

## No More Legislative Vacation

With the summer finally over and the past legislative session just a memory, the annual kick off to the Interim Session took place on August 24<sup>th</sup> when the Legislative Commission met to assign membership and the chairmanship to all of the statutory committees and interim studies that were funded by the 2009 Legislative Session. There will be three interim committees meeting, seventeen statutory legislative committees, and seven interim study committees that will report back to the 2011 Session. Legislators received a questionnaire from the Legislative Counsel Bureau whereby they submitted their choices to Leadership as to the committees they wish to participate in. Leadership took those responses and then made the decisions to populate those committees as they saw fit.

As we have discussed on previous occasions, one of the most important committees of interest to NAIOP's Government Affairs committee is the Interim Study entitled "Development and Promotion of Logistics and Distribution Centers and the Issues concerning Infrastructure and Transportation. Leadership chose Assembly Transportation Committee Chair Kelvin Atkinson to head up this study with Senator Shirley Breeden acting as the vice-chair. Other members of the committee are Senators Bob Coffin, Dennis Nolan, David Parks, and Maurice Washington, along with Assemblywomen Barbara Buckley and Heidi Gansert. Because of funding issues, this committee will not begin meeting until around the first of the year. Most committees and studies commissioned by the 2009 Legislature will all have to wait until 2010 to begin their deliberations.

One committee that was given the funding to begin early is the Interim Finance Committee's sub-committee to "Conduct a Review of Nevada's Revenue Structure." The committee is chaired by Co-chair of the Interim Finance Committee and Senate Majority Leader Steven Horsford. The committee contains 16 members and that membership caused a bit of controversy at the Legislative Commission when Horsford's co-chair on Finance and fellow Democrat Bernice Mathews fought to get Northern Nevada representation. The committee has two real functions in the next month. First is to determine who will conduct the study. An all encompassing RFP went out and responses are due the first of October. Legislators were hesitant to include a dollar amount in the request for proposal so as not to lead respondents into thinking that they would be willing to pay a specific amount. The committee has already had its first meeting and one of the interesting things about this study is how many tax studies have come before it, how close in time some of those studies have been, and how often they have focused on the same subject matters. Since 1960, there have been 5 studies, all looking at revenues and expenditures in some fashion. There was the Zubrow Report in 1960 which was entitled "Finance State and Local Government in Nevada". Next was the Lybrand Study of 1966 which focused on a "Study of General Fund Revenues of the State of Nevada". It was followed 22 years later by the Price Waterhouse study in 1988 which looked at the Fiscal Affairs of State and Local Governments in Nevada. A mere two years later in 1990, the Legislative Commission studied "Taxation in Nevada, and in 2002, we had the work completed by the "Guinn Report" that was an "Analysis of Fiscal Policy in Nevada". One Legislator asked to have research done to determine how many recommendations were made by these studies, and how many were actually enacted by a subsequent Legislature.

Besides picking the consulting group to conduct the year long study, the committee must also empanel the Nevada Vision Stakeholder Group. Much like the Committee on Community Priorities that Rory Reid impaneled for Clark County (discussed below), the Vision Stakeholder Group will be a made up of approximately 15 or so statewide parties interested in the areas of commerce and industry, education, health and human services, public safety and infrastructure. Almost 90 minutes of the meeting was spent discussing just who those members might be and of most concern to most was what perspective they might bring to the discussion. As State Senate Minority Leader Bill Raggio stated, for the report to be accepted, it must be filled not just with what he termed "tax users", but must also include those that also pay the taxes.

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## **NAIOP Publicly Supports Pipeline Project**

On August 20, NAIOP appeared and gave testimony in support of the Southern Nevada Water Authority's need to continue moving forward to secure the necessary permitting for the In-State Groundwater Development Project. General Manager Pat Mulroy asked the SNWA Board of Directors for a public vote of confidence in the actions staff had been taking because of growing political rhetoric by opponents that the current board of directors was not fully in support. NAIOP supports that important common sense approach to making sure that Southern Nevada has a diverse water resource portfolio for drought protection and future water resource management.

The Colorado River is in the midst of a severe 9 year drought, and the surface elevation of Lake Mead has dropped 120 feet. Through the In-State Groundwater Development Project, the SNWA seeks to develop unused groundwater available within Nevada, and for which the SNWA already holds rights and applications for. NAIOP believes that the State of Nevada and the Federal Government has enough mandates and rules in place that will ensure that no more groundwater could be used in Southern Nevada than could be replenished in a given year, and that by allowing the SNWA to continue moving forward, we can ensure that we have a reliable water supply for our residents and visitors.

It was also important to NAIOP to stress to the SNWA Board just how fragile our industry is right now. With vacancy levels in commercial real estate at some of its highest levels, development projects that are not even "pencil-ready" absent from the horizon – a lack of diversity in our water resources could make our region unappealing to the investors and businesses we must attract to ensure both a short-term and long-term economic recovery. We must do all that we can now to ensure that we have the water resources we need to sustain our community should this severe drought continue.

After a four hour hearing, the Board unanimously supported the project.

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## **Kick off to Campaign 2010**

Labor Day traditionally starts the beginning of the campaign season. The 2010 election is gearing up to one of Nevada's most exciting. Topping off the races to watch will be Senator Harry Reid's re-election campaign which is sure to bring national exposure to Nevada. It is also anticipated that Congresswoman Dina Titus will be in a spirited race as she faces the voters for the first time as an incumbent Congresswoman. The Governor's race is also expected to generate considerable attention. Primary races against a sitting Governor are rare for Nevada and whoever emerges from the primary will face a competitive race against Commissioner Rory Reid. All of the constitutional officers are up for re-election and due to term limits there are several open seats in the state senate and assembly. Additionally, at the local level there will be races for county commission. In the months leading up to filing next spring, numerous rumors and announcements will fill the media. NAIOP's government affairs committee will be closely monitoring all of races and educating the candidates on the critical issues facing the commercial development industry.

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## **Committee on Community Priorities**

The Clark County Commission formed the Committee on Community Priorities (CCP) to provide feedback on prioritizing county services. The 15-member panel was created to engage residents in a community-wide discussion about budget priorities. Their goals are to gather new ideas to address budget challenges, control spending and shape budget priorities. Also, the CCP may make recommendations about the consolidation of services, legislative changes and revenue enhancements. The CCP has already held two meetings and is scheduled to hold addition forums to collect community input. The CCP will make recommendations to the full County Commission in January as the county begins formulating its budget priorities for the next fiscal year, which starts July 1. Each of the county's seven commissioners selected a citizen representative for the committee. The full Commission appointed the remaining representatives with backgrounds in business advocacy, taxpayer advocacy,

law enforcement, health care, social services, gaming and county employee unions. The CCP is tentatively scheduled to meet in the Commission Chambers at the Government Center, 500 S. Grand Central Parkway: October 8 at 12 p.m., October 22 at 9 a.m., November 5 at 11 a.m. , November 19 at 9 a.m. , December 3 at 9 a.m. , and December 11 at 9 a.m.

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### **Local business and government leaders form Green Chips**

Last month, local government and business leaders unveiled Green Chips, a nonprofit organization created to encourage investment into clean energy and energy efficiency while promoting Southern Nevada as a "green" place to live. Las Vegas Mayor Oscar Goodman, as the organization's chairman, told those gathered at the kickoff announcement that goal is to have Green Chips serve as an umbrella organization that coordinates with other programs working on renewable energy, conservation and efficiency projects. In addition to the City of Las Vegas, the founding members include Harrah's Entertainment, MGM Mirage, Las Vegas Convention and Visitors Authority, Southern Nevada Water Authority, Nevada State Bank, McDonald Carano Wilson LLP, City of Henderson, City of North Las Vegas, Clark County and NV Energy.

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