

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

**Seventy-Sixth Session
May 24, 2011**

The Committee on Ways and Means was called to order by Chairwoman Debbie Smith at 5:55 p.m. on Tuesday, May 24, 2011, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 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 Kelvin Atkinson
Assemblyman David P. Bobzien
Assemblywoman Maggie Carlton
Assemblyman Pete Goicoechea
Assemblyman Tom Grady
Assemblyman John Hambrick
Assemblyman Crescent Hardy
Assemblyman Pat Hickey
Assemblyman Joseph M. Hogan
Assemblyman Randy Kirner
Assemblywoman April Mastroluca
Assemblyman John Ocegüera

STAFF MEMBERS PRESENT:

Rick Combs, Assembly Fiscal Analyst
Mike Chapman, Principal Deputy Fiscal Analyst
Sherie Silva, Committee Secretary
Cynthia Wyett, Committee Assistant

Chairwoman Smith opened the hearing on Assembly Bill 74 (1st Reprint).

Assembly Bill 74 (1st Reprint): Revises various provisions relating to the regulation of the insurance industry. (BDR 57-472)

Shawna DeRousse, Deputy Commissioner of Insurance, Department of Business and Industry, testified she was representing Commissioner Brett Barratt, who was in Washington, D.C. She explained the original fiscal note on the bill was zero; however, the narrative that was included on the fiscal note spoke to the possible need for additional employees in the Division if certain factors of the bill were approved as written.

Ms. DeRousse stated the bill had been amended, and there was no longer a fiscal note attached.

Chairwoman Smith asked for public testimony concerning A.B. 74 (R1). There was no public testimony, and she closed the hearing on A.B. 74 (R1).

Chairwoman Smith opened the hearing on Senate Bill 430.

Senate Bill 430: Revises provisions governing certain child care facilities. (BDR 38-1162)

Diane Comeaux, Administrator, Division of Child and Family Services (DCFS), Department of Health and Human Services (DHHS), explained that Senate Bill 430 was the DCFS budget bill. The bill proposed the consolidation of regulatory oversight responsibility for certain child care facilities within DHHS under one division. Currently, under Chapter 432A of *Nevada Revised Statutes* (NRS), the Bureau of Services for Child Care of the Division of Child and Family Services was responsible for adopting licensing standards, practices, and policies for child care facilities.

Additionally, Ms. Comeaux continued, under Chapter 449 of NRS, Health Facilities, and Chapter 652, Medical Laboratories, the Bureau of Health Care Quality and Compliance of the Health Division was responsible for licensing those entities. Senate Bill 430 transferred the authority to regulate and oversee certain child care facilities to the Health Division of the Department of Health and Human Services from the Division of Child and Family Services.

Ms. Comeaux explained that sections 1 through 25 of the bill transferred the duties of the Board for Child Care to the State Board of Health and the licensing duties of the Bureau of Services for Child Care to the Health Division. Section 26 repealed the provisions that created the Bureau of Services for Child

Care and the Board for Child Care and the provisions governing the appointment and the qualifications of the Chief of the Bureau. Ms. Comeaux noted the position of Chief was a classified position within state service and would not be affected by the change.

Ms. Comeaux further explained that S.B. 430 would place oversight responsibility in a single organization by amending NRS Chapter 432A and transferring the authority to the Health Division. She said having separate divisions and governing boards responsible for regulatory functions could at times be inefficient and duplicative. The consolidation of the programs would streamline the state's ability to serve the public, eliminate duplicate duties, and strengthen the regulatory process.

Assemblywoman Mastroluca asked whether Las Vegas and Clark County had given child care licensing responsibilities to the state.

Ms. Comeaux replied Assemblywoman Mastroluca was correct: both the City of Las Vegas and Clark County had turned licensure over to the state. The counties had the option to adopt an ordinance for that purpose. Washoe County was still licensing its own child care facilities.

Chairwoman Smith called for public testimony; there was none, and she closed the hearing on Senate Bill 430.

Chairwoman Smith announced the Committee would move into work session. She opened the hearing on Assembly Bill 562.

Assembly Bill 562: Revises provisions relating to the subsidy for coverage of certain retired persons under the Public Employees' Benefits Program. (BDR 23-1187)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained A.B. 562 specified the subsidy for retired persons whose healthcare coverage was provided through Medicare. He recalled the bill was heard in the Committee on May 20, 2011. The bill separated the subsidy for retirees who were Medicare-eligible from those retirees who were not, which was consistent with the manner in which the budget for the Public Employees' Benefits Program (PEBP) was closed in the Joint Committee.

Chairwoman Smith suggested that, based on the testimony heard by the Committee, a Letter of Intent be requested to have the PEBP Board report to the 2013 Legislature regarding the transition of participants to the new subsidy program for retirees under Medicare.

ASSEMBLYMAN KIRNER MOVED TO DO PASS
ASSEMBLY BILL 562 WITH A LETTER OF INTENT FOR THE PEBP
BOARD TO REPORT TO THE 2013 LEGISLATURE.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

Assemblyman Aizley wanted the record to reflect that he had heard from several constituents who believed the treatment of Medicare retirees versus non-Medicare retirees, with equal participation and state work, was unfair.

THE MOTION CARRIED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 563.

Assembly Bill 563: Establishes for the next biennium the amount to be paid to the Public Employees' Benefits Program for insurance for certain active and retired public officers and employees. (BDR S-1223)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained A.B. 563 established the amounts to be paid to the Public Employees' Benefits Program (PEBP) for insurance for retired public officers and employees for the upcoming biennium. The bill, as presented, included the rates necessary to implement the Committee's actions in closing the PEBP budget.

Mr. Combs recalled an amendment had been submitted by Jim Richardson, Nevada Faculty Alliance, to add language that for fiscal year (FY) 2012-13, the amounts provided in section 2, subsection 2, paragraph (b) may be increased by an amount based on the percentage increase in the premium for Part B of the Health Insurance for the Aged Act, the provisions implementing Medicare. The amendment read:

The amount of such an increase must be paid from the reserves of the Program if the Board of the Program determines that reserves in excess of the actuarially required reserves of the Program are available for this purpose.

Mr. Combs said without taking a stand on the issue, Fiscal staff would note that typically the reserves in the Program were used to fund all of the participants in the Program going forward and the soundness of the Program going forward, as well as the rates established for future biennia. He said Fiscal staff was present to answer further questions about the bill or the amendment.

Chairwoman Smith affirmed the amendment would require reserves to be used for the subsidy, but normally reserves were used for several other purposes.

Mr. Combs replied the amendment would take the decision-making process out of the Legislature's hands when the rates were set in each biennium and place it in the Board's hands. If there were reserves left over in the account in the second year of the biennium, the Board would have the authority to use those reserves to fund the Medicare retiree pool as opposed to all other members in the plan.

Assemblyman Kirner assumed the amendment did not require the Board to make the decision: it just gave the Board the latitude to make the decision. Based on that assumption, he agreed to move for passage.

ASSEMBLYMAN KIRNER MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 563.

ASSEMBLYMAN AIZLEY SECONDED THE MOTION.

Assemblywoman Carlton asked whether the proposed amendment would apply only to the 2011-2013 biennium: adjustments would not be allowed to continue in the future without legislative review.

Mr. Combs replied Assemblywoman Carlton was correct. The Legislature would review the rates for the following biennium, but once an increase was approved, it would be more difficult for the Legislature to implement a decrease if that was determined to be necessary based on reserves.

Assemblywoman Carlton asked whether the amendment would also allow the Board to decrease the amount of funding for the Medicare retiree pool without legislative approval. Mr. Combs replied the language indicated the amounts pursuant to section 2, subsection 2, paragraph (b) may be increased; there was no mention of a decrease.

Assemblywoman Carlton remarked that she suspected there were other reasons for the amendment.

Assemblyman Kirner said he understood the amendment provided that if the premiums for Medicare Part B increased and there was a need to increase the subsidy for those retirees that had been moved to the retirement supplemental plan, the Board would be allowed to increase the contribution on their behalf out of the reserves, if funds were available. He believed it would be a positive move for the retirees.

Assemblywoman Carlton replied it would be a positive move for the retirees, but it would be at the expense of everyone else in the fund.

Assemblyman Kirner replied that would be one perspective. Another perspective was that the Board had been adding back to the benefits for active employees, but there had not been any add-backs for the retirees.

Assemblywoman Carlton remarked her discomfort was with her lack of confidence in giving the Board that authority. However, she noted, Mr. Aizley seemed to be comfortable with the provision.

Assemblyman Aizley remarked that without the amendment, the subsidy would never change. As expenses rose, other participants would receive increases, but the subsidy for Medicare retirees would be fixed at the current rate unless other action was taken to raise the subsidy.

Mr. Combs asked Laura Freed from the Fiscal Analysis Division to respond to the Committee.

Laura Freed, Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that every biennium when the Board decided the plan design and the rates, the culmination of its efforts was the bill under consideration, known as the "rates bill." She said when the Board began consideration of the agency budget request and the amount of funding for subsidies that would be available, it provided the policy direction to the PEBP executive staff, and the PEBP executive staff would calculate the numbers and return to the Board with a plan design that would fit into the funding available.

Continuing, Ms. Freed said the Medicare retirees, as with the non-Medicare retirees and the actives, could have their contribution changed. The \$10 per month per year of service could increase or decrease, depending on the economy and the instructions from the Budget Division to PEBP. She affirmed that A.B. 563 would be effective only for the 2011-2013 biennium.

Chairwoman Smith thanked Ms. Freed for the clarification. She asked for other questions or discussion on the motion; there were none.

THE MOTION TO AMEND AND DO PASS ASSEMBLY BILL 563
CARRIED. (Assemblyman Hardy was not present for the vote.)

Chairwoman Smith opened the hearing on Assembly Bill 48 (1st Reprint).

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

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 48 (R1) was presented to the Committee on May 21, 2011, on behalf of the Clark County Children's Mental Health Consortium. The bill authorized each mental health consortium to implement its long-term strategic plan and to engage in other activities to improve the provision of mental health services to children with emotional disturbances, as well as their families.

Mr. Combs said that A.B. 48 (R1) also required the consortia to submit to the Director of the Department of Health and Human Services (DHHS) and to the Commission on Mental Health and Developmental Services a request for allocation for the administrative expenses of the consortium for consideration as part of the DHHS biennial budget request.

Mr. Combs reported that the Division of Child and Family Services had indicated that based on the amendments that were adopted in the policy committee, there was no longer a fiscal impact on the Division. He explained the bill was originally exempted because it contained an appropriation that was not included in The Executive Budget, which was also removed in the policy committee.

Chairwoman Smith asked for questions or discussion on A.B. 48 (R1). There were none.

ASSEMBLYWOMAN MASTROLUCA MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 48 (1ST REPRINT).

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 171 (1st Reprint).

Assembly Bill 171 (1st Reprint): Revises provisions governing charter schools. (BDR 34-812)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 171 (R1) was introduced and presented to the Committee on May 19, 2011, by Assemblywoman Teresa Benitez-Thompson. He said the fiscal impact of the bill, which revised provisions governing charter schools, was in section 9. Section 9 provided that

the fee currently assessed to charter schools by the Department of Education would be decreased from 1.5 percent to 1 percent, which would obviously affect the Department of Education's budget for administering charter schools. Assemblywoman Benitez-Thompson had proposed an amendment to remove the provision from the bill.

ASSEMBLYMAN CONKLIN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 171 (1ST REPRINT).

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 202 (1st Reprint).

Assembly Bill 202 (1st Reprint): Provides for the partial abatement of certain property taxes for certain new manufacturing businesses in this State. (BDR 58-652)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 202 (R1) was heard in Committee on May 14, 2011. The bill provided that the Director of the Office of Energy would establish regulations for granting a partial abatement of certain property taxes for new manufacturing businesses which renovated an existing building or other structure that met certain energy efficiency standards.

Mr. Combs said the abatement applied for one year only. The Office of Energy had indicated the bill would not have a fiscal effect, and Fiscal staff had indicated the amount of property taxes that would be lost would not be significant. He noted the abatement was not available for any taxes imposed for public education.

ASSEMBLYMAN KIRNER MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 202 (1ST REPRINT).

ASSEMBLYMAN ATKINSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 255 (1st Reprint).

Assembly Bill 255 (1st Reprint): Revises procedures relating to certain accidents occurring in the course of employment. (BDR 53-102)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 255 (R1) was heard by the Committee on May 14, 2011. The bill originated from the Legislative Commission's Subcommittee to Review the United States Department of Labor's Report on the Nevada Occupational Safety and Health Program. He explained the bill required the Division of Industrial Relations, Department of Business and Industry, to provide immediate families of injured and deceased employees and representatives of injured and deceased employees a written description of their rights after an accident which resulted in the death of an employee or the hospitalization of three or more employees.

Mr. Combs said A.B. 255 (R1) also required the Division of Industrial Relations to provide notice of certain events related to an investigation and required the Division to use its best efforts to interview the immediate family of the deceased employee during an investigation of a fatal accident. The Division had indicated that after the bill was amended and its budget was closed, the provisions of the bill could be accommodated within its existing resources.

ASSEMBLYWOMAN CARLTON MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 255 (1ST REPRINT).

ASSEMBLYMAN HICKEY SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Aizley was not present for the vote.)

Chairwoman Smith opened the hearing on Assembly Bill 300 (1st Reprint).

Assembly Bill 300 (1st Reprint): Revises provisions governing foreclosures on property. (BDR 9-668)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 300 (R1) was presented to the Committee by Assemblyman Jason Frierson on May 20, 2011. The bill revised provisions providing for mediation in certain government foreclosures on property.

Mr. Combs said that A.B. 300 (R1) would require a mediator to complete and submit a statement that included the findings of the mediator; authorized the homeowner to petition the court for an order imposing sanctions against the lender; and created a rebuttable presumption that the court would impose the

sanctions against a lender, particularly if the lender failed to attend the mediation.

Mr. Combs explained that testimony in support of the bill was provided by former Assemblywoman Barbara Buckley and Barry Gold, representing the American Association of Retired Persons Nevada. There was some opposing testimony from an attorney for lenders, who said the bill did not encourage transparency and the sanctions did not necessarily apply to the other side of the transaction—only to the lenders.

Mr. Combs further explained that Assemblyman Frierson had provided an amendment that would affect section 7, subsection 7, paragraph (a) of the bill, which currently read that the court may issue an order imposing such sanctions against the lender “. . . requiring a loan modification if a loan modification was agreed to by the parties . . .” The amendment would strike the language “. . . agreed to by the parties” and replace it with “. . . in the manner determined appropriate by the court.” Mr. Combs recalled that Ms. Buckley had testified that a new court decision had been handed down since the bill was originally introduced in which the court actually ordered modification of the loan, and the sponsors did not want to take away a tool that the court was currently using.

Continuing, Mr. Combs recalled the Administrative Office of the Courts (AOC) had submitted a fiscal note for the creation of an Internet website for the Mediation Administrator, which would be funded with reserves currently available in the Foreclosure Mediation program account; there would not be a need for additional General Funds. Mr. Combs said AOC had testified in favor of the bill and indicated it could handle the requirements of the bill with its current reserves.

ASSEMBLYMAN CONKLIN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 300 (1ST REPRINT).

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Goicoechea, Grady, Hambrick, Hardy, and Hickey voted no.)

Chairwoman Smith opened the hearing on Assembly Bill 330 (1st Reprint).

[Assembly Bill 330 \(1st Reprint\)](#): Makes various changes to provisions relating to certain government contracts. (BDR 19-965)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 330 (R1) was heard by the Committee on May 6, 2011. The bill was sponsored by Assemblyman Ocegüera, and it provided for certain contracts for privatization services to be declared a public record. He said a fiscal note on the bill was submitted by the Public Employees' Benefits Program (PEBP), but Fiscal staff had been notified that an amendment would remove PEBP's fiscal note. The Department of Health and Human Services (DHHS) had also provided a fiscal note, but based on clarification received from Assemblyman Ocegüera, DHHS had removed its fiscal note as well.

Dan Aalbers, speaking on behalf of his parents, David and Carol Aalbers, testified that he was in support of A.B. 330 (R1) because he believed it was important that there be transparency in the privatization efforts. At the same time, he wanted to argue that the amendments that removed PEBP's concerns be reversed. He was concerned whether the promise of moving the retirees from the Public Employees' Benefits Program to the private market would live up to its expressed promise. The promise that was given by people who spoke to PEBP was that the same services would be provided for less money.

Mr. Aalbers would ask that, in the spirit of transparency, the Legislature determine whether privatization of the program was costing the state less and whether the retirees believed they were receiving the same services. He had testified earlier, and there were a number of other individuals in the room who said that they were going to be paying more for less, which was especially true for his parents, who would be paying anywhere from \$1,000 to \$34,000 more. Mr. Aalbers asked that the plan be modified to look at PEBP's privatization efforts not only from a financial point of view, but also from an equivalency point of view by determining whether the move provided the same services that were provided earlier.

Assemblyman Ocegüera remarked he agreed with Mr. Aalbers, but unfortunately, the amendment removed the fiscal note, and since money was not available, some transparency was better than none at all, and therefore he would not be supportive of removing the amendment. He understood Mr. Aalbers' concerns, but the amendment was necessary to remove the fiscal notes.

Chairwoman Smith suggested it would be helpful if Mr. Aalbers would submit a letter outlining his concerns, which could be incorporated in the Letter of Intent that was previously approved. She thanked Mr. Aalbers for his testimony.

ASSEMBLYMAN CONKLIN MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 330 (1ST REPRINT).

ASSEMBLYWOMAN MASTROLUCA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 332.

**Assembly Bill 332: Makes various changes relating to the Economic Forum.
(BDR 31-307)**

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 332 was heard by the Committee on May 19, 2011. Assemblyman Conklin was the sponsor, and he had presented an amendment with the following changes:

- Remove the provisions regarding conducting Economic Forum meetings via telephone or videoconferences.
- Change the date of the December report required from the Economic Forum from December 1 of each even-numbered year to December 3 of each even-numbered year, in an effort to make more data available for the Economic Forum to use when making its December forecast used by the Governor to prepare The Executive Budget.
- Instead of holding additional quarterly meetings, the Economic Forum would be required to meet twice more over the two-year budget cycle. The two additional meetings must be held by June 10 of even-numbered years and by December 10 of odd-numbered years for the purpose of reviewing economic data and the accuracy of the revenue forecasts. The meetings would not be for the purpose of making additional forecasts.
- Provide the Economic Forum with the authority to make preliminary projections of economic indicators and estimates of future state revenue at any time.

Mr. Combs said two fiscal notes were submitted on the bill. One was by the Budget Division and the other was by the Fiscal Analysis Division of the Legislative Counsel Bureau. Both fiscal notes were based on the original version of the bill that required quarterly meetings and additional forecasts to be done. Assemblyman Conklin's proposed amendment had caused removal of the fiscal notes from the bill.

ASSEMBLYWOMAN MASTROLUCA MOVED TO AMEND AND DO PASS ASSEMBLY BILL 332.

ASSEMBLYMAN OCEGUERA SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Goicoechea, Grady, Hambrick, Hardy, Hickey, and Kirner voted no.)

Chairwoman Smith opened the hearing on Assembly Bill 359 (1st Reprint).

Assembly Bill 359 (1st Reprint): Revises provisions governing energy.
(BDR 58-1064)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that the Committee heard testimony on A.B. 359 (R1) on May 17, 2011. The bill expanded the Waterpower Energy Systems Demonstration Program to include Indian tribes, increased the capacity goals of the program, and extended the life of the program to June 30, 2016. It also authorized persons who installed such a system to participate in net metering.

Mr. Combs stated a fiscal note had been submitted by the Public Utilities Commission of Nevada (PUC), primarily to develop regulations it believed would need to be adopted. However, PUC had testified the regulations could be incorporated within their existing budget.

ASSEMBLYMAN GRADY MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 359 (1ST REPRINT).

ASSEMBLYMAN BOBZIEN SECONDED THE MOTION.

Assemblyman Bobzien noted that section 6 of the bill authorized a person who installs a waterpower energy system to participate in net metering if the waterpower energy system is located on property owned by the customer-generator or on property or contiguous property owned by the customer-generator. He remarked the provision was a great concept and he hoped it could be applied to the other classifications.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 390.

Assembly Bill 390: Revises provisions relating to energy assistance.
(BDR 58-801)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated A.B. 390 was presented to the Committee on May 17, 2011, by Assemblywoman Maggie Carlton. The bill clarified that certain tenants were eligible for energy assistance, including a tenant of a mobile home park subject to the provisions of *Nevada Revised Statutes* (NRS) 704.905 to 704.960 and a tenant who purchased electricity from a landlord who paid for electricity through a master meter and then resold it to the tenant based on actual use.

Mr. Combs said the Division of Welfare and Support Services had submitted a fiscal note on the bill for a total of \$21,600 for information services costs. During the May 17 hearing, the Division testified the impact would be inconsequential and could be covered within the Division's existing budget.

ASSEMBLYWOMAN MASTROLUCA MOVED TO DO PASS
ASSEMBLY BILL 390.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 432 (1st Reprint).

Assembly Bill 432 (1st Reprint): Enacts provisions relating to energy auditors.
(BDR 54-136)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained A.B. 432 (R1) was presented by Assemblywoman Marilyn Kirkpatrick. She had amended the bill to allow for energy auditors to be licensed by the Real Estate Division of the Department of Business and Industry. The Real Estate Division submitted a fiscal note that was affected by Assemblywoman Kirkpatrick's amendment, which, according to the Real Estate Division, could be reduced to \$46,780 in fiscal year (FY) 2011-12 and \$58,214 in FY 2012-13.

Mr. Combs said the Real Estate Division had testified that the projected additional license fee revenues of \$70,000 in FY 2011-12 and \$115,000 in FY 2012-13 would exceed the Division's costs. Mr. Combs noted the revenues would go directly to the General Fund. The question for the Committee was whether to approve the amendment that was submitted by

Assemblywoman Kirkpatrick and then, based on the fiscal note, whether to include the appropriation to fund the fiscal note as submitted by the Real Estate Division with the amendment.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 432 (1ST REPRINT).

ASSEMBLYMAN HICKEY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 489.

Assembly Bill 489: Revises provisions governing compensation for travel expenses for certain persons employed at certain correctional institutions or facilities within this State. (BDR 16-1206)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 489 was heard by the Committee on April 21, 2011, on behalf of the Budget Division. The bill would eliminate remote area differential pay for certain employees of the Department of Corrections and the Division of Forestry who resided more than 25 miles from the facility at which they worked. He said the bill specified that employees of the Department of Corrections and the Division of Forestry beginning their employment on or after July 1, 2011, would no longer be eligible to receive such compensation for travel expenses.

Mr. Combs noted the bill was consistent with the manner in which the budgets for both the Department of Corrections and the Division of Forestry were closed.

ASSEMBLYMAN GOICOECHEA MOVED TO DO PASS ASSEMBLY BILL 489.

ASSEMBLYMAN CONKLIN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 511 (1st Reprint).

Assembly Bill 511 (1st Reprint): Revises certain provisions governing transportation. (BDR 43-1109)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that A.B. 511 (R1) provided certain privileges to the owner or a long-term lessee of a qualified plug-in, electric-drive vehicle. An amendment to section 7, subsection 3 was submitted by Mike Draper, R&R Partners, on behalf of General Motors, which would add that the board of county commissioners or the governing body of the city may charge a fee for the distinctive decal, label, or other identifier issued pursuant to section 2 of the bill. Mr. Combs believed the purpose of the amendment was to remove the two-thirds requirement from the bill.

Mr. Combs added the fiscal note was eliminated in the amendment adopted by the policy committee.

ASSEMBLYMAN ATKINSON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 511 (1ST REPRINT).

ASSEMBLYMAN BOBZIEN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 515.

Assembly Bill 515: Revises certain provisions governing the Nevada Junior Livestock Show Board. (BDR 50-1208)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, remarked that A.B. 515 was complicated. The bill was submitted on behalf of the Budget Division and was first heard in Committee on April 22, 2011. He explained the bill revised provisions governing the Nevada Junior Livestock Show Board, and the version of the bill heard in Committee authorized a fee for the Board to charge participants in the show.

Mr. Combs reviewed the State Department of Agriculture's proposed amendments to A.B. 515. Section 1 was deleted, which eliminated the fee and the fiscal note; section 2 was deleted; and section 3 provided that the members of the Board serve without compensation and were not entitled to per diem and travel expenses generally provided for state officers and employees.

Mr. Combs suggested that section 4, subsection 2, which provided that a member of the Board must be a member of the staff of the "Agricultural

Extension Department of the Public Service Division of the Nevada System of Higher Education" be amended to reflect the new name of the Department, "University of Nevada Cooperative Extension." He also suggested that the reference to "agriculture education program specialist" in section 4, subsection 3 be updated to "agriculture education program professional."

Mr. Combs believed the amendments corrected the bill to read as the parties intended and were consistent with the manner in which the budgets were closed for the Department of Agriculture.

ASSEMBLYMAN GRADY MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 515.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assembly Bill 531: Revises provisions governing the Fund for Manufactured Housing. (BDR 43-1191)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 531 was heard in Committee on April 19, 2011. The bill provided that all interest and income earned on any money in the Fund for Manufactured Housing must be credited to the Fund. The interest earnings were currently credited to the General Fund.

Mr. Combs said Fiscal staff was not overly concerned with the loss of General Fund income from the Fund for Manufactured Housing: it was not a large amount of money. He noted the bill was submitted on behalf of the Budget Division as being necessary to implement the budget.

ASSEMBLYMAN CONKLIN MOVED TO DO PASS ASSEMBLY BILL 531.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Assembly Bill 530.

**Assembly Bill 530: Revises provisions relating to stale claims by state agencies.
(BDR 31-1178)**

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, recalled that A.B. 530 was heard by the Committee on April 22, 2011. The bill was submitted on behalf of the Budget Division, and it authorized a state agency to pay a stale claim of less than \$100 from the appropriate budget account in the current fiscal year. He explained a stale claim was a bill received after the close of the fiscal year in which it was incurred.

Mr. Combs said the bill would also allow claims to be paid out of the budget account for medical expenses pursuant to a claim by a third-party administrator. He recalled that in closing the budget for the Department of Corrections, a special separate expenditure category was created for stale claims. Mr. Combs said Fiscal staff had no concerns with the provisions of the bill.

ASSEMBLYMAN OCEGUERA MOVED TO DO PASS ASSEMBLY BILL 530.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith opened the hearing on Senate Bill 472.

Senate Bill 472: Makes a supplemental appropriation to the Department of Corrections to cover stale claims for prison medical care. (BDR S-1228)

Rick Combs, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that S.B. 472 was heard in Committee on May 20, 2011, and was submitted on behalf of the Department of Administration. He noted the bill contained a supplemental appropriation to the Department of Corrections.

Mr. Combs recalled there was some confusion during the hearing about the purpose of the stale claim, and he explained it was for personnel expenditures. For the sake of future clarity, he recommended the language of the bill be amended from "for prison medical care" to "for personnel expenditures for prison medical care." He noted the dollar amount was \$9,579.

Assemblyman Hambrick affirmed that the individual involved in the case was on military leave. He asked whether the same situation could occur if a staff

member on military leave was injured. He questioned why this method was being used for payment.

Mr. Combs replied the bill would not change the *Nevada Revised Statutes*. It was a one-time incident, and the confusion arose because the stale claim indicated the purpose was for military leave. He said the language would clarify that the claim was for prison medical care personnel expenditures.

ASSEMBLYMAN HAMBRICK MOVED TO AMEND AND DO PASS
SENATE BILL 472.

ASSEMBLYMAN HOGAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chairwoman Smith asked for public comment.


Peggy Lear Bowen, private citizen, thanked the Committee members for their service. She said whether she agreed with them, their decisions, or how they arrived at them, she was thankful for their service in doing what they needed to do to make the State of Nevada a great state. Chairwoman Smith thanked Ms. Lear Bowen for her testimony.

There being no further business to come before the Committee, Chairwoman Smith adjourned the hearing at 7:03 p.m.

RESPECTFULLY SUBMITTED:

Sherie Silva
Committee Secretary

APPROVED BY:



Assemblywoman Debbie Smith, Chairwoman

DATE: November 7, 2011 _____

EXHIBITS

Committee Name: Committee on Ways and Means

Date: May 24, 2011

Time of Meeting: 5:55 p.m.

Bill	Exhibit	Witness / Agency	Description
	A	*****	Agenda
	B	*****	Attendance Roster