

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

**Seventy-Sixth Session
May 21, 2011**

The Committee on Ways and Means was called to order by Chairwoman Debbie Smith at 9:10 a.m. on Saturday, May 21, 2011, in Room 3137 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:

Assemblywoman Debbie Smith, Chairwoman
Assemblyman Marcus Conklin, Vice Chair
Assemblyman Paul Aizley
Assemblyman David P. Bobzien
Assemblywoman Maggie Carlton
Assemblyman Pete Goicoechea
Assemblyman Tom Grady
Assemblyman John Hambrick
Assemblyman Crescent Hardy
Assemblyman Joseph M. Hogan
Assemblyman Randy Kirner
Assemblywoman April Mastroluca
Assemblyman John Ocegüera

COMMITTEE MEMBERS EXCUSED:

Assemblyman Kelvin Atkinson
Assemblyman Pat Hickey

GUEST LEGISLATORS PRESENT:

Assemblywoman Marilyn Kirkpatrick, Clark County
Assembly District No. 1

STAFF MEMBERS PRESENT:

Anne Bowen, Committee Secretary
Connie Davis, Committee Assistant

Assembly Bill 505 (1st Reprint): Revises provisions relating to governmental financial administration. (BDR 32-1147)

Assemblywoman Marilyn Kirkpatrick, Clark County Assembly District No. 1, testified in support of Assembly Bill 505 (R1).

Assemblywoman Kirkpatrick said A.B. 505 (R1) if passed, would require the Director of the Department of Administration to prepare a report of tax expenditures and provide the report to the Governor and the Legislature. Assemblywoman Kirkpatrick said this process had never been performed in Nevada although it had been attempted with abatements in the 2009 Session. In April 2009, the National Conference of State Legislatures (NCSL) issued a report depicting what states were compiling tax expenditure reports.

According to Assemblywoman Kirkpatrick, Nevada was again at the bottom of the list. This process had been used in other states to help the state's administration to create state budgets. The bill had a fiscal note for one staff person to help gather the information. Assemblywoman Kirkpatrick said it was her hope that the Administration could find an existing employee because after checking with other states, it appeared to be a part-time job to gather the information.

Assembly Bill 505 (R1) would provide a full report that the public could access which showed the legislative intent and whether the expenditures worked. Assemblywoman Kirkpatrick said there would be different expenditure reports which would demonstrate how money was spent in the state. For example, Assemblywoman Kirkpatrick said Nevada had an abatement that had been on the books for over 15 years and had never been used. She said she believed that abatement should either be eliminated or amended so that citizens could use it.

Andrew Clinger, Director, Department of Administration, explained that the Budget Division had added a fiscal note to the bill for one management analyst

position. He said he certainly understood and appreciated what Assemblywoman Kirkpatrick was trying to do, but as with most state agencies, the Department of Administration was stretched very thin with staffing. There was a level of uncertainty about what data was available to collect. Mr. Clinger noted that Chris Nielsen, Interim Executive Director of the Department of Taxation, had indicated that some of the data was not currently collected. However, A.B. 505 (R1) addressed the possibility of data being unavailable. Mr. Clinger said he would be willing to work with Assemblywoman Kirkpatrick to determine whether the bill could be passed without a fiscal note.

Chairwoman Smith noted that currently the fiscal note was \$135,000 for funding the management analyst position.

Mr. Clinger acknowledged that was correct.

Assemblyman Oceguera asked Mr. Clinger whether there was any way the state could move from the bottom of the list to at least the middle of a list regarding tax expenditures.

Mr. Clinger said he would work with Assemblywoman Kirkpatrick to begin the reporting system because he believed it was important and he understood the concept.

Chairwoman Smith closed the hearing on A.B. 505 (R1) and opened the hearing on Assembly Bill 48 (R1).

Assembly Bill 48 (1st Reprint): Revises provisions governing children's mental health consortia. (BDR 39-336)

Erin Russell, representing the Clark County Children's Mental Health Consortium (Consortium), testified in support of Assembly Bill 48 (R1). Ms. Russell said the Consortium was established pursuant to *Nevada Revised Statutes* (NRS) 433B.333, and since its inception in 2001, the Consortium had studied the needs of children and worked to craft solutions to help improve services. The bill provided the Consortium the ability to apply directly for grants and established an account should the grants be awarded. The original bill provided an appropriation in section 5; however, in the first reprint of the bill, that section had been deleted and the appropriation removed.

Chairwoman Smith asked what A.B. 48 (R1) added that was not already in statute and without the appropriation what the bill would do.

Ms. Russell explained that under the current statute, the Consortium could not directly apply for grants, and the bill established an account to deposit proceeds from grants. Additionally, under the current statute, as amended in section 4, subsection 4, it said that by January 31 of each even-numbered year the Consortium must submit to the Director of the Department of Health and Human Services a list of priorities of services as well as a description of any revisions to their long-term strategic plan. Ms. Russell said the Consortium had recently submitted a 10-year strategic plan, and the bill would address any updates to the plan.

Karen Taycher, representing the Clark County Children's Mental Health Consortium (Consortium), stated that the Consortium had worked for ten years, had a good idea of what needed to be accomplished, and the bill would allow it to enter into public-private partnerships to improve children's mental health services in each of the jurisdictions. Ms. Taycher noted that the bill provided for the Clark County Consortium, but it would cover the rural and Washoe County consortia as well.

Assemblyman Kirner asked whether there was any funding that was currently being provided by the Department of Health and Human Services (DHHS).

Ms. Taycher responded that throughout the years there had been funding from federal grants and projects to support the activities of the consortia, such as Children's Mental Health Summit Day activities at schools, suicide prevention awareness, and running the three different consortia meetings for the open-meeting law requirements. That funding had been provided by grants through DHHS.

Chairwoman Smith closed the hearing on A.B. 48 (R1) and opened the hearing on Assembly Bill 503 (R1).

Assembly Bill 503 (1st Reprint): Revises certain provisions governing the conservation of habitat for wildlife. (BDR 45-1091)

Kyle Davis, Policy Director, Nevada Conservation League, testified in support of Assembly Bill 503 (R1). The bill was heard in the Natural Resources, Agriculture, and Mining Committee and was referred to Ways and Means. Mr. Davis explained that currently there was a habitat fee paid on every hunting and fishing license. The bill would raise the fee from \$3 to \$5 for residents and \$10 for nonresidents and implement a new program where nonconsumptive users, such as bird watchers and hikers accessing wildlife management areas, would also be required to pay a \$5 fee for residents and \$10 for nonresidents to access specific areas. The bill also clarified that 18 percent of the money

derived from the fees would be used to monitor wildlife in their habitat, which was a clarification to ensure that the projects the money was being spent on were effective.

Mr. Davis said the new fees had been a concept that had been discussed with both the sportsmen that would be paying the fees as well as with nonconsumptive groups such as the Audubon Society and the Sierra Club. The conservation community was fully in support of paying the increased fee as a way of contributing to the management of Nevada's wildlife.

Mr. Davis said there was broad support from the sportsman community for this small fee increase on the hunting and fishing licenses to aid in habitat work.

Patrick Cates, Deputy Director, Department of Wildlife (NDOW), testified that the fiscal note for A.B. 503 (R1) was a positive fiscal note. Increasing the fees for sportsmen for the habitat conservation fee, as well as an additional fee for use of a wildlife management area for nonlicense holders, was projected to generate approximately \$420,000 a year once the plan was operational. Mr. Cates said the new fees had to be concurrent with the license year so only a portion of fees would be realized in the next fiscal year. Mr. Cates noted that some types of signage, iron rangers, and self-serve pay stations at the wildlife management areas would have to be developed, and perhaps online fee payment could be offered as well, which would entail some cost. The costs had been estimated at approximately \$29,000, including a small amount for system costs, to add a new type of permit for the wildlife management areas.

According to Mr. Cates, the Department was supportive of the expanded use in section 2 of the bill to allow it to use 18 percent of the funds for survey work that was associated with the habitat projects. The Department was currently spending the money for on-the-ground habitat projects, habitat restoration, and rehabilitation. Mr. Cates said that was all that the funding was used for, and it was generally matched with grant funds at 75/25. The new funding would allow some portion to be used for survey work, which it currently was not. Mr. Cates said that the Department's Wildlife Diversity Division performed survey work, and the new funding would allow it to perform more survey work, but only as it focused on habitat projects.

Mr. Cates said the Department was neutral regarding the fees requested in the bill.

Chairwoman Smith asked how hikers or birdwatchers that did not purchase a hunting or a fishing license would pay for and receive their permits.

Mr. Cates replied that the Department was considering two methods: (1) sell the permit online and provide some type of stamp or decal to be placed in the vehicle or carried on their person; and (2) providing self-pay stations such as iron rangers at the wildlife management areas.

Chairwoman Smith asked whether NDOW planned to add staff with the additional revenue.

Mr. Cates replied that the Department did not plan to add staff. He said most of the revenue would be used to purchase seed and for contracted services.

Assemblyman Hardy asked how enforcement would be handled with individuals in the wildlife management areas that were not hunters, but birdwatchers, backpackers, or hikers.

Mr. Cates explained that enforcement of the conservation fee collection would not be a focus of the game wardens, but they did patrol the wildlife management areas to check fishing and hunting permits so there would be occasional checking by staff. The Department had no desire to be heavy-handed with the collection of the fees, especially during development of the program, and enforcement would be minimal.

Assemblyman Hardy said he would like to see what was being done with the money if A.B. 503 (R1) was approved and asked how that would be accomplished.

Mr. Cates explained that NDOW filed a biennial report on the Obligated Reserve account which accounted for the uses of the habitat conservation fees, project by project, as well as other specialized fees in the account.

Mr. Cates amended a comment he made while discussing the addition of staff. He said staff was a big part of the survey work, for instance, and said NDOW had existing staff that performed that work and charged some time to those activities. He wanted to be clear that while there were some staff charges to the fees, he did not envision adding any new staff.

Chairwoman Smith asked whether there was a penalty if someone was in a wildlife management area and they did not have this permit.

Mr. Cates replied that there was no penalty in statute for the nonlicense holder.

Assemblyman Kirner asked whether the additional revenue had been accounted for in The Executive Budget.

Mr. Cates said, no, it was not accounted for in The Executive Budget.

Assemblywoman Carlton commented that the testimony in the Committee on Natural Resources, Agriculture, and Mining from the supporters of A.B. 503 (R1) was that they used these areas and were glad to contribute to keeping them up. She said she was grateful these users had come forward and volunteered to do something positive for the state.

Mr. Davis noted there had been no opposition to the plan in the Committee on Natural Resources, Agriculture, and Mining, and he pointed out there was a new group of people that understood that they used Nevada's wildlife resources even in a nonconsumptive manner and wanted to help out with the management.

Assemblyman Bobzien stated that the \$2 increase on the \$3 fee on the hunting and fishing licenses was very reasonable. He said he was comfortable with the Department's statement that it was going to take a soft approach educating people about the new nonconsumptive use fee.

Assemblyman Goicoechea said while NDOW said the nonconsumptive fee would be on the honor system and would not be enforced; he was concerned that somebody driving along the county road at the Ruby Lake National Wildlife Refuge and pulled off in a campground was technically going to need a \$5 permit. He was also concerned with enforcement and the fact that it could be established in regulation outside of this statute. He could envision a family stopping along the road for a picnic and being fined because they did not have a permit. While Assemblyman Goicoechea appreciated where the state was headed with this plan, he did not want people saying "what is the matter with the State of Nevada, you have to have \$5 to drive down the road."

Mr. Davis said he did not see a provision for an actual penalty in the bill. The penalty was for not paying a fee to use a wildlife management area, not for having a picnic by the side of the road. He said if there was a way to do a better job of proscribing what those regulations looked like he was open to that.

Chairwoman Smith referred to section 3, subsection 3, paragraph (e) of A.B. 503 (R1) and said it provided the authority to establish those regulations. She suggested that Mr. Davis confer with Assemblyman Goicoechea and perhaps ensure that the fee did not become a burden to someone who did not use the wildlife management area.

Assemblyman Aizley said there had been discussion about groups performing voluntary cleanup in the wildlife management areas and whether they would be

expected to pay the \$5 fee. He noted the bill said the Board of Wildlife Commissioners may adopt regulations, but elsewhere it said everybody must pay the fee. He wondered whether someone had the authority to allow groups to perform that type of work without the fee.

Chairwoman Smith suggested that some type of exception for volunteer projects be considered.

Mr. Davis said something could be included that would authorize the adoption of regulations allowing for exceptions for specific purposes.

Tina Nappe, representing the Sierra Club, testified in support of A.B. 503 (R1). For the record, Ms. Nappe said the Boards of Directors of the Lahontan Audubon Society, Red Rock Audubon Society, and the Sierra Club endorsed this concept. She said she recognized that various groups had been using public lands in wildlife management areas for recreation purposes and had not contributed toward the management of the areas.

Chairwoman Smith closed the hearing on A.B. 503 (R1) and opened the hearing on Assembly Bill 536 (R1).

Assembly Bill 536 (1st Reprint): Revises provisions relating to background checks for certain persons who work with children. (BDR 38-201)

Assemblywoman April Mastroluca, Clark County Assembly District No. 29, testified in support of Assembly Bill 536 (R1). She said the bill was the result of studies performed by the Legislative Auditor regarding governmental and private facilities for children. In the audit it was discovered that there was no standard for background checks on employees working with children in facilities. Further, the results of the background checks were often not received at the facility, or the facility did not follow up when the results of the checks showed an arrest, but no conviction information. As a result, one facility had four employees with felony convictions.

Assemblywoman Mastroluca said 6 of the 13 facilities reviewed were not required by state law or regulation to obtain background checks on all employees, and different types of facilities had different time frames for obtaining background checks and different requirements for periodic postemployment background checks. Because of that, A.B. 536 (R1) was created. This bill required foster homes and different types of child care facilities to conduct background checks every five years and maintain those records to ensure that children were being cared for by people who were safe.

Chairwoman Smith said the Division of Child and Family Services (DCFS) had a small fiscal note with the bill that had been amended, but the Committee needed clarification.

Diane Comeaux, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services, explained that the Division had placed a fiscal note on this bill because, although it had always required preemployment background checks, postemployment background checks had never been required. The fiscal note was \$26,000 the first year of the biennium and \$6,000 each year after that. Ms. Comeaux said because the majority of DCFS staff had been employed more than five years, the Division would have to perform background checks for those employees during the first year after the passage of the bill. She said the Division could probably absorb the cost in its existing budgets which would remove the fiscal note from the bill.

Chairwoman Smith asked whether Ms. Comeaux was saying the fiscal note remained along with the cost, but DCFS would be able to absorb the cost.

Ms. Comeaux said that was correct.

Chairwoman Smith commented that it was interesting how many times it had come up in the session regarding employees where background checks had been performed once, but never performed again.

Ms. Comeaux said one of the considerations was how to proceed if something appeared on the second background check; for instance, an employee had been arrested between the time they were hired and the time the second background check was run. She said the state had a personnel system that did not quite allow for that problem and that was one of the issues that the Division would need to work through with the Department of Personnel.

Chairwoman Smith asked whether DCFS would be able to deal with the problem through the Department of Personnel or would it have to wait until next session.

Ms. Comeaux responded that it would be handled through the Department of Personnel.

Chairwoman Smith closed the hearing on A.B. 536 (R1) and opened the hearing on Assembly Bill 546 (R1).

Assembly Bill 546 (1st Reprint): Makes various changes to provisions governing early childhood care and education. (BDR 38-739)

Assemblyman David P. Bobzien, Washoe County Assembly District No. 24, testified in support of Assembly Bill 546 (R1). Assemblyman Bobzien submitted [Exhibit C](#) "Proposed Amendment 6998 to Assembly Bill No. 546 First Reprint."

Assemblyman Bobzien introduced Lesley Pittman, representing the United Way of Southern Nevada. He said A.B. 546 (R1) required the Director of the Department of Health and Human Services to establish the Early Childhood Advisory Council within the Department. To the extent practicable, the Council, in consultation with the Department of Education, was required to: (1) establish goals for the training of all persons employed in early childhood care in the Pre-Kindergarten Content Standards; (2) assist in developing the qualifications required of persons who conduct training in the Pre-Kindergarten Content Standards; (3) develop standards for professional development in the Pre-Kindergarten Content Standards; (4) create or adopt a model for highly effective teachers that could be used as a resource in early childhood education for teachers and caregivers of children; and, (5) study and develop recommendations for appropriate group sizes in early childhood education and care.

The bill required the Department of Education, in consultation with certain qualified persons, to develop a module that must be used in the training of child care employees in the Pre-Kindergarten Content Standards. The Board for Child Care within the Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), was required to adopt regulations establishing the provisions of such training. The regulations must provide for continuing training in child care which must include at least 24 hours of training annually with at least 16 hours relating to early childhood development and the Pre-Kindergarten Content Standards.

Assemblyman Bobzien said certain licensed child care facilities that received state or federal reimbursement funding were required to ensure that employees received the approved training in the Pre-Kindergarten Content Standards.

The Nevada Early Childhood Advisory Council was created by an Executive Order of the Governor on September 11, 2009. According to Assemblyman Bobzien, the bill provided statutory authority to continue and keep the work moving forward.

Assemblyman Bobzien said the United Way of Southern Nevada would be providing some money to help with this program. The proposed amendment ([Exhibit C](#)) allowed the Department of Education to receive available funding to advance what Assemblyman Bobzien believed was a very important step forward in educating Nevada's children.

Lesley Pittman, representing the United Way of Southern Nevada, said the provisions in A.B. 546 (R1) were very important to early child care in the State of Nevada. The United Way of Southern Nevada, because of statewide budgetary constraints, had made a commitment to alleviate the \$10,000 fiscal note that the Department of Education had indicated would be associated with the Council to develop the training module.

Mendy Elliott, representing United Way of Northern Nevada and the Sierra, thanked Assemblyman Bobzien for sponsoring A.B. 546 (R1) and United Way of Southern Nevada for their efforts. She said because education was a valuable asset and Nevada's children were an investment in the future, United Way of Northern Nevada was supportive of the bill. The United Way of Northern Nevada had moved to a block grant format and was supporting the Washoe County School District in its efforts to provide training for parents.

Delores Hauck, Director of Community Development, United Way of Southern Nevada, thanked the Committee for consideration of the protocol established in southern Nevada. She said the plan was effective for the entire State of Nevada, and the consideration and the support was appreciated.

Whitney Leathers, Director, T.E.A.C.H. Early Childhood Nevada, commented that the organization she represented was a scholarship program for early childhood providers statewide. The organization provided funding for early childhood professionals to obtain associate's degrees, bachelor's degrees, or apprenticeship certificates, which were all obtained through higher education credits. Ms. Leathers said while she fully supported raising the education level of teachers in Nevada, the plan had a fiscal impact on providers with the T.E.A.C.H. program.

Ms. Leathers said her concern was with section 12, subsection 1, paragraph (c) of A.B. 546 (R1). She said while increases in training to 24 hours was not a concern, the requirement for the 16 hours specific to the Pre-Kindergarten Content Standards was. Providers on scholarships were receiving up to 15 credits through higher education each year, which was equivalent to 225 training hours per year. If the bill were to pass the way it was presently written, those providers would have to go outside of the higher education system to obtain the 16 hours in pre-kindergarten training. Ms. Weathers noted that the training providers were receiving through the higher education system was quality training toward an early childhood degree. Her suggestion was that if providers were receiving 24 hours through higher education training, perhaps the 16 hours of Pre-Kindergarten Content Standards training should not be required.

David Walton, Executive Region Director, Challenger School, Las Vegas, testified in opposition to A.B. 546 (R1). Mr. Walton remarked that Challenger School was a private preschool through eighth grade with 23 campuses in 4 states and 3 campuses in Las Vegas. He said he was also the father of three young children and a child care customer.

Mr. Walton said he was appearing before the Committee on behalf of the child care industry in Nevada. The child care industry had suffered along with many other industries because of the recession with 35 percent of child care centers closing their doors and one in five concerned about having to close. This was occurring because parents were choosing lower quality, unlicensed care in lieu of high quality licensed care. Mr. Walton brought up a few important points that he believed needed to be addressed. He said the bill would create duplication in governmental oversight by permanently creating a new board. Child care was currently regulated by the Bureau of Services for Child Care under the Division of Child and Family Services (DCFS). He said this created governmental intrusion into the private, small business child care industry which served working families and educated small children. According to Mr. Walton, creating a new government entity without accountability to the general public would drive up the cost of services to working families that could ill afford it.

Carol Levins, Owner, Creative Kids Learning Center, Las Vegas, testified in opposition to A.B. 546 (R1). Ms. Levins said Creative Kids Learning Centers, in southern Nevada operated 8 centers and had served between 1,500 and 2,000 students over the past 31 years. As the employer of 200 early child care employees, Ms. Levins said she was not opposed to raising the number of training hours to 24, but she was opposed to dictating that 16 of those hours must be in pre-kindergarten standards, which addressed only the developmental needs of children ages 3 to 5. She noted that many early child care providers worked with infants, toddlers, and after-schoolers. After the other required courses such as CPR, first aid, signs and symptoms of illness with blood borne pathogens, recognizing and reporting child abuse and neglect, SIDS classes, and health and nutrition classes that were required, there were no hours left to address issues for workers who worked with other age groups besides 3- to 5-year olds. She also spoke to the cost of approximately \$20 per hour for training, noting that the cost could be prohibitive to employees being able to acquire the 24 hours each year in addition to the other required hours. Ms. Levins said she was in opposition to the bill because of the fiscal impact upon providers and individual employees.

Assemblyman Bobzien said he wanted to respond briefly to some of the discussion that had been heard. He said there had been opposition from providers that was difficult to respond to because much of the input was very

scattered and inconsistent from provider to provider. He noted that some of the most focused opposition was from the Children's Cabinet in northern Nevada. According to Assemblyman Bobzien, in the original bill more training hours were required and the effective dates were much sooner, but after working with the Children's Cabinet, a consensus amendment was arrived at to address some of those concerns.

Addressing the cost of the classes, Assemblyman Bobzien said he had been told the classes cost \$5 to \$10 per hour, but now testimony said they were \$20 per hour. Although there could be some burden on individual providers, the United Way was stepping forward to help because the bill talked about trying to make these classes available to the providers on a low-cost basis. Assemblyman Bobzien pointed out that the effective dates had been pushed out to July 1, 2012, so everyone had time to ramp up.

The final issue, according to Assemblyman Bobzien, was the intrusion and the duplication that was alluded to in the previous testimony. He said it was important to note there was already a standard for private operators and that was 15 hours of training. The piece that was new was the involvement of the Department of Education, and Assemblyman Bobzien said he believed the Department of Education was the appropriate agency to be involved in setting academic standards.

Chairwoman Smith said it seemed that there was another bill that did something with adding some training hours for child care, so she wondered whether there was any overlap or duplication.

Amber Howell, Deputy Administrator, Family Programs, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), said the bill that Chairwoman Smith was referring to was Senate Bill 27, and that bill designated two hours specifically for obesity training. She said those hours were not additional hours, they were 2 hours already required out of the 15 hours.

Chairwoman Smith closed the hearing on A.B. 546 (R1) and opened the hearing on Senate Bill 470 (R1).

Senate Bill 470 (1st Reprint): Makes a supplemental appropriation to the Department of Corrections for an unanticipated shortfall in Fiscal Year 2010-2011 for increased outside medical costs. (BDR S-1227)

Jeffrey Mohlenkamp, Deputy Director, Support Services, Department of Corrections (NDOC), testified that Senate Bill 470 (R1) provided for a

supplemental appropriation to the Department of Corrections in the amount of \$1,768,407. This appropriation was necessary for the Department to meet its medical expenses and close the fiscal year with its budget intact.

Assemblywoman Carlton said she and Mr. Mohlenkamp had a conversation about qualifying some of the inmates for Medicare, and she wondered whether any progress had been made in that regard.

Mr. Mohlenkamp said he would be happy to update the Committee for the record. He said NDOC was considering two population groups that would be covered, and July 1, 2011, was the target date to move forward. Initially, the Department had investigated Medicare coverage, but primarily the coverage was going to come from Medicaid. The NDOC had been in contact with the state of Washington and a couple of other states that had successful programs in place. The two groups being covered were pregnant women and those over age 65. Mr. Mohlenkamp said the program would help considerably with medical expenses in the next biennium.

Chairwoman Smith closed the hearing on S.B. 470 (R1) and opened the hearing on Senate Bill 474 (R1).

Senate Bill 474 (1st Reprint): Makes a supplemental appropriation to the Department of Corrections to offset a reduction in funds for the State Criminal Alien Assistance Program. (BDR S-1229)

Jeffrey Mohlenkamp, Deputy Director, Support Services, Department of Corrections (NDOC), testified that Senate Bill 474 (R1) provided for an appropriation of \$996,105 to cover the Department for a reduction in the State Criminal Alien Assistance Program, which was a federal grant for alien assistance. This amount was reduced from an earlier amount of approximately \$1.4 million, and the Department had been able to cover the remainder through budgetary transfers.

Chairwoman Smith asked whether the reduction was federal funding.

Mr. Mohlenkamp responded that the difference between the two figures was not federal funding, but that the difference had been made up through other areas within the Department's budget.

Chairwoman Smith asked whether this was funding that the federal government had recently announced it was going to reduce.

Mr. Mohlenkamp said the Department had received a reduction from the federal government, and that was the reason it was requesting the supplemental appropriations. He was not certain whether there were going to be further reductions in the funding, but there had already been a significant reduction from what was received in prior biennia.

Chairwoman Smith closed the hearing on S.B. 474 (R1) and opened the hearing on Senate Bill 482 (R1).

Senate Bill 482 (1st Reprint): Makes a supplemental appropriation to the Department of Corrections for an unanticipated shortfall in revenue at the Casa Grande Transitional Housing Center for Fiscal Year 2010-2011. (BDR S-1232)

Jeffrey Mohlenkamp, Deputy Director, Support Services, Department of Corrections (NDOC), testified this supplemental appropriation in the amount of \$562,626 was needed for shortfalls in revenues at Casa Grande Transitional Housing Center (CGTH). Mr. Mohlenkamp reminded the Committee that CGTH was funded in part by inmates working, and a portion of their wages were used by the Department to cover some of the costs. He said there had been a significant reduction in the inmates that were working. While there had been a high of a little over 200 inmates in 2007, CGTH had dropped to a low of about 80 inmates six to nine months ago. Mr. Mohlenkamp said he was pleased that recently there had been approximately 125 to 130 inmates working, so CGTH was seeing some improvement in this area.

Chairwoman Smith closed the hearing on S.B. 482 (R1) and opened the hearing on Senate Bill 478 (R1).

Senate Bill 478 (1st Reprint): Makes a supplemental appropriation to the Department of Motor Vehicles for an unanticipated shortfall in kiosk vendor payments. (BDR S-1235)

Deb Cook, Administrator, Administrative Services Division, Department of Motor Vehicles (DMV), testified that Senate Bill 478 (R1) requested a supplemental appropriation for DMV for an unanticipated shortfall in the kiosk vendor payments. She said the original request was \$630,036, but had been reduced to \$583,614.

Jeanette Belz, representing the Nevada Chapter of the Associated General Contractors, said she had consistently testified against the supplemental appropriation bills because of the constant dipping into the Highway Fund. It was frustrating, according to Ms. Belz, that there were constant unanticipated

shortfalls in the current biennium, and if added together, it was a significant amount again this session. She further commented that in addition to the kiosks being self-sustaining, the kiosks should be revenue-generating.

Chairwoman Smith stated she shared the concerns about the Highway Fund and had asked Fiscal staff to provide a total of what had happened with the Highway Fund over the duration of this session and the various actions that had been taken.

Assemblyman Goicoechea commented that there was a 22 percent cap for use of the Highway Fund that DMV could not exceed. He said he did not believe the cap was being exceeded with any of the appropriations.

Chairwoman Smith closed the hearing on S.B. 478 (R1) and opened the hearing on Senate Bill 479 (R1).

Senate Bill 479 (1st Reprint): Makes a supplemental appropriation to the Department of Motor Vehicles for an unanticipated shortfall in the merchant services fees associated with electronic payments. (BDR S-1236)

Deb Cook, Administrator, Administrative Services Division, Department of Motor Vehicles (DMV), testified that Senate Bill 479 (R1) requested a supplemental appropriation to the Department of Motor Vehicles (DMV) for an unanticipated shortfall in merchant services fees. The original request was in the amount of \$948,453, and with current projections, it had been reduced to \$878,997.

Assemblywoman Carlton said the state was paying credit card companies a fee for the convenience of our citizens to be able to use those cards. She asked the total amount of merchant fees the state had given the credit card companies.

Ms. Cook replied the total for credit card merchant fees, which included MasterCard, Visa, American Express, and Discover, as well as electronic payments, were projected to be \$5.6 million for the current fiscal year.

Jeanette Belz, representing the Nevada Chapter of the Associated General Contractors, testified in opposition to S.B. 479 (R1). Ms. Belz said the frustration was not necessarily with the 22 percent cap; she understood the cap existed and DMV was abiding by that figure. According to Ms. Belz, since 2007, revenues to the Highway Fund had been decreasing and expenditures by DMV had been increasing. She said that seemed to be inconsistent with "belt tightening."

Chairwoman Smith closed the hearing on S.B. 479 (R1) and opened the work session on Senate Bill 470 (R1) and other bills.

Senate Bill 470 (1st Reprint): Makes a supplemental appropriation to the Department of Corrections for an unanticipated shortfall in Fiscal Year 2010-2011 for increased outside medical costs. (BDR S-1227)

ASSEMBLYMAN CONKLIN MOVED TO DO PASS
SENATE BILL 470 (R1).

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Atkinson, Hickey, and Hogan were not present for the vote.)

Senate Bill 474 (1st Reprint): Makes a supplemental appropriation to the Department of Corrections to offset a reduction in funds for the State Criminal Alien Assistance Program. (BDR S-1229)

ASSEMBLYMAN HARDY MOVED TO DO PASS
SENATE BILL 474 (R1).

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Atkinson, Hickey, and Hogan were not present for the vote.)

Senate Bill 478 (1st Reprint): Makes a supplemental appropriation to the Department of Motor Vehicles for an unanticipated shortfall in kiosk vendor payments. (BDR S-1235)

ASSEMBLYMAN CONKLIN MOVED TO DO PASS
SENATE BILL 478 (R1).

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Atkinson, Hickey, and Hogan were not present for the vote.)

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Senate Bill 479 (1st Reprint): Makes a supplemental appropriation to the Department of Motor Vehicles for an unanticipated shortfall in the merchant services fees associated with electronic payments. (BDR S-1236)

ASSEMBLYMAN GOICOECHEA MOVED TO DO PASS
SENATE BILL 479 (R1).

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Atkinson, Hickey, and Hogan were not present for the vote.)

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Senate Bill 482 (1st Reprint): Makes a supplemental appropriation to the Department of Corrections for an unanticipated shortfall in revenue at the Casa Grande Transitional Housing Center for Fiscal Year 2010-2011. (BDR S-1232)

ASSEMBLYMAN HARDY MOVED TO DO PASS
SENATE BILL 482 (R1).

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Atkinson, Hickey, and Hogan were not present for the vote.)

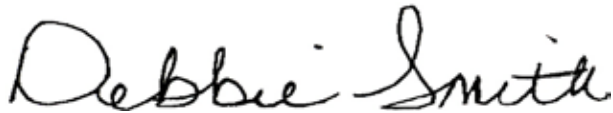
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Chairwoman Smith asked if there were any further questions or comments regarding today's agenda items before the Committee. There being none, she adjourned the meeting at 10:34 a.m.

RESPECTFULLY SUBMITTED:

Anne Bowen
Committee Secretary

APPROVED BY:

A handwritten signature in cursive script that reads "Debbie Smith". The signature is written in dark ink and is positioned above a horizontal line.

Assemblywoman Debbie Smith, Chairwoman

DATE: _____

EXHIBITS

Committee Name: Committee on Ways and Means

Date: May 21, 2011

Time of Meeting: 9:10 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Guest sign-in sheets
A.B. 546 (R1)	C	Assemblyman David Bobzien	Proposed Amendment 6998 to Assembly Bill 546 First Reprint