

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

**Seventy-Fifth Session  
April 3, 2009**

The Committee on Ways and Means was called to order by Chair Morse Arberry Jr. at 8:15 a.m. on Friday, April 3, 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  
Assemblyman Marcus Conklin  
Assemblyman Mo Denis  
Assemblyman Pete Goicoechea  
Assemblyman Tom Grady  
Assemblyman Joseph M. Hogan  
Assemblywoman Ellen Koivisto  
Assemblywoman Kathy McClain  
Assemblyman John Ocegüera  
Assemblywoman Debbie Smith

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Barbara E. Buckley (excused)  
Assemblywoman Heidi S. Gansert (excused)  
Assemblyman Joseph (Joe) P. Hardy (excused)

**GUEST LEGISLATORS PRESENT:**

Assemblyman John Carpenter, Assembly District No. 33

**STAFF MEMBERS PRESENT:**

Mark Stevens, Assembly Fiscal Analyst  
Tracy Raxter, Principal Deputy Fiscal Analyst  
Janice Wright, Committee Secretary  
Vickie Kieffer, Committee Assistant

**Assembly Bill 141: Establishes a recovery fund for persons defrauded by mortgage brokers, mortgage agents or mortgage bankers. (BDR 54-229)**

Assemblyman Marcus Conklin, Clark County Assembly District No. 37, testified Assembly Bill (A.B.) 141 was recommended by the Legislative Commission's Subcommittee to Study Mortgage Lending and Housing Issues [*Nevada Revised Statutes* (NRS) 218.682], chaired by Assemblyman Conklin, at its work session on August 4, 2008. Assemblyman Grady, Assemblywoman Kirkpatrick, Senator Beers, Senator Hardy, and Senator Schneider served on this interim study Subcommittee. Assembly Bill 141 would establish the Mortgage Education, Research, and Recovery Fund (Fund). A portion of the license fees paid by mortgage agents, bankers, and brokers would be deposited into the Fund, which must maintain a balance of \$300,000 to satisfy claims. The percentage of fees to be deposited would be prescribed by regulation of the Commissioner of Mortgage Lending. The Commissioner must use any balance in excess of \$300,000 at the end of the fiscal year for education and research related to mortgages.

Assemblyman Conklin explained when a person obtained a final judgment for fraud, misrepresentation, or deceit by a licensed mortgage agent, banker, or broker, that person may file a petition for payment from the Fund up to \$25,000 per judgment. The person must show that he tried to recover damages from the licensee and no assets, or sufficient assets, could be found.

Assemblyman Conklin said A.B. 141 was similar to provisions of the Real Estate Recovery Fund in Chapter 645 of NRS. Assemblyman Conklin explained the state also had recovery funds for contractors in Chapter 624 of NRS and manufactured housing in Chapter 489 of NRS. This recovery fund concept was not new for the state. Mortgage fraud was a serious problem in the state. Assemblyman Conklin stated that about a year ago, law enforcement agencies including the Las Vegas Metropolitan Police Department, the Office of the Attorney General, the Federal Bureau of Investigation, the Internal Revenue Service, and the United States Attorneys created the Southern Nevada Mortgage Fraud Task Force. The Task Force members prosecuted a number of cases, including one single case involving six defendants, 227 properties, and losses to lenders of more than \$17 million.

Assemblyman Conklin testified A.B. 141 would provide persons who dealt with mortgage lending professionals the same kind of opportunity for recovery offered to those persons who conducted business with contractors, real estate professionals, and manufactured-home services.

Assemblyman Conklin addressed the fiscal effects of A.B. 141. The Division of Mortgage Lending would incur start-up costs estimated at less than \$5,000, and ongoing costs of administration estimated at \$1,000 annually. When the balance in the Fund reached the minimum balance of \$300,000, a portion of the excess revenues would be diverted to the Division's reserve. The Executive Budget recommended a reserve balance for the 2009-2011 biennium of \$2.66 million in fiscal year (FY) 2010 and \$2.07 million in FY 2011. Assemblyman Conklin had a copy of an email from the Fiscal Analysis Division sent to one of the members of the Assembly Committee on Commerce and Labor, which he would provide to the Committee. The email detailed the balance in the reserve fund over the last eight years.

There being no one else to testify on the bill, Chair Arberry declared the hearing on A.B. 141 closed.

**Assembly Bill 373: Makes an appropriation for the State's share of the cost of establishing a veterans' home in northern Nevada. (BDR S-999)**

Assemblywoman Kathy McClain, Clark County Assembly District No. 15, testified that Assembly Bill (A.B.) 373 authorized an appropriation to fund the state's portion of costs for a northern Nevada nursing home for veterans. She recognized the veterans in attendance at the hearing in support of A.B. 373. The establishment of the veterans' home was the number one priority of the veterans. Because of the budget shortages, Assemblywoman McClain said she would either like to get the state's portion funded or at least get those costs included in the Capital Improvement Program (CIP) list. The veterans' home costs were not included in the costs for the original CIP list because the bill missed the deadline. She asked Tim Tetz to address the background of the veterans' nursing home. She said the nursing home was needed. The federal government was willing to pay 65 percent of the nursing home, so it would be a great investment for the veterans in Nevada.

Tim Tetz, Executive Director, Office of Veterans' Services, testified he supported A.B. 373. The Nevada State Veterans' Home in Boulder City opened in 2002. Mr. Tetz explained out of the hundreds of veterans served during the last seven years, only one veteran was a northern Nevada resident before he arrived at the veterans' home in Boulder City. That veteran was named Bill, who served in the United States Navy for over 28 years beginning at the end of the Vietnam War continuing through Panama, Lebanon, Grenada, and into the first Gulf War. Bill was a husband, father, and the American hero that so many of the young service members exemplified today. Many veterans pursued different careers upon retirement.

Mr. Tetz said shortly after Bill's retirement in his mid-fifties, he was diagnosed with a Parkinson's-type disease. Bill's wife continued to work and earn money to pay for Bill's medical expenses. Bill's children delayed college when they graduated from high school to stay home and care for Bill. It was difficult for the family and finally, when Bill's health became so bad and the family's life had been put on hold so much, the family started looking for a nursing home. The family scoured the state looking for a home that would meet Bill's needs and found that home in Boulder City, some six hours away. It was a difficult choice to put Bill in a home six hours away, but the family knew Bill was in good hands. The Nevada State Veterans' Home was one of the preeminent homes in the state, according to the Centers for Medicare and Medicaid Services (CMS) and other agencies.

Mr. Tetz was at the veterans' home the day Bill arrived and heard the concerns Bill's family had about how Bill would adapt. The family had always cared for Bill. Mr. Tetz was proud to say that his team and staff made Bill feel like he was at home. Bill was the only northern Nevada resident who called the southern Nevada Veterans' Home his home.

Mr. Tetz testified that A.B. 373 was a request for funding for a northern Nevada Veterans' Home. Over 75,000 veterans lived within 75 miles of the Reno area, which meant 75,000 veterans one day could become eligible. If one added in their spouses, then that was a large population to be served.

Mr. Tetz said he spent the last 60 days in these legislative halls listening to the needs, the desires, and the wants of many agencies, special interest groups and elected officials. Bill's story represented the needs of some veterans, who needed a five-star skilled nursing home, with preeminent care for America's

heroes. Mr. Tetz had a desire to build that home in northern Nevada. But he did not want to build another veterans' home like Boulder City, but something better, something unlike any other veterans' home in the United States. Although many veterans and their family members present at the hearing would remain silent, they all wanted this veterans' home. The number one priority of Nevada's veterans, more important than tax abatements, license plates, education, or anything else, was a veterans' home for northern Nevada.

Mr. Tetz provided an update of the financial scenario for the veterans' home. The Nevada State Veterans' Home returned more than 100 percent of its General Funds over the last three years. He anticipated doing so this fiscal year as well. Based on the new United States Department of Veterans' Affairs (VA) per-diem rates and the new Medicaid rates, Mr. Tetz anticipated an additional \$200,000 of savings from The Executive Budget in the 2009-2011 biennium. His goal was to make the Nevada State Veterans' Home independent of General Funds, which he believed he could achieve.

Mr. Tetz said the private-pay cost and private-copay cost for residents was \$101 per day at the Nevada State Veterans' Home, and its daily rate had not increased since 2004. The average copay was around \$200 at other nursing facilities throughout the Clark County valley. The home provided the best services at half the price of its nearby associates. The Veterans' Service Commission realized the fiscal effects and decided to develop a method to adjust the copay and rate in a fair and equitable formula. The Commission wanted to avoid the problems encountered in 2004 when it raised the rate by 100 percent. The Commission developed a formula which used the average daily rate of all of the other nursing homes in the Clark County area, subtracted out the VA per diem, and the result was a fair rate for the veterans. The daily rate should be around \$126 per day, which was a \$25 increase over the current rate. Mr. Tetz said at \$110 per day, the veterans' home could be independent of General Funds by 2011. At \$126 per day, the veterans' home could begin to retire much of the bond costs in A.B. 373.

Mr. Tetz said the veterans' home grant program began in 1888 and was the first federal grant program in the United States. The grant program paid 65 percent of the eligible costs for development and construction of a veterans' home for any state that provided the 35 percent matching funds. The states experienced success with this program because of its long history, and now every state had a veterans' home. In fiscal year (FY) 2009, there was \$1 billion worth of financial backlog requests to build or improve a veterans' home. Of that \$1 billion, \$450 million was in Category One projects, which meant the state had funded its 35 percent match and requested the federal government to fund its 65 percent.

Mr. Tetz spent the last two years traveling to and from Washington D.C. to discuss the funding backlog. As a result of the increased VA funding in the FY 2009 budget, a record appropriation to the veterans' home program, and the recently passed stimulus package, the FY 2009 funding would eliminate that backlog of \$450 million. So every project that was requested now with state matching funds (like this Nevada project) had a good chance of receiving funding next year. Nevada had received support from its congressional delegation for the federal funding of the veterans' home. Every one of Nevada's congressional representatives said they wanted this home, and said if the state funding was obtained, they would take care of the federal funding.

Mr. Tetz requested approval from the Committee for this \$62 million project. For that \$62 million, Nevada's veterans would get a home just like the one they

were leaving. Mr. Tetz wanted to build the veterans' home in a neighborhood-type environment, where there were 3,000 square-foot houses that resembled the homes the veterans had left. Each veteran would have his private bedroom and private bathroom; he would eat in his own home; his food would be cooked in his kitchen; and it would feel like the home he left. The veterans' families could visit, and it would feel like they were visiting the veteran at home. The veterans' lifestyles would mimic a home environment. That lifestyle meant the veteran could choose his meals, what time he ate, and with whom he ate. The veteran would live with ten friends, and they would become a family.

Mr. Tetz said the veterans' home would surround the veteran with certified nursing assistants who would become the primary caretakers. This system would not be the hierarchical system found in a traditional facility, but would be a patient-centered system. Nevada veterans would also have an adult day health care program to care for the veteran during the day and allow the family to go to work. The family could still care for the veteran in the evenings.

Mr. Tetz said there was this long-standing trend to change the tradition of care from the long hallways of a hospital to this new home-like setting. And this Nevada project would follow the lead of The Green House Project, a nationally recognized initiative to build The Green House Project in every state. If Nevada stayed on the present course, Nevada would have the first veterans' Green House Project in the nation. The initiative sought alternatives to long-term care.

Mr. Tetz said he was cognizant of the financial problems that faced the Legislature. While legislators may wish to postpone this project, he told the Committee why it should approve the project. First, there had never been a better time to obtain federal funding because of the congressional delegation support and the elimination of the funding backlog.

Mr. Tetz said Congress tried to eradicate this program two years ago. Now the agency was in a fiscal position to retire a portion of the bond costs. The project had strong community support. When the City of Reno and private individuals learned that the agency wanted to build a northern Nevada veterans' home, the City of Reno said it would provide support. Mr. Tetz met twice with the Reno City Council, which pledged ten acres for the project. A private landowner said the project was inspiring and pledged 11 acres. So Mr. Tetz had persons clamoring to help.

Mr. Tetz said the agency had never had better leadership. Gary Bermeosolo built three veterans' homes in Idaho and knew how the federal program worked. He made improvements to the veterans' home in southern Nevada. Mr. Tetz said in the 20 years he had been among the veterans, he had never had a more united front among the veterans for one project since the agency built its first home in Nevada.

Mr. Tetz said the legislators sought ways to help Nevadans. Legislators sought projects to bring more federal dollars to Nevada with little or no long-term cost to the state. Legislators wanted projects to help the construction industry rebound, create new jobs, and bridge the gap in social and health services. The northern Nevada veterans' home was the project to achieve those goals for the 2009 Legislature. With a minimal investment in construction costs, the state would reap millions in construction funding from the federal government and the VA. Upon completion, the state would have a program of long-term skilled nursing care largely independent of General Fund revenue. In a gloomy

environment where cuts seemed to be the norm, the northern Nevada State Veterans' home could be the example of success in meeting the needs of Nevada during such demanding times.

Mr. Tetz referred to an English proverb that said, "Where there was a will, there was a way." The Office of Veterans' Services, the Nevada Veterans' Services Commission, every other major veterans' organization in Nevada, and the veterans of Nevada were mindful of the challenges Nevada faced and remained committed to this project. The veterans' devotion and desire to complete this project could only be fulfilled by the Legislature's will to support America's heroes. The legislative will, supplemented with progressive strategies to fund construction and operation, guaranteed the state would find a way to complete the northern Nevada Veterans' Home.

In conclusion, Mr. Tetz told the Committee about another Nevada hero, not present at this hearing. Bob Rettick was one of many veterans who diligently roamed these halls with Mr. Tetz during the last two legislative sessions. Bob left high school early to enlist in the Navy during World War II. During his Navy career, he served on a mine-sweeper in the Pacific Ocean. Bob could tell stories about escort missions among the islands in the Pacific, dodging Japanese submarines and mines, and how he was blown off the ship by an explosion. Bob became the face that represented the veterans' high-school diploma program in 2005. Bob was the first veteran in this program to receive a high-school diploma in 2006 and was proud of his accomplishment.

Mr. Tetz said poor health had not kept Mr. Rettick down, and he was as busy as ever. Last year he moved two yards of dirt and nearly collapsed from exhaustion. A couple months after that, Bob was bitten by a black widow. Mr. Tetz said he literally had to force Bob to stay home and not attend a veterans' meeting. Last month Bob fell from a ladder while trying to help someone paint a house. Bob was the perfect example of a veteran needed at the veterans' home because Bob had the will, determination, and tenacity required to complete this project. It was Bob's dogged determination that must be embodied to create the northern Nevada Veterans' Home.

Mr. Tetz said the veterans at today's hearing had done their part in serving America and protecting the nation's freedoms, ideals, and liberties. Mr. Tetz wanted the Committee to remember the faces of each and every veteran who attended the hearing today. Remember the eyes of the family members who joined us in support. Realize that those many faces like Bill and Bob who could not be here today, represented A. B. 373. Mr. Tetz presented the vision and the view of how the agency could repay the debt owed to the veterans and all those who continued to serve today. Now the Committee must do its part in passing A.B. 373.

Assemblyman Oceguera said Mr. Tetz talked about the project buildings being similar to a house. How many of those houses were in this project. Mr. Tetz responded the current plan included ten houses, approximately 3,000 square feet each. The project included a community center/administration building which was about 20,000 square feet, and a maintenance building/general storage facility which was about 10,000 square feet. Assemblyman Oceguera stated the estimated cost of \$62 million seemed expensive for a 20,000 square-foot building, a 10,000 square-foot building, and ten houses. It seemed as though the state might find less expensive ways to construct this project. When he calculated the costs per unit, it seemed to be expensive per square foot. Assemblyman Oceguera asked Mr. Tetz to work to reduce the costs.

Mr. Tetz answered the construction costs for this project totaled about \$48 million for all 12 of the project buildings and he was shocked by the costs. The Green House Project staff was shocked by the costs, because the national standard for The Green House Projects had been between \$2.8 million and \$3.1 million each. So that was a big disparity. Understandably, when the 2009 CIP list was developed, the construction costs were different than today's costs.

Mr. Tetz hoped to recalculate and reduce costs as this bill moved forward and the Committee considered supporting it. Mr. Tetz agreed to look at the costs to see whether there was a better way to build the project or whether the costs were realistic. Any decrease could reduce the \$25 million state's share of the overall price tag. Assemblyman Oceguera said the Legislature did not have money, so if there was any way to reduce the costs, it would certainly help Mr. Tetz's case.

Chair Arberry asked whether the State Public Works Board developed this budget. Mr. Tetz confirmed the State Public Works Board developed the estimate in July 2008. Chair Arberry asked Mr. Tetz to talk to the State Public Works Board to find out a current, realistic construction cost.

Chair Arberry said the Committee could not pass such a costly bill even if it had some money. Chair Arberry said Assemblyman Oceguera was correct that funds were limited, but the Committee still needed a realistic cost figure. Mr. Tetz agreed to provide a revised cost.

Assemblywoman McClain said she would appreciate the consideration of the Committee for this bill. She wanted to say something about Gary Bermeosolo who had brought the southern Nevada Veterans' Home out of the "black hole" that it was in for a few years and had done a wonderful job. The Veterans' Home was the gold-star standard in the country and surveys proved that.

Chair Arberry said that was good to hear because he heard a lot of complaints about that facility originally. Chair Arberry thanked Mr. Bermeosolo for his service. Chair Arberry said when he and Senator Jacobsen tried to find a place for the veterans' home, they both wanted the veterans to be in a place where they would be happy and respected for all the services provided to this country. After the Legislature approved the veterans' home, Chair Arberry heard nothing but negative comments about it. Chair Arberry was pleased Mr. Bermeosolo had turned things around and thanked him.

Mr. Bermeosolo said he remembered those early days when he first arrived in Nevada. He said Chair Arberry challenged him then and reminded him of the history. Mr. Bermeosolo said he was fortunate to have a great team to work with and who were dedicated to the mission. He also said the Legislature was there to assist him with any needs. He had turned things around, but not without the support of the Legislature and the veterans at the hearing. The veterans' groups remained committed and gave him the needed support. He had a tremendous number of volunteers who had helped. He had an old saying, "a house is not a home until you add love." And that was what these veterans and the legislators added and he thanked them for that.

Chuck Fulkerson, a Vietnam veteran, testified he helped open the veterans' home in Boulder City in 2002. Under the leadership of Gary Bermeosolo, the home had consistently received high marks from all the state and national inspections. The home regularly provided high quality care, high quality of life, and dignified care. The home also returned tax dollars to the General Fund each



year. When the original legislation passed in the late 1990s, the Legislature promised to build two veterans nursing homes, one in the south and one in the north. The south had a nursing home. Mr. Fulkerson asked where the one in the north was. Now was the time to keep that promise.

Mr. Fulkerson said thanks to Senators Reid and Ensign because 65 percent of the construction cost would be paid from federal funds. The loaded question was for how long. Now was the time to fulfill this long-standing promise to the Nevada veterans who reported for duty when called, traveled to where they were sent, and did what they were trained to do with pride and honor. The veterans came home, some untouched by war. Many came home missing body parts, and some returned home in a flag-draped box. Many came home with sounds in their heads; strong reactions to ordinary noises, and nights robbed of sleep. Many veterans lost their souls in a faraway land. The Nevada nursing homes were locations that provided a good quality of life and dignity for our heroes in their twilight time. He asked the Committee to support the construction of a veterans' home in northern Nevada.

Dave Evans, a 26 year Navy veteran, who resided in Reno, Nevada, said he had visited the southern Nevada Veterans' Home and said it was a fantastic facility and Mr. Bermeosolo had done a wonderful job. He also had visited The Green House Project facility in Phoenix, Arizona. He said the two facilities could not be compared. The typical institutional nursing home environment did not exist in The Green House Project facility he visited. What he saw in Arizona was a family environment. The residents and the caregivers had become a family. The residents moved in their own household furniture, knickknacks, and other items from their own homes. They developed a new home within a house. They socialized with each other and with the caregivers. They worked on making the plans for the menus. They decided what activities would occur. The medical care was provided as a house call. Doctors, physical therapists, and other caregivers were invited guests. Family members were invited guests. Just as veterans had the opportunity to invite guests to their own home, veterans had the opportunity to invite guests to The Green House Project home. The caring, nurturing environment of The Green House Project facility was far removed from the institutional care in a nursing home and could not be compared. Speaking as a veteran and as an aging American, he said The Green House Project environment was the environment he would choose, given the opportunity. The Green House Project facility was the right thing to do for Nevada veterans. He urged the Committee to please do everything it could to foster the passage of A.B. 373.

There being no further testimony on A.B. 373, Chair Arberry declared the hearing closed.

**Assembly Bill 357: Makes an appropriation to fund a public health nurse in Elko County. (BDR S-765)**

Assemblyman John Carpenter, Assembly District No. 33, presented Assembly Bill (A.B.) 357 that requested funding for a public health nurse in Elko County and provided Exhibit C which was a letter in support of A.B. 357 from the Elko County Board of Commissioners. Elko did not have a public health nurse and there was a need for one. Last year Elko had a difficult time getting the children vaccinated or immunized. The public health nurses came to Elko as a team for a couple of days. There was a line of persons at least a quarter of a mile long waiting to get vaccinations. There were also other situations where a public health nurse was needed in the community. The fiscal note was fairly substantial. Assemblyman Carpenter knew the county would



provide the office space. He hoped there were other expenses that could be paid by the county, but Assemblyman Carpenter had not had time to contact the county after he received the fiscal note. He would contact the county and see what it could provide to reduce the fiscal note. He thought there were other counties that did not have a public health nurse, but those counties were served by a public health nurse from an adjoining county. Elko County and the communities of Wendover, Jackpot, Owyhee, and Mountain City were a long way from any services. The residents really needed a public health nurse in Elko County.

Chair Arberry asked why Elko County did not have a nurse. Assemblyman Carpenter said the county had a public health nurse two legislative sessions ago. There was a lot of blame going around as to what happened. The County blamed some persons and the public health nurse organization blamed the county. Assemblyman Carpenter and Senator Rhodes were not aware the public health nurse position had been taken out of the budget until it was too late.

Assemblyman Carpenter said Elko County had not had a public health nurse for the last two years. Elko finally completed immunizations with the help of the public health nurses who came up to Elko County and operated an immunization clinic for a couple of days. The school later came to the county and said there were about 500 children who had not received shots, and those children could not enter school or stay in school without those shots. At that time, Assemblyman Carpenter went to the county, which paid \$5,000 to the Health Center in Elko County to provide the shots.

Assemblyman Carpenter thought the problem developed when the Health Center came to Elko County. The state nurses believed the Health Center would provide immunizations. But the Health Center was too busy to provide all immunizations. The Health Center offered vaccinations one day a week for an hour or two, but there was no way to take care of all the children in Elko County, especially in the outlying areas.

Assemblyman Carpenter reiterated that Elko really needed a nurse, that Elko County would provide the office space, and that the county might provide other things such as a vehicle because of the need for a public health nurse in the community.

Chair Arberry asked whether the fiscal note costs might be reduced and Assemblyman Carpenter confirmed that was true. Chair Arberry asked him to let the Committee know when he had the firm number for the fiscal impact.

Chair Arberry said according to Assemblyman Denis five children had died because they could not receive the required shots for whooping cough. Assemblyman Carpenter said he was not sure of any fatalities, but he heard of an outbreak of a strange disease which caused some children to get sick. It was a tough situation in the rural areas. The public health nurse provided a number of good services other than just giving shots.

Luana Ritch, PhD, with the Health Division, represented the Administrator, Richard Whitley, and provided [Exhibit D](#) and information on [A.B. 357](#) which would fund a public health nurse in Elko County. Pamela Graham, Chief Nurse and Director, Frontier and Rural Public Health Program, Health Division, was also present to address questions from the Committee.

Dr. Ritch explained public health services were those activities assumed by government to protect and promote the health of populations. Such activities included assuring immunizations, disease prevention and control, coordinating community services, and promoting healthy behaviors. To be clear, she was not talking about publically funded medical care. Public health focused on the individual to the extent needed to protect an entire community's health. Public Health Nursing was the practice of promoting and protecting the health of populations using knowledge from nursing, social, and public health sciences.

Dr. Ritch said except for three local health departments located in the urban counties (Clark, Washoe, and Carson City), Nevada remained one of a few states in the nation where public health services were directly delivered by a state agency to a significant portion of the population living in rural and frontier areas. Such a centralized public health system usually experienced sizable difficulties in connecting to rural communities and was often unable to receive adequate and timely input from local residents. The Health Division and the Department of Health and Human Services supported regionalization as the best model for the delivery of public health services. Public Health Nursing was often one of the first key services that formed a foundation for local public health organizations. If approved, this bill would enhance efforts to strengthen public health services in Elko County. The Health Division could implement this measure by either placing a state employee in Elko or contracting with Elko County to provide needed public health services as identified by the county. Again, this path may be the basis for the development of a stronger local public health role.

Assemblywoman Leslie asked why Elko could not use one of those state community health nurses. Dr. Ritch answered some positions were cut in the last biennium, and one of those positions cut was the Elko County public health nurse. Assemblywoman Leslie asked whether it would just require the right amount of money to fund that position for Elko so that it could work in the current system. Dr. Ritch confirmed the position could work within the existing system or the funding could pay for a contract with Elko County for a public health nurse that was an employee of the county.

Assemblywoman Leslie asked whether Dr. Ritch preferred the position to be part of the state system. Dr. Ritch answered not necessarily, because if the state had as its goal to strengthen local public health organizations, then the state would prefer the employee be part of the local public health organization. Assemblywoman Leslie asked why the position was originally cut.

Pamela Graham, chief Nurse and Director, Frontier and Rural Public Health Program, responded she requested to fill five vacant positions during the last biennium, three were filled, two were not filled, and one of those not filled was the Elko position. She supported either the regionalization or the support for the state position.

Carl Heard, M.D., Chief Medical Officer, Nevada Health Centers, spoke on behalf of the Community Health Center in Elko. He supported the passage of A.B. 357. He believed that any money for public health infrastructure development was a worthy investment for the state. Nevada was one of the few states that did not have a local public health authority in each of the counties. It took about five years to create a public health entity in Carson City when he was the Carson City Health Officer. It was critically important to develop local support and advocacy for public health and clarify the distinction between community health services and public health advocacy roles. Communities should start with something like a public health nurse, if

communities were going to have local emergency response capabilities and the ability to systematically approach the needs of the population. He was strongly in favor of A.B. 357 and would look forward to working cooperatively in that role.

Chair Arberry stated since there was no further testimony on this bill, he declared the hearing on A. B. 357 closed.

**Assembly Bill 358: Makes an appropriation to the Department of Transportation to fund rural transit operations for elderly persons and persons with disabilities. (BDR S-766)**

Assemblyman John Carpenter, Assembly District No. 33, presented Assembly Bill (A.B.) 358 that requested funding of \$500,000 for public transportation in Elko County. He knew the budget was very tight. Last legislative session, he was able to get \$250,000 in state funds, which generated \$3,290,000 from federal funds. State participation was very important. He had read there was money in the stimulus package for public transit but was unsure how to access those funds. It was amazing to him how many seniors and disabled persons had no transportation. Public transportation provided services not only to the rural counties but also to the largest urban counties in the state. He hoped the Committee could provide money for public transportation. He said there were a number of persons present that would explain why this transportation was so important.

Leslie Spracklin, representing Fallon and Fernley Industries, testified her organization provided a transportation system for developmentally disabled individuals in Churchill and Lyon Counties. She provided Exhibit E and told the Committee one brief story about this transit issue. There was a young man in a nursing home in Fallon who was developmentally and physically disabled. Every day he boarded the Americans with Disabilities Act (ADA) bus and went to work, socialized with persons, made friends, and had a good day. Although he was required to live in the nursing home, his transportation provided him one hopeful thing five days a week. With the budgets being cut in the Division of Mental Health and Developmental Services, the match money for the new vehicles this year would be difficult to find. She supported this bill. Like Assemblyman Carpenter said, maybe there could be some funds available. It seemed to her that every budget area was getting hit, and this one area would at least keep disabled persons mobile.

Jack Mayes, Executive Director, Nevada Disability, Advocacy, and Law Center, testified that in recognition of the needs of Elko County, his agency opened an office in Elko a year and a half ago. Because of concerns over finances, the agency colocated with the Center for Independent Living to maximize resources. He understood the challenges faced by the Committee. Transportation was one of the largest problems in the rural areas. He decided that transportation was an issue his agency would take on collaboratively to address in the rural areas. This bill was one step forward to resolve that problem, and he was also looking at other means to address the needs of the disabled.

Mr. Mayes said there was a taxi system in Elko, and he was trying to encourage that taxi system to get a wheel-chair accessible vehicle. He had been in contact with the owner of the taxi system. He wanted the Committee to know he was looking at the entire transportation issue, and rural access was one aspect of it. In the rural areas, persons tended to lose transportation after they arrived there. Persons did not move there without transportation services to start with. Persons developed visual impairments, lost the ability to drive through aging, or

become disabled from mining or ranching. Elko County's public transportation was very limited and operated Monday through Friday, from 8:00 a.m. to 4:00 p.m. Anyone dependent upon that type of transportation service was stuck at home except during those hours. Even during those hours it could be difficult to get a ride, because so many persons used that service to get to work or doctor's appointments during that window of opportunity. With these funds, Mr. Mayes hoped there would be an opportunity to expand the transportation system to meet some of the needs. The Developmental Disability Council endorsed the bill.

Lisa Erquiaga, Executive Director, Northern Nevada Center for Independent Living, said her agency's main office was located in Sparks, and rural offices were in Fallon and Elko. She provided two letters, [Exhibit F](#) and [Exhibit G](#). [Exhibit F](#) was from a transportation consumer who worked in Elko and was associated with AmeriCorps Vista, and [Exhibit G](#) was from a staff person in the Elko office. She said there were a lot of things that people took for granted, and one of those things was transportation. Persons just got into their cars or hopped on a bus if available.

Ms. Erquiaga said for the last five years, she lived in Fallon and drove to Reno everyday for her job. She used the bus system, and her agency operated a mobility travel training program out of the Center also. Having the bus system available all the time was not something anyone in a rural area could count on. The bus system only served the Reno area. Reno residents could just hop on the bus and go wherever they wanted at most times. She asked the Committee members to think about that the next time they jumped in their car, because people took transportation for granted. There comes a time when many are no longer able to drive. Driving is a part of independence. Transportation was a big part of what runs a person's life, to get to work, to social events, and other such events. Transportation was difficult in the rural areas. She had a dual perspective because she had lived in Fallon before Fallon had public transportation. Fallon now had the Churchill Area Regional Transportation (CART) system.

Ms. Erquiaga read the letter ([Exhibit F](#)) from Scott Carter, who was a member of the Developmental Disabilities Council, and the letter ([Exhibit G](#)) from Corrie Herrera, Rural Director, Northern Nevada Center for Independent Living into the record.

Ms. Erquiaga advised the members to remember Mr. Carter's name because she thought the Committee would be hearing from him. She also said the term "rural" in Ms. Herrera's job title covered a big area, and if this money was approved, there would be a lot of different areas vying for funds and wanting to share the funds.

Terry McQuarrie, a driver for Churchill Area Regional Transportation (CART), read his letter ([Exhibit H](#)) to the Committee.

Chair Arberry asked whether Assemblyman Carpenter had approached the mining industry to assist with the funding of public transportation. He wondered whether mining would meet the need halfway. He was not saying that the mining industry had deep pockets, but since this was vitally important to the community, maybe the mining industry would be able to assist.

Assemblyman Carpenter said he had not approached the mining industry directly on this subject, but he would do so. He had talked to the mining industry about a number of other needs. He was not sure whether these transportation groups

received any funding from the United Way or not, but he noticed in the local newspaper that United Way was able to collect a fairly large sum of money. He would talk to the mining industry and maybe it could do some partnering on this issue. For those who did not face those types of hardships, the problem did not really hit home. But knowing a number of these persons, it was amazing to Assemblyman Carpenter to understand the need for these transportation services. He would talk to the mining industry to see what could be done.

Assemblyman Goicoechea asked about the amount of match generated from a small investment of state money. The public transportation systems were essential to rural communities in these different programs. The thing he thought should be studied was the buy-in of federal funds for very little match of state funds. He knew the budgets were extremely tight. As he listened to Leslie Spracklin's testimony, he understood her need for state match dollars for new vehicles this year would be \$18,000.

Assemblywoman Leslie commented that Assemblyman Carpenter mentioned the stimulus package, and that was a good place to look for money. She thought the Committee should study whether it could divert some of the stimulus money to assist the program and whether there were competitive grants available. It might be a quick way to get money into the system.

Assemblyman Carpenter said that was what he needed to do in these tough times. When the Legislature was able to get the stimulus package figured out, he hoped there would be some funds available to help with these transportation needs.

Michelle Gardner-Lilley, representing the Department of Transportation (NDOT), responded the stimulus funding could only be used for capital for transit. It could provide several buses to help with that need. Assembly Bill 358 would help with the daily operations of the vehicles. Assemblywoman Leslie asked whether any part of the stimulus package could be used for operations. Ms. Gardner-Lilley stated the stimulus funds must be used for buildings or buses, and those allowable uses would go through a competitive grant application process. Assemblywoman Leslie asked whether that was competitive through the federal government or competitive through the NDOT. Ms. Lilley said the competitive process would be through NDOT. Assemblywoman Leslie hoped NDOT would look very carefully at the rural areas and make sure that it did what it could for them.

Assemblyman Goicoechea asked how much money was available through this stimulus package and grant funding for vehicles. Ms. Lilley responded \$7.3 million would be available. Assemblyman Goicoechea asked whether there was a match requirement, and Ms. Lilley answered there was no match requirement. Assemblyman Goicoechea said the stimulus funds could probably pay for the rolling stock, but the Committee needed to figure out how to put the fuel in the vehicles.

Assemblyman Grady said in the past he had served on a committee for NDOT, and there was some money available through NDOT to help rural areas. Assemblyman Grady asked whether that money was gone or where was that money now. Ms. Lilley replied the \$200,000 for transit for rural areas was obligated to about 15 different grant recipients in the rural areas, which had used that money for operations and for buses. Assemblyman Grady asked whether that was renewable funding or was it one-shot funding. Ms. Lilley responded that it was just one-shot money.

Assemblyman Carpenter stated in the past Elko got \$250,000 from the state and was able to use that money to generate over \$3,290,000 from the federal government. Hopefully, that money was available, and he looked for seed money to enable Elko to get those federal funds.

Jeff Fontaine, representing the Nevada Association of Counties (NACO), testified that NACO supported A.B. 358. He was acutely aware of the financial situation. In the rural areas in the state, whether a person was a senior or a disabled person, public transportation was a lifeline. This was more than just a quality of life issue. There were a lot of rural areas in the state including rural areas of Clark County, which would qualify for this funding if it were to be approved.

Bruce Arkell, representing the Nevada Senior Corps Association, presented his letter ([Exhibit I](#)) to the Committee.

Mr. Arkell explained that in addition to the figures provided in his letter, he excluded the rides provided to Boulder City which added 13,000 or 14,000 to the total rides provided. The thing that struck him when he reviewed this bill was the multitude of agencies that provided transportation. Senior Centers had one or two vans. Hawthorne had a van. Wells had a van. All these agencies had vehicles and provided transportation services. It was not just the more organized programs that provided transportation services. These programs were going on all over the state, and this money was essential for them. Transportation was the single biggest issue facing a lot of the homebound persons or those trying to maintain independent living. Without this transportation in the rural areas, those persons would wither away. Many Committee members had lived in or traveled through rural areas. Mr. Arkell lived there, had been there, and noted the areas were isolated. The transportation that was provided by not only those agencies that testified at the hearing, but also from the small senior centers throughout the state, was essential for persons to be able to continue their independent lifestyles.

Assemblyman Grady said Pahrump had a very good program for a few years. He was not sure whether it was still operating. He asked whether Mr. Arkell had any information on that program. He understood Pahrump was having some financial difficulties too. Mr. Arkell responded in the last six months the Southern Nevada Transit Coalition met with Pahrump officials to reestablish that program. The Rural Retired and Senior Volunteer Program was working with Pahrump to get public transportation operating in Pahrump. He had not discussed that program in his testimony. But he saw buses in Reno all the time carrying persons from all over the rural parts of the state into Washoe County, which was where medical services were located.

Ms. Gardner-Lilley said NDOT provided federal funding to the Pahrump Senior Center.

Jamie Crigler read his letter to the Committee.

I've been working for the NEAT bus service since 2001. Let me tell you about some of our passengers. For 2 years we picked up Linda, three times a week, 20 miles away and took her to dialysis for four hours a day. Her husband could not drive her. We were her only transportation. Then one day she got good news she would receive a transplant. She told us that without our service who knows what would have happened to her.

Then there was Julia who we picked up for 5 years, 3 days a week and took her to dialysis for 4½ hours a day. Her family could not drive her. She was in a wheelchair. I watched Julia lose both legs and an arm because of her diabetes. But every day until she passed away, she was happy. Her family told us without our service they would not have had her for 5 years. There were many others who we transport to dialysis everyday, some as far as 100 miles away.

Then there is Andy a 24-year-old paraplegic. He was thrown from a horse in a high school rodeo 8 years ago. Like any other young adult he has dreams, but those dreams are hard to obtain. Now he has a big 4-wheel-drive wheelchair. Unfortunately, Andy's back can't handle our extreme weather. He goes to college and to work everyday. These places are up to 4 miles away. Without our services, his dreams would be just that, dreams.

We transport many adults in wheelchairs, some electric and some manual. These persons go to work, doctor's appointments, shopping, and therapy. Without our service, how would they get there?

We transport many mentally and physically challenged adults who just want to fit in and contribute to our community. They do that by working-yes by working. In today's society, when there are people out there willing to sit at home and collect freebies, these people want to work to feel like you and I do everyday or to get that paycheck. Every week they have that sense of pride and accomplishment. Without our bus services, what would they do and what kind of message would that be sending to our society?

We also transport many of these people to special events like the Special Olympics Track and Field and the National Bowling Stadium in November. You should see their faces when they see the stadium and when they get the medals put around their necks. It is priceless. Without our service that wouldn't happen.

Dotty is one of many senior passengers we transport. Up until 3 years ago, Dotty did everything on her own. She had a house, a car, a very independent life. Then she had a seizure and her life changed. She couldn't drive anymore. She couldn't live in her house anymore. She became very dependent on everyone for everything. She wanted her independence back so she called us. Now she goes places and does things she used to do. She told me that she feels like she has her life back because of our NEAT bus.

Irene recently lost her husband of many years. Irene never had to drive because her husband did it all. Now at her age, she can't get her license. She needs our services just to pay the bills, go shopping, and (go) to appointments.

Then there is Mark. Mark is seeing-impaired, lived 12 miles from town, and has no family to speak of. One day, I went to pick up Mark and found Mark face down in his trailer. I called 911. He had a stroke. Now he lives in town but he wants to be independent. He doesn't have the money to live in an assisted-living home, nor does he want to. He is in a wheelchair



now and we take him to the doctor every day. Without our service, what would he do?

There are many other people I could tell you about, and many other reasons that these people need our services.

In closing, I leave you with this: Imagine that you become disabled or in a situation that prevented you from just getting into your car or truck or SUV and going where you wanted or needed to go. What would you do? What would happen if you couldn't go?

We all have parents or grandparents or know someone who just can't drive themselves anymore. And unfortunately in this busy world, we don't have the time to always be there to take our loved ones to the doctor or lunch, shopping or church. What happens to them if they become a prisoner in their own homes? They deserve better than that. They deserve better from us. Thank you.

Robert Newman, Executive Assistant, Northern Nevada Transit Coalition, testified the Nevada senior population leads the nation in growth, and yet the funding for rural transportation for seniors was almost nonexistent. He asked the Committee to pass A. B. 358 and help continue service to rural Nevada and transport persons with disabilities and seniors.

The written comments ([Exhibit J](#)) of Ernie Maguire, General Manager of Churchill Area Regional Transportation and the Nevada Rural Transit Providers Fact Book ([Exhibit K](#)) were submitted for the record.

Chair Arberry asked whether there was anyone else who wished to testify on this bill. There being no further testimony, Chair Arberry declared the hearing on A.B. 358 closed.

There was no public comment. Chair Arberry asked about the Committee schedule for Monday. Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, explained Monday would be a full day of hearings for the Committee. The Committee would meet on Monday, Wednesday, and Friday, in advance of the deadline for the Committee passage by the first house.

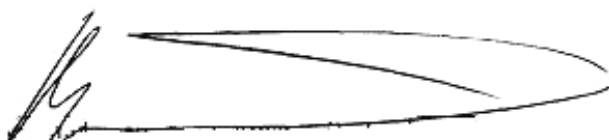
There being no further business to be brought before the Committee, Chair Arberry adjourned the meeting at 9:41 a.m.

RESPECTFULLY SUBMITTED:

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Janice Wright  
Committee Secretary

APPROVED BY:



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Assemblyman Morse Arberry Jr., Chair

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

**EXHIBITS**

**Committee Name:** Committee on Ways and Means

**Date:** April 3, 2009                      **Time of Meeting:** 8:15 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Sign-In Sheet
A.B.357	C	Assemblyman John Carpenter, Assembly District No. 33	Letter of support from Elko County Board of Commissioners
A.B. 357	D	Luana Ritch, PhD, Health Division	Prepared testimony
A.B. 358	E	Leslie Spracklin, Fallon Industries	Testimony
A.B. 358	F	Lisa Erquiaga, Executive Director, Northern Nevada Center for Independent Living	Letter from Scott Carter, transportation consumer
A.B. 358	G	Lisa Erquiaga, Executive Director, Northern Nevada Center for Independent Living	Letter from Corrie Herrera, AmeriCorps staff
A.B. 358	H	Terry McQuarrie, Churchill Area Regional Transportation	Letter of support
A.B. 358	I	Bruce Arkell, Nevada Senior Corps	Letter
A.B. 358	J	Ernie Maguire	Letter
A.B. 358	K	Nevada Rural Transit Providers	Fact Book