# MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON HEALTH AND HUMAN SERVICES

# Seventy-Fifth Session February 23, 2009

The Committee on Health and Human Services was called to order by Chair Debbie Smith at 1:34 p.m. on Monday, February 23, 2009, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/75th2009/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

# **COMMITTEE MEMBERS PRESENT:**

Assemblywoman Debbie Smith, Chairwoman Assemblywoman Peggy Pierce, Vice Chair Assemblyman Ty Cobb Assemblyman Mo Denis Assemblyman John Hambrick Assemblyman Joseph (Joe) P. Hardy Assemblywoman Sheila Leslie Assemblywoman April Mastroluca Assemblywoman Bonnie Parnell Assemblywoman Ellen B. Spiegel Assemblyman Lynn D. Stewart

### STAFF MEMBERS PRESENT:

Amber Joiner, Committee Policy Analyst Darlene Rubin, Committee Secretary Chris Kanowitz, Committee Secretary Olivia Lloyd, Committee Assistant

Minutes ID: 339

### OTHERS PRESENT:

- Romaine Gilliland, Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services
- David Castagnola, Program Specialist II, Child Support Enforcement, Division of Welfare and Supportive Services, Department of Health and Human Services
- Louise Bush, Chief, Child Support Enforcement, Division of Welfare and Supportive Services, Department of Health and Human Services
- Susan Hallahan, Chief Deputy District Attorney, Family Support Division, Washoe County, Nevada
- John Slaughter, Director, Management Services, Office of the County Manager, Washoe County, Nevada
- Constance Brooks, Senior Management Analyst, Administrative Services, Office of the County Manager, Clark County, Nevada
- Sam Bateman, Deputy District Attorney, Criminal Division, Office of the District Attorney, Clark County, Nevada
- Michael Willden, Director, Department of Health and Human Services
- Keith Lyons, Member, Nevada Justice Association, Las Vegas, Nevada
- Diane J. Comeaux, Administrator, Division of Child and Family Services, Department of Health and Human Services
- Amber Howell, Acting Deputy Administrator, Child Welfare Services, Division of Child and Family Services, Department of Health and Human Services
- Melissa Faul, Services Chief I, Bureau of Services for Child Care, Division of Child and Family Services, Department of Health and Human Services

### Chairwoman Smith:

[Meeting called to order. Roll called.] I want to thank everyone again who participated in the meeting on Saturday, February 21, in Las Vegas. We had many people who participated via the Internet and helped us get our work done. Thanks, too, to the Committee members for being there on Saturday, and enduring a long day; it was very informative and very productive.

Our agenda today has one presentation and two bills, <u>Assembly Bill 89</u> and <u>Assembly Bill 101</u>. We are going to begin with the presentation by Romaine Gilliland. Welcome to the Committee.

# Romaine Gilliland, Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services:

I am here today to provide a brief overview of the programs within our division. You have been given a book entitled *State Fiscal Year 2008 Fact Book* 

(Exhibit C). This book is available on our website, dwss.nv.gov. There is a link on the front page of the website that provides access to it for anyone in the general public.

There is a major tab marked "Overview." Following that is a page entitled "Overview of the Division of Welfare and Supportive Services," which I will be using as the primary reference for today's presentation. [Mr. Gilliland read from Exhibit C, excerpted here.]

The mission for the Division of Welfare and Supportive Services is to provide quality, timely, and temporary services enabling Nevada families, the disabled, and the elderly to achieve their highest levels of self-sufficiency. The major programs within our division include Temporary Assistance for Needy Families (TANF); Supplemental Nutrition Assistance Program (SNAP) (known as the Food Stamp Program prior to October 1 when it was changed by the federal government); Child Support Enforcement Program; Employment and Support Services, that includes New Employees of Nevada (NEON), which is a TANF program; SNAP Employment and Training; Social Services; Child Care and Development Fund; Medicaid Eligibility; and Energy Assistance.

### Chairwoman Smith:

May I interrupt and ask you to go back to TANF. Would you give me a bit more information about the issue that you described where the recipient may receive benefits for 24 months and then remain off for 12 months? I would like to understand the logic, and the maintenance of the issue. How efficient is it to manage that kind of program?

### Romaine Gilliland:

That is a state-mandated item whereby the federal government provides for 60 months of benefits. In the State of Nevada we have taken that 60-month period and divided it into 24 months of eligibility for the program, one year off, then 24 months eligibility, one year off, and then a final 12 months of benefits. From a fiscal perspective, it reduces the level of benefit outflow because benefits will be provided only for a 24-month period followed by 12 months off, then a second 24-month period followed by 12 months off, and, then the final 12 months of benefits to complete the 60 months of benefits allowed by the federal government. From a work participation perspective, moving a person to the highest level of self-sufficiency can sometimes cause challenges; a person may be getting close to that level of self-sufficiency as he approaches the 24-month time limit only to be mandated off the program. The one thing that we do track is the typical time span for someone on the program, and it is currently something less than 24 months.

### Chairwoman Smith:

Can you get me some data regarding your tracking of participants and how long they stay on the program, and how many actually move off and then come back on? Is that reasonable to ask?

### Romaine Gilliland:

Yes, that is very reasonable to ask. We do have that data and we will provide it for you.

# Assemblyman Denis:

So that I get clarification, because many people misunderstand it, the maximum that a person can be on the program is 60 months?

### Romaine Gilliland:

The maximum a person can be on the program, either within the State of Nevada or any other state, is 60 months.

# Assemblyman Denis:

So they can be on the program for two years, then off the program for one year, then two years on again?

### Romaine Gilliland:

Yes. In that scenario, that would be correct.

### Assemblyman Denis:

We do not have people who are on welfare for their entire lives?

# Romaine Gilliland:

No.

### Assemblyman Denis:

There is a misconception out there that some people spend their whole lives on welfare. We need to make sure when we talk about this that it is clear there is a maximum time period of only 60 months.

[Mr. Gilliland continued reading from Exhibit C.]

### Chairwoman Smith:

We have some stimulus money designated for child care?

### Romaine Gilliland:

Yes, we do. I am not sure of the exact amount but I believe it is between \$12 million and \$14 million of stimulus money, and this money does not have a

matching provision; it is characterized as discretionary. I anticipate that we would be able to fully address all the waiting lists when that money becomes available.

I have included a chart in the package (<u>Exhibit D</u>) that provides the 2009 poverty levels as of April 1, 2009; in addition there are three caseload charts: TANF Cash, Total Medicaid, and SNAP.

### Chairwoman Smith:

You have a lot in your purview.

### Romaine Gilliland:

There is quite a bit here, and as an administrator for the last 90 days, I find it challenging.

### Chairwoman Smith:

We are hearing very good things about what you have been doing and appreciate that work. Do you want to give us some anecdotal information about what you are seeing with the economy changing? I know so much has changed so rapidly that you may not have data, but I am curious. We have heard the stories about people lining up for hours to receive services, so I would like to hear what you think about that.

### Romaine Gilliland:

The one that comes to mind is our Belrose office, and I actually have a couple of quick stories I will share with you. The number of applicants that came into our Belrose office in the last month was approximately 19,000. On a daily basis, that is rather substantial. I was visiting the office the other day with the director. We were there just a few minutes before 8 a.m., and we were talking to people who had already been in line for several hours. We have seen situations, because of the way we are currently staffed, in which the wait has been as long as four hours. We have had several conversations with the federal food stamp organization. They have also been to our Las Vegas offices twice in the last 60 days, and they are quite concerned about the accessibility to the Food Stamp Program. They also talked to people in line and asked how long they had been waiting, what were their thoughts, and so forth. While they were very complimentary about the staff's customer service and courtesy, it was still tough for them to wait in line for two to four hours to obtain services, and then to get to the front of that line only to find out that they do not have all the documents needed for the application. While we do the best we can, one of the areas that I am particularly looking forward to is an electronic application that would allow people to know in advance whether they are likely to qualify or not so they would know what they need to bring with them. This would also

expand our ability to utilize the Community Family Resource Centers, where people can go in and get assistance in preparing an application, and where staff could steer them in another direction if they determine their circumstances are not exactly in alignment with our programs.

# **Assemblyman Stewart:**

On page 5 and on page 16, it states Training Programs for Recipients. Is there a tracking system to see how successful those training programs are in putting people to work?

### Romaine Gilliland:

Yes. There are a couple of different areas. On the NEON program we have the Personal Responsibility Plan. That is a plan that we devise with the individual, specifically tailored for them. It contains steps they have agreed to follow to move toward employment or the highest level of sustainability. We do track that. From a food stamp perspective, or SNAP, tracking is different because, in that case, it is a matter of a minimum number of hours of education. We do record the hours they spend in getting that education, their success in obtaining employment, and their average hourly rate of pay. I do not have that information with me, but I will be happy to provide it.

# Assemblyman Stewart:

I would appreciate that. Thank you.

# Assemblyman Hardy:

One of the things that impresses me most about our new administrator is that he smiles in spite of everything that we ask him. Is the Nevada 2-1-1 program and the Office of Consumer Health Assistance helpful to you or your agency? It appears that it would be accessible for people to see if they qualified for food stamps, or to access the information that they need before they show up.

### Romaine Gilliland:

Dr. Hardy, that is an area in which I would have to do a little research. Although you have triggered a good thought, using the Nevada 2-1-1, it is not a program in the purview of the Division of Welfare and Supportive Services, but it is within the Department of Health and Human Services, and I would be happy to talk with them to see if there is some way to steer them in the right direction.

# Assemblyman Hardy:

Not only do you have to figure out how to relate to them, we have to figure out how to keep them.

# Assemblywoman Pierce:

Does your division do its own projections, or are the projections based on the Economic Forum? How does that work?

### Romaine Gilliland:

The projections are based on a composite on which three individuals collaborated: a statistician in my division, Welfare and Supportive Services; an economist in the Department of Health and Human Services; and an economist in the Department of Administration. One of the areas where we have made a change in this year's projections is that instead of projections based on unemployment, the projections are based on employment as a percentage of the total population. We feel that is a better predictor of our caseload. Additionally, we bring in people from the Legislative Branch to participate in our meetings, we review the caseload, and if they have any thoughts or concerns, we take those into consideration as well.

### Chairwoman Smith:

Are there any further questions? [None.] In that case, since you are already at the table, we are going to take the bills in reverse order. We will open the hearing on Assembly Bill 101 first.

Assembly Bill 101: Revises provisions governing the support of children. (BDR 38-340)

# Romaine Gilliland, Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services:

We are here today to present the agency-sponsored <u>Assembly Bill 101</u>, which offers several proposals to improve the efficiency of Nevada's Child Support Enforcement Program.

[Mr. Gilliland read from prepared testimony (Exhibit E), excerpted here.)

The bill was developed to implement program improvements in service and delivery and to provide an enhanced, stable funding environment. Funding for the program is primarily provided through 66 percent federal financial participation (FFP), and 34 percent state or county match. From a state perspective, the primary source of funding is what we call state share of collections, and this is where the public assistance custodians assign their rights to the Child Support Enforcement as an offset to public assistance payments which we have provided to the Temporary Assistance to Needy Families (TANF) program. The state share of collections is shared with the federal government based on the Federal Medical Allocation Percentage (FMAP), and I believe that is a 50-50 match. It is important to note that in the FMAP, there has been

discussion through the stimulus program. The FMAP percentage is being increased where the federal government would be providing a higher FMAP percentage, and the states are obligated with a lower FMAP percentage. If that were the case from a child support perspective, we would actually be experiencing a reverse effect, and if the FMAP went from 50 percent to 60 percent, then our share of the collections would be reduced. In the stimulus package, the Child Support Enforcement FMAP provision is being waived and this will remain at the 50-50 match.

Child Support Enforcement services include location of non-custodial parents, establishing paternity, establishing financial and medical support obligations, enforcing child support orders, and collection and distribution of child support payments. The program operates in compliance with the Social Security Act, Title IV. Part D under direction of the U.S. Department of Health and Human The state is required to operate the Child Support Enforcement Program as a condition of receiving TANF block grant funds. Today the TANF block grant is approximately \$45 million. The program is state-administered as required by Title IV Part D, and it is operated, depending upon the jurisdiction, by either state or local governments. The state is directly subject to financial penalties for failure to meet minimum performance standards and program non-compliance. The participating counties are indirectly responsible through their interlocal contracts for the financial penalties as well. In addition, the good news is that we are also able to earn performance incentives, which are monies paid to the state and through the state to the local counties based on a formula of caseload that is supported in each of the jurisdictions. The financial incentives are for future program enhancements, and they are not designed to supplant current activity.

To provide a historical context, all the district attorneys participated in 1977 when child support enforcement, as we know it today, began. Over the years, as there has been an increased statewide requirement and need for state and local collaboration for program consistency, there has been a trend away from all counties participating. Today we have 10 of the 17 counties that participate, and, of those 10, 3 partially participate. There is a fourth that is a hybrid—Elko. There are some areas not participating, but other areas take the load for those counties. Elko County also handles, in addition to its own caseload, some activities for Lander County, and in turn, we handle some of the activities for Elko, depending upon the type of case.

As additional background, since the 2007 Legislative Session, Churchill County and Washoe County have returned public assistance cases to the state for state administration. Carson City has discontinued participation in the program altogether, and between these three changes, there has been an annual shift of

approximately \$800,000 in expenditures from the counties to the state. There is a section in the packet (Exhibit C) that lists the five various activities of the Child Support Program. It also subdivides those into non-assistance, public assistance, and former assistance. With that as background, I am going to move on to the various sections of the bill.

Section 1 of <u>A.B. 101</u> provides for counties with populations of over 100,000 to fully participate in the Child Support Enforcement Program through an interlocal contract defining the state and local partnership, with the county being responsible for the 34 percent match and 66 percent provided through the FFP. Currently there are two counties with populations over 100,000—Clark and Washoe. Today, Clark County fully participates and Washoe participates on the non-public assistance side.

I am going to ask David Castagnola to speak on section 2.

# David Castagnola, Program Specialist II, Child Support Enforcement, Division of Welfare and Supportive Services, Department of Health and Human Services:

Section 2 addresses the state's ability to recover child support assigned to the state by parents receiving public assistance, or TANF, regardless of custody orders or support orders to the contrary. It clarifies that the payment of public assistance creates a debt to the state regardless of contrary orders. As Mr. Gilliland explained earlier, TANF recipients, as a condition of their eligibility, must cooperate with the child support program, and that cooperation includes assigning child support to the state during the period that those recipients receive public assistance. The reason this assignment is required is to offset the published cost of the assistance being provided, and it also is a primary source of funding the state's share of operating the child support program, known as the state's share of collection. This measure will help preserve an aspect of the program funding by enabling us to recover the state's share of collections in all cases where the recipient of public assistance is receiving child support.

### Assemblywoman Leslie:

In subsection 6, does that definition contradict the Supreme Court's definition of physical custody in *Rivero v. Rivero*, 124 Nev. Adv. Op. No. 84 (2008)?

# David Castagnola:

We are hoping to establish in this proposal a definition of "joint physical custody" for the purposes of the child support program. To receive public assistance, a custodial person needs to have the child 51 percent of the time.

Oftentimes, as you mentioned in *Rivero*, there is a custody share agreement other than equal 50-50, but things sometimes change in the dynamics of that family, causing one person to have the child more than what may have been contemplated originally.

# Assemblywoman Leslie:

So you want it to be 51 percent or more, is that what you are saying?

# David Castagnola:

We are proposing for this purpose that joint physical custody would be an equal share of time.

# Assemblywoman Leslie:

I would like to get some more testimony on that when we have other people testify. I am not sure how that works.

### Chairwoman Smith:

Let me clarify. Are you talking about the actual custody order, not what actually takes place? I know there is a big difference between what the order is and what actually happens.

# David Castagnola:

Yes, ma'am.

### Romaine Gilliland:

Section 3 clarifies the administrative responsibility as defined by Section 454 of the Social Security Act. The act provides that the state is responsible for the administration of the child support enforcement. Federal law requires the state designate an organizational unit such as the Title IV Part D agency, and within the State of Nevada the unit that has been identified as being responsible and accountable for the operation of the program has been the Division of Welfare and Supportive Services (DWSS). Current statute does not clearly specify the responsible agency and what we are seeking in section 3 is clarification of the administrator's responsibility and the administrator's ability to delegate that responsibility to staff.

Sections 4 through 7, 10, 14, 15, and 20 are technical in nature, and we are not intending to provide testimony in those sections unless there are specific questions. Sections 8, 9, and 11 are designed to enhance the hearing master system. This is a move toward a more efficient and timely enforcement process. There are three primary points as we go through those sections. The first is to statutorily require the District Court review of the hearing master's recommendations to be on the record. The reason is that quite often something

will be heard at the hearing master and properly recorded, then, at the District Court level, the same testimony will need to be provided again because we do not have the statutory requirement for the hearing master testimony to be on the record. This will give us the ability to avoid unnecessary repetition of testimony within the District Court level.

The second point is for the hearing master to be able to conduct telephonic hearings from outside the judicial district in which the master is appointed. This is a cost-saving measure. This is designed to reduce the hearing master's "windshield" time. What often happens is that the hearing master will hear a case outside of his jurisdiction but must travel to that other jurisdiction. By adding this provision, the hearing can be done telephonically. This allows the masters to readily substitute for each other without having any travel time. It will also improve the processing time for orders by delaying how long it takes to calendar an appointment. And, finally, it provides the ability to optimize the hearing masters' calendars.

The third point is proposing the master recommendations be deemed reviewed and approved by the District Courts if not objected to within ten days. Today the requirement is that once the master's recommendation is presented to the District Court it requires their action. By having a provision where, if there are no objections within ten days, the recommendations are approved, will, we believe, help facilitate the program. There were over 14,000 hearing master hearings held in Clark County in calendar year 2008. Of those 14,000, a little over 1 percent were objected to. What we would like to see is that the other 99 percent move more rapidly.

### **Chairwoman Smith:**

Do you have information about what the current wait time to be completed is?

### Romaine Gilliland:

I do not have that with me, but I know we have it. I will be glad to provide that information.

### Chairwoman Smith:

I would be interested in that, if we are going to change the provision.

### Romaine Gilliland:

Just to clarify the question, what we will be providing is the average length of time it takes to approve the recommendations beyond ten days. In addition, if it is acceptable, I will provide a couple of examples of how quickly and how long it might take.

### Chairwoman Smith:

Yes, thank you.

# David Castagnola:

Section 13 relieves the Nevada Child Support Enforcement Program from the federally-mandated task of assisting other state child support agencies in enforcing their orders by seizing financial assets located in Nevada financial institutions. We propose to do this by allowing Nevada banks to honor seizure demands they receive directly from out-of-state child support enforcement agencies. What we are attempting to do is remove the middleman—the middleman in this case is the Nevada Child Support Enforcement Program—from the interstate enforcement arena of financial asset seizures. By doing this we will allow our own caseworkers to concentrate on the Nevada caseload, directly benefiting Nevada's families and children, and also allow us to concentrate on those cases where our performance is measured, enhancing our opportunity to earn incentives. It also will benefit those other states by reducing the bureaucracy needed to enforce their orders, and allow them to more expeditiously benefit the families in their states.

### **Chairwoman Smith:**

What you are saying is that currently, another state has to go through you to accomplish this with the banks. This would eliminate that provision and they could go directly to the financial institution?

### David Castagnola:

Yes. Sections 16 and 17 provide for a \$1,000 fine against an employer who knowingly submits nonsufficient funds (NSF) to the Child Support Enforcement Program. Most child support that the program collects is by income withholding orders. The enforcing authority issues an order to an employer requiring them to withhold from a parent's pay the amount of child support due. Federal law requires that the Child Support Enforcement Program disburse payments that we receive within two days. Because of this quick turnaround time, we do not have an opportunity to see if a check is going to clear. While the vast majority of employers are valued partners, there are those employers who submit NSF checks to the program. As an example, there was one employer who in a six-month period submitted 13 NSF checks. Because we have to turn that money around in two days, that is money out of the state's pocket. We do attempt to recover that, and about half the time we do. Between 2005 and 2008, \$154,000 in NSF checks were received by the State Disbursement Unit. The intent of this measure is to provide a consequence to knowingly submit NSF checks. That will hopefully discourage that behavior.

Sections 18, 19, and 21 are designed to save court resources and enhance confidentiality by simplifying court record keeping requirements with respect to child support cases and divorce cases. Federal law requires that states report social security numbers of the participants in child support cases to the Federal Case Registry, a national repository of child support data. This proposal removes the current state requirement for courts to provide the Division of Welfare and Supportive Services with social security numbers of divorce case participants where there are no children. There is no federal requirement to do that, and we do not have a need for that information. It also seeks to remove requirements that the court maintain social security numbers of child support case participants in the court records. Current law requires that the court ensure that the Welfare Division receives this information so we can forward it to the federal government, but there is no federal requirement that the courts maintain it in their records as well. By eliminating that we save court resources, and we have personal identifying information in one less place.

Finally, in section 22, with respect to medical support, we are proposing to adopt the federal definition of "reasonable cost" and to adopt a state definition of "accessible health care." By establishing a uniform standard for accessibility and reasonable cost in all child support cases, equal protection will be provided to children receiving services from the Title IV Part D program, as well as to those children whose families are pursuing child support cases outside the program.

Federal law requires states to have laws specifying that one or both parents provide for medical support of their children, and Nevada statutes do that. But federal regulations go beyond that as far as the Title IV Part D program—the Child Support Enforcement Program—is concerned, by requiring the program to seek court orders for medical support that are reasonable in costs, following the federal definition of "...no more than 5 percent of the obligated parent's gross income." So whether it is an order to provide health insurance, or it is an order to provide a cash payment in lieu of health insurance, the federal government requires the Child Support Enforcement Program to limit that to no more than 5 percent of the obligated parent's gross earnings. We are also required to define when health insurance is accessible. We are proposing to do that by requiring a definition where there are no geographic restrictions to a health insurance policy, or if there is a geographic restriction, the child lives within that area. It is not uncommon, for example, for the custodial parent to be in Reno, and the obligated parent to be in Las Vegas and providing health insurance through a Health Maintenance Organization (HMO) limited to the Las Vegas area. That does not benefit the child who is in the north and cannot access health insurance in the south.

### Chairwoman Smith:

What if there is coverage but it is not as good, or is substandard, compared to the coverage in the geographical area of the owner of the policy? Does it matter, in the spirit of this provision, if one goes out of the geographical area?

# David Castagnola:

For example, if I understand you correctly, the custodial parent who is not obligated to provide the health insurance has the better policy?

### Chairwoman Smith:

No. What I am saying is, if the obligated parent has a Preferred Provider Organization (PPO) plan, for example, the coverage is not as good if one goes outside the geographical area; the coverage becomes substandard. Is that addressed?

# David Castagnola:

That, specifically, is not addressed.

# Assemblyman Hardy:

What happens if we are in a different state with one of those 51 percent custody parents, or, if the child travels to a different state? As a physician, I have seen patients in the emergency room who are covered by Kaiser, in California, and on calling for authorization, Kaiser says, "send your patient who has meningitis down to us and we will be happy to see him." The patient would have to travel by car. That is not accessible; so how does that fit into this scenario?

# David Castagnola:

We would agree that is not accessible. I do not know that the proposed legislation specifically addresses that, but perhaps it can be expanded to include that.

# Assemblyman Hardy:

So that word "accessible" is problematic when we start looking at health coverage?

### David Castagnola:

I would agree it is problematic, and it is problematic for the other states as well. Everyone is struggling to come up with a useful definition that protects the child.

# Assemblyman Hardy:

That was going to be my next question: Who has done it already so we can do it that way? But no one has.

# David Castagnola:

We copy wherever we can. If it works in another jurisdiction or another state, we will do it, but we do not feel we have a good model in this case.

# Assemblyman Hardy:

Does the federal government have a good model?

# David Castagnola:

Not for "accessible." They have made it the states' responsibility to figure out what accessible means.

### Chairwoman Smith:

I would say this probably needs a little bit more work. I would be concerned, because this is such a common issue that we need to get a better handle on those definitions. Mr. Gilliland, is that the end of your presentation?

### Romaine Gilliland:

I have a few closing comments, if that is all right. Assembly Bill 101 contains many diverse proposals, all of which share a common goal of improving the effectiveness of Nevada Child Support Enforcement Program. I think that we really need to separate this bill into two primary areas: The first would be section 1, which is to provide stable funding for the program. The Legislature commissioned a MAXIMUS audit of the program. In addition to the report that was commissioned, the Legislature required that we provide our responses to the program, which we did, to the Assembly Judiciary Committee on August 26, 2008. In our response, we noted those items that were recommended that we had implemented; those items that were recommended which we were in the process of implementing; those items we were planning to implement; and those we found highly desirable but were unable to implement due to current inadequate funding.

The second area of the bill is the remaining sections that are designed to address administrative issues that expedite case processing. Our objective is to obtain the best order as quickly as possible. Passage of <u>A.B. 101</u>, in our mind, is critical at this time. Single parent households are among the hardest hit during an economic downturn such as we are now experiencing. We must do everything we can to ensure these families receive the income they need, and are entitled to, in order to have access to food, shelter, and the basic necessities.

### Chairwoman Smith:

Thank you. That was a very clear presentation.

# Assemblywoman Spiegel:

I was intrigued when you were speaking about section 16 and 17. Do you receive a lot of NSF checks? And are those then turned over to an authority to pursue and collect the funds? I see that in NRS Chapter 205, there are provisions for penalties for people who submit NSF checks.

### Romaine Gilliland:

We do receive a substantial quantity of NSF checks, and one of the difficulties we have is the timing between when we need to pass the money on to the custodial parent versus how long it takes to find out that the check is NSF. We pursue those through our own investigations and recovery unit and, as best as possible, use the provisions available. We felt that additional teeth were required in order to handle this problem. The other thing that occurs is that when we are funding these insufficient checks, we are funding them from the state's share of collections. That is a limited source of funding. It is the primary funding that the state has in order to keep this program moving forward, so our objective, again, goes back to the stable funding concept and ensuring that we really do have a way to enforce it.

# Assemblyman Hambrick:

Following up on the NSF area, would the state consider continuing to pay those funds to the recipient, and then collect them on its own as a debt owed to the state, or is that what we are now doing?

### Romaine Gilliland:

Yes, we are collecting those as a debt owed to the state.

### Chairwoman Smith:

I think that was your issue; you are putting the money out before you know that the funds are not there, so it becomes a debt to the state. Are there any further questions regarding those sections of the bill?

### Assemblywoman Parnell:

How successful are you with recovering those funds?

### Romaine Gilliland:

I think the question you are asking is what our percentage of collection is. We do have that information available, but I do not have it with me. Over the last several years, we have accumulated several hundred thousand dollars of funds that we were unable to collect, which need to be written off. What I will

provide is both the amount that has been written off as uncollectible, as well as the percentage of collection that we have.

# Assemblywoman Parnell:

I would appreciate that. Thank you.

# Assemblyman Hambrick:

Do you refer that to another division?

### Romaine Gilliland:

We handle those through our Investigations and Recovery Unit, which is the unit that handles uncollectible or inappropriately disbursed funds for all of our programs. We have similar types of activities that occur within all the programs, so collection is handled internally through the aforementioned unit.

# Assemblywoman Mastroluca:

In section 8, where the bill would give the hearing master the ability to testify telephonically or through other means, is that just for his or her testimony, or does it mean the hearing would be held that way?

### Romaine Gilliland:

The hearing would be held that way. The reason is then the hearing master can be in one location, and the other participants can be in another location, and it would not be necessary for everyone to be in the same location.

### Assemblywoman Mastroluca:

Are you confident that the hearing master can be sure a person sitting in the hearing is the person he is supposed to be talking to?

# Louise Bush, Chief, Child Support Enforcement, Division of Welfare and Supportive Services, Department of Health and Human Services:

It is my understanding that what happens in the rural areas, and also even in Clark County if the hearing involves prisoners, is certain means are used on the other end to verify the identify of the person, the non-custodial parent, or the custodial parent. I believe the primary purpose of having this in the bill was one, to help reduce costs and travel expenses, and two, to reduce the "windshield" time, as Mr. Gilliland explained earlier. It will also expedite the processing because we have hearing masters who could hear hearings outside of their jurisdiction telephonically. Again, I know that there would be a means of verifying the identity of the person at the other end because I think that is standard procedure for the hearing masters.

# David Castagnola:

Telephonic hearings are already done nationally in the child support community. This specifically allows the master to be located outside the judicial district where the master has been appointed. For example, if we have a master who is in Reno, and he is substituting for the master in Lovelock, in Pershing County, the hearing would probably be held in the courthouse in Pershing County, where it is normally held, except the substitute master would phone in. There are personnel involved in the courts to verify identities.

# Assemblywoman Mastroluca:

I was not questioning the ability to do this, I was wondering if you had procedures in place to set standards for these kinds of things.

### Chairwoman Smith:

Any questions? [None.] I do not have anyone signed in who is in support of this legislation. If there is anyone in Carson City who wants to testify in support of Assembly Bill 101, please come forward. Okay, I will take testimony in opposition to A.B. 101, and people from both Clark and Washoe Counties have signed in.

# Susan Hallahan, Chief Deputy District Attorney, Family Support Division, Washoe County, Nevada:

I have been employed in this capacity for almost 20 years. I am here to oppose A.B. 101 as written, due to the unfunded mandate in section 1. Washoe County currently provides child support services for approximately 9,000 cases in non-public assistance and interstate matters. We also currently receive two-thirds reimbursement of our budget through federal pass-through dollars, the FFP match, as indicated by Mr. Gilliland. Last year we suffered a reduction in our staff, an emotionally devastating 21 people laid off in our department. I am proud to say, however, the 41 remaining staff members are dedicated employees, who are hard-working, and who are providing critical services to children in our society. We currently provide these services through a voluntary cooperative agreement with the state. We are not mandated to provide this service but we have for many decades. This is done through a 29-page interlocal agreement detailing the rights and responsibilities of both Washoe County and the state.

What we are concerned about is the language in section 1 that would mandate full participation and the associated costs of the program. Washoe County, for as long as I have been there, has never fully participated in the Child Support Program. The state has always established child support obligations and paternity in public assistance cases here in Nevada. As indicated by Mr. Gilliland, Washoe County gave up some cases to the state in 2008 to do

public assistance. We were collecting, as District Attorney Gammick refers to it, "restitution for the state." This bill would purport to require Washoe County to take those cases back, in addition to the cases that the state originally had, to establish those child support obligations. We cut \$500,000 out of the Washoe County District Attorney's budget at the beginning of 2008, and we cut another \$500,000 out toward the end of 2008. We also are hearing numbers upwards of \$47 million having to be cut out of Washoe County, and we are concerned about whether our county is a stable funding source. However, we would be willing to discuss amendments to the language in A.B. 101, section 1, to require the current services that we are providing, subject to federal reimbursement and subject to the negotiation of an interlocal contract. Without such amendments, Washoe County District Attorney's Office would oppose A.B. 101 as written.

# John Slaughter, Director, Management Services, Office of the County Manager. Washoe County, Nevada:

I am simply here to voice my agreement with Ms. Hallahan's testimony, with the District Attorney's Office position on this bill, and to reiterate the issue of a stable funding source in Washoe County. We are facing a \$47 million shortfall. You heard from Ms. Hallahan the reasoning behind that shift.

# Assemblywoman Leslie:

Have you calculated what the fiscal impact would be if it remains the way it is?

### Susan Hallahan:

I calculated based upon our prior budget. Prior to giving up 21 employees, our budget was \$5.172 million. I also calculated the amount that it would cost the county to take over the Reno Welfare Office to establish the cases I indicate. That would be \$1.469 million, for a total of \$6.641 million. The amount currently being paid for by the county, the matching one-third, is \$1.232 million. The balance cost to Washoe County would be \$5.409 million.

# Constance Brooks, Senior Management Analyst, Administrative Services, Office of the County Manager, Clark County, Nevada:

The Clark County District Attorney's Office has a positive and long-standing thirty-year relationship with the state with regard to the Child Support Enforcement Program. I would also like to reiterate that Clark County is the only county in the state that participates fully, addressing all the elements referenced by Mr. Gilliland in his testimony. While we want to continue services and be partners with the state and further support our relationship, we have grave concerns regarding the mandate on local government for services ceded in <u>A.B. 101</u>. From a fiscal perspective, this mandate does not provide a means to redistribute earned incentive dollars back to the county. For those

clients eligible for TANF, Clark County is supposed to be reimbursed a percentage of funds from the federal government through the state serving as a fiscal agent. The TANF caseload currently comprises 51 percent of our cases. Our current total caseload is approximately 85,000, and 40 percent are non-public assistance cases, with 51 percent as TANF cases. Applying these percentages to the Fiscal Year 2008 costs, Clark County has spent approximately \$3.9 million for TANF casework. In Fiscal Year 2008 our collections totaled \$113.4 million and of that, \$8.2 million were collections on our TANF caseload. This represents income to the child support system, and federal rules require that 54 percent of the TANF collections be returned to Washington, D.C., and that the state retain the remaining 46 percent. In our case, the state was able to retain as income a total of \$3.8 million of the TANF dollars that Clark County collected. The state can then use this money as a 34 percent match to draw down additional federal dollars. So the retained collection from the Clark County TANF caseload has an actual value of \$11.4 million to the state if used to match additional federal draw downs. Clark County receives no payment from the state for these collection services. In this bill, it is unclear how the 66 percent federal reimbursement pass through earned incentive dollars will be reimbursed to the county. We would like to participate in any discussions related to amendments to this bill.

### Chairwoman Smith:

At some point I would like Mr. Gilliland to respond to the relationship between the costs and what Clark County is not receiving back, so if you can be prepared to do that when these witnesses are finished, I would appreciate it. Are there any further questions from Committee members? [None.]

# Sam Bateman, Deputy District Attorney, Criminal Division, Office of the District Attorney, Clark County, Nevada:

Clark County District Attorney's Office does, as Ms. Brooks noted, comply fully at this point with the program. We fully intend to continue cooperating with our existing interlocal agreement. However, we nonetheless oppose the potential future mandate that this particular section 1 would impose on the counties. We are unclear as to its effects on our existing interlocal agreements or any future interlocal agreements, and whether those would be necessary to secure appropriate funding and any other obligations that go along in the existing interlocal agreement.

On a lighter, or more positive note, the District Attorney's Office in Clark County does support, generally, 20 of the 21 sections in the proposed bill. We have problems only with section 1.

### Chairwoman Smith:

That really is an optimist at work. Any questions?

# Assemblyman Hardy:

So, if you do not have problems with section 22, do you have verbiage that solves the "accessible" problem?

### Sam Bateman:

I have not brought any with me, but I would be happy to work with the Committee to supply any language that may aid in addressing any of your concerns.

### Chairwoman Smith:

I ask that the various D.A.'s Offices do that since they will be the ones who will be enforcing that language and trying to interpret those provisions. Are there any further questions? Is there any further testimony in opposition? [None.] Mr. Gilliland, can you respond to my request? I am not sure that I have a very good grasp of the situation. Perhaps you can help me out.

### Romaine Gilliland:

I am going to go back to the basic funding mechanism for Child Support Enforcement, and that might help. Thirty-four percent is required to be expended by either the state or the county in order to obtain the 66 percent federal financial participation that is offered by the federal government. In order to qualify for the 66 percent, there is a requirement that an interlocal agreement exists between the state and the counties providing the services. I believe there was a question as to whether or not an interlocal agreement would be required to continue, and the answer is yes. When we collect funds from a public assistance custodian who has received TANF assistance, those funds are assigned to the state as an offset for the public assistance payments that they have received. Those funds are called the state's share of collections. If you refer to the charts (Exhibit D), it shows the various elements of activity that are performed for a public assistance case. In the case of Clark County, they perform all the public assistance for all five of the various functions within the child support system. Depending on the other cases, the level of participation varies.

The state's share of collections is collected for those public assistance cases by the state and is distributed to both the federal government based on the Federal Medical Allocation Percentage (FMAP) and the remainder is retained by the state to fund the program at the state level. There are a couple of other minor sources of funding for the state, but the primary source of funding for the state activities is the state share of collections, which the state then uses to match

for the 66 percent federal financial participation (FFP) that the state receives at its level.

In specific response to the question that was asked by Clark County, is Clark County providing activity and support to those public assistance cases? Yes. Is the state receiving the state's share of collections and using it to fund the program at the state level? Yes.

### Chairwoman Smith:

That was helpful, Child Support 101. Thank you.

# Assemblywoman Leslie:

What about the issue that we are shifting the cost to the county, Washoe County, for example, where they testified to having taken over a \$5 million hit?

### Romaine Gilliland:

We have current budgets at current levels of expenditures, so I am just going to be in the ball park with this response. The way I look at the funding from a Washoe County perspective, it looks to me as if they are spending between \$1.4 million and \$1.5 million of county funds, which in turn is being matched with the 66 percent federal funds. In the event that <u>A.B. 101</u> passes, it would appear as though that \$1.4 million to \$1.5 million of county funds would be increased to approximately \$2 million, with the corresponding federal match of 66 percent for an overall program expenditure of \$6 million. While I have not matched the numbers exactly with the numbers that were testified to today by the county, I believe that they are in the ball park.

# Assemblywoman Leslie:

So it really is a cost shift, then?

### Romaine Gilliland:

Assembly Bill 101, in its current state, would not have a cost shift for Clark County, but there would be a cost shift for Washoe County.

# Michael Willden, Director, Department of Health and Human Services:

I want to see if I can help a little bit here. I think it is really important to understand section 1 versus the rest of the sections in the bill. I think there is generally some work that could be done on section 2 through the end, and we could make it work. The big issue is section 1. As Ms. Hallahan and others have indicated, since the mid-1970s when the Child Support Program was started, the intent was, and it has been, a partnership between the state and the counties. Every year the counties have put in large sums of local taxpayer

dollars as the 34 percent match to get the 66 percent federal money. That worked well in good economic times until the last couple of years. The counties generally lose money on the Child Support Program; maybe one or two counties have made money during my 25 or 30 years of being involved in the program but generally they lose money. By that I mean, they put up a local share, they operate the program, and the only way they really get reimbursed is through some incentive payments. However, the incentive payments do not offset the local share.

The state's share of collections, which is generally sent to the state to offset what we pay out in the way of public assistance, is not shared by the counties, and they are correct in that. Where this bill would ship money back to Washoe County would be in the instance where they transfer the public assistance cases to us as they did this last year—that was a shift from them to us—and we picked that up as part of our state's share of collections. We had the money to be able to do that. Going forward, I guess we look healthy enough to be able to do that through the next biennium because we have not said anything in the way of needing more money. But, the big concern is if there were other shifts. We have had three counties shift to us; Carson City, Washoe County, and Churchill County have shifted portions of their child support caseload to the state. So there has been one shift, and the bill would create the shift back.

The department's goal is to address the bigger issue. We really need to find a way to stop the shifting and stabilize the funding. One thing that the department has been looking at is to create some language permitting an appropriate time to elect that the county can shift. In the public defender's program, they have to decide in March of odd-numbered years whether they are in or out. The Legislature then has the opportunity to hear the whole budget, learn whether it would be an impact to the state or the counties, and from that, create a good shift. The way it has worked over the last year is that people can send 120- to 180-day notices under the cooperative agreement, and then there is no ability to deal with it between sessions, and that is what we are trying to There is probably better language under which that can be done, like a date-specific opportunity when people opt in or opt out of the Child Support So, whether it is the county or the state that goes to its Program. commissioners or goes to the Legislature to make a change, in the future we would not have services unfunded.

# Assemblywoman Leslie:

Thank you for that explanation. That is what I wanted to get to the bottom of because it looks like we are both pointing fingers. Meanwhile, the child support is out there. I would be more comfortable with that kind of approach than with

just shifting it back to the county and saying, now you have it. No one, including Washoe County, has any money, and that is why they shifted the program six months ago. But, I do think that having a certain time period, as you said was the case in the Public Defender's Office, makes sense. People need time to plan.

### Michael Willden:

As you know, this is not the only service where this is a question. We have this going on in our child care programs, and we did have it in the Elder Protective Services, but it has since been stopped. There are a number of these services where the state partnered with the counties, and it has been a great partnership most of the time. However, because the economy is uncertain, it is too easy to shift things back and forth and lose continuity.

### Chairwoman Smith:

To be blunt about it, it is stabilizing it in the sense that we know who is going to be responsible. However, it is not stabilizing the funding source. This would let us know who is going to be responsible, and therefore would provide a sense of stability. It is very much a philosophical decision, more than a technical one.

# Assemblywoman Parnell:

Assemblywoman Leslie's question helped, but, I guess I am still going back to asking, is it really a fiscal issue, or are you presenting this bill because people are not being serviced correctly? Is it an issue of where can we do better for the people that you are serving, or is it an issue of where the dollars are and knowing who should be funding what parts of this?

### Sam Bateman:

Separating the bill into two sections, section 1 is about stability and who pays for what, fiscally; and section 2, through the end of the bill, improves the services that we provide. We need to have a policy of who is in, and who is out, and when they can do that.

### Assemblywoman Mastroluca:

I have a question for the representatives from Washoe and Clark Counties. I would like to hear what the consequence would be if this bill passed as it is written. What would happen to those cases in Washoe County?

### Susan Hallahan:

Currently we have an interlocal agreement with the state to service non-public assistance cases in our state. The timing was right; our four-year interlocal agreement expired, as it did in every other county, on June 30, 2008. In that agreement there was a very short time period for the counties and the state to

terminate the interlocal agreement prior to the termination in four years. We negotiated a six-month termination clause going forward. So, if the county decides they do not want to do the job anymore, they have to give the state six months notice at any time within that four-year period. If this bill passed, then we would have to, I presume, negotiate a new interlocal agreement where the responsibilities of the Washoe County District Attorney's Office would mirror Clark County, and take over those cases. In those cases, when we transferred them to the state, we did a legal filing of a notice of case transfer in every individual case so that people knew that their case was no longer in this office, but it was in the welfare office. So there would be some confusion, I presume, with their case now being transferred back to the Washoe County District Attorney's Office.

I do understand the predicament the state is in; however, with respect to having sufficient time, the termination of those welfare cases would have been effective July 1, and I believe the notice was given to the state around March. Even from March to July 1 was too short a time period for the state to be able to come to the Legislature, get approval for the additional staff to handle those cases, and actually get them hired. My staff, not knowing whether they were going to be taken over by the state, applied for other jobs. So, when the state was in a position of being able to hire child support case managers, most of them were employed in other divisions in the county. It created issues, so the Washoe County District Attorney's Office created a two-month contract to help the state and continue to service these welfare cases until the end of August 2008. Accordingly, I can respect the issue the state has with the stable funding source. If the program is going to continue on in the District Attorney's Office, or if we have to take it over, we are going to need time to prepare for that.

### Assemblywoman Mastroluca:

But the cases would be handled?

### Susan Hallahan:

Once we hire staff to do so.

# Assemblyman Stewart:

If it were written in the bill that the reimbursement was guaranteed, would you be agreeable then to the bill?

### Sam Bateman:

It is my understanding of the law that as long as an interlocal agreement is in place, the county is entitled to the two-thirds federal funding as long as we handle the other one-third. I think it requires an interlocal agreement, and I

think in the future we would still have to have an interlocal agreement in place because it covers a variety of different requirements that are placed upon the service provider.

With regard to the previous question, this change would not affect Clark County because we are fully participating in the program. I do not know how it might affect any future interlocal agreements and the negotiations to handle those other issues that are so prominent in the 30-page document, and that is part of the problem.

# Assemblyman Stewart:

Right now we do not have an interlocal agreement and that would have to be renegotiated?

# Sam Bateman:

We do have one, but I am not sure of the expiration date. However, it has been fairly consistent with what we have had in the past, and it contemplates full compliance and participation with the program going forward.

### **Constance Brooks:**

Our interlocal agreement currently in place expires on June 30, 2012. It is my understanding that this inter-local agreement has the flexibility to be revisited every four years, so that we can make changes or augment the agreement in any way that we deem necessary.

### Assemblyman Stewart:

If the reimbursement was guaranteed, then you would be fine with this?

### **Constance Brooks:**

Our primary concern is the reimbursement, but there are also some other issues that we have in section 1, so I am not certain that just rectifying the reimbursement issue would suffice. We would like to participate fully with the amendment process and provide any recommendations that we would deem helpful to both the county and the state.

# Assemblyman Hardy:

Do you have the amendment?

### **Constance Brooks:**

We do not have official amendment language at this time, but we are working towards that end in concert with Washoe County to make certain we are all in agreement that there is friendly language we can present. We are hopeful that we can have that information to you as soon as possible.

### Chairwoman Smith:

We will now go to Mr. Lyons, in Las Vegas, who is testifying in a neutral position on A.B. 101.

# Keith Lyons, Member, Nevada Justice Association, Las Vegas, Nevada:

Obviously the counties have their positions about the funding issue, which is not something we are concerned with. While we are neutral on A.B. 101, we are concerned about section 2, subsection 6, where it addresses joint physical custody. The Nevada Supreme Court, on October 30, 2008, entered a decision on *Rivero v. Rivero*, 124 Nev. Adv. Op. No. 84 (2008), which defined joint physical custody. This appears to set two different standards for those who are going through the District Attorney's Office seeking child support and those who would use private litigants. So that there is no confusion in the law, the language should be modified to include the custody of the child as equal or a shared "time-share," which is designated as joint physical custody by a court of competent jurisdiction. We believe that would clarify that issue. I would be happy to work with any of the legislators on proposing language, if they would like to do that.

### Chairwoman Smith:

We will look at that information and have our staff work with the appropriate people to make sure that we have all the legal issues covered. Is there anyone else who would like to testify on  $\underline{A.B.\ 101}$ ? [None.] I will close the hearing on  $\underline{A.B.\ 101}$  and open the hearing on  $\underline{Assembly\ Bill\ 89}$ . Diane Comeaux is here to present the bill along with some colleagues.

Assembly Bill 89: Revises provisions governing the regulation of licensed child care facilities. (BDR 38-334)

# Diane J. Comeaux, Administrator, Division of Child and Family Services, Department of Health and Human Services:

With me are Amber Howell, Acting Deputy Administrator, Child Welfare Services, and Melissa Faul, Chief, Bureau of Child Care Licensure. I am here in support of A.B. 89, which enables the division to conduct more stringent background checks through the Nevada Department of Public Safety (DPS) and the Federal Bureau of Investigation (FBI), prior to approval for employment in a child care facility or institutions, and it gives the division the ability to issue citations to facilities and institutions related to regulatory noncompliance. Assembly Bill 89 insures the health, safety, and well-being of children in licensed care facilities and institutions. We propose to add more convictions, specified in *Nevada Revised Statutes* (NRS) 432A.170, which currently includes violent crimes, crimes of a sexual nature, abuse or neglect of a child, contributory delinquency, and violation of any federal or state law regulating the

possession, distribution, or use of any controlled substance. The additional types of convictions that we are proposing to add would result in the denial of an approval for employment, including any offense involving fraud, theft, embezzlement, burglary, robbery, fraudulent conversion, or misappropriation of property within seven years of the date of the crime, or for substantiation of abuse or child neglect. The inclusion of these additional offenses will provide the bureau with increased opportunity to conduct more thorough screenings of potential employees who wish to work in child care facilities and institutions and minimizes risk to children who must receive care outside of their home, by limiting their exposure to employees who have had a history of child abuse and neglect or certain criminal offenses.

Additionally, <u>A.B. 89</u> creates the ability for applicants for employment in a child care institution an opportunity within 30 days to correct information that the employee feels is an incorrect finding. This bill also creates the ability for the division to issue citations, as is currently done in the other licensing entities within the state. This will facilitate consistency throughout the state with the different jurisdictions and improve facility and institutional compliance with existing regulation requirements in addition to minimizing repeat inspections for deficiencies.

In preparing our testimony today for this bill, we noticed that there was an error in the bill, and I talked with your staff about it. We would like to point out a discrepancy on page 3, section 3, subsection 1, item (b) which begins on line 21 and indicates that "Proof that an applicant or licensee submitted two sets of fingerprints to the Central Repository for its report." Two sets of fingerprints are not necessary because a number of areas can submit them electronically. We would like for you to consider removing just those three words, "two sets of," and have it read "Proof that the applicant or licensee submitted fingerprints to the Central Repository for its report."

# Assemblyman Hardy:

Does this look retroactively at the people who are now caring for children in licensed facilities, so they would have to be in compliance within 30 days?

# Amber Howell, Acting Deputy Administrator, Child Welfare Services, Division of Child and Family Services, Department of Health and Human Services:

Are you speaking about current employees, whether they would have to go back? That provision is not in the bill as now written; it would apply only to new employees.

### Assemblyman Hardy:

Has that been a topic of discussion?

### Amber Howell:

Not yet.

# Assemblyman Hardy:

Could it be?

### Amber Howell:

Yes.

### Chairwoman Smith:

We will also have staff define, unless you can tell us right here, where that lack of retroactivity is defined in the bill.

# Assemblywoman Mastroluca:

Can you address the participants in outdoor youth programs?

### Amber Howell:

Are you talking about employees of outdoor youth programs, and does this bill apply to volunteer coaches and staff?

# Melissa Faul, Services Chief I, Bureau of Services for Child Care, Division of Child and Family Services, Department of Health and Human Services:

Outdoor youth program means a program for provisions of services, while living outdoors, to persons under 18 years of age, who have behavioral problems, mental health problems, or problems with abuse of alcohol or drugs. The term does not include any facility activity or program. "Participant" refers to the youth in the program before they become 18. The statute is NRS 432A.028.

# Assemblyman Hambrick:

Going back to Dr. Hardy's question about the retroactivity, in some of these facilities, how long is the license valid? Also, upon renewal would the employees then have to have their fingerprints certified?

### Melissa Faul:

Licenses are annual, and when they renew, it will actually be within six years of when they need another background check. We would wait the full six years.

### Chairwoman Smith:

Let me go back to the outdoor youth program again. In a separate area, outdoor youth program is defined, and so it defines only certain people who are in youth outdoor programs. Do I understand that correctly?

### Melissa Faul:

Yes.

### Chairwoman Smith:

Have you worked with the child care organizations, with the people affected by this? Have you had any hearings or any group sessions to get input as you were developing the bill?

### Amber Howell:

We have not had specific work group sessions. What the Bureau did was consult with the other licensing entities and use similar language.

### Chairwoman Smith:

I have been very interested in this fingerprint issue ever since we started hearing budgets because it comes up in so many places, and it seems that we have a problem with getting results back in a timely manner. Is that an issue here, as well?

### Diane Comeaux:

It is an issue in all of our areas when we do fingerprints. The legislative auditors have made some recommendations to us to try to submit them electronically. There are some areas within our state where you can do that, and the turnaround time is much quicker, but there are some areas within our state where that service is not available.

### Chairwoman Smith:

I understand there is another issue where you could at least do the "Quick Check," but there is a code "X" problem with the federal government, and I do not know if you can comment on that. I have been looking into that because in the other committee one of our colleagues raised the issue of how it is possible to get instant results if you want to buy a gun, but you cannot get instant results if you want to check a child care provider. What I found was that the federal government will not let you do that due to an "X" code. Are you familiar with that?

### Diane Comeaux:

No, I am not.

### Chairwoman Smith:

Okay. We will keep working on that to see if we can solve some of those problems.

### Amber Howell:

What can be done immediately is the Child Abuse and Neglect Registry check.

### Chairwoman Smith:

I understood that part, but you cannot get to all of these other issues if the person being checked is a felon convicted of something else. We could find out instantly if we could get that little issue resolved.

# Assemblywoman Parnell:

I have a good friend who owns three child care centers around Carson City. They are really having a tough time right now with so many people no longer using child care centers, or a parent losing her job and staying home with her child. Many of them right now are barely keeping their doors open because they are not getting any revenue. It looks to me that what has been mandated is the cost of fingerprinting will be the responsibility of the child care center.

### Melissa Faul:

In the *Nevada Administrative Code* (NAC) there is already a regulation that states the child care facility has to be responsible for that cost. If this bill were passed, those costs would be the responsibility of the child care facility also.

# Assemblywoman Parnell:

But are you requiring additional costs then, or just putting this in so it conforms to existing licensing statutes?

### Amber Howell:

It is not an additional check that is done, so there would be no change in the cost; it is a change in the crimes that would make the applicant ineligible for employment.

### Assemblywoman Parnell:

Okay, I just wanted that on the record. Thank you.

### Chairwoman Smith:

So are you saying that this screening they already get would be the only cost they incur, and you are going to add those different crimes to that list?

### Amber Howell:

That is correct.

# Assemblyman Hardy:

If I understood that correctly, everybody who works for a licensed child care facility gets fingerprinted. Can someone be hired on a temporary status pending fingerprint results? How long does it take?

### Melissa Faul:

It depends on the licensing entity how long it takes to get the fingerprints back. Generally, it takes about 90 days. The statute states that within three days of employment, you have to get a fingerprint. As for a background check, in Washoe County, for instance, the applicant has a 90-day temporary work card awaiting the Bureau's receipt of the reports from the FBI and the State of Nevada.

# Assemblyman Hardy:

Do we need to put that in statute in this bill to follow the same procedure as Washoe County?

### Melissa Faul:

It depends on when we get the reports back. I do not think it has to be in statute.

### Diane Comeaux:

We believe that the statute is already permissive enough to allow that to continue.

# **Assemblyman Stewart:**

Are you familiar with the Controller's eXtensible Business Reporting Language (XBRL) program for records? It might be helpful in expediting fingerprint information.

### Amber Howell:

We are not familiar with that.

### Assemblyman Stewart:

I suggest you contact Kim Wallin. She has an excellent program to save time and money.

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# **Chairwoman Smith:**

Are there other questions? [None.] Anyone to speak in support of this bill? [None.] Anyone wish to speak in opposition? [None.] Is there any public comment? [None.] I will close the hearing on  $\underline{A.B.~89}$ . Meeting adjourned [at 3:26 p.m.].

	RESPECTFULLY SUBMITTED:	
	Darlene Rubin Committee Secretary	
APPROVED BY:		
Assemblywoman Debbie Smith, Chair	_	
DATE:		

# **EXHIBITS**

Committee Name: Committee on Health and Human Services

Date: February 23, 2009 Time of Meeting: 1:34 p.m.

Bill	Exhibit	Witness / Agency	Description
	Α		Agenda
	В		Attendance Roster
	С	Romaine Gilliland, Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services	State Fiscal Year 2008 Fact Book
	D	Romaine Gilliland	2009 Poverty Levels, TANF Cash, Total Medicaid, and SNAP Graphs
A.B. 101	E	Romaine Gilliland	Prepared Testimony