MINUTES OF THE SENATE COMMITTEE ON ENERGY, INFRASTRUCTURE AND TRANSPORTATION

Seventy-fifth Session March 20, 2009

The Senate Committee on Energy, Infrastructure and Transportation was called to order by Chair Michael A. Schneider at 8:18 a.m. on Friday, March 20, 2009, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Michael A. Schneider, Chair Senator Maggie Carlton, Vice Chair Senator John J. Lee Senator Randolph Townsend Senator Barbara K. Cegavske Senator Dennis Nolan

COMMITTEE MEMBERS ABSENT:

Senator Shirley A. Breeden (Excused)

GUEST LEGISLATORS PRESENT:

Senator Steven A. Horsford, Clark County Senatorial District No. 4

STAFF MEMBERS PRESENT:

Matt Nichols, Committee Counsel Scott Young, Committee Policy Analyst Josh Martinmaas, Committee Secretary

OTHERS PRESENT:

John Sande III, Nevada Franchised Auto Dealers Association

Brent Husson, Government Affairs Chair, Building Owners and Managers Association of Nevada

Bob Gastonguay, Executive Director, Nevada State Cable Telecommunications Association

Randy Brown, CPA, Director, Regulatory and Legislative Affairs, AT&T Nevada David Howard, National Association of Industrial and Office Properties Ray Bacon, Nevada Manufacturers Association

Charles L. Horsey III, Administrator, Housing Division, Department of Business and Industry

Craig Davis, Program Manager, Weatherization Program, Housing Division, Department of Business and Industry

CHAIR SCHNEIDER:

We will open the hearing on Senator Townsend's bill, Senate Bill (S.B.) 246.

SENATE BILL 246: Revises provisions governing the sale of vehicles. (BDR 43-989)

SENATOR TOWNSEND:

The auto industry, like most industries, is changing dramatically. As a result, dealers in our State and their dealerships have some issues with the manufacturers. This bill is to clarify the law we already have in place regarding those relationships. It has been introduced on behalf of the dealer body.

JOHN SANDE III (Nevada Franchised Auto Dealers Association):

We have met with the Alliance of Automobile Manufacturers and we will be proposing some changes to the bill to make it acceptable to them, but there should not be any major problems.

Section 2 addresses a problem in Nevada where a manufacturer will ask a dealer to substantially alter their existing facility or construct a new facility. We are working with the Alliance to deem it as a modification. That way if the dealer is unhappy with the request, he or she could go before a hearing officer.

Section 3 deals with circumstances where a dealer sells a car and then that car is exported outside of the United States. We want to make sure the manufacturer does not penalize a dealer if the dealer does not know the automobile is going to be exported outside of the United States.

We will also work with the Alliance in section 4. This section says a dealer can return any part within one year after the date the dealer purchased the part, accessory or assembled component, provided it is returned in the same package in which it was received. Subsection 1, paragraph (b) of section 4 also says if the manufacturer reduces the retail price of any part, accessory or assembled component, the manufacturer must reduce by the same amount the price for the dealer for the part.

Sections 5 through 7 are important. There was a broker in northern Nevada who lost his license because of some bad deeds. He was charged with a felony, but then able to go to work as an agent for another broker without any licensing. These sections deal with licensing of an agent for a broker. At the request of Troy Dillard, we are proposing to delay the effective date of this section since it would reduce the fiscal impact of the legislation.

In section 8 of <u>S.B. 246</u>, if a manufacturer is purchased by another manufacturer, we want to make sure the dealer receives an acceptable franchise agreement. We have talked to the Alliance and instead of just saying, "substantially similar to the original franchise agreement," we may make it, "substantially similar to the franchise agreement of the purchasing manufacturer." We do not know where sections 9, 10 and 11 came from so we request they be deleted. This will be proposed in the amendments.

Section 13 on page 9 is important. Under existing regulations, contracts for sales of vehicles the Commissioner of Financial Institutions prepares, there is a 15-day right of rescission. Typically, if a dealer sells a car by thinking the purchaser is qualified for financing; the purchaser gets the car and drives away. Under this revised section, if the dealer cannot get financing within 15 days, they can rescind the contract. In this economic environment, it is very difficult to get financing. Dealers are finding 15 days are not long enough. We are proposing the 15 days be extended to 20 days after the effective date of the contract. The dealer will then have more time to try to finance the car. We also propose this be effective on passage and approval because of the difficult market. Sales are down substantially and financing is very difficult to obtain. We have dealt with various banks and credit unions to determine if we can get financing quicker, but it is just a difficult market right now.

SENATOR TOWNSEND:

You want to remove sections 9, 10, 11 and 12?

Mr. Sande:

Yes, we want to remove sections 9, 10, 11 and 12.

SENATOR TOWNSEND:

I did not know where those sections came from either; there is not a need for them. I am glad you want to remove them.

SENATOR LEE:

Could you give an example of what is happening in section 2? Please also explain section 3 about ". . . action against a dealer that sells a vehicle which is later exported outside the United States. . ."

Mr. Sande:

A manufacturer went to one of my clients in Elko and said to completely redesign their facility, make it up to date and spend millions of dollars. The dealer said, "I cannot do it, I do not have the funds, if I do it I am going to go out of business." The manufacturer said, "But we are not going to renew your franchise unless you do it." There are other examples, but that is the type of thing we want to address. We want to make sure there is a process. Anytime a dealer or a manufacturer requests you to substantially refurbish an existing facility or construct a new facility under Nevada law, a modification to the contract, you would get notice from the manufacturer. Then, you would have a period of time to appeal it. If there was an appeal, you would go before the Department of Motor Vehicle (DMV) hearing officer. In *Nevada Revised Statutes* (NRS) 482, it sets forth criteria for the hearing officer to make sure it is a reasonable modification of the contract. We hope to get some further language from the Alliance.

As for section 3, manufacturers do not want cars exported. I assume because they have dealers overseas or make more money overseas. They have gone to some of our dealers and said, "You sold a car to somebody and they exported it, so therefore we are going to penalize you." We want to make sure this does not occur if it was not known the vehicle was going to be exported.

SENATOR LEE:

If I am a Mercedes Benz dealer in Reno, they do not want people from other countries coming over and buying from me to only then send those cars overseas. What if you have no knowledge they are going to do that? What repercussions are there now?

Mr. Sande:

The manufacturer would say it is a breach of the franchise agreement.

SENATOR LEE:

If it happened, what is the sanction?

Mr. Sande:

Fortunately, we have a strong franchise law in Nevada. If there is a termination or failure to renew a franchise, the dealer is entitled to a hearing to see whether it is a reasonable termination of the franchise.

SENATOR LEF:

If I sold you a vehicle, exported it to China, and somebody found out, what would they say to you? Just one car, not one car after another.

Mr. Sande:

If this law is passed, there would be none. Dealers in southern Nevada have been told they violated the franchise agreement because they sold a car to somebody that then exported it to another country. The manufacturer could terminate the franchise, not provide the dealer with those cars, or cut back on what they provide the dealer because they are abusing the franchise.

SENATOR CARLTON:

This is for folks who had a license, lost it and went to work for someone else. You want them to maintain a license and not go out and work unlicensed?

Mr. Sande:

Yes. This is not aimed specifically at somebody who has lost their license though; it is for anybody that works for a broker. They should be licensed just like anybody else that works for an automobile dealer in sales. In one particular case, a broker lost his license because of fraud and then went to work for another broker as an agent because there was no licensing requirement. This section makes sure anybody working as a broker, or an agent for a broker, goes through the process of being licensed by the DMV.

SENATOR CARLTON:

I thought we were going through a whole group of people. This is for the broker or the agent of the broker?

MR. SANDE:

Correct.

SENATOR CARLTON:

We do not currently license agents then, since this is a new licensing scheme?

Mr. Sande:

Yes. This was probably an oversight because they act for a broker and make deals on behalf of a broker.

SENATOR CARLTON:

Do the criteria mirror what a broker has to do?

Mr. Sande:

That is my understanding.

SENATOR CARLTON:

So, is it the same?

MR. SANDE:

Yes.

SENATOR CARLTON:

This is still under the DMV so they have conviction of a felony, conviction of a gross misdemeanor, falsification of an application, all through that so is that pretty much the same?

Mr. Sande:

Correct.

SENATOR CARLTON:

You want 20 days for car dealers to get financing instead of 15?

Mr. Sande:

Twenty days is the same time period a dealer has to submit a dealer's report of sale. We want the same time period to allow more time to obtain financing.

SENATOR CARLTON:

During this time does the customer have the vehicle in their possession?

Mr. Sande:

Correct.

SENATOR CARLTON:

Why are you letting somebody drive off the lot if they cannot prove they can buy the car?

Mr. Sande:

A dealer will look at the Fair Isaac Credit Organization (FICO) score of a proposed purchaser and say, "They are obviously qualified, go ahead and take the car," and then they cannot get financing. It is a difficult time in this economy.

SENATOR CARLTON:

Why, in these times, would you let someone drive off with an expensive piece of machinery? Who knows if they are going to bring it back; it could end up anywhere.

SENATOR TOWNSEND:

This has been an industry standard for a long time. The dealer's understanding is when the applicant fills out a credit application, it is accurate because it is illegal to fill it out fraudulently. The finance manager then reviews it to find out if a bank will buy the paper. Generally they will say, "Based on 20-percent down, this FICO score, other things and the marketplace, we can get this sold." They then allow the transaction to go forward.

If it is a Saturday with a lot of activity, they will not get to the banks until Monday anyway. On Monday they try to find the appropriate bank to buy it at the best rate. This is where it gets challenging. There used to be a lot of sub-prime entities out there buying paper, but now there are less of them. It is harder to find buyers for these papers. That is why the 20-day stipulation is important. The individual coming in should know it is going to be a challenge, that is why credit unions have a dramatic impact on this industry. People are going right to their credit union to get a loan and coming in with a check. When I was in the business, you could pick up the phone and the guy would say, "It is bought and it is done." Now, the actual buyers are taking their time to look through these things. A couple of extra days are not unreasonable in this unique economic climate.

CHAIR SCHNEIDER:

I am on the board of a credit union, so I understand. The credit unions were not making the toxic loans but are collateral damage from the housing collapse. Our credit union, and others, finance a lot of cars, swimming pools and home additions. We have "jingle mail" going on. People mail in the keys to their cars, or they park the car in the parking lot and drop the keys on the counter. If you looked at their FICO score and everything else two years ago, you would make the loan again. The people are upside down though, because they have lost their jobs. Everybody in the construction industry, real estate industry and mortgage industry are losing their cars. Now the people in the service industry are having their hours cut dramatically and they are losing their cars. The credit unions are dying. We write off hundreds of thousands of dollars every month.

We will close the hearing S.B. 246 and open the hearing on S.B. 258.

<u>SENATE BILL 258</u>: Requires owners of industrial or commercial buildings to make certain disclosures. (BDR 58-790)

SENATOR CEGAVSKE:

Brent Husson requested this piece of legislation. Mr. Husson and a group of businessman have gotten together, looked at issues that affect them and have been proactive during this Session and the interim.

Brent Husson (Government Affairs Chair, Building Owners and Managers Association of Nevada):

Senate Bill 258 comes in response to problems other states have encountered concerning the placement of telecommunication- and video-service equipment on top of privately owned buildings. In response to demand for increased availability of telecommunication and video services, some states passed legislation requiring private building owners to place equipment on top of their buildings that would boost or enhance signals. However, since there were never any contractual agreements between service providers and building owners, questions over liability arose when equipment was damaged or workers servicing the equipment may have gotten hurt. By prohibiting the state and local governments from requiring private building owners telecommunication- or video-service equipment on their buildings, contractual agreements must be made between service providers and building owners if equipment is placed on a building. Having a contract will clarify liability issues. This bill will also protect the State from assuming any liability. The Building

Owners and Managers Association of Nevada (BOMA) is being proactive with this issue and that is the intent of $\underline{S.B.\ 258}$. There have been problems in Florida, Texas and other states where bills do not allow owners to be party to the contract, which creates liability problems.

BOB GASTONGUAY (Executive Director, Nevada State Cable Telecommunications Association):

I have signed in as opposed to this bill because it changes NRS 711. This chapter governs video-service providers. Looking at subsection 3 of section 2 of the bill, "The State or any of its political subdivisions shall not require the owner of an industrial or commercial building to accept or maintain any equipment, property, connections or video services from a video service provider." The NRS 711.255 specifically states, "Video service provided to tenants," and when looking at subsection 3 of section 2 of the bill, the requirements to disclose, it is basically for people renting within the commercial or industrial property. Video-service providers under NRS 711.255 states, "Prohibited conduct by landlord; responsibilities of provider; payment or compensation for access; rights and duties regarding construction, installation, repair and purchase of facilities; certain discounts prohibited." In subsection 1 of NRS 711.255 it goes on to state, "A landlord shall not: (a) Interfere with the receipt of service by a tenant from a video service provider or discriminate against a tenant for receiving service from a video service provider." This bill, in subsection 3 of section 2, would change the statute and that is why I oppose it.

Mr. Husson:

The bill was not intended to interfere with existing law. The intent of the bill was for equipment that is required by owners to be put on buildings.

SENATOR TOWNSEND:

For many years this Committee debated during the nascent days of cable. The Committee decided individuals had a right to bring in whatever service provider they wanted. A building owner could not discriminate because the individual has the choice; it had to do with the individual's communications. If you were in an apartment, condominium or an office building, you had a right to bring in whatever cable company you chose, and your neighbor could bring in anybody they chose. You could not have a building owner say, "I am only letting cable in but no dish." This was to allow consumers to drive the market and decide who they want to provide their video, data or audio needs. We now have a nondiscrimination policy in Nevada. Mr. Gastonguay is saying subsection 3 of

section 2 of <u>S.B. 258</u> overturns that State policy. I am not sure that is what you intend to do with this bill. This particular portion of the bill creates another set of rules that would overturn what we have done.

MATT NICHOLS (Committee Counsel):

I think Bob identified an important issue here, and I think Senator Townsend is correct that subsection 3 may inadvertently conflict NRS 711.255. It is an easy enough fix, through an amendment, to insert the language at the beginning of subsection 3 that, except as otherwise provided in NRS 711.255 the State shall not require. So, I think we can address that in an amendment.

Mr. Husson:

That works for BOMA. We did not intend to overturn that section of NRS.

Mr. Gastonguay:

I have no problem with that.

RANDY BROWN, CPA (Director, Regulatory and Legislative Affairs, AT&T Nevada): We understand the intention of the bill, but have a similar concern with section 1, subsection 3. We understand it is not intended to get in the way of telecommunications providers to be present, but with the current language, it may interfere with our requirements as a provider of last resort. We want to make sure that does not happen.

SENATOR TOWNSEND:

Section 2, subsection 1, only addresses video service. Have you had discussions with the representatives of video providers whether that should be a broader statement to include data and voice?

Mr. Husson:

No. Section 3 of this bill was not particularly important to our group. It was written from the Legislative Counsel Bureau.

SENATOR TOWNSEND:

I am not worried about subsection 3. On page 2, lines 6, 7 and 8, it says, "... telecommunication providers that have equipment, property or connections

in place at the building to provide telecommunication service to the tenant." Lines 22, 23 and 24 only refer to video.

Mr. Husson:

We have not discussed that but we would be happy to do so.

SENATOR TOWNSEND:

Nevada Revised Statute 707 is the provider-of-last-resort statute. The other is our unregulated version. I want to make sure you accomplish what you want.

SENATOR LEE:

If I am trying to rent to a prospective tenant, and they ask me these questions, it behooves me to get them their information so I can rent to them. Why would somebody not want to give this information?

Mr. Husson:

People would probably not try to deny that information. It was written into the law to codify it. It is currently done that way. The important part being changed, aside from what the gentleman spoke about earlier, is the forced-access issue. The issue for BOMA is not allowing a state entity to mandate a certain party take a piece of equipment on an owner's building without the owner having a say in how that is negotiated so they can be compensated and defer their liability. It is not to disrupt any laws already written, or change them in any way.

Its intent is if you are going to put something on top of a commercial building, the owner needs to be party to that transaction. It may have been written incorrectly and needs to change. We have talked about the amendments and are happy to do that. Regarding providing the information talked about in the first section, it is common practice right now.

SENATOR CARLTON:

When Senator Cegavske originally explained this bill, I thought that someone would be on your roof or parking lot and you would want to know they are there. You want the courtesy of understanding they are going to be at your location. Now you are talking about equipment being installed, removed and other things. Where does notification come into this? What problem are we trying to solve?

Mr. Husson:

If a telecommunications company decided to put a tower on the New York New York Hotel and Casino, because it provided the best access, they would have to go to the owners of the New York New York and come to a contractual agreement. However, in other states, telecommunication companies have passed laws where that would not be the case. The telecommunications provider would simply identify the building as one they need, and they would have forced access to put a tower up. The building owner would not have any say in how that happens. The engineering could be substandard.

SENATOR CARLTON:

Is this how it is being done now?

Mr. Husson:

No. The telecommunications industry in other states has passed legislation that makes that possible. We want this bill passed so it cannot happen here.

SENATOR CARLTON:

But you are a tenant, not the owner. I understand the access issue, but if the owner decides the corner of the parking lot will have a cell tower, he owns the property and it is his decision. Yes, he should inform you it is happening, but you should not have the right to say it will not happen.

Mr. Husson:

I am speaking from the perspective of the building owner or the owner of the parcel, being told by the state, that they must allow the telecommunication company to put the tower on their lot without any compensation.

SENATOR TOWNSEND:

We can fix the bill, Senator Carlton.

Mr. Husson:

We did not realize it would be this confusing. We took wording from laws passed in other states. We submitted it to the Legislative Counsel Bureau, and they thought it was good, but you are the experts. We want the owners of the buildings to have a say in what goes on their buildings. If it needs to be addressed differently, then we are happy to do that.

DAVID HOWARD (National Association of Industrial and Office Properties):

We were initially concerned this was another item to put into a lease. We already have too much in industrial and commercial leases. From what I have heard this morning, we need to talk about this more. We would like to be included in any further work or discussions.

SENATOR LEE:

On page 2, line 7 of <u>S.B. 258</u>, it says, "at the building." Does "at the building" mean the property therein, such as in the parking lot and not just the top of the building; on the property rather than the building itself?

MR. NICHOLS:

"I would interpret it to mean the building itself. If we wanted to expand this to include the property around the building, we can certainly do that."

SENATOR LEE:

That could apply to the area a cell tower or something would take up from an owner's property.

CHAIR SCHNFIDER:

We will close the hearing on <u>S.B. 258</u>.

We have a committee introduction on an act relating to energy. It requires the Colorado River Commission to conduct a study of the feasibility of generation of electricity from hydrokinetic electric power below Hoover Dam. It requires the Commission to apply for money from the federal government to conduct a demonstration program if the study indicates that such a use of hydrokinetic electric power is feasible.

<u>BILL DRAFT REQUEST 58-1150</u>: Requires Colorado River Commission to study feasibility of using hydrokinetic electric power generation below Hoover Dam. (Later introduced as <u>Senate Bill 339</u>.)

SENATOR NOLAN MOVED TO INTRODUCE BDR 58-1150.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR SCHNEIDER:

We will open the work session on <u>S.B. 152</u>.

SENATE BILL 152: Enacts the Green Jobs Initiative. (BDR 58-172)

SENATOR STEVEN A. HORSFORD (Clark County Senatorial District No. 4): Proposed amendment 3396 is the most up-to-date amendment we are proposing to <u>S.B. 152</u> (<u>Exhibit C</u>). There are two additional amendments we added based on comments we received.

SCOTT YOUNG (Committee Policy Analyst):

Some members of the audience have the March 19, 2009, version of proposed amendment 3396 (Exhibit D). This will not reflect the change Senator Horsford is going to talk about. Members of the Committee have the March 20, 2009, version of proposed amendment 3396. It is a small change, and rather than throw out all those packets and have to start over, we have kept them for the audience. These were all drafted late last night.

SENATOR TOWNSEND:

The first time I have seen proposed amendment 3396, dated March 20, 2009, was this morning at 8 a.m. When I get stuff cold like this, about a bill of this importance, and changes that have not been discussed, I may or may not be prepared to move forward until I fully understand it. I may or may not be able to vote today.

CHAIR SCHNEIDER:

The difference between the March 20 version and the March 19 version is one word. It is on page 3, line 42. Instead of, "each contractor to provide" we have changed it to, "each contractor to offer."

Mr. Young:

The same one-word change appears on page 6, line 27. "Provide" is deleted and the word "offer" is added. Those two one-word changes are the only differences between the March 19 version, Exhibit D, and the March 20 version, Exhibit D. The Committee has the March 20 version.

SENATOR HORSFORD:

After conferring with private industry, some provide health-care insurance for the worker, and allow the worker to pay for health-care services for their spouse or dependents. The employer does not necessarily provide it to both the employee and the spouse or dependents. That word change, rather than providing the health insurance, would offer it in a package and the employee could decide whether they want to pay the additional cost or not.

The second change from the previous proposal is on page 4, in section 9, subsection 7. We are adding language that speaks specifically to the Green Jobs Initiative and the money allocated by the stimulus package. There will be \$500 million available to states through a grants program for the green jobs training initiative. This is in addition to the other funding sources we had identified and talked to this Committee about before. The grants are not yet available and the application process has not been announced, but we expect with the new creation of the White House office on green jobs, it will be coming soon. This language states the Department of Employment, Training and Rehabilitation (DETR), and the Division of Housing, would apply for the grants, appropriations, allocations or any other money available pursuant to the Green Jobs Act of the stimulus funding grants adopted by the President and the U.S. Congress.

The provisions proposed by former State Senator Ernest E. Adler (Exhibit E) would not impact the current weatherization project. Because that project program is funded by state resources, they do not have the same restrictions as the federal stimulus package. Under section 1606 of the stimulus package, it requires prevailing wage based on the local wage rate established by the Labor Commissioner. That is not my requirement; that is a federal provision in the stimulus package. I am not trying to prevent current projects from participating; they would simply have to meet the wage requirements because this is federally funded. We would not impact their current programs because they are not under the conditions of this bill or the package.

CHAIR SCHNEIDER:

Are you saying Senator Adler's proposed amendment is not needed? He still operates but he may not fall under the federal guidelines?

SENATOR HORSFORD:

They were concerned that their current providers doing this program would not be able to meet the prevailing-wage requirements because they do not pay that, but that is not a requirement for their current program. If they chose to participate in this program, they would have to meet the prevailing-wage requirements and the other provisions of the law.

CHAIR SCHNEIDER:

Their training is fine; they just have to meet the federal guidelines on wages.

SENATOR HORSFORD:

Correct. They are trained as certified by the Housing Division. It is not that the training done by the Division is inferior, but the goal is to reach a training standard based on industry needs. Our goal is not just to train people to weatherize homes, but train individuals who can move through the green-economy career path acquiring skills along the way. The industry has specific skill qualifications they look for. One of the criteria they use in their decision to locate here versus Arizona or California is whether or not we have a trained workforce.

SENATOR CARLTON:

Under the Nevada Manufacturers Association amendment, Exhibit E, it has, "(g) waste heat use and power generation." The conflict I see is on page 2 of S.B. 152 under subsection 2 of section 6, where it states, "The term does not include coal, natural gas, oil, propane or any other fossil fuel, or nuclear energy." The waste heat is coming from natural gas. How will this amendment work in conjunction with section 6, subsection 2?

SENATOR HORSFORD:

I would defer to this Committee or the proponents of the amendment. I have met with natural gas industry leaders around the renewable technology they hope to develop; that is a separate subject.

MR. YOUNG:

Waste heat could be a byproduct of fossil-fuel generation. The idea is you have a resource in the heat that is just going to be dissipated into the air. If you have systems that can recapture the heat and use it, it is in effect giving you much more efficiency out of whatever generation unit you have. Even though you are

correct, that to an extent it is an indirect use of a fossil fuel, the idea is to use that fuel more efficiently by capturing the waste heat.

SENATOR CARLTON:

Is waste heat renewable when you go to the underlying fact? The proponents wanted it to be classified as renewable so they could get a credit or something along those lines. I want to make sure that is considered.

MR. YOUNG:

In section 6, we use the term, "renewable energy," which is a defined term in NRS 704. There may need to be a clarifying piece of definition so waste heat does not generally become part of renewable energy.

MR. NICHOLS:

We can certainly, if it is the Committee's pleasure, amend the definition of renewable energy or amend the bill in some way so that the waste heat generation is eligible for this program, but we would not then define for the purposes of the rest of NRS renewable energy to include waste heat generation.

SENATOR CARLTON:

Will we only have one or two people sue us over that rather than seven or eight?

Mr. Nichols:

"I cannot speak to the litigious nature of the people here."

SENATOR LEE:

Is methane gas a viable product that we should identify in section 6? Does biomass encompass methane? In section 6, subsection 2, it says not to include natural gas; but I question methane.

RAY BACON (Nevada Manufacturers Association):

Methane generation typically off dairy operations is legally classified by the federal government as biomass end product so I think it is covered. I have not read through the federal statutes, but I have seen that in two or three articles.

SENATOR CARLTON:

On your amendment under (h) of $\underline{\text{Exhibit E}}$, "the manufacturer of components to make any of items (a) through (g) viable," items (a) through (g) list all of the renewables. If they make components for fuel cells, machinery that deals with geothermal, and the components of solar, water and wind, what is your intention?

Mr. Bacon:

If somebody is going to make windmill blades, that is a very specific, critical skill. There is only one company in the entire country making the big blades. We would love to have those people here. The training involved to get people up to speed to make those things is intensive and skillful. We should invest in training if we want to lure a company to make windmill blades in Nevada. The same is true if someone built a silicon factory to make the solar panels. There are specific skills involved. This would allow the training of people, of skills that go into an end product, to be permissible under the bill.

SENATOR CARLTON:

I understand the intent, but section 6 is the definitions of renewable energy. Making these components would be defined as renewable energy.

Mr. Young:

Senator Carlton is correct. Mr. Bacon's language poses some problems if it is in the definitional section of renewable energy. If Senator Horsford is comfortable with the concept, it can be put into another place in the bill. It is probably not appropriately lodged in section 6.

Mr. Bacon:

I have no problem with that.

SENATOR HORSFORD:

I am agreeable with the concept.

CHARLES L. HORSEY III (Administrator, Housing Division, Department of Business and Industry):

The Housing Division is in support of <u>S.B. 152</u> (<u>Exhibit E</u>). It is good public policy to utilize all the economic stimulus package monies available under this category. There are thousands of homes that would qualify. It is also in the best

interests of the State to have a trained workforce. Weatherization work is just different enough that the average construction worker has to be trained. We welcome more entities and people to be trained in the weatherization program.

We have received clarification from the federal Department of Energy (DOE) and it is very positive. The amount of money coming to us under the stimulus package for this program is \$37,281,937. That is in the upper range of money we were expecting. Secondly, instead of 18 months we have 3 years to expend the funds. It is good public policy to hit the ground running. The Housing Division will be the agency graded on the success of this program; how many homes are weatherized.

It is in the best interests of the State to begin immediately using the existing delivery system. The existing nonprofits in the State we utilize include: Help of Southern Nevada, Rural Nevada Development Corporation, Nevada Rural Housing Authority and the City of Henderson's Neighborhood Services Division. They have done a lot of good and have a tremendous track record of success. The requirement DOE sent to us states, "In selecting a sub-grantees preference shall be given to any Community Action Agency or other public or nonprofit entity which has, or is currently administering, an effective weatherization program." We have to follow those guidelines and give preference to the current delivery system.

There is a way to use other entities as well. First, there is enough money to keep the current nonprofits busy while bringing new entities on board. Our proposal is, instead of allocating 3 years' worth of funding at one time, to divide it into three yearly-allocations and we will conduct a request for proposal (RFP) each year. The first RFP has already gone out. As new entities, such as nonprofits created by unions or other people, and as DETR and other entities train new workers, we would conduct another RFP and let them have part of the action at that time. We have to spend these monies. There is little controversy about the benefits of the weatherization program. There are thousands of people who could utilize this and need their utility bills reduced. Our plan will be ready from day one with our current delivery system. We have already received two new applications from entities that have formed under the concept of Senator Horsford's bill. For example, we could have a separate sub-grantee just for the North Las Vegas area like we have for Henderson. A lot of time, effort and expertise have gone into the people who have been doing this work for years with us. It is a good idea for us to utilize them to the fullest.

SENATOR TOWNSEND:

The Housing Division will receive \$37 million that can be spread over 3 years. Is that independent from other money? Is this weatherization money only?

CRAIG DAVIS (Program Manager, Weatherization Program, Housing Division, Department of Business and Industry):
Yes.

SENATOR TOWNSEND:

You currently have nonprofits in place that do this. They take Low Income Housing Assistance (LIHEA) money and Universal Energy Charge (UEC) money. Is your intention to allow those people to continue to do that using this new money?

Mr. Horsey:

Yes.

SENATOR TOWNSEND:

Are the requirements in some of the other portions of the bill, the federal bill that requires prevailing wage, attached to this money?

Mr. Davis:

Yes

SENATOR TOWNSEND:

We will have people getting paid two or three times as much to do projects we are currently doing?

Mr. Davis:

Correct.

SENATOR TOWNSEND:

Other than the four entities you are currently using, do you anticipate knowing before we leave this Session who else might apply and qualify?

Mr. Horsey:

We are not as optimistic as others as to how long it might take for entities to be developed, nonprofits to be formed, and the training to be done, but yes we think so.

SENATOR TOWNSEND:

Do you intend to continue using the current people in place by paying them out of the State's LIHEA and UEC funds? Then, if the contractor or subcontractor can do additional programs will you use separate money? Or will you have different people coming in using that money?

Mr. Horsey:

We are currently working on the logistics of that. One area we are wrestling with is the current federal guidelines require every piece of weatherization work we do have a positive rate of return; the energy savings needs to exceed the cost of doing the job. At \$15 per hour, a number we commonly use, it is easier to do the whole list than it is at the \$40-per-hour rate. The stimulus package states prevailing wage of the Davis-Bacon Act of 1931 will be applied. We are wrestling with that. Will there be certain items that cannot be done? We are not sure.

SENATOR TOWNSEND:

Since a cost-benefit analysis is required, there will be some homes that do not meet the requirements based on the different ranges of payment. It is important for the sponsor to know what will fit into that grouping. It is easy to say school buildings and state buildings are included. What about other buildings like residences? If they are in deep trouble, you might be able to utilize the higher-paid, skilled workforce to help that individual. Or will we go down a narrow path for the residences of people who truly need help from the LIHEA and UFC funds?

MR. DAVIS:

The current cost-effective requirement in DOE's regulations has not been waived. Until we have the Davis-Bacon Wage Determination in place, we cannot begin work out in the field. We can do outreach and training, but we need a determination from the Labor Commissioner. We do not know what impact it will have on the measures. The measures are based on the installed cost versus the savings component. Once we get the new labor costs, we can put it into the calculation. Yes, certain measures will fall out because they will not be deemed cost-effective.

SENATOR TOWNSEND:

Once you have those determinations, it is important for us to know what the gap is so there is not an unobtainable level of expectation. This is a lot of money. We do not want a level of expectation that tomorrow somebody will show up at houses in downtown Las Vegas and fix them. We need realistic expectations.

MR. DAVIS:

From that calculation, we develop our priority list. It dictates which measures will be installed, by which climatic zone, by dwelling type and by energy-source usage. It is a guide. When the contractors go out, this is the work that is most cost-effective in this application.

MR. HORSEY:

I do not want to speak for the Labor Commissioner, but I understand there is going to be a major problem for him to develop those figures.

SENATOR TOWNSEND:

It is pretty basic.

SENATOR HORSFORD:

It is the local wages currently established by classification. We do not want to create a barrier where one does not exist. I just passed out section 1606 of the federal stimulus package (Exhibit F). It states, "Requires that all laborers and mechanics employed on projects funded directly or assisted by the federal government (in whole or in part) under this Act be paid wages at rates not less than those prevailing on projects of a similar character in the locality." When we inquired who sets those rates, they said the Labor Commissioner in our State.

SENATOR TOWNSEND:

It is quite clear. As this bill is processed, we want the people to know where the money is going. We have two standards. We have prevailing wages, and the ethical standard of if you cannot meet your investment you cannot do it. The latter flips it over to another pot of money. People have to understand that. There are also things not negotiable because they are dictated by the federal bill.

There are other monies that Senator Horsford made changes to in here. You need to be aware of subsection 7, section 9 on page 4 in proposed

amendment 3396, Exhibit C. "The Department and the Division: (a) Shall apply for and accept any grant, appropriation, allocation or any other money available pursuant to: (1) The Green Jobs Act of 2007, 29 U.S.C. § 2916(e); and (2) The American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. No. 111-5 (2009); and (b) May apply for and accept any other available gift, grant, appropriation or donation from any public or private source." We need to know the rules under each one of those when the money comes. The last thing anybody wants is trouble if we put money in the wrong pot, we made a mistake, or that a project should have been done differently. The Division needs to be sensitive to that language. You have a challenge since one group is already using one pot of money, and now there is another pot of money with different restrictions. We do not want to be in trouble with the federal government inadvertently.

SENATOR HORSFORD:

On the issue of the current providers, I agree with the provisions allowing them extra consideration, but they have to meet the other provisions of <u>S.B. 152</u> and the stimulus package, including prevailing wage. Some providers do not meet the requirements and wanted to be grandfathered in, but they cannot with this pool of money. They will not lose their current programs unless the Housing Division decides otherwise. Those rules will not change. If they are awarded a grant, under the stimulus package funds for weatherization, they will have to meet those requirements.

Should <u>S.B. 152</u> pass, they would also have to meet those provisions. We have tried to take into account other proposed amendments by the Housing Division, but not reconstituting the board to meet some collaborative structure. After we met with the Housing Division and others, it would be too cumbersome. It was not our intent to make this more difficult. We should be maximizing the stimulus package dollars to the greatest benefit.

These stimulus package dollars help in three areas: training, jobs and benefits to the consumers. We should help people acquire the skills to do the work we need. This will also show the green industry we have a trained workforce ready, or are committed to building one. Secondly, we are helping people who are out of work, or desire to work in these positions, with the skills, whether trained or not, that allow them to work. Finally, consumers will be able to get energy-efficient modifications done to their homes. I respect the comments by Senator Townsend. There has to be a cost-benefit analysis. We want

well-trained individuals to do that work; to come in and say, "This is what we can do for you, to help you, and this is what we can't." That is our intention with some provisions of this bill.

SENATOR TOWNSEND:

When you talk about "shovel-ready" weatherization projects, there are many of them in southern Nevada. Are there people that meet the certification now and could go to work in a few weeks? How many people are certified to do these jobs?

SENATOR HORSFORD:

I do not have an exact figure, but a number of people are already trained. There are established training programs the industry recognizes. Some programs have been done by the Division, community colleges and apprenticeship programs. There are organizations training to the level of specification we are asking for.

SENATOR TOWNSEND:

We need to find out those numbers and get them organized since that process can take a while. In another week it could already be 90 degrees in Las Vegas and then there will be all kinds of challenges.

How much money are we going to pay for training and how much for the jobs themselves? We need some kind of vision before the bill is signed.

SENATOR HORSEORD:

Because some provisions of the stimulus package need to be authorized legislatively, that would be a discussion for the Senate Committee on Finance and the Assembly Committee on Ways and Means. Should this bill advance, those direct allocations, or direction gained through the agency budgets, would state how much money would go here versus elsewhere. In the case of DETR, there are other workforce initiatives outside of the green-economy opportunities. They want to advance those initiatives with the goals of helping people acquire the skills to get back to work and help the private sector recover. We do not intend for all the money to go to this initiative alone, there are other important priorities as well.

SENATOR TOWNSEND:

On page 2 of proposed amendment 3396, <u>Exhibit C</u>, in section 9, lines 19-20, it talks about ". . . weatherization, energy retrofit application and the development

of renewable energy plants." Can you give me a vision on how you see that portion working? Is that commercialization on office buildings, government buildings or schools? What would fit under that? I am behind the language, but we are narrowing the \$37 million and the other pot quickly.

SENATOR HORSFORD:

The need and opportunity for trained workers in the construction of these plants is where this is tied. Once people are trained at this level and develop a certain amount of skill, we want to say, "Okay, you have those skills, now what additional skills will be needed to take you to the next rung?" We can then move them where the industry is telling us.

We are just getting specific details from industries such as solar, wind and geothermal on the types of skills they need. We are asking them very specific questions. The more answers we get, the better alignment we will get out of the stimulus package. We will be able to tell industry, "We are going to train a cadre of workers who have this amount of skill set for you." Once they finish doing a project and the stimulus dollars are gone, what is the next opportunity for them? We do not want to cause a problem for those workers. The next opportunity is projects like the 250 megawatt solar-thermal power plant in Nye County that NV Energy and Solar Millennium just announced. We want to move workers along the career pipeline in the new green economy we are creating this Session.

SENATOR TOWNSEND:

On page 3, line 42, of Exhibit C, it states, "A component that requires each contractor to," and then instead of "provide" you put "offer." Did you say the employee will receive health care but the employer will offer health care to the dependents? If you did, that is not what the bill says. Your amendment just says it will offer health care to an employee and his or her dependents. I do not want to find out later we did not meet your bill's goals.

SENATOR HORSFORD:

From a private-industry perspective, health-care programs are different for different entities. The intent is that employers and contractors that get this work should provide health-care insurance to the employees they hire. To what extent the employee has to share in the expense, figure it out. The goal of the language is that a health insurance plan will be offered. If it is in the form of full payment to the employee and a benefit to the spouse and dependents, or full

plan, we have to leave that to the providers of the program because it varies. I do not want a barrier to participation. The goal is to put people back to work.

SENATOR CARLTON:

This is great if it gets people covered, but by changing it from "provide" to "offer," I am apprehensive. It might not help as much as we hope, but I understand the cost of health insurance. I am going through chapters 689A and 689B of NRS to find out what would be included; what these folks could offer. They can offer a health savings plan, they can offer individual or group insurance. There are a number of different options in here. How does this comply with the stimulus package? I thought one goal of the stimulus package was health insurance.

SENATOR HORSFORD:

There was a provision expressed on prevailing wage, but it is not as expressed on the health-benefits side. There is an intent, but it is not a requirement. We all have the same goal. Out of respect for the providers and the contractors likely to do this work, I did not want to put us completely in a box. I want the intent to be clear, if we have trained, employed and provided all these opportunities to people, and they all have no access to health insurance, this was not successful. As long as we have good-faith efforts by the providers that do this work, to use the dollars coming from the federal government in the right way, we can achieve all of our goals. That includes offering options to employees to cover their health-care needs.

SENATOR CARLTON:

I gain a level of comfort since we are talking about good jobs that will have good wages. Hopefully those folks can afford the basic plan they need to provide for themselves, their spouse and their families. We are solving a problem on the front end by addressing health care. Hopefully this will incentivize insurance companies to offer options to sell to small employers. We have options on the books that allow small employers to pool together and buy health insurance for their employees, but your provision does not include medical discount plans because it is not insurance. That will be a discussion as soon as we get done with this.

SENATOR HORSFORD:

It should not be. This bill has none of the provisions on the medical-discount programs. Your point about prevailing wage helping individuals being paid under

the provisions of this bill, and those under the stimulus package, is important. People will need to understand as a worker they need to be responsible and make health care a priority. Legislatively, we have to work on creating the options you talked about.

SENATOR CEGAVSKE:

I am excited about creating new jobs and using renewable energy to do it. One concern I have is that we are paying someone to do the jobs right now, with the amount of money we have for that area. What happens to those employees with new ones coming in? Will people go to these new companies or groups because they can get paid more? The current groups could be left behind without the jobs they are currently working on.

SENATOR HORSFORD:

The current program the Housing Division administers for weatherization, utilizing the UEC funding, would not change unless the Division has some other plan. If the people working for those contractors right now have the skill sets to pursue the work under this plan at a higher wage, and acquire additional skills and move to the next rung, that is what we want.

SENATOR CEGAVSKE:

I am concerned when the money runs out, there will be no more jobs and we gave them a false hope. I am looking at the final step. They may have left a secure job, for another one for a year or two, and then it is gone. Unless we are able to do more renewable energy in different areas and they are skilled to do that, where will these people go for employment?

SENATOR HORSFORD:

First, President Obama has said weatherization should be a national priority and something we continue to work on. He did not say it should only be part of a stimulus package plan. Whether there will be additional funding to preserve this, we do not know. I have confidence in the private sector that as we create the right policies this Session on renewable energy, we will balance the incentives while creating a trained workforce. This will allow private companies to come in and develop; including our incumbent provider. The private sector will create the job opportunities to allow these workers, in both the weatherization program and in other programs, to choose whether they want to pursue those careers. That is where our hope is. Our hope is not in the weatherization program, our

hope is in this new green economy we are trying to create. It will ultimately be done by the private sector.

SENATOR CEGAVSKE:

In proposed amendment 3396 to S.B. 152, what is the purpose of the change on page 2, lines 24 through 26, Exhibit C? You originally had a board of directors or trustees and now it is a written agreement. I would also like more discussion on section 9, subsection 7, on page 4 amendment 3396. Could we address the inclusion of the cost of tuition and supplies? Under the other information you have provided, instead of "provide" or "offer," could we work with that language so we could offer the cost of tuition and supplies? I know you have "may include stipends." The last point is on page 7 of the proposed amendment 3396. You did take care of "location" described in subsection 1," but what about vicinity? Is Las Vegas close enough to the vicinity of Elko? Why would we have just one part of the State? Why can we not be more inclusive and say the State? If there is someplace close by, what is the mileage? Is it more or less than 500 miles? Before I vote I want to fully understand the ramifications and make sure we have taken heed and looked at all the options.

SENATOR HORSFORD:

I just brought two changes to the amendment I presented on March 4, 2009. The ones you listed today, other than the word change from "provide" to "offer" and the addition of the language on page 4, for the requirement of the Division and Department to apply for grants, nothing is different. I am not bringing new concepts today. As I understand it, the renewable-energy zone in section 12, that the State's Office of Energy produced, specifies where opportunities are in certain types of renewables. This was brought forward as one example. If there are other examples, we would just need to know about them in order to direct the State Public Works Board. These two provisions were brought forward so I supported them being included.

SENATOR CEGAVSKE:

Could we make section 12 broader so we do not have to come back to it? One other area I want to address is the cost of the tuition and supplies. Would there be anything you would consider doing the same that they could offer the cost of the tuition and the supplies? The \$37 million can go fast.

SENATOR HORSFORD:

The \$37 million is just for weatherization. That does not include job training. I would defer to Director Larry Mosley of DETR. The federal Workforce Investment Act of 1998 system, and the additional allocations of funding under the Adult Dislocated Worker and Older Youth categories, allow for this expense. We are paying for training now where there is not a demand. Senate Bill 152 links that training based on demand. Why would we not cover the cost of training? We have 10-percent unemployment. People do not even have access to their unemployment insurance and they are struggling. Why would we impose a restriction or barrier to the training when there are dollars available from the stimulus package for that exact intent. I would not support changing that language. The cost for tuition and supplies should be included.

SENATOR CEGAVSKE:

I am concerned about businesses or entities that cannot apply because they cannot afford to pay for the tuition and supplies.

SENATOR HORSFORD:

They would not be paying. These dollars are available from the Workforce Investment Act. They would be linked and aligned with the weatherization funds to meet the scope of what this project entails. It is not an imposition on the business or provider. They would apply for the grants and receive the funding.

SENATOR CEGAVSKE:

Would the business apply for the grants for that funding?

SENATOR HORSFORD:

Trade associations, community colleges or other entities can apply for the funds, based on the grants or the RFP provisions offered by the Housing Division and for the training component from DETR.

CHAIR SCHNEIDER:

We had the bill yesterday where we will have the builders offer green options on the houses. That is where these trained people are going to go, Senator Cegavske. That bill will create a lot of new jobs because those people are going to select those options.

MR. HORSEY:

We agree with that. It has been a great marketing tool for the builders.

SENATOR NOLAN:

There are around 3,200 people who could be trained to perform these types of inspections and weatherization projects. There are about 5,600 projects those 3,200 people could do. We are in a "Catch-22" situation. If we do not do this, we miss the opportunity to train people, get them back into the workforce and then have people receive the benefit of energy efficiency. As we move forward though, if we are not careful, we have the potential of falling off the map.

There will be money readily available and the private sector will step up to it. If we elect to provide insurance benefits, which we should, and good paying jobs, that is fewer people out of the workforce and more people who are insured. This means fewer people we are paying for. We are putting a big leap of faith on a finite funding number and the private sector. There is a huge chasm between the times these projects are done and then, following this federal money, the private sector continuing to pay decent salaries and giving the same type of benefits. At least there are 3,200 people, for a period of time, who will have a decent salary and some benefits for their family. We are hoping the private sector will have at least 3,200 jobs available for the people we have trained.

I appreciate what NV Energy is doing with their proposed power plant, but I am not sure we will be providing these people with the necessary skill set to transition them into operating a large power facility.

This is potentially a flash in the pan and we have to take advantage of it. If we do not, then there are 3,200 or more people who are not going to be paid and on unemployment.

I hope we can refine this plan to give it more longevity until we get some reasonable recovery. Everything we have heard from the housing and real estate industry is bleak. We have an inventory of homes in both southern and northern Nevada that extends for two years. I do not know if the housing market is going to come back fast enough that new construction will be able to employ these people. Have you thought about how we can extend the stimulus package so we can to get through this economic hardship?

SENATOR HORSFORD:

I have given that a lot of thought. We are all struggling with the same question. What can we do legislatively to help the situation? We need to help the private

sector first and foremost because they create jobs. The stimulus package has provided an opportunity. We have to invest these dollars strategically and not spend them haphazardly without a plan for what they will produce in the end. The renewable-energy sector is interested in Nevada for a host of reasons, including our incentive package. They are interested because of our abundant solar resource, but they are concerned about our lack of a trained workforce. When they compare us to Arizona or California, the two primary states positioned similar to us, the private sector asks what we are doing to address our workforce. There are jobs at the apprenticeship level that are certified trained level, that are the entry-level rung to the green economy and relate to construction and other components. There is manufacturing, research and development and new technologies components. We are beginning to understand, from the industry, what exact skill sets are needed.

We cannot ensure everyone we train will have a new private-sector job in the green industry when this is over, but we will be better positioned because we have sent a clear message to the private sector that we are serious about them developing here. We are so serious we are investing the dollars we are getting from the stimulus package, and dollars we do not have in our budget, to make this a priority. Looking at the other industries, housing is not growing, our hospitality sector is laying off tremendously, and construction is at over 30-percent unemployment. The one bright spot in all of this gloom and doom is the green economy. Let us put our hope in what could be rather than waiting to see if something turns around and get the same bad result. If we invest in this economy, it will produce what we want it to produce, and that is opportunity for people.

SENATOR NOLAN:

When the industry compares Nevada to California, is Nevada's tax climate more favorable? We see solar projects and others that land in California and I just scratch my head. We have a better business-tax climate; we must be losing them because we do not have the workforce. Do you hear that our State is a much more favorable tax climate but does not have a workforce?

SENATOR HORSFORD:

I hear two things. Because these are new developments, their major issues with taxation are property and sales taxes: property taxes because of the many acres they need to develop their plans; sales taxes because of the product and equipment they buy for the construction of plants. It is a question of how our

incentive packages rank. We have room for improvement if we want to continue to be well positioned. We have a good tax climate over time, since we do not have a corporate income tax, but that has not been their major point.

Once these plants are established, their burden as a business is not as significant. This is based on the investment they provide monetarily through the tax base, as well as through the economic benefit the employees and their related impacts make. As we diversify our economy, this industry is what we need, a contributing industry that is fair and equitable and not a further burden.

CHAIR SCHNEIDER:

An educated labor force is critical. The taxes are almost secondary. If taxes were the most important thing, there would be 38 million people living in Nevada and 3.5 million in California. Taxes are not the most important thing; it is a highly educated and skilled workforce. We are lacking that and this bill starts to bring us forward so we can have a workforce like California.

SENATOR TOWNSEND MOVED TO AMEND AND DO PASS AS AMENDED <u>S.B. 152</u> WITH THE MOCK-UP AMENDMENT 3396 DATED MARCH 20, 2009, AND INCLUDE PROPOSED AMENDMENTS FROM THE HOUSING DIVISION AND NEVADA MANUFACTURERS ASSOCIATION.

CHAIR SCHNEIDER:

Ernie Adler's amendment was not needed. The Housing Division's amendment can be reviewed quickly between Senator Horsford and Mr. Nichols. We will review the changes and we will make sure Senator Horsford has a chance to review it also.

SENATOR LEE SECONDED THE MOTION.

SENATOR CARLTON:

The only concerns I have are with the Nevada Manufacturers Association's proposed amendment, Exhibit C, under (g), the definition, and (h). I have real problems with (h). When the mock-up comes back we can double-check that, and then it is a job well done.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR SCHNEIDER:

We have one more BDR for Committee introduction. It directs the Legislative Commission to appoint a committee to conduct an interim study relating to the production and use of energy in the State.

<u>BILL DRAFT REQUEST R-1235</u>: Revises provisions relating to energy. (Later introduced as <u>Senate Concurrent Resolution 19</u>.)

SENATOR CARLTON MOVED TO INTRODUCE BDR R-1235.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CHAIR SCHNEIDER:

With no more business before the Committee, I will adjourn the Senate Committee on Energy, Infrastructure and Transportation at 10:53 a.m.

| | RESPECTFULLY SUBMITTED: |
|-------------------------------------|---|
| | Josh Martinmaas, Committee Secretary |
| APPROVED BY: | |
| Senator Michael A. Schneider, Chair | |
| DATE: | |