

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-Seventh Session
May 20, 2013**

The Senate Committee on Finance was called to order by Chair Debbie Smith at 8:17 a.m. on Monday, May 20, 2013, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Debbie Smith, Chair
Senator Joyce Woodhouse, Vice Chair
Senator Moises (Mo) Denis
Senator David R. Parks
Senator Pete Goicoechea
Senator Ben Kieckhefer
Senator Michael Roberson

GUEST LEGISLATORS PRESENT:

Senator Pat Spearman, Senatorial District No.1
Senator Donald G. Gustavson, Senatorial District No. 14

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Sheri Fletcher, Committee Secretary

OTHERS PRESENT:

Melanie Young, Administrative Services Officer, Records and Technology
Division, Department of Public Safety
Terri L. Carter, C.P.M., Administrator, Management Services and Programs
Division, Department of Motor Vehicles

Mary Ellen Britt, Acting Manager, Office of Emergency Medical Services and Trauma System, Southern Nevada Health District

Dennis Nolan

Marla McDade Williams, Deputy Administrator, State Health Division, Department of Health and Human Services

Alan Glover, Clerk-Recorder, Carson City

Doug Busselman, Executive Director, Nevada Farm Bureau

Neena Laxalt, Nevada Cattlemen's Association

Ann Bollinger

Joseph Guild, Nevada Agricultural Foundation

Ronald Zurek, M.B.A., Vice President for Finance and Administration, Public Service Division, Nevada System of Higher Education

Joyce Haldeman, Clark County School District

Sean McDonald, Administrator, Division of Central Services and Records, Department of Motor Vehicles

Doreen Rigsby, Services Manager, Division of Central Services and Records, Department of Motor Vehicles

Craig Stevens, Nevada State Education Association

Lindsay Anderson, Washoe County School District

Mary Pierczynski, Nevada Association of School Superintendents

Tami Berg, Nevada Parent Teachers Association

Dotty Merrill, Ed.D., Nevada Association of School Boards

Gabriel Fanning

Julisa Saenz

John Wagner, Independent American Party

Terry Rubald, Chief, Local Government Services, Department of Taxation

Chair Smith:

We will be taking items out of order this morning to accommodate various needs. I will open the hearing on Senate Bill (S.B.) 204.

SENATE BILL 204 (1st Reprint): Requires the Department of Motor Vehicles to establish a next-of-kin registry. (BDR 43-712)

Senator Donald G. Gustavson (Senatorial District No. 14):

I am here to present S.B. 204 which sets up a registry with the Department of Motor Vehicles (DMV) to notify the next of kin in case of an emergency situation, whether an automobile accident, a heart attack or other ailment. This registry showed a small fiscal note from two different agencies. However, the

DMV and the Department of Public Safety have asked us to extend the date to January 14 in order for them to absorb the minimal cost associated with this bill.

Chair Smith:

Can you explain the process?

Senator Gustavson:

We have amended the original bill, as it did not include commercial drivers, because it was not clear whether there is any federal law that might restrict that from being done. After researching this, we found there were no federal laws that would affect this if we passed this bill. Therefore, commercial drivers are to be included in this bill. Any individual who has a driver's license or identification card in Nevada can voluntarily register their next of kin, up to two different names, to be contacted in case of emergency situations.

The bill was also amended to include the address of the next of kin so that it would be easier to contact these individuals if they could not be reached by telephone. Additionally, the Clark County Coroner's Office requested that coroners also have access to this file. The file is confidential. Individuals will enter and update their information with an assigned code number in order to access the registry. Only law enforcement personnel, emergency services personnel and the coroner's office will have access to this information.

Melanie Young (Administrative Services Officer, Records and Technology Division, Department of Public Safety):

We have a \$4,000 fiscal note on this due to programming changes to the system that need to be performed by an outside vendor. I have provided the "Next of Kin Information Form" ([Exhibit C](#)).

Chair Smith:

Has the fiscal note changed?

Ms. Young:

Yes.

Chair Smith:

What was the basis of that change?

Ms. Young:

It was the result of an amended quote from the vendor. Some of the changes will now be performed by staff in-house.

Chair Smith:

In the budget committees we frequently hear how far behind the DMV is on updating their information technology (IT) system and that we are years behind in implementing laws we passed sessions ago. The fact that there is only a fiscal note of \$1,992 for regulations on this puzzles me.

Terri L. Carter, C.P.M. (Administrator, Management Services and Programs Division, Department of Motor Vehicles):

That would be for regulation costs only.

Chair Smith:

I would like you to come back and respond to how this can be, when we are constantly hearing how far behind the DMV is on IT and programming issues.

Ms. Carter:

I will be happy to get back to you with the information. It appears that this is incorrect. I believe our policy has been throughout this Session that anything in excess of 1,000 hours would require the use of outside contractors. Therefore, there should be some costs associated with that.

Chair Smith:

I want to make sure we are able to fund the things we say we are going to fund.

Hearing no further comments, I will close the hearing on S.B. 204 and open the hearing on S.B. 205.

SENATE BILL 205 (1st Reprint): Makes various changes concerning the collection of information relating to the treatment of trauma.
(BDR 40-698)

Senator Joyce Woodhouse (Senatorial District No. 5):

Currently, each hospital in Nevada is required to record and maintain information on the treatment of trauma in the hospital. Additionally, regulations require the

Health Division of the Department Health and Human Services (DHHS) to develop and maintain a standardized system for the collection of trauma information from the hospitals.

As amended, S.B. 205 requires the Health Division to develop this standardized system that would collect information on trauma treatment which is received before and after admission to the hospital. The Division is required to prepare quarterly reports on the information received through the system and must submit those reports to the Legislature. The bill also creates a fund for the Nevada Trauma Registry to assist the Division in developing and managing the system. Section 3.5 of the bill, as amended, makes an appropriation of \$200,000 to the fund. Any money provided to the fund remains in the fund and does not revert to the State General Fund at the end of any fiscal year.

When we initially brought this bill forward in the Senate Committee on Health and Human Resources we had the fiscal note reflect \$200,000 coming from the Fund for Hospital Care for Indigent Persons, also called the Indigent Accident Fund, but we ran into difficulties. Therefore, in the amendment, the policy committee changed funding to an appropriation. We are looking for ways to fund this registry. At this point, we are asking for the \$200,000 appropriation before you today.

Mary Ellen Britt (Acting Manager, Office of Emergency Medical Services and Trauma System, Southern Nevada Health District):

I am here to speak in support of S.B. 205. The Nevada Trauma Registry is a valuable tool used to collect, analyze and report on data related to the treatment of individuals who sustain serious injuries statewide. Trauma patients are defined by using inclusion criteria developed by the American College of Surgeons Committee on Trauma. The data collected includes patient demographics, injury incident details, injury severity, treatments, length of stay, patient outcomes and the source of payment for their care. Using a standardized data set allows individual health care facilities to assess their internal operations and provides opportunities for comparative analysis of performance within the local system and across the Nation.

Trauma registry data are needed to perform the following essential activities: develop targeted injury prevention programs, support research to improve trauma care delivery and patient outcomes; document the actual costs of trauma care; inform policy makers and the public about the true impact of

trauma on individuals and society; manage the trauma system more effectively; measure capacity to ensure there are adequate resources for daily operations as well as in the event of a natural or man-made disaster and to improve grant funding opportunities.

The Nevada Trauma Registry was established in 1987. In 2007, the decision was made to upgrade the software to a Web-based system that would allow hospitals to enter their trauma data reports directly into the system. It has been reported to us that vendor delays, a lack of staffing and inconsistent funding have significantly hindered the progress of the upgrade project. Not only have the trauma centers encountered difficulties attempting to upload their data, but delays have created a backlog of paper reports from the nontrauma-center hospitals. Due to many obstacles, the Nevada Trauma Registry has not been fully functional since 2007. In the first round of budget cuts in 2007, the State trauma coordinator position was reduced from a full-time position to a half-time position. In August 2010, the half-time funding for the trauma coordinator was eliminated. During the 2011 Legislative Session, the operating budget approved by the Governor's recommended budget was removed, leaving no funding for the trauma registry operations.

In July 2011, the American College of Surgeons Committee on Trauma conducted an assessment of the Clark County trauma system and found that the absence of a functional State trauma registry has significantly hampered the ability to aggregate, analyze and report injury data necessary to support policy development, performance improvement and future development of the trauma system.

In the fall of 2011, funding was obtained from the hospital preparedness program to support the efforts to complete the implementation of the new software. However, we have been advised that the future of that funding is in question. During their visit in July 2011, the American College of Surgeons strongly recommended the trauma registry be reestablished and maintained for the evaluation of trauma care in Nevada. To that end, the Southern Nevada Health District Regional Trauma Advisory Board created the Trauma System Advocacy Committee to investigate opportunities to support the State Health Division in their role of managing the trauma registry. This bill is an important first step. We appreciate your consideration of this measure and urge your support.

Dennis Nolan:

Since I left the Legislature in 2010, I returned to the work that I had done previously in the emergency medical services field. That was a focus of much of the work that I did in the Legislature. The Trauma Registry and the appropriation before you is critical to those of us who not only work in the emergency medical services, but also train those emergency medical technicians (EMT) and paramedics. We are losing a number of grant opportunities by not collecting this important data.

This data is important to allow us to better focus our curriculum on those types of trauma that are occurring with the greatest frequency in order to better train EMTs and paramedics. This is a statewide issue that affects all the counties. This will pay our communities back not only in our ability to seek the type of funding that we need through grants, but also in the number of lives that we could potentially save. I urge your support in helping us with this appropriation which will provide us some staffing in order to take this information and collate it over the next biennium until a more stable funding source can be allocated.

Chair Smith:

Does the original fiscal note still stand? Do you need an additional \$200,000 appropriation or does the \$200,000 appropriation replace that?

Senator Woodhouse:

We removed the original section that requested the \$200,000 from the Indigent Accident Fund and instead made it a General Fund appropriation of \$200,000. It is not in addition to the original \$200,000.

Chair Smith:

The figures do not work out to be the same amount of money, so I am trying to figure out what we need here.

Marla McDade Williams (Deputy Administrator, State Health Division, Department of Health and Human Services):

I do not have any answers for the differences. What we put together anticipates what was outlined in the bill for a biostatistician II and an administrative assistant IV position, plus operating expenses. We will look at that again to see how it measures up to the appropriation in the bill to ensure our costs are accurate.

Chair Smith:

Is this ongoing, or is it a onetime expense for collecting this information and developing a system?

Ms. McDade Williams:

It would be ongoing. The data transfers and maintenance of the system will always need oversight.

Chair Smith:

We constantly hear there is a need for more data to help us obtain grants. It is a vicious cycle. Are there grant opportunities for jump starting this, or the possibility of using Tobacco Master Settlement Agreement (MSA) funds?

Ms. McDade Williams:

We can look at what grant opportunities are available. My sense is that we have already applied for everything we were eligible for. However, grant funding is not permanent. Therefore, we could use grant funding for software and those types of things, but ongoing staff is more difficult. I am not prepared to make a commitment from MSA funds or anything else, but we can speak with the DHHS director's office to see what other options are available.

Chair Smith:

We have also added biostatistician positions in a couple of areas. Is there a possibility that they could work on the Trauma Registry as well?

Ms. McDade Williams:

No. They are dedicated to other activities. We have done our best to piece all of this together. It is just not possible without some dedicated funding. We continue to try to get there, but as those funding sources are eliminated, we are back to square one.

Chair Smith:

Please explore some use of MSA funds. I would be interested in using those funds for something like this, rather than starting a whole new program.

I will close the hearing on S.B. 205 and we will continue to search for the funding. I will now open the hearing on S.B. 238.

SENATE BILL 238: Makes various changes relating to taxation. (BDR 32-973)

Senator Ben Kieckhefer (Senatorial District No. 16):

This bill transfers the authority to oversee appeals of real property transfer tax decisions from the county recorder's office to the State Department of Taxation. Under the current system, an appeal is made to the county recorder's office and that recorder reviews the appeal. This creates scenarios in which there can be a different set of guidelines for each of the 17 counties. It is not done very often, but it can be difficult for some of the smaller counties when there are significant appeals in place. A fiscal note has been submitted by the Department of Taxation. They indicate an annual fiscal impact of approximately \$6,000 due to this transfer because appeals of real property transfer tax decisions are rare. The fiscal note submitted by the Department of Taxation indicates that fewer than 30 appeals have been heard by the counties in the last 5 years.

Alan Glover (Clerk-Recorder, Carson City):

Senate Bill 238 is a straightforward bill. It transfers the appeal process from a hearings officer appointed by a county recorder to the Department of Taxation. During the 20th Special Session in 2003, the Legislature added an additional tax rate of \$1.30 to the existing tax rate of 65 cents per \$500 of assessed value on the transfer of real property. For counties whose population is over 70,000, i.e., Clark County, the rate is \$1.25. The additional tax rate of \$1.30 is paid to the State General Fund. Thus, the General Fund receives about 93 percent of the tax collected by the county recorder's offices. This bill was brought forward in the spirit of *Nevada Revised Statutes* (NRS) 375.019 which states:

The Department shall, to ensure that the tax imposed by NRS 375.023 is collected fairly and equitably in all counties, coordinate the collection and administration of that tax. For this purpose, the Department may conduct such audits of the records of the various counties as are necessary to carry out the provisions of NRS 375.023.

The recorders want this tax collected fairly and equitably in all the counties and we believe this bill goes a long way toward that. By utilizing professional hearings officers who have an understanding of NRS 375, the issue of receiving different interpretations of the statute is eliminated. It gives the Department the authority to appeal the decision of the hearings officers. This is something they do not currently have.

For the counties, it relieves the expense of retaining hearings officers and gives us a cohesive interpretation of the law. For the taxpayers, it reduces the time it takes to receive a decision. In Carson City, for example, there was an aggrieved party who requested a refund on August 2, 2011, and the hearings officer did not render a decision until January 13, 2012. It took us several months just to find a hearings officer because Carson City does not have a dedicated hearings officer. Therefore, we had to look for one. We were turned down by several qualified hearings officers because they were required to contract with the City, which requires a \$1 million bond and a business license. We finally entered into a contract with a local law firm to handle the appeal. I do not think it is fair to a taxpayer to have to wait that long to get a decision.

Chair Smith:

Is the fiscal note accurate the way we have it?

Mr. Glover:

Yes.

Chair Smith:

The hearing on S.B. 238 is closed. I will now open the hearing on S.B. 255.

SENATE BILL 255 (1st Reprint): Limits the use of certain property or the proceeds of certain property by the Board of Regents of the University of Nevada. (BDR 34-632)

Senator Pete Goicoechea (Senatorial District No. 19):

The existing law requires that before any sale or lease of Nevada System of Higher Education (NSHE) property can occur, the sale or lease is to be approved by the Governor. The NSHE argued the law was unconstitutional. I have submitted a letter with a legal opinion from Brenda Erdoes, Legislative Counsel ([Exhibit D](#)). The opinion states that until NRS 396.430 is judicially determined to be unconstitutional, it remains constitutional and enforceable. It is further the opinion of this office that S.B. 255, which proposes to amend NRS 396.430, is similar and enjoys the same presumption of constitutionality.

Most of the bill pertains to those facilities held by the Nevada Agricultural Research System. There have been some valuable properties where portions of rights-of-way and easements have been sold. With this bill we are asking that any proposal submitted by the NSHE Board of Regents be approved either by

this Legislative body if we are in Session, or by the Interim Finance Committee (IFC). We feel there needs to be some oversight regarding these properties. The existing law says the Governor shall sign and approve. There have been sales that have occurred without approval. We feel it would be appropriate for this body or the IFC to at least review what properties are going to be disposed of and/or what they are proposing to do with those revenues.

Senator Kieckhefer:

I read the bill differently than what you described. I want to make sure I understand it correctly. The sale of the property can actually occur as long as the proceeds are reinvested into the Nevada Agricultural Research System. If they are going to be used for any other purpose, that would need to be approved by the Legislature or IFC, is that correct?

Senator Goicoechea:

We need some oversight. I do not care if they are going to put it back in the same system. We are more concerned when there are actual transfers of property and funds.

Doug Busselman (Executive Director, Nevada Farm Bureau):

We believe this legislation is essential for the protection of the University of Nevada, Reno (UNR) Main Station Field Laboratory to keep it from further sales and land use changes which diminish our ability to conduct relevant agricultural research. During the hearing in the Senate Committee on Education, the Legislative record was established which traced the lineage of donations and support followed by land trades and processes which eventually resulted in the combinations that came together to form the Main Station farm property.

Over the past several years, we have witnessed several sales of land and water rights with the Board of Regents setting aside Board Resolution No. 81-8 that requires them to reinvest the proceeds of these transactions in agricultural research and education. Most recently, we have also dealt with the zoning change to convert another portion of the property from agricultural use to commercial designation, further demonstrating the intention to move away from meaningful agricultural research. In addition to our support for S.B. 255, I would like to submit the resolution adopted by the Advisory Board for the College of Agriculture, Biotechnology and Natural Resources in support of continuing the agricultural research mission for this property entitled "Resolution In Support Of Main Station Agricultural Research Farm" ([Exhibit E](#)).

We have no problem with selling or renting the land or other assets provided the proceeds are returned for agricultural research and education. Our biggest challenge has been the Board of Regents setting aside their resolution. From our point of view, we need Legislative oversight in order to protect this important property and our agricultural research mission.

Neena Laxalt (Nevada Cattlemen's Association):

I agree with Mr. Busselman.

Chair Smith:

There is a small fiscal note on this.

Senator Goicoechea:

The \$18,000 fiscal note goes away if the Legislature performs the oversight.

Ann Bollinger:

As a public employee, I need to disclose that I work for Carson City in the Parks and Recreation Department as a natural resource specialist. I am not here representing Carson City, or their views. I am representing myself, a Reno resident and graduate of the UNR's College of Agriculture with a master's degree. I would like to specifically address those of you who doubt or have concerns, about whether the Legislature, or the NRS, should place such restrictions as identified in S.B. 255 on the Board of Regents and NSHE. Similar bills have been introduced in the past, all of which have been opposed by the Board of Regents. After a near-successful attempt in 1981, the Board of Regents embraced the concept and adopted Resolution No. 81-8. This resolution was effective for nearly 25 years. In recent years, the President of UNR has requested an exemption four times. In all four transactions, the Board of Regents agreed, though it was not unanimous. In addition to disregarding their own policy, the UNR Administration and the Board of Regents have ignored the laws requiring the Governor's approval on the sale of land and water and the requirement to hold a public hearing on the sale of water rights.

The UNR has suffered significant budget cuts as well as issues and debts associated with the failed Fire Science Academy in Elko County, which is currently estimated at \$12 million. Recent actions and transactions by the Board of Regents demonstrate their intent to "dispose of their assets" by selling agricultural land and water rights to pay down debts. As of January, they have foregone payment toward the debt and instead allocated \$7 million toward the

new facility on the main campus. The agricultural lands located within the Reno area, and with ready accessibility to the campus, are not vast. Prior to 2005, UNR managed approximately 1,500 acres. Since 2005, UNR has sold 516 acres of agricultural and agricultural-experiment land. Recently, another 100 acres of the Main Station Field Laboratory has received preliminary approval toward zoning for office and commercial development. Approximately 812 acres of the Main Station Field Laboratory remain in agricultural use at the present time.

The University recently sold 42 percent of the agricultural and agricultural-experiment station land in, and near, the Reno-Sparks area. Sales of land and water from the Main Station Field Laboratory resulted in nearly \$26 million in proceeds, of which only \$4.5 million has been used toward agricultural purposes. That is equal to 17 percent of the proceeds. Those proceeds could have been used on existing agricultural lands. There are aging buildings and infrastructure and a demonstrated demand for additional facilities. As a scientist, I collect and analyze data regarding UNR and the Board of Regents. The data and trends demonstrate they need funding and are willing to dispose of their agricultural land and water rights to meet those needs. Agricultural lands have been a significant asset to the University for the past 100 years. These lands provide incredible education and research opportunities. Everyone should be deeply concerned that UNR's hasty actions are resulting in long-term losses for the University, the students and the community. This is the time to take action and protect one of the founding principles of the University. I would like to emphasize that once these lands are sold, they are lost forever. Therefore, I encourage your support for S.B. 255.

Joseph Guild (Nevada Agricultural Foundation):

On behalf of the foundation, we express our support for S.B. 255 and urge your passage of this bill.

Ronald Zurek, M.B.A. (Vice President for Finance and Administration, Nevada System of Higher Education):

I am here in opposition to S.B. 255. As you know, this bill seeks to legislate how proceeds from certain unrestricted asset sales and leases are to be used. In our view, such decisions are the constitutional responsibility of the duly elected Board of Regents of the NSHE. Currently, that authority is exercised by the campus administration with the oversight and approval of the Board of Regents. Beyond that, we believe the operational flexibility over the strategic use of institutional resources must be maintained in order to be able to meet the

changing needs of students, programs and services in ways that help the greatest number of students. The need for such flexibility has never been clearer as we struggle each day to deal with the impacts of an ongoing \$75 million budget reduction in our annual budget that grew out of the past several years.

To be clear, the policy and the practice at UNR and throughout NSHE is to honor all restrictions placed on acquired assets by federal policy, a donor, a bequest or recorded in the title. For example, when the S Bar S Ranch in Wadsworth was sold, the University met the terms of a bequest through which the University and the Board of Regents acquired that title. The president consulted with the dean of the College of Agriculture, Biotechnology and Natural Resources and the asset proceeds were permanently endowed for the benefit of the college.

However, proceeds of asset sales not otherwise restricted are used with the approval of the Board of Regents and for the benefit of the students and faculty of the entire University. We are constantly being asked by Regents, Legislators and stakeholders to become more and more entrepreneurial in the way we garner, allocate and expend our resources. How does such a request correspond with the imposition of a limitation on our unrestricted asset sales such as S.B. 255 seeks to do? Some people point to the sale of certain unrestricted Main Station farm property in Reno that went to the Washoe County Regional Transportation Commission for the southeast-connector roadway as an example of selling off agricultural land simply to pay off UNR's long-standing Fire Science Academy capital debt, which in fact is what it did.

But that is not the end of the story. With the debt paid off, the student fees that serviced that debt for over a decade are being used to construct new facilities on the UNR campus that will benefit all 18,000 of our undergraduate and graduate students. Senate Bill 255 would not have permitted us the kind of managerial flexibility to quickly redeploy institutional resources in a way to benefit all of our students. For the reasons and examples cited, I hope you can understand why UNR is opposed to the passage of S.B. 255. For NSHE, this entire Legislative Session has now shifted the focus on outcomes and not inputs. That is what the new funding formula is about. Please allow campuses and the Board of Regents to do their jobs. Judge us and judge our stewardship on our overall outcomes, our student recruitment, our retention rates, our graduation rates, our research, our national academic rankings. I have provided a copy of my written comments ([Exhibit F](#)).

Senator Goicoechea:

I am asking you as a Committee to please consider the need for some oversight. That oversight should be provided by the Legislature or the IFC. Transparency should not be an issue. If it is a problem to bring the transaction before the Legislature, then maybe there is something wrong with the transaction.

Chair Smith:

We will move on to the hearing on S.B. 291.

SENATE BILL 291: Requires the board of trustees of certain school districts to establish a prekindergarten program to teach children who are limited English proficient. (BDR 34-857)

Senator Michael Roberson (Senatorial District No. 20):

I am here to introduce S.B. 291, which appropriates \$40 million over the biennium, or \$20 million per year, to fund a prekindergarten English-language learner (ELL) program in Clark County. The latest data based on students of all ages enrolled in public school for the 2010-2011 school year indicates that 19 percent of Nevada's total public school enrollment is classified as limited-English-proficient students. The same report indicates that Arizona is at 7 percent and New Mexico is at 16 percent. That data represents students enrolled in kindergarten through Grade 12, but does not address the children who have not even started school. Children from households in which English is not the primary language have limited exposure to the language skills they will need to be successful in school. The new academic emphasis on common core state standards that now begin in kindergarten makes this skill a prerequisite for success. We can all agree that our youngest ELLs need this type of assistance before they start their regular academic program in our public schools. Senate Bill 291 is designed to begin the process of addressing this need.

The purpose of S.B. 291 is to provide a high-quality prekindergarten for children with limited proficiency in English. Section 1 indicates the program will be limited to the Clark County School District (CCSD). Subsection 2 of section 1 provides that the curriculum for children in this program will include academic instruction, developmental components and elements that promote critical thinking. Subsection 3, line 20, beginning on page 2 of the bill, provides for a pretest and a posttest in English-language proficiency for these children. The CCSD's Board of Trustees is required to provide professional development

for the educational personnel involved in the program. The District must also provide an annual evaluation of the program and report its findings to the Department of Education (NDE).

To fund the program, section 2 of the bill appropriates \$20 million each year of the coming biennium to the CCSD. Any amount that remains unspent each fiscal year will revert to the State General Fund. The program established by this bill will go a long way toward meeting this need while also providing information about its impact. Programs like this, that help our youngest ELL students, can help our schools avoid the need for additional programs and assistance in later grades. I started working on this prior to this Session with Pat Skorkowsky and Joyce Haldeman from the CCSD. When this bill was first heard in the Senate Committee on Education, the District came to support the bill. The CCSD has been very involved in tracking this bill. The Clark County Education Association testified in support of the bill, as did the Nevada State Educational Association. Our majority leader, Senator Mo Denis, is a cosponsor of this bill.

Joyce Haldeman (Clark County School District):

As Senator Roberson stated, last summer he contacted us and wanted to know what programs would be most effective to help our ELLs. Mr. Skorkowsky and I met with him a number of times and this bill is the result of those conversations. Mr. Skorkowsky feels strongly that the most important thing that we can do for our ELLs is to capture them at the youngest age possible and help them develop those language skills. This bill provides a prekindergarten program for students with the highest need. This is an excellent opportunity for us to demonstrate what we can do as we work with children at their earliest age. We are supportive of this bill and appreciate Senator Roberson contacting us and asking us what we thought would be effective.

Chair Smith:

I appreciate this discussion because we have known for a long time that this is an area that we have neglected to fund in this State. We need to do something about weighting the formula for the ELL if we are to close the student achievement gap.

Why is this program only for Clark County? It is a large sum of money and we have thousands of ELLs in Washoe County, not to mention some of the rural counties.

Senator Roberson:

The short answer is that I started working on this with the CCSD and I asked them what works best for them. Since I introduced this concept, I have always said that I would love to make this a statewide program. We can certainly look at doing that. Now that Governor Brian Sandoval has proposed \$50 million in funding for ELL programs and between 80 percent and 90 percent of the ELLs statewide are in Clark County, the numbers match up. If \$40 million goes to Clark County, maybe the other \$10 million can go to other areas of the State for similar programs.

Ms. Haldeman:

This is a pilot program, which will include professional development of prekindergarten teachers specifically on methods that are most effective in helping children who have not yet gone to school to learn English. Some reporting requirements are in the bill so that the success of the program can be reported to the NDE and best practices can be developed for the rest of the State. That was part of the thinking as we put this together.

Chair Smith:

I will state for the record "that I feel that the counties in this State should rise and fall together." While the numbers in the rest of the State may not be as large, when people consider moving to our State and businesses consider relocating, they look at the State data as a whole. I think it is incumbent upon us to think in that context so that all of our data and our graduation rates go up.

Senator Denis:

I appreciate being able to have this discussion about things we can do with ELL. I spoke with the principals in my district within the last few weeks. One of the things that I found amazing was the fact that there are prekindergarten children testing at first grade level at this time of year. We are asking more of our children today than we ever have and if they come prepared when they enter kindergarten, they will do better in first grade.

Senator Kieckhefer:

Where are you going to find all the prekindergarten children? Right now children are not required to enter school until the age of 7, although most children start earlier than that. Where will the CCSD capture these youth and where will they be served? Will they be served in Head Start programs or be brought into the schools? How do you envision this will work?

Ms. Haldeman:

Space is available in most of the schools with the highest ELL populations. We would put these programs in those schools. There has been talk about converting some of those schools to year-round calendars, which frees up even more space for students, particularly because children who speak English as a second language lose so many English skills over the long summer. No decision has been made. If necessary, we could rent storefront space in strip malls in areas close to the students that would be served because it does not require a traditional school campus. We think that under various scenarios we can find a place for these children in the schools that would be served.

Senator Kieckhefer:

How do you identify the students you are going to serve?

Ms. Haldeman:

We look at the schools with the highest ELL population. We have a program where we identify younger siblings and put them in the program.

Senator Roberson:

It was my understanding from talking to the school principals and the teachers during the interim that there are waiting lists to get into these programs. There is no State funding for this. We get limited federal funding and it only serves a fraction of the number of students that are waiting to get into programs like this. I do not think there will be a problem with identifying those students.

Chair Smith:

The appropriation is straightforward and not an actual fiscal note.

Hearing no further comments, I will close the hearing on S.B. 291 and open the hearing on S.B. 387.

SENATE BILL 387 (1st Reprint): Revises provisions concerning the insuring and registering of motor vehicles. (BDR 43-452)

Senator David R. Parks (Senatorial District No.7):

I am here to present S.B. 387. This bill was heard in the Senate Committee on Transportation where it was amended and rereferred to the Senate Committee on Finance due to a fiscal impact.

Several things were put into the bill that were not at my request, but there were two issues that I sought to have resolved. One of them came about as a result of the Las Vegas Constable's Office citing numerous "snowbirds" and other individuals who were driving vehicles that were registered out of state while the owners were temporarily living in southern Nevada. My intent with the bill was to get a better definition of what a seasonal resident is. That is an issue that I do not believe the DMV has fiscal impact on.

However, there was one other issue that I asked to have included in the bill which deals with individuals who own multiple vehicles and allow their insurance to lapse and then receive a citation because it lapsed for more than 10 days. I received correspondence during the interim from an individual who felt that because the insurance premium was not paid for all the vehicles, only the one vehicle should be charged the fee for the lapse. A 10-day lapse, as I understand it, would have resulted in a \$250 penalty. However, since the individual owned three vehicles, the penalty turned out to be \$750.

One of the requests I submitted was to amend NRS 482.557 to distinguish between a vehicle and an insurance policy. That is where the issue of revenue becomes significant and important for this Committee to consider. I have with me individuals from the DMV to discuss the fiscal impacts.

Sean McDonald (Administrator, Division of Central Services and Records, Department of Motor Vehicles):

As noted on the Nevada Electronic Legislative Information System (NELIS), we have a significant fiscal impact with this, due in large part to the fact that if there were three vehicles under one policy, and that policy lapsed, all three of those vehicles would be uninsured. As outlined in the bill, initially we would only impose a fine on one of those vehicles. The largest part of this is in the fines and fees, but there were some registration fee impacts, as well as governmental services tax impacts. I have with me Doreen Rigsby who is an expert on the Nevada Liability Insurance Validation Electronically program.

Senator Kieckhefer:

Does the requirement for insurance pertain to the operation of the vehicles on our roads or is it specific to the registration of the vehicle?

**Doreen Rigsby (Services Manager, Division of Central Services and Records,
Department of Motor Vehicles):**

It is per registration. Insurance must be maintained on each vehicle while actively registered.

Senator Kieckhefer:

If a person is stopped by a police officer, is the officer checking the registration of all vehicles that would otherwise be listed on an insurance policy, or just on the vehicle that was being used at the time that person was stopped?

Ms. Rigsby:

They are checking every registered vehicle. If your vehicle registration expires and you leave it parked in your yard, we would not be checking for insurance during the expired registration. If it is actively registered for the full year, we would be checking with the insurance company periodically to make sure you are still maintaining insurance.

Senator Parks:

I was surprised to see there was a number of bills that dealt with numerous issues regarding vehicle registration. However, mine was the only bill that dealt with this specific issue. If we could talk a little more about it with the Agency, I think it is more of a policy issue from the perspective of whether it should be one vehicle or one insurance policy. We hope to be able to bring something back to you on that. I did not realize there would be such a large fiscal impact.

Chair Smith:

Hearing no further comments, I will close the hearing on S.B. 387. I will now turn the gavel over to the vice chair.

Senator Woodhouse:

I will now open the hearing on S.B. 182 which expands full-day kindergarten (FDK) in public schools.

SENATE BILL 182 (1st Reprint): Expands full-day kindergarten in public schools.
(BDR 34-138)

Senator Debbie Smith (Senatorial District No.13):

This bill was passed out of the policy committee and came here because of the sizable fiscal note which requires the expansion of FDK kindergarten in all of our public schools.

The Governor's budget expands FDK in some of our schools and makes good progress toward that. We still need to discuss how much additional money will be available, after the Economic Forum forecast and other sources, to add money in ways such as this and the former discussion that we had on the ELL.

My handout, entitled "Proposed Amendment 9004 to Senate Bill No. 182 First Reprint" ([Exhibit G](#)), would eliminate the requirement for full-day kindergarten in all of our public schools. The policy in this bill to make kindergarten mandatory is an important piece of this legislation. The fiscal note would be eliminated because the requirement is eliminated. The important piece of this is the decision by the policy committee to require FDK in all our public schools. Section 8 contains a waiver process for parents who choose not to send their children to kindergarten, which is what we currently have in place. This bill will put us in line with most of the Country by making kindergarten mandatory in Nevada. It removes the fiscal note by requiring that all schools provide FDK. I would love to see us get there, but I want to make sure the policy in this bill moves forward and we can talk about funding in a separate discussion.

Senator Kieckhefer:

The main policy modification changes the age requirement from 6 years old to 5 years old, but there is still the ability for a parent to exempt themselves out of that for a year. The original bill exempted private schools as well as home schooling. Is that still the case?

Senator Smith:

The home schooling provision remains the same. There was a request in the policy committee to have a separate provision for home schooling, but, if you allow parents to exempt themselves or use a waiver for their child not to attend, it accomplishes the same goal. The other home school provisions are not affected by this.

Craig Stevens (Nevada State Education Association):

We fully support S.B. 182 and the proposed amendment. This is an important program and, at some point, it will need to be in every school. The changes in

this bill are also good because we can begin talking about class size reduction. This is a great first step.

Lindsay Anderson (Washoe County School District):

We are here in support of S.B. 182 and the proposed amendment. Part of our platform has always been access for early childhood for as many students as possible. We offer FDK at almost all of our schools, but it is in this bifurcated system where some are required to pay for kindergarten and some receive free FDK. We look forward to expanding this within our school district.

Ms. Haldeman:

The CCSD is in full support of this bill. The children that could have been in FDK years ago are probably graduating this year. However, it does not make it any less of an important concept and we are in full support. In the CCSD, we have approximately 12,000 students attending FDK that is paid for by the State. Approximately 2,500 of them are attending FDK in a tuition-based kindergarten program. There are another 10,000 students that do not have access to FDK. Those are the students we feel we need to reach and help them have access to FDK. We would like to see FDK without having a tuition-based program because that is unfair to the children whose parents cannot afford it.

Senator Kieckhefer:

Right now, students are not required to go to school until the age of 7. What age do most children begin attending school?

Ms. Haldeman:

The vast majority attend kindergarten at the age of 5. If you would like, I can get the specific numbers.

Senator Kieckhefer:

If we make kindergarten mandatory at the age of 5, will there be an increase in the number of students attending which would result in a fiscal impact?

Ms. Haldeman:

I am not expecting that we are going to have 10,000 more kindergarten students show up. It will be in numbers that we can absorb in the existing classrooms. We want to make sure that every child goes to full-day kindergarten.

Mary Pierczynski (Nevada Association of School Superintendents):

We are in full support of S.B. 182. We can do so much more with our students in FDK. Not only can you teach them English language arts, but you also have the opportunity to teach math and science skills. It is an expansion of our academic program and will increase our academic performance here in Nevada which we are all aiming for.

Tami Berg (Nevada Parent Teachers Association):

We have over 18,000 members statewide who support FDK.

Dotty Merrill, Ed.D. (Nevada Association of School Boards):

We are also here in support of this bill. In testimony before the policy committee, we heard that the states with the highest educational rankings have the common denominator of offering FDK. Those states include Maryland, Massachusetts, New York, Arkansas, New Jersey, Georgia, Ohio and Florida. We would certainly like to see Nevada join that group. I want to share that on January 25, the Executive Committee and the Board of Directors for the Association, representing all 17 schools boards, voted unanimously to support this policy and to continue support of this bill.

Gabriel Fanning:

I am a member of Carson Montessori Charter Schools. I am here to speak in favor of S.B. 182. My written testimony is attached ([Exhibit H](#)).

Julisa Saenz:

Senate Bill 182 has many good points beyond FDK, including regulations that will help schools enforce attendance. In Carson Montessori's case, it is the school of choice for the National Guard. It will help our students whose parents have to deploy. My written testimony is attached ([Exhibit I](#)).

Senator Roberson:

I am so impressed with the testimony from each of you. It gives me hope for this State going forward. After hearing your testimony, I do not know how anyone could vote against this bill.

Senator Woodhouse:

We may see these two individuals one day sitting in chairs like these making the decisions for our State. You put the right tone and face on this bill and we appreciate your coming forward.

John Wagner (Independent American Party):

If the fiscal note has been removed, who is going to pay for this? I have not seen physical proof that FDK is going to make any difference. I do not remember my kindergarten. I do not think it is money well spent and I do not know how a \$90 million fiscal note suddenly disappears. Who is paying for all of this? I oppose this bill the way it is.

Senator Denis:

I remember the milk and cookies and the naps, but they no longer do that in kindergarten. We have children now that are leaving kindergarten with the ability to read, and know their alphabet. Some are better prepared than others. You can always tell the difference between the children that attend preschool. We are requiring so much more of our children than we had to do when we were children. The one thing the principals in my district talk about is that they want FDK because it gives them the opportunity to prepare their children for first grade. Children that do not attend FDK will begin first grade far behind and we will never get them to where they need to be by the third grade. It is important that we have FDK in all of our schools.

Senator Smith:

I did not recruit the legislative committee from Montessori to come and testify today. They were a very nice surprise. There is no comparison between what children used to be required to know to what they are required to know today. The standards and expectations are higher. When our students move to first grade we would hope that more of them would be on the same page. Until we get our requirements on the same page, it is going to be difficult having first graders who enter first grade at extremely different levels of preparation. I think this bill moves us one step in that direction.

The fiscal note did not magically disappear. The fiscal note goes away because the language is amended to take out the requirement for all schools to provide FDK. That negates the fiscal note on this bill, because the fiscal requirement is no longer there. There is nothing magical or nefarious about it.

Senator Woodhouse:

Hearing no further comments, I will close the hearing on S.B. 182. I will return the gavel to Chair Smith.

Chair Smith:

I will open the hearing on S.B. 308.

SENATE BILL 308: Revises provisions governing certain tax exemptions for veterans. (BDR 32-644)

Senator Pat Spearman (Senatorial District No. 1):

Nevada provides veterans with tax exemptions in the amount of \$2,000 of assessed value on either property tax or governmental services tax for vehicles. The veteran must be a resident of Nevada who has served a minimum of 90 continuous days on active duty during a specified period of time and is either still serving in the United States Armed Forces or has received an honorable discharge.

This bill extends the period of eligibility. I am sponsoring this bill because I had constituents who are veterans of the Iraq War inform me they cannot access the same benefits that other veterans receive. This bill captures those veterans who have served between January 1, 2001, and December 31, 2014. The dates are inclusive because those who were on active duty on September 11, 2001, had a stop loss, which is a U.S. military term meaning a soldier cannot leave the military or retire. Those who were on active duty, in the reserves, or the National Guard at that time could not leave. Therefore, I wanted to capture those dates.

A fiscal note was attached. I sent an email to the Committee members basically stating that what was attached was not accurate because they were looking for it in perpetuity, but that is not the case. I am trying to ensure that veterans who served during those previous wars are able to access this tax benefit. I am including National Guard and Reservists because prior to Iraq and Afghanistan, the Reservists and the National Guard were a small part of any combat that we participated in. These two wars were the first time that two-thirds of the fighting force came from the National Guard or the military reserves. They are not "weekend warriors" any more. They should have the opportunity to participate in this tax credit program.

Chair Smith:

I think this is important. The way we look at the Guardsman and the so-called "weekend warriors" has certainly changed.

Terry Rubald (Chief, Division of Local Government Services, Nevada Department of Taxation):

My handout is entitled "BDR 32-644 Fiscal Note, Nevada Department of Taxation, March 13, 2013" ([Exhibit J](#)), which may help to explain how we arrived at this. The top chart in [Exhibit J](#) indicates that in fiscal year (FY) 2013-2014 the population of all veterans is 226,000, 169,300 of which were wartime veterans. Of the 169,300 veterans, the exemption currently serves up to 135,800. However, only 19,200 have claimed the exemption. That is an exemption claim rate of approximately 14 percent. These numbers were made available through the U.S. Department of Veterans Affairs.

The numbers in the bottom chart are the 169,300 wartime veterans in FY 2013-2014, less the ones that are currently eligible, which provides the total amount of veterans. In FY 2013-2014, there are 33,500 veterans who could be eligible. We multiply that number by the exemption amount to get the amount in taxes. In order to determine the percentage of probable exemptions claimed, we applied the 14 percent that currently apply for benefits to the additional number of veterans. For FY 2013-2014, the percentage of probable claims would be approximately 4,700 veterans multiplied by the assessed value. We were estimating the amount would be \$121,000 in FY 2014-2015. That is how we developed the fiscal note.

Chair Smith:

Has the fiscal note changed from your original fiscal note?

Ms. Rubald:

No. I am not aware of any amendment.

Chair Smith:

Does the fiscal note stand at \$157,000?

Ms. Rubald:

I believe it is \$247,000 for future biennia.

Senator Spearman:

Under current law, any veteran who has served during wartime or during the period of time where a medal was authorized, should be eligible for this benefit, but, for some reason, when they go to the DMV, they do not get the benefits cited in NRS 361.090.

The bill states that any veteran who "has served on active duty in connection with a campaign or expedition for service in which a medal has been authorized by the Government of the United States, regardless of the number of days served on active duty, and who received, upon severance from service, an honorable discharge or certificate of satisfactory service from the Armed Forces of the United States, or who, having so served, is still serving in the Armed Forces of the United States, is exempt from taxation."

Chair Smith:

If it is true that some of these people should already be receiving these benefits, Ms. Rubald, will you continue to work with Senator Spearman to see whether we have a different fiscal note?

Ms. Rubald:

I appreciate Senator Spearman pointing out the language in Section 1, subsection 1, paragraph c) regarding the active duty medal. Most of the eligible persons would already be included in our analysis. We would therefore like to withdraw the fiscal note based on that information.

Chair Smith:

Hearing no further comments, I will close the hearing on S.B. 308. That completes all the bills scheduled for our hearing today. I will now open the Work Session with S.B. 83.

SENATE BILL 83 (1st Reprint): Revises provisions relating to animal fighting.
(BDR 50-148)

Mark Krmpotic (Senate Fiscal Analyst):

This bill was heard on May 4 in Committee and would become effective on October 1, if implemented. The bill increases the punishment for first offenses related to knowingly keeping a house, apartment or pit for the use of baiting or fighting any animal and increases the punishment from a gross misdemeanor to a category E felony. It increases the penalty for a second offense from a category E felony to a category D felony. The bill also prohibits a person from manufacturing, owning or possessing a gaff, spur or other sharp implement designed for attachment to a cock, or other bird, with the intent that the implement be used in fighting another cock, or other bird, and increases the penalties for the same. The Nevada Department of Corrections (NDOC) submitted a fiscal note estimated at about \$43,000 in the first year and

\$146,000 in the second year. The Department indicates that limited data is available, but data was acquired from Clark County and the Washoe County Sheriff's Department for animal cruelty cases.

The Department assumes the revision in section 1, subsection 2, paragraph (a) of the bill could result in 6.9 new incarcerations per year. The Department indicated at the hearing that the fiscal note was based on information from local government agencies. It was noted in testimony during the hearing that a bill that addressed dog fighting, where no fiscal note was submitted, was passed in 2009 as A.B. No. 199 of the 75th Session. Fiscal Staff reviewed this bill and the bill incorporated the punishments currently in statute for owning or selling an animal that is intended to be used to fight another animal. At the time the NDOC submitted a fiscal note indicating that while data was not available regarding the type of offense mentioned, it did not anticipate a material impact in the upcoming biennium. However, if an impact had been identified during the 2009-2011 biennium, it would have been incorporated into updated population projections for future biennia.

It was also noted during the May 4 hearing on S.B. 83 that strengthening animal fighting laws would cause those associated with these activities to seek out another location where the laws are not as stringent. One might conclude from this the potential for the occurrence of these offenses that are punishable through incarceration may decrease if laws are passed. As of now, the fiscal note still stands and I do not believe there was any wavering of that by the NDOC at the May 4 hearing. However, it would appear that there is no hard data. I know some information was obtained from the Sheriff's offices; but the statutes have been in place with respect to the first offense being categorized as a gross misdemeanor and the second offense a category felony.

Senator Goicoechea:

After sitting on the Senate Committee on Natural Resources that heard this bill, I am concerned about the NDOC putting a fiscal note forward with this. If we allow that to stop this bill, why are we even here?

Chair Smith:

After hearing the testimony from the NDOC, I was very concerned that, if it was accurate, it brings people to this State for the purposes of this illegal

activity and we would be one of the few states remaining without prohibition. It is appalling to me that we would allow that to happen. I think we need to do the right thing.

SENATOR GOICOECHEA MOVED TO DO PASS S.B. 83.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Smith:

Staff has advised me there is an amendment on this bill; therefore, we need further action on S.B. 83.

SENATOR GOICOECHEA MOVED TO DO PASS AS AMENDED S.B. 83.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Smith:

We will now discuss S.B. 84.

SENATE BILL 84 (1st Reprint): Revises provisions governing the compensation of members of the State Board of Equalization. (BDR 32-547)

Mr. Krmpotic:

This bill was heard on May 14. If implemented, the bill would become effective July 1. The bill revises the compensation rate for members of the Department of Taxation's State Board of Equalization from \$80 each day worked to \$150 each day worked. A fiscal note was submitted by the Department of Taxation which indicated an impact of approximately \$97,000 per year. However, the fiscal note was based on the original bill which called for an annual salary for the members of the Board. The bill was amended by the Senate Committee on Revenue and Economic Development, which changed the salary to a daily

salary. Based on the amended version of the bill, the Department of Taxation testified at the May 14 hearing that the annual costs associated with the increased daily salary was \$11,900. During the meeting, Senator Parks said he calculated the costs at \$7,000 per year and it was indicated at the hearing that the daily rate was based on other Boards with similar workloads and complexities of issues.

Chair Smith:

The fiscal note has been reduced to a reasonable amount. What is your position on moving this forward?

Senator Parks:

I support this revised amount of \$150 per day. The workload is quite demanding with the analysis that has to be done as well as the amount of preparation time required. It seems the duties are in line with other boards that pay \$150 per day. This is a thankless job. I think it is well worth \$150 per day.

Senator Goicoechea:

On the Board of Equalization, you do not make any friends. If it is not worth \$150 per day, I am concerned about that.

Senator Kieckhefer:

I voted against this bill in the Committee on Revenue and Economic Development and I am going to maintain that policy. Senator Parks has done a good job in his revisions of the bill, but I am going to remain consistent and vote against it.

SENATOR GOICOECHEA MOVED TO DO PASS S.B. 84.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS KIECKHEFER AND ROBERSON VOTED NO.)

* * * * *

Chair Smith:

Staff has advised me there is an amendment on this bill, therefore, we need further action on S.B. 84.

SENATOR GOICOECHEA MOVED TO DO PASS AS AMENDED S.B. 84.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS KIECKHEFER AND ROBERSON VOTED NO.)

* * * * *

Chair Smith:

We will now discuss S.B. 113.

SENATE BILL 113 (1st Reprint): Makes various changes to provisions governing the termination of parental rights. (BDR 11-434)

Mr. Krmpotic:

I will give the members a minute to review proposed Amendment 8713 to S.B. 113 submitted by Senator Scott Hammond ([Exhibit K](#)). This bill requires the Health Division to establish a registry of Putative Fathers and maintain a statewide campaign to ensure the public is aware of the existence and purpose of the registry. The measure expands the definition of a putative father to include a person who is not the presumed father, has not acknowledged paternity and has not been determined to be the legal father of the child. The proposed amendment provides that the Health Division shall, to the extent the money is available, adopt regulations to carry out the provisions of sections 1 through 9 as soon as practicable after receiving money through gifts, grants and donations.

The amendment also modified section 25 by changing the effective date of sections 1 through 5, sections 9, 10, 11, 23.5 and section 24, effective upon passage and approval, and sections 6 through 8 and sections 12 through 23 upon the date on which the Health Division determines the Registry of Putative Fathers is operational. The fiscal note submitted on the bill called for expenditures of approximately \$181,000 the first year and \$115,000 the second year of the biennium. Those expenditures would be offset by fees generated in the bill. Under section 10, the bill provides for the Health Division's State Board of Health to adopt regulations to carry out the provisions of the bill. The regulations adopted by the State Board of Health must provide for a reasonable fee to conduct a search of the registry and provide for certified

copies of the registration form. Ms. McDade Williams indicated that the registry would be included in the vital records budget account.

Chair Smith:

The amendment also states "to the extent that money is available," which I am assuming helps the situation.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 113.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Smith:

We will now discuss S.B. 164.

[SENATE BILL 164 \(1st Reprint\)](#): Revises provisions governing safe and respectful learning environments in public schools. (BDR 34-454)

Mr. Krmpotic:

Senate Bill 164 was heard on May 4. If implemented, the effective date of this bill will be July 1. The NDE submitted a fiscal note totaling approximately \$123,000 in FY 2013-2014 and \$113,000 in FY 2014-2015. This is the school bullying bill. The NDE indicated at the May 4 hearing that the amendment did not change the fiscal note. During the hearing, the Chair advised the NDE to work with the DHHS to assist in implementing the bill. Fiscal Staff received an email from the NDE indicating that through its collaboration with the DHHS, it is able to remove the fiscal note. A combination of funds from the federal Title V of the Social Security Act Maternal and Child Health Services Block Grant, the federal Mental Health Block Grant and the Substance Abuse Block Grant are available to subgrant to the NDE for new positions and program costs. I would remind the Committee that the CCSD advocated for delay in the implementation date to eliminate its fiscal impact as a result of the bill.

SENATOR DENIS MOVED TO DO PASS S.B. 164.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Smith:

Staff has advised me there is an amendment on this bill. Therefore, we need further action on S.B. 164.

SENATOR ROBERSON MOVED TO DO PASS AS AMENDED S.B. 164.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

We will now discuss S.B. 239.

SENATE BILL 239: Revises provisions relating to elections. (BDR 24-996)

Mr. Krmpotic:

This bill was heard on May 8 in Committee. If implemented, the effective date of this bill would be October 1. The bill requires the Secretary of State (SOS) to obtain information from the Social Security Administration relating to deceased residents and requires county clerks to cancel the voter registrations of persons under certain circumstances ([Exhibit L](#)). The SOS submitted a fiscal note of \$6,825 for FY 2013-2014 and \$5,475 for FY 2014-2015 to provide for the cost, develop regulations and pay for data transfers through the Social Security Administration.

During testimony on the bill, the SOS indicated that the \$5,000 cost to develop regulations in the first year could be reduced or eliminated. If eliminated, this would reduce the fiscal note from \$6,825 for FY 2013-2014 to \$1,825. The basis for the cost from the Social Security Administration is that two data

transfers are necessary to obtain data prior to three elections over the next biennium and four data transfers over future biennia.

SENATOR ROBERSON MOVED TO DO PASS S.B. 239.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Chair Smith:

We will now discuss S.B. 430.

SENATE BILL 430: Revises provisions relating to motor carriers. (BDR 58-1072)

Mr. Krmpotic:

Proposed Amendment No. 9114 on S.B. 430 ([Exhibit M](#)) reflects the amendment presented by Mark A. James last week on this bill. This bill, in its current form, requires an operator of a taxicab or limousine to charge, collect, and remit to the Nevada Transportation Authority (NTA), or the Taxicab Authority as appropriate, a technology fee in the amount not to exceed 22 cents for each compensable trip.

The technology fees must be used by the NTA and the Taxicab Authority to implement technological improvements in safety, reliability and efficiency, including a computerized real-time data system. Section 2 of the amendment provides the NTA the ability to authorize and use the computerized real-time data system. Section 3 provides that same authority to the Taxicab Authority.

With respect to the NTA, the 22 cents per trip cap has been stricken and in its place the language indicates that an operator of a limousine shall charge and collect a technology fee in an amount set by the NTA. The same language is stricken with respect to the Taxicab Authority. The amendment clarifies the data to be collected, the time frame under which it is collected and defines real-time data collected as every 6 seconds.

Fiscal Staff received an unsolicited fiscal note from the Taxicab Authority which indicated that the revenues collected would offset the expenditures. With the

fee setting ability, it does not appear there will be any adverse fiscal impact to either agency. Fiscal Staff inquired with the Legislative Counsel Bureau's Legal Division as to whether the amendment would remove the two-thirds voting requirements on the bill, anticipating this would be a question from Committee members today. Fiscal Staff was advised that it would not remove the two-thirds requirement.

Chair Smith:

I want to clarify, the proposed amendment listed on NELIS ([Exhibit M](#)) indicates it is from Eileen O'Grady. This is not a new amendment, but rather it is our Legal Division's version of what was presented. Is that correct?

Mr. Krmpotic:

That is correct. The proposed amendment was requested to enable the Committee members to better understand the changes to the original bill.

SENATOR WOODHOUSE MOVED TO AMEND AND DO PASS AS
AMENDED S.B. 430.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Senate Committee on Finance
May 20, 2013
Page 36

Chair Smith:

Hearing no further comments, this meeting is adjourned at 10:43 a.m.

RESPECTFULLY SUBMITTED:

Sheri Fletcher,
Committee Secretary

APPROVED BY:

Senator Debbie Smith, Chair

DATE: _____

| <u>EXHIBITS</u> | | | | |
|------------------------|----------------|----|-------------------------|---|
| Bill | Exhibit | | Witness / Agency | Description |
| | A | 2 | | Agenda |
| | B | 6 | | Attendance Roster |
| S.B. 204 | C | 2 | Melanie Young | Next of Kin Emergency Contact Information |
| S.B. 255 | D | 3 | Senator Goicoechea | Letter Dated May 20, 2013 From Brenda Erdoes |
| S.B. 255 | E | 1 | Doug Busselman | Resolution in Support of Main Station Agricultural Research |
| S.B. 255 | F | 3 | Ron Zurek | Written Comments |
| S.B. 182 | G | 18 | Senator Smith | Proposed Amendment 9004 |
| S.B. 182 | H | 3 | Gabriel Fanning | Written Testimony |
| S.B. 182 | I | 1 | Julisa Saenz | Written Testimony |
| S.B. 308 | J | 1 | Terry Rubald | BDR 32-644 Fiscal Note Nevada Department of Taxation March 13, 2013 |
| S.B. 113 | K | 2 | Mark Krmpotic | Proposed Amendment 8713 |
| S.B. 239 | L | 3 | Mark Krmpotic | Explanation of Bill |
| S.B. 430 | M | 11 | Mark Krmpotic | Proposed Amendment 9114 |