

**MINUTES OF THE  
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Seventh Session  
March 4, 2013**

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 1:33 p.m. on Monday, March 4, 2013, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E 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 David R. Parks, Chair  
Senator Pat Spearman, Vice Chair  
Senator Mark A. Manendo  
Senator Pete Goicoechea  
Senator Scott Hammond

**GUEST LEGISLATORS PRESENT:**

Senator Justin C. Jones, Senatorial District No. 9

**STAFF MEMBERS PRESENT:**

Patrick Guinan, Policy Analyst  
Heidi Chlarson, Counsel  
Suzanne Efford, Committee Secretary

**OTHERS PRESENT:**

Michael Haley, Sheriff, Washoe County  
Christopher B. Smith, Administrator, Division of Emergency Management and  
Homeland Security, Department of Public Safety  
Chris Magenheimer, CEM, Battalion Chief, Project Manager, Regional  
Communications, Operation Coordination, North Lake Tahoe Fire District  
Holly Luna, Chief Financial Officer, Douglas County School District  
Stacey Crowley, Director, Office of Energy, Office of the Governor  
Jason Geddes, Environmental Services Administrator, City of Reno

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Kyle Davis, Policy Director, Nevada Conservation League  
Mark Stanton, Chief Capital Projects Officer, Office of Operations, Washoe County School District  
Paul McKenzie, Executive Secretary-Treasurer, Building and Construction Trades Council of Northern Nevada, AFL-CIO  
Nicole Rourke, Clark County School District  
Craig Stevens, Nevada State Education Association  
Danny Thompson, Nevada State AFL-CIO  
Constance Brooks, Nevada System of Higher Education  
Dana Grigg, Captain, Assistant Judge Advocate, Office of the Military  
William Burks, Brigadier General, The Adjutant General of Nevada, Office of the Military  
Keith Munro, Assistant Attorney General, Office of the Attorney General

**Chair Parks:**

We will start the meeting with the presentation on FirstNet.

**Michael Haley (Sheriff, Washoe County):**

We are here to discuss the House of Representatives Resolution (H.R.) 3630 of the 112th Congress. This is the largest telecommunications infrastructure project undertaken in the Nation, created by a congressional act ([Exhibit C](#)).

I am the vice chair of the Nevada Commission on Homeland Security. Governor Brian Sandoval, who chairs the Commission, appointed me to chair the State of Nevada Network (SONNet) Committee. The Committee is comprised of both public and private members and reports to the Homeland Security Commission. The Committee was formed to review the national broadband plan and respond to questions in the ramp-up to this network. In order to carry out the act, we were authorized by the National Telecommunications and Information Administration (NTIA) to establish the First Responder Network Authority, or FirstNet.

Our task is to ensure that public safety has access to broadband and as many Nevada residents as possible have access to broadband, which is a shared network. FirstNet's task is to replicate this project in every state in the U.S. Like electricity a century ago, broadband is the foundation for economic growth, job creation, global competitiveness and a better way of life. It is enabling an entire new industry and unlocking vast new possibilities for existing ones. It is changing how we educate our children, deliver health care, manage energy,

ensure public safety, engage government, and access, organize and disseminate information.

Nevada has a rich history of success in the development of voice radio communication structures. We have been successful in creating a multistate collaborative to work on the SONNet project.

**Christopher B. Smith (Administrator, Division of Emergency Management and Homeland Security, Department of Public Safety):**

The H.R. 3630 of the 112th Congress will be the largest telecommunications infrastructure project ever undertaken in the U.S. The goal of this project is to cover every square meter of the Nation with broadband capability. Nevada is part of this project, and every square meter will be covered.

The Middle Class Tax Relief and Job Creation Act of 2012—H.R. 3630 of the 112th Congress—provides for the extension of the payroll tax cut, maintains unemployment insurance, enhances Medicare physician payment plans and creates the Nationwide Interoperable Wireless Public Safety Broadband Network (PSBN).

This network will be created on a single, national network. Responders will be able to move from jurisdiction to jurisdiction and not lose their communications capability. This creates a national level of governance of the PSBN. Individuals at the federal and state levels will ensure this is governed appropriately. It also requires each state to develop a governing plan to implement the Act.

There is \$2 billion available immediately for the states to use in the public safety broadband initiative. There is \$7 billion of spectrum auction proceeds for network buildout. However, based on the need and the sales of spectrum, only \$2 billion is available for national planning.

Nevada's part of that is approximately \$2 million, based on the size of the State and its population. The planning grant applications are due.

The states have the ability to opt out of the program at a specific point. When FirstNet advises the state of its plan and funding, the governor of the state can opt out. Opting out of the federal plan does not mean opting out of the network entirely. The development of a state's network must still be completed. There

cannot be a national buildout with holes. Every state must have a standard from which it will operate.

The governance of the network lies with the FirstNet Board. Members of the Board include the Secretary of the Department of Homeland Security, the U.S. Attorney General, the Director of the Office of Management and Budget, and 12 individuals with public safety, technical, network and/or financial expertise, [Exhibit C](#), Slide 5. Three members of the Committee are state representatives, and at least three have served as public safety professionals from various parts of the Nation.

**Chris Magenheimer, CEM (Battalion Chief, Project Manager, Regional Communications, Operation Coordination, North Lake Tahoe Fire District):**

On April 26, 2012, Nevada's Homeland Security Commission appointed Sheriff Haley as vice chair to lead the SONNet Committee. The SONNet Committee is made up of the chief infrastructure holders in Nevada, including the Las Vegas Metropolitan Police Department, the Nevada Department of Transportation, NV Energy, the Washoe County Sheriff's Office and the Nevada Shared Radio System in Washoe County. That Committee has been responsible for implementing the pieces of the Act that refer to Nevada.

Nevada filed a notice of inquiry after the FirstNet meeting. When we reached out to our Western regional partners, we discovered we were all in the same position and we wanted to work together. There are ten Western States working with Nevada.

FirstNet released some planning and implementation money, which is the grant we are in the process of filing that must be submitted by March 19. We are also working with our regional partners. We will be meeting with the federal FirstNet Board at the International Wireless Communications Expo (IWCE) in Las Vegas on March 14. The plan is to meet with those states and discuss the issues we have in Nevada and the regional issues with the federal agencies.

We need to define Nevada's regional network needs and identify our primary and secondary users. One of the key pieces of this legislation is that public safety is the primary user, but it also allows secondary users to access the spectrum. Secondary users would be NV Energy—a key player in our regional communications system—hospitals, tribal entities and educational entities. It is

important, as we move forward, to build a single network for all to use and prioritize that usage, depending on emergencies in the region.

As FirstNet develops ideas of how the network will be built out, we have to develop a core, much like a cell phone network. There are certain cores through which the system runs. FirstNet has not identified whether there would be a core in every state or a regional core that the network would access. That would dictate tower placement, coverage areas, hardening and security, which is key to making sure network users are protected and information distributed across the network is safe. Training for the end users is also important in any type of interoperable communications so everyone understands how to use the network.

FirstNet must provide SONNet with details of how the program would be implemented in Nevada. As the plan is released, the funding to develop the network would come from the NTIA. When the decision from FirstNet and NTIA has been passed down to Nevada, the Governor would have the opportunity to review it to determine if the plan meets the goals of the SONNet Committee. If the network does not meet Nevada's goals, the Committee can develop its own plan and present it to the Federal Communications Commission (FCC) for approval.

If the FCC and the NTIA approve the Committee's plan, we can then apply for funding to build the network in the most efficient way possible to provide coverage for the primary and secondary users identified in Nevada.

Each one of the yellow dots on the map in [Exhibit C](#), Slide 10, represent an approximate 8-mile radius, which would be served by a tower. Approximately 150 dots represent all those 8-mile radii. To cover every square meter as identified by the FirstNet Board and build a single network that users throughout Nevada and the region will be able to use, is an enormous project.

**Senator Spearman:**

Since we are talking about federal collaboration, what effect will sequestration have on your plans?

**Sheriff Haley:**

This project has not yet been affected by sequestration discussions. It is a funded project with some of the funding eventually coming from the sale of

spectrum in the open market. There will be no adverse effect from sequestration on this project.

**Senator Goicoechea:**

Who will own the towers?

**Chief Magenheimer:**

As a shared network, some towers will be owned by Nevada and some by other partners such as NV Energy and possibly federal entities. It is important to leverage existing assets and put the 700-megahertz devices on existing infrastructure. The key is to enter into contracts to do that. We have never done that in the past because everyone has built stand-alone networks. Our intent is to share and leverage as much of the existing assets as possible.

**Senator Goicoechea:**

Being familiar with what is available in the rural areas, I do not see enough dots.

**Sheriff Haley:**

We are engaged in a couple of things. One is identifying all of the infrastructures we have in the State and who owns them. The other is engaging in memorandums of understanding for the use of those assets. A company working with us called Connected Nation is going throughout the State identifying all those assets and resources. At some point, we will have to engage in negotiations with the owners of those infrastructures to be able to use those sites.

**Senator Goicoechea:**

There will also have to be additional sites constructed in the eastern part of the State because of the many gaps between repeaters. Would this new construction be included in the grant money, and would you hire a contractor with a carrier to build those additional facilities?

**Sheriff Haley:**

Gap analysis will be done as part of the planning phase. The money being received is for planning. We are working with other states that already have a substantial amount of funding to build other sites. They are asking us where they should construct their sites in order to have the best possible effect to reach as many people as possible. This program will not be effective unless broadband reaches as many Nevadans as possible.

**Senator Spearman:**

Are there security protocols, redundancies and backups in place if the system is compromised?

**Mr. Smith:**

As part of the planning grant, the specific security infrastructure will be analyzed. If there is a need for target hardening on the towers or any other infrastructure associated with this project, it will be done in the first phase of development.

**Sheriff Haley:**

This is a public-private network. When public safety is not using this network for priority or routine use, then the public will be able to use it. That is why this is such a valuable project to states such as ours. We would not be able to reach out to the rural areas in the way that we can with this project just by having one company doing that. This nationwide project is designed specifically to reach everyone.

The protocols about security, the hardening of infrastructure, how public safety and the private sector will use the network is all part of the planning process.

**Chair Parks:**

In your presentation, [Exhibit C](#), Slide 7, Implementing the Act, states "Determine adequacy of state laws and regulations necessary to implement the Act." Do you have a time line for achieving that, or is that part of the planning grant you are anticipating?

**Sheriff Haley:**

One of the challenges we have is to first identify which State laws are in effect and which ones need to be created or adjusted in order to allow implementation of this Act. The SONNet Committee possesses none of those powers. We are identifying what we need to do. We will bring that information to the Homeland Security Commission and identify laws needed to implement this through the Governor's staff.

**Mr. Smith:**

FirstNet still has to present its business plan of how this is going to happen. At this time, it is premature for us to say which State laws can work for us when we do not know how FirstNet is going to implement the Act. During our 2-year

phase in of the planning grant—which will probably be longer than 2 years—and review of the business plan and how it may affect Nevada, we will begin to assess our State laws to determine which need improvements or changes.

**Senator Goicoechea:**

Can this be done for \$2 million?

**Sheriff Haley:**

No, we cannot do this for \$2 million. The \$7 billion allocated in this first phase is not enough money. This is an enormous project requiring much more funding. The \$2 million would allow us to identify future issues and challenges.

**Senator Goicoechea:**

I am concerned about when the Governor would have to make his decision for the State to opt in or opt out of the program. Is the \$2 million planning grant enough to get a statewide assessment of where we would need it and what would be needed to make it fit? [Exhibit C](#), on Slide 9 of the presentation, indicates the State may opt out. When does the Governor make that decision?

**Mr. Smith:**

We are looking at a minimum of 2 years before we have any information about what our planning grant gives us. Once FirstNet announces its business plan and its plan for Nevada, we will have a certain amount of time to decide whether to opt in or opt out of the federal plan and create our own Nevada-specific plan. We are still several years from that decision.

**Senator Spearman:**

Sheriff, you said that this is a public-private partnership. The discussion that just took place indicated that \$2 million or \$7 billion is not enough. At what point does the private investment begin, and are we looking at that in terms of carrying the project forward to fruition?

**Sheriff Haley:**

The funding discussion must include that within 1 or 2 years, the FCC will conduct a sale of the available spectrum. That spectrum is valuable and will raise a significant amount of money. That will be one source of funding. The private and public sectors are in negotiations about how to do this and what they will get for it.



Public safety needs to be the primary user of a resilient network that does not go down in catastrophic events. This is a different situation than Verizon or Motorola has ever dealt with. They are trying to determine how the public-private partnership is going to work and how to create enabling legislation in every state that would allow the collection fees to assist in the maintenance of this project.

**Senator Spearman:**

Are the fees user-based, or are we talking about the companies that are major partners? I would imagine that this is something that would be available to the average consumer. Are the fees going to be progressive starting with the corporations and then going to the consumer, or will these happen simultaneously?

**Chief Magenheimer:**

We are anticipating this will be part of the FirstNet business model. The State has ideas, but as we envision this, it would be a user-based fee. Public Safety would be the primary user; spectrum usage by a hospital or university would determine their fees. The most difficult part is that we do not yet know what we do not know. As the federal government and FirstNet start the program, we will better determine how it will be done at our level.

**Sheriff Haley:**

We are meeting with FirstNet representatives at the IWCE in Las Vegas to get additional information. When we responded to the FirstNet initial questions put before each state, we asked the same questions that you are asking. In order to understand how to move forward, we need a business plan that includes the fee structures or an understanding of how those would be developed.

**Chair Parks:**

We will conclude the presentation and open the hearing on Senate Bill (S.B.) 142.

**SENATE BILL 142**: Makes various changes to provisions governing local government contracting. (BDR 27-676)

**Senator Justin C. Jones (Senatorial District No. 9):**

I hope this legislation will facilitate needed construction jobs, modernize aging schools and save energy all while costing the taxpayers nearly nothing.

A few sessions ago, the Legislature passed legislation creating a framework for energy performance contracting as an option for state and local governments. Energy performance contracting allows a State or local government entity to have an approved energy service contractor perform an energy audit of its facilities and make recommendations for energy-saving measures.

Energy performance contracting is not limited to projects that you might think of, such as replacing light bulbs or installing solar energy panels. Rather, performance contracting can be used for any of 16 categories of work specified in *Nevada Revised Statutes* (NRS) 332, including replacing or modifying heating, ventilation and air-conditioning (HVAC) systems; replacing lighting systems; improving indoor air quality; and improving steam traps. Then there is the catchall, any additional improvements to building infrastructures that produce energy and operating cost savings.

Instead of using taxpayer funds to make these improvements, the contractor finances the work in the private market and makes improvements with private financing. The contractor is repaid with the incremental difference between the energy-inefficient building and the new efficient building, often over a period of 15 years. As you will hear, there are several success stories of schools, local governments and state agencies that have taken advantage of this option. Others have not yet taken advantage.

Fast forward to 2013 with struggling school districts on tight budgets, dwindling capital improvement bond accounts and aging schools with failing systems. Last year, the Clark County School District (CCSD) asked voters to approve a bond initiative to increase property taxes to pay for repairs at more than 40 schools. The CCSD described the repairs it wanted to perform, such as providing reliable water, improving air-conditioning and power, and increasing operational energy efficiencies. Among the projects proposed was replacing electrical systems at 10 schools as well as replacing HVAC systems at 6 schools and other upgrades to 19 schools.

Washoe County School District also faces aging schools and limited resources. Among the District's proposed \$511 million in capital projects are replacing HVAC and lighting systems in several schools. By the District's own replacement estimates, HVAC systems costs approximately \$1.1 million per school, and lighting systems costs an average of \$120,000 per school. On their face, it appears that these projects could be accomplished today through performance

contracting arrangements, thereby reducing the need to use scarce operating budget funds that could go to the classroom.

To be clear, performance contracting is not the magic solution to all of our problems. The purpose of my legislation is simply to provide additional options and resources to districts and other entities that are not taking advantage of performance contracting. I would urge your support of S.B. 142.

In speaking with several people regarding this legislation, some have suggested that it also apply to higher education facilities and even to all State and local governments. Senate Bill 142 was addressing a specific concern that I saw particularly in southern Nevada. However, I am happy to consider wider application. I have included a conceptual amendment ([Exhibit D](#)) expanding the reporting requirements to apply to the Nevada System of Higher Education. My talks with other school districts include a productive discussion with CCSD this morning on this topic.

In addition, I will continue to work to resolve some additional concerns raised by some of the school district representatives regarding the minimum threshold required for reporting.

I have provided several documents supporting the effectiveness of performance contracting: "Peak Performance in Schools, Smart Leveraging of Funds" ([Exhibit E](#)); East Lycoming School District, Hughesville, PA, "Partnering to Insure Energy Performance" ([Exhibit F](#)); "What is Energy Savings Performance Contracting (ESPC)?" ([Exhibit G](#)); "Energy Savings Performance Contracting (ESPC), Opportunities and Advantages" ([Exhibit H](#)); "K-12 Schools Project Performance Benchmarks" ([Exhibit I](#)); and "Climb to Peak Energy Performance" ([Exhibit J](#)).

**Holly Luna (Chief Financial Officer, Douglas County School District):**

I have submitted written testimony regarding Douglas County School District's experience with energy services performance contracting ([Exhibit K](#)).

**Senator Hammond:**

In the first contract, you had ten items for \$5.1 million. I did not get the numbers on the out performance for first year and the second year. Can you tell me that again one more time?

**Ms. Luna:**

Initially, it was a \$5.1 million contract with a 15-year payback. It was required to have \$450,000 of efficiency measures within the first year. Those savings paid the interest and principal on the loan. We out performed in the first year by \$54,000 and by \$77,000 in the second year.

**Senator Hammond:**

Is that how you pay off the loan, year to year, over 15 years?

**Ms. Luna:**

That is correct.

**Stacey Crowley (Director, Office of Energy, Office of the Governor):**

We support the concept of S.B. 142. Our Office is actively engaged in improving and supplying outreach for additional performance contracting mechanisms for public facilities around the State.

However, we are neutral due to our fiscal note, but the Office of Energy can serve as a beneficial conduit to those public agencies interested in pursuing energy savings through this type of funding mechanism. We are working to improve the information available for public agencies such as templates, successful case studies, outreach and metrics for success through an existing grant that we have. We also have the statutory duties to reduce energy consumption by 20 percent by 2015 throughout all State agencies. We are looking to use this as a potential mechanism to help us satisfy that.

The Office of Energy works with the State Public Works Division, Department of Administration, under NRS 333A to assist agencies in selecting qualified energy performance contractors.

**Jason Geddes (Environmental Services Administrator, City of Reno):**

This topic is near and dear to my heart. As an Assemblyman in 2003, I picked up the work of Senator Randolph J. Townsend and introduced A.B. No. 398 of the 72nd Session which created performance contracting in NRS 332 and NRS 333A. We did a good job in that 2003 Session, putting many provisions in place to make sure the public policy goals of the State are met. It has been tweaked a couple of times, but the law is effective. I would like to give you a few examples of what the City of Reno has done.

After leaving the Legislature, I went to the City of Reno and in February 2008, we initiated a performance contract at the City. I have two handouts explaining what we did in the City of Reno ([Exhibit L](#) and [Exhibit M](#)).

We issued a request for proposal. We looked at 74 facilities—Reno City Hall, swimming pools, softball fields and fire stations—and audited all of them over a period of 1 year. In the end, we decided to move forward with performance contracting for 53 of those locations.

One of the highlights in the “Did You Know?” sidebar on [Exhibit L](#) was that we did about \$20 million in projects. We brought it down with \$4 million in grants and rebates we were able to secure, and we ended up financing the remaining \$16 million.

We started looking for private financing and working with our partner to secure that financing. We found bonds available to us, such as qualified energy conservation bonds, that we could use for energy projects. The low interest rate allowed us to do more work.

As we went through the process, we came in \$2.7 million under our costs projection and added projects to the list. That allowed us to retrofit over 1 million square feet of City facilities, including Reno City Hall, and install \$8 million of hard assets that we would not have been able to do otherwise.

When we were creating the bill in 2003, Danny Thompson was right at my shoulder, making sure we were compliant with NRS 338 and using prevailing wage. All of those provisions are in the law. All projects done according to the law were done with prevailing wage. Over 93 percent of the projects went to local contractors and workers. When we could not find in-state expertise, we had to look elsewhere.

On page 2 of the handout, [Exhibit L](#), the bottom box highlights the Reno City Hall project. The chillers and boilers in the building were failing. They were installed in early 1960 when the building was constructed. Through the energy service company process, we used the energy savings we got from lighting retrofits, from HVAC retrofits and from control systems, and leveraged that to replace the chillers and boilers. They have a much longer payback and would not fit into the 15-year program.

The building was built around the chiller in the penthouse of Reno City Hall. We had to cut down walls and use a crane to get it out and install new, high-efficiency systems. We did that with the performance contract, leveraging and bundling.

In the past year, we had to close down the building and send everyone home because the building became uncomfortable due to the failing systems. This occurred when the general fund dollars were decreasing in the City. We could not find general fund dollars for the replacement. The performance contract allowed us to do the needed upgrades to Reno City Hall that we would not have been able to do otherwise without jeopardizing other programs.

On the second handout, [Exhibit M](#), though not quite finished with our first full year of implementation, we have a full year with most of the projects done. We finished installing the last projects in March 2012. Next year will be our true full year. However, as you go down the chart on [Exhibit M](#), you can see our energy savings, energy costs and electricity use in the years leading up to the project. We started it in December 2008, but 2007 is our baseline year. By doing this project with 93 percent local contractors, 279 jobs overall went to local subcontractors.

We were fortunate to use American Reinvestment and Recovery Act monies to get this project going. In addition to using local labor and prevailing wage, we were following the provisions of the Buy American Act when looking at what to install.

The bottom line of the table on [Exhibit M](#) shows that in 2012, we were down to \$3.7 million from earlier energy bills that averaged \$5.2 million or \$5.3 million a year. We financed this whole project on projected and guaranteed savings of \$1.1 million a year. In 2012, we had over \$1.5 million in savings. The Reno City Council has used the additional \$400,000 in the general fund for other projects. Last year, the Council decided to open the swimming pools because of much lower energy-operating costs and additional general funds above the bond obligation.

Our interest here, beyond supporting Senator Jones' bill, is another process at the Truckee Meadows Water Reclamation Facility. We have approximately \$140 million of infrastructure backlog at the treatment plant. We are looking at

this process, with our energy and operational savings, to install \$21 million to \$43 million worth of crucial infrastructure upgrades to our treatment plant.

**Kyle Davis (Policy Director, Nevada Conservation League):**

Our interest in S.B. 142's performance contracts provision is that it is a cost-effective way to upgrade buildings to be more energy-efficient and more water-efficient, and to conserve natural resources. It allows us to do it today and realize these benefits long into the future. We support passing this legislation.

**Mark Stanton (Chief Capital Projects Officer, Office of Operations, Washoe County School District):**

We support Senator Jones' bill, S.B. 142. We are excited to have the opportunity to work with the Committee through this process. I take personal pride in the financing vehicle for energy conservation projects as well as any operational savings. In the early 1990s, I was the first person in Nevada to author a performance contract with the Washoe County School District.

Over the last 20 years, we have entered into four successful performance contracts, and we look forward to the opportunity to continue using performance contracting in the future. Because of the challenges we face in finding financial vehicles for capital projects, this viable source extends our dollars to do more for our schools and improve the working and learning environments for our students.

**Paul McKenzie (Executive Secretary-Treasurer, Building and Construction Trades Council of Northern Nevada, AFL-CIO):**

We also support this bill. The intriguing thing about performance contracting is the person doing the work is paid for his or her performance, not just the fact that he or she put something on the school.

We appreciate Senator Jones sponsoring this legislation. We have had a good experience with performance contracting when it is done correctly. We anticipate work coming out of this legislation when it passes.

**Nicole Rourke (Clark County School District):**

I would like to say thank you to Senator Jones. I appreciate his efforts in looking for additional tools for our toolbox in renovating and providing much needed work in our schools.

We support the concept of performance contracting. In fact, we are working on a request for information on such a contract with the Office of Energy.

As Senator Jones stated, we also have a couple of concerns with the bill's language and look forward to working with him on addressing our needs.

**Craig Stevens (Nevada State Education Association):**

We support S.B. 142 and appreciate Senator Jones looking outside the box for different ways in which we can get our educators into the best schools and have everything ready for them to be able to teach and provide an effective education for our kids.

**Danny Thompson (Nevada State AFL-CIO):**

We also support this bill for the previously stated reasons and applaud Senator Jones for bringing it forward.

**Constance Brooks (Nevada System of Higher Education):**

We support the spirit of this bill. We understand the value of performance contracts; however, we have just received the amendment, [Exhibit D](#), so we are still trying to digest it. We understand some conversations are taking place with regard to revising or modifying the specificity and scope, and possibly looking at the types of projects as well as a threshold to the amount of awarding the projects.

We look to participate in those discussions and offer our support in modifying the language.

**Senator Jones:**

The amendment would include higher education. We will continue to work with Ms. Brooks, Mr. Geddes and others, and look forward to bringing this back for a future work session.

**Chair Parks:**

We will close the hearing on S.B. 142 and open the work session with S.B. 5.

**SENATE BILL 5**: Revises provisions relating to the purchasing and labeling of motor vehicles by the State. (BDR 27-285)



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**Patrick Guinan (Policy Analyst):**

The explanation of S.B. 5 and the amendment is in the work session document ([Exhibit N](#)).

SENATOR HAMMOND MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 5.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Parks:**

We will move to S.B. 18.

**SENATE BILL 18**: Makes various changes to provisions governing the Office of the Military, Nevada National Guard, Nevada National Guard Reserve and volunteer military organizations licensed by the Governor. (BDR 36-316)

**Mr. Guinan:**

Senate Bill 18 and the amendment are explained in the work session document ([Exhibit O](#)).

**Dana Grigg, Captain (Assistant Judge Advocate, Office of the Military):**

We have decided to return to the original language of the Nevada Code of Military Justice regarding the provision for The Adjutant General. The amendment is returning to the original language. The only thing we are asking to revise is the language concerning the Assistant Adjutant General. The Code states that someone must have 3 years of military service preceding his or her time in the Nevada National Guard. The requirements are stricter to become an Assistant Adjutant General than for The Adjutant General. We desire to keep the deletion of the 3-year requirement from NRS 412.054, subsection 2. Beyond that, the amendment would return to the original language of the Code.

We have also submitted a formal amendment to section 65 of S.B. 18 relating to retirees ([Exhibit P](#)). We had originally asked to revise the language to add, "retirees entitled to pay" as part of the personal jurisdiction provisions.

**Senator Goicoechea:**

Captain Grigg, is that where you changed “must have completed at least 6 years’ service” to “6 years of service”?

**Captain Grigg:**

That was the initial amendment we asked for in our original testimony.

**Senator Goicoechea:**

To what did you change it?

**Captain Grigg:**

We changed it to return to the original language of the statute. The only thing we want in our revision, not an amendment, is just the 3-year portion regarding the Assistant Adjutant General.

**Chair Parks:**

Why are you requesting to amend section 49 about the Adjutant General?

**William Burks, Brigadier General (The Adjutant General of Nevada, Office of the Military):**

We began this endeavor to completely rewrite NRS 412. Those provisions required The Adjutant General to have been a member of either the Army National Guard or the Air National Guard for at least 6 years. Before enacted legislation, this statute also required that someone have 3 years of military service immediately preceding his or her time in the National Guard. That provision was amended, removing the 3-year requirement for The Adjutant General but leaving the requirement in place for the Assistant Adjutant General. That is why we are asking for the amendment.

Provisions of the initial modification that opened up the post to anybody who had been in the military—members of the Coast Guard, Navy and Marine Corps, as well as the Army and the Air Force—went too far. We wanted to amend only the Assistant Adjutant General position. However, we had included The Adjutant General position by mistake, and I did not catch it in the first formal review in my office.

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**Senator Spearman:**

Then the change has to do with years of service in the National Guard. Are there any allowances for Title 10, U.S. Code, or military personnel who were in transition?

**Captain Grigg:**

Not at this moment. We want to maintain the statute as is and keep The Adjutant General position in the Nevada National Guard.

**Senator Goicoechea:**

It now requires that you be an officer in the Nevada National Guard with 6 years of service and do not need the prior 3 years of service.

SENATOR SPEARMAN MOVED TO AMEND AND DO PASS AS AMENDED S.B. 18.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Parks:**

We will move on to S.B. 22.

**SENATE BILL 22**: Makes various changes relating to the Office of the Attorney General. (BDR 18-213)

**Mr. Guinan:**

The explanation of S.B. 22, two amendments and backup documentation are contained in the work session document ([Exhibit Q](#)).

**Senator Spearman:**

Are we removing the language regarding elder abuse and obtaining restitution, or are we just moving the responsibility?

**Keith Munro (Assistant Attorney General, Office of the Attorney General):**

The requirement for restitution continues. After the hearing, we spoke with the staff at the district attorney's office and they informed us that they have

developed a process where we can obtain better information in order to collect restitution.

**Chair Parks:**

As Mr. Guinan indicated, the two amendments are not mutually exclusive. The Committee may pass the bill with one, both or neither amendment.

**Senator Goicoechea:**

Is the AG's Office in agreement with the amendments?

**Mr. Munro:**

That is correct.

SENATOR MANENDO MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 22 WITH BOTH AMENDMENTS.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Parks:**

We will move on to S.B. 24.

**SENATE BILL 24:** Authorizes the establishment of a program for law enforcement personnel and prosecuting attorneys on the Vienna Convention on Consular Relations. (BDR 18-399)

**Mr. Guinan:**

The explanation for S.B. 24 is contained in the work session document ([Exhibit R](#)). There are no amendments.

**Senator Hammond:**

I just want to make sure I remember correctly the testimony we had on this bill. The bill would make the AG's Office a sort of help desk for law enforcement agencies and prosecutors, especially in the rural areas, that may not have the funds or means to abide by the Vienna Convention. They would have somewhere to go for assistance in getting through the process if someone in

their jurisdiction needed help from his or her consulate during trial. Is that correct?

**Mr. Munro:**

I could not have said it better myself.

SENATOR MANENDO MOVED TO DO PASS S.B. 24.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Parks:**

We will move on to S.B. 25.

**SENATE BILL 25**: Makes various changes relating to technological crimes.  
(BDR 18-220)

**Mr. Guinan:**

The explanation of S.B. 25 is contained in the work session document ([Exhibit S](#)). There are no amendments.

SENATOR SPEARMAN MOVED TO DO PASS S.B. 25.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Parks:**

The next bill in the work session is S.B. 26.

**SENATE BILL 26**: Creates a statewide automated victim information and notification system within the Office of the Attorney General.  
(BDR 18-214)

**Mr. Guinan:**

The explanation of S.B. 26 is contained in the work session document ([Exhibit T](#)). There are no amendments.

SENATOR GOICOECHEA MOVED TO DO PASS S.B. 26.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

**Chair Parks:**

The last bill in the work session is S.B. 46.

**SENATE BILL 46**: Changes the name of the Motor Pool Division of the Department of Administration to the Fleet Services Division of the Department. (BDR 27-284)

**Mr. Guinan:**

The explanation of S.B. 46 is contained in the work session document ([Exhibit U](#)). There are no amendments.

SENATOR SPEARMAN MOVED TO DO PASS S.B. 46.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

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**Chair Parks:**

That concludes our work session on bills previously considered. Having no further business to come before the Senate Committee on Government Affairs, we are adjourned at 3:01 p.m.

RESPECTFULLY SUBMITTED:

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Suzanne Efford,  
Committee Secretary

APPROVED BY:

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Senator David R. Parks, Chair

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

<b><u>EXHIBITS</u></b>				
<b>Bill</b>	<b>Exhibit</b>		<b>Witness / Agency</b>	<b>Description</b>
	A	1		Agenda
	B	3		Attendance Roster
	C	10	State of Nevada Network (SONNet)	Slide Presentation
S.B. 142	D	1	Senator Justin C. Jones	Proposed Amendment
S.B. 142	E	2	Senator Justin C. Jones	Peak Performance in Schools, Smart Leveraging of Funds
S.B. 142	F	1	Senator Justin C. Jones	East Lycoming School District, Hughesville, PA, Partnering to Insure Energy Performance
S.B. 142	G	1	Senator Justin C. Jones	What is Energy Savings Performance Contracting (ESPC)?
S.B. 142	H	1	Senator Justin C. Jones	Energy Savings Performance Contracting (ESPC), Opportunities and Advantages
S.B. 142	I	2	Senator Justin C. Jones	K-12 Schools Project Performance Benchmarks
S.B. 142	J	4	Senator Justin C. Jones	Climb to Peak Energy Performance
S.B. 142	K	2	Holly Luna	Written Testimony
S.B. 142	L	2	Jason Geddes	City of Reno Energy Efficiency and Renewable Energy Initiative
S.B. 142	M	1	Jason Geddes	City of Reno Energy Efficiency and Renewable Energy Initiative 2012 Annual Report
S.B. 5	N	3	Patrick Guinan	Work Session Document
S.B. 18	O	8	Patrick Guinan	Work Session Document
S.B. 18	P	1	Dana Grigg	Proposed Amendment



S.B. 22	Q	5	Patrick Guinan	Work Session Document
S.B. 24	R	10	Patrick Guinan	Work Session Document
S.B. 25	S	3	Patrick Guinan	Work Session Document
S.B. 26	T	3	Patrick Guinan	Work Session Document
S.B. 46	U	1	Patrick Guinan	Work Session Document