

NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Director's Meeting

April 24, 2015 – 10:00 a.m.

NACO Office

304 S. Minnesota Street

Carson City, NV 89703

REVISED 4-21-15

Some members may participate in the meeting via teleconference or videoconference.

NACO Board of Directors

AGENDA

Items on the agenda may be taken out of order. The NACO Board may combine two or more agenda items for consideration. The NACO Board may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

Call to Order, Roll Call, Pledge of Allegiance

1. Public Comment. Comments May Be Limited to 3 Minutes.
2. Approval of Agenda. **For Possible Action.**
3. Approval of Minutes of the March 30, 2015 Meeting of the NACO Board of Directors. **For Possible Action.**
4. Approval of Minutes from the Local Government Summit Held on January 23, 2015. **For Possible Action.**
5. Executive Director's Report.
6. Presentation on Nevada Department of Transportation's Local Government Planning by Lee Bonner, Local Government Liaison, Transportation Planning Division.

NOTE: The NACO Board of Directors Will Go into Closed Session and Exclude the Public from the Meeting for the Limited Purpose of Receiving Information from its Attorney and for Deliberation Relative to Agenda Items #7 and #8 Below:

7. Discussion and Possible Action regarding NACO's Appeal to the United States Court of Appeals for the Ninth District from the Judgment and Order of United States District Court for the District of Nevada Granting the United States Department of Interior's (Defendants') Motion to Dismiss the Complaint Filed by NACO and Other Plaintiffs on December 30, 2013 Seeking to Compel the Bureau of Land Management to Comply with the Provisions of the Wild Free-Roaming Horse and Burro Act., including but Not Limited to a Mediation Assessment Conference Scheduled for May 12, 2015. **For Possible Action.**
8. Update and Possible Action regarding the Complaint Filed by NACO and Others on December 4, 2014 Against the U.S. Fish & Wildlife Service (USFWS) Seeking Declaratory and Injunctive Relief for Violations of the Endangered Species Act, the Administrative Procedure Act, and the United States Constitution for Entering into Private Settlement Agreements with Special Interest Litigants that Established Deadlines by which USFWS Must Make Listing Determinations for Certain

Candidate Species, including the Greater Sage-Grouse (GSG) and Bi-State Distinct Population of the GSG. **For Possible Action.**

9. Update and Possible Action regarding U.S. Fish and Wildlife Service's Listing Determination of the Greater Sage-Grouse and Proposed Plans for Protection of Greater Sage-Grouse Habitat in Nevada. **For Possible Action.**
10. Discussion and Possible Action regarding Bills in the 2015 Legislative Session of Interest to Nevada's Counties and Other Actions regarding NACO's Participation in the Legislative Session. **For Possible Action.**
11. Update by the Nevada Department of Water Resources on Drought Conditions and Planning for Mitigation Measures.
12. NACO Board Member Updates.
13. Public Comment - Comments May Be Limited to 3 Minutes.

Adjourn

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify NACO in writing at 304 S. Minnesota Street, Carson City, NV 89703, or by calling (775) 883-7863 at least three working days prior to the meeting.

Members of the public can request copies of the supporting material for the meeting by contacting Amanda Evans at (775) 883-7863. Supporting material will be available at the NACO office.

This agenda was posted at the following locations:

NACO Office 304 S. Minnesota Street, Carson City, NV 89703

Washoe County Admin. Building 1001 E. Ninth Street, Reno, NV 89520

Clark County Admin. Building 500 S. Grand Central Parkway, Las Vegas, NV 89155

POOL/PACT 201 S. Roop Street, Carson City, NV 89701

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NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Director's Meeting and

Association Meeting

March 30, 2015 – 9:30 a.m.

NACO Office

304 S. Minnesota Street

Carson City, NV 89703

UNADOPTED MINUTES

Attendance: (NACO Staff Jeff Fontaine, Dagny Stapleton, Amanda Evans) President Wichman, Vice President Phillips, Past President Irwin, Elko County Commissioner Dahl, Storey County Commissioner McGuffey, Lyon County Commissioner Hastings, Lander County Commissioner Waits, Clark County Commissioner Collins, Washoe County Commissioner Berkgigler, Douglas County Commissioner Johnson, Esmeralda County Commissioner Bates, Eureka County Commissioner Goicoechea, Mineral County Commissioner Tipton, Washoe County Commissioner Herman, Larry Burtness County Fiscal Officers Association, Tammi Davis Nevada Association of County Treasurers, Bob Roshak Nevada Sheriffs and Chiefs Association.

Other Attendees: Lyon County Commissioner Alt, Humboldt County Assessor Jeff Johnson, Linda Bissett NV Energy, Virgil Arellano

1. **Public Comment.** None was given.
2. **Approval of Agenda.** The agenda was approved on a motion by Commissioner Tipton with second by Vice President Phillips.
3. **Approval of Minutes of the February 27, 2015 and March 20, 2015 Meetings of the NACO Board of Directors.** The minutes were approved on a motion by Commissioner Dahl with second by Commissioner Tipton.
4. **President's Report.** Due to extenuating circumstances none was given.
5. **Executive Director's Report.** Jeff gave an outline of the remaining events associated with Local Government Day and legislative hearings he was set to attend, specifically that of the Health and Human Services committee meeting at 1:00P at which AB307 regarding developmental disabilities in children and the use of additional Medicaid funds and the pooling of funds already being utilized by counties to allow for children currently being treated out of state to remain in Nevada for treatment.
6. **Presentation on a Proposed Nevada Intelligence Symposium, a Partnership between the Department of Homeland Security and the Private Sector to Address Cyber Security Mitigation and Response Strategy, and Possible Direction to Staff.** Former Storey County Commissioner Bill Sjovangen with the Kepler Networks gave an overview of the intelligence symposiums they have held for several groups. These symposiums began as a public/private partnership directly with the Department of Homeland Security due to their lack of staff to produce these educational opportunities. The proposed symposium would be limited to attendance of 100-150 people and requested the Board to communicate with the major stakeholders within their counties to encourage attendance at a future event to discuss various security issues including cyber-attacks. The proposed one day event will be scheduled during August in Carson City and would include small working/discussion groups at no cost to the attendees. Rob Christensen, Vice President of Kepler Networks gave some further background on the company including how they came to partner with the DHS, and requested the support of the Board. Commissioner

Tipton moved to allow information disbursement through NACO with a second by Commissioner Hastings, the motion was unanimously approved.

- 7. Discussion and Possible Action regarding Bills in the 2015 Legislative Session of Interest to Nevada's Counties and Other Actions regarding NACO's Participation in the Legislative Session.** Jeff began the discussion with indigent defense noting he is a member of the Rural Subcommittee and the NACO bill AB10 which proposes cost shifting of capital cases to the state from the counties. SB451 was introduced and will be heard later in the week and has specific language that will impact all counties but specifically the rural counties. Nevada Supreme Court Justice Michael Cherry spoke to the having done a good job handling indigent defense but that it is time for the State to do its job. Justice Cherry noted the use of contract defenders in the rural counties and the risk of frequently pleading defendants guilty because high caseloads in the rural counties and flat fee contracts. The bill would establish an indigent defense commission to oversee the entire state's indigent defense processes. Ben Graham spoke to the cost of the commission of \$300,000 from the general fund and that the costs to the counties would be based upon the amounts paid during 2013/2014. Mr. Graham also noted the commission would establish branch offices throughout the counties and that processes would be more structured and uniform. It was noted that Nevada is one of the most incarcerated states and Commissioner Tipton noted that Mineral County is housing accused persons for months at a time because they have great delays in obtaining a public defender. Commissioner Hastings noted that Lyon County has a tremendous amount of money tied up for a capital case which is greatly affecting their general fund. The Board expressed concern about potential law suits over the quality of defense performed on flat fee contracts, but also the development of a one size fits all system and the base fee of 2013/2014 costs vs. a cap as proposed in SB451. Jeff noted the commission will set the standards and the counties will be held harmless. The Board expressed support for the bill with clarification of a cap on the costs to the counties at the 2013/2014 expenses.

Jeff introduced discussion on SB415, SJR13 and SB411 which address property taxes in various forms. Tammi Davis of the Treasurers association spoke to the great need to revamp the very complicated property tax structure and that the bills in question have both good parts and areas of question. The Assessors Association also expressed frustration with the current complex system and concerns and questions with the bills. It was noted that SJR13 has the most long term change benefits but requires a constitutional change and will therefore take time. There was also discussion on the reduction of business property taxes and the need to revisit this system for abatements when revenue's increase. While they agreed with a number of policies within the bills the Board chose to remain neutral on all bills as there are many questions needing to be answered and areas of concern, specifically with school districts being given the ability to enact a tax increase without taking it to a vote of the community.

The Board took no position on SB475 regarding the ability of a county or city to file for bankruptcy after having been found in a severe financial hardship.

Jeff updated the Board on SB482, the County Elected Officials pay bill. After taking the initial language to the Chairman of the committee it was adjusted down from 8% for the first fiscal year to 3% for all four years with each individual official being able to opt out for any given year. Discussion included concerns for the current budget processes and the possibility of delaying the start to the next fiscal year. Storey County Sheriff Antinoro also brought up the possibility of setting qualifications for each elected position in statute. The Board decided to see what the discussion was during the committee meeting later in the week before determining a specific course of action on the bill.

AB182 regarding collective bargaining was discussed and the Board chose to remain neutral as long as the counties ending fund balances were protected when it comes out of the committee and will continue to be watched closely. It was also noted that AB280 which would make collective bargaining optional would be pulled if it did not receive support.

8. **Discussion and Possible Action regarding a Draft Memorandum of Agreement among Nevada, U.S. Department of Interior Bureau of Land Management; Region 4 & 5, U.S. Department of Agriculture Forest Service and the Nevada Association of Counties, Representing Nevada County Governing Bodies to Establish a Means of Communication between the USFS, BLM, and County Governing Bodies that Occurs Often as a General Practice.** Dagny gave the Board background on the development of the draft MoA which includes a designated contact person from each of the agencies and counties to meet at a minimum of twice per year and include an annual meeting with the agencies' state directors and NACO. President Wichman shared success she has had improving communications with the agencies through an agreement with Nye County. Commissioner Goicoechea questioned the opportunity of some of the language to supersede existing agreements at the county level and offered verbiage to include supplementing not changing those existing agreements. Dagny noted that she has been working with the agencies to develop the agreement and that it is not binding but does require a commitment from both the agencies and counties, including notification of the adoption of any ordinance which would affect the operation of the involved agencies. Commissioner Tipton moved to accept the MoA with the suggested verbiage from Commissioner Goicoechea and the motion passed on a second by Commissioner Johnson.
9. **Discussion and Possible Action on Public Lands and Natural Resources Issues Including but Not Limited to:**
 - a. **Update on the Complaint Filed by NACO and Others on December 30, 2013 Against the Department of Interior and Bureau of Land Management Seeking to Compel the BLM to Comply with the Provisions of the Wild Free-Roaming Horse and Burro Act.** Commissioner Dahl updated the Board on the status of this noting the Board's decision to appeal the decision to dismiss. Jeff informed the Board that the Farm Bureau Federation and Crawford Cattle are interested in joining the appeal and that Nevada Bighorns had yet to respond to his contact.
 - b. **Update on the Complaint Filed by NACO and Others on December 4, 2014 Against the U.S. Fish & Wildlife Service (USFWS) Seeking Declaratory and Injunctive Relief for Violations of the Endangered Species Act, the Administrative Procedure Act, and the United States Constitution for Entering into Private Settlement Agreements with Special Interest Litigants that Established Deadlines by which USFWS Must Make Listing Determinations for Certain Candidate Species, including the Greater Sage-Grouse (GSG) and Bi-State Distinct Population of the GSG.** Commissioner Goicoechea noted that the USFWS did not consider the complaint a threat. He noted that the settlement isn't the issue but the fact they have five years to comply with the law and that a copy of the response to the USFWS request for a change of venue would be dispersed as it had just been received.
 - c. **Update and Possible Action regarding U.S. Fish and Wildlife Service's Listing Determination of the Greater Sage-Grouse and Proposed Plans for Protection of Greater Sage-Grouse Habitat in Nevada.** Commissioner Dahl noted there was no action to be taken and Commissioner Goicoechea informed the Board the expectation for the final EIS would be two to three weeks.
10. **Public Comment.** None was given

The meeting was adjourned by President Wichman.

The following pages are backup
for agenda item

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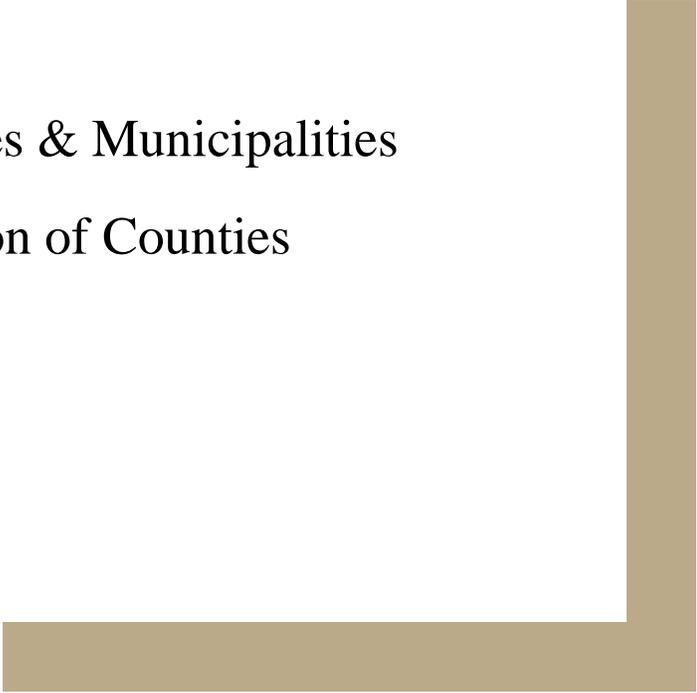
2015 Local Government Summit

● Henderson Convention Center, Henderson, Nevada

● January 23, 2015

● Nevada League of Cities & Municipalities

● Nevada Association of Counties



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CALL TO ORDER



Lorinda Wichman

Lorinda Wichman, President of the Nevada Association of Counties (NACO) and Nye County Commissioner, called the 2015 Local Government Summit to order at 8:36 AM by introducing her co-chair, Anita Wood, Mayor Pro Tem of the City of North Las Vegas and President of the Nevada League of Cities and Municipalities (NLC&M) and explaining that participant name tags had been randomly distributed to encourage interaction between participants that may not know each other very well.



Anita Wood

PLEDGE OF ALLEGIANCE

All participants joined President Wichman in stating the Pledge of Allegiance.

WELCOME AND INTRODUCTIONS



Andy A. Hafen

Andy A. Hafen, Mayor of the City of Henderson, welcomed the participants to the City of Henderson by explaining that this was the third time the City had hosted such a conference prior to a legislative session. Mayor Hafen believes it is important for City Councils and Count Commissions to keep their constituents informed on the issues that are of concern to them.

Following the Mayor's welcome, each participant introduced themselves by giving their name and title (Attachment 1). President Wichman also asked that if it was necessary to call a specific City Council or County Commission to order that it be done at that time.

SPECIAL ORDERS: CALL TO ORDER OF INDIVIDUAL LOCAL GOVERNING BODIES

City Governing Bodies

The City of Las Vegas governing body was called to order by Mayor Carolyn Goodman noting that this was a special meeting that had been properly noticed and posted in compliance with Nevada's Open Meeting law.

County Governing Bodies

Commissioner Steve Sisolak, Chairman of the Clark County Board of County Commissioners, called the Clark County Board of Commissioners to order by indicating that there were three members currently in attendance with two others expected to arrive shortly.

Commissioner Lorinda Wichman, Chair of the Nye County Board of County Commissioners, called the Nye County Board of Commissioners to order.

OPENING COMMENTS

Lorinda Wichman, NACO President

On behalf of the NACO organization, President Lorinda Wichman welcomed all participants and thanked them for taking time from their busy schedules to join the 2015 Local Government Summit. In addition, President Wichman thanked the City of Henderson for making their convention center available and for their assistance in organizing the Summit. President Wichman also expressed her appreciation for being able to work with the NLC&M and, in particular, Anita Wood, President of the NLC&M and Councilwoman for the City of North Las Vegas, who was sworn into office as Mayor Pro Tem yesterday.

The purpose of the 2015 Local Government Summit is to come together as local government leaders representing county and cities in both rural and urban portions of the State to discuss and identify priorities as the 2015 State Legislature session begins.

It is important that each member present accomplish their duties as elected officials to tackle the tough issues that lie ahead, speaking with a unified voice to serve as the most powerful advocates for their contingencies.

The Summit's agenda provides for brief presentations on bills and local government fiscal matters with time for discussion. By working together today, the hope is to gain a better understanding of those general issues Nevada counties and cities as represented by NACO and NLC&M can work on together. NACO and the League have developed and adopted position statements [that were delivered to the participants] that encompass some of the common issues. There is need to discuss how Summit participants will advocate for those issues during the 2015 legislative session. Ultimately, President Wichman would like to be able to identify common issues and tell the legislature that they are supported by local governments across the state. Between the two organizations, NLC&M and NACO represent everyone in the State of Nevada.

Anita Wood, President of NLC&M

In her opening statement, Anita Wood, Mayor Pro Tem of the City of North Las Vegas and President of the NLC&M, welcomed the participants and applauded them for taking the time to be a part of the Summit and making a difference in their community. It is recognized that their voice is important and that it plays a role in shaping future policy.

Both organizations have worked hard to develop Bill Draft Reviews (BDRs) for the upcoming legislative session that need reviewed. In addition, there is a need to identify any other key issues that should be addressed to make the most of the upcoming legislative session. Now is the time to identify your ideas which will make a difference and ensure that you are heard.

PUBLIC COMMENT

During the first public comment period, Mona Lisa Samuelson indicated that she is a 25-year resident of Nevada and a member of the Nevada medical marijuana community. She is particularly interested in what will be discussed in relation to Bill Draft Reviews and has an interest in seeing things fixed for medical marijuana patients. She will be listening to what people have to say at the Summit and will have a prepared statement to present during the second public comment period.

Ms. Samuelson also offered her congratulations to Anita Wood, who works very hard for the City of North Las Vegas. There is not anyone who has more stability in their community than Anita.

EXECUTIVE DIRECTOR REPORTS

Nevada League of Cities and Municipalities

Executive Director Wes Henderson indicated the Executive Committee had asked to provide a brief summary of activities that have been undertaken by their associations since the September 2013 Local Government Summit. The League has undertaken an extensive internal overview over the past two years resulting in strengthening the organization to be more dynamic, robust, and balanced. Mr. Henderson thanked past President Emily Carter and current President Anita Wood for their leadership in making those changes.

At the federal level, Mr. Henderson was pleased to have signed a letter along with his counterparts of 48 State Municipal Leagues across the nation urging Congress to enact long-term funding for transportation projects throughout the country. Everyone in Nevada and especially in southern Nevada understands how vital transportation is to our economy. In addition, the League lobbied for the “Marketplace Variance” Act which would establish a level playing field for the “brick & mortar” stores when competing against online sales. The League also lobbied the Nevada Congressional delegation to continue the tax exempt status of municipal bonds, which would greatly increase the cost of completing public works projects if the tax exempt status was lost.

From a state perspective, the League was pleased to file an amicus brief in the case involving the City of Reno and the Reno fire fighters union. In summary, the City of Reno had sustained some fire fighter positions through the SAFER grant (inset to right) but the grant was not renewed forcing the City to announce plans to lay off affected fire fighter positions. The union took the City to court which issued an injunction preventing the fire fighter positions from being laid off. Afterwards, the League filed its amicus brief. Three were two important actions resulting from the case which included (1) the court ruled in the favor of the City that budgetary decisions are the sole discretion of the governing body and (2) under Rule 29 of the Nevada Rule of Appellate Procedure, a municipality may file an amicus brief without consent of the parties or leave of the court. The League asserted, when filing its amicus brief, that it should be allowed to file the brief under Rule 29 as an organization of local governments. The Court accepted the filing of the amicus brief but asked the League to file a motion requesting permission to file the brief. The League filed the requested motion which was rejected by the Court as being unnecessary. The court’s ruling set a precedent that the League and by extension, NACO, can file an amicus brief under Rule 29.

Staffing for Adequate Fire & Emergency Response Grants

The Staffing for Adequate Fire and Emergency Response Grants (SAFER) was created to provide funding directly to fire departments and volunteer firefighter interest organizations to help them increase or maintain the number of trained, “front line” firefighters available in their communities. The goal of the SAFER is to enhance the local fire departments’ abilities to comply with staffing, response and operational standards established by the NFPA.

Nevada Association of Counties



Jeff Fontaine

Jeff Fontaine, Executive Director for NACO, indicated that his organization has been working closely with the National Association of Counties on three issues previously discussed by Mr. Henderson (inset to right).

In addition, NACO has been very active in several public land issues and, more specifically, the Nevada Public Lands Task Force that was established pursuant to Assembly Bill (AB) 227 from the 2013 Legislative session. NACO provided the necessary administrative support to the Task Force that consisted of a County representative from each of Nevada’s seventeen counties. The Task Force met

Three Important Issues

Urging Congress to reauthorize the surface transportation program and funding the Highway Trust Fund

Supporting legislation for the Marketplace Fairness Act

Maintain tax exempt status for municipal bonds

monthly studying the implications of transferring Nevada's public lands from the federal government to the State of Nevada. The Task Force's report, submitted to the Legislature's Public Lands Committee, recommended a phased transfer of lands to the State including lands that had previously been identified for disposal by the federal agencies, checkerboard lands along the Interstate 80 corridor, BLM administered lands that are currently leased under the Recreation and Public Purposes Act, and other public lands that have potential for or are currently producing renewable energy. The report found that the transfer of those lands could potentially generate between \$56 million and \$200 million annually. There will be a resolution, Senate Joint Resolution 1,¹ filed during the 2015 legislative session.

In December 2014, NACO joined others in a law suit challenging a 2011 Endangered Species Act settlement between the United States Fish & Wildlife Service (FWS) and several environmental organizations. The agreement prohibits the FWS from maintaining 290 species including the Greater Sage Grouse, imposes arbitrary listing decision deadlines, and prevents those species from being maintained as candidate species. The State of Nevada has much at stake with the listing of the Greater Sage Grouse which would have severe economic impacts on the State as well as ten other western States. The State of Nevada has spent considerable time and resources in developing a comprehensive State Sage Grouse Mitigation Plan, which would not be fully realized under the current settlement agreement.

From a State issue perspective, NACO has assisted several counties in conducting workshops and developing medical marijuana ordinances. NACO also worked with the Nevada Department of Transportation on development of road relinquishment regulations to ensure that roads transferred between the State and local jurisdictions were based on a collaborative effort and are fully implementable. NACO also worked on renewable energy provisions associated with implementation of AB 239.² NACO hired Jeremy Aguero from Applied Analysis to develop a renewable energy tax abatement guidance and workshop which can be used by counties when making a decision on issuing property tax abatements authorized under AB239. In addition, model ordinances were developed for renewable energy facilities and transmission lines as required by AB239.

In closing, Mr. Fontaine recognized NACO's emeritus committee which was developed by a 2013 resolution. The Committee's membership includes former NACO board members most of whom were term limited and have been instrumental in assisting with annual conferences, conducting workshops for newly elected County officials, developing a County Commissioner's Handbook, and may serve as subject-matter-experts during the upcoming 2015 legislative session.

(The remainder of this page was left blank intentionally).

¹ SJR1 urges Congress to enact legislation transferring title to certain public lands to the State of Nevada in accordance with the report prepared by the Nevada Land Management Task Force. (BDR R-451)

² Signed by the Governor on June 11, 2013. An Act relating to energy; authorizing the Director of the Office of Energy to charge and collect certain fees from applicants for certain energy-related tax incentives; revising provision relating to eligibility for and approval of applicants for certain energy-related tax incentives; revising permissible uses of money in the renewable Energy Fund; revising provisions relating to land use planning and the granting by local governments of permits for the construction of certain utility projects; establishing the Economic Development Electric Rate Rider Program; requiring the Public Utilities Commission of Nevada, in consultation with the Office of Economic Development, to administer the Program; and providing other matters properly relating thereto.

LOCAL GOVERNMENT BDRS

The NLC&M and NACO are authorized by statute³ to submit five Bill Draft Reviews (BDRs) for each legislative session. Subsection 2 of the statute requires the BDRs to be filed by December 20th of the year preceding a legislative session. Listed below is a brief summary of the BRDs submitted by the NLC&M and NACO.

Nevada League of Cities and Municipalities

AB 19 (BDR456)

If approved, AB 19 would revise provisions governing the timing of budget hearings by local governments. Currently, local governments are required to submit tentative budgets to the Nevada Department of Taxation by April 15th of each year. Current law (NRS 354.596(4)) requires local governments to hold a hearing on their tentative budgets on a specific date, which, in many cases, causes the local government to hold a special meeting. By adding the words “or before” before the specific date local governments are required to hold its meeting, the bill would allow for the hearing on the tentative budget to occur at a regularly scheduled meeting of the governing body. This BDR was submitted to the Assembly Committee on Governmental Affairs.

AB25 (BDR 454)

If approved, AB25 would revise provisions governing the authorized uses of the proceeds of the Residential Construction Tax. This BDR seeks to clarify that improvements to existing parks or facilities are allowable uses of revenue generated by the residential construction tax (NRS 278.49839). The bill would also add a definition of improvements to the statute. This BDR was submitted to the Assembly Committee on Governmental Affairs.

SB22 (BDR455)

If approved, Senate Bill (SB) 22 (BDR455) would revises provisions governing state licenses required for liquor importers, wholesale dealers of wines and liquors, wholesale dealers of beer, wine makers, instructional wine-making facilities, breweries, brew pubs and craft distilleries to require approval of a governing body of city instead of county if the principal place of business is located in a city. Current law (NRS369.180) requires that persons wishing to engage in certain businesses obtain a license or permit from the State. The law further requires that applicants obtain the approval of the county commission even if the business is wholly located within a city. This is duplicative and requires the applicant to seek approval from both the city and county. In practice, the county business license departments will not forward the application to the county commission without agreement by the city. This bill would change the final approval for applications for businesses wholly within the confines of a city to the governing body of the city.

SB28 (BDR464)

If approved, SB28 would clarify provisions governing the fees that may be charged for providing copies of public records. Current law (NRS 239) governs public records including the provision of copies of public records and the fees that may be charged by the custodian of the public record (NRS 239.0107, NRS 239.052 – NRS 239.055). NRS 239.055 allows a governmental entity to impose an additional fee if complying with a request for a public document requires the entity “to make extraordinary use of its personnel or technological resources.” This bill would add a definition of what constitutes “an extraordinary use of its personnel or technological resources” to the statue.

This BDR in no way would limit access to public records. The NLC&M believes in an open and transparent government.

³ Nevada Revised Statute 218D.210.
2015 Local Government Summit

SB51 (BDR 463)

This BDR if approved would establish and fund a state coordinating agency within the Governor’s Office for Economic Development for the “Main Streets” program of the National Main Street Center under the National Trust for Historic Preservation. Nevada does not currently have a coordinating agency for the “Main Streets” program under the National Main Street Center, a subsidiary of the National Trust for Historic Preservation. As a result, any of the Nevada’s cities or towns cannot be recognized as an official “Main Street” program. According to their website, for the past 34 years, the Main street four point approach® has been used successfully in approximately 2,000 communities, producing \$59.6 billion in investment, creating 502,728 jobs and resulting in rehabilitation of more than 246,158 buildings. Building on this successful foundation, the National Main Street Center is committed to expanding the impact of the Main Street program by providing a new generation of research and resources to existing Main Street programs and extending the reach to older commercial districts that are not yet part of the Main Street network.

The “Main Street USA” program is an exciting program which would be an investment that would bring money back to the State as well as Nevada’s cities and municipalities.

Wes Henderson
Executive Director, NLC&M

If established, the “Main Streets” program would touch many areas that are vital to Nevada communities including historic preservation and tourism. The program contains very strict protocols which must be followed to be a part of the program or to even use the “Main Street” program title. The Town of Gardnerville follows the “Main Street” protocols but cannot be recognized as the State does not have a recognized State “Main Street” coordinating agency.

Nevada Association of Counties

AB10 (BDR 14-467)

If approved, this BDR would revise the provisions governing the payment of costs associated with legal representation of indigent criminal defendants charged with capital crimes. Specifically, the bill would require the State’s Public Defenders office to bear the cost of providing legal representation to an indigent person in a capital case at no extra cost to the appropriate county government and to reimburse other counties that have their own Public Defender contract counsel for the expenses incurred.

AB80 (BDR 32-466)

If approved, this bill would revise provisions governing the prepayment of taxes on the net proceeds of minerals. The bill would address an issue where prepayments are based on estimates; rather than the actual amount due, resulting in counties owing a refund to a mine and having to adjust their budgets in relatively short timeframes. These situations have an adverse impact on counties when net proceeds from minerals make a significant portion of the county’s revenues.

SB16 (BRD 14-469)

If approved, this bill would revise provisions governing presentence and general investigations and reports made by the Division of Parole and Probation of the Nevada Department of Public Safety. The bill would reduce the percentage of costs counties pay to the State for presentence investigations and reports prepared by the State’s Department of Public Safety. Originally enacted in 2011, the State is allowed to assess up to 70 percent for the costs of the presentence investigations. NACO believes the State realizes a much greater benefit from the investigations; therefore, SB16 would reduce the percentage from 70 to 30 percent.

SB29 (BDR 20-465)

If approved, this bill would grant power to a board of county commissioners to perform certain acts which are not prohibited or limited by statute. The bill would delegate additional authority for certain day-to-day county functions specific to health and safety issues including authority to adopt ordinances. With limited exceptions, the county

commission would be able to exercise all powers needed to ensure the health and safety of the public even if such a power is not specifically expressed or applied so long as that power is not explicitly prohibited or limited by Constitutional statutory provisions authorized to another entity.

SB30 (BDR 20-468)

If approved, this bill would authorize a board of county commissioners to withhold longevity pay for certain elected county officers under certain provisions. Currently, county commissions do not have the authority to reduce or forego longevity pay that elected county officials receive. This bill would authorize the board of county commissioners, under certain conditions, to adopt a resolution to hold longevity pay for all county elected officials for any fiscal year. NACO will be submitting an amendment to authorize each elected county official to voluntarily reduce or forego their longevity pay.

OVERVIEW OF LOCAL GOVERNMENT FISCAL WORKING GROUP



Jeremy Aguero

Jeremy Aguero, principal analyst with Applied Analysis, provided a presentation addressing a number of Nevada's current major issues as the 2015 Legislative session approaches. Mr. Aguero referenced handouts prepared by the Tax Foundation that had been distributed to the audience which provide an excellent synopsis of many of the challenges we are facing within the State. Mr. Aguero indicated that he agrees with some elements in the handouts while there are some that he does not.

Mr. Aguero believes that the State of Nevada is at an interesting point in time. Having just been through one of Nevada's worst economic downturns,⁴ at this point in time, it is remarkable that every one of the major economic indicators for the State of Nevada is trending in a positive direction for the first time in the past five years. With that having been said, it is also important to understand that our economy hasn't fully recovered in very aspect. Despite the positive trends, we have yet to fully recovered as a State, as an economy, or as local or state governments when compared to a time when our economy was at its peak. Despite the progress that has been made, Nevada and its cities and municipalities are among many across the United States that have failed to fully recover.

Not having fully recovered does not mean that great progress hasn't been made. Today, the State of Nevada is the second fastest growing state in the nation. The State of Nevada is ranked third in the nation relative to how fast we are creating jobs. Currently, we are behind North Dakota and Colorado but Mr. Aguero expects Nevada will be first in the nation by the end of 2015. While the State may not have recovered to a point where we once were; we are setting records for the number of people coming to the State and are welcoming companies that are among the most prestigious in the United States! The State's unemployment rate has fallen, we're creating more jobs, and wages and salaries across the State on an hourly wage basis are increasing. As of the last quarter that has been reported, the State is now at the peak level for hourly earnings! Unlike the situation we found ourselves in a couple of years ago where we had an economical problem first and a fiscal problem second; we now have a fiscal problem. Over the past couple of years, we've done much to address our economic issues but little to address the fiscal issues.

Mr. Aguero made a comparison of the total revenues and total expenditures by county for all counties in the State of Nevada. Mr. Aguero's organization, Applied Analysis, is working with a number of local governments to refine the numbers at the city and municipality level. It is expected that the trends that will be observed from these figures will be dramatically different than what will be found when the State reviews its own numbers. The information presented by Mr. Aguero describes a trend where county governments are seeing improvement in terms of total revenues and are also beginning to observe an increase in total expenditures at the county level. However, when reviewed on a "per capita"

⁴ Mr. Aguero made reference to a more devastating economic downturn which occurred during the great mining depression of the late 1890s which lasted for 24 years. Many people left including, it is rumored, the Nevada U. S. Senators at the time.
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basis, the “per capita” revenue and expenditure figures will look different because the improvement in the revenue figures is not keeping pace with the increase in the number of people coming into the State of Nevada to live and work.

From a city or municipality standpoint, the numbers will be slightly different but the trends will be relatively the same. There has been a decline which has been followed by an improvement in total revenues and expenditures. From a “per capita” basis, the city/municipality improvement in revenues and expenditures has been slightly better as compared to the county government improvements.

Despite the improving trends at both the County and city/municipality levels, there is more work to be done to reach the peak point of our economy. The economy aspect has been improving but the fiscal side of the coin is only starting to improve. In his “State of the State” presentation, the Governor addressed a number of revenue sources that will shore up the State’s budget principally for education. His plan addresses four principal areas:

1. Increasing the cigarette tax - Increasing the cigarette tax by 40 cents per pack⁵ will generate approximately \$36 million. Statistics have found that with every ten percent increase in the price of cigarettes, there is a corresponding five percent decrease in demand negatively affecting the local government revenues. This type of approach is indicative of a disconnect between State revenues and revenue solutions and local level revenues and revenue solutions.
2. Change in how restricted slot machines are treated - Organizations with over 500 slot machines or \$10 million in gaming revenue would be taxed similarly to restricted licenses as opposed to unrestricted licenses, which would generate approximately \$18.5 million for the State. In 2014, there were approximately 290 unrestricted gaming licenses issued within the State. Of the 290, 23 of the largest properties along the Las Vegas Strip collected 50 percent of the State’s gaming revenues and 75 percent of the room revenues in the State. With such a narrow line, we need to be thoughtful in how we change our gaming environment.
3. Increase the mining sector payroll tax - The Governor’s proposal is to increase the mining sector’s payroll tax percentage from 1.17 to 2 percent, which will generate between \$7 and \$7½ million annually. The current State of Nevada payroll tax is 1.17 percent of taxable wages in excess of \$340,000 per year with a credit for employer paid health care coverage except for financial institutions which pay two percent. Mining companies currently pay 1.17 percent but do not receive the healthcare deduction.
4. Augmentation of the business license fee - Augmentation of the business license fee, which is a fee schedule where the revenue of a business is used to determine the fee for that particular industry. The State’s approach is simple and efficient and is similar to many local government business license fees which are industry specific and applied at county as well as city/municipality levels today. The business license fee approach will be debated in the 2015 legislative session as it currently is a system that creates a disincentive for businesses to hire people or pay them more.

While not being critical of the Governor’s approach, Mr. Aguero believes that from a policy perspective there are many items that were left out as highlighted in the Tax Foundation’s report previously distributed to the Summit participants.

The State of Nevada has the narrowest sales tax in the United States. Unless the sales tax base is expanded, we will continue to see major fluctuations in total revenues. From a property tax perspective, mistakes have been made including applying more taxes while property values were at high levels. Those taxes were necessary and appropriate at that point in time; however, today, we are abating approximately \$500 million of which 43 percent would have gone for schools. The live entertainment tax is arguably the most ridiculous tax applied in the State of Nevada. Concerts conducted inside

⁵ From the current tax of 80 cents to \$1.20 per pack.
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fall under the live entertainment tax while outside concerts are not. The things we have done both at the State and local government levels to make a relatively efficient tax system both inefficient and unstable borders on the edge of insanity! The effects of our actions not unique to the State level but also are also present at the county and local government levels.

While the Governor's plan is attempting to create additional revenue, it is not necessarily addressing the shortcomings of the State's tax system as it exists today. And, as a result of not addressing the tax system shortcomings, it is not addressing the challenges being raised by local governments today or those challenges expected to face over the next twenty years in funding all of the local government programs that you're developing today.

Conclusions that Mr. Aguero left with the Summit's audience include (1) county and local government revenues will continue to be unstable and (2) revenues will not keep pace with the costs of delivering the services local governments provide today. We have seen and will continue to see a continued stress created principally by costs of payroll and benefits at the local government level as well as at the school district level. As our population continues to grow, there will be continued and increased pressure to deliver more services.

Major Revenue Sources

As Mr. Aguero identified some major revenue sources, he asked everyone to consider the sources using a general framework under which a good tax should be simple, transparent, neutral, and stable. Simplicity is defined as being easy to administer and comply with. Transparency comes when the tax payer knows and understands what they are paying and what it is costing them. Neutrality means people's behavior is not change by implementing a tax. Revenue sources should be stable over the long-term.

Property Tax

Property taxes are, arguably, the first or second most important revenue source in the State and contain a property tax cap. In Nevada, property values dropped approximately 66 percent from their highest to their lowest point in the recent economic downturn. At the time property values were at their lowest point, the property tax system was changed so owner-occupied residential property tax could be increased by a maximum of three percent and non-occupied residential properties and all commercial properties by a maximum of eight percent. At a time when property values were high and increasing by 30 percent per year, the cap sounded like a good idea. Subsequently, property values plummeted and we reset those values at a very low level. As mentioned earlier, over the next year, the State will abate approximately \$500 million of which approximately 40 to 45 percent would have gone to funding education. Currently, we are raising taxes on business because we lowered taxes on most everyone else over the past couple of years. This has cost schools across the state approximately in excess of \$1.5 billion. Something has to change! Property taxes, which has historically been the State's most stable source of revenue, has quickly become our least productive and in some ways, least predictable source of revenue. The property tax should be our most stable source of revenue. The State of Nevada is the only state in the nation that applies a depreciation factor. Currently, we have a system that is based on the cash value of the land and the replacement value of improvements, which is more complicated than taxing on the property's market value.

In theory, if we were going to implement one remedy for long-term fiscal viability, it would be to reform the property tax system. Such an effort would establish a very substantial tax liability for the average Nevada tax payer and is viewed as being wildly unpopular. There may be some State legislators willing to introduce bills to adjust property taxes to market values, eliminating the depreciation factor, change the property tax cap percentages, which may be better tax policies than we have today, but these are relatively unlikely to occur.

Sales and Use Tax

The sales and use tax was originally created in the 1950s. At that time, approximately 66 percent of what we bought was tangible retail goods. Today, that percentage is now closer to 30 percent. Other monies were spent for services. Similar to the property tax, the State of Nevada has one of the narrowest sales and use taxes in the United States resulting in the

13th highest sale tax rate in the nation. The State's sale tax has performed remarkably well reporting better than any other source of revenue over the past twelve months due to the economy's recovery.

About a year ago, Amazon started collecting taxes. While overall taxes are up approximately 7 to 8 percent, taxes collected in the "non-store retailers" category of the taxable and retail sales are up by 40 to 41 percent as a result of non-store retail sales. In addition, the number of visitors to our state continues to increase. The 50 million visitors statewide are spending more money on eating, drinking, and shopping which increases the taxable sales. When the December 2014 figures are finalized, Mr. Aguero expects 2014 to set a record for the most taxable sales ever in Clark County. As fuel prices continue to decline, Mr. Aguero projects that \$500 million to \$1 billion of economic stimulus will be realized in Nevada, which translates to \$550 per household over the course of a year in discretionary income.

The Tax Foundation report recommends expanding the sales tax to include some services, which has been included in almost every tax report since the 1960s. Mr. Aguero doesn't believe that the current economy looks anything like the economy of the 1960s; however, our current tax system is exactly the same as the tax system in the 1960s. On a positive note, the Tax Foundation report identifies the need to include local governments as part of the solution to the sales tax modification. Mr. Aguero does not believe such a recommendation is currently part of the discussions taking place at the State level. He believes discussions will address expansion of the sales tax to include services with the majority if not all of the revenue being directed to benefit of the State government in funding programs such as education. Mr. Aguero clearly outlined that almost everyone across the state is talking about funding what will sell, which translates to education. The Tax Foundation report also recommended not taxing business-to-business services such as janitorial or landscaping services. Another area that would be unpopular to consider when discussing expansion of the sales tax is leasing of commercial real estate. With that being said, the only thing less popular to expanding the sales tax to include services is the property tax. Current polls show the population is 70 to 30 against expanding the sales tax to include services.

The State will need to be thoughtful in the expansion of the sales tax to include services. Today, the State taxes \$50 billion worth of retail sales. The State's economy is \$132 billion in size. We don't have to tax everything and need to be thoughtful in the way we expand it! The legislature will have to have the hard discussion about what should be included and excluded, which has been the Achilles heel of that discussion since 2003 when expansion to include services was first debated as an actual board based solution.

Live Entertainment Tax

The State's current live entertainment tax is between five and ten percent depending on the size of the venue, which includes a number of exclusions and exemptions. The live entertainment tax could easily be the beginning of your sales tax on services, which is exactly what it is! The live entertainment tax is a remnant of the old Cabaret tax, which has been abandoned by everyone else. Mr. Aguero believes the live entertainment tax should be an admission tax as it was intended. Mr. Aguero suggested that the live entertainment tax could be changed by (1) removing the food, beverage, and merchandise components, which are already subject to the retail sales tax and (2) expanded to include outdoor concerts, NASCAR® events, and other major events with ticket sales where a rate similar to the retail sale use tax rate could be applied.

General Business Tax

Mr. Aguero believes the ultimate general business tax discussion will follow this general direction. First, there are only so many ways to tax a business. One approach is to tax a business based on its bottom line; a net business income tax which is a function of the company's profitability. From a matrix standpoint (simple, transparent, neutral, and stable), it would be the fairest approach to taxing a business but creates the least stable revenue source.

Another approach would be to tax the gross receipts of the business. Such an approach is not well accepted but could be a viable approach. One of the problems with this approach is the pyramid affect, which essentially results in paying a tax on a tax on a tax. The approach also disproportionately adversely impacts high volume, low margin businesses.

If taxing on a business's net or gross income is not acceptable, the solution must lie somewhere in the middle. In 2010, when the State's unemployment rate was in excess of 14 percent, it was thought to be a bad idea to have a tax which was a disincentive for employers to hire employees or paying them more. Therefore, in 2011, a margin tax or a franchise tax was designed to replace the existing payroll tax, which met most if not all of the criteria. It was relatively stable and could be applied at a low rate.⁶ There were other elements included in the margin tax proposal such as widening the sales tax base and lowering the sales tax rate. By the time the proposal worked through the legislature, the revenue generated would have been between \$100 and \$125 million as the rate was slowly increased. By 2013, the teachers union increased the margin tax by approximately two times and removed key elements designed to eliminate the pyramid effect and reductions on insurance premiums. In the 2013 legislature, the bill lost by 80 to 20 percent vote.

One of the remaining alternatives is the business license fee, which is the Governor's proposal. It involves a rate which is uniform, would generate approximately \$250 million, and tries to take into account for differences between individual industries. When discussion occurs at the State level over the business license fee approach, Mr. Aguero believes it will come down to a comparison of the different alternatives (as discussed above) to determine the alternative has the least number of issues.

Excise Tax

Excise taxes are applied against liquor and cigarettes. From a policy perspective, Mr. Aguero was surprised that the excise tax has not been expanded to include vapor and other products, which are now available on the market. These taxes have a tendency to go down when product prices go up so they would not probably be a major part of the solution.

Net Proceeds on Minerals

The net proceeds on minerals tax create major problems in rural jurisdictions. There was a question on the last ballot relative to whether it should be removed from the State Constitution, which was defeated. When the economy was very high, the net proceeds on minerals tax was a huge source of revenue; however, with the decline of the economy, the revenues have diminished to a fraction of what they were. Currently, it is a very unstable source of revenue.

As this revenue source is reexamined, there may be opportunity to redirect it toward capital versus operation, which may be a real risk at the local government level that the revenues will be redirected to the State level.

Closing Considerations

In closing his presentation, Mr. Aguero offered the following considerations:

1. Revenue strategies will be tied to education.
 - a. The plight of local governments is not given much time or discussion in Carson City.
 - b. Many legislators believe local governments are wealthy and have weathered the "economic downturn" storm better than the State.
 - c. There is a general belief that what the State provides in terms of services are markedly more important than what local governments provide.
 - d. To many legislators, "local government" is one homogenous group.
2. The makeup of the legislature is a critical consideration.
 - a. Many people sitting on important committees have not had access to important information. The Legislative Council Bureau will do everything possible to educate legislators; however, they are much more educated on State government finances as compared to local government financing.

⁶ To merely replace the payroll tax, it was believed a rate of 0.85 percent was suitable.
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- b. There is an opportunity with a Republican governor and a Republican-control legislature to address an important framework relative to a broader discussion of policy which has been left out of the solutions being discussed.
3. The State legislature's focus will be on the state with secondary consideration given to local governments.
4. The legislature should not be expected to focus on stabilizing local government revenues either through property tax or sales tax at the expense of education.
5. Leveraging local governments will surface during the legislative session as an option both in terms of revenues and expenditures. As revenue strategies are discussed, the question will focus on saving more money. One option for saving money will be shifting more services to the local governments as unfunded mandates. Another option may be redirecting revenues, which could have a negative impact on local governments.
6. Tax hearings will be an opportunity or a threat. The legislature will hold a series of hearings where potential revenue sources will be reviewed and discussed. How the local governments approach these hearing could be an opportunity to educate new legislators. It is important that local governments speak "with a single voice" and without contention. Local governments need to be unified wherever possible.

Mr. Aguero emphasized that our economy is doing better but it is far from the peak levels that it once was. There is a disconnect between our past focus on economic diversification and the need to address fiscal diversification in the future, which will be a huge challenge for the State of Nevada.

There will be a board debate which is being spurred by the Governor over generating revenue for the single thing that people care about more than anything else – educating our children. This debate will address every tax including those that have been brought forward by the Governor. The debate will serve as an opportunity for local governments to actively engage in the discussions and continue the debate that local governments also have challenges as it relates to their budgets and fiscal systems.

Questions

Following his presentation, Mr. Aguero entertained questions as summarized below.

1. **Councilman Sam Hansen (City of Ely)** – To the best of his knowledge, Hawaii is the only other state in the nation with a comprehensive services tax. How did that work for them during the recession? In response, Mr. Aguero placed all states on a spectrum with Hawaii at the far left end where many different services are taxed. On the far right of the spectrum would be Oregon which does not have a sales tax. Nevada would fall closer to the right end of the spectrum but not as far as Oregon. The Federation of Tax Administrators examines all states' in relation to the different services that they tax. Their examination found Nevada has one of the narrowest tax bases in the United States. To Councilman Hansen's point, Hawaii suffered horribly during the economic downturn as a result of its economy being heavily dependent on tourism, which is similar to Nevada. Other states such as Florida put its toe in the water in terms of taxing services but reversed its self almost immediately. Arizona includes other items such as commercial real estate as part of their tax base.

If the sales tax were applied to everything that is sold to someone else at the lowest rate possible across the entire tax base, it would be the same as a gross receipts tax. Mr. Aguero doesn't believe that there was any state well positioned during the economic downturn. Given Hawaii's tax structure, they were not well positioned and he does not believe

Nevada should follow their pattern. Nevada needs to expand its sales tax base in a thoughtful reasonable way so that it would more closely resemble our current economy rather than the economy in 1987.

2. **Councilman Sam Hanson (City of Ely)** – What specific industries does Mr. Aguero believe would mount the largest pushback to revising the sales tax base? When examining the sales tax, Mr. Aguero described three tiers of services. The first tier would contain services where there is opportunity to expand the sales tax base (which are not currently taxed), including (1) discretionary services, admission services, landscaping services, tours, etc., and (2) things that a majority of other states currently tax. The second tier will be business and business services such as janitorial services, leasing of commercial real estate, construction labor, etc. Tier three would include services that are not conceivable to tax such as healthcare service, child care services, funeral services, etc. Mr. Aguero believes that tier one services would provide approximately \$18.5 billion worth of transactions. As an example, using an increase of \$10 billion worth of transactions at a 8.1 percent rate would generate \$800 million a year, which is substantially more than an amount needed to solve our problems.
3. **Councilman Sam Hanson (City of Ely)** - What would be the price elasticity between the different tiers [as described by Mr. Aguero]? Mr. Aguero explained that the elasticity depends on the categories of services within the tier. History has shown that discretionary activities such as the high-level entertainment events don't have a reduction in result to an increase in values. There are other things such as movie tickets that have a negative impact on consumers as consumers have substitute venues (On Demand, etc).
4. **Commissioner Chris Giunchigliani (Clark County)** –Commissioner Giunchigliani indicated that she is a firm believer in expanding the sales tax to include some services but with lowering it commensurately to obtain the neutrality piece as people are educated about what the services are. She also liked the tier discussion provided by Mr. Aguero. It has been very arbitrary as to what discretionary services should be taxed.

Commissioner Giunchigliani (Clark County) was curious as to what would be involved with the business license fee approach. In his response, Mr. Aguero was cautious in not preempting what the Governor will release in the near future. In the past, the business license fee was \$100 per business per year which, as it was sun setting, was increased to \$200 per year. The business license tax generates approximately \$70 million per year for the state and is paid by approximately 330,000 businesses, which is a relatively wide base from which to work.

The question raised was what would be done if there was interest in using the business license tax base to generate more revenue. The first thought was increasing the business license rate. Unfortunately, it would result in small business paying the same fee as extremely large businesses. A second approach would be to establish a series of tiers where large business will pay a higher fee and smaller business pay a lower fee. Within specific categories, a set business license fee could be established. As an example, within a category which includes businesses making between \$1 million and \$5 million per year, with a set fee rate, the business making \$1 million would actually have a higher tax rate than a business making \$5 million even though they pay the same fee. As the number of categories increase and the same approach is used, the approach quickly becomes similar to a gross receipts tax. The business license tax approach attempts to calibrate different fees for each of the major industries operating within the state such as construction, manufacturing, transportation, healthcare, and education.

In a follow up question, Commissioner Giunchigliani (Clark County) asked if Mr. Aguero had heard of discussions suggesting a return to a 1980s approach where schools and the indigent funding were not part of the property tax. Mr. Aguero indicated that there have been many different discussions concerning the property tax including pulling the rate out of the property tax and putting it outside of the abatement, which would be a very complicated process. There has been other discussion about putting more rate inside which would do almost nothing. There has been discussion

about moving anything that has been voted on by the people outside the rate. Mr. Aguero believes that there have been close to 70 or 80 different alternatives discussed. In reality, most of those discussions have been set aside as they have been too broad and not focused the concept of property taxes. Rate has been part of the discussion but not at a very high level.

5. An individual who did not identify himself asked about an opportunity to create and tax new industries such as storage and reprocessing of spent nuclear fuel. Mr. Aguero indicated that he has not heard of or participated in discussions addressing new industries such as the one suggested. When asked if based on the numbers reviewed by Mr. Aguero, it could be a real source of revenue; Mr. Aguero agreed that it could.
6. **NLC&M President Anita Wood** indicated that in his presentation addressing the business license fee, Mr. Aguero inferred that there was a potential that the business license fee could closely resemble the gross receipts tax. She asked if it was the Governor's direction to make sure that we are catching some of the services that have not been taxed in the past. In his response, Mr. Aguero offered a point-of-clarification. In his presentation, he addressed the discussion that he believes will take place at the State legislature associated with the business license fee proposal. He did not intend to leave the audience with the impression that the business license fee was a gross receipts tax. He believes that there will be steps taken to ensure that it is not a traditional gross receipts tax. Mr. Aguero reiterated President Wood's question to be "does the Governor's proposed business license fee reflect the economy more so than the existing sources of revenue that we have today"? Mr. Aguero indicated that the business license fee as it is constructed would look more like the economy than any other source of revenue that we have in the State of Nevada today. The short answer to President Wood's question is "yes". Mr. Aguero stressed that not all business taxes will look like all of the revenue generated by businesses because the business license fee proposal will generate approximately \$250 million while the current model of business tax, which will disproportionately affects labor-intensive businesses, will generate approximately \$400 million. If we think about industry-specific taxes (principally mining and gaming) will generate approximately \$700 million. Even with including all of the suggested changes, industry-specific taxes will bear approximately 55 percent of all business-specific taxes that are imposed. With the proposed business license fee where gaming revenue is exempted from that levy, the gaming industry will pay a levy on all of their non-gaming revenue but not on their gaming revenue. They will still pay a percentage but it will be less of a percentage.
7. **Carolyn Goodman (Mayor of the City of Las Vegas)** – Mayor Goodman explained that everyone in the world is connected to the virtual world whether it be online, charging your batteries, cell phones, etc. She offered a recommendation that to examine all sources of connectivity in Nevada whether it is a plug on the wall or something with our cell phones, iPads, etc.

In a separate topic, Mayor Goodman recalled that in 1995, there was no allocation in the room tax "pie" for education. As of this year, the allocation for education is 39 percent of the "pie". Since 1995, the State of Nevada has been providing funding for education from the room tax. Mayor Goodman did not know off the top of her head where Nevada ranked nationally in terms of funding for education but feels that the product being produced by the State in terms of education has been going downhill. Mayor Goodman asked if anyone has reviewed how we spend our money for education. She generally understands that the General Fund funding for education is set at a specific level and once that level is achieved, the money moves away. What is being done in terms of the money? We need to understand where are the dollars going before we screen out and put more money into something. We need to understand where the money is being spent and that it is producing bright, educated contributors to the world.

In response, Mr. Aguero indicated that he will not delve into the circular formula for education funding which is ridiculous, broken, and places counties at a disadvantage [but not to a point that the counties should lead an effort to

revise the formula]. The room tax provides a portion of the funding for education. Mr. Aguero highlighted five things that would be necessary and appropriate:

- Addressing the funding formula;
- Reversion monies coming from the circulatory funding formula should be reinvested into the education system; rather than being directed back to the General Fund;
- There is not sufficient funding being directed to education;
- Address collective bargaining; and,
- Increasing capital (buildings, etc.)

SESSION EXPECTATIONS – LEGISLATIVE LEADERSHIP/GOVERNMENT AFFAIR CHAIRS

(Special Note: This agenda item was taken out of order and heard immediately following Item VIII (Local Government BDRs – Executive Directors).

NLC&M President Anita Wood opened the session by asking State Senator David Parks if he would like to make an opening statement. Senator Parks, a member of the Senate Government Affairs Committee, indicated that he was pleased to be a part of the 2015 Annual Summit and understands that the 2015 legislative session will be challenging. President Wood inquired if there were any specific items of interest to local governments on the Senator's agenda for the 2015 legislative session. In response, Senator Parks indicated that he will be resurfacing a bill addressing the reporting of tax roles and the expense incurred by local governments, particularly counties, in publishing tax roles.

Commissioner Chris Giunchigliani (Clark County) asked NACO Executive Director Jeff Fontaine to address the timeline associated with SB16 (BDR 14-469) which if approved would adjust the percentage of the cost of presentence and general investigations and report required to be paid by local governments. With a nearly \$2 million shortfall for the County jail, the County has developed a workload comparison to work with the Nevada Department of Public Safety Parole and Probation Division to address the length of stay for inmates, which has dramatically increased. Executive Director Fontaine indicated that this was an issue raised in the last legislative session and agrees the costs particularly to Clark County and other counties have increased dramatically. This will be an issue closely followed by NACO in the 2015 legislative session.

Councilman Ron Schmitt (City of Sparks) asked for an amendment be made to SB28 (BDR 464) that would allow all legal notices that all government agencies are required to file to be filed in one location; instead of the newspaper, which would significantly reduce the cost to local governments .

In a separate question, Councilman Schmitt asked if there has been an investigation into what other businesses are required to file for city and county business licenses which lie solely within one city. Councilman Schmidt suggested SB22 (BDR 455) could be expanded to include all businesses required to file both city and county licenses when they solely operate within the jurisdiction of one city. He offered a case in point where a real estate agency was required to file for three different business licenses (two different cities and one county) as their agents crossed city lines to perform their responsibilities. Councilman Schmitt recommended supporting SB28 regardless of what happens to it legislatively. In response, NLC&M Executive Director Henderson verified that SB22 is currently written specifically to address liquor importers, wholesale dealers of wines and liquors, wholesale dealers of beer, wine makers, instructional winemaking facilities, breweries, brew pubs, and craft distilleries as outlined in NRS 369.180.

NLC&M President Wood indicated that during the first public comment session of the Summit, someone asked in relation to the medical marijuana issue. President Wood indicated that she doesn't believe there will be a lot going on concerning the medical marijuana issue during the 2015 legislative session but stated the NLC&M will be active during the session addressing the labelling and marketing of medical marijuana products. Based on a trip to Denver, Colorado, President Wood indicated that a significant issue experienced in Colorado is the marketing of medical marijuana products using product names such as Dairy Queen or named after various types of Girl Scout cookies that clearly demonstrate an intent to market to children. President Wood indicated that this is an issue that shouldn't be addressed at the local level, which would create a consistency issue across local government jurisdictions.

President Wood indicated that the standard cookie or brownie size translates to approximately ten doses of medical marijuana. The intent is to break off a piece of the cookie or brownie, which is consumed over a period of time. There have been instances in Colorado where marijuana cookies or brownies were accessible to children and not well marketed or labelled, resulting in children consuming the entire cookie or brownie leading to over doses. The NLC&M has been and will continue to review the medical marijuana issues and recommendations being brought forward in Colorado. The NLC&M would like to ensure that the Colorado laws are strengthened when being considered by the Nevada legislature to ensure that our children are safe as we consider this new industry.

Commissioner Giunchigliani (Clark County) suggested the need to remodel how the selection comes in to resemble the Gaming Control Board process where there is a feasibility control finding where local governments have more flexibility. Commissioner Giunchigliani also mentioned that there may be additional legislation introduced allowing local jurisdictions more flexibility to address cross jurisdictional issues.

NLC&M Executive Director Henderson indicated that some of the ideas that have been expressed may be examined during the course of the 2015 legislative session. Mr. Henderson referenced a letter from Speaker John Hambrick dated January 22, 2015, which suggested collective bargaining will be discussed during the upcoming session. In addition, other bills and discussion relating to minimum wage laws, public employees retirement system, home rule, and various tax issues are expected to be raised during the upcoming legislative session. In relation to the home rule discussion, at the request of the NLC&M, State Senator Pete Goicoechea raised SB11 (BDR 20-284) is a resubmittal of SB-2, which passed the Senate but it not pass out of the Assembly during the 2013 legislative session. With a continued effort, it is hopeful that SB11 that would give local governments some autonomy will be passed in the 2015 legislative session.

Commissioner Dan Schinhofen (Nye County) indicated that Nye County has one dispensary and the owner's cultivation is currently within Clark County. The county is not opposed to this situation and does not intent to hinder the sale of products from Clark County in Nye County. Anything that can be done to address similar cross jurisdiction issues would be greatly appreciated. NLC&M President Anita Wood indicated that there is nothing in current proposals or discussions which would prevent cooperation between local jurisdictions. Discussions have focused on ensuring packaging of medical marijuana clearly indicates what the product is and making it as safe as possible.

Commissioner Giunchigliani (Clark County) asked if the intent of agenda item 11 after Mr. Aguero's presentation is to identify additional ideas or issues for consideration at the 2015 legislative session. After receiving an affirmative response, Commissioner Giunchigliani commented on the collective bargaining discussion expected to occur at the 2015 legislative session. Commissioner Giunchigliani indicated that State Senator Michael Roberson, Senate Majority Leader, recently made a comment that he didn't realize that collective bargaining wasn't a problem and that we shouldn't be looking for fights for the sake of fighting. She indicated that she has not seen the letter from Speaker-elect Hambrick but felt we need to refrain from letting ourselves from getting caught up in the politics, if that is possible. She believes public employees are important and there are many important issues that need to be addressed. She believes the Senate side of the legislature would be far more progressive and wish to move the tax agenda, education agenda, home rule, and other issues forward.

DISCUSSION REGARDING LOCAL GOVERNMENT POSITIONS AND SESSION PRIORITIES

In opening this discussion, NACO President Wichman asked if there was opportunity to reach a unified decision on the message(s) that should be delivered to the State Legislature on tax issues. She explained that Mr. Aguero has given the audience several different things to contemplate; however, it would probably take longer than a week to agree upon specific aspects of the tax structure.

Councilman Ron Schmitt (City of Sparks) thanked Mr. Aguero for his presentation and indicated that he thought talking about taxes and obtaining an education on taxes was as important or possibly more important than understanding how we spend the money. If we don't understand how we make the money then we don't understand how we spend the money. Councilman Schmitt believes that we shouldn't have a tax system under which the local governments will be hurt in order to provide more money to school districts. He believes we need to develop a tax system that is adjusted for inflation and that tax revenues should not be subject to hurting local government or any other government. He believes there should be discussion addressing the responsibility of school districts which have their own elected officials, boards, and budgets. Councilman Schmitt would support an initiative for establishing new revenues for education so long as it does not create negative consequences on local government or its capacity to fund other services such as law enforcement.

President Wichman asked how many people would disagree with removing the depreciation factor from the property tax. No one in the audience spoke against removing the depreciation factor so it was assumed that a joint statement had been developed.

Councilman Ron Schmitt indicated that when an attempt is made to correct bad legislation with more bad legislation, there will be problems. Councilman Schmitt understood Mr. Aguero has having said that we had a great tax system but that is no longer the case. Mr. Aguero indicated that there was no such thing as a great tax system. He indicated that we have essentially changed the most stable source of revenue making it less stable and less reactive to the economy. An unidentified speaker agreed with Mr. Aguero by indicating that in 2005 there were some destabilizing changes to the property tax that were typical knee-jerk political reactions to Prop 13 type proposals coming from California, which would have been worse. The unidentified speaker indicated that she would like to remove the property tax caps but doesn't know if there would be support for such action. Property taxes were the most stable source of revenue and you don't have to pit schools against local governments.

The unidentified speaker also suggested the redistribution of the DSA. The old Nevada Plan worked for many years but doesn't work any longer. Redistribution of the DSA would help local governments but didn't want to take from one group to fix another area.

Councilwoman Debra March (City of Henderson) indicated that everyone should be able to agree upon Mr. Aguero's statement on developing good tax policy. It may not be possible to develop the specifics of a good tax policy during this session but we may be able to work towards creating policy that meet the four elements of good tax policy - simple, transparent, neutral, and stable.

President Wichman asked if there was anyone who seriously objected to removing the property tax cap. President Wichman believes the property tax was put in place to protect seniors and other citizens from being taxed out of their homes. She does not understand why we are taxed on the replacement value of the home; rather than the fair market value of the structure. If the property cap were reset when a property is sold at the fair market value, you would have a new starting point. Currently, the property tax cap is transferred from one owner to the next based on the replacement value, which is never adjusted.

Commissioner Kitty Jung (Washoe County) indicated that she supports removing the property tax cap. An analysis completed by Washoe County found that it is not possible to catch up to what the revenues being generated prior to the placement of the property tax cap. She fully endorses the removal of those caps, which she believes were great for the State but terrible for local government.

Mayor Andy Hafen (City of Henderson) believes that the property tax caps were very well placed and intended when they were put into place; however, no one could have believed how far backward they have gone. If removal of the property tax is discussed, he believes consideration should be given that when the economy recovers and property taxes reach the point where they were, reinstallation of the caps may again be necessary.

Commissioner Kitty Jung (Washoe County) explained that in Washoe County the County Assessor assesses property annually, which makes the property tax predictable and transparent. Commissioner Jung recommended that annual assessment approach for other counties. Commissioner Jung would not support reinstalling the property caps in the future as her experience has shown that people when people were experiencing a doubling of the paper value of their homes, they were pulling out equity in their homes at the same time.

President Wichman asked if the Summit participants could speak with a unified voice in support of removing the property tax cap. Commissioner Steve Sisolak (Clark County) made a point of order that he had called the Clark County Board of Commissioners to order and such a vote had not been taken. Commissioner Sisolak indicated that they would not vote on President Wichman's question. President Wichman indicated that she was trying to reach a consensus between the two organizations addressing the removal of the property tax caps. Commissioner Sisolak suggested demonstrating support for or against the question by a show of hands.

Mayor Roy Edgington (City of Fernley) expressed a concern for areas such as Incline Village where property values are extremely high. Without property tax caps or rebates, it is possible to hurt people at the end of the spectrum such as retired people with limited incomes. He understands there is need for additional revenue for education but would like to ensure that we don't tax people right out of their homes in order to provide the necessary funding for education. There will be times of cyclic real estate values; therefore, any legislation needs to address the root problems that have occurred in the past. When the property tax cap was placed on the high end of property values, he couldn't understand why a similar cap wasn't placed at the low end of property values. Mayor Edgington also indicated that the property tax is one component of the tax structure for funding government. He suggested the need to install a property tax cap as property values drop.

President Wichman agreed with Mayor Edgington in terms of the need for a property tax cap as property values dropped and asked if there were other aspects of the property tax structure that should or could be taken back to their Board.

Commissioner Kitty Jung (Washoe County) indicated that placement of a property tax cap as property values decline at this time is too late. The revenue has already been lost and the cap has to come up if the necessary revenues are going to be generated. In response to Mayor Edgington's Incline Village example, Commissioner Jung indicated that Incline Village was dissatisfied with their property assessments and went as far as the State Supreme Court in challenging the assessments. The State Assessor had not given proper guidance which resulted in the County being sued and paying approximately \$25 million to Incline Village residents who lost or are in the process of losing their homes. In addition, the County is looking at a second lawsuit. She does not believe the expansion or depreciation of a property's taxes will harm the people of Incline Village any more than people living in other locations.

President Wichman indicated that the property tax cap should be one item taken back to their respective Boards to discuss. President Wichman asked if there was anything else from Mr. Agüero's presentation (besides the tax cap and the property tax depreciation) that could be addressed with a unified voice.

Councilman Sam Hanson (City of Ely) resurfaced the sales tax on services by suggesting with \$58 billion worth of expenditures on goods and \$130 billion on services, even with cutting the rate in half, the State would generate sufficient revenue. He believes the sales tax on services deserves serious consideration during the upcoming legislature. It is not feasible to tax every service but it needs to be given serious consideration as it may be the last source of revenue that is available that is stable.

Commissioner Vaughn Hartung (Washoe County) asked if NACO would craft some language that would be agenzized so all local governments are discussing the same thing. President Wichman indicated that they were going to attempt to do just that.

Commissioner Patsy Waits (Lander County) indicated that she understood that substantial income comes into the state from insurance premiums. She indicated insurance companies are taxed on the policies they issue within the State of Nevada. She also indicated that no one taxes large companies or businesses that issue their own (self-funded) policies. She asked Mr. Agüero if there was interest in taxing policies that are issued by "self-insured" entities. Mr. Agüero indicated that that there is not a transaction to tax when a businesses or companies provide their own insurance. It would be difficult to find a point at which to determine when a tax should be levied. Commissioner Waits indicated that they have a policy in place and are taking away from the State when they do not purchase a policy from an insurance company. Commissioner Waits suggested this is one area to could be examined as a possible source of additional revenue.

Commissioner Giunchigliani (Clark County) raised the bond rollover. Most people in the general public don't realize that by the State Constitution, the only flexibility school district have on mining is the capital dollars and supporting the bond rollover might be something to consider. She also raised a nuisance issue involving graffiti which is a major problem. She recently has seen a BDR⁷ involving graffiti but has not yet had opportunity to read the BDR. She would like to be able to go into abandon properties where graffiti is immediately visible. This is one area that should be considered.

On a different subject, Commissioner Giunchigliani raised tax abatements where legislatively local governments must be notified but still doesn't have any authority to say no. NACO Executive Director Jeff Fontaine indicated that there are some tax abatements in which the local governments, specifically counties, do have the authority to approve or veto the abatements. One such abatement is for renewable energy but there are very specific criteria that must be followed. In other cases, the County is not given authority to veto tax abatements proposed by the State. This issue has been raised with the legislature during the last five or six sessions where there have been statements made on the record that they would not do anything without consulting the local government. Over the past two or three sessions, NACO has worked to secure more county authority in those decisions. It has been a basic NACO principal that if the State is going to abate local tax dollars then the local government should have an opportunity to veto that decision. Commissioner Giunchigliani agreed with Mr. Fontaine. Commissioner Giunchigliani raised the fact that indigent fund Medicaid reimbursement rate in Nevada is the lowest in the nation. She would like to see this identified as one of the items addressed during the upcoming session.

Commissioner Vaughn Hartung (Washoe County) raised a possible savings [rather than a tax] opportunity created by introducing paperless sample ballots, which would provide the most benefit to Washoe and Clark County. A paperless sample ballot system would (1) be a large cost savings to the counties, (2) allow counties to be very nimble with respect to

⁷ SB56 (BDR 15-479).
2015 Local Government Summit

special elections, (3) allow ballots to be printed in any language requested by the user, and (4) be a great savings of paper. He recommended that both NACO and the NLC&M support the use of paperless sample ballots.

Commissioner Jeanne Herman (Washoe County) suggested the possibility of taxing nonresident ownership a little higher.

Councilman Ricki Barlow (City of Las Vegas) asked for a point of clarification on Commissioner Hartung's paperless sample ballot. In response, Commissioner Hartung explained that a card would be mailed to all registered voters who would enter their address online after which they would receive a paperless sample ballot which could be printed. The process would save the county the cost of printing and mailing the ballot. Councilman Barlow suggested that such an approach might disenfranchise many people and more specifically seniors who may be technologically challenged. In response, Commissioner Hartung indicated that to avoid leaving those who are technologically challenged behind, the absentee ballot process would allow for those wanting to receive a printed ballot. Commissioner Hartung indicated that there are currently a number of states using a paperless sample ballot process very effectively and have enjoyed a huge savings. He understands the concern raised by Councilman Barlow and the absentee ballot could serve as a valve for the disenfranchised people. He believes that eventually everyone will need to move in this direction. He also clarified that he is in no way prompting online voting.

Councilman Duncan McCoy (City of Boulder City) commented that a couple of years ago State Senator Roberson was addressing the NLC&M when he lamented on the lack of participation people were having and the small number of people from southern Nevada that would address the legislature while it was in session. Councilman McCoy's concern is that the legislature meets almost exclusively in Carson City and that the administration of the State also occurs in Carson City. Councilman McCoy would like to see more legislative activity in southern Nevada to make it easier for the legislators to hear from their constituents. It is difficult for those constituents living in southern Nevada especially those that live in smaller communities to get Carson City. Talking on the telephone or using Facebook with your legislator is not sufficient and does not replace the face-to-face interaction. Councilman McCoy reiterated his recommendation to see more effort on the part of the legislature to split their sessions between northern and southern Nevada. President Wichman indicated that she understands Councilman McCoy's suggestion as she lives in Nye County and the City of Pahrump has been looking for more activity from Nye County. The Nye County Commission breaks up their meetings so that the first meeting of the month is in Tonopah and the second is in the south.

Commissioner Giunchigliani (Clark County) asked if a reference made to home rule was meant to address fiscal home rule or total home rule. NACO Executive Director Jeff Fontaine indicated that there is a NACO bill associated with home rule but it is functional only and specific only to health and safety issues. There is another very similar Senate bill that is functional in nature but covers all board aspects of County health and safety. Mr. Fontaine indicated that it was his understanding that the hearing on the functional home rule bill could occur as early as February 9th. Commissioner Giunchigliani personally believes that support should be given to the entire home rule approach but understands that it is only addressing the functional aspect at this time. NLC&M Executive Director Wes Henderson added that SB11 (BDR 20-284) was introduced by Senator Pete Goicoechea and could pass the legislature at any time. The bill would essentially accomplish two things: (1) stop a city/county attorney from telling a governing body that they could do something because they don't have specific authority and (2) prohibit a judge from saying that an action was not appropriate because an entity did not have specific authority. It would allow governing bodies to take specific actions unless there was a statute or Constitutional provision that would prohibit or limit what a governing body could do, which is the first step toward home rule. The second step of the process toward home rule is reviewing each statute and introducing bills that would remove the more onerous language thus allowing local governments more autonomy to operate more efficiently.

Councilwoman Peggy Leavitt (City of Boulder City) asked a question in respect to addressing term limits for mayor and council members. NLC&M Executive Director Wes Henderson explained that State Senator Tick Segerblom has

introduced a bill that would eliminate term limits completely. The current problem with term limits is that it would require more than a statutory fix but would require a Constitutional provision. Current language states that no one may seek to run for or be elected to an office if they have served 12 years in a State office or a local governing body. That language would prevent a city councilperson from becoming mayor if that mayor has a voting opportunity. There is a 1966 Attorney General’s opinion by Frankie Sue Del Papa that said term limits apply to mayors if they vote. If a mayor doesn’t vote, they are not subject to term limits. It would require a Constitutional amendment to change the term limit requirement. If Senator Segerblom’s bill is successful, it will still require five years to change the State Constitution.

Councilman Steve Ross (City of Las Vegas) believes the Summit’s audience is a very important group to the direction that this State needs to go. He believes the local government entities represented by the participants are in a unique position as there are several ex-legislators now serving on local government entities. Similarly, there are local government representatives serving on key legislature committees. The group as a whole needs to keep that in mind as they move down the path whether it is taxes, paperless sample ballots, etc.

Having served many years on the NLC&M’s Executive Board, Councilman Ross expressed his appreciation for the efforts of everyone in the room. It is important that this group stick together on key issues that are important to all local governments. Without local governments sticking together, the State legislature will not move forward.

President Wichman indicated that there has been a long list of items (inset below) identified through the course of the meeting’s discussions, which will be provided to NACO and the NLC&M to compile position statements that will be distributed to the membership of the two organizations.

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| <ul style="list-style-type: none"> • Removing the depreciation factor from the property tax • Adjusting or removing the property tax caps • Redistribution of the DSA • Create tax policy that meets four criteria – simple, transparent, neutral & stable • Explore why property is taxed on replacement value; rather than fair market value • Resetting the property tax cap when a property is sold at fair market value • If the property tax caps were removed, consider reinstalling the caps when property values reach high levels in the future • Assess and adjust property taxes on an annual basis • Assess a property tax cap when property values are at a low point | <ul style="list-style-type: none"> • Sales tax on services • Taxing businesses that provide their own health insurance policies • Rollover bond • Graffiti cleanup on abandon properties’ • Obtaining authority for counties to veto a state mandated local tax abatement • Increasing the Indigent fund Medicaid reimbursement rate • Supporting use of a paperless sample ballot system • Increasing taxes on non-resident ownership • Increasing the amount of legislature activity in southern and rural Nevada • Home rule – functional and fiscal • Addressing term limits for mayor and city council elected position |
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CLOSING REMARKS

Anita Wood, President of NLC&M

President Wood expressed her thanks to Wes Henderson and Jo Walker from the NLC&M for their efforts in organizing the Summit. She also thanked the City of Henderson for hosting the Summit. In addition, she thanked everyone attending the Summit and for participating in the discussions. The Summit has served as an opportunity to gain consensus on issues, which are very important and will give the State Legislature a good idea of where local governments are coming from and their concerns.

Lorinda Wichman, President of NACO

President Wichman echoed the thanks and sentiments expressed by President Wood. In addition, she thanked NACO Executive Director, Jeff Fontaine, and Deputy Director, Dagny Stapleton, for their efforts. President Wichman also looks forward to reviewing the joint statements that will be developed from the Summit's discussions.

Wes Henderson indicated that he and NACO Executive Director, Jeff Fontaine, are working to host a local government event at the state legislature on March 30th. They would like to have as many local elected representatives attend as possible. There will be a joint meeting of the Board of Directors of NACO and the NLC&M.

PUBLIC COMMENT

Two individuals made presentations during the second public comment period, which are summarized below.

Cindy Brown from Las Vegas, Nevada, is a medical marijuana advocate. Ms. Brown indicated that there is not a mechanism where people selling products at wholesale events are able to sell out their products at the end of the day if they are not licensed to do business in the State of Nevada. Those individuals would like to be able to pay a flat tax of \$25 to \$50 based on what other states' charge them. She suggested that the flat tax be added to the list of items identified by participants at the Summit.

Ms. Brown also addressed keeping the property tax cap but removing it with a sale of the property, which is how it is done in California. Ms. Brown addressed the MTP initiative for the legalization of marijuana, which if passed, would cover all of the education taxes that would ever be needed. If that would pass, there would not be need to address changing property taxes or many other things as it would be exclusively used to fund schools. It would be important to have schools audited as they waste a lot of money. She indicated that she had been to several school auctions where several overhead projectors were sold for \$5 or \$10 at a time when many teachers are begging for an overhead projector. In addition, she mentioned the possibility of giving sample ballots to people over 50 years of age and that people who are 50 years of age don't need them.

Mona Lisa Samuelson indicated that she had provided a public comment during the Summit's first public comment period. She is a medical marijuana patient and was hoping to find out what BDRs had been submitted in relation to medical marijuana. She indicated that she knew most of the Summit's participants and wanted to read a statement into the record (Attachment 2) that she had prepared earlier. She indicated that she is pretty hurt and doesn't think too clearly when she is hurt.

SPECIAL ORDERS: ADJOURNMENT OF INDIVIDUAL LOCAL GOVERNING BODIES

City Governing Bodies

Mayor Carolyn Goodman adjourned the City of Las Vegas City Council. Mayor Andy Hafen adjourned the City of Henderson City Council.

County Governing Bodies

Commissioner Lorinda Wichman adjourned the Nye County Board of Commissioners. Commissioner Steve Sisolak adjourned the Clark County Board of Commissioners.

MEETING ADJOURNMENT

The meeting was adjourned at 11:30 AM.

ACRONYMS

The following acronyms were used during the meeting and listed in alphabetical order.

<u>Acronym</u>	<u>Meaning</u>
AB	Assembly Bill
BDR	Bill Draft Review
FWS	U. S. Fish & Wildlife Service
NACO	Nevada Association of Counties
NLC&M.....	Nevada League of Cities and Municipalities
SB.....	Senate Bill

ATTACHMENT 1 – SUMMIT PARTICIPANTS

Summit Participant by Governmental Entity

CITY GOVERNMENTS

Participant Name	Position	Government Entity
Duncan McCoy	Councilman	City of Boulder City
Peggy Leavitt	Councilwoman	City of Boulder City
Stana Hurlburt	Mayor	City of Caliente
Sam Hanson	Councilman	City of Ely
Marty Westland	Councilman	City of Ely
Bob Erickson	Councilman	City of Fallon
Roy Edgington	Mayor	City of Fernley
Dan McCassie	Councilman	City of Fernley
Andy Hafen	Mayor	City of Henderson
Gerri Schroder	Mayor Pro Tem	City of Henderson
Debra March	Councilwoman	City of Henderson
John Marz	Councilman	City of Henderson
Carolyn Goodman	Mayor	City of Las Vegas
Stavros Anthony	Mayor Pro Tem	City of Las Vegas
Steve Ross	Councilman	City of Las Vegas
Bob Coffin	Councilman	City of Las Vegas
Ricki Barlow	Councilman	City of Las Vegas
Michael Giles	Mayor	City of Lovelock
	NLC&M Vice President	
John Lee	Mayor	City of North Las Vegas
Anita Wood	Mayor Pro Tem	City of North Las Vegas
	NLC&M President	
David Bobzien	Councilman	City of Reno
Ron Schmitt	Councilman	City of Sparks
Ed Lawson	Councilman	City of Sparks
Emily Carter	Mayor	City of West Wendover
	NLC&M Past President	

COUNTY GOVERNMENTS

Participant Name	Position	Government Entity
Carl Erquiaga	Commissioner	Churchill County
Pete Olsen	Commissioner	Churchill County
Harry “Bus” Scharmann	Commissioner	Churchill County
Mary Beth Scow	Commissioner	Clark County
Chris Giunchigliani	Commissioner	Clark County
Steve Sisolak	Commissioner	Clark County
Patsy Waits	Commissioner	Lander County
Kevin Phillips	Commissioner	Lincoln County
Adam Katschke	Commissioner	Lincoln County
Butch Borasky	Commissioner	Nye County
Dan Schinhofen	Commissioner	Nye County
Lorinda Wichman	Commissioner	Nye County
	NACO President	
Bob Lucey	Commissioner	Washoe County
Marsha Berkbigler	Commissioner	Washoe County

COUNTY GOVERNMENTS (CONTINUED)

Vaughn Hartung	Commissioner	Washoe County
Jeanne Herman	Commissioner	Washoe County
Kitty Jung	Commissioner	Washoe County
Michelle (Micki) Bates	Commissioner	Washoe County
Laurie Carson	Commissioner NACO Past President	White Pine County

ORGANIZATIONS

Wes Henderson	Executive Director	Nevada League of Cities & Municipalities
Jeff Fontaine	Executive Director	Nevada Association of Counties
Dagny Stapleton	Deputy Director	Nevada Association of Counties
Carol (Jo) Walker		Nevada League of Cities & Municipalities
Natalie Yanish	Chairperson	Kingsbury General Improvement District
Jim Smith	Chairman	Incline Village General Improvement District

OTHER GUESTS

Jeff Page	County Manager	Lyon County
Steve Driscoll	City Manager	City of Sparks
Randall Tarr	Assistant Director	Clark County
John Fudenberg	Assistant Coroner/Medical Examiner	Clark County
Pam Webster	County Manager	Nye County
David Parks	State Senator	State of Nevada

ATTACHMENT 2 – PUBLIC STATEMENT BY MONA LISA SAMUELSON

My name is Mona Lisa Samuelson and I am a 25 year resident of Nevada, the last 15 of which I've lived in the city of Las Vegas. I want you to know that I am a proud resident and I'm also a proud medical marijuana patient. I've been attending all the local various government meetings to represent the sick, injured, and dying reminding you that we are not the criminal element – we are medical patients and we desperately need your help.

As many of you are aware, in 2001 Nevada Legislation rolled out the State's first rendition of the Medical Marijuana Program. In it your most vulnerable citizens, many of us without any medical alternative or quality of life, were legally granted the right to use cannabis as our choice of homeopathic medicine. Although the program's legislation sanctioned the medical patient's right to use marijuana in order to mitigate painful symptoms, setting-up and regulating businesses as a way for patients to gain access to their medicine was strictly prohibited. Per our legislation at the time patients were only allowed to grow limited amounts of their own medicine and they were only legally allowed to help each other free of charge, so guess what... That's we did! Because of our state laws we learned to help one another as medical patients should, in looking out for our community... Yes, I am here to tell you that we have a warm and vibrant community of medical marijuana patients, right here in Nevada.

So fast-forward to 2013 when our Nevada Legislation rolled out the state's second rendition of the medical marijuana program. And it allowed for the regulation of the commerce related to medical marijuana. It was written to provide for the sale of medical marijuana to medical patients who visit Nevada from all across the world, and while this means HUGE money for our state's coffers it does absolutely NOTHING to protect and establish this community's legitimate medical patients. I am here to tell you that unless we push through legislative reform immediately, we are putting ALL LEGITIMATE MEDICAL PATIENTS at further risk of becoming prey to both governmental AND corporate business practices which should have no relevance or validity in a "medical" industry! We are begging our leaders to understand the morality and importance of "medical marijuana" as opposed to recreational use. It has been absolutely mind-boggling to watch this industry blow-up politically when the dollar signs came into light. But what medical patients need is balance – we need our leaders to understand how they are affecting our community so we can make sure the RIGHT things are done for those whom these laws were originally intended!

This is why I'm here today. Many of you sit on City Councils at Henderson, North Las Vegas, Las Vegas, and the Clark County Commission. By now you probably have some idea of my passion for this issue. I have done my absolute best to come out and support the intelligent integration of medical marijuana into our local municipalities because I am excited to see this industry take-off and help bring back our local economies. I understand this is an entirely new sector of commerce and only as we set up specific regulations, do we realize certain requirements need further refining. This is EXACTLY the situation our Southern Nevada leaders are currently experiencing in relation to opening the state's first medical marijuana businesses...so when I learned that my hard-working, well-respected, genuinely admired and dare I say, "beloved" local leaders want to make issue of "Home Rule" in legislation this season I can't help but get excited! And I want you to know that I am here to support you!

But here's the thing – **YOUR** local communities and municipalities need **YOUR** support! We need you to get educated and enthusiastic about medical marijuana. We want you to learn about how the real health and healing of the cannabis plant has more to do with **EATING** it, than smoking it. I am here to remind you that medical patients all over the world are looking to **YOU** to make things right for our community's medically most vulnerable. Many of us are much too hurt and much too sick to keep up with the political intrigue of trying to set legislation upright. So I bring you news for them. I am not a lobbyist nor am I a paid representative. Simply a community activist bringing you what the **MEDICAL PATIENTS** want and are asking for your help in fixing this legislative session.

The bottom line is we are terrified of being regulated out of a system that doesn't understand marijuana is an important medicine not just a way to make billions of dollars. I hope you will **ALL** care enough to support your communities, to see that things become balanced legally for our most vulnerable medical patients, as well as the businesses that are now being constructed to service them. "**Home Rule**" should be more than a buzzword it should mean we **ALL** work **TOGETHER** to make sure we fix our communities to stay **BALANCED**.

That is what I am asking for because medical marijuana patients **NEED** real help!

Thank you for your time.

Medical Marijuana Patient-Essential Bill Draft Revisions:

- 1.) Protect the patients' right(s) to grow their own medicine at home.
- 2.) Allow for the outdoor cultivation of marijuana or allow for the creation of greenhouses, in order to exert a plants' full cannabinoid profile.
- 3.) Revisit the DUI laws in relation to marijuana detection so that residual lingering amounts is not cause for erroneous prosecution.
- 4.) Protect parents from Child Protective Services' rules in relation to the conflict of parental rights.
- 5.) Remove the consumption restrictions and limitations for medical patients' use.
- 6.) Require hospitals to allow patients access to their various cannabis extracts and vaporization methods without medical detriment.
- 7.) Remove restrictions on dispensaries giving away medical samples and related products.
- 8.) Create regulations that allow patients to consume their medicine at hotels and commercial establishments and while attending conventions.
- 9.) Protect worker's rights to be medical marijuana patients.
- 10.) Reduce the fee for Nevada residents to become card holders and keep program costs reduced for our lower income medical patients.
- 11.) Allow local jurisdictions to choose dispensaries that have been approved by the state regardless of the state's ranking... In essence we want HOME RULE!
- 12.) Allow out of state medical patients to get cards while in Nevada.
- 13.) Encourage Health & Human Services to approve the latest lab testing equipment.
- 14.) Allow concealed weapon permit holders and all gun owners alike to be medical marijuana cardholders without restriction.

The following pages are backup
for agenda item

6



NACO Presentation



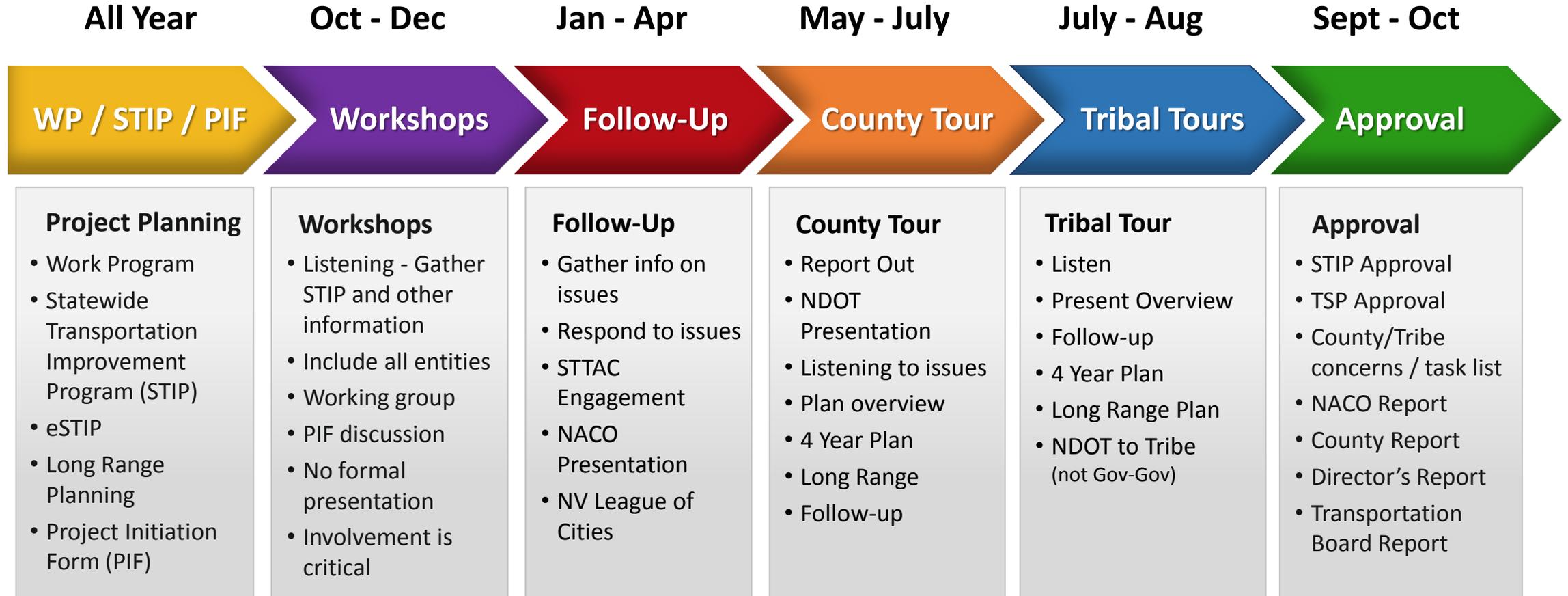
Nevada Department of Transportation

April 24



NDOT LOCAL GOVERNMENT PLANNING

Annual Communication Rhythm



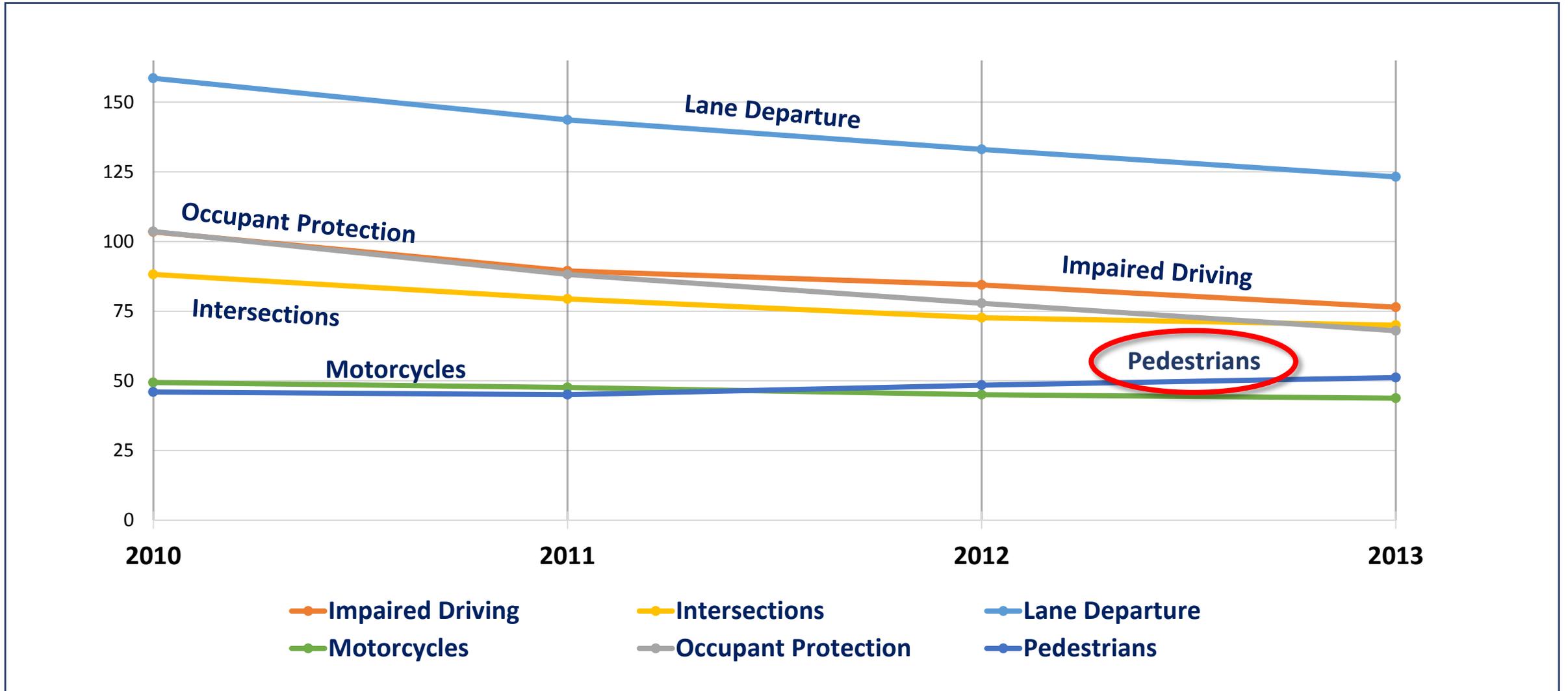


**2015 County Tour
Schedule
May – July**

County	City	Date	Time
Humboldt	Winnemucca	Monday, May 04, 2015	9:30 AM
Nye	Tonopah	Tuesday, May 05, 2015	10:00 AM
Esmeralda	Goldfield	Tuesday, May 05, 2015	2:00 PM
White Pine	Ely	Wednesday, May 13, 2015	10:00 AM
Mineral	Hawthorne	Wednesday, May 20, 2015	9:00 AM
Lander	Battle Mountain	Thursday, May 21, 2015	9:00 AM
Lincoln	Pioche	Monday, June 01, 2015	9:00 AM
Storey	VA City	Tuesday June 2, 2015	10:00 AM
Pershing	Lovelock	Wednesday, June 03, 2015	8:30 AM
Douglas	Minden	Thursday, June 04, 2015	1:00 PM
Elko	Elko	Wednesday, June 17, 2015	1:30 PM
Lyon	Yerington	Thursday, June 18, 2015	8:30 AM
RTC Washoe	Reno	Friday, June 19, 2015	9:00 AM
Clark EAC	Las Vegas	Thursday June 25, 2015	9:00 AM
Churchill	Fallon	Wednesday, July 01, 2015	8:15 AM
Eureka	Eureka	Monday, July 06, 2015	9:30 AM
Carson	Carson City	Wednesday, July 08, 2015	4:30 PM
RTC Southern NV	Las Vegas	Thursday, July 09, 2015	8:45 AM
Tahoe TTD	Lake Tahoe	Friday , June 12, 2015	9:30 AM

State-Wide Nevada Fatalities by Critical Emphasis Area

5 Year Rolling Average



The following pages are backup
for agenda item

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**BEFORE THE UNITED STATES
JUDICIAL PANEL ON MULTIDISTRICT LITIGATION**

IN RE ENDANGERED SPECIES ACT
SECTION 4 DEADLINE LITIGATION

MDL No. 2165

F.I.M. Corp. v. U.S. Dep't of the Interior,
No. 3:14-cv-00630-MMD-WGC (D. Nev.)

PLAINTIFFS' REPLY IN SUPPORT OF MOTION TO VACATE CTO-6

I. The Government Is Judicially Estopped from Advocating for Transfer

In the hearing to approve the underlying settlement agreements in the Deadline Litigation, the Government represented to the Court that other cases could be brought in other Courts related to the ESA listing issues and that particular Judge, in another Court, would decide whether a proposed remedy would interfere with the agreements then being approved:

Now, if a plaintiff is seeking something that would disturb the service's ability to comply with these agreements, *the Government will ask the judge in that case where the lawsuit is filed, which might be a different court, not to impose a remedy that would interfere with this agreement. But that is something that would be decided. Those plaintiffs are free to go to court.* (emphasis added).

Now the Government argues that all possible related litigation should be consolidated and transferred back to D.C., whatever the cost and inconvenience to the plaintiffs. This is inconsistent with the Government's prior position presented to the Court to get the settlement agreements approved and, therefore, should be rejected for that reason alone. Plaintiffs should not be denied their right to meaningfully participate in their lawsuit by a burdensome transfer across the Country, particularly given the distinct Nevada estoppel claim that does not arise out of the settlement agreements or require relief that would set them aside (which, even if it did, as the Government previously represented could be decided by the presiding Judge in Nevada). Indeed, the Government clearly benefitted from its prior position on this very issue and should be estopped now from taking a contrary position that seeks to pull any litigation that relates in any

manner to the settlement agreements into Judge Sullivan's Court. *See, e.g., Brandon v. Interfirst Corp.*, 858 F.2d 266, 268 (5th Cir. 1988) (judicial estoppel prevents a party from asserting a position in one legal proceeding that directly contradicts a position they took in an earlier proceeding); *Helpand v. Gerson*, 105 F.3d 530, 536 (9th Cir. 1997) (judicial estoppel prohibits a litigant from taking a position in one proceeding that conflicts with that in a later proceeding).

II. Panel's Transfer Order in *State of Oklahoma and Hutchison*

In a recent order the Panel transferred two unrelated cases originally filed in the Northern District of Oklahoma that are clearly distinguishable from the instant case. Case 1:10-MC-00377-EGS, Document 91. The Government contends that the Panel's Order transferring the unrelated Oklahoma cases supports transfer in this case. *Opp.* at 3-6. Plaintiffs here, however, seek relief wholly distinct from that sought in the Deadline Litigation and Oklahoma cases and such relief arises out of facts that are undoubtedly distinguishable from the litigation with which the Government seeks to consolidate the instant action. Plaintiffs' case deals with a Nevada species not being litigated in the cases filed in Oklahoma and a Nevada fact-specific estoppel claim unrelated to the settlement agreements that arises out of an invitation from the Department of the Interior (DOI) for the State of Nevada to prepare a State Conservation Plan. Accordingly, Defendants' contention that the Order transferring the Oklahoma cases to the D.C. Court supports transfer in this case should be rejected. Contrary to the Government's contention that Plaintiffs' claims are predicated on the "notion that the MDL Agreements require FWS to violate the ESA," Plaintiffs' estoppel claim focuses on the DOI invitation upon which the State reasonably relied to embark on over four years of work and expenditures to prepare and implement a State Conservation Plan. Nor is it true that if the MDL Agreements were held to be lawful there would be no estoppel claim as the Nevada Court could fashion relief specific to the

Greater Sage-grouse that would not require setting aside the settlement agreements as they apply to the other candidate species under the settlement – particularly in light of recent Congressional action that prohibits the agency from spending funds to write a rule to list the species.

III. The Nevada Case Involves Unique & State Specific Questions of Fact

The Panel's recent decision to transfer the two Oklahoma cases was based in large part upon the Panel's conclusion that there were common questions of fact between the Deadline Litigation and the Oklahoma cases. The Government attempts to conflate Plaintiffs' claims that the MDL Agreements violate the ESA with Plaintiffs' Nevada estoppel claim. At the heart of Plaintiffs' estoppel claim is Secretary Salazar's invitation, which is independent of and separate from the MDL Agreements. Unlike the Deadline Litigation and the Oklahoma cases, the Nevada Plaintiffs seek estoppel relief arising out of the extensive work conducted over the past four years in order to establish, fund and implement Nevada's Conservation Plan -- different from the facts underlying the claims for relief in the Oklahoma litigation and the claims Judge Sullivan considered in the Deadline Litigation settlements. Unless the Government will stipulate that Nevada reasonably relied upon Secretary Salazar's invitation and to the significant harm Nevada and Plaintiffs would suffer absent relief requested under Plaintiffs' estoppel claim, it is unquestionable that new evidence and discovery specific to the estoppel claim will be necessary.

The extensive work performed within the state of Nevada was performed in response to then Secretary Salazar's invitation to create Nevada-specific regulatory mechanisms to conserve the Greater Sage-grouse species. *See Goicoechea Dec. at ¶¶7-8.* Secretary Salazar extended his invitation because of the extensive public lands within the state, which is home to so much of the sage-grouse habitat in Nevada. The Secretary's invitation hinged on the fact that the sage-grouse habitat within Nevada, and other western states to which Secretary Salazar extended the

invitation was found on public lands. Salazar extended the invitation under the concept that state-created regulatory mechanisms would apply on the public lands within the western states, including in the state of Nevada, on which sage grouse habitat is found. The goal was for the regulatory mechanisms created by the states to be considered in the Land Use Plan Amendments the BLM is considering to establish adequate regulatory mechanisms to protect and preserve sage-grouse habitats. Undoubtedly, the significant public land question in the instant case (the “Plaintiffs’ Litigation”) distinguishes this case not from the Deadline Litigation and the Oklahoma cases recently transferred to the D.C. Court neither of which involved the significant public lands issues involved here that has not been considered or adjudicated in any of those cases. The fact that a majority of the lands in Nevada (over 80 percent) are public lands further distinguishes this case and the potential harm the State of Nevada seeks to avoid under its estoppel claim, the facts of which may be disputed and have never been considered by any Court much less the D.C. Court in the unrelated Deadline Litigation.

Recognizing the significance of this public lands issue to the State of Nevada, its economy and way of life, and in response to the DOI’s invitation to create state-specific regulatory mechanisms to conserve the species and avoid a listing, Nevada established a Greater Sage-grouse Advisory Committee (“GSGA Committee”). *See* Nevada Executive Order 2012-09. Nevada conducted significant work toward implementing a state-specific regulatory framework as suggested in Salazar’s invitation, including the creation of the Nevada Conservation Plan which, by combining the best available scientific evidence and input by stakeholders, addresses the primary threats to the Greater Sage-grouse specific to Nevada. *Id.* at ¶17.

The extensive time and effort expended by Nevada to prepare the Nevada Conservation Plan was done in expectation that the Plan would be implemented and would be fairly evaluated

by the United States Department of Fish and Wildlife Service (“FWS”) to allow for the Greater Sage-grouse to thrive within the State. *See id.* at ¶18. The proposed listing of the species by September 2015 (or even the following year) by the FWS means there is insufficient time for Nevada to implement the Nevada Conservation Plan. Defendants’ assertion that these facts were considered or are common to the facts at issue in the Deadline Litigation is without merit.

Also never raised or considered in the Deadline Litigation is the Bureau of Land Management’s (BLM’s) work on an Environmental Impact Statement (“EIS”) created to evaluate a Nevada land use plan amendment in an effort to find a regulatory mechanism that would achieve conservation of Greater Sage-Grouse habitat. Nevada, its stakeholders, and the Plaintiffs have worked extensively for years with both BLM and FWS to provide a plan that BLM would select as the Preferred Alternative in the EIS and with the goal that such an alternative would be adopted to allow for species conservation. The EIS and selection of the Preferred Alternative are critical elements of Plaintiffs’ estoppel claim and should be heard in Nevada where all of the BLM employees involved, Plaintiffs, and other witnesses reside.

The D.C. Court has never considered these factual issues critical to the Nevada estoppel claim, which are distinct from the Deadline Litigation. This factor alone weighs heavily against consolidation and, when considered with the other stated purposes of Section 1407(a) to the Plaintiffs’ case demonstrates that vacating the Panel’s Conditional Transfer Order is appropriate.

The Government also questions how Plaintiffs expect to estop the listing without vacating or modifying the MDL Agreements. *See Opp.* at 8, fn. 6. What the Government fails to mention relative to this argument is that other signatories to the settlements resulting from the Deadline Litigation have already agreed to delay the arbitrary listing decision deadlines for several of the other species subject to the settlements. Yet, the Government acknowledges this very fact in

their brief (*see* Opp. at 15 n.11) – noting that several listing deadlines have been modified since approval of the settlement agreements. Moreover, the recent Congressional Appropriations Bill prohibits the FWS from spending any money in FY 2015 on a rule listing the Nevada species at issue in Plaintiffs’ Litigation which, in and of itself, will require some modification of the settlement relative to the sage grouse deadlines established. *See Exhibit 1*, H.R. 83, 113th Congress (the “Appropriations Bill”). Plaintiffs’ estoppel claim would not require vacating or modifying the MDL Agreements. Instead, a ruling on the estoppel claim would only potentially require modification of the prescribed deadline for the Sage-grouse species or, in the alternative, staying the application of the settlement deadline specifically to the Greater Sage-grouse and the Bi-State Distinct Population Segment of the Greater Sage-grouse species. In any event, as the Government affirmatively represented to Judge Sullivan to get the settlements approved, the presiding Judge in Nevada could consider the Government’s argument that the requested relief conflicts with the settlement agreement (which it likely does not in this case given the previous modifications of other deadlines thereunder and the Appropriations Bill, which prohibits FWS from spending money to list the species before the settlement-imposed listing deadline.

In one breath, the Government contends that the Deadline Litigation is an ongoing matter with Judge Sullivan continuing to oversee implementation of the MDL Agreements and exercising his authority to modify several deadlines. *See* Opp. at 14-15. In yet the next breath, the Government contends that the MDL Agreements cannot and should not be disturbed although that already has occurred through the parties’ own action and the Appropriations Bill.

III. Inconvenience to Parties and Witnesses

Defendants inappropriately dismiss Plaintiffs’ arguments about the impact to the parties and witnesses should the Nevada case be transferred asserting that testimony is unlikely.

Defendants ignore Plaintiffs' estoppel claim, constitutional claims and requested injunctive relief – all of which absolutely require testimony and evidence be presented to the Court to demonstrate the harm and the reasonable reliance, among other things, in addition to necessary evidence that must be presented to the Court to obtain injunctive relief as requested.

Defendants contend that Plaintiffs' estimates of the travel costs are insufficient because the only estimate provided was for Fred Fulstone and the estimate did not include a comparison of travel costs if the case remains in Nevada. *See* Opp. at 16. Plaintiffs used the cost of travel facing Fred Fulstone as an example of the inconvenience and cost facing all of the Plaintiffs and all of the witnesses – each of whom would be traveling from Nevada. *See* Fulstone Dec. at ¶ 16. Most of the individuals who are key stakeholders in this case would be traveling from rural Nevada at a cost similar to what Mr. Fulstone is facing. Plaintiffs offered Declarations of Nevada SEC member J.J. Goicoechea and Elko County NACO member Demar Dahl expressing their concern over the inconvenience and travel costs that they would face should this case be transferred. *See* Dahl Dec. at ¶ 5; Goic. Dec. at ¶¶ 25, 30. The time alone required for across country travel could preclude their participation. Goic. Dec. at ¶ 29. Given the importance of the estoppel claims and Mr. Fulstone's and others alleging violation of constitutional rights, these costs and burdens, and their potential to preclude the meaningful participation by these individuals who have direct, first-hand experience working on public lands with sage-grouse habitat weighs strongly in favor of having their claims heard in Nevada.

Defendants ignore that one of the plaintiffs, Mr. Fred Fulstone, is 95 years old. Fulstone Dec. at ¶8. His age and health make him unable to withstand the physical rigors associated with roundtrip travel from his home in rural Nevada to Washington, D.C. *See id.* In doing so,

Defendants dismiss one of the express purposes of consolidation which is that “transfers for such proceedings will be for the convenience of parties and witnesses.” 28 U.S.C. § 1407(a).

IV. Injustice and Inefficiency Will Result From Transfer of Plaintiffs’ Case

The Government relies upon the fact that Judge Sullivan has reviewed and approved the MDL Agreements and retains ongoing jurisdiction for their enforcement and modification and, thus, is uniquely familiar with the factual and legal issues relevant to their implementation. *See Opp.* at 18. While Plaintiffs do not dispute Judge Sullivan’s familiarity with the MDL Agreements, there can be no doubt that a judge sitting in Nevada is well-poised to review the distinct and unique factual issues underlying the instant litigation – just as the Government recognized could occur in their representation to Judge Sullivan in the hearing to gain Court approval of the settlements. Indeed, Judge Sullivan approved the settlement agreements negotiated in the Deadline Litigation but has not reviewed or evaluated any factual issues, involved in the Nevada case because these facts post-date the Deadline Litigation. In fact, when Judge Sullivan was presiding over the Deadline Litigation and that case settled, DOI Secretary Salazar was just extending his invitation to the State of Nevada. This invitation, precipitated the actions taken by Nevada’s Governor, Nevada legislators, members of the GSGA Committee members, and members of the SEC, all of whom acted in reliance upon the invitation to create state regulatory mechanisms to protect the Greater Sage-grouse species. *See Goicoechea Dec.* at ¶8. These factual issues were never known much less considered by Judge Sullivan. Consequently, Plaintiffs have the legal right to present their evidence through witnesses in Nevada on this claim. Judge Sullivan presided over a case involving settlements by WildEarth Guardians and the Center for Biological Diversity, parties who are wholly unrelated to Plaintiffs’ case and involved different factual issues, different witnesses and different legal issues. Judge

Sullivan in no way considered the Greater Sage-grouse species or the public land issues at the heart of the Plaintiffs' litigation or actions taken by the State or the Nevada BLM in the EIS process relative to conservation of the species and its habitat. Moreover, numerous extensions of listing decision deadlines established in the settlement agreements have been sought by the parties and granted by the Court in the MDL litigation for good cause. If Plaintiffs succeed on their claims in Nevada, it would not necessarily set aside or unwind the settlement agreements as they pertain to the nearly 300 other species subject to the settlement agreements. Instead, the Nevada Court could consider any concerns the Government has with whether the requested remedy is inconsistent with the settlement agreements and how to address the same (just as the Government argued would occur in the Deadline Litigation settlement approval hearing). The Nevada Court also could consider, at that time, whether the requested relief creates any such issue given the recent Congressional action that itself prevents compliance with the settlement deadline for making a listing decision for the Greater Sage-grouse.

Because transfer of the litigation would preclude some, if not all, of the parties from meaningful participation in the litigation process, the instant litigation would not be tried in a just and efficient manner. Clearly, injustice would result if the case were to be litigated entirely outside the presence of the Plaintiffs. Moreover, it would be inefficient to resolve the Plaintiffs' claims in a forum thousands of miles from where all of the witnesses reside. Moving this case to Washington, D.C. would not achieve the statutory goal of justice and efficiency and, accordingly, this factor weighs strongly against transfer.

V. Transfer Will Not Achieve Coordination/Consolidation of Pretrial Proceedings & There is No Risk of Conflicting Rulings

One of the stated purposes of transfer and consolidation is to provide for "coordinated or consolidated pretrial proceedings." 28 U.S.C. § 1407(a). Here transfer will not ensure that

duplicative discovery is avoided nor that discovery will be more expeditious because the Deadline Litigation has settled and there can be **no** coordination and consolidation of pretrial proceedings. Nor is there any “coordination or consolidation” for discovery necessary to the estoppel claim which involves unique facts not relevant to or implicated in any other case consolidated in the Deadline Litigation. The Government’s assertion and speculation that there will be pretrial “chaos” is wholly unsupported by any evidence. Indeed, given the very Nevada specific facts at issue in the Nevada estoppel claim it appears such “chaos” is very unlikely.

In the Transfer Order issued in the Oklahoma cases, the Panel found that consideration of the risk of inconsistent rulings was “particularly appropriate . . . because a finding in favor of plaintiffs will require the transferee judge to modify the settlement agreement over which he still has jurisdiction - a process that would be far more efficient if all parties to these actions are before the same court.” As noted above, the Government previously asserted that a different presiding Judge could consider any conflict with the settlement agreements arising out of any remedy requested in future litigation. Secondly, Judge Sullivan already responded to joint requests of the parties in the Deadline Litigation for other species, establishing precedent for adjusting the listing deadlines. Finally, Congress has already taken the listing determination deadline out of FWS’ and the Court’s hands. The Appropriations bill produces a *de facto* mandate requiring an extension of the listing determination deadline for the Greater Sage-grouse.

Deferral of a listing decision on the Greater Sage-grouse which currently has a listing priority number of 8 on a scale of 1-12 with a rating of 1 indicating the most imminent need for protection, would result in a positive impact on the FWS’s budget, priorities and workload because it would allow FWS to focus upon species with lower listing priority numbers, which are in more immediate peril. The need of the Panel to consider the FWS’s nationwide listing budget,

priorities, and workload would not be the priority. Instead, the focus is on the unique factual issues in the Plaintiffs' case and the relevant evidence on the estoppel claim.

VII. Request for Separation and Remand of Plaintiff's Estoppel Claim

If the Panel transfers this case, Plaintiffs request that their estoppel claim be separated and remanded so the merits can be considered in Nevada under Panel Rule of Procedure 10.4. *In re: NFL Players' Concussion Injury Litig.*, 842 F. Supp. 2d 1378, 1379 (J.P.M.L. 2012). The unique facts underlying Plaintiffs' Nevada estoppel claim and the extensive party and witness testimony that would be required for a court to fully and properly consider such facts argue in favor of separating and remanding Plaintiffs' estoppel claim to the Nevada District Court.

Plaintiffs respectfully request a hearing on this motion.

Respectfully submitted this 25th day of March 2015.

DAVIS GRAHAM & STUBBS LLP

By: /s/ Laura K. Granier
Laura K. Granier (NSB 7357)
Jamie L. Winter (NSB 8148)

EXHIBIT 1

EXHIBIT 1

H. R. 83

One Hundred Thirteenth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Friday,
the third day of January, two thousand and fourteen*

An Act

Making consolidated appropriations for the fiscal year ending September 30, 2015,
and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Consolidated and Further Continuing Appropriations Act, 2015”.

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.
- Sec. 4. Explanatory statement.
- Sec. 5. Statement of appropriations.
- Sec. 6. Availability of funds.
- Sec. 7. Technical allowance for estimating differences.
- Sec. 8. Adjustments to compensation.
- Sec. 9. Study of electric rates in the insular areas.
- Sec. 10. Amendments to the Consolidated Natural Resources Act.
- Sec. 11. Payments in lieu of taxes.

**DIVISION A—AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG
ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2015**

- Title I—Agricultural Programs
- Title II—Conservation Programs
- Title III—Rural Development Programs
- Title IV—Domestic Food Programs
- Title V—Foreign Assistance and Related Programs
- Title VI—Related Agency and Food and Drug Administration
- Title VII—General Provisions
- Title VIII—Ebola Response and Preparedness

**DIVISION B—COMMERCE, JUSTICE, SCIENCE, AND RELATED AGENCIES
APPROPRIATIONS ACT, 2015**

- Title I—Department of Commerce
- Title II—Department of Justice
- Title III—Science
- Title IV—Related Agencies
- Title V—General Provisions
- Title VI—Travel Promotion, Enhancement, and Modernization Act of 2014
- Title VII—Revitalize American Manufacturing and Innovation Act of 2014

DIVISION C—DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2015

- Title I—Military Personnel
- Title II—Operation and Maintenance
- Title III—Procurement
- Title IV—Research, Development, Test and Evaluation
- Title V—Revolving and Management Funds

H. R. 83—292

of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1711 and 1712).

BUREAU OF INDIAN EDUCATION OPERATED SCHOOLS

SEC. 116. Section 115(d) of division E of Public Law 112–74 (125 Stat. 1010) is amended by striking “2014” and inserting “2017”.

REAUTHORIZATION OF FOREST ECOSYSTEM HEALTH AND RECOVERY FUND

SEC. 117. Title I of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010 (Public Law 111–88) is amended in the text under the heading “FOREST ECOSYSTEM HEALTH AND RECOVERY FUND” by striking “2015” each place it appears and inserting “2020”.

VOLUNTEERS IN PARKS

SEC. 118. Section 4 of Public Law 91–357 (16 U.S.C. 18j), as amended, is further amended by striking “\$3,500,000” and inserting “\$5,000,000”.

CONTRACTS AND AGREEMENTS WITH INDIAN AFFAIRS

SEC. 119. Notwithstanding any other provision of law, during fiscal year 2015, in carrying out work involving cooperation with State, local, and tribal governments or any political subdivision thereof, Indian Affairs may record obligations against accounts receivable from any such entities, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year.

HERITAGE AREAS

SEC. 120. (a) Section 109 of title I of Public Law 105–355 (16 U.S.C. 461 note) shall be applied for fiscal year 2015 by substituting “2015” for “2014”.

(b) Section 157(h)(1) of title I of Public Law 106–291 (16 U.S.C. 461 note) is amended by striking “\$10,000,000” and inserting “\$11,000,000”.

RATIFICATION OF PAYMENTS

SEC. 121. All payments made to school districts under the first section of the Act of June 4, 1948 (62 Stat. 338, chapter 417; 16 U.S.C. 40a), during the period beginning in fiscal year 1976 and ending on the date of enactment of this Act are ratified and approved, notwithstanding the payments made under chapter 69 of title 31, United States Code to the units of general local government.

SAGE-GROUSE

SEC. 122. None of the funds made available by this or any other Act may be used by the Secretary of the Interior to write or issue pursuant to section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533)—

H. R. 83—293

- (1) a proposed rule for greater sage-grouse (*Centrocercus urophasianus*);
- (2) a proposed rule for the Columbia basin distinct population segment of greater sage-grouse;
- (3) a final rule for the bi-state distinct population segment of greater sage-grouse; or
- (4) a final rule for Gunnison sage-grouse (*Centrocercus minimus*).

TITLE II

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; necessary expenses for personnel and related costs and travel expenses; procurement of laboratory equipment and supplies; and other operating expenses in support of research and development, \$734,648,000, to remain available until September 30, 2016: *Provided*, That of the funds included under this heading, \$4,100,000 shall be for Research: National Priorities as specified in the explanatory statement accompanying this Act.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; administrative costs of the brownfields program under the Small Business Liability Relief and Brownfields Revitalization Act of 2002; and not to exceed \$19,000 for official reception and representation expenses, \$2,613,679,000, to remain available until September 30, 2016: *Provided*, That of the funds included under this heading, \$12,700,000 shall be for Environmental Protection: National Priorities as specified in the explanatory statement accompanying this Act: *Provided further*, That of the funds included under this heading, \$427,737,000 shall be for Geographic Programs specified in the explanatory statement accompanying this Act: *Provided further*, That of the funds provided under this heading for Information Exchange and Outreach, \$856,750 of funds made available for the Immediate Office of the Administrator and \$1,790,750 of funds made available for the Office of Congressional and Intergovernmental Relations shall be withheld from obligation until reports detailed in the explanatory statement accompanying this Act are provided to the Committees on Appropriations of the House of Representatives and the Senate; and of the funds provided under this heading for Operations and Administration for the Office of the Chief Financial Officer, \$741,500 shall be withheld from obligation until such reports are provided to the Committees on Appropriations of the House of Representatives and the Senate.

CERTIFICATE OF SERVICE

I certify that on March 25, 2015, a true and correct copy of the foregoing **REPLY IN SUPPORT OF MOTION TO VACATE CONDITIONAL TRANSFER ORDER** was filed with the Clerk for the United States Judicial Panel for Multidistrict Litigation, using the CF/ECM system which will send notice of this filing to the attorneys of record in this matter, including the following:

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Dated: March 25, 2015

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Attorneys for Plaintiffs F.I.M. Corp., Fred Fulstone, Marianne Leinassar, Kristofor Leinassar, Nevada Association of Counties, Nevada Mineral Resources Alliance, and American Exploration & Mining Association

The following pages are backup
for agenda item

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Bill #	Description	Sponsors	Tags	Note	Status/ Location	Last Meeting Action
AB54	Revises provisions relating to local governments existing in a severe financial emergency. (BDR 31-308)	Committee on Government Affairs	Neutral; PRIORITY		Government Affairs	Amend, and do pass as amended
AB80	Revises provisions governing the prepayment of taxes on the net proceeds of minerals. (BDR 32-466)	Committee on Taxation	PRIORITY; Support	(NACO BILL) Removes prepayments for net proceeds for counties only, not the State. SB483, one of the Governor's bills, includes the same provision, i.e. - removal of the prepayments of net proceeds - but for both counties and the State. NACO testified on SB483, indicating that this would have a positive impact on counties, and also has communicated to leadership and committee chairs that removal of prepayments is a priority for our members.	Failed Deadline	Failed to meet committee deadline
AB106	Revises provisions related to public works. (BDR 28-244)	Committee on Government Affairs	Oppose; PRIORITY	This bill eliminates the requirement that a design professional who is not a member of a design-build team defend the public body in any lawsuit alleging negligence, errors or omissions, recklessness or intentional misconduct on the part of the design professional or his or her employees or agents resulting from his or her work on a project. In addition, this bill also provides that if the design professional is held to be liable as a result of a lawsuit, the judge or jury shall order the design professional to reimburse the public body for a proportionate share of the attorney's fees and costs the public body incurred in defending the action. The proponents argue that design professional insurance will never cover or they can't get insurance that will defend the public body.	Government Affairs	Amend, and do pass as amended
AB162	Revises provisions governing the use of portable event recording devices by law enforcement. (BDR 23-443)	Munford, Wheeler, Ohrenschall, and Shelton	Concerns; PRIORITY	Original bill required all police and sheriffs to wear portable recording devices. Law enforcement testified to the cost impact, as did some cities. Other concerns are the FOA requests and the burdens of redacting when needed and also reproducing and managing the recordings. The bill was amended to "authorize" that agencies can mandate wearing cameras (so removes the mandate) and requires that if an agency chooses to require them, that ordinances shall be adopted governing the use of them. Also language added to address concerns re the privacy of the information. (1st Reprint)	Second Reading	Amend, and do pass as amended

AB202	Makes various changes relating to the acquisition of land by a county. (BDR 20-570)	Hansen	PRIORITY; Support	(MINERAL COUNTY BILL) Authorizes counties to receive grants of ROWs, permits, etc...or interest in land owned by the U.S. Also authorizes the State Land Registrar to transfer property that was part of the Armory in Hawthorne to Mineral County, and the County will pay the costs.	Government Affairs	Heard
AB249	Makes various changes relating to collective bargaining. (BDR 23-521)	Wheeler, O'Neill, Dickman, Gardner, Hambrick, Dooling, Ellison, Hickey, Shelton, and Titus	PRIORITY; Support	New Language: Finding of financial sustainability; posting within 21 days; ending fund balance 25%. The proposed collective bargaining agreement be posted online 21 days before the hearing to vote on it, and the county manager must provide an analysis of whether the local govt has the ability to pay the contract for three years or the duration of the contract. Regarding fact finding during arbitration, the fact finder must now analyze whether the contract is financially sustainable for the employer, and gives the county mgr opportunity to review the fact finder's findings. Changes the ending fund balance upon which the negotiations are based to 25% or less of general fund expenditures, not including nonrecurring or transferred revenue.	Commerce and Labor	Amend, and do pass as amended
AB332	Makes various changes concerning government purchasing and bidding. (BDR 28-256)	Kirkpatrick, Benitez-Thompson, Carlton, and Hickey	Neutral; PRIORITY	Local govts cannot enter into a contract for a public work if the construction materials or goods used in the project will be purchased or supplied by the entity, unless a guarantee is made that the sales or use taxes be paid for the materials. Creates punishments for violation of this law including a misdemeanor and DTax may calculate the amount of taxes not paid on the materials and deduct double that amount or \$500k from taxes due to that entity. Removes NSHE projects from being categorized as a public works project. Amended though still a concern to rural counties, an amendment was submitted to exempt rural counties through a population cap that was not accepted.	Government Affairs	Amend, and do pass as amended

AB352	Revises provisions relating to concealed firearms. (BDR 15-1070)	Assemblymen Ellison, Wheeler, Fiore, Oscarson, Dooling, Dickman, Jones, Moore, O'Neill, and Seaman; Senator Gustavson	PRIORITY	Amended so that all the bill does is change the section of law relating to how counties ban concealed carry in public buildings - currently they post a sign, that prohibits concealed carry - the bill would now require a county to have a sign and a metal detector to prohibit concealed carry. NACO testified neutral but put on record that some counties do post signs prohibiting firearms and that there would be a fiscal impact of requiring metal detectors and guards to man them. The Chair and bill sponsor made clear that it was not their intent to mandate metal detectors. There is an LCB opinion making clear that currently there is nothing in statute that prohibits open carry in public buildings, further, there are bills this session clarifying (parts of which were already in statute) that only the state can regulate firearms and that local entities have to remove any ordinances besides those regarding the discharge of firearms. Currently counties are not enabled to regulate open carry and only Clark regulates concealed with their blue card (removal of the blue card is in a handful of bills).	General File	Amend, and do pass as amended
AB403	Revises provisions concerning peace officers. (BDR 23-813)	Assemblymen Shelton, and Jones; Senator Ford	Oppose; PRIORITY	All uniformed law enforcement shall wear cameras, this one had additional provisions regarding insurance for officers. All law enforcement was opposed. NACO testified opposed.	Ways and Means	Without recommendation, and refer
AB412	Revises provisions relating to public financial administration. (BDR 31-963)	Kirkpatrick	Neutral; PRIORITY	Amongst other things, enables the county commission to raise property taxes by 5 cents outside the cap and outside the abatement to spend on schools, indigent defense, etc.. Also adjusts the valuation based on income for commercial property and caps the abatement at 6%. Also requires audits of when abatements are given based on the income based valuation. Also a state pool of money used for short term liquidity that some counties are members of (local govt pool investment fund) changes those loans to a much longer term and puts permission for lending with that board. All enabling. Clark and CLV testified in support. Assessors, treasurers, Washoe, and NACO testified neutral. Opposition to Section 9 the bonding portion.	Taxation	Amend, without recommendation, and refer
SB16	Revises provisions governing presentence and general investigations and reports made by the Division of Parole and Probation of the Department of	Committee on Judiciary	PRIORITY; Support	(NACO BILL) Currently counties are responsible for 70% of the cost of pre sentence investigation reports and the State is responsible for 30%. This bill re-balances those costs and makes counties responsible for 30% and the State 70%. Referred to Senate Revenue Committee.	Finance	Heard, No Action

SB29	Grants power to a board of county commissioners to perform certain acts which are not prohibited or limited by statute. (BDR 20-465)	Committee on Government Affairs	PRIORITY; Support	(NACO BILL) Grants administrative home rule (aka additional county authority) for counties only. Amended to clarify that, if granted home rule counties cannot raise fees other than those they are already authorized to do, and shall not regulate business that is substantially regulated by the state or feds unless they are already authorized to do so.	Government Affairs	Mentioned no jurisdiction
SB30	Authorizes an elected county officer to elect not to receive longevity pay. (BDR 20-468)	Committee on Government Affairs	PRIORITY; Support	(NACO BILL) Amended to make longevity pay optional for each county elected official - they can opt to forgo in any budget year, for that year.	Government Affairs	Heard
SB59	Revises provisions relating to the state business portal. (BDR 7-448)	Committee on Judiciary	Concerns; PRIORITY	(SOS - SIMILAR TO BUS PORTAL BILL FR 2013) Includes: All local entities "to the extent practicable" make all business applications available on a website; accept electronically the State's business registration info and require any local application to include the State business id #; integrate all business applications with the state business portal and be able to use the State portal to disseminate information about those licenses. Also requires the State to give each business in Nevada a unique business identification number." Supported with amendments clarifying no mandate to integrate and that integration shall not require counties to incur cost or buy new equipment. (1st Reprint)	Judiciary	Mentioned no jurisdiction
SB95	Revises provisions governing the publication of property tax rolls. (BDR 32-630)	Parks	PRIORITY; Support	(PROP TAX ROLLS) Gives counties the option of publishing tax rolls on the county website. In rural counties (under 100k) 10 copies of the rolls have to be made available for free. And all counties, if they choose to publish online, shall publish a notice in a newspaper indicating that the list is available online and the address - such a notice has to be printed in at least 10pt font.	Taxation	Do pass
SB111	Provides for the use of portable event recording devices by peace officers. (BDR 23-618)	Ford, and Atkinson	Concerns; PRIORITY	Requires cops in Clark and Washoe to wear recording devices. Amendment by law enforcement to remove mandate. Ford would like to keep the mandate and expand to all counties. The bill was referred to Finance.	Finance	Amend, and re-refer

SB411	Allows the imposition of additional statutory taxes in a county to fund capital projects of the school district based on the recommendations of a Public Schools Overcrowding and Repair Needs Committee and voter approval. (BDR S-140)	Senator Smith; Assemblymen Benitez-Thompson, Hickey, Joiner, and Sprinkle	Oppose; PRIORITY	School Boards can form a committee to recommend a ballot question to the county commission (committee has 12 members but only one commissioner). The question will be whether to approve a tax increase to fund capital projects for schools. If they submit the question to the commission the BCC Must approve it and send it to the voters. If the voters approve the question then the commission mus pass the tax. NACO testified neutral with questionsa bout how this would be carried out, specifically in rural counties. (Amended to change the way representatives fr the business community are appointed and to ensure representation from the business community)	Revenue and Economic Development	Amend, and do pass as amended
SB433	Revises provisions relating to elections. (BDR 24-1145)	Committee on Legislative Operations and Elections	PRIORITY	Amended - Intent to allow better access to voting. RE early voting locations, amended would require local elections officials to consider the following factors re early - geographic diversity, registered voter pop, and hours of operation; require Sun early voting in all counties; and early voting hours more uniform amongst counties, this vote would create 7am-8pm start/finish for all places. Clerks opposed incl Washoe, Clark, and Carson/Clerks Assn. They argued that clerks should have the ability to set the hours for early voting based on differing needs in their communities.	Legislative Operations and Elections	Amend, and do pass as amended

SB451	Revises provisions relating to public defenders. (BDR 14-514)	Committee on Judiciary	PRIORITY; Support	Creates an indigent defense commission of 13 appointed by the Gov. Creates standards for indigent defense in NV including regarding training of PDs, time with clients, performance standards, and work load. Changes the structure of the state PD: removes the office from DHHS and puts it under the Indigent Defense Commission; determines how indigent defense will be delivered in all counties other than Clark and Washoe (and this all rural counties must use the state PD unless the commission determines otherwise and must ensure that the county manager and county judge be consulted and eliminate contracts that don't meet the Supreme Court's standards. Counties with PD offices may continue until the Commission determines the best delivery system for that county. Requires counties to pay the State for indigent defense in the amount that they are paying in fiscal year 13-14, all other funding shall be from the State. Requires counties with pds to report to the Commission on the appointment process for the existing pd.	Finance	Without recommendation, recommended to be re-referred
SB481	Prescribes certain requirements relating to the receipt, maintenance and disclosure by a county or incorporated city of certain information of a public utility. (BDR 20-1114)	Committee on Government Affairs	Oppose; PRIORITY	Prohibiting counties from requiring public utilities to provide info on location of facilities unless a compelling need can be demonstrated; prohibiting county from digitizing certain info re public utilities; access to certain info has to be shown that there is a "compelling need" and shall be kept confidential; and indemnifies the public utility if the county discloses the info and the utility gets in trouble. NACO & other counties opposed. Amendments still being worked out between Cox, Clark, and NACO.	Government Affairs	Amend, and do pass as amended
SB482	Makes various changes relating to elected county officers. (BDR 20-1117)	Committee on Government Affairs	PRIORITY; Support	County Pay Bill - Increases salaries for all elected county officials by 3% for each of the next four fiscal years; removes bcc authority to set their own pay, and instead creates the same automatic increases in statute, 3% for the next four years. Also enables any county elected official to forgo their salary	Government Affairs	Do pass
SB483	Revises provisions relating to governmental financial administration. (BDR 32-1182)	Committee on Revenue and Economic Development	Neutral; PRIORITY	Parts of Gov Tax Plan incl cig tax increase; sunseting net proceeds prepayments; and continuing sunsets.	Revenue and Economic Development	Not Heard

SB487	Requires counties to pay for the expense of the commitment of certain persons to the Division of Public and Behavioral Health of the Department of Health and Human Services. (BDR 11-1161)	Committee on Finance	Oppose; PRIORITY	Requires counties to take on the cost for mentally incompetent individuals who are committed - incarcerated at Lakes Crossing. NACO testified opposed.	Finance	Heard, No Action
SJR1	Urges Congress to enact legislation transferring title to certain public lands to the State of Nevada in accordance with the report prepared by the Nevada Land Management	Senators Goicoechea, and Gustavson; Assemblymen Ellison, Hansen,	PRIORITY; Support	NV Land Management Task Force recommended resolution. Support for a recommendation that the Federal Government transfer certain federal public lands to the State of Nevada. Amendment regarding all lands in 2nd phase are to be put in state trust.	Legislative Operations and Elections	Amend, and do pass as amended
SJR13	Proposes to amend the Nevada Constitution to limit the total amount of property taxes that may be levied on real property. (BDR C-	Settelmeyer, Gustavson, and Goicoechea	Neutral; PRIORITY	Changes to property tax structure in the constitution. Assessed value reset on sale, 3% cap on decrease and increase of property taxes. Protection for seniors who buy or sell their property. Clarifies which improvements are included in assessed value. Other	Revenue and Economic Development	Not Heard