

MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS

Seventy-Fifth Session  
May 16, 2009

The Committee on Ways and Means was called to order by Chair Morse Arberry Jr. at 11:09 a.m. on Saturday, May 16, 2009, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, 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/](http://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](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Morse Arberry Jr., Chair  
Assemblywoman Sheila Leslie, Vice Chair  
Assemblywoman Barbara E. Buckley  
Assemblyman Marcus Conklin  
Assemblyman Mo Denis  
Assemblywoman Heidi S. Gansert  
Assemblyman Pete Goicoechea  
Assemblyman Tom Grady  
Assemblyman Joseph (Joe) P. Hardy  
Assemblyman Joseph M. Hogan  
Assemblywoman Ellen Koivisto  
Assemblywoman Kathy McClain  
Assemblyman John Ocegüera  
Assemblywoman Debbie Smith

**STAFF MEMBERS PRESENT:**

Mark Stevens, Assembly Fiscal Analyst  
Steve Abba, Principal Deputy Fiscal Analyst  
Carol Thomsen, Committee Secretary  
Vickie Kieffer, Committee Assistant

Chair Arberry indicated that the Committee would consider bills for possible action. He opened discussion of Assembly Bill (A.B.) 254.

**Assembly Bill 254: Makes the Ombudsman of Consumer Affairs for Minorities a permanent position. (BDR 18-830)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), explained that A.B. 254 involved the Ombudsman of Consumer Affairs for Minorities position. Mr. Stevens said the position had been included in the budget closing for the Director's Office, Department of Business and Industry, because the Consumer Affairs Division would be eliminated. He indicated that there would be a few positions remaining in the Division to route calls to the appropriate agencies.

Mr. Stevens said the bill was heard by the Committee on March 23, 2009, as presented by Assemblyman Denis. He advised that the bill would require an amendment because the language referred to the position being created within the Consumer Affairs Division rather than the Director's Office.

Assemblyman Denis concurred that the only amendment to the bill was to correct the location of the position to the Director's Office.

Chair Arberry called for a motion.

ASSEMBLYWOMAN BUCKLEY MOVED THAT THE COMMITTEE  
AMEND AND DO PASS A.B. 254 AS AMENDED.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

Assemblyman Goicoechea asked whether the funding for the position was included in The Executive Budget. Mr. Stevens replied that the position had been included in the budget closing for the Director's Office, Department of Business and Industry.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion regarding Assembly Bill (A.B.) 430 (R1).

**Assembly Bill 430 (1st Reprint): Prohibits certain activity regarding unsafe cribs  
and other children's products. (BDR 52-464)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that A.B. 430 (R1) had been discussed earlier by the Committee, at which time concerns had been voiced regarding subsection 5 of section 19 of the bill. Mr. Stevens said Senator David Parks had appeared before the Committee and presented testimony regarding the bill, which addressed unsafe cribs and other children's products.

Mr. Stevens indicated that the proposed amendment ([Exhibit C](#)) would change the language of subsection 5 of section 19 to read as follows, "For the purposes of sections 2 to 8, inclusive, of this act, the Consumer's Advocate may ban or designate as a health or safety hazard any children's product that is subject to a recall by the United States Consumer Product Safety Commission, or its successor."

Assemblywoman Leslie stated that the amendment referenced the issue brought forward by Assemblywoman Smith, and the second issue for amendment was the language that stated "sections 2 to 8" because section 8 of the bill had been eliminated. Assemblywoman Leslie stated that she had brought the language to the attention of the Legal Division of the Legislative Counsel Bureau (LCB), and the Legal Division would correct that language.

Assemblywoman Smith agreed that her concern had been with subsection 5 of section 19 of the bill, and the proposed amendment ([Exhibit C](#)) clarified that the decision to ban or designate a product as a health or safety hazard would be based on a federal recall of that product. Therefore, Assemblywoman Smith offered the following motion.

ASSEMBLYWOMAN SMITH MOVED THAT THE COMMITTEE AMEND AND DO PASS A.B. 430 (R1) AS AMENDED.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion of Assembly Bill (A.B.) 523.

**Assembly Bill 523: Implements the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008. (BDR 54-773)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), indicated that the Committee had received a proposed amendment to the bill ([Exhibit D](#)).

Assemblyman Conklin explained that A.B. 523 was necessary for Nevada to comply with the federal Secure and Fair Enforcement for Mortgage Licensing Act, which required certain criteria for the licensure of all mortgage agents. He said the Act also stipulated that all mortgage agents had to be federally registered in order to track loan activity.

Assemblyman Conklin stated that should the Legislature choose not to process A.B. 523, and the state was not in compliance by July 1, 2010, with the provisions of the Act, the federal government would assume the responsibility for all mortgage lending regulations in Nevada.

Chair Arberry announced that he would abstain from voting on A.B. 523, and he called for a motion.

ASSEMBLYWOMAN BUCKLEY MOVED TO AMEND AND DO PASS A.B. 523 AS AMENDED.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION PASSED. (Chair Arberry abstained from the vote).

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Chair Arberry opened discussion of Assembly Bill (A.B.) 534

**Assembly Bill 534: Makes a supplemental appropriation to the Office for Consumer Health Assistance in the Office of the Governor for unanticipated shortfalls in Fiscal Year 2008-2009 for the Bureau for Hospital Patients. (BDR S-1249)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that A.B. 534 was a supplemental appropriation that was included in The Executive Budget for the Office for Consumer Health Assistance. Mr. Stevens advised that the Committee had previously discussed the bill, and there had been a question regarding what would occur should the bill fail to pass. He did not believe there would be a significant effect should the Committee choose not to pass the bill, but he advised that the bill would reappear again next session.

ASSEMBLYMAN HARDY MOVED THAT THE COMMITTEE DO  
PASS A.B. 534.

ASSEMBLYWOMAN LESLIE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Arberry opened discussion of Assembly Bill (A.B.) 546

**Assembly Bill 546: Revises provisions related to continuation of coverage for health insurance under the group policies of smaller employers. (BDR 57-1308)**

Assemblyman Conklin explained that A.B. 546 had been previously discussed by the Committee. He stated that the bill would reduce the excess amount over the premium cost that an applicant was currently required to pay under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

Assemblyman Conklin explained that the current rate was 125 percent of the actual premium paid by the employer, and A.B. 546 would reduce the rate to 110 percent. The bill would also extend the length of time for which a person could retain COBRA coverage, and it would allow a person to access COBRA benefits if that the person had originally elected not to access COBRA benefits because of the premium costs. Assemblyman Conklin stated that the bill would also require the insurance company to subsidize 65 percent of the rate, making COBRA benefits far more affordable for the average person. Assemblyman Conklin explained that the subsidy from the insurance companies would last as long as funding from the American Recovery and Reinvestment Act of 2009 (ARRA) was available.

Chair Arberry asked about the amendment to delete section 5 of the bill, which would eliminate the \$25,000 General Fund appropriation for the Division of Insurance.

Assemblyman Conklin replied that section 5 of the bill would be deleted through amendment. He noted that language of the bill pertaining to the 65 percent subsidy paid by the insurer also had to be amended to indicate that the subsidy would continue only as long as the funding was available through the ARRA.

Assemblywoman Smith believed A.B. 546 was a very important bill. She wondered whether it would be proper to include a Letter of Intent to the appropriate agency, such as the Division of Insurance, to ensure that eligible persons were notified via the 2-1-1 line, the Office for Consumer Health Assistance, or any other entity where persons could learn about the COBRA benefits.

Chair Arberry called for a vote.

ASSEMBLYWOMAN LESLIE MOVED THAT THE COMMITTEE  
AMEND AND DO PASS A.B. 546 AS AMENDED.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

Assemblywoman Gansert asked whether the subsidy was actually reimbursed by the federal government, so that the insurer was not actually providing the subsidy, but rather it was a pass-through subsidy via the ARRA.

Assemblyman Conklin replied that was correct. He noted that the expiration of that provision was not expressly included in the bill, but he wanted to ensure that it was understood that the subsidy would continue only as long as the federal funding was available.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion on Assembly Bill (A.B.) 547.

**Assembly Bill 547: Revises provisions governing the distribution of proceeds collected from fees that must be paid to reinstate the registration of a motor vehicle in certain circumstances. (BDR 43-1289)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that A.B. 547 was the result of the budget closings for the Department of Motor Vehicles (DMV) and would allow insurance verification monies to be counted toward the 22 percent cap. Mr. Stevens indicated that the bill depicted the solution that was developed by the Joint Subcommittee on Public Safety, Natural Resources and Transportation. Mr. Stevens explained that the DMV had requested an amendment to the bill ([Exhibit E](#)), which included technical adjustments.

Fiscal Analysis Division staff noted that the language of the bill would make the provisions regarding the distribution of proceeds collected from fees to reinstate the registration of a motor vehicle in certain circumstances permanent. Mr. Stevens questioned whether the Committee wanted the provisions to be permanent or whether it wanted to sunset the provisions of the bill at the end of the upcoming biennium. Mr. Stevens said it was not known whether the funding problems for the DMV would continue beyond two years, but it was hoped that revenues would rebound.

Therefore, said Mr. Stevens, the decision for the Committee was whether it wished to pass the bill as drafted, which would make the change regarding the distribution of proceeds permanent, or whether the Committee would like to sunset the provisions of the bill and review the funding situation for the DMV at the end of the 2009-11 biennium.

Assemblywoman Leslie believed that passage of the bill should include a sunset provision.

Assemblywoman Gansert concurred with Assemblywoman Leslie and also believed that the bill should include the sunset provision.

Assemblywoman McClain agreed with the sunset provision and firmly believed that the distribution of proceeds should be reviewed at the end of the 2009-11 biennium.

ASSEMBLYWOMAN LESLIE MOVED THAT THE COMMITTEE AMEND AND DO PASS A.B. 547 AS AMENDED, AND THAT THE PROVISIONS OF THE BILL SUNSET AT THE END OF THE 2009-11 BIENNIUM.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion of Assembly Bill (A.B.) 549.

**Assembly Bill 549**: Temporarily suspends the requirement to transfer money from the Abandoned Property Trust Account in the State General Fund to the Millennium Scholarship Trust Fund. (BDR S-1206)

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that A.B. 549 was introduced because of action taken by the Legislature during the 24th Special Session to not transfer the \$7.6 million from the Abandoned Property Trust Account to the Millennium Scholarship Trust Fund and allow that funding to be placed in the General Fund in fiscal year (FY) 2008-09. Mr. Stevens stated that the bill would accomplish the transfer of those funds, and Fiscal Analysis Division staff recommended that the Committee pass the bill.

ASSEMBLYWOMAN LESLIE MOVED THAT THE COMMITTEE DO PASS A.B. 549.

ASSEMBLYWOMAN KOIVISTO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion regarding Assembly Bill (A.B.) 555.

**Assembly Bill 555**: Revises provisions governing the Senior Citizens' Property Tax Assistance Account. (BDR 38-1315)

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), explained that A.B. 555 was the result of action taken during a special session regarding budget reductions. He stated there was a current balance in the Senior Citizens' Property Tax Assistance Account of approximately \$400,000, and the recommendation to address the budget shortfall was to revert that money at the end of fiscal year (FY) 2008-09.

Mr. Stevens indicated that current statute included a non-reversion clause in the Senior Citizens' Property Tax Assistance Account, and the bill would change the wording of the statute in order to reflect the action that had been taken during special session.

ASSEMBLYWOMAN LESLIE MOVED THAT THE COMMITTEE DO PASS A.B. 555.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion of Assembly Bill (A.B.) 556.

**Assembly Bill 556: Eliminates the position of Weed Control Analyst within the State Department of Agriculture. (BDR 49-1314)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated that A.B. 556 had recently been heard by the Committee. The bill was the result of budget closings within the State Department of Agriculture. Mr. Stevens advised that the position of weed control analyst had been eliminated from the Department's budget, and the bill would change the language in statute that required the Department to maintain a weed control analyst position.

ASSEMBLYMAN GOICOECHEA MOVED THAT THE COMMITTEE  
DO PASS A.B. 556.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion of Assembly Bill (A.B.) 557.

**Assembly Bill 557: Makes a supplemental appropriation to the Department of Corrections for unanticipated shortfalls in Fiscal Year 2008-2009 for increased costs at various facilities. (BDR S-1260)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), explained that A.B. 557 was the supplemental appropriation to the Department of Corrections to address unanticipated shortfalls. He indicated that representatives from the Department had recently discussed the bill with the Committee. Mr. Stevens stated that the appropriation was included in The Executive Budget.

According to Mr. Stevens, the Department had requested an amendment when the bill was previously discussed by the Committee. He said the amendment would make a number of changes regarding individual institutions. One of the major changes involved the recommendation in The Executive Budget to close the Nevada State Prison and the Tonopah Conservation Camp. Mr. Stevens explained that closure of those facilities would have added buy-out costs for employees to the Department's budget, which would no longer be required because the facilities would remain open.

Mr. Stevens stated there were also changes in utility costs and other operating costs within a number of facilities that needed to be addressed. Overall, said Mr. Stevens, the Department indicated that the savings would amount to \$2.3 million because of the adjustments to the various institutions.

Mr. Stevens indicated that Fiscal Analysis Division staff recommended that the changes requested by the Department of Corrections be incorporated in an amendment and passed by the Committee.

ASSEMBLYWOMAN LESLIE MOVED THAT THE COMMITTEE  
AMEND AND DO PASS A.B. 557 AS AMENDED.

ASSEMBLYMAN GRADY SECONDED THE MOTION.



THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion of Assembly Bill (A.B.) 560.

**Assembly Bill 560: Reorganizes the Regional Training Programs for the Professional Development of Teachers and Administrators. (BDR 34-1300)**

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), explained that A.B. 560 had recently been heard by the Committee. The bill pertained to the budget closing for the Regional Training Programs for the Professional Development of Teachers and Administrators.

Assemblywoman Smith stated that the bill would align with the budget closing to restructure the Regional Professional Development Programs into three regions. She noted that the Programs would continue to provide services to all teachers and administrators, and the bill would simply move some school districts into different regions. Assemblywoman Smith explained that the Joint Subcommittee on K-12 Education had cut the budget for the Programs by 60 percent, which also eliminated a portion of the administration. Assemblywoman Smith believed that the bill should be passed to accommodate the budget closing, and she offered the following motion.

ASSEMBLYWOMAN SMITH MOVED THAT THE COMMITTEE DO  
PASS A.B. 560.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Chair Arberry opened discussion on Assembly Bill (A.B.) 148 (R1).

**Assembly Bill 148 (1st Reprint): Requires certain health and safety training for construction workers and supervisors. (BDR 53-276)**

Assemblyman Ocegüera explained that A.B. 148 (R1) was the Occupational Safety and Health Administration (OSHA) bill that would require ten hours of safety training in an effort to promote a culture of safety within the construction industry. He stated that he had discussed the bill with numerous persons, and the substantial fiscal note had been reduced to a minimal amount. Assemblyman Ocegüera stated that Donald Jayne, Administrator, Division of Industrial Relations (DIR), Department of Business and Industry, was present and could speak to the fiscal note.

Assemblyman Ocegüera noted that several changes were included in the proposed amendment (Exhibit F). The first change would allow for standard maintenance work to be done without the completion of safety training. He stated that the amendment would also allow for equivalent training for a set period of time. Assemblyman Ocegüera explained the deletion of the fiscal note, which had pertained to the DIR and the Department of Transportation.



According to Assemblyman Ocegüera, the amendment would change the implementation date of the provisions of the bill to January 1, 2010, which would allow for additional training to be completed. He stated that the alternative training course provision would remain in effect until January 1, 2011, after which every worker would be required to be compliant with the OSHA training.

Assemblyman Goicoechea believed that previous testimony regarding the bill established that training approved by the Mine Safety and Training Section (MSATS) of the Department of Business and Industry would qualify in place of the OSHA training course for those who worked in the mining industry.

Mr. Jayne believed that such training would qualify under the alternative training provisions of the bill.

Assemblyman Ocegüera stated that the training provided through the MSATS would fall under the alternative training provision of the bill, and it was the impetus behind the equivalent training aspect of the bill.

Assemblywoman Gansert thanked Assemblyman Ocegüera for his diligent work regarding A.B. 148 (R1). She stated that she had received feedback from the construction industry, and she was aware that Assemblyman Ocegüera had worked diligently with the industry to include alternatives in the bill.

Chair Arberry called for a motion.

ASSEMBLYWOMAN BUCKLEY MOVED THAT THE COMMITTEE  
AMEND AND DO PASS A.B. 148 (R1) AS AMENDED.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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Mr. Jayne also thanked Assemblyman Ocegüera for his work on A.B. 148. He stated that it was an excellent bill, and Nevada would lead the nation in the amount of training being offered. He expressed his support for the bill.

Chair Arberry noted that the meeting of May 15, 2009, had been recessed and he declared that meeting adjourned.

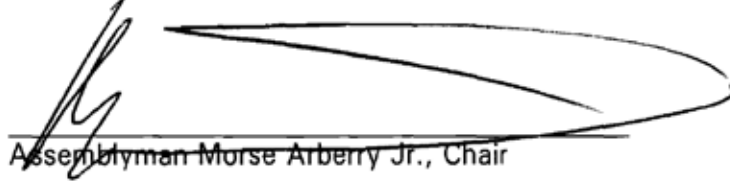
With no further business to come before the Committee, Chair Arberry declared the meeting adjourned at 11:34 a.m.

RESPECTFULLY SUBMITTED:

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Carol Thomsen  
Committee Secretary

APPROVED BY:



Assemblyman Morse Arberry Jr., Chair

DATE: \_\_\_\_\_

<u>EXHIBITS</u>			
Committee Name: <u>Committee on Ways and Means</u>			
Date: <u>May 16, 2009</u>		Time of Meeting: <u>11:09 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
* * *	A		Agenda
* * *	B		Attendance Roster
AB 430 (R1)	C	Mark Stevens, LCB	Proposed Amendment
AB 523	D	Assemblyman Conklin	Proposed Amendment
AB 547	E	Mark Stevens, LCB	Proposed Amendment
AB 148 (R1)	F	Assemblyman Ocegueda	Proposed Amendment