

**MINUTES OF THE MEETING
OF THE**

ASSEMBLY COMMITTEE ON COMMERCE AND LABOR

**Seventy-Sixth Session
April 15, 2011**

The Committee on Commerce and Labor was called to order by Chair Kelvin Atkinson at 2:02 p.m. on Friday, April 15, 2011, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/76th2011/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman Kelvin Atkinson, Chair
Assemblyman Marcus Conklin, Vice Chair
Assemblywoman Irene Bustamante Adams
Assemblywoman Maggie Carlton
Assemblyman Richard (Skip) Daly
Assemblyman John Ellison
Assemblyman Ed A. Goedhart
Assemblyman Tom Grady
Assemblyman Crescent Hardy
Assemblyman Pat Hickey
Assemblyman William C. Horne
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Kelly Kite
Assemblyman John Ocegüera
Assemblyman James Ohrenschall
Assemblyman Tick Segerblom

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblyman Steven J. Brooks, Clark County Assembly District No. 19

STAFF MEMBERS PRESENT:

Marji Paslov Thomas, Committee Policy Analyst
Sara Partida, Committee Counsel
Andrew Diss, Committee Manager
Earlene Miller, Committee Secretary
Sally Stoner, Committee Assistant

OTHERS PRESENT:

Michael D. Hillerby, representing the American Council of Life Insurers
Debra Gallo, Director, Government and State Regulatory Affairs,
Southwest Gas Corporation
Alfredo Alonso, representing Cash America International
Tom Clark, representing OPower

Chair Atkinson:

[The roll was called. A quorum was present.] We will open the hearing for a work session and we will begin with Assembly Bill 31.

Assembly Bill 31: Revises an exemption from the provisions governing contractors. (BDR 54-621)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 31 was sponsored on behalf of the State Contractors' Board and heard on February 11, 2011.

[Read from work session document ([Exhibit C](#)).]

The Chair asked Assemblyman Ohrenschall to form a working group to discuss the issue, and they came back with an amendment which is attached to the work session document. It provides an exemption for repair and maintenance work which is less than \$1,000 in the aggregate to the same or related person in a 12-month period, including labor and materials.

Chair Atkinson:

Are there any questions or concerns from the Committee?

Assemblyman Ohrenschall:

The working group thinks we have crafted a solution which will help the Contractors' Board enforce this law and not penalize anyone who is trying to earn a living as a handyman.

Chair Atkinson:

I believe this helps this bill. Are there any other questions from the Committee?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 31.

ASSEMBLYMAN ELLISON SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN HORNE WAS ABSENT
FOR THE VOTE.)

[Assembly Bill 74](#): Revises various provisions relating to the regulation of the insurance industry. (BDR 57-472)

Marji Paslov Thomas, Committee Policy Analyst:

This bill was sponsored on behalf of the Division of Insurance and was heard on February 25, 2011.

[Read from work session document ([Exhibit D](#)).]

There was a lot of discussion and concerns during the hearing, and the Chair created a working group headed by Assemblywoman Carlton. The proposed amendments are attached.

[Continued to read from work session document ([Exhibit D](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Carlton:

Section 62 was to be deleted. It deals with the payment of dividends. The biggest discussion was about the external review process and how to comply with federal regulations. Anywhere that we were not at the minimum of the federal requirements, we brought ourselves up to the minimum. We did not change any requirements that exceeded the federal minimum.

Chair Atkinson:

Are there any other questions or comments from the Committee?

Assemblyman Conklin:

Is the motion the amendment and the deletion of section 62?

Assemblywoman Carlton:

Yes.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 74.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assembly Bill 256: Revises various provisions governing workers' compensation. (BDR 53-1121)

Chair Atkinson:

We will not hear Assembly Bill 256 today. We will continue with the work session.

Assembly Bill 274: Revises provisions relating to the payment of the proceeds of any benefits under a life insurance policy. (BDR 57-591)

Marji Paslov Thomas, Committee Policy Analyst:

This bill was sponsored by the Committee and heard on April 1, 2011. There are amendments attached.

[Read from work session document ([Exhibit E](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Bustamante Adams:

Could you repeat the lump sum amount that you talked about?

Marji Paslov Thomas:

It removes the requirement of an insurer to pay the proceeds of a life insurance policy in section 1, subsection 1 in the mock-up prepared by Michael Hillerby.

Assemblyman Conklin:

This is a retained asset account bill that was presented by Assemblyman Carrillo to the Committee. I have worked with Mr. Hillerby on some compromise language. I am not sure this goes far enough, but from Mr. Hillerby's client's

perspective we went too far. This is a good step forward and I would like to continue to work with Mr. Hillerby if the Committee desires.

Michael D. Hillerby, representing the American Council of Life Insurers:

I want to make clear that the bill has two identical sections that would be repeated in Chapters 688A and 688B of the *Nevada Revised Statutes* (NRS).

Assemblyman Conklin:

Do both sections apply equally to the industry?

Michael Hillerby:

Yes, they are just two different types of insurance.

Chair Atkinson:

Are there any questions, comments, or concerns from the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 274.

ASSEMBLYMAN SEGERBLOM SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GOEDHART,
GRADY, HARDY, AND KITE VOTED NO.)

Assembly Bill 283: Revises provisions relating to registration with the
Nationwide Mortgage Licensing System and Registry. (BDR 54-830)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 283 was sponsored by Assemblyman Conklin and was heard on
April 1, 2011. There are two attached amendments.

[Read from work session document ([Exhibit F](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 283.

ASSEMBLYMAN ELLISON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assembly Bill 308: Revises provisions governing the regulation of mortgage lending. (BDR 54-183)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 308 was sponsored by Assemblyman Conklin and was heard on March 23, 2011. The amendments proposed by Assemblyman Conklin are attached.

[Read from work session document ([Exhibit G](#)).]

The amendments proposed by Assemblyman Conklin are intended to make the provisions consistent with the amendment to Assembly Bill 77, which the Committee passed. It is not changing anything. Section 8 is similar to section 98 in the bill, which is the exemption regarding attorneys. Section 9 is in A.B. 77 in section 102 and has to do with foreclosure consultants, loan modification consultants, and people performing covered services for compensation.

Chair Atkinson:

Are there any questions or comments from the Committee? I see none.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 308.

ASSEMBLYMAN ELLISON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assembly Bill 352: Revises provisions relating to certain trade practices. (BDR 52-976)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 352 was sponsored by Assemblywoman Carlton and was heard on April 4, 2011.

[Read from work session document ([Exhibit H](#)).]

Sam McMullen proposed the attached amendment on behalf of the Las Vegas Chamber of Commerce. It deletes all of the sections in the bill except for sections 3 and 10 and makes modifications to section 3.

Chair Atkinson:

Are there any questions or discussion from the Committee?

ASSEMBLYMAN CONKLIN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 352.

ASSEMBLYMAN OHRENSCHALL SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GOEDHART,
GRADY, HARDY, HICKEY, AND KITE VOTED NO.)

Assembly Bill 382: Requires the Chiropractic Physicians' Board of Nevada to
establish a preceptor program. (BDR 54-1006)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 382 was sponsored by Assemblyman Hammond and was heard
on March 25, 2011. Assemblyman Hammond proposed the attached
amendments.

[Read from work session document ([Exhibit I](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Carlton:

I did not get all of my questions answered, but I will let this bill proceed
for now.

ASSEMBLYMAN ELLISON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 382.

ASSEMBLYMAN OHRENSCHALL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assembly Bill 429: Revises provisions governing manufactured home parks.
(BDR 10-565)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 429 was sponsored by Assemblyman Ohrenschall and heard on
March 30, 2011.

[Read from work session document ([Exhibit J](#)).]

There is an amendment from the sponsor to delete all provisions in the bill
except the provisions which expand from 100 miles to 150 miles the distance

from a manufactured home park for which a landlord is responsible to pay the costs to relocate a tenant's manufactured home if the manufactured home park closes or its use is converted.

Chair Atkinson:

Are there any comments?

Assemblyman Ohrenschall:

I tried to find common ground on this bill. It is not everything I had hoped it would be, but there have been park closures recently in Clark County and the extra 50 miles will give people more choice. It is a little more protection for people who live in manufactured home communities.

Assemblyman Ellison:

I will not support this bill because it singles out one group of people.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 429.

ASSEMBLYMAN SEGERBLOM SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GOEDHART,
GRADY, HARDY, HICKEY, AND KITE VOTED NO.)

Assembly Bill 441: Provides a classification of licensing for certain persons who install and maintain thermal system insulation. (BDR 54-1080)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 441 was sponsored by Assemblyman Steven Brooks and was heard on April 8, 2011.

There are two amendments. One is proposed by Keith Lee for the Contractors' Board and the other is from Debra Gallo of Southwest Gas.

[Read from work session document ([Exhibit K](#)).]

In the amendment submitted by Debra Gallo, section 1 should have been deleted. The intent was to also consider building shell insulation when considering thermal system insulation.

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Carlton:

I worked on this issue with Assemblyman Brooks and others. We reconciled ourselves that the Contractor's Board can set up the advisory committee and check out the classifications. There will not be a fiscal note, so there is no need for a two-thirds vote.

Assemblywoman Bustamante Adams:

Does it not have a fiscal note because the Pipefitters and Southwest Gas are going to pick up the costs?

Assemblywoman Carlton:

The Contractors' Board can work through this process within their own budget, so there will be no state funds.

Chair Atkinson:

Are there additional questions or comments?

Assemblyman Daly:

They are going to establish an advisory committee to look into having a new license for work that is already covered by existing licenses. Is that correct?

Assemblywoman Carlton:

That is correct.

Assemblyman Daly:

What is the purpose? We have contractors who are licensed performing the work, so we are going to study something that is not broken.

Assemblywoman Carlton:

There are some concerns about the classifications on this. This advisory committee will see if there needs to be a new classification. If it is not needed, they will not do it, and if it is, they will.

Assemblyman Daly:

Are we talking about contractor license classifications?

Assemblywoman Carlton:

That is correct.

Chair Atkinson:

Are there any other questions or comments from the Committee?

Assemblyman Daly:

The second amendment says that they are going to adopt regulations to establish a new classification for an area of work that is already covered. If the second amendment is included, I will vote no.

Chair Atkinson:

Are you more comfortable with the Southwest Gas amendment?

Assemblyman Daly:

That is the one I do not like.

Assemblyman Hardy:

I agree with Assemblyman Daly. It does not make sense to me to review it.

Assemblywoman Carlton:

The discussion around this issue was that there were people doing the insulation on a large project who were not supposed to do it and did not do it correctly. They had to redo the entire project because of the thermal shell insulation. This insulation project is part of a rebate that you can get from Southwest Gas and when it was not done correctly, they had to hire someone to remove it and reinstall it because they did not have qualified people on the job. That is what we were trying to address.

Assemblyman Daly:

Were the contractors licensed? I do not see a remedy for bad workmanship under an existing contractor's license and the scope of work they are allowed to perform under that license. I am in favor of the first amendment, but the Southwest Gas amendment is not needed.

Assemblywoman Carlton:

I do not know.

Assemblyman Steven J. Brooks, Clark County Assembly District No. 19:

The discussion was about a federal job and did not require contractor's licenses. That was the impetus for this bill. The advisory board should be for both classifications. We could amend the bill to having an advisory board and allow the Contractors' Board to decide if this is needed. From what I understand from Southwest Gas, as we move toward green energy and more efficient buildings, it will take this type of insulation, making it a primary job as opposed to a subcontract. Currently it is classified under subcontracts and is very broad. As we move toward more efficiency in homes and more efficiency in insulation in order to save money, these are going to have to be classified as primary

contracting jobs. We would like a well-informed advisory commission to make that determination.

Chair Atkinson:

Section 1 of the Southwest Gas amendment should be totally removed, and we are addressing the second section.

Debra Gallo, Director, Government and State Regulatory Affairs, Southwest Gas Corporation:

After meeting with the Contractors' Board and Assemblyman Brooks, all we are asking is to be included on the advisory board. It would say building shell and thermal insulation would be looked at by the advisory board and that we would be included on the board. Since the licensing requirements are taken out of the bill, that would change our amendment.

Assemblyman Grady:

Who is on the advisory board and who selects the members?

Assemblywoman Carlton:

The Contractors' Board has the total authority to establish these advisory committees.

Assemblyman Brooks:

The Contractors' Board said they are willing to do this.

Assemblyman Hardy:

There are contractors already licensed to do this. This may have been an inspection problem.

Assemblyman Brooks:

You are correct, but as we are moving towards a greener and more efficient home, this is going to have become a prioritized license.

Assemblyman Daly:

With that explanation, I will support the bill.

Chair Atkinson:

Are there any additional questions or comments from the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 441.

ASSEMBLYMAN SEGERBLOM SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GOEDHART,
GRADY, AND KITE VOTED NO.)

Assembly Bill 538: Revises provisions governing the regulation of pawnbrokers.
(BDR 54-1130)

Marji Paslov Thomas, Committee Policy Analyst:

This bill was sponsored by the Committee and heard on April 6, 2011.

[Read from work session document ([Exhibit L](#)).]

Chair Atkinson:

The first proposed amendment from Alfredo Alonso changes the maximum amount a pawnbroker can charge to 13 percent. The second proposes the change to 13 percent and also to change the minimum number of days a pawnbroker must hold personal property to 120 days. Will the grace period of 30 days still be honored if the number of days changes?

Alfredo Alonso, representing Cash America International:

The 30-day grace period is the general rule in the industry so you would still be at 120 days regardless.

Chair Atkinson:

Are there additional questions from the Committee?

Assemblyman Ellison:

I did not understand the change in interest.

Chair Atkinson:

A lot of people on the Committee did not feel comfortable increasing the amount a full 5 percent. If there are no further questions or comments, I will entertain a motion.

Assemblyman Conklin:

I would be comfortable with the 90 days from the original bill and the reduction from 15 to 13 percent.

ASSEMBLYMAN CONKLIN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 538.

ASSEMBLYMAN ELLISON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblyman Ohrenschall:

I would like to reserve my right to change my vote on the floor.

[Assembly Bill 542](#): Provides for the licensing and operation of distilleries in Nevada. (BDR 52-649)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 542 was sponsored by the Committee and heard on April 8, 2011.

[Read from work session document ([Exhibit M](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Bustamante Adams:

Why does the amendment take out the requirement to use 50 percent of the raw material products from the state?

Sara Partida, Committee Legal Counsel:

It was taken out at the request of the Legal Division because there were questions about the constitutionality of that provision.

Assemblywoman Bustamante Adams:

I would like to see the distilleries support the state's agriculture.

Assemblywoman Carlton:

I was comfortable with the commitment from the craft distillers to use agricultural products from the State of Nevada.

Chair Atkinson:

I will entertain a motion.

ASSEMBLYWOMAN BUSTAMANTE ADAMS MOVED TO AMEND
AND DO PASS ASSEMBLY BILL 542.

ASSEMBLYMAN GOEDHART SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Senate Bill 219: Requires certain assessments of unemployed and employed workers to determine the available workforce in Nevada and makes appropriations for performing skills assessments for unemployed persons. (BDR 18-936)

Marji Paslov Thomas, Committee Policy Analyst:

Senate Bill 219 was sponsored by Senator Horsford and presented by Assemblywoman Kirkpatrick on April 1, 2011.

[Read from work session document ([Exhibit N](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblyman Goedhart:

Does this bill have a fiscal note?

Assemblywoman Kirkpatrick:

When it goes to the Assembly Committee on Ways and Means, it will be determined where the money will come from.

Chair Atkinson:

Are there additional questions or comments from the Committee? I see none.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO DO PASS
SENATE BILL 219.

ASSEMBLYWOMAN BUSTAMANTE ADAMS SECONDED THE
MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GRADY,
HARDY, HICKEY, AND KITE VOTED NO.)

We will hear the energy bills.

Marji Paslov Thomas:

There is a Subcommittee on Energy report in the documents ([Exhibit O](#)). Assemblywoman Kirkpatrick chaired the Subcommittee and the members included Assemblymen Atkinson, Bustamante Adams, Goedhart, and Hickey. They all attended the meetings, and the Subcommittee met three times—on March 23, April 6, and April 11, 2011.

Assembly Bill 150: Revises provisions governing portfolio standards for providers of electric service. (BDR 58-848)

Marji Paslov Thomas, Committee Policy Analyst:

The first bill is Assembly Bill 150 sponsored by Assemblyman Bobzien.

[Read from work session document ([Exhibit P](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Carlton:

There will be a report provided to the customer that will give them guidance on what they can do to become more energy efficient. It will not be focused on that particular customer but will be based on like customers in the area. They would receive this report in the mail. This would be energy efficiency that could be counted towards the renewable portfolio standards (RPS). Is that correct?

Assemblywoman Kirkpatrick:

I asked the company that came before us to send us a copy of the summary that they were going to be sending out so we would be familiar with it. Arizona has a similar program and it seems to be working. It is my understanding that they will include it in the utility bill and work directly with the utilities to send this report to the consumers so they can make choices.

Assemblywoman Carlton:

I thought it would come separately. I am concerned that we are including in the RPS a notification that is going to be mailed to a house that says you could be more energy efficient by doing “this” without anyone looking at the house.

Assemblyman Goedhart:

What we saw was an attempt to change peoples’ practices. I think this is a good bill and I will support it.

Assemblywoman Bustamante Adams:

It will look like a utility bill, but when you open it is not. It is the power of social comparison. It would be within like-minded homes.

Chair Atkinson:

You still have to work with the utilities, is that correct?

Tom Clark, representing OPower:

Yes.

Assemblywoman Carlton:

To clarify, they would never visit the home, and they would send out a report that says if you do this, you might save energy?

Tom Clark:

It is based on a collection of data that was derived from working with NV Energy about an existing house to come up with a date point, so it can say you use this much energy, and if you implement these different types of tactics you can save electricity.

Assemblywoman Carlton:

Is that without a visit to the home?

Tom Clark:

That is correct.

Chair Atkinson:

Are there additional comments, questions, or concerns from the Committee?

Assemblywoman Bustamante Adams:

In the testimony, NV Energy was in support of the bill.

Assemblyman Conklin:

I am inclined to support the bill. I have some concerns and will reserve my right to change my vote.

Chair Atkinson:

I also have some concerns. Are there additional questions or comments? I see none.

ASSEMBLYWOMAN BUSTAMANTE ADAMS MOVED TO DO PASS
ASSEMBLY BILL 150.

ASSEMBLYMAN SEGERBLOM SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN CARLTON VOTED
NO.)

Assembly Bill 202: Establishes the Fund for Economic Development to provide assistance in paying for electricity costs incurred by certain new manufacturing businesses in this State. (BDR 58-652)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 202 was sponsored by Assemblyman Kirner and was heard by the Committee on March 9, 2011. It was revised and heard by the Subcommittee on April 11, 2011. A mock-up, which is attached, was prepared for your reference by the Legal Division. I am going to provide an overview of what the bill is proposing to do in the amendments.

[Read from work session document ([Exhibit Q](#)).]

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Kirkpatrick:

There may be an amendment on the floor to clarify one piece of the bill. This is an incentive that we can give to new manufacturers.

Assemblywoman Bustamante Adams:

Does this bill apply only to existing buildings?

Assemblywoman Kirkpatrick:

That is correct. There are already additional standards in the law for regular Leadership in Energy and Environmental Design (LEED), as provided in Assembly Bill No. 621 of the 74th Session. The existing-building regulation was not adopted at that time. The Office of Energy has started to use it again, but this takes the abatement from ten years to one year, which is more appropriate for existing buildings. One of the things you can do with existing buildings is change out all of your light bulbs and save a lot of money.

Chair Atkinson:

I will entertain a motion.

ASSEMBLYMAN CONKLIN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 202.

ASSEMBLYWOMAN BUSTAMANTE ADAMS SECONDED THE
MOTION.

THE MOTION PASSED UNANIMOUSLY.

[Assembly Bill 307](#): Requires the monitoring of the effects of certain energy
development projects on wildlife. (BDR 45-872)

Marji Paslov Thomas, Committee Policy Analyst:
Assembly Bill 307 was sponsored by Assemblyman Bobzien.

[Read from work session document ([Exhibit R](#)).]

Assemblyman Bobzien proposed an amendment, and a mock-up is attached.

Assemblywoman Kirkpatrick:

I would like to recommend that we send this bill to the Assembly Committee on Ways and Means without a recommendation. I understand both sides of the issue and that we have to protect our wildlife, but I cannot understand the fees because there are no specifics on how much land there would be or how it will be administered. I understand that puts a lot of pressure on the Office of Energy to put those regulations in place. I think we need to give the Office of Energy clear directions. I think the bill needs more work but is worthy to send to the Assembly Committee on Ways and Means.

Chair Atkinson:

I met with the bill sponsor last night, and he is comfortable with us making a recommendation and sending it to the Assembly Committee on Ways and Means to allow the parties to continue to work on the issue.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AMEND AND
REFER ASSEMBLY BILL 307 TO THE ASSEMBLY COMMITTEE ON
WAYS AND MEANS.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN ELLISON VOTED NO.)

Assembly Bill 359: Revises provisions governing energy. (BDR 58-1064)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 359 was sponsored by Assemblyman Goicoechea and was heard on April 11, 2011.

[Read from work session document ([Exhibit S](#)).]

There is a mock-up of the bill attached to the work session document.

Chair Atkinson:

Are there any questions or comments from the Committee?

Assemblywoman Kirkpatrick:

The program that is in place is going to expire, so this keeps the program alive. These are changes to help the program work more efficiently in the future. I had some concerns about municipalities being able to use it. The sponsor worked with all of the interested parties to allow this program to continue.

Chair Atkinson:

Are there additional questions or comments?

Assemblywoman Kirkpatrick:

It is important to know that this is an existing program that expires in a few months. There are several energy programs that are set to expire and which we have the opportunity to change for the better.

Chair Atkinson:

Are there additional questions or comments? I see none.

ASSEMBLYMAN GOEDHART MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 359.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assembly Bill 380: Revises provisions governing certain programs for renewable energy systems. (BDR 58-308)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 380 was sponsored by Assemblyman Conklin and was heard by the Subcommittee on March 23, 2011. This bill addresses the Wind Program,

the Waterpower Program, and the Solar Energy Systems Incentive Program. These programs were created under Senate Bill No. 437 of the 74th Session. Some of them are going to expire, and part of the bill extends it. The Legal Division prepared an amendment, which is attached.

[Read from work session document ([Exhibit T](#)).]

Assemblywoman Kirkpatrick:

There were many energy bills that dealt with these programs, and there have been problems with the way the programs work. I think everyone is committed to being more efficient with the programs. We see there is a need for the programs, and that the constituents are interested in the programs, and we have a very good success rate even with some of the challenges we have. This bill originally contained reverse auction. I am uncomfortable with that because I do not understand the process and I think only a few people could benefit from it when, I believe, it was meant for everybody. I worked with the bill sponsor and eliminated most of the bill and started over by extending all of the programs. It also addresses putting the residential and small commercial into the same category because it limits who gets the benefits. This would allow the residential to have opportunities and also give small companies opportunities. There were concerns that the tribal areas were not included, so we made sure they are included.

This bill does not make any changes to the program that is in place with the exception of adding a fourth category. We spoke with the energy company, and they are amenable to having quarterly statements to show their programs are working. On the next bill, you will see changes, but this bill establishes the programs and keeps them intact going forward. I think we need to be very clear that we want these programs to stay in place, as policy, because we have been very successful in what we have done in these demonstration programs.

Assemblyman Conklin:

In my original testimony, I asked to have *Nevada Revised Statutes* (NRS) 701B.265 and 701B.625 stricken, and they are clearly stricken in section 52, subsection 2 on page 30 of the mock-up. They are then placed in section 52, subsection 1, and they are there because the entire program expires in 2022. If the entire program expires, those sections still have to be repealed. You can find that in section 54, subsection 6. There is also a typographical error in the amendment that needs to be changed.

Sara Partida, Committee Counsel:

I will change those two transposed numbers.

Chair Atkinson:

Are there any additional questions or comments from the Committee?

Assemblywoman Carlton:

Was there any cost benefit analysis of these programs?

Assemblywoman Kirkpatrick:

I think that is a separate issue. This keeps the programs in place, and there is a lot of support. The ratepayers have to come first because they have to pay for it. This bill is a policy decision about whether or not we want to extend these programs. I believe constituents are interested in these programs and the programs have benefited our state.

Chair Atkinson:

I will entertain a motion.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AMEND AND DO
PASS ASSEMBLY BILL 380.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblyman Ellison:

I will reserve my right to change my vote on the floor.

[Assembly Bill 416](#): Revises provisions governing certain programs for renewable energy. (BDR 58-849)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 416 was sponsored by Assemblyman Bobzien and was heard on April 6, 2011, by the Subcommittee.

There is an attached amendment and the mock-up is attached.

[Read from work session document ([Exhibit U](#)).]

Assemblywoman Kirkpatrick:

I do not think this bill is absolutely right. We have heard a lot of testimony and other states are moving in the direction of performance base so you are actually paying for the performance of your equipment. There are people who still need the initial start-up costs. We do not want to take them out of the market. I believe that 400 megawatts, which was in the original bill, is too much.

I believe that nobody else would be able to participate because it would all be the smaller projects, and that would be contradictory policy decision, in my opinion, because we have worked in the past to bring all of it here. I think there has to be a balance. This allows the residential participants to get their up-front costs and allows everyone else to work toward the performance base.

Chair Atkinson:

Is there any other discussion?

Assemblywoman Carlton:

It appears that if I wanted to put a system on my roof, I would not be reimbursed until it was inspected. How do I enter into a contract with someone if they are not guaranteed that I will receive the incentive to pay for it?

Assemblywoman Kirkpatrick:

That is to ensure you get a proper installation of your product.

Assemblywoman Carlton:

I am confused about section 4, subsection 1(a), because it says, "Provide that the total amount of the incentive for a participant in the category of private residential property must be paid upon proof that the participant has installed and energized the solar energy system." My contract is based upon being able to get the incentive.

Assemblywoman Kirkpatrick:

This is a program that is in existence.

Assemblywoman Carlton:

I thought this was all new language.

Assemblywoman Kirkpatrick:

This is new language in the fact of where we put it in the statute.

Sara Partida, Committee Counsel:

This language that Assemblywoman Carlton is talking about is simply trying to preserve the existing system because we are adding the performance base. For legal purposes, we had to distinguish the residential. That is how it currently works. You would apply for your incentive, be accepted, and have the system installed and energized before you were paid.

Chair Atkinson:

Are there any additional comments or questions from the Committee? I see none.

ASSEMBLYMAN SEGERBLOM MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 416.

ASSEMBLYMAN GOEDHART SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN OCEGUERA AND
OHRENSCHALL WERE ABSENT FOR THE VOTE.)

Assembly Bill 432: Enacts provisions relating to energy auditors. (BDR 54-136)

Marji Paslov Thomas, Committee Policy Analyst:

Assembly Bill 432 was sponsored by Assemblywomen Kirkpatrick and Benitez-Thompson and heard on April 6, 2011. It was heard again for work session on April 11, 2011, and there were concerns. There is an existing program that was created in Senate Bill No. 437 of the 74th Session, which established a program for evaluating energy consumption in residential property in Nevada and required a seller to provide a copy of this evaluation to a purchaser of his property.

There are two amendments attached.

[Read from work session document ([Exhibit V](#)).]

Chair Atkinson:

Are there any questions from the Committee?

Assemblyman Hickey:

I support this bill and appreciate the work done by the real estate representatives and Assemblywoman Benitez-Thompson to change this from a mandate to something buyers and sellers may chose to do. This helps individuals with older homes that were being impacted by the mandatory requirements of these audits. I am happy that the audits will be done well and with a higher level of professionalism.

Assemblyman Goedhart:

Is the energy audit now at the will of the people involved in the transaction?

Chair Atkinson:

Yes.

Assemblyman Ohrenschall:

This is an excellent bill. The only thing I have a question on is the category E felony. What is the rationale for such a severe penalty for misrepresenting yourself as an energy auditor?

Assemblywoman Kirkpatrick:

That is current language. This just adds this license to be included in the law.

Chair Atkinson:

Are there any other questions?

Assemblyman Ellison:

Could you explain the fiscal impact?

Assemblywoman Kirkpatrick:

The real estate industry has agreed to pay for a license fee. We believe the Real Estate Division will have to have additional employees, and the fee is based on the cost of the employees. We believe there will be many people wanting to be licensed.

ASSEMBLYWOMAN BUSTAMANTE ADAMS MOVED TO AMEND
AND DO PASS ASSEMBLY BILL 432.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Atkinson:

Is there anything else to come before the Committee? Is there any public comment? I see none.

The meeting is adjourned [at 3:58 p.m.].

RESPECTFULLY SUBMITTED:

Earlene Miller
Committee Secretary

APPROVED BY:

Assemblyman Kelvin Atkinson, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Commerce and Labor

Date: April 15, 2011

Time of Meeting: 2:02 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 31	C	Marji Paslov Thomas	Work Session Document
A.B. 74	D	Marji Paslov Thomas	Work Session Document
A.B. 274	E	Marji Paslov Thomas	Work Session Document
A.B. 283	F	Marji Paslov Thomas	Work Session Document
A.B. 308	G	Marji Paslov Thomas	Work Session Document
A.B. 352	H	Marji Paslov Thomas	Work Session Document
A.B. 382	I	Marji Paslov Thomas	Work Session Document
A.B. 429	J	Marji Paslov Thomas	Work Session Document
A.B. 441	K	Marji Paslov Thomas	Work Session Document
A.B. 538	L	Marji Paslov Thomas	Work Session Document
A.B. 542	M	Marji Paslov Thomas	Work Session Document
S.B. 219	N	Marji Paslov Thomas	Work Session Document
A.B. 150 A.B. 202 A.B. 307 A.B. 359 A.B. 380 A.B. 416 A.B. 432	O	Marji Paslov Thomas	Subcommittee Report
A.B. 150	P	Marji Paslov Thomas	Work Session Document
A.B. 202	Q	Marji Paslov Thomas	Work Session Document
A.B. 307	R	Marji Paslov Thomas	Work Session Document
A.B. 359	S	Marji Paslov Thomas	Work Session Document
A.B. 380	T	Marji Paslov Thomas	Work Session Document
A.B. 416	U	Marji Paslov Thomas	Work Session Document
A.B. 432	V	Marji Paslov Thomas	Work Session Document