

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

Seventy-Fifth Session  
April 8, 2009

The Committee on Ways and Means was called to order by Vice Chair Sheila Leslie at 8:18 a.m. on Wednesday, April 8, 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  
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

**COMMITTEE MEMBERS EXCUSED:**

Assemblywoman Barbara E. Buckley

**GUEST LEGISLATORS PRESENT:**

Assemblyman Jerry D. Claborn, Clark County Assembly District No. 19

**STAFF MEMBERS PRESENT:**

Mark Stevens, Assembly Fiscal Analyst  
Steve Abba, Principal Deputy Fiscal Analyst  
Tracy Raxter, Principal Deputy Fiscal Analyst  
Christine Bashaw, Committee Secretary  
Vickie Kieffer, Committee Assistant

Vice Chair Leslie opened the hearing on Assembly Bill 33.

**Assembly Bill 33: Revises provisions governing subsequent convictions of battery which constitutes domestic violence. (BDR 15-261)**

Brett Kandt, Special Deputy Attorney General, Office of the Attorney General, said he was testifying on behalf of the Attorney General. He read from a letter from Catherine Cortez Masto, Attorney General (AG), that requested support for Assembly Bill (A.B.) 33.

Assembly Bill (A.B.) 33 amends NRS (*Nevada Revised Statutes*) 200.485 to provide that once a person has been convicted of a felony for battery which constitutes domestic violence, any subsequent violation is treated as a felony.

Statistics demonstrate that the public has a critical interest in reducing the number of incidents of domestic violence, as domestic violence generally represents a pattern of behavior that tends to escalate in severity and frequency and, unchecked, can lead to homicide.

Prosecutors follow their responsibility to prosecute domestic violence cases as aggressively as they do any other violent crimes. Currently, pursuant to NRS 200.485, (1)(c), a third conviction for battery, which constitutes domestic violence within seven years, is a Category C felony. However, repeat offenders can be convicted of a misdemeanor domestic violence every three and a half years for a lifetime.

Assembly Bill (A.B.) 33 would amend NRS 200.485 to provide that once a repeat offender has eclipsed felony status for domestic violence offenses, any subsequent offense will remain a felony.

The bill would provide for subsequent felony offenses as a Category B felony.

We are aware that the Department of Corrections has placed a fiscal note on this bill. We propose to amend A.B. 33 ([Exhibit C](#)), section 2, on page 5, lines 11 – 27, to provide that once the repeat offender has eclipsed felony status it would be a Category D felony and punished as provided in NRS 193.130. We also proposed to amend A.B. 33 in section 4, on page 7, line 26 to provide that the bill would not become effective until July 1, 2011. The Department of Corrections has indicated that the fiscal note will be removed with these amendments.

Mr. Kandt provided [Exhibit D](#), correspondence from the Department of Corrections, confirming the withdrawal of the fiscal note.

Vice Chair Leslie asked whether a representative from the Department of Corrections was present to validate the information.

Mr. Kandt said a representative was not present but the Department had provided the letter instead of having someone testify.

Kristin Erickson, representing the Nevada District Attorneys Association, testified that the Association supported A.B. 33.

In response to a question from Vice Chair Leslie, Ms. Erickson said the proposed amendment was also supported.

Assemblywoman McClain asked about the punishment for a Category D felony. Ms. Erickson said the penalty was one to four years in the Department of Corrections.

Assemblywoman McClain asked about the punishment for a Category C felony. Ms. Erickson said the penalty was one to five years, and a Category B felony was two to fifteen years.

Vice Chair Leslie asked why the effective date was changed from 2009 to 2011 and what the potential cost was in 2011.

Mr. Kandt stated that the Department of Corrections said the fiscal note would be removed, which indicated there was minimal fiscal impact.

Vice Chair Leslie asked Mr. Kandt to communicate with the Department of Corrections and provide the Committee with a fiscal note for 2011.

Assemblyman Hardy asked whether the Assembly Committee on Judiciary was in agreement with the amendment.

Mr. Kandt said that he did not know, but the Committee on Judiciary had endorsed the idea of "once a felon, always a felon." That was what A.B. 33 was called and the amendment adheres to the concept.

Vice Chair Leslie asked whether the Chair of the Committee on Judiciary knew about the amendment. Mr. Kandt said he did not. Vice Chair Leslie said it was advisable for Mr. Kandt to discuss this amendment with the Chair.

Assemblywoman McClain said the fiscal note stated "would likely increase the number of inmates incarcerated. We reviewed our current caseload and determined 32 additional inmates years would occur in the year 2015. Cost is estimated at \$2,461 times 32 inmates times 2 years equals \$157,560." Assemblywoman McClain said this was an odd fiscal note.

Mr. Kandt said that in surveying the prosecutor offices, it was believed that just a few offenders would fall within the scope of this statute. Washoe County estimated there were less than ten per year; Clark County had a more difficult time making an estimate. The rural counties had maybe one individual who fell within this class. Mr. Kandt reiterated that it was an individual who had three priors, who had been to prison, had been to batterers' treatment, and continued to use violence in his relationships.

Mr. Kandt said that the cycle of violence left unchecked would increase in severity. In approximately 40 percent of the homes where domestic violence occurred, children were present.

Assemblywoman McClain said Mr. Kandt was correct about breaking the cycle but did not like the date change in the bill.

Vice Chair Leslie agreed that if the policy was important, then it should be implemented as soon as possible.

Mr. Kandt said there was an effort to remove the fiscal note so that A.B. 33 could move forward.

Assemblyman Hardy stated that "once a felon, always a felon" presupposes that there would be no restoration of the voting rights and was that the intention of the bill.

Mr. Kandt said that had not been contemplated within the bill. The intent was only to provide that once someone had eclipsed felony status, if the battery continued, a felony penalty would be faced.

Vice Chair Leslie asked for additional testimony regarding to A.B. 33.

Orrin J. H. Johnson, Deputy Public Defender, Washoe County Public Defender's Office, opposed the bill on policy grounds that had been argued in the policy committee. He believed that the breadth of the domestic battery legislation, in addition to bringing in the legitimate batterers, would also bring in a boyfriend/girlfriend having a shoving match.

Mr. Johnson said the bill would create more expense for public defender offices and the jails, regardless whether the charge was a Category D or Category C felony. He believed the amendment was better than the original bill as proposed.

Vice Chair Leslie said that she shared Mr. Johnson's concerns. Where there were mental health courts in place, the judges would be able to divert the non-typical offenders, but she worried about the rural counties where there were no mental health courts.

Mr. Johnson said domestic violence was not eligible for a lot of the programs in the mental health courts. There was a specialty court bill that would have allowed domestic battery to go into a diversion program, but that provision was amended out of the bill.

Jason Frierson, Chief Deputy Public Defender, Clark County Public Defender's Office, said that current domestic violence statutes cover not only spouses, boyfriend/girlfriend, but siblings and roommates. He said that any new criminal statute that was a misdemeanor and got treated as a felony had a fiscal effect. Mr. Frierson said if someone young had a bad relationship, which resulted in a felony and prison time, and 20 years later got into a fight with a roommate, this bill would require that the fight be treated as a felony. He agreed with Mr. Johnson and said that the amended bill was better than the original and there would be a fiscal effect.

Vice Chair Leslie asked whether this was a few people or hundreds.

Mr. Frierson said, as of right now, it was not a great number.

Vice Chair Leslie closed the hearing on A.B. 33.

Vice Chair Leslie turned the meeting back over to Chair Arberry.

Chair Arberry opened the hearing on Assembly Bill 337.

**Assembly Bill 337:** Creates the Office of Statewide Coordinator for Children Who Are Endangered by Drug Exposure in the Office of the Attorney General and makes various other changes concerning children who are endangered by drug exposure. (BDR 38-593)

Assemblywoman Shelia Leslie, Washoe County Assembly District No. 27, said she was presenting Assembly Bill (A.B.) 337 which had been heard in the Committee on Health and Human Services. Assemblywoman Leslie said that [Exhibit E](#) was a copy of her PowerPoint presentation and [Exhibit F](#) was a proposed amendment to A.B. 337. Assemblywoman Leslie referred to page 1 of [Exhibit E](#) which showed the problems with drug-endangered children (DEC). Children were present many times when substance abuse and trafficking happened. The children suffered physical abuse, emotional abuse, sexual abuse, and neglect. Last session there was testimony about the effects drug abuse had on the children in the home.

Assemblywoman Leslie said the problem A.B. 337 attempted to address was the coordination between law enforcement and Child Protective Services (CPS). In the past, law enforcement arrested the perpetrators, got HAZMAT (hazardous material) to clean up, but forgot about the children. Sometimes CPS was not notified until the children came home from school.

Assemblywoman Leslie said coordination had been a national problem, and DEC programs were developed at the state level to make sure there was better coordination between law enforcement and CPS.

Assemblywoman Leslie said that page 6 of [Exhibit E](#) listed states with existing DEC programs, alliances, and protocols, but she noted Nevada was not one of the states. There were funds at the national level devoted to DEC, and Senator Harry Reid was involved in making sure that the next round of appropriations had more funds in the national DEC program.

Assemblywoman Leslie said that page 6 and 7 of [Exhibit E](#) showed Nevada statistics regarding the significant percentage of children entering foster care because of parental substance abuse.

Assemblywoman Leslie said that A.B. 337 defined in statute a "child who is endangered by drug exposure" which was the first part of the bill. The second part of the bill created the Office of the Statewide Coordinator for Children Who Are Endangered by Drug Exposure in the Office of the Attorney General (AG). This bill was generated by the Governor's Working Group on Methamphetamine (Meth) Use, and Assemblywoman Leslie said she was the Assembly representative to that group.

Assemblywoman Leslie reported that A.B. 337 was supported by the Governor's Working Group on Methamphetamine Use.

Assemblywoman Leslie said the proposed amendment ([Exhibit F](#)) arose from a problem discovered in the Health and Human Services Committee. It was the feeling of the public defenders offices and the American Civil Liberties Union (ACLU) that the bill could create a new opportunity for CPS to remove children. The intent of A.B. 337 was to better define drug-endangered children.

Assemblywoman Leslie said the second part of the bill created the statewide office, but no appropriations were requested since national funds were available. There had been testimony from Sheriff Mike Haley of Washoe County who said he had funds he wanted to dedicate to the DEC program, but there was no office to deposit the funds, and he had to divert the funding to another program.

Assemblywoman Leslie said the amendment moved the provisions of the bill from *Nevada Revised Statutes* (NRS) Chapter 432B, which was the Child Abuse and Neglect chapter, and put it into NRS Chapter 228, which was the AG's chapter. This was the same structure as the Domestic Violence Ombudsman.

Assemblywoman Leslie said she believed that the public defenders' offices and the ACLU approved the bill and amendment.

Brett Kandt, Special Deputy Attorney General, Office of the Attorney General, said the purpose of the bill was to enable the creation of a statewide DEC program to assist the local communities in creating multiple disciplinary DEC response teams and allow the state to seek funding for these efforts. Mr. Kandt said there was federal funding available for the states that had a statewide DEC program in place.

Mr. Kandt said it was not the intent of A.B. 337 to create new criminal penalties for those responsible for drug-endangered children or to create any new basis upon which the CPS agencies could remove a child from a home. There needed to be a definition of a drug-endangered child that would specify the target population that was being assisted. Mr. Kandt explained the definition was in the bill and was in three parts based upon existing statutes. Subsection 1 of section 2 included a definition that was based directly on subsection 3 of NRS 432B.220. The next subsection in the DEC definition was subsection 2 of section 2 and was based on NRS 453.411, and the third subsection was subsection 3 of section 2, which was based on subsection 1 of NRS 453.3325.

Mr. Kandt said there were concerns voiced in the Committee on Health and Human Services from some representatives from the ACLU and the public defenders' offices. Their concerns were about placing these provisions in NRS Chapter 432B, which could expand the ability to remove children or create new criminal penalties. Mr. Kandt explained that in an effort to resolve the issues, the proposal was to place this in the AG's chapter. Mr. Kandt said those who had concerns had communicated to him that, with the proposed amendment ([Exhibit F](#)), objections would be dropped.

Chair Arberry asked whether the statewide coordinator compared to the drug czar, a position which used to exist.

Assemblywoman Leslie answered that she would not compare the coordinator to the drug czar position. The coordinator position would be focused on one element which was drug-endangered children and to make sure there was a multidisciplinary approach so the children were better served.

Assemblywoman Leslie gave an example of children who were exposed to people who were making meth at home with dangerous chemicals. Research showed that the chemicals were absorbed through the skin, clothes, and toys, but many times the children were not tested. Assemblywoman Leslie further explained that with the DEC protocol in place, every officer would be trained to call CPS. The CPS workers would make sure the child's needs were attended to.

Mr. Kandt added that A.B. 337 was specifically targeted to coordinate the efforts of law enforcement, medical services, and CPS to ensure that children who were found in these dangerous environments received the appropriate attention and care.

Chair Arberry asked where the statewide coordinator position would be based.

Mr. Kandt said that assuming funding was provided, the position would be housed within the AG's office, either in Carson City or Las Vegas.

Chair Arberry asked whether the statewide coordinator would travel throughout the state to provide a presence.

Mr. Kandt said it was intended that the position required a great deal of travel and outreach to help each of the communities build a local DEC response team.

Assemblyman Grady disclosed that his son was a juvenile probation officer in Humboldt County and handled many of these types of cases.

Assemblywoman Leslie said rural Nevada would be a big beneficiary. The statewide coordinator would take protocols to the rural communities and rewrite the protocols to work with their own resources.

Assemblyman Hardy said that section 4 of the bill said grants, gifts, donations, and bequests could be accepted and expended. Assemblyman Hardy understood that this was not in the budget yet, so it would be an enhancement in the second year of the biennium. And it would become an ongoing amount of \$225,000 per each year of the biennium.

Assemblywoman Leslie reviewed the fiscal note and stated that there was no request for funding. This was enabling legislation, and the AG would be writing a grant for the federal money that was available.

Mr. Kandt said there was federal funding through the Department of Justice. Part of the goal was to enable legislation to have statutory authority to seek and obtain the funding and then create the program.

Assemblyman Hardy asked whether the federal funding was ongoing so funds would not be required in the state budget except as a pass-through.

Mr. Kandt said the DEC grant funding was originally authorized and appropriations made at the federal level four or five years ago, and appropriations had been made on the federal level every year since. Mr. Kandt anticipated that it would be an ongoing federal program.

Assemblyman Hardy asked whether a county grant process would get federal funding.

Mr. Kandt said the intent was to seek funds and provide those funds to the counties. The funds would not be expended at the state level beyond the expenses of the coordinator. The goal was to obtain as much funding as possible and provide it to local communities.

Assemblyman Hardy summarized that A.B. 337 was not asking the state or the counties for funds. Mr. Kandt said that was correct.

Kevin Schiller, Children's Services Division Director, Department of Social Services, Washoe County, testified in support of A.B. 337 as amended by the AG's Office. Mr. Schiller said methamphetamine was one of the most significant issues that social services had dealt with related to the most difficult abuse and neglect cases. This bill was in line with what was occurring across the country. As Assemblywoman Leslie testified, no state funds were



requested, but Mr. Schiller said that at a county level, doors were open and grants would be available.

Robert Hadfield, Management Consultant, represented the Nevada Association of Counties (NACO) and testified in support of A.B. 337. Mr. Hadfield agreed that other grant opportunities would develop once the statewide office was established. He urged the Committee to pass this bill on behalf of the youth of the communities.

Kevin Quint, President, Nevada Alliance for Addictive Disorders, Advocacy, Prevention, and Treatment Services (AADAPTS), testified in support of A.B. 337. Mr. Quint believed that the development of the statewide DEC coordinator position would help organize counties. The current system was not broken, but there were some gaps in the system that this bill would fill.

Tim Kuzanek, Captain, Washoe County Sheriffs Office, testified in support of A.B. 337 on behalf of Sheriff Michael Haley. Captain Kuzanek said he spent five years working narcotics operations and saw everything that could happen to children. He felt this bill would help fill the gaps that had been previously mentioned. Captain Kuzanek hoped the Committee would support this bill.

Chair Arberry closed the hearing on A.B. 337 and opened the hearing on Assembly Bill 404.

**Assembly Bill 404: Restores funding to the Indigent Accident Account of the Fund for Hospital Care to Indigent Persons. (BDR S-962)**

Assemblywoman Heidi S. Gansert, Washoe County Assembly District No. 25, said she was testifying in support of Assembly Bill (A.B.) 404, but first wanted to disclose that her husband worked in a hospital that was affected by this legislation and her father was on a board affiliated with a hospital.

Assemblywoman Gansert said that A.B. 404 required the State Controller to return the \$25 million to the Indigent Accident Account removed during one of the budget reductions. The Indigent Accident Account was where funds from property taxes were set aside and held with the state. Eventually the funds were provided to the Nevada Association of Counties (NACO), and the various hospitals throughout the state that provided services to indigent persons, submitted bills and got partially reimbursed.

Assemblywoman Gansert said the bill was important because she believed the hospitals had been "hit repeatedly" during the economic downturn. She knew the state was in a dire financial situation, but during one of the rounds of budget cuts, 5 percent was cut from the hospitals. Another 5 percent reduction in hospital reimbursement rates was being recommended. The Indigent Accident Account was accessed during the special session and was supposed to be a one-time "sweeping" of the funds. In this current budget, another \$50 million dollars was reallocated to the state.

Assemblywoman Gansert said there was also concern regarding the disproportionate share payments, so she thought it was important to bring A.B. 404 to the Committee because hospitals provided care to a large number of individuals in our state.



Bill Welch, President and CEO, Nevada Hospital Association (NHA), thanked Assemblywoman Gansert for bringing the legislation forward. Mr. Welch provided [Exhibit G](#) which was a document that had been provided to various legislative committees earlier.

Mr. Welch said he would provide a brief history about the indigent accident funds (IAF). The IAF were created in the early 80's to deal with the growing catastrophic medical expenses from various counties. The hospitals would bill the counties, the counties would deplete their local indigent funds, and then a patient would be transferred to a regional care facility. The regional medical facility would care for the patient, resolve the medical condition, and look for payment for the services. Mr. Welch said if the local counties had depleted their indigent funds, they had to use their General Funds to pay the cost of medical claims. For a hospital to receive payment from a county required litigation.

Mr. Welch said the solution for this problem was the creation of the IAF and the supplemental fund. A set amount of monies were set aside by all counties to cover emergency medical care for individuals who had no other payment sources. All hospitals would be guaranteed some level of payments for qualified individuals based on total claims submitted versus the monies available. This protected the counties from excess medical claims pursued against them and insured the hospitals would receive some payment for the care they had provided.

Mr. Welch said the way the fund was generated was:

- The counties levied \$0.015 (1.5 cents) and \$0.01 (1.0 cents) on the assessed property value in their counties for the IAF and supplemental funds, respectively.
- The tax dollars collected by each county were transferred to the state, which paid the dollars upon approval by NACO.
- The funds were maintained and paid out separately, but with the passage of the Health Insurance Flexibility and Accountability (HIFA) waiver the funds were pooled into one account.
- IAF was paid out twice per year.
- The supplemental funds were paid out annually, after all IAF funds were expended, on hospital claims that were greater than \$25,000.

Mr. Welch said that over the last three years, hospitals had submitted over \$276 million in claims and received payments of approximately \$76 million. The average of payments made compared to the billings received was 27.5 percent.

Mr. Welch asked the Committee for its support of [A.B. 404](#).

Assemblyman Grady asked whether once the counties had received the proportion of funds, the hospitals could not sue for the balance due.

Mr. Welch answered that this was correct; the liability to the county was capped by the funds that were available in the IAF and the supplemental funds.

Jeff Fontaine, Executive Director, NACO, said that NACO strongly supported [A.B. 404](#). Mr. Fontaine said the Legislature had mandated that counties had a duty to provide for the indigent. The indigent did not have insurance, could not afford insurance, did not qualify for Medicaid, and otherwise had no means to pay for medical treatment.

Mr. Fontaine said when funding was "swept" in the special session, it was done with out consultation with the counties and done mid-year with claims still pending. By June 2009, there would be many pending claims against the fund. Without the funds, counties were still responsible for the care of the indigent. Mr. Fontaine asked what would happen to the claims in June. It was represented in special session that the claims could be moved into the next fiscal year. Mr. Fontaine said the Governor included in his budget a "sweep" of the funds for the biennium, so there was an inability to pay the claims for this fiscal year, and, there would be a "snowballing" effect for the next three years.

Mr. Fontaine said there was a large unfunded liability. Mr. Fontaine gave an example of a claim that was processed last year in Carson City under the supplemental account. Carson City was paid \$113,000 out of the supplemental account which was 19 cents on the dollar. The actual liability against Carson City was five times what was paid to it.

Mr. Fontaine urged the Committee to consider A.B. 404.

Assemblyman Goicoechea noted the ad valorem tax rate was continuing and was still being collected.

Mr. Fontaine said that was correct.

Assemblyman Grady indicated that A.B. 379 was heard yesterday in the Taxation Committee and wanted to know whether that bill tied into the IAF.

Mr. Fontaine said that he was not familiar with that bill. Mr. Welch said that A.B. 379 had nothing to do with this issue; A.B. 379 bill would raise the indigent care obligations of hospitals before payments could be received from the IAF.

Robert Hadfield, Management Consultant, representing the Nevada Association of Counties (NACO), said it was his belief based on his 30 years of experience with the indigent funds that there were several rural hospitals that would not be operating in Nevada had the funds not been available in the past.

Mr. Hadfield asked the Committee to consider A.B. 404.

Kevin Schiller, Children's Services Division Director, Department of Social Services, Washoe County, testified in support of A.B. 404. Mr. Schiller said without this bill there would be a significant effect on hospitals.

Constance Brooks, Senior Management Analyst, Office of the County Manager, Clark County, said Clark County was supportive of A.B. 404. Ms. Brooks said that the IAF affected University Medical Center (UMC) and Clark County Social Services. The restoration of this fund would allow for payments of eligible indigent hospital accounts.

Stacy Shaffer, Political Director, Service Employees International Union (SEIU), said that the SEIU represented approximately 18,000 healthcare and public sector workers in Nevada. The SEIU supported A.B. 404.

Assemblywoman McClain disclosed that she worked for Clark County Social Services and was a member of SEIU but would not be affected by the bill.

Chair Arberry disclosed that he was on the board of a hospital which could benefit from the bill.

Assemblyman Denis disclosed he served on the board at North Vista Hospital in Las Vegas.

Chair Arberry closed the hearing on A.B. 404 and opened the hearing on Assembly Bill 414.

**Assembly Bill 414: Makes various changes to the requirements for emissions inspections of certain vehicles. (BDR 40-821)**

Assemblyman Jerry D. Claborn, Clark County Assembly District No. 19, thanked the Committee for helping to solve a problem regarding a fiscal note. Assemblyman Claborn asked whether bills with fiscal notes attached came to the Committee on Ways and Means. Chair Arberry said that was correct.

Assemblyman Claborn asked whether the Committee on Ways and Means removed the fiscal notes.

Chair Arberry said this Committee did not remove fiscal notes. The fiscal note could be removed by the agency who could inform the Committee to remove the note.

Troy L. Dillard, Chief, Compliance Enforcement Division, Department of Motor Vehicles (DMV), said he would explain the intent of Assembly Bill (A.B.) 414. Chief Dillard said there were three primary issues concerning the bill.

Chief Dillard said the first issue in A.B. 414 was related to trimobiles in Nevada. There was a conflict between what the federal government and Nevada law considered a trimobile.

Chief Dillard said the second issue was the change in weight ratios for diesel vehicles that would come under the testing program of emissions within Clark and Washoe Counties. Manufacturers had been changing the weights of their vehicles. The reason 14,000 pounds was chosen was because that was the standard used by the Federal Government. Chief Dillard stated that the weight change would add about 9,500 vehicles, currently registered in Clark and Washoe Counties, which would be required to be tested on an annual basis. It moved the vehicles from the heavy duty diesel testing program to the annual requirement associated with gasoline vehicles.

Chief Dillard said the third issue would allow Nevada to keep up with technology that changed in automobiles. It would allow companies, governments, and fleets to submit information to the DMV through an electronic format. This would eliminate the annual emissions test. The DMV wanted to accept the emission status of a vehicle on a more routine basis.

Chief Dillard said the \$6 fee was an offset to what was already paid at the time on the annual fee currently.

Assemblyman Goicoechea stated that he did not believe there was a fiscal note attached to A.B. 414.

Chief Dillard said there was no fiscal note from DMV.

Chair Arberry said he was looking at a fiscal note.

In answer to a question from Chief Dillard, Chair Arberry said the fiscal note was from DMV.

Chief Dillard said there were 9,500 vehicles and asked whether there was \$57,000 of revenue.

Assemblyman Goicoechea said it was his understanding that the \$6 certification fee was the same regardless whether it was done with a smog check or with onboard diagnostics.

Chair Arberry said he had to apologize to Chief Dillard because the information was incorrect and there was not a fiscal note.

Chair Arberry closed the hearing on A.B. 414 and opened the hearing on Assembly Bill 533.

**Assembly Bill 533:** Makes a supplemental appropriation to the State Distributive School Account for unanticipated shortfalls in Fiscal Year 2008-2009 in certain tax revenue. (BDR S-1251)

James Wells, Deputy Superintendent for Administrative and Fiscal Services, Department of Education, said that Assembly Bill (A.B.) 533 requested a supplemental appropriation to the State Distributive School Account. The supplemental appropriation was in the Governor's recommended budget. Mr. Wells said the amount of the supplemental appropriation was \$329,279,867 and was an estimate produced when the budget was submitted. Mr. Wells said that the Department had been working with the Budget Division and the Legislative Counsel Bureau (LCB) Fiscal staff to achieve the most current number for the supplemental appropriation need.

Mr. Wells stated that the state was currently making monthly payments to school districts rather than the normal quarterly payments. If this supplemental appropriation was not received, the Department did not have the authority to make the May 1, 2009, payment to the school districts.

Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, said it was the staff's recommendation that A.B. 533, which Fiscal staff had been reviewing with Mr. Wells, be approved and passed over to the Senate. Mr. Stevens was not sure what day the bill needed to pass for Mr. Wells to be able to make the May 1 payment to the school districts. There was one additional month of sales tax and staff would normally wait for those collections before getting the bill out of the Assembly.

Mr. Stevens said that for the Committee on Ways and Means it was staff's recommendation to settle on an amount quickly and move the bill to the Senate Committee on Finance in case the amount needed to be amended. Then to the Governor for signature so the May payment could be made.

Chair Arberry asked whether Mr. Wells and the Fiscal staff could take care of this.

Mr. Wells said the payment had to be processed on April 28 for it to be paid by May 1.

Chair Arberry closed the hearing on A.B. 533.

Chair Arberry advised the Committee that Friday was the deadline date for Committee passage of bills out of the first House.

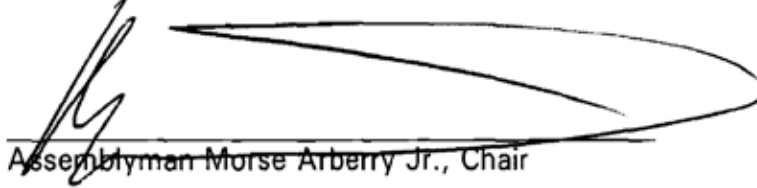
Chair Arberry adjourned the meeting at 9:37 a.m.

RESPECTFULLY SUBMITTED:

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Christine Bashaw  
Committee Secretary

APPROVED BY:



Assemblyman Morse Arberry Jr., Chair

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

<u>EXHIBITS</u>			
Committee Name: <u>Committee on Ways and Means</u>			
Date: <u>April 8, 2009</u>		Time of Meeting: <u>8:18 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 33	C	Brett Kandt, Office of the Attorney General	Amendment
A.B. 33	D	Brett Kandt, Office of the Attorney General	Letter from Department of Corrections
A.B. 337	E	Assemblywoman Leslie, Washoe County Assembly District No. 27	PowerPoint—Drug Endangered Children for A.B. 337
A.B. 337	F	Assemblywoman Leslie , Washoe County Assembly District No. 27	Proposed Amendment
A.B. 404	G	Bill Welch, President/CEO, NHA	Informational Sheet