

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

**Seventy-Seventh Session
May 8, 2013**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 5:42 p.m. on Wednesday, May 8, 2013, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, 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:

Assemblywoman Maggie Carlton, Chair
Assemblyman William C. Horne, Vice Chair
Assemblyman Paul Aizley
Assemblyman Paul Anderson
Assemblyman David P. Bobzien
Assemblyman Andy Eisen
Assemblywoman Lucy Flores
Assemblyman Tom Grady
Assemblyman John Hambrick
Assemblyman Crescent Hardy
Assemblyman Pat Hickey
Assemblyman Joseph M. Hogan
Assemblyman Randy Kirner
Assemblyman Michael Sprinkle

COMMITTEE MEMBERS EXCUSED:

Assemblywoman Marilyn K. Kirkpatrick



GUEST LEGISLATORS PRESENT:

Assemblywoman Irene Bustamante Adams, Clark County
Assembly District No. 42
Assemblywoman Dina Neal, Clark County Assembly District No. 7
Assemblyman James Ohrenschall, Clark County Assembly District No. 12

STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Michael J. Chapman, Principal Deputy Fiscal Analyst
Linda Blevins, Committee Secretary
Patti Adams, Committee Assistant

Following call of the roll, Chair Carlton opened the hearing on Assembly Bill 309 (1st Reprint).

Assembly Bill 309 (1st Reprint): Requires the Department of Motor Vehicles to contract for the establishment of an electronic lien system. (BDR 43-947)

Assemblywoman Lucy Flores, Clark County Assembly District No. 28, testified the fiscal note had been removed from the bill. The new language created a savings for the state of \$192,000. The bill allowed the Department of Motor Vehicles to enter into private contracts for establishing electronic lien transfers when a vehicle lien had been satisfied.

Terri L. Carter, Administrator, Management Services and Programs Division, Department of Motor Vehicles, confirmed the elimination of the fiscal note on the bill.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. Hearing none, Chair Carlton closed the hearing on Assembly Bill 309 (1st Reprint) and opened the hearing on Assembly Bill 80 (1st Reprint).

Assembly Bill 153 (1st Reprint): Provides for the licensing and operation of craft distilleries in Nevada. (BDR 52-607)

Assemblyman Crescent Hardy, Clark County Assembly District No. 19, stated that the fiscal note had been removed from Assembly Bill 153 (1st Reprint). He explained the bill was for the licensing and operation of a craft distillery. A person operating a craft distillery could sell to another state not more than

20,000 cases of spirits per calendar year and not more than 10,000 cases of spirits within Nevada per calendar year.

Tom Young, representing Nevada Craft Brewers Association, testified in support of the bill. He was hopeful the bill would stimulate the economy by encouraging new craft brewers. His only concern was on page 3, section 1.5, subsection 2 of the bill. There had been a change in the franchise limits from 2,500 barrels down to 2,000 barrels of malt beverages. He was unclear why the limit had been changed.

Chair Carlton requested Assemblyman Hardy investigate the change. Mr. Young's concerns would be addressed prior to action on the bill. Chair Carlton thought changes to the bill would need to be addressed in another committee.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. Hearing none, Chair Carlton closed the hearing on Assembly Bill 153 (1st Reprint) and opened the hearing on Assembly Bill 130 (1st Reprint).

Assembly Bill 130 (1st Reprint): Revises provisions requiring the Board of Regents of the University of Nevada to pay certain educational fees and expenses for certain dependent children. (BDR 34-187)

Assemblyman Crescent Hardy, Clark County Assembly District No. 19, provided a brief overview of Assembly Bill 130 (1st Reprint). The bill had no fiscal note because it was unknown how many students in the University of Nevada system would be affected. The bill required the Board of Regents to pay all registration fees, laboratory fees, and expenses for required textbooks and course materials for the dependent children of a public safety officer or firefighter killed in the line of duty. The amendment to the bill changed the definition of "public safety officers" to parallel the national Public Safety Officers' Benefits Programs to ensure coverage for children whose parent was killed in the line of duty.

Chair Carlton inquired about the meaning of "A member of a search and rescue organization in this State under the direct supervision of any county sheriff" as shown on page 3, line 18 of the bill. She wanted to ensure persons volunteering to be part of a search and rescue situation were not covered under this bill.

Assemblyman Hardy opined that the language of the amendment meant anyone who was a volunteer for a department or someone continually helping in public safety departments would be qualified.

Chair Carlton expressed confusion regarding who would be covered.

Frank Adams, Commissioner, Nevada Law Enforcement Officers Memorial Commission, clarified that the bill was designed so that if there was a formal, organized search and rescue group under the authority of the sheriff, the volunteers would be covered. If a person was a member of a public service group, that person would not be covered under Assembly Bill 130 (1st Reprint).

Chair Carlton noted the definition of a public safety officer in this bill pertained only to *Nevada Revised Statutes* (NRS) 396.545 and did not expand the definition of a public safety officer for any other chapters of NRS.

Mr. Adams confirmed Chair Carlton's understanding of the definition. A public safety officer was defined as a peace officer in categories 1, 2, and 3; firefighters; and emergency management personnel. Mr. Adams provided [Exhibit C](#) and [Exhibit D](#) for the Committee's information.

Chair Carlton expressed concern regarding other state employees working in dangerous situations, such as the Department of Transportation highway workers. She believed children of any employee killed in the line of duty should be covered for educational benefits. Chair Carlton was hopeful that in the future the state would have the money to be able to help those children.

Rusty McAllister, representing Professional Firefighters of Nevada, expressed support for the bill and the proposed amendment.

Kirk Hooten, representing the Las Vegas Police Protective Association and the Southern Nevada Conference of Police and Sheriffs, expressed support for the bill and the proposed amendment.

Robert Roshak, representing the Nevada Sheriffs' and Chiefs' Association, expressed support for the bill and the proposed amendment.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. Hearing none, Chair Carlton closed the hearing on Assembly Bill 130 (1st Reprint) and opened the hearing on Assembly Bill 80 (1st Reprint).

Assembly Bill 80 (1st Reprint): Creates the Task Force on Alzheimer's Disease within the Department of Health and Human Services. (BDR 40-546)

Mary Liveratti, representing the Alzheimer's Association, Northern Nevada, Public Policy and Advocacy Committee, provided a brief overview of Assembly Bill 80 (1st Reprint). The bill was developed from a recommendation of the task force established by Assembly Concurrent Resolution No. 10 of the 76th Session (2011) to develop a state plan to address Alzheimer's disease. The bill would extend the task force to allow follow-up on the recommendations of the Legislative Committee on Health Care. There was a fiscal note on the bill, but it had been removed with the assurance that the task force would not travel for meetings.

Amber Joiner, Deputy Director, Programs, Department of Health and Human Services (DHHS), explained the original fiscal note from the DHHS was no longer relevant to the bill. The DHHS had performed an analysis relating to the responsibilities for the task force being moved from the Health Division to the Director's Office and determined that it could be staffed without additional costs to the DHHS. If there was no travel involved, there was no need for a fiscal note.

Bruce Arkell, representing Nevada Senior Advocates, expressed support for the bill. The bill would be a step forward for Nevada.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. Hearing none, Chair Carlton closed the hearing on Assembly Bill 80 (1st Reprint) and opened the hearing on Assembly Bill 226 (1st Reprint).

Assembly Bill 226 (1st Reprint): Enacts provisions governing certain policies of insurance, annuities, benefit contracts and retained asset accounts. (BDR 57-588)

Assemblywoman Irene Bustamante Adams, Clark County Assembly District No. 42, presented an overview of Assembly Bill 226 (1st Reprint) and Exhibit E. The bill was a collaborative effort between the Office of the State Treasurer, Unclaimed Property Program; Division of Insurance; and the insurance industry. This was model legislation rewritten for Nevada to require insurers selling life insurance or annuities to perform a comparison on a semiannual basis of the names found on the Death Master File of the U.S. Social Security Administration. The Division of Insurance originally had a fiscal note attached, but it had been removed.

Adam Plain, Insurance Regulation Liaison, Division of Insurance, Department of Business and Industry, explained that based on the amendment and reprint of the bill, the Division of Insurance believed it was possible to roll the new proposed enforcement into existing processes and no longer required the fiscal note.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. Hearing none, Chair Carlton closed the hearing on Assembly Bill 226 (1st Reprint) and opened the hearing on Assembly Bill 370 (1st Reprint).

Assembly Bill 370 (1st Reprint): Revises provisions concerning common-interest communities. (BDR 3-1016)

Assemblyman James Ohrenschall, Clark County Assembly District No. 12, provided a brief overview of Assembly Bill 370 (1st Reprint). The bill was developed to revise the provisions governing the mediation and arbitration of certain claims involving certain residential property. Through the use of a mediator, it was hoped arbitration could be avoided in some cases. The fiscal note had been removed from the bill.

Gail J. Anderson, Administrator, Real Estate Division, Department of Business and Industry, explained that a fiscal note had originally been placed on the bill to address section 5, subsection 2, concerning a filing fee for a claim. The bill amended *Nevada Revised Statutes* 38.320 regarding alternative resolutions and the portion pertaining to common-interest communities. The bill was amended to continue the filing fee of \$50; therefore, the Real Estate Division removed the fiscal note. The bill was now revenue neutral, and the Division supported the bill.

Exhibit F was submitted in opposition to Assembly Bill 370 (1st Reprint) by the Common-Interest Committee of the State Bar of Nevada's Real Property Section.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. Hearing none, Chair Carlton closed the hearing on Assembly Bill 370 (1st Reprint) and opened the hearing on Assembly Bill 425 (1st Reprint).

**Assembly Bill 425 (1st Reprint): Revises the Nevada Insurance Code.
(BDR 57-1156)**

Chair Carlton advised the Committee that there were items in the original version of Assembly Bill 425 (1st Reprint) that needed to be corrected. The Committee usually did not deal with policy items; however, the bill would aid in the development of the budget. She had reviewed the concerns and noted they were not major policy changes. Chair Carlton recognized Adam Plain, Insurance Regulation Liaison, Division of Insurance, Department of Business and Industry, for clarification of the concerns.

Mr. Plain provided a brief overview of Assembly Bill 425 (1st Reprint) and the proposed amendment, Exhibit G. The bill addressed bringing Nevada's health insurance statutes into compliance with the Affordable Care Act (ACA). The first amendment to the bill (Exhibit G) covered two areas included in a prior amendment that were inadvertently left out of the reprinting of the bill. The Division of Insurance requested those items be included in the second reprint of the bill.

The second amendment described by Mr. Plain modified some of the definitions in the bill. The federal government had redefined the age of dependency to 26 years of age, and to narrow the definition further, the Division proposed to include "through the last day of the month the child reaches 26 years of age."

Mr. Plain noted the third amendment was a policy item. As of January 1, 2013, there was a "first mover" penalty whereby those insurers who filed rates after another insurer would be able to dissect a competitor's filing when crafting competing products. The amendment proposed that health insurance rate filings would be deemed confidential until 30 days prior to the beginning of open enrollment.

Mr. Plain explained that the fourth amendment proposed creating a waiting period for enrollment in insurance from the Silver State Health Insurance Exchange (SSHIX). Federal law left the waiting period for open enrollment up to the insurer. The Division of Insurance proposed a waiting period of 90 days to allow a person time to comply with the responsibility mandate, or tax penalty, if a person's situation changed. The proposed language would not adversely affect the insurance industry if people purchased coverage "on the way to the hospital."

According to Mr. Plain, the fifth amendment made a correction in the coordination of benefits. Currently, individual and group policies of health insurance could not coordinate benefits. Therefore, if a person had group insurance and purchased an individual policy, the person could collect twice and be paid for being sick. The Division of Insurance proposed to remove that exclusion on coordination of benefits.

Mr. Plain noted that amendment six corrected an unintended consequence from the 2011 Legislative Session. The Division had proposed a medical loss ratio for dental insurance and inadvertently applied that ratio to small group dental insurance plans. This amendment corrected the error.

Chair Carlton advised she was comfortable with the proposed amendment and asked whether the Committee had questions or concerns.

Assemblyman Kirner believed there should be further discussion on the fiscal note attached to the bill.

Mr. Plain stated that Assembly Bill 425 (1st Reprint) created a new classification of insurance certification for those who would be enrolling or assisting in the enrollment process. The Division had borrowed existing language regarding insurance producers and consultants. Part of the process was taking prelicensing education and a licensing test. The fiscal effect came from a charge of approximately \$195 payable to the state for the privilege of sitting for the test to become a certified SSHIX enrollment facilitator.

Responding to Chair Carlton, Mr. Plain stated that because of the many classifications initiated by the federal government, the Division of Insurance had decided to create one uniform certification. Once certified, the person could go to SSHIX and receive a contract as a navigator, an enrollment facilitator, or a certified application counselor.

Chair Carlton inquired whether the course was a 20-hour class, to which Mr. Plain explained it was originally intended to be a 20-hour class; however, the new federal guidelines suggested the class time might need to be increased to 30 hours.

Assemblyman Kirner asked whether people would visit the SSHIX before or after becoming certified and whether a fee would have to be paid to SSHIX.

Mr. Plain answered that the certification would come from the Division of Insurance. In conversations with the SSHIX, it was determined that it would be appropriate to have people assisting Nevada consumers to become educated

and accountable for their actions. Because the Division had a licensing and certification process in place, it was appropriate for the Division to issue this certification. After certification by the Division, the person could receive a contract from SSHIX for enrolling people in the appropriate programs.

Assemblyman Kirner clarified that the only fee was to take the 20-hour class and not to receive the contract from SSHIX.

Mr. Plain noted there was a prelicensing cost for study materials that would be paid to a licensing contractor but that had no fiscal effect on the state. However, the license test fee did have a fiscal effect on the state. He did not believe the SSHIX had any additional charges related to the certification process.

In response to Assemblyman Sprinkle's question regarding the \$59,000 fiscal note, Mr. Plain explained that the state charged \$195 when an insurance producer received a license or tested for a license. The Division of Insurance had proposed a similar fee for someone taking an examination for the SSHIX enrollment facilitator. There were potential fees associated with the renewal of the license proposed on a triennial basis. In discussions with SSHIX, it was possible the need for enrollment facilitators would decrease rapidly by 2016 when people became accustomed to the open enrollment procedures.

An additional fiscal effect in Assembly Bill 425 (1st Reprint) was that the ACA required each state to certify the adequacy of the provider network the health insurer provided. Based on information from SSHIX and the Department of Health and Human Services, Mr. Plain noted it was agreed the Division of Insurance should conduct the network certification. The Division had authority to charge the insurers who applied for certification and to pass the charge to a third-party contractor who would perform the work. This was a pass-through revenue item. The Division had anticipated about \$500,000.

Chair Carlton requested any additional comments or questions.

Jon Hager, Executive Director, Silver State Health Insurance Exchange, testified in support of Assembly Bill 425 (1st Reprint).

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. There being no public testimony, she closed the hearing on Assembly Bill 425 (1st Reprint) and opened the hearing on Assembly Bill 435 (1st Reprint).

**Assembly Bill 435 (1st Reprint): Revises provisions governing insurance.
(BDR 57-1171)**

Adam Plain, Insurance Regulation Liaison, Division of Insurance, Department of Business and Industry, stated that Assembly Bill 435 (1st Reprint) was the Division of Insurance general policy bill. The provisions were not relevant to the discussion of the fiscal effect on the state.

Section 1 of the bill was related to the state's fraud assessment for insurers. Mr. Plain pointed out the Division of Insurance was involved in litigation wherein the ruling stated that an insurer who wrote zero premiums in the State of Nevada was not subject to the state's fraud assessment under *Nevada Revised Statutes* 679B.700. That was counter to the way the Division had interpreted and enforced the statute in the past. The result was a potential loss of revenue to the state for the purposes of combating fraud. Approximately 85 percent of the fraud assessment went to the Office of the Attorney General with 15 percent retained by the Division. By amending this section, the Division proposed clarification of the fraud assessment language so that all insurers licensed to do business in Nevada, regardless of their premium volume, were subject to some level of the fraud assessment. Mr. Plain stated there was a fiscal note attached to the proposed amendment showing the anticipated additional revenue the new fraud assessment language would generate for the state.

Chair Carlton requested Kent M. Ervin, a member of the Nevada System of Higher Education (NSHE) Retirement Plan Advisory Committee, to present [Exhibit H](#) to the Committee.

Chair Carlton inquired whether Mr. Ervin had presented his recommendations to the policy committee. Mr. Ervin responded that he had not. Chair Carlton believed that Mr. Ervin should appear before the policy committee; however, she would allow him to present the information but suggested he reach out to the Senate Committee on Commerce and Labor.

Mr. Ervin testified that he was presenting [Exhibit H](#) as a private citizen. He pointed out that section 8 of Assembly Bill 435 (1st Reprint) raised the coverage limits by the Nevada Life and Health Insurance Guaranty Association (NLHIGA) for annuity contracts from \$100,000 to \$250,000. As a faculty member of the University of Nevada, Reno, that was important because faculty members who joined the system after 1986 were not covered by Social Security or the Public Employees' Retirement System (PERS). It was necessary for these members to be able to purchase an annuity from a life insurance company to guarantee a lifetime income.

Mr. Ervin noted that in 2008, two of the providers engaged to offer annuities for faculty or state employees suffered financial crises and received federal bailouts. At current interest rate levels, an annuity of \$250,000 would provide an annual income of approximately \$16,800 per year for a 65-year-old retiree. He proposed requiring the NLHIGA to provide an analysis of sustainable levels of coverage and to raise the coverage limit for lifetime income annuities to at least \$1 million.

Chair Carlton suggested Mr. Ervin meet with Mr. Plain to resolve the problems with the legislation and to consider testifying before the Senate Committee on Commerce and Labor when Assembly Bill 435 (1st Reprint) was heard.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. There being no public testimony, she closed the hearing on Assembly Bill 435 (1st Reprint) and opened the hearing on Assembly Bill 408 (1st Reprint).

Assembly Bill 408 (1st Reprint): Revises provisions governing business impact statements prepared by state agencies and governing bodies of local governments. (BDR 18-416)

Assemblywoman Dina Neal, Clark County Assembly District No. 7, provided an overview of Assembly Bill 408 (1st Reprint). The bill related to business impact statements prepared by state agencies and governing bodies of local governments. The state business impact statement was covered in sections 1 through 5 of the bill, and the local business impact statements were in sections 6 through 8. As stated in the bill, if a proposed regulation was likely to impose a significant economic burden on a small business, the agency must:

1. Conduct an analysis on the likely effect of the proposed regulation on a small business.
2. Conduct the analysis by the agency employee with the most knowledge on the subject of the proposed regulation.
3. Make a statement available not less than 15 days before the workshop and the public hearing.
4. Provide a copy of the statement with the notice of the public hearing.

5. Identify the reasons for the conclusions and have the head of the agency sign off on the business impact statement.
6. Provide an explanation of any revisions made with the business impact statement.

[Assemblywoman Dina Neal, Clark County Assembly District No. 7, provided [Exhibit I](#), Department of Taxation, Small Business Impact Statement; [Exhibit J](#), a letter from Eric C. Smith, Board for the Regulation of Liquefied Petroleum Gas removing the fiscal note; and [Exhibit K](#), a Business Impact Statement from southern Nevada utility services.]

Chair Carlton requested additional information on the fiscal notes. Some of the fiscal notes had been removed; however, there were still fiscal notes attached from the City of Henderson, City of Reno, and Carson City.

Assemblywoman Neal was not aware of whether the City of Henderson had removed the fiscal note. The original fiscal note stated that the City of Henderson required two additional staff members; however, she believed that was because of the independent analysis language that was originally a part of section 1. The language had been removed and replaced with language requiring an agency employee with the most knowledge on the subject of the proposed regulation to conduct the analysis.

Chair Carlton assumed the same logic should be applied to the other fiscal notes from the other municipalities.

Assemblywoman Neal noted that the consistent concern through all of the fiscal notes was the mandated court language in the original bill and the independent analysis language. All of that language had been removed from the original bill.

Responding to Chair Carlton's inquiry as to whether the fiscal note for the Department of Administration was also a concern with the language in section 1, Assemblywoman Neal confirmed that it was.

Chair Carlton noted the Nevada Department of Wildlife (NDOW) was 98 percent fee-funded and showed an \$80,000 fiscal note. Assemblywoman Neal responded that the concern of the NDOW was also the language in section 1 requiring independent analysis. According to Assemblywoman Neal, the Secretary of State also had a fiscal note because of the language, but the note was removed.

For clarification purposes, Assemblyman Horne asked whether the intent was to have agency personnel with the most knowledge of the subject perform the analysis, and the possibility government entities believed it was necessary to hire staff more knowledgeable in the area.

Assemblywoman Neal was not certain whether that was the case or whether it was a matter of the business entities believing it was necessary to hire an outside source to perform the independent analysis. She was unsure whether the City of Henderson had received information regarding the amendment to remove the independent analysis language.

Chair Carlton asked whether there was anyone present who wanted to speak in support of the bill and whether Assemblywoman Neal wanted to add additional information. Assemblywoman Neal had no additional testimony.

Erin McMullen representing the Las Vegas Metro Chamber of Commerce testified in support of Assembly Bill 408 (1st Reprint). She provided clarification regarding a provision in the original bill stating that the chief legal officer must sign off on the business impact statement. That language had been amended out of the bill. The new language specified the department head or director of the agency could sign off on the business impact statement. She believed that could have influenced the fiscal statement because agencies believed an outside attorney was necessary to avoid a conflict of interest if there was any litigation over the business impact statement.

Assemblyman Horne appreciated the explanation provided by Ms. McMullen. He was weary of fiscal notes added to bills because someone did not want to do something. It appeared to him that was the case for this bill.

Ms. McMullen pointed out that she was not suggesting that was the only reason the fiscal note was added.

Carole Vilardo, representing the Nevada Taxpayers Association, expressed support for the bill and had worked closely with Assemblywoman Neal in development of the language. Ms. Vilardo urged the Committee to review the history of the business impact statements submitted as exhibits. The statements were poorly written. In her opinion, the Employment Security Division of the Department of Employment, Training and Rehabilitation prepared outstanding business impact statements. This bill was offered to carry out the original intent of the law.

Bryan Wachter, representing the Retail Association of Nevada, testified in support of the bill.

Jeannette Belz, representing the Nevada Chapter of Associated General Contractors, expressed support for the bill.

Megan Salcido, representing the City of Reno, clarified that the fiscal note submitted for the original bill as introduced was no longer applicable. She thanked Assemblywoman Neal for working with local governments to address the concerns of the City of Reno and other local governments.

Chair Carlton opened the hearing for public comments. She was dismayed there were no representatives present from the other entities who had submitted fiscal notes for the bill. She advised Assemblywoman Neal that she would handle the remaining fiscal notes attached to the bill. Chair Carlton announced that usually when there was a significant fiscal note on a bill, it was common courtesy to appear at the hearing to address the sponsor and the committee of jurisdiction.

Amber J. Joiner, Deputy Director, Department of Health and Human Services, testified that the Department had removed the fiscal note from the bill.

Hearing no response to her request for testimony in support of or in opposition to the bill, Chair Carlton called for public testimony. There being no public testimony, she closed the hearing on Assembly Bill 408 (1st Reprint) and opened the work session for Assembly Bill 311. She requested Assemblyman Sprinkle provide the Committee with information regarding the proposed amendment for the bill.

Assembly Bill 311: Creates the Contingency Account for Victims of Human Trafficking. (BDR 16-715)

Assemblyman Michael Sprinkle, Washoe County Assembly District No. 30, testified regarding the proposed amendment for Assembly Bill 311. One of the concerns brought to his attention was that the contingency account was originally to be administered by the Interim Finance Committee (IFC). After working with Chair Carlton, the Department of Health and Human Services, and the Legal Division, Legislative Counsel Bureau, the proposed amendment (Exhibit L) was drafted to move the account to the Department of Health and Human Services. The Grants Management Advisory Committee would review all applications for allocations from the contingency account.

Chair Carlton pointed out to the Committee that on page 2 of Exhibit L, the Interim Finance Committee had been lined out in paragraph 2 of section 5 and

the Director of the Department of Health and Human Services had been inserted. The new language was trued up throughout the amendment.

Amber J. Joiner, Deputy Director, Programs, Department of Health and Human Services, testified the Department was willing to administer the account.

There being no additional comments or questions, Chair Carlton requested a motion from the Committee.

ASSEMBLYMAN BOBZIEN MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 311.

ASSEMBLYWOMAN FLORES SECONDED THE MOTION.

MOTION PASSED. (Assemblywoman Kirkpatrick was not present for the vote.)

Chair Carlton closed the hearing on Assembly Bill 311 and requested the Committee consider Assembly Bill 146 (1st Reprint).

Assembly Bill 146 (1st Reprint): Revises provisions governing servitude of a minor. (BDR 15-752)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, summarized Assembly Bill 146 (1st Reprint). The bill, as amended, revised provisions regarding the crime of involuntary servitude, established the crime of involuntary servitude of a minor, provided a penalty, and provided for other matters related to involuntary servitude. The Department of Public Safety submitted a fiscal note and stated that it would be able to absorb the increase in workload if decision unit Enhancement (E) 350, which added three positions to the Criminal History Repository, was approved. Decision unit E-350 was approved for budget account 101-4709 on April 30, 2013, by the Subcommittee on Public Safety, Natural Resources and Transportation. Interested parties testifying at that hearing expressed support for the measure.

There being no discussion or questions, Chair Carlton called for a motion.

ASSEMBLYMAN BOBZIEN MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 146 (1ST REPRINT).

ASSEMBLYMAN EISEN SECONDED THE MOTION.

MOTION PASSED. (Assemblywoman Kirkpatrick was not present for the vote.)

Chair Carlton closed the hearing on Assembly Bill 146 (1st Reprint) and requested the Committee consider Assembly Bill 228 (1st Reprint).

Assembly Bill 228 (1st Reprint): Authorizes certain providers of health care to provide voluntary health care service in this State in association with certain organizations. (BDR 54-245)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, summarized Assembly Bill 228 (1st Reprint). The bill was originally heard by the Assembly Committee on Ways and Means on April 29, 2013. The bill, as amended, required fingerprints based on a background check for certain volunteer health care providers. An email from the deputy administrator of the Health Division stated that if the bill was amended from "shall adopt regulations," to "may adopt regulations" the Division could absorb the effects, and the administering account might be able to absorb the cost. If the Health Division was unable to absorb the cost, the Health Division might appear before the Interim Finance Committee (IFC) for increased revenue authority. The Health Division budget account was primarily funded by a variety of grant revenue and contained about \$300,000 in General Fund money.

Assemblyman Grady recalled there was an \$8,500 fiscal note submitted by the Health Division. When the bill was originally heard, the Division informed Assemblyman Grady they believed they would be able to absorb the costs. Assemblyman Grady had received a memorandum from Marla McDade Williams, Deputy Administrator, Health Division, Department of Health and Human Services, that included the information summarized by Ms. Jones and removed the fiscal note.

There being no additional comments or questions, Chair Carlton requested a motion.

ASSEMBLYMAN BOBZIEN MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 228 (1ST REPRINT).

ASSEMBLYMAN HICKEY SECONDED THE MOTION.

MOTION PASSED (Assemblywoman Kirkpatrick was not present for the vote.)

Chair Carlton closed the hearing on Assembly Bill 288 (1st Reprint) and requested the Committee consider Assembly Bill 195 (1st Reprint).

Assembly Bill 195 (1st Reprint): Revises provisions governing applications for the renewal of permits to carry concealed firearms. (BDR 15-446)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, summarized Assembly Bill 195 (1st Reprint). The bill was originally heard by the Assembly Committee on Ways and Means on April 24, 2013. The bill was related to firearms, providing that certain persons who possessed a permit to carry a concealed firearm may submit an application to renew the permit at any time before the permit expired. A fiscal note that had been submitted by the Department of Public Safety (DPS) was removed by a letter received on April 19, 2013. Agency staff from DPS testified that it was unknown how many persons might apply for early renewal and how it would affect staffing. The agency additionally noted that it would approach the Interim Finance Committee if there was a workload increase that could not be handled by current staff. The agency stated that it was fully staffed in the Records and Technology Division.

According to Ms. Jones, Eric Spratley, representing Washoe County Sheriff's Office, testified that the fiscal note was needed to address additional workloads this measure might create. Mr. Spratley stated they were running between 110 days to 120 days to process applications. The bill was amended from 120 days to 180 days to address the concern. Washoe County Sheriff's Office said their fiscal note stood. All other counties that submitted fiscal notes stated there was zero effect. Staff noted that state budgets were not affected by Washoe County's fiscal note since DPS removed fiscal notes from this measure.

There being no additional comments or questions, Chair Carlton requested a motion.

ASSEMBLYMAN HORNE MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 195 (1ST REPRINT).

ASSEMBLYMAN BOBZIEN SECONDED THE MOTION.

MOTION PASSED. (Assemblywoman Kirkpatrick was not present for the vote.)

Chair Carlton suggested the Committee consider motions on bills heard earlier in this hearing. She advised the Committee that if there were questions or concerns, motions on the bill would be postponed until a later date.

Chair Carlton requested the Committee consider Assembly Bill 80 (1st Reprint).

Assembly Bill 80 (1st Reprint): Creates the Task Force on Alzheimer's Disease within the Department of Health and Human Services. (BDR 40-546)

There being no questions or discussion on the bill, Chair Carlton called for a motion.

ASSEMBLYMAN HARDY MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 80 (1ST REPRINT).

ASSEMBLYMAN EISEN SECONDED THE MOTION.

MOTION PASSED. (Assemblywoman Kirkpatrick was not present for the vote.)

Chair Carlton closed the hearing on Assembly Bill 80 (1st Reprint) and requested the Committee consider Assembly Bill 130 (1st Reprint).

Assembly Bill 130 (1st Reprint): Revises provisions requiring the Board of Regents of the University of Nevada to pay certain educational fees and expenses for certain dependent children. (BDR 34-187)

There being no questions or discussion on the bill, Chair Carlton called for a motion.

ASSEMBLYMAN KIRNER MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 130 (1ST REPRINT).

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

MOTION PASSED. (Assemblywoman Kirkpatrick was not present for the vote.)

Chair Carlton requested the Committee consider Assembly Bill 226 (1st Reprint).

Assembly Bill 226 (1st Reprint): Enacts provisions governing certain policies of insurance, annuities, benefit contracts and retained asset accounts. (BDR 57-588)

There being no questions or discussion on the bill, Chair Carlton called for a motion.

ASSEMBLYMAN HORNE MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 226 (1ST REPRINT).

ASSEMBLYMAN HARDY SECONDED THE MOTION.

MOTION PASSED. (Assemblywoman Kirkpatrick was not present
for the vote.)

Chair Carlton requested the Committee consider Assembly Bill 309 (1st Reprint).

**Assembly Bill 309 (1st Reprint): Requires the Department of Motor Vehicles to
contract for the establishment of an electronic lien system. (BDR 43-947)**

There being no questions or discussion on the bill, Chair Carlton called for
a motion.

ASSEMBLYMAN BOBZIEN MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 309 (1ST REPRINT).

ASSEMBLYMAN ANDERSON SECONDED THE MOTION.

MOTION PASSED. (Assemblywoman Kirkpatrick was not present
for the vote.)

Chair Carlton opened the hearing for public testimony.

Michael Cathcart, Business Operations Manager, City of Henderson, apologized
to the Committee for not being present during testimony on
Assembly Bill 408 (1st Reprint). The first reprint of the bill addressed the
concerns of the City of Henderson. The fiscal note had been removed.

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Hearing no response to her request for additional public comments,
Chair Carlton adjourned the hearing at 6:58 p.m.

RESPECTFULLY SUBMITTED:

Linda Blevins
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Ways and Means

Date: May 8, 2013

Time of Meeting: 5:42 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 130 (R1)	C	Frank Adams, Commissioner, Nevada Law Enforcement Officers Memorial Commission	Letter of support
A.B. 130 (R1)	D	Ronald P. Dreher, Government Affairs Director, Peace Officers Research Association	Letter of support
A.B. 226 (R1)	E	Assemblywoman Irene Bustamante Adams, Assembly District Clark (Part) County, No. 42	Statement from Adam Plain, Insurance Regulation Liaison, Division of Insurance removing fiscal note
A.B. 370 (R1)	F	Members of the Common-Interest Committee of the State Bar of Nevada	Letter of opposition
A.B. 425 (R1)	G	Adam Plain, Insurance Regulation Liaison, Division of Insurance	Proposed amendment
A.B. 435 (R1)	H	Kent M. Ervin, private citizen	Written testimony
A.B. 408 (R1)	I	Assemblywoman Dina Neal, Clark County Assembly District No. 7	Letter removing fiscal note
A.B. 408 (R1)	J	Assemblywoman Dina Neal, Clark County Assembly District No. 7	Small Business Impact Statement
A.B. 408 (R1)	K	Assemblywoman Dina Neal, Clark County Assembly District No. 7	Business Impact Statement, Utility Services
A.B. 311	L	Assemblyman Sprinkle, Washoe Assembly District 30	Proposed amendment