

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Seventy-Seventh Session
April 12, 2013**

The Committee on Commerce and Labor was called to order by Chairman David P. Bobzien at 1:37 p.m. on Friday, April 12, 2013, in Room 4100 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 nelis.leg.state.nv.us/77th2013. 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 David P. Bobzien, Chairman
Assemblywoman Marilyn K. Kirkpatrick, Vice Chairwoman
Assemblywoman Irene Bustamante Adams
Assemblywoman Maggie Carlton
Assemblyman Skip Daly
Assemblywoman Olivia Diaz
Assemblyman John Ellison
Assemblyman Jason Frierson
Assemblyman Tom Grady
Assemblyman Ira Hansen
Assemblyman Crescent Hardy
Assemblyman James W. Healey
Assemblyman William C. Horne
Assemblyman Pete Livermore
Assemblyman James Ohrenschall

COMMITTEE MEMBERS ABSENT:

None



GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Kelly Richard, Committee Policy Analyst
Matt Mundy, Committee Counsel
Leslie Danihel, Committee Manager
Julie Kellen, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

Debrea Terwilliger, Assistant Staff Counsel, Office of the Staff Counsel,
Public Utilities Commission
Stacey Crowley, Director, Office of Energy, Office of the Governor
George Burns, Commissioner, Division of Financial Institutions,
Department of Business and Industry
Scott Kipper, Commissioner, Division of Insurance, Department of
Business and Industry

Chairman Bobzien:

[Roll was called.] I will turn it over to Ms. Richard, and we will start with Assembly Bill 73.

Assembly Bill 73: Revises provisions governing the practice of chiropractic.
(BDR 54-538)

Kelly Richard, Committee Policy Analyst:

The first bill before you today is Assembly Bill 73. This bill was sponsored by Assemblyman Kirner. It was heard in Committee on March 8, 2013. Assembly Bill 73 revises the information an applicant for a license to practice chiropractic must provide and modifies the passing score for the license examination. [Read from work session document ([Exhibit C](#)).]

As you may recall, during the hearing on the bill, there was an amendment submitted by Marsha Berkbighler on behalf of the Chiropractic Physicians' Board of Nevada. This amendment had two provisions in it, but the only provision that will be considered today is the provision under section 1 of the amendment, which removes reference to section 1, the "manipulation" definition. The second page is a subsequent amendment she submitted to retain the existing provisions of *Nevada Revised Statutes* (NRS) 634.225,

relating to the piercing or severing of tissue. That section would likewise retain its original language and not be modified by the bill.

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYMAN LIVERMORE MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 73.

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

We are going to move to Assembly Bill 90.

Assembly Bill 90: Revises provisions governing representation of injured workers in hearings or other meetings concerning industrial insurance claims. (BDR 53-820)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 90 is sponsored by Assemblyman Ohrenschall, and it was heard in Committee on February 25, 2013. Assembly Bill 90 allows any person employed by an injured worker's labor organization, whether full- or part-time, to represent an individual before a hearing officer or in negotiations, settlements, hearings, or other meetings with an insurer concerning a claim. [Read from work session document ([Exhibit D](#)).]

Chairman Bobzien:

For the Committee, this was something that was worked out between the bill proponent and the Nevada Justice Association, which has some concerns about the quality of representation in these sorts of initial hearings. Do I have a motion to amend and do pass?

ASSEMBLYMAN GRADY MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 90.

ASSEMBLYMAN HANSEN SECONDED THE MOTION.

Is there discussion on the motion?

Assemblywoman Carlton:

I appreciate that we respect the labor organizations enough to allow them to do this, but it still does not get to the issue. The person who is doing this will not

have the same expertise and will not be carrying the errors and omissions liability that lawyers carry. If they happen to give the wrong advice or do something wrong, the injured worker will have no recourse. I still have concerns about allowing people who are not thoroughly trained in carrying the insurance to be allowed to do this work for people when it puts their benefits at risk. I will be in opposition to the bill.

Assemblyman Ohrenschall:

I want to address that point. During the hearing, we heard from many different labor organizations that testified when they select a person to have this responsibility, they are very careful. It is the leadership of that union that can be turned down in the next election if they do not make a wise choice.

Assemblyman Ellison:

I would like to reserve my right to change my vote on the floor. I will be voting yes now.

Chairman Bobzien:

Is there any further discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYWOMAN CARLTON
VOTED NO.)

Let us go to Assembly Bill 106.

Assembly Bill 106: Provides for the award of certain costs, fees and expenses to prevailing parties in actions before the Occupational Safety and Health Review Board under certain circumstances. (BDR 53-156)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 106 is sponsored by Assemblyman Hansen, and it was heard in Committee on March 25, 2013. Assembly Bill 106 provides for the award of costs, fees, and expenses to a prevailing party in an action or proceeding against the Division of Industrial Relations before the Occupational Safety and Health Review Board or a court of judicial review, under certain circumstances. [Read from work session document ([Exhibit E](#)).] This bill has been issued a notice of eligibility for exemption.

Chairman Bobzien:

I discussed this one with Mr. Hansen, and we agreed that there may be something we can work on here, but for now, there is significant concern about the exposure we have. We agreed this would be one we could move

to the Assembly Committee on Ways and Means with no recommendation, so I would entertain such a motion.

ASSEMBLYMAN OHRENSCHALL MOVED TO REREFER WITHOUT RECOMMENDATION ASSEMBLY BILL 106 TO THE ASSEMBLY COMMITTEE ON WAYS AND MEANS.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

We will bring up Assembly Bill 153.

Assembly Bill 153: Provides for the licensing and operation of craft distilleries in Nevada. (BDR 52-607)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 153 is sponsored by Assemblyman Hardy. The bill was heard in Committee on March 6, 2013. It authorizes the operation of craft distilleries in Nevada. [Read from work session document ([Exhibit F](#)).] The Department of Taxation submitted a revised version of the agency's unsolicited fiscal note on March 14, 2013 ([Exhibit G](#)).

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AMEND AND DO PASS ASSEMBLY BILL 153.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

We will now to do Assembly Bill 186.

Assembly Bill 186: Revises provisions relating to compensation. (BDR 53-796)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 186 is sponsored by the Assembly Committee on Commerce and Labor and was heard in Committee on March 20, 2013. It requires an employer to provide notice to employees at the time of hire regarding certain employment-related information on a form prescribed by the Labor Commissioner. [Read from work session document ([Exhibit H](#)).]

Chairman Bobzien:

To set this one up, it is my understanding that Mr. Mallory has worked the first amendment out with various business interests that were concerned about this bill. In addition, we have some late concern about the second amendment, so we will be pulling that one back at the request of the submitter. What is the pleasure of the Committee?

ASSEMBLYMAN HORNE MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 186.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN KIRKPATRICK WAS
ABSENT FOR THE VOTE.)

We will move to Assembly Bill 187.

Assembly Bill 187: Revises provisions governing retail installment contracts.
(BDR 8-977)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 187 is also sponsored by the Assembly Committee on Commerce and Labor and was heard in Committee on March 22, 2013. The bill amends the requirement that certain retail installment contracts be contained in a single document that encompasses the entire agreement of the parties. [Read from work session document ([Exhibit I](#)).] For the members, it is the amendment that has "proposed amendment to A.B. 187" in big, bold lettering across the top of the document. I want to make sure you are looking at that one because we had a different version posted late last night.

Chairman Bobzien:

This is a dramatically different bill from where we were if this amendment is adopted. Of course, it is all on the same topic, and it is the issue of vehicle interruption devices. I want to commend the parties for getting together and working out many differences. In the end, there was one gap that was not bridgeable. It all came down to the default period of 15 days versus 30 days. This amendment is from the Legal Aid Center of Southern Nevada, which fell out on the 30-day side, as that is consistent with these contracts and how they are applied in Nevada. With that, what is the pleasure of the Committee?

[Assemblywoman Diaz asked a question off the record.]

Mrs. Diaz, this is a Committee bill, so Mr. Wulz submitted this as the amendment. I would say it encapsulates a lot of compromise, but at the very end with the difference between 15 and 30, we went with Mr. Wulz's opinion on that.

ASSEMBLYWOMAN DIAZ MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 187.

ASSEMBLYMAN OHRENSCHALL SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblywoman Carlton:

I appreciate the compromise, but I cannot get past the fact that we are going to let somebody turn their car off remotely. They will go out and that car will just be sitting there. I am against the principle; therefore I am a no on the vote.

Assemblyman Frierson:

Ditto.

Chairman Bobzien:

Is there further discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN BUSTAMANTE ADAMS,
CARLTON, FRIERSON, HANSEN, AND HORNE VOTED NO.
ASSEMBLYWOMAN KIRKPATRICK WAS ABSENT FOR THE VOTE.)

We will move to Assembly Bill 225.

Assembly Bill 225: **Revises provisions relating to business brokers.**
(BDR 54-1017)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 225 is sponsored by Assemblyman Stewart, and it was heard in Committee on March 22, 2013. Assembly Bill 225 revised the definition of "business broker" to limit its application to the acts prescribed in *Nevada Revised Statutes* (NRS) 645.0075. [Read from work session document ([Exhibit J](#)).]

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO DO PASS
ASSEMBLY BILL 225.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Daly:

I reread this again, and I know I made comments at the Committee hearing, but I do not think the bill does anything except take out the one provision and lessen the training it takes for a person to be a broker. It still conflicts with provisions later in statute that say in order to be a broker, you have to comply with the provisions of another area in statute that say you have to be a licensed real estate agent. I do not think it does what it is supposed to do and conflicts. I will vote no.

Chairman Bobzien:

Is there any further discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN DALY VOTED NO.)

Our next bill is Assembly Bill 326.

Assembly Bill 326: Revises provisions relating to arbitration. (BDR 52-803)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 326 is sponsored by Assemblyman Aizley. It was heard in Committee on March 27, 2013. Assembly Bill 326 requires an agreement, which includes a provision requiring a person to submit to arbitration any dispute arising between the parties to the agreement, to include specific authorization. [Read from work session document ([Exhibit K](#)).]

Chairman Bobzien:

Do we have any questions on this one?

Assemblyman Daly:

I want to make sure this would have no effect on any arbitration in anyone's collective bargaining agreement.

Chairman Bobzien:

Mr. Mundy, could you give us some perspective?

Matt Mundy, Committee Counsel:

It will apply to any agreement that has an arbitration clause. Whether a collective bargaining agreement would have a specific arbitration clause and if this is broad enough to catch it, I do not know. But this applies to any agreements that do have arbitration clauses in them.

Chairman Bobzien:

We are going to pull this one back for now. Let us move to Assembly Bill 339.

Assembly Bill 339: Revises provisions governing compensation for overtime.
(BDR 53-968)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 339 is sponsored by Assemblyman Livermore. It was heard in Committee on March 29, 2013. Assembly Bill 339 addresses the situation in which an employee is scheduled to work ten hours per day, four days per week, and is unable to work all 40 hours. [Read from work session document ([Exhibit L](#)).]

Chairman Bobzien:

I want to thank Mr. Daly for working on this one. Could you give us a comment or two about how you were able to make Mr. Livermore's bill even better?

Assemblyman Daly:

I read through the document, and listened again. The amendment does not do exactly what we wanted, or maybe I misread the intent. What we are trying to do is if people agree to a 4-10 schedule, and that agreement is in place, and if the employee is tardy or needs to take time off, and he or she worked any portion of the 4-10 but missed some portion, he or she could still go up to 10 hours in a day without the employer having to pay overtime. That happens a lot on construction projects, as Mr. Hardy mentioned. If the employer says not to work the full 40 hours, then he or she must pay the overtime for those days.

The last section is the same as if you are working an eight-hour day and work over eight hours, then you are eligible for overtime. You would get overtime after the eight hours. If you are on a 4-10 schedule, and the employee is going to take half a day off on the fourth day, the employer cannot make the employee work 12 hours on two other days to make it to 40 hours. The employer would have to pay overtime after 10 hours. That is the intent, and we will make sure the language gets there.

Chairman Bobzien:

We have a little more discussion on this one.

Assemblywoman Carlton:

In the original hearing, and under current legislation, if the employee has a 4-10 schedule and ends up working that fifth day, that would be time and a half, correct? I am getting a nod yes. Does this bill take away that option? Mr. Daly, you may not think it does, but when I read this, it says that if they work less than 10 hours, if they come in on the fifth day, they will not get their time and half because they did not work 40 hours that week. I know what your intent was, but we have to go with what is on the page, and that gives me some concern. I may be wrong, but I think we will be eliminating that option for employees.

Chairman Bobzien:

We might get some additional perspective on this one.

Matt Mundy, Committee Counsel:

I do not think that was the intent of the language. If that is the case, we will review the commentary here and make sure that if the Committee adopts it, it is consistent with what Mr. Daly has testified to and what he is trying to accomplish.

Assemblywoman Carlton:

What will change today? What benefits will the employee lose today with this legislation? What will they not get in the future by passing this now? If there is a loss in the future, that gives me concern.

Assemblyman Daly:

There are two requirements: a 4-10 schedule must be agreed to, and 40 hours must be worked. If for any reason, intentional or otherwise, the employee shows up a half-hour late on his last day and does not work the full 40 hours—so he worked 10 hours on Monday, Tuesday, and Wednesday, but on Thursday he only worked 9 1/2 hours—all of that time for the whole week is now being paid overtime for any time worked over 8 hours, even though he agreed to a 4-10 schedule. That is what this bill is trying to correct.

Sometimes you have weather days on construction projects or vacation days. The employer is always saying, I want you to work a 4-10, but if the 40 hours is missed for any reason, I have to pay the overtime, so it is not worth scheduling a 4-10. Some people like to work 4-10s, and there are reasons to work 4-10s. This enables a person on a 4-10 schedule some flexibility

if he or she misses any work time during the schedule. The employer can still pay them straight time up to the 10 hours on the agreed upon 4-10 shift.

Under existing law, if the employee works a fifth day and did not have 40 hours during the week, he or she would still not get overtime until that 40 hours is reached. You only get overtime after eight hours if you make less than one and a half times the minimum wage, so it does not apply to many people in any case. That is the scenario. As I viewed it, it is a matter of fairness. I agreed with Assemblymen Hardy and Grady that there is a flaw there. I am not trying to take away from anybody.

Assemblywoman Carlton:

In essence, the employee will lose the overtime compensation under this new scheme because there will be no overtime over 8 hours if the 40-hour week schedule is not met. That was the question. The overtime component on the 4-10 week will change with less than 40 hours put in. That is what we would be losing in this bill. Currently, if there are four 10-hour days, but on the last day a half-hour is missed, that makes it fewer than 40 hours. We go back to the eight-hour work scheme, which means they do not get the overtime they are getting now. They will lose that overtime.

Assemblyman Ellison:

A lot of employers and employees tried to work together. If I have guys working four days, one of them might come to me and say, hey, I want to take half a day off because I need to take my daughter to a doctor, so can I make it up the next off day? That is between the employee and employer. We are trying to help the employee, not to hurt him or her. I think the amendment addressed that. That is what we are trying to do. We are trying to help work with the employee and employer.

Chairman Bobzien:

Mr. Livermore, do you want to weigh in on this?

Assemblyman Livermore:

I want to compliment Assemblyman Daly on his hard work on this bill. I could not have completed the bill as it is today without his input. I think we all understand, especially employers who hire employees on an hourly basis, that there is no intent to circumvent any overtime allotted. I want to express my thanks to Assemblyman Daly.

Assemblyman Daly:

I want to clarify one thing. I am not trying to take anything away. If a person agrees to a 4-10 week, and he or she does not get to 40 hours in that week,

then the law wrongly says the employer has to pay overtime for anything over 8 hours, provided the employee is eligible. If an employee works five 8-hour days, he or she will get overtime after 8 hours, but if you agree to work four 10-hour days and work over 10 hours, the provision in the amendment—subsection 1, paragraph (c) that was added—says the employee will get overtime after working that 10 hours. That was a provision that was of some discussion right before coming in here. Mr. Livermore and the group agreed they should. Just because an employee is working four 10-hour days does not mean he or she should not get overtime if working over that 10 hours. That is why that provision is there. I think it works and there is an intent there. If we do not understand it correctly, I will try harder.

Assemblyman Hansen:

This is something that will benefit the employee. In the absence of this, the willingness of an employer to negotiate a 4-10 schedule will go away because the employer gets stuck paying something. I think this is actually a win for both parties. It will allow a lot more flexibility and will see more people enjoying 4-10 schedules and three-day weekends.

Chairman Bobzien:

The Chair will entertain a motion.

ASSEMBLYMAN HORNE MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 339.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN CARLTON
VOTED NO.)

With that, we will move to Assembly Bill 349.

Assembly Bill 349: Revises provisions governing professions. (BDR 54-420)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 349 was sponsored by Assemblywoman Bustamante Adams and was heard in Committee on March 29, 2013. Assembly Bill 349 authorizes a regulatory body to grant a license to a qualified professional who is licensed to another state or territory and is also an active member, veteran, or surviving spouse of a veteran of the Armed Forces of the United States, to practice his or her respective profession in this state. [Read from work session document ([Exhibit M](#)).]

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 349.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

We will move to Assembly Bill 354.

Assembly Bill 354: Prohibits the use of certain chemicals in various consumer products. (BDR 52-789)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 354 is sponsored by Assemblywoman Diaz. It was heard in Committee on April 3, 2013. Assembly Bill 354 prohibits the manufacturing of certain products that contain Bisphenol A (BPA) or certain replacement substances. [Read from work session document ([Exhibit N](#)).]

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYMAN HORNE MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 354.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

I want to congratulate Mrs. Diaz for working with the industry and coming up with this compromise. It is an important step forward.

THE MOTION PASSED UNANIMOUSLY.

The next bill is Assembly Bill 388.

Assembly Bill 388: Revises provisions relating to renewable energy systems. (BDR 58-517)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 388 is sponsored by Assemblyman Bobzien. It was heard in Committee on April 1, 2013, and it revises provisions relating to renewable energy systems. The bill creates a new tax abatement program for a new

business planning to locate or relocate in this state. [Read from work session document ([Exhibit O](#)).]

Chairman Bobzien:

This is another one of those energy bills that still needs a little bit of work before it goes anywhere. I want to note that the amendment is a better way to express what is in the bill right now. To capture this snapshot before we work on it further, I would like to have that before it goes with no recommendation to the Assembly Committee on Ways and Means. I would entertain such a motion.

ASSEMBLYMAN FRIERSON MOVED TO AMEND WITHOUT RECOMMENDATION AND REREFER ASSEMBLY BILL 388 TO THE ASSEMBLY COMMITTEE ON WAYS AND MEANS.

ASSEMBLYMAN OHRENSCHALL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Let us go to Assembly Bill 391.

Assembly Bill 391: Revises provisions relating to energy. (BDR 58-1025)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 391 is sponsored by Assemblyman Daly. It was heard in Committee on April 1, 2013. Assembly Bill 391 defines "wage" to include the cost of benefits paid in a manner consistent with public works projects for purposes of tax abatements. [Read from work session document ([Exhibit P](#)).]

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS ASSEMBLY BILL 391.

ASSEMBLYMAN HORNE SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Livermore:

When you read the part about the amendment from Mr. Thompson, did it mention selling electricity?

Kelly Richard:

The second amendment, in subsection 2 of *Nevada Revised Statutes* (NRS) 704.675, which is section 12 of the bill, adds, "or an entity that is owned or controlled by a cooperative association, nonprofit corporation or association or any other supplier of services described in this chapter." That would add additional entities that will be covered under this subsection.

Chairman Bobzien:

For the Committee, it mentions "a supplier of energy" in the work session document's description of Mr. Thompson's amendment.

Is there further discussion on the motion?

Assemblyman Grady:

As a point of clarification, when they bid on a job, whoever it might be, such as the one that apparently is in question here, on Creech Air Force Base, under federal regulation they are not controlled the same way that you would if you were working in or out of your service area. Does anyone know if this is correct?

Chairman Bobzien:

That is a tough one. I realize we have a telecom person here rather than an energy person, but Ms. Terwilliger, could you take a crack at that?

Debrea Terwilliger, Assistant Staff Counsel, Office of the Staff Counsel, Public Utilities Commission:

I am familiar with it. There is an open complaint before the Public Utilities Commission (PUC) regarding this issue related to Creech Air Force Base. From a legal perspective, I think there are many questions in what you asked. I do not think the Commission has decided, from a federal regulatory perspective regarding the operation of military bases, to what extent that overrides something like state laws and service territories. That is an open question before the Commission.

Chairman Bobzien:

The answer is murky.

Assemblyman Hansen:

As a contractor, I have a Nevada license. I have been on jobs in Herlong, California, for example, and the feds have a different set of rules. Are we talking about that here? Is that what the PUC is currently trying to figure out?

Debrea Terwilliger:

Yes, that is what the Commission is trying to decide from a legal perspective.

Assemblyman Hansen:

The question is whether Nevada law can trump federal. For example, I am not allowed to bid outside the state of Nevada under Nevada law, but under federal law, I can go to federal projects in other states and make a bid. Is that what you are trying to figure out? As a contractor bidding on federal projects outside of the state of Nevada, will I be breaking the law if the PUC says Valley Electric, or whatever company, is not allowed to bid the Creech Air Force Base because it is a violation of state law?

Debrea Terwilliger:

I was working on this complaint until the telecom stuff got really busy. I do know that one of the legal questions that is in the staff's mind is to what extent federal law influences this issue of service territory and how that mixes up. I do not know how much we are getting into the bidding on contracts, but we are talking about whether the PUC's jurisdiction regulates service area for cooperatives and where federal jurisdiction picks up and trumps all of that.

Assemblywoman Carlton:

I am going back to the language, and when I read this, it basically says that if you are going to compete in this service area, you have to play by the same rules that everyone else has to play by. The PUC will have oversight of anyone who wants to play in that sandbox. It levels the playing field for everybody who wants to play. If you do not want to show and play, it does not apply to you. I am pretty sure I am on the right track with that one.

Chairman Bobzien:

Mr. Daly, you are head nodding. Do you have anything to add to that?

[Assemblyman Daly indicated no.]

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GRADY,
HANSEN, HARDY, AND LIVERMORE VOTED NO.)

[Valley Electric Association, Inc. submitted a letter in opposition to section 12 of the bill ([Exhibit Q](#)).]

We are going to jump back a little bit since we have our State Energy Office Director in the house in case we need her. We will move to Assembly Bill 33.

Assembly Bill 33: Revises provisions governing the partial abatement of certain taxes for certain energy-efficient buildings. (BDR 58-280)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 33 was sponsored by the Assembly Committee on Commerce and Labor on behalf of the Office of Energy. It was heard in Committee on February 18, 2013. Assembly Bill 33 repeals provisions authorizing partial abatements of property taxes for certain manufacturers who renovate existing buildings. [Read from work session document ([Exhibit R](#)).]

Chairman Bobzien:

I will say on this one that there was a lot more discussion following the hearing. I think some good safeguards were put in place by Ms. Crowley. I want to thank her for working on this. What is the pleasure of the Committee?

ASSEMBLYWOMAN KIRKPATRICK MOVED TO AMEND AND
DO PASS ASSEMBLY BILL 33.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Daly:

Is *Nevada Revised Statutes* (NRS) 701A.115 still being exempted? Did we correct what I heard was an oversight at the hearing, because NRS 701A.115, subsection 1, paragraph (b), subparagraph (3) requires the employees of the business receiving the abatement to get at least 100 percent of the state average wage as part of that whole scheme on the abatement. If that has been corrected, I am okay.

Stacey Crowley, Director, Office of Energy, Office of the Governor:

The amendment suggests that NRS 701A.115 would be repealed. I think the original bill would do. None of the provisions in that section would survive.

Assemblyman Daly:

As I recall, I asked about the provision, especially about the employees of the employer receiving the abatement. There was a criterion there where the employees had to make at least 100 percent of the state average wage. Is that going to go away as well? I think I said at the time, if that goes away, I am not voting for it. If we can correct that somehow, I will be okay. If we are going to take those types of protections away, I am not for it.

Stacey Crowley:

No project has gone through the NRS 701A.115 process to date. Forty-seven projects submitted applications three days before the bill took effect. We have not yet gone through that process of asking for that information because no one has gone through that. We are happy to discuss that. If I need to work with you and the Chairman, I am happy to do that.

Assemblywoman Kirkpatrick:

There are a couple of things in this bill that we must have for very important reasons. On the amendment's first page you will see numbers 1, 2, and 3 outlining the intent. This state adopted new building codes, and currently many people are getting the property tax abatement as a whole. I am putting it into perspective. That piece could be a detriment to our budget. We have been down that road before. Those pieces most definitely have to change.

I know what issue you are trying to resolve, Mr. Daly, and I am sure we can do a floor amendment. It is an issue with the benefits and the pay. Ms. Crowley and I have tried to address it in another bill, but if it makes you comfortable that we can address it on the floor, I am more than willing to help you. However, without those increased numbers in money, we can be in an ugly situation.

Assemblyman Daly:

I agree. I understand and recognize it. We are still doing the tax abatement, and I am happy to work with you. When you do the tax abatements, there should be some requirements there to do that. One hundred percent of the state average wage is not unreasonable in order to get it. If you are willing to work on that, I will go along today.

Assemblyman Hansen:

The rurals expressed a lot of concern that this could have substantial financial impacts for them. If you are doing some amendments, possibly we could agree on something along the lines of any county under 200,000 or whatever the cutoff would be. I do not know if you are comfortable with that idea, but in the absence of that, because I represent seven different counties and there is a lot of concern over the fiscal impact, I will have to vote no.

Chairman Bobzien:

Ms. Crowley, you do not have to address that. I am personally not comfortable with a blanket exemption, but I think there are some things we can look at to target and avoid the specific threats that may be there for the rurals.

Assemblyman Grady:

Ms. Crowley, I appreciate the work you have done on this. Did the counties come to the table to work with you on this?

Stacey Crowley:

I have not talked to the counties about this.

Assemblywoman Kirkpatrick:

Mr. Grady, I want to follow up on that. There are a whole bunch of people who were invited to the table but did not come. The counties were definitely some of them. In fairness, they must do their job too. I am all about helping them. This is the bill from 2005 that at one point was going to cost the state \$941 million, but we went in and redid the bill, and it only cost the state \$240 million. After that, we have really tried to work with local governments and pare it down, but we were in a situation where there was no good to come from it. Fewer people are using this, and in a lot of respects, that is good for the time being.

We had some provisions that said we could not be changing Leadership in Energy and Environmental Design (LEED) like LEED changes LEED. It seems that LEED changes its standards on a quarterly basis, and we said, no, there is a two-year time frame. There is a process in place, and it has been in place for a little over four years that says local governments are notified and get a comment period. I can tell you that not too many local governments participate in that comment part. So there is a bit of work to do, but if we do not pass this first part, I see a floodgate.

Chairman Bobzien:

Is there any further discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN HANSEN VOTED NO.)

Assemblyman Livermore:

I voted yes, but I want to reserve my right to change my vote on the floor.

Chairman Bobzien:

Thank you, Mr. Livermore.

[Other members indicated they would like to reserve their right to change their votes on the floor.]

So reserved, Mr. Ellison and Mr. Grady.

We will go to Assembly Bill 456.

Assembly Bill 456: Revises provisions governing health care. (BDR 54-1102)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 456 is sponsored by the Assembly Committee on Health and Human Services. It was heard in this Committee on April 8, 2013. Assembly Bill 456 requires a health care provider to disclose information about licenses and certifications he or she holds to patients and in advertising. [Read from work session document ([Exhibit S](#)).]

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 456.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

Is there discussion on the motion?

Assemblyman Livermore:

I will vote against this bill because I think it is overregulating. I am not sure the information or name tag is essential to the well-being of the industry as a whole.

Chairman Bobzien:

Mrs. Carlton, do you want to talk about this?

Assemblywoman Carlton:

I had personal experience with this issue when my mother was in the hospital for almost a month. There were times when I asked her who she had seen and what was going on, and she did not know the people who were coming into her room. I spent a couple of nights in a chair in her room, and when people came into the room, we did not always know who they were. I had to ask who they were. They were either the physical therapist, someone checking blood pressure, or the nurse. I would never be able to pick her doctor out of a crowd because she looked like a nurse to me rather than a doctor. This says to wear your name tag so we know who you are. I see it as a security issue in the hospitals to make sure the only people in the hospital actually belong there.

As far as the identification of being able to do certain procedures, I think if I go in to see someone, and he is a doctor of osteopathic medicine (DO) and will

do plastics for me, I need to make sure he is qualified to do plastic surgery. It is pure consumer protection and information for the consumer. I do not see it as overregulation.

Chairman Bobzien:

Is there any further discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GRADY,
HANSEN, AND LIVERMORE VOTED NO.)

We will now go to Assembly Bill 36.

Assembly Bill 36: Makes various changes concerning apprenticeships for federal recognition of the Office of the Labor Commissioner as the State Apprenticeship Agency. (BDR 53-357)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 36 is sponsored by the Assembly Committee on Commerce and Labor on behalf of the Labor Commissioner. It was heard in Committee on February 6, 2013. Assembly Bill 36 makes various changes to Chapter 610 of *Nevada Revised Statutes* (NRS) related to apprenticeship programs in an attempt to bring the chapter into compliance with current federal regulations. [Read from work session document ([Exhibit T](#)).]

Chairman Bobzien:

Mr. Daly, I think it would be prudent to give us some commentary on your work on this one so we know what we are looking at.

Assemblyman Daly:

Assemblywoman Diaz and I worked on this. We met with the Labor Commissioner and people from labor. We had a couple of working groups. I then took it to the Legislative Counsel Bureau (LCB) to help with the mock-up. What took place here is that the Labor Commissioner had been trying to get in compliance with the newly adopted regulations from the federal Department of Labor. They had exchanged some comments and various materials, which LCB had, and drafted the first bill.

With comments from all of the parties, we went back and tried to be in compliance as much as possible with the federal regulation but also have some relevancy to some of the things that are done in the state in relationship to the State Apprenticeship Council. Most people want to have the State Apprenticeship Council continue with most of its duties. We tried

to honor that but at the same time make sure we will be able to meet the federal requirements.

I can bore you to death with details, but that is where we are. We took the comments from the federal agencies and tried to incorporate them into law. We think we are pretty close. With the help of Mrs. Diaz, we are in contact with the federal Department of Labor. They are reviewing this mock-up, or one that is close to it, and they will try to get back to us. We hope to continue to work on this and meet that need. If we cannot meet their standard, then nothing changes in our law, and we will not be recognized by the feds. We will still have a state apprenticeship process with the State Apprenticeship Council, but we will not be recognized by the federal government, which means we will not have reciprocity with other states. For reference, California tried to do the same thing, and they are not recognized. They finally told the feds that they would not comply. We may be in the same boat if we cannot get there, but this is a genuine attempt to try to meet the federal guideline to maintain recognition. That is our goal.

Assemblywoman Carlton:

My concerns are around the deemed wage provision for the trainees. Sixty-six and two-thirds percent of \$150 a month is not a lot of money if someone gets hurt. I assume this is focused on if they got hurt while they were in the program.

Assemblyman Daly:

That is existing language on the \$150 deemed wage, and that would be when you are in training. If you are doing it on the job experience training, then the employer's workers' compensation covers you. Virtually none of the training apprenticeship programs I know of pay anybody. It is just a deemed wage for when you are in class and if you do get hurt. We hope they have regular insurance as well. That was existing statute. Mr. Ostrovsky brought the amendment so there was clarification. There was confusion between carriers. My carrier tells me to pay on journeymen and apprentices, while other carriers are saying they are not actually apprentices but journeymen taking a class through a training program and are not covered. The amendment was trying to clarify that one issue.

Assemblywoman Carlton:

I thought this was new language because of the way it is delineated in the bill. I had some concerns that we were changing something. If they currently get \$150 per month, I do not see why we need it in the bill. Whatever the Committee's pleasure is, it does not seem to change anything.

Assemblyman Daly:

The amendment that was brought by Mr. Ostrovsky fixes a problem that the last training program in southern Nevada apparently had. They had a journeyman who was not an apprentice. I heard in the training that they tried to pay a premium to get him covered, but the insurance carrier said no. This clarifies that not only an apprentice but also a journeyman under a joint management Taft-Hartley plan would be covered under the deemed wage of \$150. It helps other trainees who do not happen to be apprentices so they are covered too. If we do not have it, those people will not be covered at all. If we do have it, we clarify that they are covered.

Assemblywoman Carlton:

I am good. I am supportive now.

Assemblyman Hardy:

Mr. Daly has worked very hard to try to solve my issues with this. We cannot get there, so I will be voting no.

Chairman Bobzien:

Do we have a motion?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 36.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GRADY,
HANSEN, HARDY, AND LIVERMORE VOTED NO.
ASSEMBLYWOMAN KIRKPATRICK WAS ABSENT FOR THE VOTE.)

We will move to Assembly Bill 404.

Assembly Bill 404: Revises provisions relating to time shares. (BDR 10-960)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 404 is sponsored by Assemblyman Frierson. It was heard in Committee on April 3, 2013. Assembly Bill 404 creates certain exemptions from the requirements governing time shares and the regulation of time-share sales agents. [Read from work session document ([Exhibit U](#)).]

Chairman Bobzien:

I do not know if we have to go into all the various things, but Mr. Frierson could give us a quick update about concerns and how the parties were brought together on this one.

Assemblyman Frierson:

The American Resort Development Association and Gail Anderson worked well together to come up with language they could all agree upon. This was a result of a lot of work.

Chairman Bobzien:

Do I have a motion to amend and do pass?

ASSEMBLYMAN HARDY MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 404.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN KIRKPATRICK WAS
ABSENT FOR THE VOTE.)

We will now go to Assembly Bill 425.

Assembly Bill 425: Revises the Nevada Insurance Code. (BDR 57-1156)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 425 is sponsored by the Assembly Committee on Commerce and Labor on behalf of the Division of Insurance. It was heard in Committee on March 29, 2013. It makes various changes to the Nevada Insurance Code for the purposes of implementing certain provisions of federal law. [Read from work session document ([Exhibit V](#)).]

The Insurance Commissioner is here to describe the changes if that is what the Committee would like.

Chairman Bobzien:

What is the pleasure of the Committee?

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 425.

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblywoman Carlton:

This will help implement the Governor's budget, so we will part of the whole package toward the end.

Chairman Bobzien:

Our next bill is Assembly Bill 427.

Assembly Bill 427: Revises various provisions governing workers' compensation. (BDR 53-754)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 427 is sponsored by the Assembly Committee on Commerce and Labor. It was heard in Committee on April 8, 2013. Assembly Bill 427 revises several sections of the Nevada Industrial Insurance Act. The bill requires an insurer to provide an injured worker with a list of treating physicians or chiropractors. [Read from work session document ([Exhibit W](#)).]

The first amendment was submitted by Rusty McAllister on behalf of the Professional Fire Fighters of Nevada. It reflects the discussion that he had with the Committee during the hearing on the bill. [Continued to read from work session document ([Exhibit W](#)).]

Chairman Bobzien:

As I understand it, we have two issues here. I again want to express our support to the parties for working on this. This is a snapshot as to where they are in their negotiations. They have all pledged to continue working on the various issues that are found in the second amendment. The first amendment, from Mr. McAllister, deals with the issue of the conclusively presumed occupational disease claims. You will certainly remember the testimony this Committee heard previously on that issue.

With that, I would entertain a motion to amend and do pass with both amendments.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 427.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, GRADY,
HANSEN, HARDY, AND LIVERMORE VOTED NO.)

Our next bill is Assembly Bill 430.

Assembly Bill 430: Revises provisions governing title loans. (BDR 52-974)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 430 is sponsored by the Assembly Committee on Commerce and Labor. It was heard in Committee on March 29, 2013. Assembly Bill 430 removes a provision prohibiting a title lender from making a loan without regard to the ability of the customer to repay the loan. [Read from work session document ([Exhibit X](#)).]

Chairman Bobzien:

This is another measure that changed dramatically following a lot of work on behalf of the proponents. What is the pleasure of the Committee?

Assemblywoman Carlton:

Because we are seeing this right now, if you will allow it, the Division of Financial Institutions is here, and I would like them to clarify a few things.

Chairman Bobzien:

Let us welcome them to the table in Las Vegas.

Assemblywoman Carlton:

The amendment begins, "On or before January 1, 2014,"—that is next year—"shall adopt regulations regarding the borrower's ability to repay and shall consider the original term of the title loan." I am concerned with the conflict of this regarding the language that is currently in *Nevada Revised Statutes* (NRS) and the "shall adopt regulations." We are telling you to develop regulations, but I am not sure you have the statutory authority to develop the regulations in the way the current NRS is structured. Is this going to put us into another catch-22 situation with this industry?

George Burns, Commissioner, Division of Financial Institutions, Department of Business and Industry:

We have only seen a draft of the amendment. I have not seen a final of it. In the draft, we did have a number of concerns that the proposed language of the amendments could require the Division of Financial Institutions (FID) to adopt a regulation. It probably conflicts with current statute, as you are indicating. Current statute only allows for an interest-only 30-day loan or a fully amortized 210-day loan. This proposal basically creates a loan that would be interest-only for a much longer period of time than exists in statute. We know there are a number of areas where there will be conflicting current statute. That will be very difficult for us as a division to execute on.

Assemblywoman Carlton:

I want to thank you and all the people who worked hard on this. I apologize for bringing this up late, but I have experienced this once before in a previous piece of legislation, and we ended up putting the business in more harm because we put them in a true catch-22, and they were not allowed to operate at all. I am not sure if that is where we want to go, and I have apprehension in processing this now and possibly having problems with it later.

Chairman Bobzien:

Do we have additional discussion?

Assemblyman Hansen:

I am still confused on some of this. Maybe someone can clear it up. My understanding was that the original law had been worked out with all the same parties last session. I have a problem with allowing desperate, poor people to be taken advantage of in some of these circumstances. I want to make sure the lender still has a lot of responsibility as far as knowing these poor people will actually be able to pay back the loan rather than just the interest for an indefinite period of time. I definitely want to make sure we are not taking away some important checks on this whole loan industry.

Chairman Bobzien:

We are going to pull this one back, given the concerns. There is frustration since the FID was not at the original hearing on this bill. Hopefully we can get the groups together and have some discussions.

With that, we are going to move to Assembly Bill 435.

Assembly Bill 435: Revises provisions governing insurance. (BDR 57-1171)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 435 is sponsored by the Assembly Committee on Commerce and Labor on behalf of the Division of Insurance. It makes changes to the assessment to fund the Special Investigative Account and revises requirement related to assuming reinsurance. [Read from work session document ([Exhibit Y](#)).]

Chairman Bobzien:

What is the pleasure of the Committee?

Assemblywoman Carlton:

In the amendment, is 30 days a long enough time to accomplish this? It seems reasonable, but I am not sure if the 30 days works for the workload.

Chairman Bobzien:

We have the Insurance Commissioner here. Do you want him to come up?

Assemblywoman Carlton:

If I may, thank you.

Scott Kipper, Commissioner, Division of Insurance, Department of Business and Industry:

The amendment in discussion was presented to us as a friendly amendment. We agreed to the time frame. We believe the 30 days is sufficient for us to do the work we need to do.

Assemblywoman Carlton:

Thank you.

Chairman Bobzien:

I will accept a motion.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 435.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Next is Assembly Bill 486.

Assembly Bill 486: Revises provisions relating to telecommunication providers.
(BDR 58-970)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 486 was heard in Committee on April 5, 2013 and in Subcommittee on April 10, 2013. Assembly Bill 486 relieves certain telecommunication providers from the duty to provide basic network and business line service when certain alternative services are available. [Read from work session document ([Exhibit Z](#)).]

Chairman Bobzien:

There were a lot of people up late last night on this one. Mrs. Diaz, do you want to give us an update from the Subcommittee?

Assemblywoman Diaz:

I believe we worked very hard on reaching as much of a compromise as we could to delete any dates of restrictions and to make provider of last resort (POLR) relief possible to the providers. We were concerned about the impact on the consumer. That was always foremost on our minds, so we wanted to do it in a way that we were educating the consumers and making them aware of potential changes they might have to undergo because of the POLR relief. The consumers we most had in mind were the rural consumers. They might not have as many options for providers. I never had hard figures to help the Committee make a determination as to what safety net we could provide our rural communities.

We have come up with three ways that companies can obtain POLR relief. I think we have it technology-neutral, to where we are not really stipulating that there has to be a hardwire in all of the state, which was a significant improvement to the original bill.

I know Assemblywoman Kirkpatrick is going to speak a bit more about section 3. I want to let you know that we always tried to craft the best policy, and I think we got to it as best we could. I want to emphasize that everybody had opportunities for input, and I feel comfortable moving this forward, knowing that we have put as many safety nets under the consumers as possible.

Assemblyman Ellison:

I do not have a problem with the bill at all, but I did have a concern about commercial. It talks about residential home phones, but there are still the landlines in commercial areas. Has that been discussed in Committee? I cannot seem to get that answer. There are many businesses that have landlines in multiple numbers.

Assemblywoman Diaz:

I would rather defer to the Public Utilities Commission (PUC). I am sure they can answer that.

Assemblyman Hansen:

The landline issue did come up. As I understand it, if landlines are there now, they will always exist. They are not pulling out lines. If you want new ones, there may be an issue, but if you have an existing landline, it will stay that way.

Assemblywoman Diaz:

I do not want to make assertions or comments since Ms. Terwilliger is the expert in the area. My thoughts were that POLR was more for residential than commercial.

**Debrea Terwilliger, Assistant Staff Counsel, Office of the Staff Counsel,
Public Utilities Commission:**

The providers of last resort in existing statute have requirements to provide basic network service, which is to the residential and also to business line service, which is the commercial. If you are relieved of your POLR obligations, there is potential that both basic network service and business line service could stop being provided. I do not want to represent for the carriers because they have all said that the wires are there and in the ground. They do not, at this time, intend to stop providing service. If there is relief, that does open that door to stop providing those types of services.

Assemblywoman Kirkpatrick:

I want to make sure we make this clear. I specifically asked that question, and that is not what the PUC testified to when we went through the Committee hearings. We are trying to make sure the rurals are always protected. I do not care who it is, I want to make sure the record is clear so we do not scare people about not having something tomorrow. I will give you a second chance to clarify that a little bit. There is always a potential, but we have taken measures to protect the consumer before any of that relief can be given. If that is not what we have been doing for the last four days, I want you to tell me now, because that is not what the Subcommittee thought was going on the last four days.

Debrea Terwilliger:

I apologize. Yes, it takes steps to ensure that there is service. That is why there are three options for POLR relief, and the PUC agrees that those three options will protect consumers, in amendment section 2.G in particular. It allows the PUC to act in an emergency situation to ensure there is service. I was trying to answer the questions in a pure form of POLR relief, but you are right. We have these amendments that take steps to make sure we still have service.

Assemblyman Grady:

I appreciate the work the people did on this in trying to protect the rurals. It has been mentioned that the lines are there and will stay there. From my standpoint, the lines are there, but they do not come in with any upgrade of any facilities because they are POLR, if they do not have enough customers to justify it, or they are trying to get money into other areas. What protection do we have in the rurals? Also, where are the companies coming from that cannot or will not invest in upgrades into the communities?

Assemblywoman Diaz:

That is what we thought most about in the bill. We thought about how we can protect the rural communities the best. If you look at our conceptual amendment in the work session document ([Exhibit Z](#)), this is the way we came up with the Bureau of Consumer Protection and PUC to ensure that. It was brought to my attention through their expertise that not all rural communities even have a hardline going through. If you look at that first darkened square under section 2 in the amendment, it reads, "A competitive supplier that is a provider of last resort may file an application with the Commission to be relieved of its obligations and status as a provider of last resort . . . in an area or areas where alternative voice service is provided." [Continued to read from work session document ([Exhibit Z](#)).] We thought we needed to ensure that there was quality connection in those rural areas. [Continued to read from work session document ([Exhibit Z](#)).] For us, that is the safety net we are trying to keep in place in the rurals to make sure they have good service before POLR is extended to them.

Chairman Bobzien:

Mr. Mundy, do you have some perspective here?

Matt Mundy, Committee Counsel:

To add to that, we made sure that the option available for each alternative service provider would be to all households. We took out the suggested term "collective" so that two alternative service providers could not collectively provide service to 100 percent of the customers in the service area, but that each alternative service provider would have to be able to reach every household. This is to preserve competition.

Assemblyman Ellison:

Growth in commercial developments creates housing. We have still not answered the question about future growth into the commercial. I will give you an example. One of my businesses has seven lines in it. Imagine how many are in this building. If we start having commercial growth, is that going to be addressed? We keep seeing residential, but I keep going back to commercial growth. Maybe Mrs. Kirkpatrick can answer that.

Chairman Bobzien:

Mrs. Kirkpatrick, would you like to weigh in on this?

Assemblywoman Kirkpatrick:

It does not help when they all come to the table, so I am trying to keep them over there so we can have our discussion because it just confuses the issue. We need layman's terms because they do this all day, every day. I will tell you

that this bill is probably not perfect, and it should not be. It is a huge change in what the future of technology is for our state going forward. Do I think there will be many more discussions on it? Yes.

To answer your question about future growth, that is the reason we are having this discussion. Technology is changing today. Just four years ago, we had bills allowing cable and phone companies to bundle because, before that, it was not allowed either. In order to stay on the cutting edge within our state, this is an opportunity to start looking forward. With today's technology, there are phones that you can plug into your wall like it is a landline but it is programmable and technical. I personally like a landline with an old phone I can dial. There are more options out there for other people, but we are spending a lot of money in the ground, digging ditches and burying cables. You do not have to do that so much anymore.

In order to protect the rurals, which is 15 counties, we wanted to put some options in. Do all the people out there agree with it? Absolutely not. There is still work to be done. Our Subcommittee's job was to ensure that across the state, we were looking out for the consumers. Do I think there might be some tweaks if it makes it to the floor? Absolutely. Can I guarantee that commercial growth is going to have the same landline phone that you had before? I can guarantee that there will be some type of service out there, but it is based on the technology you pick. It is similar to the days when you had to slide the credit card across, and now you just run it through the machine. It is an option, but we have to be able to stay on the cutting edge.

Assemblyman Hansen:

I am reminded of something that Mrs. Carlton said. She said, "Do not let the perfect get in way of the good." I think that is similar to what this situation is. It is not perfect. Everybody can argue about it. I think the rurals are well protected. I do not think anybody is going to end up without phone service in Austin, Nevada, which is in my district. I think Mrs. Diaz and Mrs. Kirkpatrick worked very hard on this and tried to work with everybody. They have something that is very good. It may not be perfect, but it is very good. I give them a lot of credit for working hard with many different and intelligent people trying to come up with a compromise to make everybody happy.

Chairman Bobzien:

I am ready for a motion.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 486.

ASSEMBLYMAN ELLISON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

We will now move to Assembly Bill 494.

Assembly Bill 494: Revises provisions governing the Nevada State Funeral Board. (BDR 54-573)

Kelly Richard, Committee Policy Analyst:

Assembly Bill 494 was sponsored by the Assembly Committee on Commerce and Labor on behalf of the Sunset Subcommittee of the Legislative Commission. It was heard in Committee on April 3. Assembly Bill 494 moves all current functions of the Nevada State Funeral Board to the Health Division of the Department of Health and Human Services. [Read from work session document ([Exhibit AA](#)).] For clarity, the first amendment would need to be adopted in order for the second amendment to be adopted.

Chairman Bobzien:

On this one, we will hear from Mrs. Bustamante Adams about her conversations with the submitters of the amendment.

Assemblywoman Bustamante Adams:

After the hearing, the proposer of the first amendment, Mr. List, went back and worked with the members of the industry to come up with the amendment. The end would show the severity of the fact that we were going to terminate this board and transfer its duties. Therefore, the proposers of the amendments did go back and also spoke to the Governor regarding the regulatory \$10 fee. He had approved that amendment.

There was a pain point with my second amendment regarding the public members. The Governor would prefer to appoint all of the public members, so there is a discrepancy there. However, I think that if the Board is interested in the amendment, that the group would still continue to work with the Sunset Subcommittee every six months regarding its process.

Chairman Bobzien:

With that, we will go ahead and take a motion.

ASSEMBLYMAN ELLISON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 494.

ASSEMBLYMAN LIVERMORE SECONDED THE MOTION.

Is there discussion on the motion?

Assemblywoman Carlton:

I will not be supporting this. I am supporting the Sunset Subcommittee. I know the Chairwoman did a lot of work on this and compromised to try to come to a better point with this. I would like to see this board go away. We have had problems with them in the past. We are now giving them more money, and I have a few issues with that. With that, I will be voting no. This may still have the potential to turn into something good in the future.

Chairman Bobzien:

For myself, having talked one-on-one with some people in the industry, I think there is a broad recognition that things need to change. I think the amendment is a commitment to do that, so I am hesitantly voting yes and hopefully communicating my desire to see things fixed.

Assemblyman Grady:

The late night we were here, the people from the industry stayed until the very end and stepped up and said, we have problems. We have a director who lives out of state and will not take phone calls. They are here today saying, here are some corrections that we will do. In order to get an office, hire people, and so forth, they need funding. They have agreed to put the \$10 on their own industry in order to fund this. I really appreciate the work they have done along with the Chairwoman of the Subcommittee. They did an excellent job, and I am in full support of it.

Assemblywoman Carlton:

I want to make sure I understood correctly, because it was my understanding that this \$10 regulatory fee was going to be added onto the death certificate. Therefore, the industry will not be paying that \$10 fee even though they agree with it. The rest of us will be paying it when we have to order death certificates for multiple insurance and other purposes. Instead of a \$20 death certificate fee, it will be a \$30 death certificate fee. Is that correct?

Chairman Bobzien:

That is how I read it. Is there further discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN CARLTON, FRIERSON,
HORNE, AND KIRKPATRICK VOTED NO.)

We are going to go back to Assembly Bill 326. Mr. Daly, do you have additional thoughts on this one?

Assemblyman Daly:

If we can make a conceptual amendment to exclude collective bargaining agreements and make that clear, then I can support the measure.

Chairman Bobzien:

Is that a motion?

ASSEMBLYMAN DALY MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 326.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

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

The meeting is adjourned [at 3:35 p.m.].

RESPECTFULLY SUBMITTED:

Julie Kellen
Committee Secretary

APPROVED BY:

Assemblyman David P. Bobzien, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Commerce and Labor

Date: April 12, 2013

Time of Meeting: 1:37 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 73	C	Kelly Richard	Work Session Document
A.B. 90	D	Kelly Richard	Work Session Document
A.B. 106	E	Kelly Richard	Work Session Document
A.B. 153	F	Kelly Richard	Work Session Document
A.B. 153	G	Department of Taxation	Unsolicited Fiscal Note
A.B. 186	H	Kelly Richard	Work Session Document
A.B. 187	I	Kelly Richard	Work Session Document
A.B. 225	J	Kelly Richard	Work Session Document
A.B. 326	K	Kelly Richard	Work Session Document
A.B. 339	L	Kelly Richard	Work Session Document
A.B. 349	M	Kelly Richard	Work Session Document
A.B. 354	N	Kelly Richard	Work Session Document
A.B. 388	O	Kelly Richard	Work Session Document
A.B. 391	P	Kelly Richard	Work Session Document
A.B. 391	Q	Valley Electric Association, Inc.	Letter in Opposition
A.B. 33	R	Kelly Richard	Work Session Document
A.B. 456	S	Kelly Richard	Work Session Document

A.B. 36	T	Kelly Richard	Work Session Document
A.B. 404	U	Kelly Richard	Work Session Document
A.B. 425	V	Kelly Richard	Work Session Document
A.B. 427	W	Kelly Richard	Work Session Document
A.B. 430	X	Kelly Richard	Work Session Document
A.B. 435	Y	Kelly Richard	Work Session Document
A.B. 486	Z	Kelly Richard	Work Session Document
A.B. 494	AA	Kelly Richard	Work Session Document