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

### Seventy-Seventh Session May 16, 2013

The Assembly Committee on Ways and Means was called to order by Chair Maggie Carlton at 5:39 p.m. on Thursday, May 16, 2013, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at 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 Cresent Hardy
Assemblyman Pat Hickey
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Randy Kirner
Assemblyman Michael Sprinkle

#### **COMMITTEE MEMBERS EXCUSED:**

Assemblyman Joseph M. Hogan



#### **GUEST LEGISLATORS PRESENT:**

Assemblyman Ira Hansen, Assembly District No. 32
Assemblyman Richard Carrillo, Clark County Assembly District No. 18
Assemblyman Elliot T. Anderson, Clark County Assembly District No. 15
Senator Mark A. Hutchison, Clark County Senatorial District No. 6

#### **STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst Michael J. Chapman, Principal Deputy Fiscal Analyst Connie Davis, Committee Secretary Patricia A. Adams, Committee Assistant

Chair Carlton reminded Committee members, witnesses, and members of the audience of Committee rules and protocol, including the silencing of cell phones. The meeting, she said, would begin with reopening a budget followed by consideration of bills not yet heard and a work session on previously heard bills.

The committee assistant called the roll, and a quorum of the members was present.

Chair Carlton recalled a discussion, during the May 14, 2013, joint meeting of the Assembly Committee on Ways and Means and the Senate Committee on Finance (money committees) concerning placing a liaison officer position in the Governor's Office. The Chair advised that the Committee would reopen the budget for the Office of the Governor, and she called upon Cindy Jones to provide the information needed to proceed.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reminded the Committee members that The Executive Budget requested a new budget, the Governor's Office of Veteran's Policy and Coordination, budget account (BA) 1008, which the money committees did not approve. However, the committees supported the concept of placing two positions in the Nevada Office of Veterans' Services and one position in the Office of the Governor. Because the budget for the Governor's Office had previously closed, Ms. Jones advised that the first order of business would be to reopen the budget.

ASSEMBLYMAN BOBZIEN MOVED TO REOPEN THE BUDGET FOR THE GOVERNOR'S OFFICE (BA 1000).

ASSEMBLYMAN GRADY SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hogan was not present for the vote.)

Ms. Jones reminded the Committee that during the May 14, 2013, meeting of the money committees, a discussion took place concerning a veterans' liaison position requested for placement in the Governor's Office (BA 1000). The duties of the position included:

- Oversight of the development of state policy for providing services to veterans.
- Serving as a coordinator to convene state and local veterans' services providers and stakeholders to gather information and build partnerships to leverage services for veterans and their families.
- Seeking out national best practices for possible implementation in Nevada.

Ms. Jones provided the following information concerning the salary and benefits for the position:

- The request amounted to a General Fund appropriation of \$85,975 in fiscal year 2014 and \$111,224 in fiscal year 2015. The fiscal year 2014 appropriation was less than the 2015 appropriation because of a start date of October 1, 2013.
- The salary and benefits totaled \$78,226 in the first year and \$105,474 in the second year.
- The salary for the position was \$85,000 per year.
- The expenses totaled \$7,749 in fiscal year 2014 and \$5,750 in fiscal year 2015. The first year expenses were higher because of the purchase of office-related equipment.

ASSEMBLYMAN HAMBRICK MOVED TO APPROVE THE VETERANS' LIAISON POSITION AND CLOSE BUDGET ACCOUNT 1000.

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hogan was not present for the vote.)

BUDGET CLOSED.

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Chair Carlton opened the hearing on Senate Bill 488.

<u>Senate Bill 488</u>: Continues the transfer of the powers and duties of the Consumer Affairs Division of the Department of Business and Industry and the Commissioner of Consumer Affairs to the Office of the Attorney General. (BDR S-1169)

Bruce Breslow, Director, Department of Business and Industry, presented Senate Bill 488 and advised that the 75th (2009) and 76th (2011) Sessions of the Nevada Legislature temporarily eliminated the Consumer Affairs Division of the Department of Business and Industry. Senate Bill 488 continued the temporary elimination of the Division of Consumer Affairs for the 2013-2015 biennium until July 1, 2015.

In response to a question from Assemblyman Hambrick concerning the date <u>Senate Bill 488</u> became effective, Chair Carlton advised that the bill became effective upon passage and approval of the 2015 language.

Hearing no response to her request for testimony from those in support of, in opposition to, or neutral on the bill, Chair Carlton called for public testimony. There being no response to her request for testimony, Chair Carlton closed the hearing on <u>Senate Bill 488</u>.

Chair Carlton reopened the hearing on <u>Senate Bill 488</u> for consideration as a work session bill.

ASSEMBLYMAN KIRNER MOVED TO DO PASS <u>SENATE BILL 488</u>.

ASSEMBLYWOMAN FLORES SECONDED THE MOTION.

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

Chair Carlton closed the hearing on <u>Senate Bill 488</u> and opened the hearing on Assembly Bill 1 (1st Reprint).

Assembly Bill 1 (1st Reprint): Requires the Director of the Department of Health and Human Services to include certain requirements in the State Plan for Medicaid. (BDR 38-392)

"Assembly Bill 1, introduced on February 4, 2013, required the Director of the Department of Health and Human Services to amend the State Plan for Medicaid to require the state to pay the nonfederal share of expenses for kidney dialysis needed to stabilize a patient with kidney failure and additional emergency care related to treatment of kidney failure. Assembly Bill 1 was reprinted with amendments adopted on April 10, 2013."

During a May 16, 2013, joint meeting of the Assembly Committee on Ways and Means and the Senate Committee on Finance (money committees), the committees closed the budget for the Division of Health Care Financing and Policy (Medicaid). The budget included an amendment, which dealt with the fiscal note (Exhibit C) associated with Assembly Bill 1 (1st Reprint), and Chair Carlton called upon Cindy Jones to provide the information needed to proceed with the hearing.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported that <u>Assembly Bill 1 (1st Reprint)</u> required the Director of the Department of Health and Human Services to include certain requirements in the State Plan for Medicaid. Amber Joiner, Deputy Director of the Department of Health and Human Services, confirmed on May 6, 2013, that the Department of Health and Human Services removed the unsolicited fiscal note upon amendment of the bill incorporated into the first reprinting.

Earlier in the day on May 16, 2013, Ms. Jones said the money committees approved a budget amendment for a new decision unit, Enhancement (E) 276, that provided funding to pay for the requisite kidney-dialysis care needed to stabilize a patient with kidney failure.

In response to Chair Carlton, Ms. Jones advised that there were no additional amendments to the bill.

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

ASSEMBLYMAN HARDY SECONDED THE MOTION.

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

Chair Carlton closed the hearing on <u>Assembly Bill 1 (1st Reprint)</u> and opened the hearing on Assembly Bill 31 (1st Reprint).

Assembly Bill 31 (1st Reprint): Revises various provisions relating to public records. (BDR 19-211)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported that <u>Assembly Bill 31 (1st Reprint)</u>, originally heard by the Assembly Committee on Ways and Means on May 13, 2013, revised various provisions related to public records. <u>Assembly Bill 31 (1st Reprint)</u>, she explained, required the head of each agency, whether a bureau, board, commission, department, division or any other unit of the Executive Department of the State Government with the exception of the Nevada System of Higher Education (NSHE), to designate one or more employees to act as records official for the agency.

In response to Chair Carlton, Ms. Jones advised that there were no proposed amendments to the bill and all fiscal notes had been removed.

ASSEMBLYMAN HARDY MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 31 (1ST REPRINT).

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

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

Chair Carlton closed the hearing on <u>Assembly Bill 31 (1st Reprint)</u> and opened the hearing on <u>Assembly Bill 67 (1st Reprint)</u>.

Assembly Bill 67 (1st Reprint): Revises provisions relating to crimes. (BDR 3-403)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported that the Committee first considered Assembly Bill 67 (1st Reprint) on May 13, 2013. The bill, she said, revised provisions related to crimes and aid to victims of crime specifically regarding human trafficking and related offenses. Ms. Jones advised that representatives of the Department of Public Safety (DPS) had earlier testified that if the funding in decision unit Enhancement (E) 350 of \$270,144 for the Criminal History

Repository budget [budget account (BA) 4709] was approved, the fiscal impact of the bill would be absorbed. The Assembly Committee on Ways and Means Subcommittee on Public Safety, Natural Resources and Transportation and the Senate Committee on Finance Subcommittee on Public Safety, Military and Veterans' Services approved E-350 for \$270,144 on April 30, 2013.

Chair Carlton asked Brett Kandt from the Office of the Attorney General to address the pornography issue that had been brought before the Committee.

Brett Kandt, Executive Director, Advisory Council for Prosecuting Attorneys, testified that nothing in the bill was intended to criminalize First Amendment-protected activity such as films, speech, or consenting adult actors engaging in sexual conduct.

Chair Carlton asked whether members of the Committee had any questions regarding the bill. There were no questions, and the Chair advised that she would entertain a motion for approval.

ASSEMBLYMAN HORNE MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 67 (1ST REPRINT).

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

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

Chair Carlton closed the hearing on <u>Assembly Bill 67 (1st Reprint)</u> and opened the hearing on <u>Assembly Bill 139 (1st Reprint)</u>.

Assembly Bill 139 (1st Reprint): Revises provisions relating to the state business portal. (BDR 7-127)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported that <u>Assembly Bill 139 (1st Reprint)</u> revised provisions related to the state business portal. The bill, she said, required the Secretary of State (SOS) to establish common business registration information that the SOS collected from state businesses, local agencies, and health districts. Additionally, she advised that amendments to the bill minimized the fiscal effect, and all fiscal notes had been removed.

There were no questions from the members of the Committee and no additional amendments to the bill.

ASSEMBLYMAN HORNE MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 139 (1ST REPRINT).

ASSEMBLYMAN GRADY SECONDED THE MOTION.

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

Chair Carlton closed the hearing on <u>Assembly Bill 139 (1st Reprint)</u> and opened the hearing on <u>Assembly Bill 151</u>.

Assembly Bill 151: Provides for the establishment of goals for the participation of disadvantaged business enterprises and local emerging small businesses in contracts with the Department of Transportation. (BDR 35-776)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported that <u>Assembly Bill 151</u>, initially considered by the Committee on May 6, 2013, provided for the establishment of goals for the participation of disadvantaged business enterprises and local emerging small businesses in contracts with the Department of Transportation. The bill, she said, required the Department of Transportation to establish goals for the participation of disadvantaged business enterprises and local emerging businesses with certain contracts related to state-funded transportation projects.

Ms. Jones advised that the Department of Transportation submitted a fiscal note for \$123,032 over the 2013-2015 biennium, which the Department subsequently withdrew through a letter transmitted to the Fiscal Analysis Division and the Assembly Committee on Ways and Means on May 2, 2013.

There were no questions from the members of the Committee, and Chair Carlton advised that there were no proposed amendments to the bill.

ASSEMBLYMAN SPRINKLE MOVED TO DO PASS ASSEMBLY BILL 151.

ASSEMBLYMAN EISEN SECONDED THE MOTION.

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

Chair Carlton closed the hearing on <u>Assembly Bill 151</u> and opened the hearing on Assembly Bill 436 (1st Reprint).

Assembly Bill 436 (1st Reprint): Revises provisions governing the regulation of public utilities which furnish, for compensation, any water for municipal, industrial or domestic purposes, or services for the disposal of sewage, or both. (BDR 58-1196)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reported that <u>Assembly Bill 436 (1st Reprint)</u> revised provisions governing the regulation of public utilities, which furnished, for compensation, any water for municipal, industrial, or domestic purposes, or services for the disposal of sewage, or both.

Ms. Jones advised that the Public Utilities Commission (PUC) of Nevada had submitted a fiscal note with an estimated fiscal impact over the 2013-2015 biennium of \$481,556. The fiscal note would have increased the annual regulatory assessment by 0.12 mills (\$.00012), which would increase monthly charges to residential ratepayers by one cent (\$.01).

Ms. Jones advised, however, that the fiscal note had been withdrawn. She explained that the PUC submitted a memo dated May 9, 2013, that stated the fiscal note would be unnecessary because of certain amendments that were adopted on April 16, 2013. Additionally, the May 9, 2013, memo advised that the PUC would absorb any rule-making costs.

ASSEMBLYMAN HARDY MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 436 (1ST REPRINT).

ASSEMBLYWOMAN KIRKPATRICK SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblyman Hogan was not present for the vote.)

Assemblywoman Carlton closed the hearing on <u>Assembly Bill 436 (1st Reprint)</u> and opened the hearing on <u>Assembly Bill 414 (1st Reprint)</u>.

Assembly Bill 414 (1st Reprint): Requires a course of study in health to include, to the extent money is available for this purpose, instruction in cardiopulmonary resuscitation and the use of an automated external defibrillator for certain grade levels. (BDR 34-204)

Christopher Roller, Senior Government Relations Director, American Heart Association, identified himself for the record and provided the Committee with copies of written testimony and a fact sheet concerning sudden cardiac arrest and cardiopulmonary resuscitation (CPR) training in schools (Exhibit D).

Mr. Roller testified that each year in the United States, nearly 300,000 persons suffered from an out-of-hospital cardiac arrest and less than 8 percent survived. The American Heart Association and the American Red Cross and others, he said, were attempting through Assembly Bill 414 (1st Reprint) to create generations of first responders by teaching high school students CPR and to respond to sudden cardiac arrest. The bill, Mr. Roller said, would motivate students to react during the occurrence of sudden cardiac arrest and possibly incentivize students to move into health care and emergency response careers. Mr. Roller encouraged the Committee's support and said that many positives could be achieved from the type of education provided through passage of the bill, especially the number of lives that could be saved.

Additionally, Mr. Roller reported that the Assembly Committee on Education amended <u>Assembly Bill 414 (1st Reprint)</u> to allow for teaching CPR in schools by adding the language, "to the extent money is available for this purpose," which removed the need for the fiscal note.

Julia Teska, Director of Finance and Planning, Department of Education, asked for clarification concerning the intent of the new language, "to the extent money is available for this purpose." Ms. Teska asked whether the intent included that the Department would have the ability to update health standards on regularly scheduled cycles. Costs, she explained, would be incurred in updating the health standards on other than regularly scheduled cycles.

In response to Chair Carlton's question regarding the schedule for updating the health standards, Ms. Teska recalled the last update took place in 2010 and that it would be a few more years before another update was necessary.

Mr. Roller advised that the original intent of the amendment was to not place a burden on the schools. If resources were unavailable, he said, the American Heart Association was willing to amend the bill to remove the requirement for the automatic external defibrillator training and to provide CPR instruction to the extent that resources were available.

Chair Carlton said that it appeared additional work was needed before the Committee would be ready to take action on the bill.

After reviewing the fiscal note (Exhibit E), Assemblyman Sprinkle questioned the \$18,435 cost for a two-day meeting to update the health standards.

Ms. Teska responded that the two-day meeting was in keeping with the Department's standard process. She advised that a bill on sex education would also require an update to the health standards.

Assemblyman Sprinkle asked whether an \$18,435 fiscal note was also attached to the sex education bill.

Ms. Teska responded that the sex education bill would require updating current health standards. She recalled advising Legislative Counsel Bureau staff that should both bills pass, only one fiscal note was needed.

In response to Chair Carlton's questions concerning the \$18,435 fiscal note, Ms. Teska advised that \$18,435 was a typical cost for a health standards update.

In response to Chair Carlton's questions concerning updating the state health standards and the Department's absorption of the costs, Ms. Teska reiterated previous information concerning the cycle and the budgeted cost of convening a meeting to update standards on a regularly scheduled cycle.

Mr. Roller advised that the American Heart Association would be willing to have the health standards associated with the bill updated within the normal cycle. While the automatic external defibrillator training was important, he said the most important part of the legislation was the CPR training. Mr. Roller reiterated that the bill could be amended to remove the automatic external defibrillator training if that would allow the health standards to be updated within the standard time frame.

Chair Carlton gave her commitment to work on the bill and asked those in support of Assembly Bill 414 (1st Reprint) to approach the witness table.

Lindsay Anderson, representing Washoe County School District, appeared before the Committee to speak in support of <u>Assembly Bill 414 (1st Reprint)</u>. Based on a compromise reached in the Assembly Committee on Education, the Washoe County School District, she said, had removed its fiscal note. Ms. Anderson said, however, that the Washoe County School District was

committed to collaborating with its community resources to bring in as many volunteers as possible to provide CPR training to high school health students.

Joyce Haldeman, representing the Clark County School District (CCSD), appeared before the Committee to speak in support of Assembly Bill 414 (1st Reprint). With the addition of the phrase, "to the extent money is available for this purpose," Ms. Haldeman said the CCSD supported the bill and had removed its fiscal note. Ms. Haldeman advised that the CCSD would rely on volunteer services to bring the training into the curriculum, which was already occurring in some schools where volunteers were available. While the CCSD would not wait for an update to the standards to begin the training, she said the School District would rely only on volunteer services and would not apply fiscal resources to the project.

Mary Pierczynski, representing Nevada Association of School Superintendents (NASS), spoke in support of <u>Assembly Bill 414 (1st Reprint)</u>, and placed emphasis on the new language, "to the extent money is available for this purpose." Ms. Pierczynski pointed out, however, that while the NASS supported the idea, getting volunteers in some remote rural areas would be a challenge.

Hearing no response to her request for additional testimony in support of <u>Assembly Bill 414 (1st Reprint)</u>, Chair Carlton called for those in opposition to, or neutral on the bill to approach the witness table. There being no response to her request for additional testimony, Chair Carlton called for public comment. Hearing no response to her request for public comment, Chair Carlton closed the hearing on <u>Assembly Bill 414 (1st Reprint)</u> and opened the hearing on 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)

Assemblyman Ira Hansen, Assembly District No. 32, presented <u>Assembly Bill 106</u>, which provided 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.

Assemblyman Hansen testified regarding a former constituent, and the owner of a union cabinet shop in Sparks, Nevada, accused by the Nevada Occupational Safety and Health Administration (OSHA) of violating safety laws. Although the Nevada OSHA review board eventually exonerated the shop owner with prejudice, Assemblyman Hansen pointed out that there was no cause of action

in Nevada law to allow the shop owner to recoup approximately \$8,000 in legal fees.

Assemblyman Hansen addressed the bill's funding mechanism, which he said, was developed after extensive discussions with members of the State Board of Examiners, representatives of the Office of the Attorney General, and the Office of the State Controller.

Assemblyman Hansen provided the following information:

- There would be no appropriation from the General Fund to fund Assembly Bill 106.
- The Fund for Insurance Premiums [an internal service fund to be maintained for use by the Risk Management Division of the Department of Administration and the Attorney General, Nevada Revised Statutes (NRS) 331.187] was a revolving fund that currently contained \$2.5 million.
- The Office of the Attorney General administered the Fund for Insurance Premiums.
- Nancy Bowman, Tort Claims Manager, Office of the Attorney General, advised that approximately \$80,000 in claims per year could be filed against the Fund.
- The Fund for Insurance Premiums was funded through collections from each state agency of \$175 per each full-time employee.
- The bill included protections to ensure against frivolous lawsuits and to allow Nevada OSHA to do its job.

Assemblyman Hansen advised that if requested to do so, he would address specific points of the bill or the funding mechanism.

Chair Carlton asked whether there was an agreement that prevailing parties in Nevada OSHA lawsuits could recoup legal expenses through the Fund for Insurance Premiums.

Assemblyman Hansen advised that proposed amendment 8699 (Exhibit F) outlined the process by which a prevailing party, unfairly treated by OSHA, could apply to the Nevada OSHA review board for a settlement that would be processed through the Tort Claims Administrator in the

Office of the Attorney General. If the amount of the settlement was greater than \$100,000, the claim would be processed through the Board of Examiners.

Chair Carlton asked whether members of the Committee had questions concerning proposed amendment 8699 to Assembly Bill 106.

Assemblyman Anderson asked Assemblyman Hansen to discuss how the estimate of \$80,000 was determined.

Assemblyman Hansen advised that Donald E. Jayne, Chartered Property Casualty Underwriter (CPCU), Administrator of the Division of Industrial Relations for the Department of Business and Industry, suggested a high-end estimate of \$80,000.

Donald E. Jayne, Administrator, Division of Industrial Relations (DIR), Department of Business and Industry, testified that one of the areas of the Division's responsibility was the Nevada State Plan. The \$80,000 estimate, he said, came from a series of assumptions that activity before the Nevada OSHA review board would increase because of the opportunity to recoup legal expenses for prevailing parties. Acknowledging the estimate was based on assumptions, Mr. Jayne said the dollar figure of awards that could be rendered, the fiscal effect on the Nevada OSHA review board because of expenses associated with the attorney that served the Board, and the processing activity for the DIR staff were taken into consideration.

Chair Carlton asked Jeff Mohlenkamp, Director, Department of Administration to address the Fund for Insurance Premiums that was contributed to by all state agencies on behalf of all state employees.

Jeff Mohlenkamp, Director, Department of Administration, advised that he had not reviewed the bill in detail and was not aware of how the costs would affect the Fund for Insurance Premiums. His contact, he said, was with the Board of Examiners and the implications of the bill on that process.

Chair Carlton asked whether there were any concerns with the collection from state agencies of \$175 per state employee.

Mr. Mohlenkamp advised that he would review the bill and provide Chair Carlton with additional information.

Chair Carlton opened the hearing to those in support of, in opposition to, or neutral on <u>Assembly Bill 106</u>. Hearing no response to her request, Chair Carlton called upon Assemblyman Hansen to provide additional information.

Assemblyman Hansen advised that the Fund for Insurance Premiums included funding for the workers' compensation assessment fund and a liability fund. The workers' compensation portion of the Fund, he said, would not be used.

Chair Carlton said she was attempting to draw a nexus from the money in the Fund to those accessing the Fund and wanted to ensure that there was equity and reasonableness to the process.

Assemblyman Hansen asked the Committee to keep in mind that while the interests of the state needed to be protected, innocent people had been harmed by actions of the state. He reiterated that the bill included provisions to ensure that the state was protected from frivolous actions.

Chair Carlton opened the hearing to public comment. Hearing no response to her request for public comment, Chair Carlton closed the hearing on Assembly Bill 106 and opened the hearing on Assembly Bill 186 1st Reprint).

### Assembly Bill 186 (1st Reprint): Revises provisions relating to compensation. (BDR 53-796)

Jack Mallory, representing the Southern Nevada Building and Construction Trades Council, thanked Chair Carlton and Assemblyman Bobzien, Chairman of the Assembly Committee on Commerce and Labor, for the opportunity to speak to the fiscal matters regarding Assembly Bill 186 (1st Reprint).

Mr. Mallory reported that the bill, in its original version, had proposed a new requirement that employers were obligated to provide specific employment-related information to new employees and to create the Wage Claim Restitution Account. The purpose of the Wage Claim Restitution Account, he explained, was to provide some recompense to workers, who were not paid under certain circumstances, when there was no other source of funding available.

Mr. Mallory advised that initially the bill required that every employer provide each new employee with a notice that related to the employee's "rate and method of compensation, overtime provisions if applicable, regular payday, and contact information for the employer and contact information for the employer's workers compensation carrier." Additionally, the notice was required to be written in a language the employee was familiar with, and the employer was required to retain a copy of the notice signed by the employee. The section regarding the notice, Mr. Mallory said, resulted in a series of fiscal notes attached to the bill. The fiscal notes from the Office of the Labor Commissioner and some local governments contained zero costs while fiscal notes from the

City of Henderson, the Clark County School District, and the Lyon County School District included estimated costs. Subsequently, Mr. Mallory said the bill was amended to eliminate the requirement to provide and retain a copy of the signed notice to all new employees. After a discussion with Mike Cathcart, Business Operations Manager, City of Henderson, and Nicole Rourke, who represented the Clark County School District, he said both were willing to remove their fiscal notes; the Lyon County School District, however, had not responded to his call.

Additionally, Mr. Mallory advised that he solicited an opinion (<u>Exhibit G</u>) from the Office of the Labor Commissioner regarding the applicability of chapter 608 of *Nevada Revised Statutes* (NRS) to public employers and public employees. The opinion, he said, stated that government entities did not fall within the definition of employer under the provisions of chapter 608 of NRS.

Mr. Mallory further advised that the proposed amendment (Exhibit H) to the bill addressed how the Wage Claim Restitution Account would be funded. The amendment proposed that a percentage of the amount of each penalty collected by the Office of the Labor Commissioner, pursuant to a violation of NRS 608.040, would fund the Wage Claim Restitution Nevada Revised Statutes 608.040 penalties, he explained, were paid to employees who were underpaid by an employer. The amendment also included administrative penalties for egregious violations assessed in accordance with the provisions of NRS 608.195 and paid by employers for deposit to the General Fund.

Thoran Towler, Labor Commissioner, Office of Labor Commissioner, provided the following information regarding NRS 608.040 penalties:

- The Office of the Labor Commissioner collected wages owed but not paid to workers [it was not uncommon for a business to lock its doors and cease operation on payday].
- Unpaid workers could file a claim in the Office of the Labor Commissioner for hours not paid. A worker, for example, who earned \$12.50 an hour on an 8-hour shift and was not paid for the last two weeks of work could file a claim with the Labor Commissioner. With a successful resolution of the case, the worker could collect back wages and up to \$3,000 under the provisions of NRS 608.040 that provided for the assessment of penalties against an employer for each day the worker remained unpaid, up to a maximum of 30 days. Cases sometimes took several months to resolve.

Mr. Towler advised that the penalty under NRS 608.040 was established to assist workers who had no other recourse and could not afford counsel. Many employees, he said, who filed a claim because they were owed money, could not be paid because after investigation, the employer had left the state and could not be located. Such cases, he said, had to be closed as, "resolved unpayable." Mr. Towler advised that when he began employment as the Labor Commissioner, the Office addressed a backlog of cases, and in fiscal year 2012, \$2.8 million in both penalties and wages was paid to claimants, \$2.1 million of which was wages and \$683,000, penalties.

The purpose of the bill, he said, was to assist claimants who could not collect on either wages or penalties assessed against the employer. Mr. Towler explained that the bill would create the Wage Claim Restitution Account by collecting 25 percent of the amount of each penalty [pursuant to Nevada Revised Statutes (NRS) 608.195] for the Restitution Account for claimants whose cases were closed as resolved unpayable.

Mr. Mallory added that the claimants would continue to receive 100 percent of the wages owed but only 75 percent of the penalty assessed to the employer.

Chair Carlton asked whether there would be a lag time before the disbursements could begin.

Mr. Towler advised that passage of the bill would require the drafting and adoption of regulations, which could create some lag time. He said, however, anything would be better than turning claimants away.

There were no questions from the members of the Committee for either Mr. Mallory or Mr. Towler.

Chair Carlton opened the hearing to those in support of, in opposition to, or neutral on <u>Assembly Bill 186 (1st Reprint)</u>.

Robert Ostrovsky, representing the Nevada Resort Association, originally in opposition to the bill, spoke from a position of neutrality based on the amendment and a better understanding of how the bill would work. Mr. Ostrovsky supported the amendment and establishment of the Wage Claim Restitution Account. He advised, however, there was still some concern about technicalities on disbursement of the funding, specifically related to whether the distribution would be made on a first-come, first-served basis or a prorata basis, and how often the distribution would be made.

Chair Carlton opened the hearing to public comment. Hearing no response to her request for public comment, Chair Carlton closed the hearing on Assembly Bill 186 (1st Reprint) and opened the hearing on Senate Bill 459 (1st Reprint).

Senate Bill 459 (1st Reprint): Makes a supplemental appropriation to and authorizes the expenditure of certain money by the Division of Health Care Financing and Policy of the Department of Health and Human Services for an unanticipated increase in caseloads for medical services and certain other costs. (BDR S-1190)

Chair Carlton advised that <u>Senate Bill 459 (1st Reprint)</u> would make a supplemental appropriation to the Division of Health Care Financing and Policy for an unanticipated increase in caseloads for medical services and certain other costs.

Leah Lamborn, Administrative Services Officer, Division of Health Care Financing and Policy, Department of Health and Human Services, testified that Senate Bill 459 (1st Reprint) requested a supplemental appropriation from the State General Fund of \$26,912,908 to fund unanticipated increases in medical expenditures for caseload and costs per eligible recipients. Additionally, section 2 of the bill requested an expenditure of \$47,048,179, not appropriated from the State General Fund or the State Highway Fund, for the non-State General Fund share of medical expenditures.

Chair Carlton verified with Ms. Lamborn that the appropriation was requested for the 2013 fiscal year in <u>The Executive Budget</u>.

Hearing no response her request for comments from the members of the Committee, Chair Carlton opened the hearing to those in support of, in opposition to, or neutral on the bill. Hearing no response to her request, she opened the hearing to public comment. There was no response to her request for public comment. Chair Carlton closed the hearing on Senate Bill 459 (1st Reprint).

Chair Carlton opened a second hearing on <u>Senate Bill 459 (1st Reprint)</u> to enable the Committee to quickly pass the bill to the Assembly floor because it was a supplemental appropriation.

ASSEMBLYMAN BOBZIEN MOVED TO DO PASS SENATE BILL 459 (1ST REPRINT).

ASSEMBLYMAN HARDY SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Hogan and Horne were not present for the vote.)

Chair Carlton opened the hearing on Assembly Bill 145 (1st Reprint).

## Assembly Bill 145 (1st Reprint): Provides for retrofitting of roads and streets in consideration of different types of users. (BDR 43-662)

Assemblyman Richard Carrillo, Clark County Assembly District No. 18, Chair of the Assembly Committee on Transportation, presented Assembly Bill 145 (1st Reprint), an act designed to promote the adoption of a Complete Streets program in Nevada. A Complete Streets program, Assemblyman Carrillo explained, would provide for retrofitting of streets or highways for the safe access of all users, including pedestrians, bicycle riders, persons with a disability, persons who used public transportation, and motorists. The bill, he said, would provide a local funding source to carry out Complete Streets improvements to make walking and biking safer in Nevada communities. The bill included provisions to allow persons registering a vehicle to voluntarily contribute \$2 to support the Complete Streets program with the ability to opt out of the contribution, if so desired. The Department of Motor Vehicles (DMV) would collect and distribute the contributions to the county in which the vehicles were registered. The funding was to be used only for Complete Streets projects.

Assembly Bill 145 (1st Reprint), Assemblyman Carrillo said, was referred to the Assembly Committee on Ways and Means because of the fiscal note from the Department of Motor Vehicles. Kyle Davis from the Nevada Conservation League, he said, would explain the proposed amendment, which would remove the fiscal note.

Kyle Davis, Political and Policy Director, Nevada Conservation League, submitted a proposed amendment (<u>Exhibit I</u>) to remove the fiscal note currently attached to the bill.

Mr. Davis explained that the amendment would revise the bill to provide that the only circumstance under which a registrant could make the \$2 voluntary contribution would be through the DMV website or a DMV kiosk and not by mail or in person. Additionally, the bill, he said, would only become effective when resources became available for the DMV to carry out the provisions of the bill.

Mr. Davis advised that the proposed conceptual amendment would:

- Revise the bill to provide that the DMV website or a DMV kiosk would be the only methods through which registrants could make a \$2 voluntary contribution to the Complete Streets program.
- Amend subsection 2 of section 17 of the bill to provide that instead of the provisions of the bill becoming effective on January 1, 2014, they would become effective as soon as practicable after January 1, 2014, but before October 1, 2015, upon notice by the DMV Director that resources were available to carry out the provisions of the bill. Such notice must be provided to the Governor and the Director of the Legislative Counsel Bureau and must be published on the DMV's website. Provisions currently in subsection 1 of section 17 of the bill would remain unchanged.

Mr. Davis also advised that the DMV wanted to clarify that registrants would not have the ability to request a refund of the \$2 once they made the voluntary contribution. Department of Motor Vehicle representatives, he said, advised that the cost to refund would be greater than the contribution. Additionally, he said, the DMV requested to retain 1 percent of the contributions collected for administering the distribution of funds to the counties of origin.

In response to Chair Carlton who asked how the changes affected the fiscal note, Mr. Davis said it was his understanding that the proposed amendment would remove the fiscal note, and the bill would have a zero fiscal impact.

Terri L. Carter, C.P.M., Administrator, Management and Services Program Division, DMV, stated for the record, that the Department was neutral on <u>Assembly Bill 145 (1st Reprint)</u>. After working with Mr. Davis on the amendment to eliminate the fiscal note, Ms. Carter requested the opportunity to provide the following information regarding the amendments the Department requested:

- The \$2 contribution must be nonrefundable because it would cost the DMV more than \$2 to process a refund.
- Amend section 2, subsection 3, paragraph (h) of the bill to include the
  voluntary contribution disclosure on the website and kiosk screens but
  not include the disclosure on a postcard notice of vehicle registration
  renewal because adding the verbiage to the renewal postcard would
  result in increased costs and postage.

Additionally, Ms. Carter advised that the bill would add an additional 854 hours of in-house programming for the DMV. She credited Mr. Davis for working with staff on the amendment so that if resources become available, the DMV could put the program into practice. Additionally, to remain consistent with the current practices for collecting monies on behalf of counties as provided for in chapter 373 of the *Nevada Revised Statutes* (NRS), Ms. Carter said the Department requested a 1 percent commission for administration of the collection service.

Assemblyman Kirner questioned the zero fiscal impact with 854 hours of additional programming.

Ms. Carter advised that the 854 hours of additional programming was consistent with programming hours for other legislation that would affect the DMV. She explained that bills with less than 1,000 hours of programming had a zero fiscal cost.

Assemblyman Kirner asked how the \$2 voluntary contribution statement would be presented to registrants who used online registration or kiosks.

Ms. Carter advised that a separate screen was envisioned that would disclose the opportunity for a registrant to voluntarily contribute \$2 to the Complete Streets program through a yes or no option. Ms. Carter said, however, that the screen would be designed during the development phase of the project.

Mr. Davis referred to page 4 of the bill, lines 14 through 19, that stated that it must be stated in "a clear and conspicuous manner that a contribution for a Complete Streets program" was voluntary and in addition to any fees required for registration and must include a method to opt out of making a contribution.

Assemblyman Eisen asked why the opportunity to voluntarily contribute to the Complete Street program was not available to those persons wishing to register in person.

Ms. Carter responded that the programming impact for the project through all of the DMV applications was complex, and the fiscal impact for programming was reduced by eliminating the contribution option for those registering in person. She explained her understanding was that it was less complex for the programmers to write code for the website and the kiosk than it was to program the entire DMV system.

Assemblyman Carrillo added that the Complete Streets program would help all Nevadans take a good step to a healthy lifestyle.

Chair Carlton opened the hearing to those in support of, in opposition to, or neutral on the bill. There being no response to her request, Chair Carlton asked for public comment and hearing no response, closed the hearing on Assembly Bill 145 (1st Reprint).

Chair Carlton advised the members of the audience that <u>Assembly Bill 162</u> (1st Reprint) and <u>Assembly Bill 466</u> would be removed from the May 16, 2013, agenda and rescheduled for consideration by the Assembly Committee on Ways and Means hearing on Monday, May 20, 2013.

Chair Carlton opened the hearing <u>Assembly Bill 161 (1st Reprint)</u> and called on Assemblyman Elliot Anderson to present the bill.

Assembly Bill 161 (1st Reprint): Revises provisions governing the advancement of certain pupils to higher grade levels. (BDR 34-722)

Assemblyman Elliot T. Anderson, Clark County Assembly District No. 15, presented <u>Assembly Bill 161 (1st Reprint)</u>. Assemblyman Anderson thanked Assemblyman Kirner who had a similar bill, and after working together, he said, the two bills were blended to produce Assembly Bill 161 (1st Reprint).

Assemblyman Anderson explained that the proposed legislation, also known as "Why Read by Three," revised provisions governing the advancement of certain pupils to higher-grade levels. The report, *Double Jeopardy* by Donald J. Hernandez, Professor, Department of Sociology, Hunter College and the Graduate Center, City University of New York found that third graders, who lived in poverty and who were not reading at grade level would fail to finish high school by age 19 at a rate six times greater than the rate for proficient third graders.

According to the Nevada Department of Corrections, Assemblyman Anderson said that 85 percent of all juveniles who interfaced with the court system were considered functionally illiterate. The intent of Assembly Bill 161 (1st Reprint), he explained, was to identify struggling students as early as prekindergarten, provide them focused intervention when necessary, and hold the students back before Grade 4 to give them the tools they needed to succeed and eventually graduate. The later a student was held back, he said, the more likely he or she was to not complete high school, which was the reason early intervention with communication and resources for parents was essential.

Studies of Florida's third-grade retention policy, Assemblyman Anderson said, found that retained third graders made significant gains compared with socially promoted students. The gains, he said, grew substantially from the first to second year after retention. The study also found that students who were socially promoted fell further behind over time, while retained third graders were able to "catch up" and succeed in later grades. Retention policies, Assemblyman Anderson explained, had the greatest impact on minority student learning. Additionally, Assemblyman Anderson pointed out that Florida's retention policy and universal prekindergarten, put into practice in 2002, increased their state's per pupil expenditure significantly to pay for the interventions.

Assemblyman Anderson reported that <u>Assembly Bill 161 (1st Reprint)</u> aligned the goals and resources for parents, students, teachers, and school districts to ensure that all students could read by third grade. To hold teachers accountable for student achievement, he said, it was imperative that students who were promoted to the next grade level had the basic skills to allow them to participate in the curriculum. Assemblyman Anderson pointed out, for example, a student could not excel in any school subject if the student could not read. According to the 2011 National Assessment of Educational Progress, he said, only 16 percent of fourth graders who qualified for a free or reduced lunch were proficient at reading.

Concluding his presentation, Assemblyman Anderson noted that it was essential that retention policies also included resources and interventions to ensure that struggling students were identified early, and those who were held back were given the tools to learn how to read and ultimately graduate.

Assemblyman Randy Kirner, representing Washoe County Assembly District No. 26, advised that the comprehensive bill addressed kindergarten and Grades 1, 2, and 3, class size, English language learners (ELL), and teacher development. Assemblyman Kirner acknowledged that the policy side of the bill addressed important problems that required solving, but the \$12,320,483 fiscal note presented a funding problem.

Assemblyman Bobzien expressed disagreement with the idea of social promotion and appreciation for the intent of the bill and the resources needed to provide students the tools for success. Recognizing the necessity of early intervention for struggling students and ensuring a focus on literacy in the early grade levels, he said, was "clearly important." Assemblyman Bobzien pointed out, however, that the funding associated with education innovations might require phasing in those innovations and determining, if not for the

upcoming biennium, what could be accomplished in future bienniums to ensure students could successfully read by the third grade.

Assemblyman Anderson discussed the need to at least create the Task Force on Reading Proficiency within the Department of Education, in section 4.5 of the bill, to begin developing the assessments for administration to pupils and to prescribe certain other requirements related to proficiency in reading. Additionally, he discussed retaining section 6 of the bill that required development of a program offered during the summer or between sessions of school to improve proficiency in reading.

Assemblyman Anderson also discussed the need for reading specialists in the classroom. If he had to choose, Assemblyman Anderson said he would choose the costs directly associated with measuring students as early as possible, making the assessments, obtaining the data, and using the reading specialists and summer school programs to assist struggling students to be successful in school. Additionally, he discussed perhaps using a waiver provision and beginning a three-year implementation schedule, which was, he said, contemplated throughout the bill. He explained that once off the waiver, third graders could only be held back three years out from starting the program. Although he wanted to continue to find the revenue to go ahead with the full intent of the legislation, Assemblyman Anderson said there were options for the Committee to consider.

Chair Carlton advised that she had made some notes during the presentation and asked that Assemblyman Anderson follow up with her after the meeting having noted there were other bills that addressed reading resource centers and additional options.

Chair Carlton asked for those in support of <u>Assembly Bill 161 (1st Reprint)</u> to approach the witness table.

Joyce Haldeman, representing the Clark County School District (CCSD), spoke in support of Assembly Bill 161 (1st Reprint). The CCSD, she said, thanked Assemblyman Anderson and Assemblyman Kirner for bringing the measure forward. After working extensively with both legislators on the bill, Ms. Haldeman said it was recognized that ensuring that children could read by the third grade included the early identification of students who were struggling and intervention for students who needed extra help. Additionally, the bill, she pointed out, was important because it recognized that resources were necessary.

Ms. Haldeman noted that making a difference included the extra time for struggling students to master the necessary skills and instructors to place children in smaller groups and to extend learning times, which were recognized as expensive resources. Additionally, Ms. Haldeman agreed with employing reading specialists who, she said, made a difference to students in the early years. Ms. Haldeman explained, however, that the CCSD eliminated the category of positions for reading specialists during budget reductions several years ago. Free summer school for students who were identified as struggling was also important, and Ms. Haldeman advised of community groups within the school district that held fundraisers to pay for summer school for students who could not afford the tuition.

Additionally, Ms. Haldeman pointed out <u>Assembly Bill 161 (1st Reprint)</u> was, in a way, a companion piece with other major legislation that the Committee had considered. The CCSD's three major priorities, she said, included lowering class sizes, which provided more time for individual instruction, focusing on the English language learners (ELL) program, and the expansion of full-day kindergarten that would gain time for struggling students to learn English language skills. Those were all priorities with an expensive price tag.

Concluding her comments, Ms. Haldeman noted that some of the elements identified in <u>Assembly Bill 161 (1st Reprint)</u> were covered in other major bills the Committee had considered and that perhaps the Committee could consider the bills as a whole.

Lindsay Anderson, representing Washoe County School District, appeared before the Committee to speak in support of <u>Assembly Bill 161 (1st Reprint)</u>. Ms. Anderson expressed agreement with the previous speaker's opinions and advised that representatives of the Washoe County School District believed that early identification intervention was critical to expand the School District's broad platform.

Ms. Anderson further advised that the Washoe County School District used the multitiered system of support framework identified as a best practice by the National Education Association to expand the size and scope of programs for early identification and intervention for struggling students to improve their reading and literacy skills. Additionally, Ms. Anderson reported that the Washoe County School District recently changed its calendar to provide a shorter summer vacation that, based on national statistics, reflected less than a 50 percent learning loss over the summer. The School District had also developed intersession programs within the school year for students who needed assistance during the middle of the school year rather than at the end of the school year. The School District, Ms. Anderson said, also lengthened some

of the shorter breaks so that mini intervention sessions could be accessed during holiday vacations. The Washoe County School District, she said, had a policy to limit social promotion and held students back when the parents and the principal agreed it was the right thing to do.

Concluding her testimony, Ms. Anderson advised that the Washoe County School District supported the bill's important policy.

Craig Stevens, representing the Nevada State Education Association, expressed full support for <u>Assembly Bill 161 (1st Reprint)</u>. He advised, however, that the bill, if passed, had to be funded. He pointed out that the unintended consequences of passing the bill without the needed resources would be disastrous for struggling students, as well as to the other children in the classroom, for the teachers trying to pass on knowledge, and for the system as a whole.

Mary Pierczynski, representing Nevada Association of School Superintendents (NASS) and speaking on behalf of Dotty Merrill, who represented the Nevada Association of School Boards, expressed support for <u>Assembly Bill 161 (1st Reprint)</u>. In reviewing the publication, *iNVest 2013*, she said that one of the tenets of superintendents was support for early literacy with the need to identify struggling students by third grade. Concluding her testimony, Ms. Pierczynski also emphasized the need for appropriate funding to identify and assist those students by providing the proper interventions for improvement.

Stephen Augspurger, representing the Clark County Association of School Administrators, also spoke in support of the bill, for all the reasons those speaking before him had stated.

Chair Carlton asked whether there were others in support of Assembly Bill 161 (1st Reprint), in opposition to, or neutral on the bill. Hearing no response to her request, she asked for public comment. Hearing no response to her request for public testimony, Chair Carlton closed the hearing on Assembly Bill 161 (1st Reprint).

Chair Carlton opened the hearing on <u>Senate Bill 350 (1st Reprint)</u> and welcomed Senator Mark A. Hutchison to the meeting.

Senate Bill 350 (1st Reprint): Revises provisions relating to the issuance of general obligations by school districts. (BDR 34-1059)

Senator Mark A. Hutchison, Clark County Senatorial District No. 6, presented Senate Bill 350 (1st Reprint), which expanded the list of authorized purposes

related to the issuance of general obligation bonds by school districts to include the purchase of motor vehicles and other equipment used for the transportation of students.

Chair Carlton asked for information concerning the school districts requests for waivers related to the issuance of general obligation bonds.

Senator Hutchison responded that Joyce Haldeman, who represented the Clark County School District (CCSD), would provide the District's perspective regarding the need for the legislation and the inclusion of new uses for the funding.

Joyce Haldeman, representing the CCSD, advised of one exception to the issuance of general obligation bonds that was included in the bill. Ms. Haldeman explained that in the past, representatives of the school districts had appeared before the Legislature each session to request a waiver to purchase school buses and equipment through bond money. The Legislature, she said, had always granted the request, and thus the legislation included the purchase of buses and transportation equipment to the list of allowable purchases under the issuance of general obligation bonds. Ms. Haldeman asked for the Committee's favorable consideration of the bill since it was, she said, essential for the construction of new schools.

Chair Carlton expressed concern over the use of bonds to purchase buses since the payments on the bonds, she said, might outlast the buses.

In response, Ms. Haldeman advised that the school districts used long-term bonds for the construction of schools and short-term bonds to purchase computer equipment and buses. The short-term bond payments, she said, would not outlast the items the school districts purchased.

Chair Carlton asked for additional information concerning the use of long-term and short-term bonds.

Ms. Haldeman responded that the money from the issuance of general obligation bonds would be used differently for short-term and long-term bonds. She explained that a 20- or 30-year bond would be used to finance, for example, the construction of an elementary school while a 3- to 5-year bond would be used for smaller purchases.

In reviewing the bill, Assemblywoman Kirkpatrick noted that section 2, on page 1, line 6 of the bill addressed construction, design, or purchase of new buildings for schools, which she assumed called for long-term financing.

She noted, however, page 2, line 7 of the bill addressed purchasing necessary motor vehicles and other equipment, which also appeared to require a long-term bond.

Ms. Haldeman explained that the allowable purchases included the equipment needed to open a new school with designations for short- and long-term bonds. The bill, she said, would simply allow the school districts to purchase desks, books, computer equipment, and school buses using short-term bonds.

In response to Assemblywoman Kirkpatrick's questions concerning debt management and accountability, Ms. Haldeman advised that before issuing general obligation bonds, the CCSD was required to request the approval of the Clark County Regional Debt Management Commission. Once approval was received and the bonds issued, a long-term bond, she said, would be used for construction, and a short-term bond would be used for equipment. Ms. Haldeman explained that the bond payments would be processed through the CCSD's Purchasing and Warehousing department that used "a sophisticated method of accountability."

Additionally, Ms. Haldeman confirmed Assemblywoman Kirkpatrick's understanding that short-term bonds applied to equipping new schools or remodeled schools.

Chair Carlton announced that <u>Senate Bill 350 (1st Reprint)</u> had previously been rescheduled. The bill, she said, was not exempt and had to be moved to the Assembly floor.

Assemblyman Grady asked how the school districts, under the Nevada Plan, replaced buses, how a distinction was made on buses for new schools and those that would become part of the fleet, and whether all buses were paid for with bond money.

Ms. Haldeman responded that the CCSD purchased buses incrementally as schools were added. Additionally, she said buses could also be purchased out of the CCSD's General Fund. Ms. Haldeman advised that statute required school districts to replace buses every 14 years. She said, however, that the districts were using buses longer than 14 years because of the poor economy.

There were neither additional questions from the members of the Committee nor comments from those in opposition to or neutral on the bill, and hearing no response to her request for public comment, Chair Carlton said she would entertain a motion to do pass Senate Bill 350 (1st Reprint).

ASSEMBLYWOMAN KIRKPATRICK MOVED TO DO PASS SENATE BILL 350 (1ST REPRINT).

ASSEMBLYMAN ANDERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Bobzien and Hogan were not present for the vote.)

Chair Carlton announced that the Legislative Counsel Bureau budgets were not closed during the May 13, 2013, meeting because of questions on portions of the budget and on several proposed studies.

Richard Combs, Director, Legislative Counsel Bureau, appeared before the Committee to respond to questions and asked how the Chair wished to proceed.

Chair Carlton deferred to Assemblywoman Kirkpatrick.

Assemblywoman Kirkpatrick apologized for holding the budget closings over for another hearing. She said there had been a miscommunication and that her questions had been answered.

ASSEMBLYMAN HARDY MOVED TO CLOSE LEGISLATIVE COUNSEL BUREAU BUDGET ACCOUNTS 2626, 2630, AND 2631.

ASSEMBLYMAN HORNE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblymen Bobzien and Hogan were not present for the hearing.)

BUDGETS CLOSED.

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Chair Carlton reiterated that <u>Assembly Bill 162 (1st Reprint)</u> and <u>Assembly Bill 466</u> were rescheduled to Monday, May 20, 2013, for consideration by the Committee.

Additionally, Chair Carlton announced that the Committee would participate in a joint meeting the following morning at 7:00 a.m. with the Senate Committee on Finance to close Department of Education budgets.

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DATE:

There at 7:2	_	no	additional	questions,	Chair	Carlton	adjourned	the	meeting
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### **EXHIBITS**

Committee Name: Committee on Ways and Means

Date: May 16, 2013 Time of Meeting: <u>5:39 p.m.</u>

Bill	Exhibit	Witness / Agency	Description		
	Α		Agenda		
	В		Attendance Roster		
A.B. 1	С	Health Care Financing and Policy, Department of Health Care Financing and Policy, Department of Health and Human Services	Fiscal Note		
A.B. 414 (R1)	D	Christopher Roller, Senior Government Relations Director, American Heart Association	Written testimony and Fact Sheet on Cardiopulmonary Resuscitation (CPR) in Schools		
A.B. 414 (R1)	E	Julia Teska, Director, Finance and Planning	Fiscal Note		
A.B. 106	F	Assemblyman Ira Hansen	Proposed Amendment 8699		
A.B. 186 (R1)	G	Jack Mallory, representing Southern Nevada Building and Construction Trades Council	May 7, 2013, Letter from the Office of the Labor Commissioner		
A.B. 186 (R1)	Н	Jack Mallory, Representing Southern Nevada Building and Construction Trades Council	Draft Amendment		
A.B. 145 (R1)	I	Kyle Davis, Political and Policy Director, Nevada Conservation League	Conceptual Amendment		