

**MINUTES OF THE SUBCOMMITTEE ON SENATE BILL 501  
OF THE SENATE COMMITTEE ON FINANCE**

**Seventy-Seventh Session  
June 2, 2013**

The Subcommittee of the Senate Committee on Finance was called to order by Chair Justin C. Jones at 8:06 p.m. on Sunday, June 2, 2013, in Room 1214 of the Legislative Building, Carson City, 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 Justin C. Jones, Chair  
Senator Ben Kieckhefer, Vice Chair  
Senator David R. Parks

**STAFF MEMBERS PRESENT:**

Laura Freed, Senior Program Analyst  
Marshellah Lyons, Supervising Principal Research Analyst  
RJ Keetch, Committee Secretary

**OTHERS PRESENT:**

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

**Chair Jones:**

I hereby open the hearing on Senate Bill (S.B.) 501.

**SENATE BILL 501 (1st Reprint)**: Makes various changes concerning substance abuse prevention and treatment. (BDR 40-1141)

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

Senate Bill 501 was heard and amended in the Senate Committee on Health and Human Services. Barry W. Lovgren brought up major concerns with the amended version of the bill. One of the changes he was concerned with was the requirement for the Health Division to license all certified facilities. This was a significant policy change from what our amendment proposed and from the

current practice within the Division of Mental Health and Developmental Services.

Mr. Lovgren was also concerned about removing evaluation centers from the statutes. He thought this provision would put evaluation centers out of business. I do not completely agree with Mr. Lovgren's assessment, but I do agree that the changes are not necessary at this time. We need to complete other work with the evaluation centers before we are ready for additional changes.

The certification issues became so complex when the bill was heard by the Senate Committee on Finance that we decided to delete all of the sections of the bill except for sections 1 through 7. Those sections allow us to license private alcohol and drug abuse facilities that are currently in the State. We do not license alcohol and drug abuse facilities that do not receive funds from the Substance Abuse Prevention and Treatment Agency (SAPTA).

It was decided that regulatory responsibility for evaluation centers and the ability for the Commission on Mental Health and Developmental Services to oversee substance abuse disorders would be dealt with in Assembly Bill 488.

**ASSEMBLY BILL 488 (1st Reprint)**: Revises provisions relating to the transfer of duties and consolidation of certain governmental agencies.  
(BDR 18-1136)

**Senator Jones:**

Why are we making substantial changes to the bill when only one person had issues with the bill?

**Ms. Williams:**

All of the 20 to 30 evaluation center providers believed that the amended version of the bill would put them out of business. We need to do some detailed work with the evaluation providers before the next Legislature to clear up misconceptions of the law and gain consensus for additional changes.

**Senator Kieckhefer:**

Are sections 1 through 7 of the bill better than the status quo?

**Ms. Williams:**

Without sections 1 through 7 of the bill, we can only license facilities that get funding from the SAPTA. The Affordable Care Act of 2010 will increase the need for treatment facilities. Businesses that are not licensed will be at a competitive disadvantage because public funds will flow to licensed facilities.

**Senator Kieckhefer:**

Is this the same amendment that was presented in the Senate Committee on Finance?

**Ms. Williams:**

Yes, that is correct, except we have eliminated everything but sections 1 through 7.

**Senator Parks:**

Is a halfway house considered a treatment facility?

**Ms. Williams:**

No, a halfway house is under a separate license category. It has not been our intention to license outpatient treatment facilities, only residential treatment facilities. A halfway house is not considered a residential treatment facility.

SENATOR KIECKHEFER MOVED TO RECOMMEND TO THE FULL COMMITTEE TO AMEND AND DO PASS AS AMENDED S.B. 501, BY REMOVING ALL SECTIONS OF THE BILL EXCEPT SECTIONS 1 THROUGH 7.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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**Senator Jones:**

Seeing no further business before the Committee, we will adjourn at 8:14 p.m.

RESPECTFULLY SUBMITTED:

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Annette Teixeira,  
Committee Secretary

APPROVED BY:

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Senator Justin C. Jones, Chair

DATE: \_\_\_\_\_

<u>EXHIBITS</u>				
Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	1		Attendance Roster