING PUBLIC LANDS

S.C.R. 47 - 1985 Session

Interim Subcommittee

Senator Dean A. Rhoads, Chairman  
Assemblyman David D. Nicholas, Vice Chairman  
Senator James H. Bilbray  
Senator John M. Vergiels  
Assemblyman Virgil M. Getto  
Assemblyman John W. Marvel  
Clark County Commissioner Karen W. Hayes



SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the state's laws concerning public lands.

WHEREAS, Approximately 87 percent of the land in Nevada is public land; and

WHEREAS, The various provisions of Nevada's law concerning public lands were adopted at different times and a coordinated review of those provisions has not been attempted by the legislature in its recent sessions; and

WHEREAS, Controversy has arisen at several locations in the state from the use or proposed use of eminent domain for mining interests and from altercations concerning access to public and private lands; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study the state's laws concerning public lands including, but not limited to:

1. The acquisition, management, disposal and planning for the use of public lands;
  2. Access to public and private lands; and
  3. The use of eminent domain in connection with mining, smelting and related activities;
- and be it further

RESOLVED, That the results of the study and any recommendations for legislation be reported to the 64th session of the legislature.



## ABSTRACT

### STUDY OF THE STATE'S LAWS CONCERNING PUBLIC LANDS

The 1985 Nevada legislature adopted Senate Concurrent Resolution No. 47 (File No. 132) which directed the legislative commission to study the state's laws concerning public lands. This study included the state's laws pertaining to:

1. The acquisition, management, disposal and planning for the use of public lands;
2. Access to public and private lands; and
3. The use of eminent domain in connection with mining, smelting and related activities.

The legislative commission assigned this study to the Nevada legislature's committee on public lands. The committee devoted a portion of six of its regular meetings to this study. Public hearings on the state's laws concerning public lands were conducted at meetings in Carson City, Elko, Las Vegas (twice) and Reno (twice), Nevada.

The committee received information for the study from the Nevada Mining Association; representatives of the division of state lands, department of conservation and natural resources; representatives of the departments of minerals and wildlife; research staff of the legislative counsel bureau; representatives of businesses and citizens' groups; and private citizens.

The committee also directed and reviewed extensive research on the topics involved in this study of the state's laws concerning public lands. The appendices of the report include information from committee research reports concerning state land laws, the access issue, and the eminent domain for mining law.

The committee adopted five recommendations, two of which require legislative action.



## SUMMARY OF RECOMMENDATIONS

The legislative commission directed the Nevada legislature's committee on public lands to conduct the study of the state's laws concerning public lands. The committee recommends for consideration of the 64th session of the Nevada legislature that:

1. Legislation be introduced to provide a general policy statement for the management and disposition of state lands in Nevada. (BDR 26-218)
2. Legislation be introduced to provide an appropriation for the purchase of easements to offer an incentive for private property owners to improve or grant access to public lands. (BDR S-217)
3. The current law in Nevada Revised Statutes 37.010, "Public purposes for which right of eminent domain may be exercised," which provides for the use of the power of eminent domain for mining purposes, be retained in its present form.
4. The Nevada legislature's committee on public lands include federal and state reclamation laws for mining operations as a topic for continued study.
5. The final report include, for reference purposes, information from committee research reports concerning state land laws, the access issue, and the eminent domain for mining law.



BULLETIN 87-14

HIGH-LEVEL RADIOACTIVE WASTE IN NEVADA

S.B. 55 - 1985 Session

Nevada Revised Statutes 459.0085

Interim Subcommittee

Senator Thomas J. Hickey, Chairman  
Assemblyman James W. Schofield, Vice Chairman  
Senator James I. Gibson  
Senator Kenneth K. Redelsperger  
Assemblyman Jane F. Ham  
Assemblyman John E. Jeffrey  
Assemblyman Gaylyn J. Spriggs



CHAPTER...211

AN ACT relating to high-level radioactive waste; establishing the legislative committee on high-level radioactive waste; prescribing its powers and duties; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 459 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *There is hereby created a committee on high-level radioactive waste. It is a committee of the legislature composed of:*

(a) *Three members of the senate, appointed by the majority leader of the senate.*

(b) *Four members of the assembly, appointed by the speaker.*

2. *The legislative commission shall select a chairman and a vice chairman from the members of the committee.*

3. *The committee shall meet at the call of the chairman to study and evaluate:*

(a) *Information and policies regarding the location in this state of a facility for the disposal of high-level radioactive waste;*

(b) *Any potentially adverse effects from the construction and operation of a facility and the ways of mitigating those effects; and*

(c) *Any other policies relating to the disposal of high-level radioactive waste.*

4. *The committee shall report the results of its studies and evaluations to the legislative commission and the interim finance committee at such times as the legislative commission or the interim finance committee may require.*

5. *The committee may recommend any appropriate legislation to the legislature and the legislative commission.*

6. *The director of the legislative counsel bureau shall provide a secretary for the committee on high-level radioactive waste. Each member of the committee is entitled to a salary of \$80 for each day or part of a day during which he attends a committee meeting or is otherwise engaged in the work of the committee. Per diem allowances, salary and travel expenses of members of the committee must be paid from the legislative fund.*



## COMMITTEE ON HIGH-LEVEL RADIOACTIVE WASTE

### **459.0085 Creation; membership; duties; salary and expenses of members.**

1. There is hereby created a committee on high-level radioactive waste. It is a committee of the legislature composed of:

(a) Three members of the senate, appointed by the majority leader of the senate.

(b) Four members of the assembly, appointed by the speaker.

2. The legislative commission shall select a chairman and a vice chairman from the members of the committee.

3. The committee shall meet at the call of the chairman to study and evaluate:

(a) Information and policies regarding the location in this state of a facility for the disposal of high-level radioactive waste;

(b) Any potentially adverse effects from the construction and operation of a facility and the ways of mitigating those effects; and

(c) Any other policies relating to the disposal of high-level radioactive waste.

4. The committee shall report the results of its studies and evaluations to the legislative commission and the interim finance committee at such times as the legislative commission or the interim finance committee may require.

5. The committee may recommend any appropriate legislation to the legislature and the legislative commission.

6. The director of the legislative counsel bureau shall provide a secretary for the committee on high-level radioactive waste. Each member of the committee is entitled to a salary of \$80 for each day or part of a day during which he attends a committee meeting or is otherwise engaged in the work of the committee. Per diem allowances, salary and travel expenses of members of the committee must be paid from the legislative fund.

(Added to NRS by 1985, 685)



## ABSTRACT

### HIGH-LEVEL RADIOACTIVE WASTE IN NEVADA

The 1985 legislature adopted Senate Bill No. 55 (chapter 211) which established a legislative committee on high-level radioactive waste. The legislature directed the committee to study and evaluate all matters pertaining to the location in the state of a facility for the disposal of high-level radioactive waste.

The committee members were appointed by the leadership of both the senate and the assembly. Staff was assigned to the committee from the research division of the legislative counsel bureau. The committee held six meetings--five in southern Nevada and one in northern Nevada: (1) August 20, 1985, Las Vegas; (2) November 13, 1985, Pahrump; (3) March 10, 1986, Las Vegas; (4) May 28, 1986, Las Vegas; (5) June 24, 1986, Carson City; and (6) November 24, 1986, Las Vegas.

The committee heard testimony from federal, state and local officials and from the interested public.

The final report of the committee includes a review of the state's program in three major areas--communications and public information, socioeconomic impact studies and transportation planning. The report also identifies major project "milestones" and decisions on issues of major significance nationally and to the State of Nevada.

The committee took two separate actions following its meetings during the 1985-1986 interim. It recommended to the legislative commission specific legislative action. In addition, it agreed to consider possible additional legislation following the completion of several key studies which have been undertaken by Nevada's agency for nuclear projects.



## SUMMARY OF RECOMMENDATIONS

The specific recommendations to the legislative commission include:

1. Adopt a resolution similar to Assembly Joint Resolution No. 4 (File No. 141) of the 1985 legislative session which urges the President and the Congress of the United States to provide assistance to the state to mitigate adverse impacts if a repository for storage of high-level radioactive waste is located in Nevada. The resolution outlines a number of areas ranging from education to tourism for which mitigation would be necessary.

It further establishes that mitigation should begin as soon as adverse impacts are known, and it notes that the Federal Government should establish a special fund to provide for mitigation of adverse impacts resulting from the study of the site in addition to those impacts resulting from the operation of the facility.

This resolution does not endorse or oppose the proposed facility.

2. Adopt a resolution similar to Assembly Joint Resolution No. 5 (File No. 140) of the 1985 legislative session which urges the President and the Congress of the United States to ensure that the Federal Government assumes total financial responsibility for mitigating all adverse impacts associated with preliminary study, construction, operation and eventual closure of a repository for high-level radioactive waste if the repository is located in Nevada. It also urges assumption of total liability by the Federal Government for injuries resulting from activities associated with the facility.

This resolution does not endorse or oppose the proposed facility.

3. Amend the appropriate section of the Nevada Revised Statutes to conform the pay rate for members of the Nevada Legislature's committee on high-level radioactive waste with that of the other standing committees.

Possible future considerations pertaining to taxes and transportation include:

1. Grants Equal to Taxes - The Nuclear Waste Policy Act of 1982 (NWPA) [Public Law 97-425, 42 United States Code (U.S.C.), Section 10101, et seq.] directs the Secretary

of Energy to grant to each state and "unit of general local government" in which a site for a repository is approved:

\* \* \* an amount each fiscal year equal to the amount such state and unit of general local government, respectively, would receive were they authorized to tax site characterization activities at such site, and the development and operation of such repository, as such state and unit of general local government tax the other real property and industrial activities occurring within such state and unit of general local government. \* \* \*  
[Section 116(c)(B)(3).]

The term "unit of general local government" is defined in the NWPA to mean "any borough, city, county, parish, town, township, village, or other general purpose political subdivision of a state." [42 U.S.C. Section 10101(28).] Preliminary research of other federal programs indicates that an independent school district is not considered to be a "unit of general local government."

The NWPA does not waive federal tax immunity. Section 116(c)(B)(3) provides for annual grants equivalent to the taxes (GETT) that would be collected by states and units of general local government if they could tax the real property of the site and the industrial activities associated with site characterization, development and operation of the repository.

The term "site characterization" is defined to mean:

(A) siting research activities with respect to a test and evaluation facility at a candidate site; and (B) activities, whether in the laboratory or in the field, undertaken to establish the geologic condition and the ranges of the perimeters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory shafts, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the suitability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.  
[42 U.S.C. Section 10101(21).]

A review of the legislative history of the NWPA and comparable grant payment programs indicates that Congress intended that the GETT provide full tax equivalency. The GETT is intended to encompass all state and local taxes that would be paid by a private company engaged in site characterization activities, development and operation of the repository.

Mountain West, which is the consultant for the state's agency for nuclear projects, has just initiated a study of this program. As soon as the study is complete, which is expected in September 1986, the committee will review it and decide what possible legislation may be desirable.

2. Transportation - The agency for nuclear projects is also just beginning to develop a complete transportation plan. It is possible that recommendations for legislation will result from the plan. The committee will also review this study to determine if any legislation is appropriate. No specific date has been set for the completion of the transportation plan at this time.



BULLETIN 87-15

STUDY OF BOUNDARIES FOR BLOCKS FOR CENSUS IN 1990

S.C.R. 59 - 1985 Session

Interim Subcommittee

Assemblyman Joan A. Lambert, Chairman  
Senator Sue Wagner, Vice Chairman



SENATE CONCURRENT RESOLUTION—Directing the legislative commission to participate in setting the boundaries for the blocks for the census in 1990.

WHEREAS, Public Law 94-171 requires the Bureau of the Census to provide each state with a count of its population for purposes of redistricting as part of the decennial census in 1990; and

WHEREAS, The Bureau of the Census will number the entire nation by blocks for that census and has established the Block Boundary Suggestion Program to enable it to do so; and

WHEREAS, That program gives each state the opportunity to suggest certain visible features as the boundaries for the blocks; and

WHEREAS, The state must notify the Bureau of the Census of its intent to participate in the program by July 31, 1985, and representatives of this state will have until June 1986 to meet with officials of the Bureau of the Census to establish the boundaries of the blocks; and

WHEREAS, If Nevada does not participate in the Block Boundary Suggestion Program, the Bureau of the Census will establish the boundaries of the blocks based on its own criteria; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study the establishment of the boundaries of blocks in this state and to participate in the Block Boundary Suggestion Program of the Bureau of the Census in preparation for the decennial census in 1990; and be it further

RESOLVED, That the legislative commission shall:

1. Consult with appropriate agencies of the executive branch and local governments in this state concerning the Block Boundary Suggestion Program;
2. Provide local governments with the opportunity to suggest the boundaries of blocks within their jurisdictions;
3. Prepare maps for use with the Census Bureau in establishing the boundaries of the blocks; and
4. Report the results of the study and the state's participation in the Block Boundary Suggestion Program to the 64th session of the legislature.



## ABSTRACT

### STUDY OF BOUNDARIES FOR BLOCKS FOR CENSUS IN 1990

The 1985 legislature adopted Senate Concurrent Resolution No. 59 (File No. 134) which directed the legislative commission to study the establishment of the boundaries of blocks in this state and to participate in the Block Boundary Suggestion Program (BBSP) of the United States Bureau of the Census in preparation for the decennial census in 1990.

The legislative commission appointed a subcommittee to direct and oversee the staff work for this study which was assigned to the research division of the legislative counsel bureau. The subcommittee held two meetings--one in Carson City, Nevada, on November 19, 1985, and the second in Reno, Nevada, on November 20, 1986. The subcommittee provided guidance, reviewed the staff work, and heard testimony from representatives of the Nevada Association of Counties and the state data center with the Nevada state library and archives.

The final report of the subcommittee includes an explanation of the BBSP, a review of the state's participation in the program, and a discussion of the remaining phases of the BBSP. The report also includes a review of the benefits to Nevada of participation in the Census Bureau's programs for the 1990 Census.

The subcommittee adopted two recommendations for legislation concerning (1) voting district boundaries, and (2) continued participation in the BBSP.



## SUMMARY OF RECOMMENDATIONS

This summary presents the recommendations to the 64th session of the Nevada legislature by the legislative commission's subcommittee to study boundaries for blocks for census in 1990.

The subcommittee recommends:

1. That legislation be introduced to require that precinct or voting district boundaries coincide with visible features on the grounds. (BDR 24-1144)
2. That a concurrent resolution be adopted to direct the legislative commission to continue the state's participation in the Block Boundary Suggestion Program and in other programs conducted by the United States Bureau of the Census in preparation for the 1990 Census and the redistricting data to be provided under Public Law 94-171. (BDR R-1143)



BULLETIN 87-16

REVIEW OF THE ACTIVITIES OF THE TAHOE  
REGIONAL PLANNING AGENCY

S.C.R. 27 - 1985 Session

Interim Subcommittee

Assemblyman David D. Nicholas, Chairman  
Senator Raymond C. Shaffer, Vice Chairman  
Senator John M. Vergiels  
Assemblyman Joan A. Lambert  
Assemblyman Danny L. Thompson



FILE NUMBER...60...

SENATE CONCURRENT RESOLUTION—Directing the legislative commission to review the activities of the Tahoe Regional Planning Agency.

WHEREAS, The waters of Lake Tahoe and other resources of the region are threatened with deterioration, which endangers the natural beauty and economic productivity of the region; and

WHEREAS, The region exhibits unique environmental and ecological values which are irreplaceable; and

WHEREAS, There is a public interest in protecting, preserving and enhancing these values for the residents of the region and for visitors to the region; and

WHEREAS, The Tahoe Regional Planning Agency, with the powers conferred by the Tahoe Regional Planning Compact, was established to enhance the efficiency and governmental effectiveness of protecting the region; and

WHEREAS, It is imperative to the preservation of the region to ensure that the agency is carrying out its duties as efficiently and as effectively as possible; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to appoint a subcommittee composed of two members of the senate and three members of the assembly to review the activities of the Tahoe Regional Planning Agency including, without limitation, a review of:

1. Its adherence to the provisions of the Tahoe Regional Planning Compact;
2. The extent to which the agency is carrying out the requirements of the compact;
3. The effectiveness of any actions taken by the agency; and
4. Any problems the agency may have and the reasons therefor; and be it further

RESOLVED, That the members of the subcommittee, in carrying out their review, shall consult with:

1. The members from Nevada of the governing body of the agency;
2. The members of the boards of county commissioners of Douglas and Washoe counties and of the board of supervisors of Carson City;
3. The members of the agency's staff;
4. The owners of real property who are affected by the decisions of the agency; and
5. Any other interested organizations located within the region; and be it further

RESOLVED, That the legislative commission report the results of its review to the 64th session of the Nevada legislature.



## ABSTRACT

### REVIEW OF THE ACTIVITIES OF THE TAHOE REGIONAL PLANNING AGENCY

The 1985 legislature adopted Senate Concurrent Resolution No. 27 (File No. 60, Statutes of Nevada, 1985) which directed the legislative commission to appoint a subcommittee to review the activities of the Tahoe Regional Planning Agency (TRPA). In addition, Senate Bill 191 (chapter 567, Statutes of Nevada, 1985) directed the subcommittee to make quarterly reports to the interim finance committee relative to several TRPA budget items.

The subcommittee which conducted the study held five meetings within the Lake Tahoe Basin between September of 1985 and its approval of this report in July of 1986. Additional meetings were projected for October 1986 and January 1987, immediately before the legislative session. The members of the subcommittee also individually attended several meetings of the TRPA governing board.

The subcommittee approved a total of 10 recommendations in the areas of:

1. Issues associated with transfer of private property into public ownership;
2. Erosion control;
3. Continuation of review of the activities of the TRPA;  
and
4. Amendments to the bistate compact.

The report of the subcommittee contains discussions of these recommendations. A brief history of the TRPA, a description of major programs and issues associated with the Lake Tahoe Basin, and a review of the agency's current activities are also included.



## SUMMARY OF RECOMMENDATIONS

Following is a summary of the recommendations of the legislative commission's subcommittee to review the activities of the Tahoe Regional Planning Agency:

### Issues Associated with Transfer of Private Property into Public Ownership

1. Include in the final report a statement expressing the subcommittee's support for passage of the \$31 million bond issue at the 1986 General Election in November.
2. Request, by resolution, that Congress continue to appropriate money to finance activities undertaken through the authority of the Santini-Burton Act. (BDR 349)
3. Request, by resolution, that the United States Forest Service within the United States Department of Agriculture include provisions in its regulations whereby appraisals of "fair market value" will include the increased development potential of property within the Lake Tahoe Basin under the most recent regulatory programs of the TRPA. (BDR 350)
4. Include in the final report a statement expressing the subcommittee's support for the concept of establishing a land bank for the Nevada portion of the Lake Tahoe Basin.
5. Include in the final report a statement expressing the subcommittee's support for Assembly Joint Resolution No. 27 (File No. 84, Statutes of Nevada, 1985) which proposes a constitutional amendment to allow exemption from taxation for real property upon which development is prohibited by governmental action.
6. Include in the final report a finding that units of local government anticipate experiencing problems with their allowed budgetary expenditures and tax revenues because development within their jurisdictions is being limited by regulation or public purchase of private property.
7. Recommend that the appropriate legislative committees solicit testimony and analyze the tax-related problems which units of local government will be facing due to regulation and public purchase of private property within the local jurisdictions.

### Erosion Control

8. Include in the final report a statement expressing the subcommittee's support for the concept of monitoring the streams in the Lake Tahoe Basin.

### Review of TRPA Activities and General Legislation

9. Continue, by resolution, the existence of the legislative subcommittee to review the activities of the TRPA as an interim subcommittee of the legislative commission. (BDR 352)

### Amendments to the Bistate Compact

10. In order to foster final approval of the proposed changes to the structure of the Nevada delegation, the subcommittee determined that it would be prudent to accept the additional amendments to the bistate TRPA compact as proposed in California legislation. Thus, the subcommittee recommended that Nevada enact legislation which accepts the additional amendments to the bistate compact as proposed in California's Assembly Bill 1600 (Chapter 167, Statutes of California, 1986). (BDR 22-353)

BULLETIN 87-17

NEVADA LEGISLATURE'S COMMITTEE ON PUBLIC LANDS

Nevada Revised Statutes 218.536, et seq.

Interim Legislative Committee

Senator Dean A. Rhoads, Chairman  
Assemblyman David D. Nicholas, Vice Chairman  
Senator James H. Bilbray  
Senator John M. Vergiels  
Assemblyman Virgil M. Getto  
Assemblyman John W. Marvel  
Clark County Commissioner Karen W. Hayes



## LEGISLATIVE COMMITTEE ON PUBLIC LANDS

**218.536 Legislative findings and declarations.** The legislature finds and declares that:

1. Policies and issues relating to public lands and state sovereignty as impaired by federal ownership of land are matters of continuing concern to this state.

2. This concern necessarily includes an awareness that all federal statutes, policies and regulations which affect the management of public lands are likely to have extensive effects within the state and must not be ignored or automatically dismissed as beyond the reach of the state's policymakers.

3. Experience with federal regulations relating to public lands has demonstrated that the State of Nevada and its citizens are subjected to regulations which sometimes are unreasonable, arbitrary, beyond the intent of the Congress or the scope of the authority of the agency adopting them and that as a result these regulations should be subjected to legislative review and comment, and judicially tested where appropriate, to protect the rights and interests of the state and its citizens.

4. Other western states where public lands comprise a large proportion of the total area have shown an interest in matters relating to public lands and those states, along with Nevada, have been actively participating in cooperative efforts to acquire, evaluate and share information and promote greater understanding of the issues. Since Nevada can both contribute to and benefit from such interstate activities, it is appropriate that a committee on matters relating to public lands be assigned primary responsibility for participating in them.

(Added to NRS by 1979, 5; A 1983, 208)

**218.5361 "Committee" defined.** As used in NRS 218.5361 to 218.5371, inclusive, "committee" means the legislative committee on public lands.

(Added to NRS by 1979, 5; A 1983, 209)

### **218.5363 Establishment; membership; chairman; vacancies.**

1. There is hereby established a legislative committee on public lands consisting of three members of the senate, three members of the assembly and one elected officer representing the governing body of a local political subdivision, appointed by the legislative commission with appropriate regard for their experience with and knowledge of matters relating to public lands. The members who are state legislators must be appointed to provide representation from the various geographical regions of the state.

2. The members of the committee shall select a chairman from one house of the legislature and a vice chairman from the other. After the initial selection of a chairman and a vice chairman, each such officer shall hold office for a term of 2 years commencing on July 1 of each odd-numbered year. If a vacancy occurs in the chairmanship or vice chairmanship, the members of the committee shall select a replacement for the remainder of the unexpired term.

3. Any member of the committee who is not a candidate for reelection or who is defeated for reelection continues to serve until the convening of the next session of the legislature.

4. Vacancies on the committee must be filled in the same manner as original appointments.

(Added to NRS by 1979, 5; A 1983, 209; 1985, 589)

**218.5365 Meetings; regulations; compensation of members.**

1. The members of the committee shall meet throughout each year at the times and places specified by a call of the chairman or a majority of the committee. The research director of the legislative counsel bureau or a person he has designated shall act as the nonvoting recording secretary. The committee shall prescribe regulations for its own management and government. Four members of the committee constitute a quorum, and a quorum may exercise all the power and authority conferred on the committee.

2. The members of the committee who are state legislators are entitled to receive a salary of \$80 and the subsistence allowances and travel expenses provided for state officers and employees generally for each day of attendance at a meeting of the committee and while engaged in the business of the committee.

3. The member of the committee who represents a local political subdivision is entitled to receive the subsistence allowances and travel expenses provided by law for his position for each day of attendance at a meeting of the committee and while engaged in the business of the committee, to be paid by his local political subdivision.

(Added to NRS by 1979, 5; A 1981, 170; 1983, 209; 1985, 398, 1131)

**218.5367 Powers of committee.**

1. The committee may:

(a) Review and comment on any administrative policy, rule or regulation of the:

(1) Secretary of the Interior which pertains to policy concerning or management of public lands under the control of the Federal Government; and

(2) Secretary of Agriculture which pertains to policy concerning or management of national forests;

(b) Conduct investigations and hold hearings in connection with its review, including but not limited to investigating the effect on the state, its citizens, political subdivisions, businesses and industries of such policies, rules, regulations and related laws;

(c) Consult with and advise the state land use planning agency on matters concerning federal land use, policies and activities in this state.

(d) Direct the legislative counsel bureau to assist in its research, investigations, review and comment;

(e) Recommend to the legislature as a result of its review any appropriate state legislation or corrective federal legislation; and

(f) Advise the attorney general if it believes that any federal policy, rule or regulation which it has reviewed encroaches on the sovereignty respecting land or water or their use which has been reserved to the state pursuant to the Constitution of the United States.

2. Any reference in this section to federal policies, rules, regulations and related federal laws includes those which are proposed as well as those which are enacted or adopted.

(Added to NRS by 1979, 5; A 1981, 170)

**218.5368 Duties of committee.** The committee shall:

1. Actively support the efforts of state and local governments in the western states regarding public lands and state sovereignty as impaired by federal ownership of land.
2. Advance knowledge and understanding in local, regional and national forums of Nevada's unique situation with respect to public lands.
3. Support legislation that will enhance state and local roles in the management of public lands and will increase the disposal of public lands.

(Added to NRS by 1983, 208)

**218.5369 Oaths; depositions; subpoenas.**

1. In conducting the investigations and hearings of the committee:
  - (a) The secretary of the committee, or in his absence any member of the committee, may administer oaths.
  - (b) The secretary or chairman of the committee may cause the deposition of witnesses, residing either within or without the state, to be taken in the manner prescribed by rule of court for taking depositions in civil actions in the district courts.
  - (c) The secretary or chairman of the committee may issue subpoenas to compel the attendance of witnesses and the production of books and papers.
2. If any witness refuses to attend or testify or produce any books and papers as required by the subpoena, the secretary or chairman of the committee may report to the district court by petition, setting forth that:
  - (a) Due notice has been given of the time and place of attendance of the witness or the production of the books and papers;
  - (b) The witness has been subpoenaed by the committee pursuant to this section; and
  - (c) The witness has failed or refused to attend or produce the books and papers required by the subpoena before the committee which is named in the subpoena, or has refused to answer questions propounded to him, and asking for an order of the court compelling the witness to attend and testify or produce the books and papers before the committee.
3. Upon such petition, the court shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days from the date of the order, and then and there show cause why he has not attended or testified or produced the books or papers before the committee. A certified copy of the order shall be served upon the witness.
4. If it appears to the court that the subpoena was regularly issued by the committee, the court shall enter an order that the witness appear before the committee at the time and place fixed in the order and testify or produce the required books or papers, and upon failure to obey the order the witness shall be dealt with as for contempt of court.

(Added to NRS by 1979, 6)

**218.5371 Fees and mileage for witnesses.** Each witness who appears before the committee by its order, except a state officer or employee, is entitled to receive for his attendance the fees and mileage provided for witnesses in civil cases in the courts of record of this state. The fees and mileage shall be audited and paid upon the presentation of proper claims sworn to by the witness and approved by the secretary and chairman of the committee.

(Added to NRS by 1979, 6)



## ABSTRACT

### NEVADA LEGISLATURE'S COMMITTEE ON PUBLIC LANDS

The Nevada legislature's committee on public lands is a permanent, statutory committee of the Nevada state legislature. The committee was created in 1983 to review and comment on proposals and practices affecting public lands under the control of the Federal Government in this state, and to provide a forum for the discussion and hearing of public lands matters. The committee generally reports to the members of the legislature on its activities during the interim period.

This report includes a review of public lands legislation from the 1985 session of the Nevada legislature, and a summary of the meetings and issues of the public lands committee. The committee held nine regular meetings throughout the state, created two subcommittees to deal with specific issues, and visited Washington, D.C., to meet with United States senators, representatives and executive branch officials who are involved in public lands matters. The report includes an overview of each of these meetings and activities.

The committee deals with many public lands issues which involve ongoing problems, programs and activities that are subject to congressional and other federal action. The committee has been very active and involved in a wide variety of at least 16 separate public lands issues during the 1985-1986 interim period. One section of the report provides a summary and background information on selected major issues to include military airspace and land, the Great Basin National Park, water rights and wilderness proposals.

The committee adopted nine recommendations for action and legislation. One recommendation pertains to a proposed constitutional amendment from the previous legislative session and one recommendation would amend current law concerning wild horses. Five recommendations involve the adoption of joint resolutions to urge Congress and federal agencies to take certain actions on specific public lands issues to include gradual land acquisitions, military airspace and land, the U.S. Bureau of Land Management wilderness report, water rights and wild horses.



## SUMMARY OF RECOMMENDATIONS

This summary presents the recommendations to the 64th session of the Nevada legislature by its committee on public lands.

The committee recommends:

1. That the legislature adopt the proposed constitutional amendment--Senate Joint Resolution No. 21 (File No. 68, Statutes of Nevada, 1985)--to clarify those state lands and proceeds which are pledged for educational purposes.
2. That the legislative commission, by July 1987, provide additional funds to the Nevada legislature's committee on public lands to conduct a scoping study or introductory examination of the costs and feasibility of the project to gradually acquire specific lands from the Federal Government for the state.
3. That the legislature adopt a joint resolution to urge and request Nevada's congressional delegation, the Congress and the appropriate federal executive branch agencies to support and cooperate with the state's efforts to gradually acquire its equal share of federal lands. (BDR R-1148)
4. That the legislature adopt a joint resolution to urge the United States Bureau of Land Management to allow for direct public input on its draft statewide wilderness report. (BDR R-1145)
5. That the legislature adopt a joint resolution to urge Congress to enact legislation to forbid the federal reservation of water rights for wilderness areas. (BDR R-1149)
6. That the legislature adopt a joint resolution to urge Congress to:
  - a. Investigate the designation and control of military airspace by the Federal Aviation Administration; and
  - b. Enact legislation to enhance public participation in the process of establishing airspace classifications and restrictions. (BDR R-1147)
7. That the legislature support, and that the committee send a letter to the appropriate federal agencies in support of, efforts by the executive branch of government in Nevada to:

- a. Establish a written agreement with the U.S. Department of Defense and the U.S. Department of the Interior to ensure that the "Nevada Report" section of the "Military Land Withdrawal Act of 1986" is implemented; and
  - b. Seek funding from those federal agencies to finance a full-time staff person at the state level in the office of community services to assist and oversee the implementation of that legislation.
8. That the legislature adopt a law to restore the authority of boards of county commissioners to establish procedures and enforce laws governing animals-at-large including wild horses. (BDR 45-1150)
9. That the legislature adopt a joint resolution to urge Congress to enact legislation which increases controls on the number of wild horses and burros and which authorizes additional methods of removing those animals from public lands. (BDR R-1146)

BULLETIN 87-18

STUDY OF INSURANCE AGAINST MEDICAL MALPRACTICE

A.C.R. 53 - 1985 Session

Interim Subcommittee

Assemblyman Charles W. Joerg, Chairman  
Senator Thomas R. C. Wilson, Vice Chairman  
Senator Raymond D. Rawson  
Assemblyman Robert M. Sader  
Assemblyman Myrna T. Williams



Assembly Concurrent Resolution No. 53—Committee on Legislative Functions

FILE NUMBER...106

ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study insurance against medical malpractice.

WHEREAS, The cost of health care in this state is increasing dramatically; and

WHEREAS, Premiums for insurance against medical malpractice are also increasing dramatically; and

WHEREAS, There is concern over these problems being expressed throughout the country; and

WHEREAS, Insufficient information is presently available to the legislature for it to determine whether the increasing cost of health care is attributable in significant part to the cost of the underwriting of insurance against medical malpractice by insurance companies; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to study the business of insuring against medical malpractice including the cost and benefit of such insurance; and be it further

RESOLVED, That the legislative commission report the results of its study and any recommended legislation to the 64th session of the Nevada legislature.



## ABSTRACT

### STUDY OF INSURANCE AGAINST MEDICAL MALPRACTICE

The 1985 session of the Nevada legislature adopted Assembly Concurrent Resolution No. 53 (File No. 106, Statutes of Nevada, 1985) directing the legislative commission to study insurance against medical malpractice in Nevada.

The first task undertaken by the subcommittee appointed to conduct this study was to oversee the implementation of Assembly Bill 696 (chapter 620, Statutes of Nevada, 1985) which established mandatory medical malpractice screening panels. The subcommittee heard testimony from the commissioner of insurance, insurance division, department of commerce, regarding the implementation of A.B. 696 and reviewed the regulations under which the screening panels were to operate.

The subcommittee also heard testimony from attorneys, members of the public, spokesmen for the insurance industry, and physicians regarding the causes and solutions to the rapid rise in malpractice insurance rates. The subcommittee approved recommendations dealing with changes in the insurance ratemaking process, joint and several liability, mandatory malpractice insurance coverage, prejudgment interest rates, the establishment of a public advocate for consumers of insurance, the immunities of health care providers employed by the department of prisons, and the licensing of graduates from foreign medical schools.



## SUMMARY OF RECOMMENDATIONS

The legislative commission's subcommittee studying insurance against medical malpractice recommends that the Nevada legislature:

1. Limit recovery against a defendant whose negligence is less than 50 percent of the total negligence which contributed to an injury or death. (BDR 3-135)
2. Tie the limit on prejudgment interest rates to the rate paid on Treasury bills or similar instruments. (BDR 2-137)
3. Grant independent contractors, who provide medical services to the prison system, the protection of the immunity and indemnity and hold harmless provisions provided for in chapter 41 of Nevada Revised Statutes. (BDR 3-133)
4. Establish an office of public advocate within the office of the attorney general to intervene in rate cases on behalf of consumers of insurance. (BDR 57-132)
5. Change insurance ratemaking procedures to provide that rate increases will not go into effect until a public rate hearing is held, if such a hearing is requested by the public advocate or other party. (BDR 57-132)
6. Amend NRS 686B.050 and NRS 686B.060 to remove the presumption that rates set by insurance companies in a competitive market are reasonable. (BDR 57-132)
7. Require that all physicians carry medical malpractice insurance with policy limits of at least \$500,000 or provide proof of financial responsibility in the same amount as a condition for acquiring or retaining a license to practice medicine in Nevada. Allow the commissioner of insurance to waive this requirement if, because of geographic area or area of specialty of practice, insurance coverage is not affordable or available. Require that companies offering medical malpractice insurance inform the board of medical examiners of policy cancellations. (BDR 54-131)
8. Provide the board of medical examiners with authority to supplement its licensure requirements by examining the curriculum of foreign medical schools attended by applicants for a license to practice medicine. (BDR 54-134)

The subcommittee also asked that a bill draft request be prepared on the following subject without the endorsement of the subcommittee:

Amend the statutes to allow the courts, at the request of either party, to award damage payments in excess of \$50,000 in installments rather than as lump sums.  
(BDR 3-128)

BULLETIN 87-19

REVIEW OF THE PERFORMANCE OF THE OFFICE OF  
THE CONSUMER'S ADVOCATE

Nevada Revised Statutes 228.400

Interim Legislative Committee

Assemblyman James A. Stone, Chairman  
Senator Joe Neal  
Senator Ann O'Connell  
Senator Robert E. Robinson  
Assemblyman Bruce R. Bogaert  
Assemblyman Jerry J. Fairchild  
Assemblyman Leonard V. Nevin  
Assemblyman Robert E. Price



NEVADA REVISED STATUTES

**228.400 Interim legislative committee to review performance of office of consumer's advocate.**

1. There is hereby created an interim committee of the legislature to review the performance of the office of the consumer's advocate.

2. The committee consists of:

(a) Two members of the senate from the majority political party, designated by the majority leader of the senate;

(b) One member of the senate from the minority political party, designated by the minority leader of the senate;

(c) Three members of the assembly from the majority political party, designated by the speaker of the assembly; and

(d) Two members of the assembly from the minority political party, designated by the minority leader of the assembly.

3. The members from the assembly shall select a chairman from among their number to serve for the period ending with the convening of each even-numbered regular session of the legislature. The members from the senate shall select a chairman from among their number to serve during the next legislative interim, and the chairmanship alternates between the houses of the legislature according to this pattern.

4. The committee exists only when the legislature is not in regular or special session. The committee shall meet at the call of the chairman to review and evaluate the effectiveness and functioning of the office of the consumer's advocate. It may make recommendations to the consumer's advocate, the attorney general, the public service commission, the legislative commission, the interim finance committee and the legislature.

5. The director of the legislative counsel bureau shall provide a secretary for the committee. Each member of the committee is entitled to receive out of the legislative fund a salary for each day or portion of a day in attendance at a meeting of the committee, in an amount equal to the salary established for members of the legislative commission, and the per diem allowance and travel expenses provided for state officers and employees generally.

(Added to NRS by 1981, 1676; A 1985, 402, 1121)



## ABSTRACT

### REVIEW OF THE PERFORMANCE OF THE OFFICE OF THE CONSUMER'S ADVOCATE

The 1981 Nevada legislature adopted Assembly Bill 473 (chapter 692) which created the office of advocate for customers of public utilities, more commonly known as the office of consumer's advocate (OCA). Section 12 of that bill, which became Nevada Revised Statutes 228.400, provided for an interim legislative committee to review and evaluate the effectiveness and functioning of the OCA. The committee may make recommendations to the consumer's advocate, the attorney general, the public service commission of Nevada, the legislative commission, the interim finance committee and the legislature. The committee traditionally has chosen to submit its report to the legislative commission.

The committee held two meetings--one in Las Vegas, Nevada, on April 7, 1986, and the second in Reno, Nevada, on May 16, 1986. The committee heard presentations and testimony from the consumer's advocate, the chairman of the PSCN, private citizens and representatives of various public utilities and utility customers. The committee also received written information and letters from the OCA, Nevada Power Company, Sierra Pacific Power Company, organizations representing consumers and private citizens.

The report includes two recommendations which both require statutory changes. The recommendations pertain to: (1) public access to rate applications, and (2) elimination of the interim legislative committee.



## SUMMARY OF RECOMMENDATIONS

This summary presents the recommendations to the 64th session of the Nevada legislature by the committee to review the performance of the office of consumer's advocate.

The committee recommends:

1. That Nevada Revised Statutes be amended to require public utilities to make rate applications available for review by the public. (BDR 58-124)
2. That NRS 228.400, "Interim legislative committee to review performance of office of consumer's advocate," be repealed to eliminate the interim legislative committee to review the performance of the office of consumer's advocate. (BDR 18-125)



BULLETIN 87-20

STUDY OF THE OPERATION OF THE PROGRAM FOR  
STATE AID TO MEDICALLY INDIGENT

S.C.R. 34 - 1985 Session

Interim Subcommittee

Senator Randolph J. Townsend, Chairman  
Assemblyman James J. Banner, Vice Chairman  
Senator Ann O'Connell  
Assemblyman Eugene Collins  
Assemblyman Bill R. O'Donnell



Missing Pages 197-210



BULLETIN 87-23

STUDY OF FEES AND TAXES WHICH PRODUCE REVENUE FOR  
CONSTRUCTION AND MAINTENANCE OF HIGHWAYS

A.C.R. 36 - 1985 Session

Interim Subcommittee

Senator Dean A. Rhoads, Chairman  
Assemblyman Art Rader, Vice Chairman  
Senator Bob L. Ryan  
Assemblyman Bob L. Kerns  
Assemblyman Robert E. Price



ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study the fees and taxes which produce revenue for the construction and maintenance of the highways.

WHEREAS, The existence of a safe and efficient system of highways within the State of Nevada is essential to the economy and general welfare of the state; and

WHEREAS, The constitution of the State of Nevada provides that the proceeds from any tax or fee related to the operation of a motor vehicle and the proceeds of any excise tax on fuel for motor vehicles must be used for the construction and maintenance of the highways of this state; and

WHEREAS, The provisions which impose the taxes and fees that currently produce the revenues for such construction and maintenance are complicated, difficult to administer and often confusing to the person who must pay them; and

WHEREAS, It is impossible to determine without comprehensive study whether those taxes and fees are adequate to ensure safe highways and whether they distribute the costs equitably among the users of the highways; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to conduct a study of the taxes and fees which produce the revenues for the construction and maintenance of the highways of this state; and be it further

RESOLVED, That the study include a review and evaluation of whether the taxes and fees are adequate to ensure safe highways and whether they distribute the costs equitably among the users of the highways; and be it further

RESOLVED, That the results of the study and any recommendations for legislation be reported to the 64th session of the legislature.



## ABSTRACT

### STUDY OF FEES AND TAXES WHICH PRODUCE REVENUE FOR CONSTRUCTION AND MAINTENANCE OF HIGHWAYS

The 1985 session of the Nevada legislature adopted Assembly Concurrent Resolution No. 36 (File No. 100, Statutes of Nevada, 1985) which instructs the legislative commission to study the fees and taxes which produce revenue for the construction and maintenance of the highways. The impetus for the study was the concern raised during testimony on Senate Bill 382 (chapter 579, Statutes of Nevada, 1985) which increased the fees and taxes for highways and shifted some of the revenue burden to heavy vehicles. Among these concerns, as noted in the resolution, were whether the fees and taxes are adequate to ensure safe highways and whether they distribute the costs equitably among the users of the highways.

In response to the resolution, the legislature appointed a subcommittee to conduct the study. The subcommittee conducted five public hearings and received information from persons and organizations interested in ensuring that Nevada's roadways are safe and properly funded.

The report outlines the testimony received during each of the meetings and highlights the issues that were considered. The subcommittee recommendations are: (1) that the 1987 legislature give serious consideration to the proposals developed by the Citizens Advisory Committee on Transportation. That committee recommends, among other things, an increase in motor vehicle fuel taxes and vehicle registration fees and an allocation of a portion of the state sales tax on motor vehicles to provide an extra \$210 million for road construction and maintenance over the 4 years beginning with fiscal year 1987-1988; (2) that a joint resolution be adopted to urge Congress to release money from the Highway Trust Fund for the construction and maintenance of highways; and (3) that an ongoing interim legislative committee be established to study the funding of Nevada's highways until the legislature is able to adopt a long-term funding program.



## SUMMARY OF RECOMMENDATIONS

This summary represents the major conclusions reached by the subcommittee. These conclusions are based upon (1) suggestions made to the subcommittee at public hearings by representatives from the private and public sector interested in the funding and safety of Nevada's roads and highways; (2) published information regarding the funding and safety of highways; and (3) the experience and knowledge of the members of the subcommittee.

The subcommittee recommends that the legislature:

1. Give serious consideration to the proposals of the Citizens Advisory Committee on Transportation to address the short- and long-term needs of Nevada's highway system.

The Citizens Advisory Committee suggests that the 1987 legislature take the following actions:

- a. Amend the statutes to increase the tax on motor vehicle fuel by 3 cents per gallon on July 1, 1987, and by an additional 2 cents per gallon on July 1, 1988. This will provide additional revenue for highways of approximately \$14.5 million the first year and \$24.1 million the second year. (BDR 43-214)
- b. Amend the statutes to increase the tax on special fuel by 4 cents per gallon on July 1, 1987, and by an additional 3 cents per gallon on July 1, 1988. This will provide additional revenue for highways of approximately \$3.6 million the first year and \$6.3 million the second year. (BDR 43-214)
- c. Amend the statutes to increase the registration fee on vehicles which have a declared gross weight of at least 10,000 pounds to \$11 per 2,000 pounds on July 1, 1987, and to \$15 per 2,000 pounds on July 1, 1988. This will provide additional revenue for highways of approximately \$2.25 million the first year and \$5.25 million the second year. (BDR 43-214)
- d. Amend the statutes to increase the registration fee on other vehicles by \$2 per vehicle on July 1, 1988. This will provide additional revenue for highways of approximately \$1.6 million for fiscal year 1988-1989. (BDR 43-214)

- e. Amend the statutes to allocate to the state highway fund a portion of the state sales and use tax on new and used motor vehicles that currently accrues to the state general fund. One-third of the revenue from this source will be allocated beginning on July 1, 1987, two-thirds will be allocated beginning on July 1, 1988, and the full amount will be allocated beginning on July 1, 1989. This will increase revenue to the state highway fund and decrease revenue to the state general fund by approximately \$5.7 million the first year, \$11.4 million the second year and \$17.1 million the third year. (BDR 32-213)
  - f. Increase the fees and taxes on motor vehicles to raise an additional \$14.55 million per year for highways during the 1989-1991 biennium.
  - g. Amend the statutes to allocate 70 percent of the new revenue raised for highways to the state highway fund and the remaining 30 percent to local governments for locally maintained streets and roads. (BDR 43-214 and BDR 32-213)
  - h. Authorize a study to develop a long-range plan for the funding of highways. The study should include the development of mechanisms to increase highway revenues to keep pace with growth and inflation.
  - i. Create and provide funding for a committee comprised of citizens from various pursuits to advise in the development of a long-term plan for the funding of highways. (BDR 35-219)
  - j. Evaluate the possibility of lengthening the maturity period of bonds for highway construction to provide greater flexibility to state and local authorities to meet existing needs.
2. Adopt a joint resolution urging the Congress of the United States to remove transactions relating to the Highway Trust Fund from the unified budget of the Federal Government and authorizing the release of the money in the fund for the construction and maintenance of the Nation's highways. (BDR 211)
  3. Amend the statutes to create an interim legislative committee to review the need and sources of revenue for the construction and maintenance of highways in Nevada. The committee should continue in existence until a plan is established to meet the long-term needs of the highway system. (BDR 17-212)

BULLETIN 87-24

STUDY OF ELECTION LAWS

A.C.R. 23 - 1985 Session

Interim Subcommittee

Assemblyman Courtenay C. Swain, Chairman  
Senator Sue Wagner, Vice Chairman



Assembly Concurrent Resolution No. 23—Committee on Elections

FILE NUMBER...96..

ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study the need to modernize Nevada's election laws.

WHEREAS, The laws governing the procedures used in elections in Nevada have not been comprehensively studied since the authorization of punchcard voting in 1975; and

WHEREAS, There are now two methods of voting authorized by law; and

WHEREAS, The law governing those methods should be examined to identify any inconsistent or conflicting provisions and, where necessary or appropriate, modernize and simplify those methods; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to conduct, through the staff of the legislative counsel bureau, a study of the laws governing the procedures used in elections in Nevada to determine the need for their revision and modernization; and be it further

RESOLVED, That the results of the study and any recommendations for legislation be reported to the 64th session of the legislature.



## ABSTRACT

### STUDY OF ELECTION LAWS

The 1985 Nevada legislature adopted Assembly Concurrent Resolution No. 23 (File No. 96, Statutes of Nevada, 1985) which directs the legislative commission to study the laws governing the procedures used in elections in Nevada to determine the need for their revision and modernization. The resolution was drafted at the request of the secretary of state and introduced by the assembly committee on elections.

The study was carried out by a subcommittee appointed by the legislative commission. The recommendations of the subcommittee involve a wide range of issues and propose changes in the election laws relating to the registration of voters, recall of public officers, general improvement districts, filing fees for public office, campaign contributions and expenses, nomination of candidates by political parties, ballot questions, city elections, use of computers in elections and absent, paper and sample ballots.



## SUMMARY OF RECOMMENDATIONS

This summary represents the major conclusions reached by the subcommittee. These conclusions are based upon (1) suggestions made to the subcommittee at public hearings by members of the general public and various public officers charged with the duty of conducting elections in Nevada; (2) published information concerning procedures governing elections; and (3) the experience and knowledge of the members of the subcommittee and staff.

The recommendations of the subcommittee are as follows:

1. Amend Nevada Revised Statutes 293.327 to require that the voting booth in the office of the county clerk or registrar of voters be available at least 25 days before an election for use by registered voters who have been issued absent ballots. (BDR 24-347)
2. Amend NRS 293.545 to extend the time for the return of an absent ballot to the county clerk or registrar of voters for the purpose of determining whether an affidavit of registration must be canceled. (BDR 24-347)
3. Amend chapter 293 of NRS to correct various inaccurate provisions relating to the use of paper ballots. (BDR 24-347)
4. Amend NRS 293.097 which defines "sample ballot" to include any document which is printed by a computer. (BDR 24-347)
5. Amend NRS 293.176 to provide that a person who changes his political party affiliation after September 1 of the preceding year is eligible to be a candidate for a nomination of a political party if the party is qualified after September 1 of the year preceding the election. (BDR 24-347)
6. Amend NRS 293.505 to require that each county clerk or registrar of voters appoint at least one deputy registrar in the county. (BDR 24-347)
7. Amend NRS 293.481 to require that a question which must be submitted to a county clerk or registrar of voters for an election other than a primary or general election be submitted at least 90 days before the election. (BDR 24-347)
8. Amend NRS 293.296 to permit any election officer to assist a voter in casting a ballot if the voter is physically disabled or unable to read or write English. (BDR 24-347)

9. Amend NRS 293.247 to require the secretary of state to adopt regulations to ensure the security of computer programs used in elections and to develop testing procedures for those programs. (BDR 24-347)
10. Urge the secretary of state to review and evaluate all available studies conducted by the Federal Election Commission relating to computer fraud before adopting regulations to ensure security of computer programs used in elections.
11. Amend NRS 306.020 to provide that a public officer appointed to an elective office is subject to recall in the same manner as provided for an officer elected to that office. (BDR 24-347)
12. Amend NRS 306.040 to require that a hearing for the recall of a district officer whose district includes area in more than one county must be held in the district court for the county in which the largest proportion of the area of the district is located. (BDR 24-347)
13. Amend NRS 294A.080 to require a city clerk to notify the district attorney of the county of any violation concerning the reporting of campaign contributions or expenses of a candidate for municipal office. (BDR 24-347)
14. Amend NRS 318.095 to require that:
  - a. The names of candidates for the office of trustee of a general improvement district be placed on the primary or general election ballot; and
  - b. A general improvement district reimburse the county clerk or registrar of voters for the costs incurred in conducting an election for that district. (BDR 24-347)
15. Amend various provisions of chapters 293 and 293B of NRS to clarify the application of those provisions to city elections. (BDR 24-348)
16. Amend NRS 293.193 to reduce the filing fee for a trustee of a county hospital or hospital district from \$40 to \$15. (BDR 24-347)

BULLETIN 87-25

STUDY OF METHODS OF DISTRIBUTING REVENUES FROM THE  
TAXATION OF LARGE ELECTRICAL POWER PLANTS

A.C.R. 31 - 1985 Session

Interim Subcommittee

Assemblyman Charles W. Joerg, Chairman  
Senator Raymond C. Shaffer, Vice Chairman  
Senator Robert E. Robinson  
Assemblyman Louis W. Bergevin



ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study methods of distributing the revenues from the taxation of large electrical power plants.

WHEREAS, The White Pine Power Project and, to a lesser extent, the Valmy Power Project are bringing to areas of this state construction and electrical generating capacity of a magnitude not before experienced in those areas or in the state as a whole; and

WHEREAS, Questions have been raised concerning appropriate policies for the distribution of the revenues from the taxation of these projects in light of their nature; and

WHEREAS, It is essential that the legislature be thoroughly familiar with the effects of various options for the distribution of such revenues; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to study methods of distributing the revenues from the taxation of large electrical power plants; and be it further

RESOLVED, That the results of the study and recommendations for legislation be reported to the 64th session of the legislature.



## ABSTRACT

### STUDY OF METHODS OF DISTRIBUTING REVENUES FROM THE TAXATION OF LARGE ELECTRICAL POWER PLANTS

Plans to construct large electrical generating power facilities in Nevada's rural counties present a dilemma to the state. Current laws restrict the amount of revenue a local entity can receive from taxes ad valorem. Therefore, a sudden increase in the ad valorem base caused by the construction of a large power plant could drive local tax rates down to almost zero.

The artificially low tax rates would not allow the local entities and the state to realize sufficient revenues to compensate for the costs associated with the construction of a large power plant. In addition, since most of the power generated would be exported out of the state, the tax benefit would accrue to nonresidents.

To properly address this matter, the Nevada legislature, adopted Assembly Concurrent Resolution No. 31 (File No. 98, Statutes of Nevada, 1985) directing the legislative commission to study the methods of distributing revenues from the taxation of large electrical power plants. The subcommittee addressed both the taxation and distribution of revenues from large electrical generating plants. The subcommittee met on three occasions with representatives from geothermal companies, major power companies and other interested parties.

The subcommittee determined that any economic analysis of alternative tax strategies regarding power plants required a comprehensive financial database. The last comprehensive financial database compiled in the State of Nevada was completed in 1960 and is now outdated. The subcommittee decided that a new database must be compiled and recommended that the 64th session of the Nevada legislature adopt legislation to complete that database study.

Legislative Counsel Bureau Bulletin No. 87-25, Study of Methods of Distributing Revenues from the Taxation of Large Electrical Power Plants, provides background information on this subject; a detailed report on the subcommittee's deliberations, findings and recommendations; and the full text of the bill draft request adopted by the subcommittee.



## SUMMARY OF RECOMMENDATIONS

The subcommittee recommends that the legislature:

1. Adopt legislation to establish an oversight committee to conduct a comprehensive financial database study. (BDR S-40)
2. Adopt legislation to empower the oversight committee to determine the scope of such a study, the time frame of such a study and to hire consultants to conduct the study. (BDR S-40)
3. Appropriate \$50,000 to fund the study. (BDR S-40)



BULLETIN 87-26

FEASIBILITY OF INSURING DRIVER INSTEAD OF MOTOR VEHICLE

A.C.R. 54 - 1985 Session

Interim Subcommittee

Assemblyman Bob Thomas, Chairman  
Senator Ann O'Connell, Vice Chairman  
Senator James H. Bilbray  
Assemblyman Bruce R. Bogaert



ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study the feasibility of requiring insurance for the driver instead of the motor vehicle.

WHEREAS, Nevada has a law requiring every owner of a motor vehicle to provide security as proof of financial responsibility for payment of tort liabilities, but many owners still do not provide such security; and

WHEREAS, The cost of damages caused by uninsured motorists falls upon the person who is insured and his insurance company; and

WHEREAS, This causes the cost of insurance for a motor vehicle to rise sharply; and

WHEREAS, A way must be found to effectively require each person driving a motor vehicle to be financially responsible; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission conduct a study into the feasibility of requiring insurance for each person issued a driver's license, rather than for the motor vehicle; and be it further

RESOLVED, That the legislative commission present its report and any recommendations for legislation to the 64th session of the legislature.



## ABSTRACT

### FEASIBILITY OF INSURING DRIVER INSTEAD OF MOTOR VEHICLE

The 1985 Nevada legislature adopted Assembly Concurrent Resolution No. 54 (File No. 107, Statutes of Nevada, 1985) which directs the legislative commission to study the feasibility of requiring insurance for each person issued a driver's license, rather than for each motor vehicle. During the 1985 session of the legislature, Assembly Bill 631 was introduced, which required insurance for the operator instead of the motor vehicle. This bill was not reported out of the assembly committee on commerce, and A.C.R. 54, proposed by the assembly committee on legislative functions, was adopted in its stead.

The study was carried out by a subcommittee appointed by the legislative commission under the auspices of the joint interim finance committee. The report contains the findings and recommendations of the subcommittee.

The subcommittee's recommendations cover a broad range of topics within the main issue of the financial responsibility laws, including insurance liability for short-term lessors of motor vehicles, sanctions for violations of the financial responsibility laws, the requirement of continuous insurance during the period of registration and alternatives to insuring the motor vehicle.



## SUMMARY OF RECOMMENDATIONS

This summary represents the major conclusions reached by the subcommittee. These conclusions are based upon (1) suggestions which were made to the subcommittee at public hearings by representatives of the insurance companies and state agencies and interested citizens; (2) other correspondence to the members and staff of the subcommittee; and (3) the experience and knowledge of the members of the subcommittee.

The subcommittee recommends that the legislature:

1. Make liability insurance covering a person who leases a motor vehicle from a short-term lessor primary and the liability insurance covering the short-term lessor secondary when that vehicle is involved in an incident which results in a claim for damages. (BDR 43-188)
2. Prohibit misrepresentation of proof of responsibility for motor vehicles under NRS 485.350 and impose a mandatory penalty of 1 year imprisonment and a \$2,000 fine. (BDR 43-185)
3. Require the surrender of license plates if registration is suspended for a violation of the financial responsibility laws. Require a peace officer at the scene of an accident involving a motor vehicle to check information concerning suspensions of registration and to seize the license plates and certificate of registration of any vehicle if the information indicates that the registration has been suspended for a violation of the financial responsibility laws. (BDR 43-186)
4. Require a peace officer to issue a traffic citation and seize the license plates and certificate of registration for failure to carry proof of current insurance in a motor vehicle. (BDR 43-187)
5. Allow the department of motor vehicles and public safety the discretion to not suspend registrations if the owner had good cause for his failure to respond to the sample for verification of insurance. (BDR 43-189)
6. Provide an exemption from the requirement of mandatory insurance if a motor vehicle, excluding commercial vehicles, is not being used on the public roads of this state and if a declaration of nonuse is filed with the department of motor vehicles and public safety. Require seizure of the license plates and certificate of registration if the vehicle is driven without proper insurance coverage. (BDR 43-190)

7. Allow the owner of a noncommercial motor vehicle to have insurance covering himself as the operator of the vehicle in lieu of insurance covering the vehicle.  
(BDR 43-191)

BULLETIN 87-27

STUDY OF THE ADMINISTRATION OF BLOCK GRANTS  
BY THE OFFICE OF COMMUNITY SERVICES

S.C.R. 62 - 1985 Session

Interim Subcommittee

Assemblyman Morse Arberry, Jr., Chairman  
Senator Donald R. Mello, Vice Chairman  
Assemblyman Myrna T. Williams



Senate Concurrent Resolution No. 62—Committee on Legislative Affairs and Operations  
FILE NUMBER 136

SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the administration of block grants by the office of community services.

WHEREAS, The office of community services administers any money received as a block grant from the Federal Government pursuant to 42 U.S.C. §§ 9901 et seq.; and

WHEREAS, The policy of this state is to use those block grants to reduce or eliminate poverty by assuring that, to the maximum extent possible, the citizens of Nevada have access to the goods and services required to attain economic independence and live with dignity, security and decency; and

WHEREAS, It is imperative that a mechanism be developed to ensure that the policy of the State of Nevada relating to block grants is being enforced; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study the system for administering block grants for community services and to develop appropriate mechanisms to evaluate the performance of the office of community services in administering such grants; and be it further

RESOLVED, That the legislative commission appoint as advisors persons who possess knowledge of the system of block grants for community services to assist in the conduct of the study; and be it further

RESOLVED, That the legislative commission report the results of its study and any recommended legislation to the 64th session of the legislature.



## ABSTRACT

### STUDY OF THE ADMINISTRATION OF BLOCK GRANTS BY THE OFFICE OF COMMUNITY SERVICES

The 1985 legislature adopted Senate Concurrent Resolution No. 62 (File No. 136, Statutes of Nevada, 1985) which provided for a study of the system for administering block grants for community services and to develop appropriate mechanisms to evaluate the performance of Nevada's office of community services (OCS) in administering such grants. The subcommittee created to carry out the intent of this resolution concentrated its activities on the Community Services Block Grant.

The subcommittee heard testimony from representative state agencies, community action agencies, limited purpose agencies, and agencies that either received grants or applied for grants from the Community Services Block Grant. The subcommittee also surveyed all of the entities involved in the Community Services Block Grant during the preceding 2 years.

The subcommittee's first recommendation was that the applicable provisions of the Community Services Block Grant Program of Public Law 97-35, as amended, be incorporated into the Nevada Revised Statutes. The subcommittee also recommended training courses for grant applicants on how to complete grant requests, for eligible entities on how to evaluate proposals, and for successful applicants receiving grants on how to follow procedures. It further recommended that applicants be allowed to make presentations during the review of their grant applications by both the eligible entities and the OCS.

The subcommittee went on to recommend that Nevada's OCS should file a comprehensive report on the prior year's activities to the money committees or to the interim finance committee on Nevada's community services block grant program. The subcommittee recognized that there is a difference in resources between the rural and the urban counties. It felt that the OCS should work with the rural counties in an attempt to get them to coordinate their efforts and pool their resources.

Finally, the subcommittee felt the OCS should evaluate its poverty percentages for the state every 5 years because one of the major requirements of the distribution of money is the poverty level.



## SUMMARY OF RECOMMENDATIONS

This summary represents the subcommittee's recommendations in response to its conclusions and findings. These recommendations are based upon suggestions which were presented in public hearings and written communications to the subcommittee. They reflect the testimony of representatives of state agencies, community action agencies, limited purpose agencies, and agencies that either received grants or applied for grants from the Community Services Block Grant, and the experience and research of the members of the subcommittee.

The subcommittee recommends that:

1. The applicable provisions of the Community Services Block Grant Program of Public Law 97-35, as amended, be incorporated into the Nevada Revised Statutes. (BDR 38-138)
2. The office of community services conduct training courses for grant applications on how to complete requests for grants.
3. The OCS conduct training courses for eligible entities for evaluating requests for grants.
4. The OCS conduct training courses for successful applicants on how to follow procedures.
5. The eligible entities allow applicants to make presentations during the review of their grant applications by eligible entities.
6. The OCS allow applicants to make presentations during the review of their grant applications by the OCS.
7. The OCS file a comprehensive report on prior year activities to the money committees when the legislature is in session and to the interim finance committee on the Nevada community services block grant program when the legislature is not in session. (BDR 38-138)
8. The OCS work with the rural counties in an attempt to get them to coordinate their efforts and pool their resources.
9. The OCS evaluate its poverty percentages for the state every 5 years.



BULLETIN 87-28

STUDY OF LAWS, REGULATIONS AND POLICIES  
WHICH AFFECT FINANCIAL INSTITUTIONS

S.C.R. 43 - 1985 Session

Interim Subcommittee

Senator Robert E. Robinson, Chairman  
Assemblyman John E. Jeffrey, Vice Chairman  
Senator Raymond C. Shaffer  
Senator Randolph J. Townsend  
Assemblyman John B. DuBois



SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the laws, regulations and policies which affect financial institutions.

WHEREAS, Federal deregulation of financial institutions is creating rapidly changing controls which affect the state's banks, savings and loan associations, thrift companies, mortgage companies and other regulated financial institutions; and

WHEREAS, Differing laws and regulations create inequities on different licensed financial institutions which are providing essentially the same services; and

WHEREAS, Nevada has experienced a succession of failures of thrift and mortgage companies; and

WHEREAS, Residents of Nevada who live in rural areas have experienced difficulty in receiving adequate banking services and other financial services; and

WHEREAS, Our financial institutions may be placed in financial jeopardy by not being able to react promptly to competition from other states because of our restrictive laws which are only subject to biennial legislative revision; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study the federal and state laws, regulations and policies which affect Nevada's financial institutions; and be it further

RESOLVED, That the legislative commission include in its study the causes of failures of thrift and mortgage companies and methods of minimizing losses by investors; and be it further

RESOLVED, That the legislative commission report the results of the study and recommendations for any changes in policies on interstate banking and necessary or desirable statutory or regulatory changes to the 64th session of the legislature.



## ABSTRACT

### STUDY OF LAWS, REGULATIONS AND POLICIES WHICH AFFECT FINANCIAL INSTITUTIONS

The 1985 legislature adopted Senate Concurrent Resolution No. 43 (File No. 121, Statutes of Nevada, 1985) which directs the legislative commission to study laws, regulations and policies which affect financial institutions. The resolution was adopted in response to federal deregulation of financial institutions, recent failures of financial institutions in Nevada, and the wide range of legislation passed in 1985 relating to financial institutions. The legislature also expressed concern that Nevada's laws may be too restrictive to allow our financial institutions to compete with those located in other states.

The legislative commission, under the auspices of the joint interim committee on commerce and labor, appointed a subcommittee to conduct the study and recommend appropriate action. The subcommittee examined the effect of legislation recently passed by the Nevada legislature and the state of our financial institutions. The subcommittee also reviewed the division responsible for regulating financial institutions and considered regulation in new areas.

The subcommittee recommends various changes in the laws relating to mortgage companies, including a bill which would require licensing of sales representatives of mortgage companies. Further, the subcommittee recommends that the division of financial institutions of the department of commerce receive funding for additional personnel, including at least one certified public accountant. The subcommittee also proposes legislation which would regulate financial planners, personal property brokers and real estate appraisers. Other recommendations concern the transfer of interests in mortgages, the effect of licensing as a mortgage company or real estate agent, and the fees charged for examinations conducted by the division of financial institutions in the department of commerce.



## SUMMARY OF RECOMMENDATIONS

The subcommittee recommends that the legislature:

1. Create a position for a certified public accountant in the division of financial institutions and, if possible, fill the position with a person who has worked for financial institutions. Eliminate the requirement that mortgage companies pay for such an accountant. Request the research division of the legislative counsel bureau to determine the cost of hiring the accountant full-time or on a contract basis. (BDR 55-160)
2. License sales representatives of mortgage companies in the same manner as real estate agents, that is, tie their licenses to the companies for which they work. (BDR 54-163)
3. Request the administrator of the division of financial institutions to clarify the effect on construction loans of the requirement that mortgage companies only hold money in trust for 45 days.
4. Clarify the kinds of trust accounts a company can maintain while remaining exempt from licensing as a mortgage company. (BDR 54-166)
5. Clarify that a license as a mortgage company entitles the holder to engage only in the activities authorized in the licensing statutes. (BDR 54-166)
6. Require title insurance and recording of all assignments of interests in mortgages. (BDR 10-161)
7. Require that a request to a trustee from a beneficiary for reconveyance of secured property be notarized and recorded. Require that the notary public not have a financial interest in the reconveyance. (BDR 10-162)
8. Authorize additional personnel for the division of financial institutions but do not increase the fees paid by financial institutions. Urge the senate committee on finance and the assembly committee on ways and means to fund for the additional personnel out of the money the division brings into the state general fund which is being used for other purposes.
9. Establish a uniform rate for special examinations conducted by the division of financial institutions and for other examinations which are not covered by other fees or assessments paid by financial institutions. (BDR 55-158)

10. Make it a deceptive trade practice for a person to charge a fee for advice with respect to investing money without disclosing what product he is selling and what licenses he holds. (BDR 52-159)
11. License persons who loan large amounts of money secured by personal property. (BDR 54-157)
12. License persons who appraise real property. Do not exempt employees of financial institutions or real estate agencies. (BDR 54-164)
13. Clarify that only an active real estate license precludes a person from being licensed as an escrow agent or agency. (BDR 54-156)

BULLETIN 87-29

STUDY OF FUNDING OF CITIES AND COUNTIES

S.C.R. 53 - 1985 Session

Interim Subcommittee

Assemblyman John W. Marvel, Chairman  
Assemblyman Charles W. Joerg, Vice Chairman  
Senator Kenneth K. Redelsperger  
Senator Raymond C. Shaffer



SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the funding of counties and cities in Nevada.

WHEREAS, The counties and cities of this state have limited means by which to raise revenue to pay the costs of the services they provide; and

WHEREAS, The system of assessment and collection of taxes by counties, cities and other political subdivisions is confusing; and

WHEREAS, Counties and cities very rarely have sufficient reserves to cushion the effects of an unanticipated expenditure; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to conduct a comprehensive study of the methods of funding for counties and cities; and be it further

RESOLVED, That the study should include, but not be limited to:

1. Identifying the sources of revenue and the amounts derived from each source.

2. Examining the required expenditures of the cities and counties.

3. Evaluating the costs of the services required to be provided and the sources of revenue used to pay those costs.

4. Considering the manner in which the funds of the counties and cities are administered;

and be it further

RESOLVED, That this study must not include matters relating to the funding of the public schools; and be it further

RESOLVED, That the results of the study and any recommended legislation be submitted to the 64th session of the legislature.



## ABSTRACT

### STUDY OF FUNDING OF CITIES AND COUNTIES

The tax revolt of the late 1970's, epitomized by California's Proposition No. 13, spread very quickly to Nevada and resulted in tax reform measures being introduced in the 1979 legislature. The resulting "expenditure caps" were intended to lower local government spending and reduce local property taxes. The measures proved to be ineffective; therefore, with continued public pressure to control property taxes and government spending, the 1981 session adopted a three-bill tax reform package. The "tax package" shifted the local government revenue base from property tax to sales and use tax and adopted a much more stringent and comprehensive program of local government revenue limitation.

Nevada's local governments have maintained since 1981 that the "revenue caps" are much too restrictive. However, they very quickly realized there was little chance that the 1985 session of the legislature was going to substantially relax the "revenue caps." Therefore, local government representatives began to investigate several other areas in which the legislature could give local governments financial relief. To fully consider these proposals, the 1985 legislature adopted Senate Concurrent Resolution No. 53 (File No. 122, Statutes of Nevada, 1985) which mandated that the legislative commission study the funding of counties and cities.

Legislative Counsel Bureau Bulletin No. 87-29, Study of Funding for Cities and Counties, covers the background, methodology, deliberations, findings and recommendations of the legislative commission's subcommittee to study the funding of cities and counties (S.C.R. 53).

The subcommittee adopted a methodology that included local government representatives as an integral component of the process. Local governments identified common problems in the areas of revenues, expenditures and fiscal administration then, working with the subcommittee and legislative counsel bureau staff, identified legislative actions that could address the problems and had them articulated in the form of bill draft requests. The bill draft requests were then refined and forwarded to the 1987 session of the Nevada legislature for consideration and possible action. The full text of the bill draft requests are included in the report.



## SUMMARY OF RECOMMENDATIONS

The legislative commission should forward the below listed bill draft requests, prepared at the request of the cities and counties in the State of Nevada, for consideration by the 64th session of the legislature without committee recommendation:

1. Exempt nonrecurring revenues and money in certain funds of local governments from consideration of factfinders and arbitrators. (BDR 23-93)
2. Revise criteria for recommendations and awards of factfinder in negotiations between local governments and employee organizations. (BDR 23-101)
3. Revise definition of "collective bargaining" for provisions governing relations between local governments and employee organizations. (BDR 23-102)
4. Remove designation of proper person to negotiate for local government. (BDR 23-107)
5. Revise method of calculating the allowable ad valorem revenue. (BDR 31-94)
6. Revise restriction on time for preparation of budgets by local governments. (BDR 31-96)
7. Authorize exception from limit upon revenue from taxes ad valorem for support of certain ongoing programs when federal revenue sharing program is reduced or eliminated. (BDR 31-100)
8. Revise limitation on increase of fee for building and zoning permits. (BDR 31-103)
9. Change basis for annual increase of limit upon revenue from taxes ad valorem. (BDR 31-111)
10. Revise distribution of cigarette tax revenues to exclude state. (BDR 32-106)
11. Reduce number of property tax installments for payment. (BDR 32-97)
12. Require state to reimburse local government certain costs of training peace officers. (BDR 43-90)
13. Require governor to give advanced notice to cities and counties of legal holidays he will declare. (BDR 18-104)

14. Make the provisions governing the rates of wages for employment on public works apply only in certain counties. (BDR 28-105)
15. Amend Statutes of Nevada, 1983, to include additional revenue in calculation of maximum combined allowable revenue. (BDR S-109)
16. Remove requirements for publication of certain information by counties. (BDR 20-99)

BULLETIN 87-30

STUDY OF FUNDING OF HIGHER EDUCATION IN NEVADA

S.B. 256 - 1985 Session

Interim Committee

Assemblyman Bob Thomas, Chairman  
Senator Donald R. Mello, Vice Chairman  
Senator James I. Gibson  
Senator William J. Raggio  
Assemblyman Byron Bilyeu  
Assemblyman Joseph E. Dini, Jr.  
William A. Bible, Director, Department of Administration  
Robert C. Maxson, President, University of Nevada-Las Vegas  
Joseph Crowley, President, University of Nevada-Reno  
Paul E. Meacham, President, Clark County Community College  
Ms. Elaine Wynn



CHAPTER 449.

AN ACT relating to higher education; creating a committee to study methods of funding; providing for its organization, powers and duties; making an appropriation; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** 1. The committee to study the funding of higher education, consisting of nine voting members and five nonvoting members, is hereby created.

2. The following persons shall serve as voting members of the committee:

(a) Three members of the senate of the 63rd session of the Nevada legislature, appointed by the majority leader of the senate;

(b) Three members of the assembly of the 63rd session of the Nevada legislature, appointed by the speaker of the assembly; and

(c) Three members of the board of regents, appointed by the chairman of that board.

3. The governor shall appoint the following persons to serve as the nonvoting members of the committee:

(a) One person who represents the governor;

(b) One person who is employed in the budget division of the department of administration; and

(c) Three persons who are employed by the University of Nevada System.

4. The chairman of the legislative commission shall designate one of the members as chairman of the committee.

5. The director of the legislative counsel bureau shall provide the necessary professional staff and a secretary for the committee.

6. The voting members of the committee who are legislators are entitled to receive a salary for each day or portion of a day of attendance at a meeting of the committee in an amount equal to the salary established for the members of the legislative commission and the travel expenses and per diem allowance provided by law for members of the standing committees of the legislature. The three members of the board of regents are entitled to receive travel expenses and a per diem allowance at the rates established in NRS 396.070.

**Sec. 2.** The committee shall:

1. Compare the existing method of funding higher education in Nevada with the methods used in other states; and

2. Determine whether the other methods would be appropriate and useful in Nevada.

**Sec. 3.** The committee may hold public hearings at such times and places as it deems necessary to afford the general public and representatives of governmental agencies and of organizations interested in higher

education an opportunity to present relevant information and recommendations.

**Sec. 4.** The committee may employ such educational and financial consultants as it deems necessary for this study.

**Sec. 5.** The committee may accept and use all gifts and grants which it receives to further its work.

**Sec. 6.** 1. There is hereby appropriated from the state general fund to the legislative commission the sum of \$55,000 for the purpose of conducting a study of the funding of higher education as provided in this act.

2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after December 31, 1986, and reverts to the state general fund as soon as all payments of money committed have been made.

**Sec. 7.** The committee shall submit to the legislative commission a report of its findings and recommendations for legislation before the commencement of the 64th session of the legislature.

**Sec. 8.** This act expires by limitation on January 1, 1987.

## ABSTRACT

### STUDY OF FUNDING OF HIGHER EDUCATION IN NEVADA

The 1985 legislature passed Senate Bill 256 (chapter 449, Statutes of Nevada, 1985) which created a committee consisting of legislators, university regents, university and community college presidents, the director of the department of administration, and a representative of the governor to review the methods used by other states to fund higher education and to determine whether these methods would be appropriate for Nevada.

The committee held six meetings. Representatives of the University of Nevada System, education experts and the general public provided the committee with background information, suggestions and proposals regarding formula funding of higher education.

The committee examined the formulas utilized by 33 states to fund higher education. Formulas from five states which are representative of the different methods that are used to fund higher education across the Nation were reviewed in detail. The five states (Georgia, Mississippi, New Mexico, Oregon and Tennessee) were reviewed in order of increasing complexity and represent different approaches to formula development.

After the review of other states' funding formulas for higher education, the committee asked the University of Nevada System to submit its recommendations for expansion of the current funding formula. The University of Nevada System placed each of their proposals into three priority groups. The first priority provides for expansion of the formula to include support functions (student services, institutional support, academic support and operation of maintenance of plant). The second priority includes enhancement of the current instructional formula; and the third priority outlines formulas for book acquisitions, equipment replacement and year-round funding.

The committee reviewed each of the funding formulas proposed by the University of Nevada System, and funding formula recommendations were made in each of the areas outlined by the University of Nevada System.



## SUMMARY OF RECOMMENDATIONS

This summary represents the major conclusions reached by the committee studying the funding of higher education in Nevada (S.B. 256). These conclusions were made by the committee after conducting a total of six committee hearings throughout the state. The committee recommends that a number of additional areas of the University of Nevada System (UNS) budget be funded based on formula. The estimated cost of implementing these recommendations is \$12.3 million per year. Due to the financial constraints that are ever present, the committee recommends that full funding of the formula be viewed as a goal to be achieved over a period of time. However, the committee recommends that the formulas be implemented to determine funding in each of the areas outlined. If sufficient funds are not available during the 1987-1989 biennium, the formula factors should be adjusted to bring the amounts recommended for the UNS budget within the funds that are available.

With regard to formula expansion for support services, the committee recommends that the legislature:

1. Adopt a formula to provide funding to support the student services function. The recommended formula would determine the number of positions authorized for student services at each campus by dividing a factor by the number of combined headcount and full-time equivalent (FTE) students. Average compensation would be utilized to determine total funding authorized.
2. Adopt a formula to provide funding for the academic support function (except book acquisitions). The committee recommends a three tiered formula based on the following factors:
  - a. A fixed number of professional and classified personnel for each college to provide support for the vice president for academic affairs and the academic deans' offices.
  - b. The number of positions authorized to support library operations (excluding book acquisitions) is determined based on the number of library volumes at each campus.
  - c. The remaining academic support functions would be based on a percentage of each campus' instructional budget.

3. Adopt a formula to provide funding for the institutional support function. The formula should be based on a percentage of each campus budget (minus institutional support) plus an amount prorated for each campus' share of the operation of the business centers.
4. Adopt a formula to provide funding for operation and maintenance of plant (O&M of plant). The formula should be based on the following factors:
  - a. Janitorial, building maintenance and supervision activities should be based on a set number of square feet building space per position. Total funding would be based on the number of authorized positions times the average compensation paid.
  - b. Grounds maintenance activities should be based on a set amount of acreage per position. Total funding would be based on average compensation.
  - c. Funding for utilities is recommended not to be included in the formula but be budgeted separately based on consumption, rate increases, and new facilities.

With regard to instruction formula enrichment, the committee recommends that the legislature:

1. Endorse as a goal, reduced student/faculty ratios for nonengineering or specialized programs (dental assistants, dental hygiene, nursing, and so forth) to levels approved prior to 1981, when the ratios were raised by 10 percent. In addition, the student/faculty ratio at the community colleges for developmental programs is recommended to be enhanced.
  - a. For the University of Nevada-Las Vegas (UNLV), University of Nevada-Reno (UNR), Western Nevada Community College (WNCC) and Northern Nevada Community College (NNCC), the student/faculty ratio would be reduced from 21:1 to 20:1 for nonengineering related or specialized programs. At Clark County Community College (CCCC) and Truckee Meadows Community College (TMCC), the student/faculty ratios are recommended to be reduced from 25.2:1 to 24:1.
  - b. Student/faculty ratios for developmental programs - development programs are designed to prepare students to succeed in college and give them the opportunity to achieve academic or occupational goals. In order to help students who are underprepared, individualized instruction is necessary. Due to these factors, the

committee is recommending that the student/faculty ratio at the community colleges be reduced to 15:1 for developmental courses.

It should be noted that student/faculty ratios were enhanced by the 1985 legislature. Overall student/faculty ratios were reduced at UNLV and UNR from 21:1 to 19:1. At CCCC and TMCC, student/faculty ratios were reduced from an overall ratio of 25:1 to approximately 21:1.

2. Endorse as a goal, the enhancement of the full-time/part-time faculty ratio at the community colleges to 70 percent full-time, 30 percent part-time. Currently, (except at NNCC, where the full-time/part-time ratio is 54 percent to 46 percent) community colleges are provided a "core" full-time faculty with the remaining faculty positions allocated 45 percent full-time, 55 percent part-time. In fiscal year 1985-1986, the actual full-time/part-time ratios for the community colleges are outlined below:

<u>Campus</u>	<u>Full-Time/Part-Time Ratio</u>
CCCC	51/49 Percent
TMCC	57/43 Percent
WNCC	49/51 Percent
NNCC	54/46 Percent

3. Provide that the classified support ratio for instruction at the community colleges should be enhanced from one classified position for every six faculty to one classified position for every five faculty.
4. Use a formula to determine the amount provided for graduate assistants at UNR and UNLV. The committee has endorsed the following formula for graduate assistants with implementation to be accomplished as funding becomes available. The recommended formula would provide one graduate assistantship for every five FTE graduate students and one graduate assistantship for every 3.3 FTE doctoral students. The proposed salary for graduate assistants would be increased from \$5,500 per year to \$8,800 per year. In addition, funding for letters of appointment (part-time faculty) is recommended to be eliminated.

With regard to formula expansion in other areas, the committee recommends that the legislature:

1. Provide the University of Nevada System with 5 percent of its year-end equipment inventory adjusted by the capital equipment index if sufficient funds are available.

2. Use a formula to determine funding for library acquisitions at the universities and community colleges.

At the community colleges, it is recommended that the formula be based on the Learning Resource Center Standards for college libraries. The main formula factors are the number of library volumes based on the number of FTE students and the average price per volume which is estimated at \$30.

For UNLV and UNR, the committee is recommending a formula adapted from an updated Clapp Jordan formula utilized by the Oregon Department of Higher Education. The main formula factors are a set number of library volumes based on the number of faculty, number of students and the number of doctoral and master programs offered. It is recommended that the formula be applied to both UNLV and UNR and that the total funding which would be generated by the formula be equally divided between the two campuses.

3. Provide specific funds for equipping new positions at the University of Nevada System. Currently, the University of Nevada System purchases equipment within the operating category and has not been granted a specific amount for each new position authorized. The committee also recommends that the cost of this recommendation be partially offset by eliminating funds currently provided in the operating category for this purpose.
4. Provide support for the summer session contingent on sufficient funds being available for that purpose.

BULLETIN 87-31

STUDY OF THE ADEQUACY OF STATE'S STANDARD OF NEED  
FOR AID TO FAMILIES WITH DEPENDENT CHILDREN

S.C.R. 45 - 1985 Session

Interim Subcommittee

Senator John M. Vergiels, Chairman  
Assemblyman Terry Tebbs, Vice Chairman  
Senator Donald R. Mello  
Assemblyman Marvin M. Sedway



SENATE CONCURRENT RESOLUTION—Directing the legislative commission to study the adequacy of the state's standard of need for aid to families with dependent children.

WHEREAS, The program of aid to families with dependent children provides essential benefits to families in economic crisis; and

WHEREAS, The standard of need used by the welfare division of the department of human resources to determine the eligibility of families for benefits was established in 1969; and

WHEREAS, During the intervening period there has been rapid growth in the population of poor persons in this state and a dramatic increase in the need for assistance with the basic necessities of life; and

WHEREAS, The resulting increase in the cost of medical care for indigent persons is borne directly by the counties and local communities; now, therefore, be it

RESOLVED BY THE SENATE OF THE STATE OF NEVADA, THE ASSEMBLY CONCURRING, That the legislative commission is hereby directed to study the adequacy of the standard of need used to determine eligibility for aid to families with dependent children, including the present cost of the goods and services which the program is intended to provide; and be it further

RESOLVED, That the legislative commission report the results of its study and any recommendations for legislation to the 64th session of the Nevada legislature.



## ABSTRACT

### STUDY OF THE ADEQUACY OF STATE'S STANDARD OF NEED FOR AID TO FAMILIES WITH DEPENDENT CHILDREN

The 1985 legislature adopted Senate Concurrent Resolution No. 45 (File No. 131, Statutes of Nevada, 1985) which directs the legislative commission to study the adequacy of the state's standard of need for aid to families with dependent children. In response to the resolution, the legislative commission appointed a subcommittee to conduct the study and recommend appropriate actions to the 1987 session of the Nevada legislature.

The subcommittee received testimony from state officials, county officials, the Nevada Association of Counties (NACO), representatives of interest groups, recipients and members of the general public concerning the inadequacy of the current need standard used to determine assistance under the state's aid to families with dependent children program.

The subcommittee found that the current standard of need used by the welfare division of the department of human resources to determine eligibility for the ADC program should be modified to reflect the current cost of living. The existing need standard was developed in 1969 and was modified slightly through 1975. The need standard has not been adjusted or modified by Nevada's welfare division since that time.

The subcommittee reviewed data which showed, for a family of three, Nevada's standard ranked 49th out of 54 states and political subdivisions in order of dollar amounts. Nevada, at number 49, has a need standard for an adult with two children of \$285 per month. The subcommittee further recommends that Nevada's welfare division, in determining the standard of need for ADC, use the federal poverty guidelines reduced by the amount of dollars allocated under the thrifty food plan (food stamps). The subcommittee felt that the welfare division, as part of its budgetary process, should recommend updating the need standard every biennium by presenting revised figures to each session of the Nevada legislature.

The subcommittee is also recommending that in determining the average grant for payment levels, Nevada should attempt to pay 100 percent of need. However, if that is not economically feasible, the payment level should not be less than 70 percent of the revised need standard. Nevada's current \$285 a month payment level for ADC ranks 38th of 54 states and political entities (District of Columbia, Guam, Puerto Rico and the Virgin Islands). At the 70 percent payment level, Nevada's payment of \$385 a month for a mother and two children would place Nevada's ranking at 17 out of 54.



## SUMMARY OF RECOMMENDATIONS

This summary represents the major conclusions and recommendations of the subcommittee. The recommendations were developed after considerable review of the current needs standard and an in-depth analysis of a number of alternative approaches which could be used in modifying the current needs standard. The subcommittee also took into consideration the testimony from various state, county, city and private officials plus the input and recommendations from recipients and concerned members of the general public. The subcommittee was not charged with determining or examining the philosophical merit of the Aid to Dependent Children program, but was charged with determining the adequacy of the current need standard including the present cost of the goods and services which the program is intended to provide. It was understood that final recommendations concerning funding of the payment levels would rest with the 64th session of the Nevada legislature.

The subcommittee recommends:

1. That the current standard of need used by the welfare division of the department of human resources to determine eligibility for the aid to families with dependent children program should be modified to reflect the current cost of living. The existing needs standard was developed in 1969 and was modified slightly through 1975. The needs standard has not been adjusted or modified by the welfare division since that time. The subcommittee felt that this needs standard is inadequate and does not reflect the current cost of living for an adult with children.

The subcommittee reviewed data which showed, for a family of three, Nevada's needs standard ranked 49 out of 54 states and political subdivisions (District of Columbia, Guam, Puerto Rico and the Virgin Islands) in order of dollar amounts. The ranking ranged from \$812 for number 1 (Vermont) to \$160 for number 54 (Puerto Rico). Nevada, at number 49, has a needs standard for an adult with two children of \$285 per month.

The subcommittee further recommends that the welfare division of the DHR, in determining the standard of need for aid to families with dependent children, use as a basis the federal poverty guidelines reduced by the amount of dollars allocated under the thrifty food plan (food stamps). Both the federal poverty guidelines and the dollars allocated under the thrifty food plan are

updated and modified each year. The subcommittee, therefore, felt that this was a reasonable and equitable method to be used in determining the needs standard for aid to families with dependent children. The subcommittee also felt that the welfare division, as part of its budgetary process, should recommend updating the needs standard every biennium by presenting revised figures to each session of the Nevada legislature.

If the current needs standard is modified, as recommended by the subcommittee, the dollar amount of the needs standard for a mother and two children would increase from the current level of \$285 to approximately \$550. This would move Nevada's needs standard ranking from 49 to 15.

2. That in determining the average grant for payment levels, Nevada should attempt to pay 100 percent of need; however, if that is not economically feasible, the payment level should be no less than 70 percent of the revised needs standard.

For a mother and two children with a revised needs standard of \$550, the 70 percent payment level would be \$385, and the 100 percent payment level would be \$550. It should be noted that the current payment level for a mother and two children was increased by the 1985 legislature to 100 percent of need which equates to \$285.

Nevada's \$285 payment level for the ADC program ranks 38th out of 54 states and political entities. The payment levels range from a high of \$719 in Alaska to a low of \$80 in Puerto Rico. At the 70 percent payment level, Nevada's payment of \$385 a month for a mother and two children would place Nevada's ranking at number 17 out of 54 states and political entities.

BULLETIN 87-32

STUDY OF THE METHODS USED BY DEPARTMENT OF TRANSPORTATION  
TO ACQUIRE LAND FOR HIGHWAYS

A.C.R. 45 - 1985 Session

Interim Subcommittee

Senator Lawrence E. Jacobsen, Chairman  
Assemblyman Gary Lee Roberts, Vice Chairman  
Senator John M. Vergiels  
Assemblyman Eugene Collins



**ASSEMBLY CONCURRENT RESOLUTION**—Directing the legislative commission to study the methods used by the department of transportation to acquire land for highways.

**WHEREAS**, Many citizens of Nevada are affected by the construction of highways; and

**WHEREAS**, Those citizens are concerned about the methods used to establish the value of the property and the consequential cost and any adverse effect caused by the acquisition of the land for the construction of a highway; now, therefore, be it

**RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING**, That the legislative commission is hereby directed to study the procedures used by the department of transportation to acquire land for the construction of highways; and be it further

**RESOLVED**, That the results of this study and any recommendations for legislation be reported to the 64th session of the legislature.



## ABSTRACT

### STUDY OF THE METHODS USED BY DEPARTMENT OF TRANSPORTATION TO ACQUIRE LAND FOR HIGHWAYS

The 1985 Nevada legislative session adopted Assembly Concurrent Resolution No. 45 (File No. 117, Statutes of Nevada, 1985) which directs the legislative commission to study the procedures used by the department of transportation to acquire land for the construction of highways. In response to the resolution, the legislative commission appointed a subcommittee to carry out the study.

The report provides background information in areas in which problems develop between the owner of property affected by a proposed freeway and the department of transportation. These areas include the appraisal of property to be acquired, communications between the department and the owner of the property, the length of time required to complete a project, rental of property acquired by the department, damages incurred by owners of property abutting a freeway, and payment by an owner of property of the cost of an independent appraisal and attorney fees.

The recommendations in the report pertain to the:

1. Notification to owners of property by a city or county and the state of the possible acquisition of the property;
2. Explanation by the department of transportation to the owner of the procedures to be used in acquiring the property and of the rights of the owner under those procedures;
3. Licensing of real estate appraisers;
4. Continuation by the department of transportation of the practice of providing owners of property with a copy of the report of the appraisal;
5. Establishment of a commission to resolve disputes regarding the appraisal of the property to be acquired;
6. Recording of negotiations between the owner of property to be acquired and the department of transportation; and
7. Redrafting of Assembly Bill No. 47 of the 1985 legislative session, with certain changes. This bill dealt with making various changes in the provisions governing persons displaced or affected by exercise of the power of eminent domain. It died in the assembly committee on judiciary.



## SUMMARY OF RECOMMENDATIONS

The subcommittee recommends:

1. That, once a corridor for a highway is proposed, the city and county in which the property is located and the state assume the responsibility for notifying the owners of the property of the possible acquisition of the property for the highway.
2. Suggesting to the department of transportation that the department, before conducting an appraisal, mail a certified letter to the owner of property to be acquired explaining the procedures used by the department in acquiring property and advising the owner of his rights pursuant to those procedures.
3. That a bill be drafted incorporating the provisions of A.B. 47 of the 1985 session of the legislature with the changes recommended by a group called Freeway Watch of America. (BDR 28-223)
4. Creating a board to license real estate appraisers, establish criteria for licensing and require that the department of transportation and the owner of the property use only licensed appraisers to conduct appraisals of property to be acquired for highways. (BDR 54-224)
5. That the department of transportation continue the practice of providing an owner of property with a copy of the results of an appraisal of the property conducted by the department.
6. Considering the creation of a commission to resolve, before the matter is filed in the courts, disputes between the department of transportation and the owner of property regarding the appraisal of the property to be acquired. (BDR 35-226)
7. Requiring the department of transportation to make a recording of all the negotiations with an owner of property to be acquired by the department, if the owner requests that such a recording be made. (BDR 35-225)



BULLETIN 87-33

STUDY OF THE FUNCTIONS AND PLACEMENT OF THE  
INVESTIGATION DIVISION OF THE DEPARTMENT  
OF MOTOR VEHICLES AND PUBLIC SAFETY

A.C.R. 35 - 1985 Session

Interim Subcommittee

Assemblyman Leonard V. Nevin, Chairman  
Senator Dean A. Rhoads, Vice Chairman  
Senator Donald R. Mello  
Assemblyman Joan A. Lambert  
Assemblyman Mike Malone



ASSEMBLY CONCURRENT RESOLUTION—Directing the legislative commission to study the functions and appropriate placement within the state government of the investigation division of the department of motor vehicles.

WHEREAS, An investigation division currently exists within the department of motor vehicles charged with the investigation of offenses relating to motor vehicles, controlled substances and dangerous drugs;

WHEREAS, A proposal has been made to transfer the division to the office of the attorney general and to broaden its investigative powers; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF NEVADA, THE SENATE CONCURRING, That the legislative commission is hereby directed to study the functions and appropriate placement within the state government of the investigation division of the department of motor vehicles; and be it further

RESOLVED, That the results of the study and any recommendations for legislation be reported to the 64th session of the Nevada legislature.



## ABSTRACT

### STUDY OF THE FUNCTIONS AND PLACEMENT OF THE INVESTIGATION DIVISION OF THE DEPARTMENT OF MOTOR VEHICLES AND PUBLIC SAFETY

The 1985 Nevada legislature adopted Assembly Concurrent Resolution No. 35 (File No. 99, Statutes of Nevada, 1985) which directs the legislative commission to study the functions and appropriate placement of the investigation division of the department of motor vehicles and public safety. The resolution was adopted in response to several questions raised during the 1985 session regarding the diverse duties of the division and the effectiveness of its current placement within the department of motor vehicles and public safety.

The legislative commission appointed a subcommittee to conduct the study and recommend appropriate action. The recommendations of the subcommittee include proposals to divide the department of motor vehicles and public safety into two departments by placing the divisions which primarily relate to law enforcement in a new department of law enforcement assistance and to establish stringent qualifications for the director of the department of law enforcement assistance.



## SUMMARY OF RECOMMENDATIONS

The subcommittee recommends:

1. Taking the divisions which primarily relate to law enforcement out of the department of motor vehicles and public safety and placing them under a new department of law enforcement assistance. (BDR 18-20)
2. Establishing qualifications for the new position of director of the department of law enforcement assistance which will ensure expertise in all facets of law enforcement. (BDR 18-20)