

Item # 6

**City of Carson City
Agenda Report**

Date Submitted: February 10, 2009

Agenda Date Requested: February 19, 2009

Time Requested: 10 Minutes

To: Mayor and Supervisors

From: Larry Werner, City Manager

Subject Title: Discussion on a legislative update regarding proposed legislation and legislative issues and possible action to give direction regarding the proposed legislation on the Douglas County water right administration legislation and rural counties creation of a health district.

Staff Summary: Mary Walker will provide an update of the Legislative Session and seek the Board's direction regarding proposed legislation.

Type of Action Requested: (check one)

☐ Resolution

☐ Ordinance

☒ Formal Action/Motion

☐ Other (Specify)

Does this action require a Business Impact Statement: () Yes (X) No

Recommended Board Action: Action depends upon presentation and discussion.

Explanation for Recommended Board Action: n/a

Applicable Statue, Code, Policy, Rule or Regulation: n/a

Fiscal Impact: n/a

Explanation of Impact: n/a

Funding Source: n/a

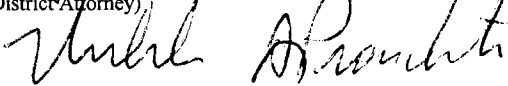
Alternatives: n/a

Supporting Material: Legislative update and draft language for the health district.

Prepared By: Janet Busse, Office Supervisor

Reviewed By:  Date: 2-10-09
(City Manager)

 Date: 2-10-09
(District Attorney)

 Date: 2-10-09
(Finance Director)

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)



Walker & Associates

661 Genoa Lane, Minden, Nevada 89423

MEMO TO: Carson City Board of Supervisors
Larry Werner, City Manager

FROM: Mary Walker

DATE: February 9, 2009

RE: Discussion and Direction to Staff Regarding Legislative Update, Proposed
Legislation and Legislative Issues.

SUMMARY

Listed below is the Legislative Update for the first week of the Legislative Session. In addition, on February 19th, I will be providing you with a more recent update of the Legislative Session at the Board of Supervisor's meeting. After the Legislative Update in this report, there is a section regarding proposed legislation for your direction.

LEGISLATIVE UPDATE:

I. WEEKLY OVERVIEW

The first week of the session has ended. This session has started at a much faster pace than most sessions due to the fact a couple hundred bills had already been drafted and ready for introduction and public hearings.

The first week was also filled with committee organization, general overview of issues which will be coming before them and presentations. On Wednesday, Carson City, Douglas County, Lyon County and Storey County gave a presentation regarding the status of their counties to the Assembly Government Affairs Committee. The presentations went very well and I got a lot of feedback from other folks who thought it went well, also. So, kudos to our County Managers and Chairmen/Mayor for doing so well and making this region look good.

Through the week, Bob Hadfield and I have been monitoring the Senate Finance and Assembly Ways and Means Committees (money committees) while Steve Walker has monitored the Assembly Government Affairs Committees. In addition, Steve and I monitor the afternoon committees. It is my intent that every budget hearing will be monitored by either Bob or myself in order to keep us fully informed of any threats/opportunities coming our way.

II. STATE BUDGET HEARINGS

The State is currently facing a \$1.1 Billion shortfall in FY 09-10 and another \$1.2 Billion shortfall in FY 10-11 for a total \$2.3 Billion shortfall for the biennium. There has been some discussion amongst legislators and others earlier in the week that the Federal Economic Stimulus Package would be able to "plug a lot of holes" in the State budget and with some smaller revenue/expenditure adjustments, they can reverse the budget shortfall for the biennium. The problem with this idea is this may very well create another budget problem in 2011.

Later in the week, after information from the Economic Stimulus Package became known, it was discussed that the Package will not be the end all some folks once thought. See discussion below.

1) Economic Stimulus Package- On Wednesday, the Senate Finance and Assembly Ways and Means (money committees) met to get an update on the Federal Economic Stimulus Package, however, by Thursday/Friday, the package had changed. What we have heard is the Feds are requiring that in order to get the federal funding, the State CANNOT take any County indigent funds. THIS INCLUDES THE IAF/SUP MONIES AT THIS POINT. We'll see what the final legislation says. I did notify NACO of this information on Wednesday. The federal funding is also probably going to require the States to fund services to the FY 06 level in order to get the money. If this is in the final version, the Governor and Legislative Leadership have all stated that would be very difficult to do and would require hundreds of millions of dollars of additional revenue from the State in order to get the federal monies. Also, with the final version of the Senate bill cutting much of the aid to the States and education, it is unknown at this time how much assistance the Economic Stimulus Package will provide Nevada.

2) State Public Defender Budget- There are only 5 counties still with the State Public Defender-Carson City, Storey County, White Pine County, Lincoln and Eureka Counties. The rest have their own public defender services either via contract or personnel. Due to the Nevada Supreme Court order regarding the current high number of cases per public defender, the State is budgeting for increased training, staffing and to fund the statewide Oversight Commission. The budget includes 1 additional attorney, 1 additional investigator and 1 additional administrative assistant. It also includes additional training for capital offenses. The Counties pay 75% of the increases in the budget and the State pays 25%. However, with the State budget cuts offsetting these increases, the total amount the counties pay into the total budget is \$1,451,501 for FY 09-10 which is just above the \$1,417,927 budgeted in FY 08-09. I think it would be important for Carson City and Storey County to call the State's Public Defender's office to get the amount they will be charged in the next biennium as the budget is currently compiled, if they have not already done so. I also have a call into DHHS to get this information.

III. IMPORTANT ISSUES/BILLS:

1) Joint Senate and Assembly Taxation Committee Hearing. Carole Villardo made a presentation to the Taxation Committees on Thursday. Some of the highlights are as follows:

a) The relationship between the State and local governments is not an equal relationship. The State decides what authority they are going to give the local governments. It is wholly in the State control.

b) If the Legislature wanted to enact a lottery, it would take a constitutional amendment and could not go into effect until that was changed.

c) There is no perfect tax (except the one that doesn't affect you). You have to implement taxes to fit your economy.

d) Taxes should be simple and easy for the taxpayer to understand.

e) Taxes should be equitable and not too high so that people don't buy because the tax is so high.

f) Taxes need to be broad based and with a low tax rate.

g) A new tax is not feasible. First, it is difficult to estimate a new tax and implementation of a system of collection could be costly. Therefore, the State should be looking at an existing tax.

Carole also talked about the Streamlined Sales Tax. There are two bills pending in Congress known as the "Sales Tax Fairness and Simplification Act" which would give states that have complied with the "Streamlined Sales Tax Agreement" the ability to collect sales tax on internet sales. Nevada has complied with the Agreement to be ready when and if the bills pass Congress.

2) AB 66 Authorizes the governing body of a city to adopt an ordinance requiring the registration of vacant dwellings and buildings. Sponsored by the City of Reno to require registration of abandoned buildings due to economic downturn and problems identifying owners (i.e., bank owner, owner, etc.). If owner does not take care of the building, then local government can charge fee to maintain the outside of the building and stop homeless from living in the building. In process of being amended due to concern of commercial building owners and realtors.

3) AB 74 Subdivision Final Map. Revises provisions concerning the presentation of a final map of certain subdivisions of land. Sponsored by Washoe County. Allows the number of years tentative and final maps can be extended via agreement and not specific time frames in ordinance. This is due to the current economic downturn. All Northern and Southern Nevada builders and local governments agree with amendment and bill appears to be moving forward.

4) SB 94 Tahoe Fire Management. Imposes various requirements relating to fire protection in the area of the Lake Tahoe Basin located in this State. Introduced by State of Nevada. Bill was outcome of Interstate Fire Task Force after Angora Fire. Includes fire policy in suppression and pre-suppression be consistent throughout basin for all fire agencies. Concerns regarding initial draft by several parties (realtors and environmentalists regarding sprinklers, etc.) caused hearing to be extended until amendments can be considered.

PROPOSED LEGISLATION FOR DIRECTION

Summary:

There are two proposed bills for direction from the Board of Supervisors. The first is regarding the Douglas County Water Right Administration legislation which has been requested to be amended by the State Water Engineer. The second is in regards to enabling legislation which allows rural county commissioners to establish a single-county or multi-county health district.

I. SB 66 Douglas County Water Right Administration Legislation. Allows for longer periods for time extensions on quasi-municipal and municipal water right permits that are dedicated to development. Extension of beneficial use timeframe has been eliminated at the request of the State Engineer. This will reduce administrative workload from local government utility staff and State Engineer by 80% particularly in high growth counties in Northern Nevada. Additionally,

the State Engineer has asked to include an amendment within the same chapter 534 to direct courts that staying decisions by the State Engineer must consider the rights of the water right holder and any damages to the water right holder or community in general.

Recommendation: Approval of the Bill and State Water Engineer Amendment.

II. BDR to Enable Rural County Commissioners to Establish a Single-County or Multi-County Health District.

A few months ago, the State Health Division gave a presentation to rural county commissions regarding establishing rural county Health Districts. This proposal had much merit, however, there was no governance or funding structure for this district without legislation. A BDR has been submitted to the Nevada State Legislature which will allow a governance model for the establishment of a single-county or regional health district using the Carson Water Subconservancy District as a model, if a county so chooses to establish one. This is enabling legislation only. Please find attached draft language (which will be rewritten by the Legislative Counsel Bureau in bill drafting) which enables rural counties to establish these Districts.

Recommendation: Approval of the Bill Draft.

POTENTIAL BOARD ACTION:

I move to approve the Legislative update and proposed legislation regarding SB 66, the Douglas County water right administration legislation, and the BDR to enable rural counties to establish a health district.

DRAFT
'February 2, 2009

**PROPOSED LEGISLATION REGARDING LOCAL GOVERNMENT
HEALTH DISTRICT FOR COUNTIES LESS THAN 100,000**

Add to NRS 439:

Sec. XX. Creation and expansion; composition and powers of board of health.

1. The board of county commissioners, in counties whose population is less than 100,000, and with the approval of the State Board of Health, may establish a single-county or multi-county Health District as a new local government with the same powers and duties, and subject to the same limitations as a "District Board of Health in counties whose population is less than 400,000" created pursuant to NRS 439.370 except that the provisions of this act supersede the provisions of chapter 439 of NRS where the provisions of that chapter conflict with the express provisions of this act.

2. Once established, the Health District may be expanded to include additional counties within the boundaries of the District upon the affirmative vote of the requesting board of county commissioners and the District Board of Health.

3. The District Board of Health will consist of the following members:

(a) For a single-county Health District, the members of the Board of Health will consist of:

(1) The members of the board of county commissioners;

(2) At least 1 member appointed by the District Board of Health who is a physician licensed to practice medicine in this State and who practices within the boundaries of the District; and

(3) The District Health Officer.

(b) For a multi-county Health District, the members of the Board of Health shall consist of:

(1) At least 2 members of the board of county commissioners appointed by their respective board of county commissioners of each county where there are 5 members of the board of county commissioners; and

(2) At least 1 member of the board of county commissioners appointed by their respective board of county commissioners of each county where there are 3 members of the board of county commissioners; and

(3) At least 1 member appointed by the District Board of Health who is a physician licensed to practice medicine in this State and who practices within the boundaries of the District; and

(4) The District Health Officer.

4. Members of the district board of health serve terms of 2 years. Vacancies must be filled in the same manner as the original selection for the remainder of the unexpired term. Members serve without additional compensation for their services, but are entitled to reimbursement for necessary expenses for attending meetings or otherwise engaging in the business of the board.

5. The District Board of Health shall meet in January of each year to organize and elect one of its members as chairman of the board.

6. No action relating to establishing a tax rate may be taken by the Board of Health without the affirmative vote of at least 1 member from each county.

7. The District Board of Health limitation upon revenue from taxes ad valorem and a tax upon retailers for the purpose of carrying out the activities of the District is as follows:

(a) An ad valorem tax rate of not more than 15 cents on each \$100 of assessed valuation levied pursuant to NRS 354.XXX. The tax must be collected in the manner provided in chapter 541 of NRS; and

(b) A tax upon retailers at the rate of not more than one-quarter of 1 percent of the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed, in the county.

(c) The Board of Health may levy the taxes in subsection (a) and (b):

(1) At the same rate for all counties; or

(2) At varying rates in each county based upon the cost to provide the service within that county.

8. The District Board of Health may issue general or special obligations to carry out the activities of the district, including without limitation, the acquisition, construction or completion of facilities or acquisition of equipment. Any general obligations issued pursuant to this subsection must comply with the provisions of NRS 350.020.

9. The Board of Health may pledge any money received from the proceeds of the taxes imposed pursuant to subsection 7 for the payment of general or special obligations issued pursuant to subsection 8. For the purposes of subsection 3 of NRS 350.020 and NRS 350.500 to 350.720, inclusive, money pledged by the board pursuant to this subsection shall be deemed to be pledged revenue of the district.

10. In addition to the powers, duties and authority of the District Board of Health pursuant to NRS 439.410, the Board of Health may provide emergency preparedness, mental health and substance abuse prevention and treatment services.

11. No services shall be transferred to the District from the State without the approval of the Governor and the District Board of Health through an Interlocal Agreement in order to insure no services would be reduced or eliminated without the cooperation between the entities.

12. If services are transferred, no employee shall lose their employment, salary or benefits due to the transfer. The employees shall have NRS 288 bargaining rights as any local government employee is entitled to. The State will transfer to the District an amount of money equal to the unpaid employee's annual leave, sick leave and comp payments at the date of the transfer. The employee shall have all annual, sick and comp leave balances transferred to the District for their purposes as of the date of the transfer.
(Additional Work Required)

13. Dissolution: Need