# MINUTES OF THE MEETING
# OF THE
# ASSEMBLY COMMITTEE ON JUDICIARY

## Seventy-Eighth Session
## May 7, 2015

The Committee on Judiciary was called to order by Chairman Ira Hansen at 8 a.m. on Thursday, May 7, 2015, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4404B of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Ira Hansen, Chairman
Assemblyman Erven T. Nelson, Vice Chairman
Assemblyman Elliot T. Anderson
Assemblyman Nelson Araujo
Assemblywoman Olivia Diaz
Assemblywoman Michele Fiore
Assemblyman David M. Gardner
Assemblyman Brent A. Jones
Assemblyman James Ohrenschall
Assemblyman P.K. O'Neill
Assemblywoman Victoria Seaman
Assemblyman Tyrone Thompson
Assemblyman Glenn E. Trowbridge

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Senator Becky Harris, Senate District No. 9

**STAFF MEMBERS PRESENT:**

Diane Thornton, Committee Policy Analyst
Brad Wilkinson, Committee Counsel
Lenore Carfora-Nye, Committee Secretary
Jamie Tierney, Committee Assistant

**OTHERS PRESENT:**

Lora E. Myles, Attorney, RSVP Carson; and Rural Elder Law Program
David A. Hardy, Chief Judge, Second Judicial District Court
Brigid J. Duffy, Chief Deputy District Attorney, Juvenile Division, Office of the District Attorney, Clark County
Jonathan Friedrich, Private Citizen, Las Vegas, Nevada
Dan Roberts, Publisher and Editor, The Vegas Voice
Bob Robey, Private Citizen, Las Vegas, Nevada
Stephanie Heying, Court Services Analyst, Administrative Office of the Courts
William O. Voy, Judge, Family Division, Eighth Judicial District Court
Lisa Morris Hibbler, Deputy Director, Office of Community Services, City of Las Vegas
Nicole Rourke, Executive Director, Government Affairs, Community and Government Relations, Clark County School District
Regan J. Comis, representing M + R Strategic Services
Robert C. Kim, Chair, Business Law Section, State Bar of Nevada
Jeff Landerfelt, Deputy Secretary of State for Commercial Recordings, Office of the Secretary of State
Scott W. Anderson, Chief Deputy, Office of the Secretary of State
Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department
Brett Kandt, Special Deputy Attorney General, Office of the Attorney General
John T. Jones, Jr., representing Nevada District Attorneys Association
Troy L. Dillard, Director, Department of Motor Vehicles

Laura E. Freed, Deputy Administrator, Regulatory and Planning Services, Division of Public and Behavioral Health, Department of Health and Human Services
Lynn Hettrick, Deputy Director, State Department of Agriculture
Vicki Higgins, Private Citizen, Las Vegas, Nevada
Kiera Sears, representing Black Rock Nutraceuticals
Mike Draper, representing Good Chemistry
Will Adler, representing Nevada Medical Marijuana Association
Cindy Brown, Private Citizen, Las Vegas, Nevada
Mona Lisa Samuelson, Private Citizen, Las Vegas, Nevada
William Horne, representing CW Nevada; NuVeda; and Alternative Solutions
Riana Durrett, representing Nevada Dispensary Association
Laurel Stadler, Rural Coordinator, Northern Nevada DUI Task Force
Delphine Callahan, Private Citizen, Las Vegas, Nevada
Timothy Addo, Private Citizen, Las Vegas, Nevada

**Chairman Hansen:**
[The meeting was called to order and Committee protocol was explained.] We have four bills on the docket today, and we are going to take them out of order. We are going to start with Senate Bill 262 (1st Reprint).

**Senate Bill 262 (1st Reprint): Revises provisions relating to guardians. (BDR 13-643)**

**Senator Becky Harris, Senate District No. 9:**
Thank you for hearing my bill first today in your Committee. This bill is the collective effort of many stakeholders in Nevada to provide the necessary tools for Nevada's families as they make decisions concerning the care of their loved ones. Currently, there is no peace of mind for Nevada's seniors, because they worry if their children will be able to care for them when they are not able to care for themselves. If an adult child is residing outside the state of Nevada, he or she must find a willing Nevada resident to become a co-guardian, should a situation arise where the parents need to be cared for.

Throughout the summer, many people in my district came to me with their concerns and personal stories about the challenges they and their loved ones faced when guardianship became necessary. As word spread of my concerns about Nevada's guardianship laws, more and more people began to contact me. Their concerns are legitimate, widespread, and must be addressed.

Lora Myles is with me today. She is going to help walk the Committee through the bill along with some of the proposed amendments that were made on the Senate side. She is an expert in this area and has a very comprehensive understanding of guardianship law. She is in the best position to address any questions that you may have.

**Lora E. Myles, Attorney, RSVP Carson; and Rural Elder Law Program:**
Nevada was one of the first states to adopt the Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act (UAGPPJA). Passage of this act led the way to the submission of the bill before you today.

Section 1 of Senate Bill 262 (1st Reprint) provides authorization for courts to appoint a family member who lives outside of Nevada as guardian of a ward living in Nevada. This provision is applicable to adult guardianships only. In the world of Skype, texting, emails, and instant communication, it is no longer reasonable to require or restrict appointment of a guardian to someone who actually resides in Nevada. Under section 1, subsection 1(a), an agent under power of attorney does not have to be a Nevada resident. It is rare that a guardianship is necessary when the senior or the ward has valid power of attorney. However, in those rare cases, the adult's choice of agent as listed in a power of attorney should be recognized by the court in the appointment of a guardian.

Section 1 creates strict guidelines for those appointments. The proposed guardian must be nominated in writing by the proposed ward while the proposed ward is still competent. It can be done via power of attorney, will, trust, or other document. The court must make a determination that the proposed nonresident guardian is the best person to serve as guardian of the proposed ward. The nonresident guardian must present a care plan to the court detailing how the proposed ward will be cared for since the guardian does not reside in Nevada. Alternatively, they must move the proposed ward to another state where the nonresident guardian lives. The nonresident guardian must appoint a registered agent. This is similar to a corporation that is incorporated but not situated in Nevada, appointing a registered agent to receive all services from the court. Under *Nevada Revised Statutes* (NRS) 159.065, the court would require an appropriate bond to be filed by the nonresident guardian.

Section 2.3 clarifies and separates the provisions and requirements of appointment of a guardian for a minor. Section 1 applies to an adult only, and section 2.3 applies to appointment for minors. The focus on the appointment of a guardian for a minor is on family members. Usually the courts approve

family members with the idea of reunification of the parents with the child if the parents cannot care for the child. If the child has been orphaned, they prefer family members to be guardians of the children.

The remainder of the bill is cleanup language which will conform the various provisions of NRS Chapter 159 and Chapter 253 with the new language found in section 1 and section 2.3. One of the changes in section 1 talks about semiannual accountings. Judge Hardy and others who have concerns about that are here. However, under other provisions in NRS Chapter 159, it says that annual accountings, semiannual accountings, or any other accountings are as detailed by the judge. Therefore, it would be up to the court to determine how often an accounting is required.

**Assemblyman Thompson:**
In section 2.3, subsection 1(e) it says, "Whether the parent or parents have been convicted in this State or any other jurisdiction of a felony." Are we saying that they cannot be a guardian?

**Lora Myles:**
If a guardian has been convicted of a felony, it is up to the court to decide. If the court finds that the felony will not affect the ability of the parent or adult ward to be guardian, it will be permitted. I will give you an example. We had a case recently where a son applied to be guardian of his mother. The court found he had six felony convictions for check fraud and did not allow the guardianship of his mother. However, we had another case where a grandmother was applying to be guardian of her minor grandchildren. The grandmother had been convicted of a felony back in the '60s for a marijuana possession. The court still appointed her as guardian for her grandchildren.

**Assemblyman Thompson:**
Can the language be changed to reflect that? In the bill, it seems firm that if there is a felony charge, they cannot serve as guardian. You have summarized it quite well, however.

**Lora Myles:**
If you look at section 2.3, subsection 1, lines 7 and 8 say the court shall consider without limitations. It is just one piece of information that the court will consider when they make their decision. They do not have to object to a guardianship on that basis.

**Assemblyman Nelson:**
I have a question on page 4 of the bill. When it goes through the hierarchy that the judge can consider, section 1, subsection 4(c)(4) says: "Any relative with whom the adult has resided for more than 6 months before the filing of the petition or any relative who has a power of attorney executed by the adult while competent." Obviously, the person would have to meet both of those criteria. Is that right?

**Lora Myles:**
Yes, that is correct. However, under NRS Chapter 162A, if the power of attorney document specifically states that the power of attorney is the first person to be considered in the appointment of a guardian, it would change that a little bit.

**Assemblyman Nelson:**
Would you still need the six-month rule?

**Lora Myles:**
No, because you would be working under NRS Chapter 162A.

**Assemblyman Gardner:**
Part of this bill says there could be co-guardians. In a co-guardian situation, would decisions have to be unanimous between the two guardians? I am wondering how the power between two parties would be shared.

**Lora Myles:**
With a co-guardianship, it is up to the court most of the time. It does have to be unanimous, and they have to act jointly. In many cases, one guardian will be of the person and the other guardian will be of the estate. Sometimes there will be one guardian of the estate and co-guardians of the person. It is up to the court to decide what is best for the ward. It is infrequent that there are more than two co-guardians, but I have seen cases with three co-guardians.

**Assemblyman Ohrenschall:**
My question has to do with section 1, subsection 2(b). What if the nominated person has some kind of habitual condition where he is on prescription opiates? Would he be excluded from guardianship? I see the exclusion for someone using medical marijuana, but I am wondering about other people who may have some kind of chronic condition?

**Lora Myles:**
Once again, it is up to the judge. This is something the judge can use to determine who is the best person to be appointed guardian. If the person can

bring in certification from his doctor, the judge can use that in his determination. I will redirect your attention up to line 3 of page 3 where it says that it is one of the factors the court can consider. It is not an exclusion unto itself; it is just a piece that the court can look at. I would think there would be dialogue taking place where that individual seeking to be the guardian would have an opportunity to satisfy concerns that the judge may have.

**Assemblyman Ohrenschall:**
With the language in paragraph (b), you are aiming at illegal use of a controlled substance. You are not going for people that have a valid prescription for a chronic condition, correct?

**Lora Myles:**
Yes, and we can look at tightening up the language.

**Assemblyman Elliot T. Anderson:**
I just want to thank Senator Harris for tackling this subject. We have heard so many stories over the past few months. We really need to get our guardianship processes in order.

**Assemblyman Gardner:**
I really like the semiannual reports. I have a question about section 2.3 where it used to be just for a person, now it is only for a minor. With that change, how would you get a guardian for an adult? Is that a different section of the bill?

**Lora Myles:**
Section 1 is for the guardianship of an adult. Section 2.3 is for the guardianship of minors.

**David A. Hardy, Chief Judge, Second Judicial District Court:**
I am here on behalf of the Second Judicial District Court and the Eighth Judicial District Court. Before my appointment to the bench, I was a nationally certified elder law attorney. I focused my career exclusively on the legal needs of the elderly. I have also presided over the adult guardianship docket in Washoe County. As a result of that experience, I have discovered systemic problems. I published a law review article calling for systemic change and focusing on post-appointment monitoring. I care deeply about the legal needs of our elderly community. I am here to speak about a small slice of this legislation and the suggestion that there should be semiannual reports of persons and financial accountings.

I express concern for three reasons. I fear there may be some unintended consequence that may affect the ward's financial resources. They have saved for their entire lives to accumulate some resources to care for themselves in the last season of their lives. The administrative cost of guardianships can be staggering and in almost all instances are inevitable in some amount. This legislation proposes to double the post-appointment administrative expenses with respect to those accountings and reports of persons. For some category of wards, that is a meaningful requirement.

Second, I believe as the legislation is currently written, it allows for a sufficient frequency of review. It is not the number of times the report of person and financial accounting is filed; it is the way in which the judiciary responds to those filed documents. That is where our work begins and must improve. As presently written, NRS Chapter 159 contemplates judicial discretion for annual reporting unless there are other triggering events such as a move to a residential, long-term care facility, a petition to resign, a removal, death of the ward, et cetera, and always as otherwise ordered by the court. We have the tools in place to monitor these financial accounts and reports of a person. The question is whether we use those tools in a meaningful way that honors the purpose of the legislation.

We look forward to the challenges of the future in meeting these great needs that have been identified. Although this is subordinate to the overarching needs of this demographic group, there would be substantial fiscal impacts to the judiciary by doubling the number of reports and financial accountings.

**Assemblyman Ohrenschall:**
I have some constituents who got into a situation. They moved to Las Vegas from Canada, but their children still live in Canada. The husband and wife were getting older and began ailing. They were in a secured adult facility and have become wards of a private guardian. They did not have a lot of property, and they had lived in a small manufactured home, which was being sold. They wanted their children to get them out of the facility they were in. They felt like they had been imprisoned. However, their children live in Canada. The way this bill reads, do you think that would be workable, or would it only apply to children that live in the United States?

**Judge Hardy:**
If I understand your question correctly, it is whether there is a complication arising out of the international location. I do not know the answer to that, and I would yield to Lora Myles. It does not seem to me like a problem that could not be overcome by an attentive judge who understood the circumstances.

**Assemblyman Ohrenschall:**
Do you see it being workable for family members of another state? For instance, if you had a son in New Jersey who wanted to be guardian for his mother or father here in Nevada, do you think it could work?

**Judge Hardy:**
Yes.

**Assemblyman Nelson:**
Following up on your comment about the fiscal impact, can you elaborate on that? Are you requesting an amendment because of that?

**Judge Hardy:**
There are few pro se filings in the guardianship court. This means that every time a petition is filed, any subsequent action is done through counsel, unless there is a legal aid organization or a public guardian through the district attorney. There is a cost associated with this. One of our challenges in managing the financial accounts is to develop consistency among the many different filing types. Some might file a bank statement or a series of bank statements in the prior year, and others might compile and have audits by a professional certified public accountant (CPA). The styling of these accountings goes from A to Z. They are difficult to reconcile. It is not that the problem cannot be overcome, and it must be overcome. However, one of the challenges is to develop that consistent form of financial accounting. That will require an administrative expense and result in a request for fees and costs from the guardianship court which will be paid, unless excepted, from the ward's estate. Unless excepted means that there is no money to pay. If the financial account that is required annually costs $3,000, the financial account semiannually will be some amount more than $3,000.

**Assemblyman Nelson:**
You are referring to costs on the estate and not on the court.

**Judge Hardy:**
No, not on the court. Given the legitimate concerns being asked about this area of judicial processing, it is important that we not focus on what the court wants or needs. Instead, we must amplify the concerns of our communities and the circumstances of our wards. I believe and I am here to express, that every time we spend $1 in the guardianship court as approved by a judge, it is $1 that comes out of that ward's estate. We have to ask ourselves what is the best way to spend the ward's money? We often impoverish the wards to a point where we lose our choices for them, and that is not a pleasant outcome.

**Assemblyman Nelson:**
Do you agree with going to six months rather than annual?

**Judge Hardy:**
I do not, unless the judge finds otherwise. For example, there may be some estates with special circumstances. Let us say there is an out-of-state guardian, the guardian is a child who has no experience in fiduciary matters, and the portfolio is complicated, or there is a concern from another sibling about past conduct. Whatever those circumstances are, the judge has discretion already in the statute to order financial accountings more frequently than annually. The judge should exercise that discretion. However, the mandatory rule of forcing all wards to incur that expense may not be helpful.

**Chairman Hansen:**
Since Senator Harris brought you up as a proponent, I assume you will work out a friendly amendment on those issues. Obviously, it is critical for a variety of reasons.

**Assemblyman Trowbridge:**
For clarification, the current law provides the requirement that anybody to be appointed as a guardian must be a Nevada resident. This eliminates that requirement.

**Judge Hardy:**
Yes, sir.

**Brigid J. Duffy, Chief Deputy District Attorney, Juvenile Division, Office of the District Attorney, Clark County:**
I am testifying today on S.B. 262 (R1) as a child welfare deputy. I have spoken to the sponsor. I do need to ensure that we do not forget that this bill will impact our NRS Chapter 432B children because an appropriate permanency plan for foster children is guardianship. We do not often use parents as our foster children's guardians because it is by the nature of the abuse or neglect that they are in the foster care system. We need to make sure that the qualifications that are currently in section 1 also apply to child guardianships and not just adult guardianships, because we often appoint relatives or family friends. We rely on those qualifications to ensure that we are getting good guardians for those children.

**Chairman Hansen:**
I assume we can expect some friendly amendments. I will open it up to the general public. Is there anyone who would like to testify in favor of S.B. 262 (R1)?

**Jonathan Friedrich, Private Citizen, Las Vegas, Nevada:**
I am in favor of S.B. 262 (R1). On my left is Dan Roberts who is the publisher of *The Vegas Voice*; he will have some comments. These changes are needed as soon as possible. I am only speaking about the portion of the bill that deals with adults. There have been many, many abuses that have been reported by county commissioners in the newspaper and on TV. Darcy Spears from KTNV has just run a series on it. There was one particular guardian named April Parks who was featured in the Darcy Spears interview. During the interview, she admitted that she made mistakes. There was no annual accounting or filing. Courts are accepting the evaluation of the wards from nonprofessionals. There is no review of the ward's condition. In many cases, wards are isolated, and family members are not allowed to see them. This is all being controlled by the guardian. Guardians are claiming that wards are incompetent or they are making up stories that they have physical ailments. There is never a professional review of their condition. It is the equivalent of a lifetime sentence without ever having parole.

I am no young chicken or rooster, and I live alone in this state. I do not want a stranger taking over my finances and controlling them. I have a dear friend who has my power of attorney, but he lives out of state. I am happy to see that this bill will allow that individual to have jurisdiction. I would hope that this bill passes and that elderly people will get the protection that they should have.

**Dan Roberts, Publisher and Editor, *The Vegas Voice*:**
*The Vegas Voice* newspaper is the largest monthly senior paper in southern Nevada. Over the past few months, *The Vegas Voice* has researched and investigated the guardianship situation in Clark County. Simply stated, S.B. 262 (R1) is a commonsense, family-first solution that would allow the individual to designate his choice as to who should serve as his guardian should it become necessary. This is the right thing to do. *The Vegas Voice* has previously submitted to the Senate Committee on Judiciary 3,622 petitions from our readers who made it very clear that they want to be able to appoint their guardians should it become necessary. It should not have to be a private professional guardian. With support of the 3,622 petitions submitted and 100,000 readers, I urge you to pass S.B. 262 (R1). [Dan Roberts also submitted his written testimony (Exhibit C).]

**Bob Robey, Private Citizen, Las Vegas, Nevada:**
I am here in support of S.B. 262 (R1). I support Mr. Roberts' and Mr. Friedrich's statements. I thank the newspaper and press for raising awareness of the outrage that has been expressed by those who are supporting

this bill. However, where are the senior citizens? What does it take to tell people that they have to get involved to protect themselves. I know there is no answer to that question. I thank you for your time and your efforts.

**Jonathan Friedrich:**
There is a tremendous amount of abuse to seniors by homeowners' association (HOA) boards. I get phone calls constantly from seniors, and usually it is the widows because HOA boards see them as an easy target because they get flustered very easily. Yes, there is something missing here in this bill about HOAs and seniors.

**Chairman Hansen:**
Is there anyone else who would like to testify in favor of S.B. 262 (R1)? Seeing no one, is there anyone in opposition or in the neutral position? [There was no one.] Senator Harris, is there anything you would like to add?

**Senator Harris:**
Thank you for hearing the testimony today. As you can tell, this is an issue of pressing concern. We are going to have some friendly amendments drafted and sent over for your committee's consideration. It is also my pleasure to add Assemblyman Trowbridge as a joint sponsor.

**Assemblywoman Seaman:**
Senator Harris, I would like to also be added as a cosponsor.

**Senator Harris:**
That would be my pleasure.

**Chairman Hansen:**
Actually, there are several members who would like to be added. You can talk to Senator Harris afterwards.

**Senator Harris:**
We can add any members that would like to be added.

**Chairman Hansen:**
Very good. We will close the hearing on Senate Bill 262 (1st Reprint) and open up the hearing on Senate Bill 58 (1st Reprint).

**Senate Bill 58 (1st Reprint): Revises provisions governing the release of information relating to children within the jurisdiction of the juvenile court. (BDR 5-490)**

**Stephanie Heying, Court Services Analyst, Administrative Office of the Courts:**
I staff the Commission on Statewide Juvenile Justice Reform, which is cochaired by Chief Justice Hardesty and Justice Saitta. Justice Saitta regrets that a conflicting schedule prevents her from testifying this morning in support of Senate Bill 58 (1st Reprint). She has asked me to provide a brief background of the work on S.B. 58 (R1) that revises provisions governing the release of information relating to children within the jurisdiction of the juvenile court as outlined in *Nevada Revised Statutes* (NRS) 62H.025. I will then turn it over to Judge William Voy in Las Vegas and Brigid Duffy to present the bill.

The School Attendance and Disturbance Subcommittee is chaired by Justice Nancy Saitta and was appointed by the Supreme Court's Commission on Statewide Juvenile Justice Reform in October of 2012. The Subcommittee has reviewed and evaluated national best practices on information sharing, including the "Models for Change Information Sharing Tool Kit;" "Sharing Information: A Guide to the Family Educational Rights and Privacy Act and Participation in Juvenile Justice Programs;" and the "King County Resource Guide: Information Sharing." Additionally, the Subcommittee has been receiving specialized technical support from the Supportive School Discipline Communities of Practice which brings together a network of education and justice leaders with diverse skills and knowledge to share their experiences and provide information on best practices in a variety of areas including information sharing.

A subgroup of the Subcommittee worked on some amendments for NRS Chapter 62H.025. Members included Judge William Voy, Ms. Brigid Duffy, and Mr. Brett Allen. Justice Saitta would like to express her thanks to the many professionals who have helped put this together. If there are no questions, with permission of the Chairman, I would like to turn it over to Judge Voy and Ms. Brigid Duffy.

**Brigid J. Duffy, Chief Deputy District Attorney, Juvenile Division, Office of the District Attorney, Clark County:**
I will be walking you through the bill and the proposed amendments from Clark County (Exhibit D).

Section 1, subsection 1 of the bill states that juvenile justice information is confidential and can only be released in accordance with the provisions of this section or expressly authorized by state or federal law. Subsection 2 says,

"For the purpose of ensuring the safety, permanent placement, rehabilitation, educational success and well-being of a child." We are adding "or the safety of the public."

In section 1, subsection 2(j) through 2(n), we will amend NRS 62H.025 to include to whom juvenile justice information may be released as follows: the school district; a person or organization who has entered into a written agreement with the juvenile justice agency to provide assessments for juvenile justice services; a person engaged in bona fide research that may be used to improve juvenile justice services; a person who is authorized by a court order to receive juvenile justice information, if the juvenile justice agency was provided with notice and opportunity to be heard before the issuance of the order.

Section 1, subsection 3 discusses when the juvenile justice agency may deny a request of release of juvenile justice information. That request could be denied if it is not in accordance with the purposes of this subsection. The denial must be provided to them within five business days of the receipt of the request.

Finally, subsection 5 says:

> Any person, except for: (a) A district attorney initiating legal proceedings; or (b) A person or organization described in subsection 2 who provides a report concerning juvenile justice information to a court or other party pursuant to this Title or chapter of 432B of NRS, who is provided with juvenile justice information pursuant to this section and who further disseminates the information or makes the information public, is guilty of a gross misdemeanor.

Regarding the amendments proposed by Clark County (Exhibit D), they would like to add language to NRS 62H.025 clarifying that when the district attorney is utilizing information, it is solely for the purpose of initiating legal proceedings. Also, the amendment would add language to NRS 432B.290, subsection 10, paragraphs (a) and (b) to reflect the following:

> 10. Any person, except for the following person for the following limited purposes: (a) A district attorney or other law enforcement officer when utilizing the information solely for the purpose of initiating legal proceedings; (b) A juvenile justice employee who provides child welfare records to a juvenile court....

The intent of that section is because we get juvenile justice employees who need to communicate with our child welfare agency. We have a juvenile judge who needs to know what is going on with that child when they cross agencies so the appropriate placement and service decisions can be made. Currently, we found abilities within the current statute to allow that to happen and not be considered a crime. This will make it very clear that if a juvenile justice employee receives child welfare information, they are allowed to inform the juvenile court that oversees the delinquency case what the information is.

The significant thing in this bill is the addition of a gross misdemeanor for further dissemination of juvenile justice information. As agencies that help children, we want to be able to share information to further the children's success. We have not been able to do that easily, but we are getting there with the assistance of the Supreme Court Commission. Over the past several years, we have developed strong relationships between the school district, the juvenile justice agency, and the child welfare agencies. Child welfare kids often become juvenile justice kids, and they are all served by the school district. Within those agencies, they are all of our kids. We want to make sure that we are sharing information, but we want to make sure everyone understands that information is confidential. They can be guilty of a crime if they further disseminate it.

**William O. Voy, Judge, Family Division, Eighth Judicial District Court:**
I am the Clark County Juvenile Court Judge and have been in that capacity since the end of 2003. I will give you an overview on why we are here, the Supreme Court's Commission on Statewide Juvenile Justice Reform has presented legislation, this session and last session, to reform the juvenile justice system here in Nevada. Title 5 of *Nevada Revised Statutes* has very unique juvenile justice statutes compared to most other states. The uniqueness of it is that there is broad discretion in dealing with children and making decisions to balance public safety and the best interest of the child. It also allows us the ability to make those decisions in urban and rural areas. They may be different decisions, but our statutes allow us to do that, whereas other states overlegislate and make it difficult to do the right thing.

We have been presenting various bills to reform the system. Senate Bill No. 31 of the 77th Session was one of those bills. Prior to last session, we really did not have much language in NRS Chapter 62H that said we could or could not communicate between the school district, the court, probation officers, Child Welfare Services, and the mechanics of it. The bill got sidetracked, as sometimes legislation takes on a life of its own. There was a lot of fear that the

information would be misused. They were legitimate fears, however Senate Bill No. 31 of the 77th Session became so convoluted that it made it much more difficult for us to communicate. In fact, in some instances, it became impossible for us to do our jobs.

The current legislation before you with the various amendments has been brought in to try to clean up what Senate Bill No. 31 of the 77th Session did and will allow is to go back to the original intent of last session's bill, which will allow us to communicate. I need to communicate with probation officers, the district attorneys, caseworkers, and they need to communicate with one another. For a kid in a foster care system and the juvenile justice system who is having difficulty at school, you need the school, case worker, and probation officer to be able to communicate when necessary. Essentially that is what we have in this bill. I am available for any questions you may have.

**Chairman Hansen:**
We want to avoid overlegislating, that is for sure. I am always disappointed when I hear that we may have overlegislated. We appreciate your taking the time to come here and help guide us through getting the appropriate rules in place.

**Assemblyman Araujo:**
I am really just looking for some clarification. We are adding language in subsection 2(l) through 2(n). With this language, we are providing clearance for a juvenile's records to be released for purposes of research. We are also allowing the actual child, depending on the age, to provide consent to have that information released to any person. I am curious why we are leaving that so broad.

**Brigid Duffy:**
Regarding subsection 2(j), where it says, "or a person who presents a release that is signed by the child," last week we had a situation where a military recruiter wanted information to see if the child would qualify to go into the branch of military that the child wanted to go into. They had presented a release of information to obtain the child's juvenile record. That is one example why a child may give a release of information.

With regard to subsection 2(l), that is actually mirrored directly out of NRS 432B.290 about when it is appropriate to release child welfare information. In the juvenile justice arena, we have lots of counselors that work with kids. A child could go meet with a counselor and lie about what they were there for, when actually they are supposed to be there because they were in trouble for a juvenile sex offense. Therefore, the counselor would not even be treating

what they are supposed to be treating. If that counselor has a written agreement with the juvenile justice agency, we can provide him with that juvenile justice history so that the counseling is meaningful for that child and not led by what the child wants to talk about. This will increase community safety and the child's well-being.

Regarding subsection 2(m), I will pass that off to Judge Voy because that section is very important to him.

**Judge Voy:**
Assembly Bill 113 contains other corresponding legislation with this same component. Senate Bill 58 (1st Reprint), in combination with the other bill, will allow us to actually do bona fide recidivism research in Nevada for the first time. It is also my understanding that Nevada would be the only state to be able to accomplish this. Right now, in recidivism and other studies, the research ends when the child ages out at the age of 18. If the child commits a crime at the age of 17.5 years of age, he is in the juvenile justice system. Let us say he is released from probation on his eighteenth birthday and then he commits a crime. That crime is not counted as a recidivism. That child is still considered a success. How do you analyze your programming and what works if you cannot go beyond the eighteenth birthday to determine whether or not the child was successful? This will allow us the ability to do true and accurate recidivism studies so that we can look at the efficiencies of our programming and if we are spending the money in the right areas. This is something that I have been working on for the last few years, and I cannot say enough about how important this little piece of legislation is in my world.

**Assemblyman Araujo:**
I understand the importance of research. However, reading it makes me slightly concerned. Maybe I just need more clarification. My concern is that I do not know what information we would be sharing for the purposes of the research. You can have real detailed research assignments or very vague research assignments.

**Judge Voy:**
I will answer by giving you an example of what we are doing right now. We have two psychologists in Clark County who have examined 1,000 juvenile sex offender cases going back two decades. We have redacted all of the personal identifying information from those records in accordance with the existing statute and then there are 28 variables that are applied on these cases. One example of what we look for are the indicators and risks for reoffense. It will help me to make the determination if the kids standing in front of me will be a high, low, or moderate risk to reoffend. It is very important for us to

know that. Right now, we do assessments based upon educated guesses as to what the risk factors might be. There has never been a true study performed to determine what the true risks are in reality. The researchers do not receive any personal identifying information. What they see is case 1 through 1,000 because each child's case gets assigned a number. Consequently, Assembly Bill 113 will allow us to get the information back to the clerk of the district court who will run it through the National Crime Information Center (NCIC) and will put it together with the child's personal identifying information in order to make the determination if the child reoffended and what the reoffense was. Then, using just the assigned number, the information goes back to the researchers who will correlate the two together. That would complete the study.

**Chairman Hansen:**
For the record, the bill that Judge Voy was referring to was Assembly Bill 113. It passed out of our house and it is on a work session today in the Senate Committee on Judiciary.

**Assemblyman Elliot T. Anderson:**
I want to direct your attention to the paragraph about schools. I know the intent is to provide for safety. I wonder if that language is a little bit broader than need be. I would think you would want to give that information to school police for safety or mental health professionals that have very strict confidentiality requirements. I personally would worry about giving it to a teacher, administrators, or aides who do not need to know. I worry about labeling a kid as a bad kid in the school environment. Is there a way that it can be tightened up to ensure that it goes to specified personnel in the school district rather than just saying the school district?

**Judge Voy:**
As I stated earlier, the beauty of NRS Chapter 62H is the broad discretion it gives us in the field. That was the major concern that produced the convoluted legislation we got with Senate Bill 31 of the 77th Session, and they are legitimate concerns. Every time we try to narrow it to prevent that from happening, we end up restraining ourselves to the point where it renders the intent useless. The free flow of communication needs to happen when appropriate. The teachers know most of the kids that are on probation because the kids tell each other and the teacher. They may have an ankle monitor that goes off in class. It is very difficult to try and narrow the language without rendering it useless and it will defy the purpose for why we need it. Maybe Ms. Duffy can provide some further enlightenment on that question as well.

**Brigid Duffy:**
As Judge Voy said, I have been concerned and speaking about that very issue with all kinds of child advocates in our community. Right now, because we have very specific purposes for releasing information and we have a very specific penalty for further dissemination, we are as safe as we can get. There has also been an incredible conversation between the Subcommittee and the Clark County School District about memorandums of understanding (MOU) in order to know who exactly is going to be receiving the information. I am sure you are all aware that the flow of information from the school district to the juvenile justice system is a whole other issue because there are federal laws flowing all around that. We are already talking about what type of MOU we could get and who would receive the information. In NRS Chapter 62E, there are mandated delinquent acts that we have to tell the school district about. The information goes to the superintendent or a designee. We intend to make it very specific and workable for each jurisdiction so everyone would have their own MOUs.

**Assemblyman Elliot T. Anderson:**
If we are going to write it in an MOU, why can we not write it in statute?

**Brigid Duffy:**
I believe that is a decision that you would make as you create the policy for us. I believe that our conversations are strong in Clark County with the school district to ensure that our kids are protected from unnecessary ridicule. Like Judge Voy said, we encourage our probation officers to go to the schools and visit the kids to make sure they are in school and doing the right thing. It is already hard to isolate general knowledge of what is going on with the child. We encourage working together so that hopefully the school will support the child and not ridicule him.

**Assemblyman Elliot T. Anderson:**
From my time on the Assembly Committee on Education, I know we have teachers doing a lot. They are focused on the classroom. I would be worried about making them in charge of school safety. I do not know why we cannot exclude people that are not primarily focused on school safety. There are a lot of people this makes sense for, like the mental health professionals and especially social workers. I think it will be very helpful information for them. It will help them get that kid through school and hopefully get him out of the delinquency mindset. I would appreciate it if you would consider amending that provision. I am personally uncomfortable with teachers being tasked with more information that I do not think relates to their primary job function, which is instruction.

**Judge Voy:**
The reason why we left it broad is to allow the local jurisdictions to enter those MOUs. If we put it into statute, it will apply to every jurisdiction large and small. What works in Yerington may not work in Clark County. That was the primary reason we left it that way so that each individual jurisdiction can work with the players of that jurisdiction to come up with what makes sense in conformance with the statutory guidelines. That is why we came up with the MOU-type language rather than trying to further define it. If this does pass, I am going to be the person involved in the MOU process. It is not my intent to allow any kind of regular free flow of communication for the normal teacher in the room. The teacher may take an active interest in the kid, but as far as having communication with the teachers, I do not see that on anyone's radar. This is meant for administrators, school police, and mental health professionals within the school district. Quite frankly, it is meant for the reverse; it is for our probation officers to get information from the schools about how the child is doing in school versus us giving information to the school. That was the real driving force behind this particular provision.

**Assemblyman Thompson:**
First I want to say thanks to your subcommittee because you have some strong stakeholders that helped out with crafting this bill. My question pertains to section 1, subsection 2(j). On this release, is it an actual form or can it just be a signed statement?

**Brigid Duffy:**
Every individual release is different for whoever is bringing it to us, like the example I gave earlier with the military recruiter for one child. There was a specific release that the recruiter used and we referred him to juvenile records to obtain the information. It is nice to be able to say that a lot of our kids are honest. Even though they sometimes do not know the difference between a conviction and an adjudication, they check the "convicted" box on the form. By providing the release of information, it will allow the employer to know if it was a misdemeanor or whatever else it may have been. Each release is different.

**Assemblyman Thompson:**
Do the releases have to be notarized?

**Brigid Duffy:**
I have not seen them notarized. The probation officers that are provided with the release verifies again with the child to be sure it is what he or she wants.

**Judge Voy:**
Every release for information for juvenile records outside of the court process is signed by me. There is a form they can get from the clerk's office which is pretty basic. They must show proof of identification in one form or another. Usually, a copy of the driver's license or other identification is attached to the form that I sign off on. We have not used notarization, but they have to establish proof of identification. This is the way it exists currently in the law. We just added this part in here to clean up the provisions of the release and to put it where it needed to be in the statutes. Under current law, any adult can obtain their own juvenile records any time they wish, whether they are sealed or not.

**Assemblywoman Diaz:**
I have two questions for you. I am hopeful that with this exchange of information we will be helping to facilitate some interventions for a student that is caught up in something. I hope in addition to just exchanging information that we are building a support system around the child. My second question is pertaining to section 1, subsection 1(n) about a person who is authorized by a court order to receive this information. I would like for you to state some scenarios for how that might happen. Is it a court appointed special advocate (CASA), or who would the court authorize to receive this information? It only says "person" and I would like to know what situations that might be used in.

**Judge Voy:**
To answer your second question, I can say yes, exactly. To give you an example, I had a case yesterday. It was a very troubling case for a kid that had been here for five years now. He came in with a basic skills training (BST) worker. For the first time, we were making progress with this kid, and it was because of the BST worker. The BST worker was not assigned to the child; he was assigned to other people in the family and he was doing it pro bono. I ordered certain information to be shared with him by the child's attorney and by the probation officers because it was working. That is the kind of scenario this applies to. It gives us the ability to do what is right when we need to do what is right.

**Assemblywoman Diaz:**
Can you explain to the Committee what a BST worker is?

**Judge Voy:**
It is basic skills training for children. Basically, it is glorified mentoring. To answer your first question. Yes, intervention is the whole point. In rural Clark County, we do things a little different with those kids because of the nature of the community. However, Las Vegas is a big city and when a kid

comes through my court and is under my jurisdiction, they need a lot of support. We try to build that support. The school is part of it; family is a part of it; and friends are a part of it. There is something to be said about NRS Chapter 62B because it allows me, as the juvenile court judge, to place the child with any suitable adult. I cannot think of another state that allows that broad discretion. It gives us the ability to do what is right for that kid on an individualized basis, the way it should be. Being able to communicate with the necessary people involved in that child's life is essential because you cannot do that without communication. Communication is the first step to anything. Failure of communication is the number one reason why things do not work.

**Assemblyman Ohrenschall:**
I want to disclose that I serve with Ms. Duffy, Ms. Heying, and Judge Voy on the Supreme Court's Juvenile Justice Commission. I did not get to serve on the Subcommittee, but I do appreciate all of its work. I think trying to get the data is so important because I have practiced in front of Judge Voy with Ms. Duffy and I have seen young adults come into court just to let Judge Voy know how they are doing and to thank him for the opportunities that he gave them when they were troubled teenagers. It would be great if we can get data like that, and if there is some tweaking to address some of the Committees' concerns, hopefully you will be open to it. The question I have has to do with the new gross misdemeanor penalty. What is the penalty now, and what was the thought behind going to the gross misdemeanor penalty?

**Brigid Duffy:**
There is currently no penalty, and that was a big problem. There is a penalty in child welfare statute for release of their confidential information. It was raised last session from a misdemeanor to a gross misdemeanor. We want it to be consistent between the two because we serve similar populations. In fact, the juvenile justice agency came to me about a month ago regarding an employee who had left the agency but was posting information on Facebook about children that were at a youth camp. These were children who were arrested as children for adult crimes so their cases were filed into the adult system. This individual was commenting on Fox 5 News' Facebook page about the now adults with their juvenile justice information. They came to me to see what they could do about it. I advised that the former employee could have been disciplined internally, but he has already left the agency. There was nothing else that could have been done because it is not a crime.

**Assemblyman Ohrenschall:**
Would this new penalty apply equally to anyone in a county juvenile probation office versus state youth parole? Would it apply for anyone who is in a delinquency system and discloses a child's information?

**Brigid Duffy:**
It would apply to me; it would apply to them; it would apply to all of us. We have to keep this information confidential.

**Lisa Morris Hibbler, Deputy Director, Office of Community Services, City of Las Vegas:**
I am here today in support of S.B. 58 (R1) related to the sharing of confidential information for the purposes of insuring the safety, permanent placement, rehabilitation, education, success, and well-being of the child. We have been working with the Clark County Department of Juvenile Justice Services, the Clark County School District, the Las Vegas Metropolitan Police Department, and community agencies, to reduce disproportionate minority contact within the juvenile justice system and to improve academic outcomes for youth of color through early intervention and wraparound services. Achievement of the desired outcomes for children and youth being served by child welfare and juvenile justice agencies requires concerted effort and communication among many organizations and individuals and the active engagement and support of their families. Success is more likely when all invest in the common goal and fully carry out their part in meeting it through greater multisystem coordination and integration. A broad group of community entities concerned about success for children and youth have come together in support of a more integrated system of services and responses for dependent children and youthful offenders. We are also working with national organizations such as the National League of Cities and Models for Change to further interagency coordination and information sharing.

We feel that S.B. 58 (R1) makes improvements in coordinating integrative program, policy development, and service delivery for children, youth, and families served by the juvenile justice and child welfare systems. Continuity of care between youth-serving institutions not only improves outcomes but leverages limited resources. This legislation is a first step towards providing a seamless continuum of quality care for our children and their families. I would like to thank the Supreme Court, the Juvenile Justice Commission, and the Assembly Judiciary Committee for your work on this important issue.

**Assemblyman Thompson:**
I just want to say thank you to Dr. Hibbler for her testimony. She is a great community advocate. Thank you for coming to the Judiciary Committee today.

**Nicole Rourke, Executive Director, Government Affairs, Community and Government Relations, Clark County School District:**
Our general counsel and our assistant superintendent of the Education Services Division could not be here today. They were active participants and very much

want to support this bill. We see this as helping the child in school. When it comes to attendance, we work with the student. When they have a court date, we ensure they have an excused absence. Information sharing can also be very useful when there is an adversarial situation with another student. We need to ensure those students are separated and ensure a smooth transition into school. We appreciate the work of the Subcommittee and for being brought in on this issue of sharing information.

**Regan J. Comis, representing M+R Strategic Services:**
I do not have much more to add other than we feel that information sharing will improve outcomes for youth.

**Assemblyman Elliot T. Anderson:**
I am not familiar with your client, M+R Strategic Services.

**Regan Comis:**
M+R Strategic Services manages the National Campaign to Reform Juvenile Justice, which is funded by the MacArthur Foundation.

**Assemblyman Elliot T. Anderson:**
Excellent, thank you.

**Chairman Hansen:**
Is there anyone else who would like to testify in favor of S.B. 58 (R1) at this time? [There was no one.] We will move to opposition. Is there anyone who would like to testify against the bill or in the neutral position? [There was no one.] Thank you all for your testimony. I will close the hearing on S.B. 58 (R1), and open the hearing on Senate Bill 446 (1st Reprint).

**Senate Bill 446 (1st Reprint): Revises provisions relating to businesses. (BDR 7-1088)**

**Robert C. Kim, Chair, Business Law Section, State Bar of Nevada:**
Thank you for having me here today. I would like to proceed by walking you through some background of the different proposals that are contained in Senate Bill 446 (1st Reprint). I would be happy to stop at any time to answer any questions. I will do this quickly and succinctly.

Generally speaking, this is the Business Law Section's bill. Every legislative session, we try to advance Nevada's business laws to address trends in the marketplace, issues we find in practice, and items that we were asked to consider. There are no overreaching themes or policies in this bill. There are

just a few items that we have identified that warrant some revision and clarification. I will walk you through by using the five-page memorandum that I have provided (Exhibit E).

Section 1 is a new section to be introduced to our statutes. It is a means by which a corporation can address prior failures of corporate approval or authority that have gone uncorrected for a period of time that makes it difficult to ratify in the ordinary course. This is a section that is similar to a corporate law section that was introduced in Delaware a few years ago. However, we have adopted our own framework and approach to make it a little more workable and amiable to use by corporations. This does not replace the existing means by which a board can approve a transaction or by which stockholders can approve a transaction. It is designed to address those bizarre, extreme situations where a corporation may have issued more shares than was authorized, and years have gone by, making it difficult to know who should have been asked to approve the transaction in the first place.

Section 2 addresses a clarification of purpose for the use of corporations. There was an amendment introduced in 1999 to permit corporations to be used as trust companies. A correction was made to Chapter 669 of *Nevada Revised Statutes* (NRS but was not made to Chapter 78 of NRS. We are now making the change consistent to correct the oversight.

Section 3 deals with NRS 78.105. It merely tries to clarify the maintenance of records requirements so that the stock ledger is maintained on an annual basis.

Section 4 is an amendment to NRS 78.130 and is designed to clarify who is an actual officer of the corporation. Given that the parent authority and those that might represent themselves as operating on behalf of a corporation is a concern of business owners, we thought it was appropriate to submit that the president, secretary, and treasurer are the explicit authorized officers of the corporation. If you want a vice president or an assistant officer to be authorized, you can provide so in your bylaws or resolutions and provide it to the appropriate party as need be.

Section 5 deals with NRS 78.140, and it is designed to clarify certain language usage. It does not change the substance of the section. A corporation will still have the ability to render a transaction as not void or voidable.

Section 6 amends NRS 78.195, which deals with the rights of power and the shares of a class. This is designed to make consistent the ability of the corporation and to assign different rights to a series or class of shares.

The wording was a little bit unclear and the ability to reference external factors or sources was unclear so we thought that it was appropriate to clarify it.

The next series of changes affects sections 6, 7, 8, 9, and 12 of the bill, and will affect NRS 78.195, 78.1955, 78.196, 78.209, and 78.350. This is meant to clarify the references to certificates of designation and the establishment of rights, designations, and other preferences in favor of shares of stock for consistency.

Section 10 deals with NRS 78.211 and a board of directors' authority to approve consideration. The board has broad authority to grant or issue shares for consideration existing or to be performed. We thought it was appropriate to allow the board to explicitly rely on external formulations, calculations, or other facts as part of the ability to approve considerations sufficient to issue shares. In addition, we thought it was appropriate to make clear that shares issued are outstanding unless designated as treasury shares. I guess there were situations where people argued that shares may be outstanding but not issued. Therefore, we thought it was appropriate to make that clarification, which is consistent with the Model Business Corporation Act (MBCA).

Section 11 relates to NRS 78.320. It permits stockholder meetings to be conducted by remote communication. Currently, the MBCA (Model Business Corporation Act) requires remote communication to have an actual, physical nexus first and then remote external communication may be permitted. In contrast, Delaware General Corporation Law permits meetings to be held solely by remote communication. We thought it was appropriate to permit corporations that want to conduct their meetings remotely to do so, but they will have to do so by express language in their articles of incorporation and bylaws.

Sections 12 and 13 relate to NRS 78.350 and 78.370 respectively. These amendments just clarify the ability to adjourn and postpone a meeting, and are within the discretion of the parties who are conducting the meeting.

Sections 14 through 19 relate to NRS 78.433, 78,438, 78.439, 78.441, 78.442, and 78.444 regarding Nevada's combinations with interested stockholder statutes. We are just trying to make these statutes more relevant and not as onerous. Anti-takeover statutes over the last 15 to 20 years have not made a great impact on corporate transactions. Most stock hold activists have required such provisions to be opted out by public companies. We thought it was appropriate to say if you did fall within this category to the extent that the stockholders agree to a transaction that would otherwise be prohibited with the interested stockholder, if that stockholder base did want that transaction to

proceed, far be it from the statute to prohibit it as long as all interested parties support the transaction.

The next item relates to sections 20 through 31 as it relates to the consistent use of the phrase "articles of incorporation." In Nevada, typically, the formative document for an incorporation is referred to as articles of incorporation. Over the last 30 years, that has been the term that the Secretary of State has used for these forms. Historically, the term "certificate of incorporation" has been a common term which has been viewed as synonymous. It is contained within the definition so that any reference to certificate of incorporation in the statute, outside of the definition, would be superfluous. We are trying to clean up NRS Chapter 78 and NRS 78A with consistent use of the term "articles of incorporation."

Sections 32, 34, and 35 of the bill relate to NRS 86.201, 87A.235, and 88.350 and have been eliminated to the extent that they permit an entity to be formed with a later effective date. This was an item that had been introduced three or four sessions ago to give flexibility to business owners. It would allow them to form an entity with a specific formation date and not worry about filing inconsistencies or errors. Given the technology we have, and given the Secretary of State's advancements in filing, you have very quick certainty and you can pay for same-day service so that there is no need to state an advanced effective date. The advanced effective date really is problematic, given the initial list requirements that require you to actually identify who the officers are before the entity would be officially recognized. To avoid any inconsistency, we thought it was appropriate to just eliminate that ability. We talked to the Secretary of State's Office and there is a very small share of entities that took advantage of it anyway; therefore, we did not think it would adversely impact the state's ability to market its entities to the business community.

Section 33 relates to NRS 86.286 and merely corrects an oversight to the section in NRS Chapter 86 dealing with operating agreements. Last session, we had introduced some clarifying language as to the purpose, intent, and interpretation of operating agreements. If you look at NRS 86.286, you will see there is repetitive language that should have been eliminated but was not. This amendment is to clean that up.

Section 36 of the bill relates to NRS 92A.180 dealing with the plan of merger obligation. It just clarifies that a parent-subsidiary merger or subsidiary-parent merger and the obligation to provide the plan should rest with the

surviving corporation and not just the parent corporation. If the obligation was solely with the parent corporation, the obligation would be a false obligation as the parent would no longer exist if merged with a subsidiary.

Section 37 of the bill relates to NRS 92A.250, regarding the effect of a merger in the context of a conversion. The purpose of this statute was to prevent the unintended or intended effect of eliminating the liability of certain parties premerger to postmerger. An example of this situation would be converting a limited partnership where the general partner is, by statute, obligated to have all of the liabilities of the entity. If they convert to an LLC, which then provides that all managers and members have no personal liability, that would be an unintended effect of the conversion and would relieve a person that had originally contracted and obligated themselves to be liable to no longer be liable. We thought that was a loophole that should be eliminated.

Section 38 deals with NRS 240.1655. There was an adoption of a uniform notarial act that we thought should be clarified. The way it was written, it would have permitted or required those that submitted a notarized document by notaries out of state, to have the notaries' signatures on file with the Secretary of State. The clarification was added so that there would be no violation if those out-of-state notaries did not have their signatures on file with the Secretary of State's Office.

That concludes my presentation of the bill. I am happy to answer any questions that the Committee may have.

[Assemblyman Nelson assumed the Chair.]

**Vice Chairman Nelson:**
I have a question regarding section 11, subsection 5, regarding authorizing the company to hold meetings solely by remote communications. My understanding of that is that it would do away with the requirement of the physical nexus such as holding the meeting in a board room. It is not saying that the corporation will only hold remote meetings. There is still the possibility of having people appear personally. Is that correct?

**Robert Kim:**
It does permit a meeting to be held entirely by remote communication. We thought it was appropriate not to have that as a default rule but to have the traditional language as a default rule. We thought it was also appropriate to permit corporations to use that as their accepted method of business by doing so with their articles of incorporation or bylaws. Therefore, someone who may be invested in a corporation and thinking they hold traditional meetings would

not be blindsided by the corporation having only remote meetings. For example, if an entity did want to have remote meetings, they would have to amend their articles or bylaws to do so. Therefore, there would be notice to the investor or stockholder stating that they intend to move in that direction. By requiring it to be done by amendment for existing entities, it would allow people to be informed that it was happening. For new entities, it would be part of the ground rules that they may incorporate into their articles or bylaws to begin with. If you were investing in a company or you were the owner of the company, and it is in the articles or bylaws, and you choose not to read them or understand them, the law is not there to protect you in that instance.

**Vice Chairman Nelson:**
What you are saying is that you could put in the articles or bylaws a provision stating that this corporation will hold only remote meetings.

**Robert Kim:**
Yes.

[Assemblyman Hansen reassumed the Chair.]

**Chairman Hansen:**
Are there any further questions?

**Assemblyman Ohrenschall:**
Regarding the stricken language in section 35, subsection 2, why the deletion?

**Robert Kim:**
It created an inconsistent situation. If you wanted to form an entity that had a later effective date, no more than 90 days after the date you filed, the Secretary of State's Office would require you to file an initial list in a limited partnership or general partnership situation. Even though you did not want your entity to be legally recognized yet, by statute, you had to appoint or name your general partners or limited partners on the list. There was a conflicting situation where they did not want their entity to be in existence yet, but yet they would still have to name people who may not exist yet. Obviously, if you do not file the initial list, you are in default and your charter can be revoked.

**Assemblyman Ohrenschall:**
As far as you know, is the Secretary of State okay with this revision?

**Robert Kim:**
Yes.

**Assemblyman Ohrenschall:**
My last question is about section 38 and harmonizing with the Uniform Law on Notarial Acts. It mentions other notarial officers that are not notary public. Who are those other notarial officers?

**Robert Kim:**
My understanding is a notarial officer is defined as a notary licensed with the state of Nevada. There is a disconnect that exists when you have out-of-state notaries. The validity of a document may be called into question when notarized by someone who is out of state because his or her signature is not on file with Nevada's Secretary of State. It is very technical and meant to not give people reasons to think that they may not have their document notarized properly.

**Assemblyman Ohrenschall:**
With the new proposed language there should be no question for someone who has a document notarized by a California or Idaho notary?

**Robert Kim:**
That is correct.

**Chairman Hansen:**
There are no further questions. I apologize because I stepped out, and I am not sure if you finished your presentation. Did you get to finish the presentation?

**Robert Kim:**
Yes, I did.

**Chairman Hansen:**
Is there anybody else north or south that would like to testify in favor of S.B. 446 (R1) at this time? [There was no one.] Is there anybody in the neutral position?

**Jeff Landerfelt, Deputy Secretary of State for Commercial Recordings, Office of the Secretary of State:**
Because there are a couple of provisions that touch our processes, I just want to make it clear that the Secretary of State's Office is not opposed to those provisions. Most of these provisions are internal governance provisions, and we are neutral on those as well.

**Chairman Hansen:**
Mr. Anderson, do you have anything to add?

**Scott W. Anderson, Chief Deputy, Office of the Secretary of State:**
No, I think Mr. Landerfelt covered it.

**Chairman Hansen:**
We will close the hearing now on Senate Bill 446 (1st Reprint), and open the hearing on Senate Bill 447 (1st Reprint).

**Senate Bill 447 (1st Reprint): Makes various changes relating to marijuana. (BDR 15-85)**

**Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:**
If you do not mind, I think it will be best if Brett Kandt goes first and then I will take you through the bill.

**Brett Kandt, Special Deputy Attorney General, Office of the Attorney General:**
I am here today on behalf of Attorney General Adam Laxalt. This bill was brought at the request of law enforcement. It is important to understand what Senate Bill 447 (1st Reprint) is intended to do. Frankly, I think there is some hyperbole and misinformation out there about the bill. The purpose of this bill is to prevent criminal activity and protect the public. Nothing in this bill is intended to unduly burden or impede the lawful use or possession of marijuana by medical marijuana patients consistent with the purposes of Article 4, Section 38, of the *Nevada Constitution* or related implementing legislation. Nothing in this bill is intended to unduly burden or impede lawful business activity by medical marijuana industry participants consistent with those constitutional and statutory provisions. Once again, this bill is about preventing criminal activity and protecting the public. That is crucial because not only is the safety of our communities paramount but because the possession, use, or sale of marijuana for any purpose still remains a crime under federal law. I will now turn it over to Director Callaway to take you through the particular sections of the bill and some possible amendments.

**Chuck Callaway:**
As Mr. Kandt stated, this bill resulted from a meeting several months ago with several members of law enforcement to discuss concerns noted regarding marijuana and problems that we foresee with the current law. As Mr. Kandt also stated, this bill is not aimed at legitimate businesses or law-abiding registry identification cardholders in Nevada. It is aimed at people who are doing things illegally. There were five areas initially brought up that we felt needed to be addressed or clarified. I will tell you what those five areas are and will explain in detail as I take you through the bill.

The following are the concerns that we would like to address: using and possessing a counterfeit card; extraction and possession of concentrated cannabis and some of the dangers that have been seen with pure tetrahydrocannabinol (THC) extract and the extraction process itself; the possession of marijuana on school property; return of property that was initially illegal to possess; and law enforcement employees potentially using medical marijuana and the impact it may have on public safety.

The bill was amended on the other side, and there are some things in the bill now that did not result from law enforcement discussions. We are satisfied with the bill in its current form. I know there are some proposed amendments that will be brought forward later. I will allow the folks who brought the amendments to talk to you about those.

Section 1 of the bill addresses a problem where the current language in the law makes it illegal to counterfeit a card, but it does not make it illegal to possess or use a counterfeit card. For example, if I created the card, I could be charged with counterfeiting the card. However, if Mr. Kandt took the card from me and used it to obtain marijuana from a dispensary or to show a law enforcement officer that he was a cardholder, he would not have committed a crime. We wanted to expand the law so that the person who is actually using and possessing the counterfeit card can also be held accountable.

Section 1.1 through section 1.5 adds some definitions into the law regarding concentrated cannabis, extraction, and THC.

Section 4 through section 9 is an area that we have had some challenges with. If we need to get into the technicalities of it, Tracy Birch, the director of our lab is in Las Vegas to assist. The problem is, under current definition in the law, THC falls under the definition of marijuana. People are extracting hash oil or concentrated marijuana, and they are in possession of large quantities. A very small quantity can be very potent and can equal a lot of actual marijuana. It can be more productive for criminals to sell the extract at a higher price than it would be to sell regular marijuana. If we come across folks with a large quantity that is obviously for sale, under current law, we would need 100 pounds of it to charge someone with trafficking.

To give you an idea, I brought with me a bottle of concentrated ginseng extract (Exhibit F). This little glass vial holds 10 ccs, and I am told from our narcotics experts, in some cases, the THC extract can be up to 80 percent more potent than a marijuana cigarette that might have 15 percent potency. One drop of the extract could equal a marijuana cigarette. Even if I was in possession of this small amount, if I took a dropper and dripped these out into a pan, that equals

a lot of marijuana cigarettes. Our narcotics guys say that this vial can sell on the street for anywhere from $400 to $600. You can make a lot of money with this small amount of extract, whereas you would have to have a larger quantity of regular marijuana to equal this. Having to have 100 pounds is extremely high under the current law. Therefore, we are creating a separate definition in the bill for concentrated cannabis. We worked very closely with the industry and they offered some suggested language to address the criminal side without hurting the legitimate medical marijuana businesses that would do extractions of concentrated cannabis for products such as edibles. We did not want to harm the business models. Some of the language in the bill was drafted by the lobbyists from the industry. It creates a separate definition for "concentrated cannabis," which takes it outside of the current definition for marijuana in the sections on trafficking.

While I am talking about the extractions, there is a safety bulletin from the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) (Exhibit G) regarding hash oil. It talks about how the processes are done and the safety problems regarding the extraction process. It shows some pictures of some of the items made with the extracts. On the back there is a graphic picture of a gentleman who blew himself up during an extraction process. One of the processes involves butane, which is highly dangerous and potentially explosive. There have been a number of cases including a case in northern Nevada where the man blew himself up. They could not even fingerprint him because his fingertips were blown off. It is highly flammable and dangerous. Someone could be in his garage right next to your house trying to extract the concentrated cannabis. It is a very serious issue. There is also an article (Exhibit G) that talks about how Colorado is seeing problems with concentrated cannabis and how they have seen an increase of 167 percent with explosions due to the extraction process.

Moving on through the bill, sections 17 through 23 insert a letter of approval. That language was not law enforcement language. Perhaps there is someone here from the Department of Health and Human Services (DHHS) who can speak about that issue. I believe it was to add some elements from another bill that did not move forward.

Section 23 of the bill addresses another one of the concerns that was raised. Under the current law, you can be 18 years old, be a high school student, and legally have a medical marijuana card. Once the dispensaries are open, you would be able to go and get medical marijuana legally and take it to school. There is a potential at school to sell it to other students or hand it out.

Basically, we wanted to clarify in the law that school grounds are not the place for medical marijuana. If you are a cardholder, you should not be able to bring it onto the school property. Section 23 addresses that issue.

**Chairman Hansen:**
Let me stop you for a moment for clarification. Are you saying that a kid who is a medical marijuana cardholder can go to school with it? It is my understanding that there is no tolerance at all for tobacco products in the schools. Is this correct?

**Chuck Callaway:**
It is my understanding that schools may have policies against drugs or tobacco on school property, but the way the law is written, it would not be illegal for an 18-year-old who has a valid medical marijuana card to go to the dispensary before school and get their marijuana and take it to school. If the school found out that he had it and called us, if he produced his card, the school may suspend him or kick him off property, but there is no criminal charge that law enforcement can pursue. It creates an environment where you have the potential for someone to bring marijuana to a school and share it or sell it. We do not believe that school property is the place for marijuana to be.

Section 31 of the bill addresses another area of concern regarding the way the language was written in the law. Let us say we bust an illegal grow operation in a vacant home and there are several hundred plants. We seize the plants and hydroponics equipment, and we charge the person with cultivating marijuana illegally. The person goes through the court process and for whatever reason the case is dismissed. Under the current language in the law, when the case is dismissed, law enforcement has to return all property to the person and it does not specify illegal property. We have had people show up and say I want my marijuana back. They may not be valid cardholders. In some cases, they are valid cardholders but the law only allows them to have 12 plants, yet they show up and want all 200 plants back. The clarification that we are asking for in this bill is what is allowable by law. Let us say you run a dispensary with thousands of plants and lots of equipment. For whatever reason, law enforcement investigates you but the charges are dropped. You are allowed by law to request your property to be returned. However, for the person who is growing illegally or the cardholder who can grow 12 plants, he cannot request his 100 plants back because by law he is not allowed to have them.

Finally, section 36 deals with allowing law enforcement to adopt policies and procedures that prevent our employees from engaging in the use of medical marijuana. There are several reasons for that. The primary reason is police officers take an oath to uphold the state law of Nevada and federal law;

marijuana is still illegal under federal law. We have officers who deal with citizens on a daily basis, and they carry weapons. They have to make decisions that could impact people's lives and freedom. We believe that marijuana, although allowed medicinally in the state, is not an item that we want our employees to use. We already have policies in place that prevent it, but we would like the statute to reflect that we are allowed to have those policies that prohibit our employees from using medical marijuana. I believe that section of the bill was amended slightly on the Senate side to add some other agencies such as the State Gaming Control Board. However, the initial intent of that section was to apply strictly to law enforcement agencies.

That concludes my presentation. I would be happy to answer any questions.

**Chairman Hansen:**
Are you the only one presenting on behalf of law enforcement, or will you have anyone else testify?

**Chuck Callaway:**
I believe I am the only one here from law enforcement; however, Eric Spratley is in support of the bill. He is out of the state today and could not be here. Robert Roshak of the Nevada Sheriffs' and Chiefs' Association is in support of the bill. There is a meeting going on currently so he cannot be here. I am speaking on behalf of all of all those folks today.

**Assemblyman Elliot T. Anderson:**
My question is regarding the school section. How do schools deal with other types of controlled substances such as Adderall? They could also probably sell or distribute that. Is it legal under the law now for kids to take prescription medicines to school?

**Chuck Callaway:**
I do not want to speak for the schools. I would imagine that they have a policy where the nurse would administer medication or assist with the medication process. However, I will let the school speak regarding that issue.

**Assemblyman Trowbridge:**
In general, I support this bill strongly. I have some unrelated questions that perhaps you can answer regarding the confidentiality issue. There are certain professions, including law enforcement, where you do not want the editors of the local paper to write about an officer with a marijuana card. There are other professions as well. Would you want to know if your doctor or your lawyer has

one of those cards? Would that open up malpractice or lack of adequate defense type cases? Also, what impact would this have on someone's concealed weapon permit? We are dealing with a legal medication, whether you agree or not. Are we going to open the door and have other types of medication make the newspaper? Where does it stop?

**Chuck Callaway:**
I think one of the challenges with marijuana is that it is relatively new. There has not been a lot of research done on it, and it stays in your system a lot longer than some other medication. If I injured my back, went to the doctor, and the doctor gave me painkillers, I would be put on light-duty status. I could not carry my gun and work the street. I would be on modified duty until my back heals. The medicine that I am prescribed would not stay in my system once I am put back on the street. Imagine, hypothetically, if an officer used deadly force and shot a suspect. Afterwards, they test the officer's blood and finds he has marijuana in his blood. If he is a medical marijuana patient and our policy allows for people to use medical marijuana, he may have used it 29 days ago and it may not have impaired his judgment whatsoever. It is along the same argument that we run into with driving. Folks say that just because they have a medical marijuana card does not mean they are impaired while driving. You can see how an attorney for the person who was shot by the officer can say that the officer had marijuana in his system. That is another reason why we think this particular medication should be restricted further for our employees.

**Assemblyman Trowbridge:**
I certainly agree, and I understand the liability. However, are we restricting the access for this type of medication for some of the other professions? When you go to your doctor and he does something wrong, does that introduce a malpractice case?

**Chuck Callaway:**
To be honest, I do not know if I can answer that. If I understand your question correctly, you are saying that this bill is opening up the door for other professions to do the same thing. I am not sure if I understand your question correctly.

**Assemblyman Trowbridge:**
The issue is confidentiality. This makes it so you cannot make it confidential because there is public documentation on these cards, which might be an overreach.

**Assemblyman Nelson:**
I think that law enforcement is really in a difficult position here, and I support this bill. I am curious about the oath of office that you all have to take. Do you have to pledge to uphold the *U.S. Constitution* and the *Nevada Constitution*?

**Chuck Callaway:**
Yes, we do.

**Assemblyman Nelson:**
There is this total inconsistency between federal and state law. Is that a problem with a number of the officers, or do they just ignore federal law and figure state law trumps it?

**Chuck Callaway:**
We respect the will of the voters in the state and we respect the *Constitution of the State of Nevada*. If someone is a valid cardholder and they are operating within the current law, we do not charge them with the federal crime of possessing marijuana, even though it still is against federal law. We have had to make some adjustments in our task force operations and how we work with our federal partners. Even on the federal side, the current administration has given some direction that when states have a medical marijuana law, federal law enforcement should not actively pursue enforcing those laws unless they can show the laws are being violated. It is a tap dance right now, but I think we are doing a good job of respecting the will of the voters and going after folks who are going outside of the current law.

**Brett Kandt:**
Federal policies and guidelines are set forth by the U.S. Department of Justice in a memorandum. I will provide a copy of that to the Committee.

**Chairman Hansen:**
Last session, we had this bill. I voted against it, and one of the reasons is, as legislators, our oath requires us to regard the federal laws as supreme as stated in the *Constitution of the State of Nevada*. Obviously, the federal law is supreme on the marijuana issue. It is still a federal offense, but we basically legalized it. It is a real dilemma for an officer who is as sincere about his oath as I am as a legislator. This is a real problem.

When I was in Clark County, I saw a billboard for Dr. Reefer. If I go and get a prescription from Dr. Reefer, there seems to be some illegitimacy about that. How do you, in law enforcement, deal with situations like that? How the situation evolved in California is that while officially it is for medical purposes

only, it seems like it is being used recreationally. I saw several federal prosecutions in California for the abuse of this so-called medical marijuana. Is it evolving that way here in Nevada? Also, how do you deal with Dr. Reefer-type situations?

**Chuck Callaway:**
Our focus in marijuana investigation and enforcement is on illegal activity and illegal grows. If we get a report that a doctor is operating outside of the law, we will investigate. I believe in the regulations for DHHS, there is criteria for doctors overprescribing. I believe they do look at how much a particular doctor overprescribes. When the regulation process was going on last year, we attended those meetings, and we had some concerns. For instance, we worried about doctors being able to own medical marijuana businesses where you can have a one-stop shop where you get the prescription and then go in the back to purchase your product. It is a tap dance for law enforcement, and we are focusing our limited resources on illegal activity and folks who are obviously operating outside of the law.

**Assemblywoman Fiore:**
Thank you for bringing this bill forth again. I just returned from a trip to Denver. It was quite interesting to hear about the laws they implemented a decade ago and how they now have to undo what they did because it is now completely legal for recreational use in Colorado. I am not a gambling girl, but I will bet that within the next decade this is all going to be legal. The reason that I foresee it becoming legal is because it will be more of a decriminalizing issue than making it legal for us in Nevada. We have many people in prison for nonviolent crimes concerning this product. When I listen to the law that you are looking to implement, I am looking at the next decade and generation, and not the next election. We have to think about what will happen if we implement this bill and send people to prison for breaking the law. If it becomes legal within the next decade, we will not have a retroactive way to get those folks out of prison. I just want you to take all this into consideration as you present bills and you want to change statutes. I would like you to look at it in terms of a decade at a time.

**Chuck Callaway:**
In the article that I presented (Exhibit G), it talks about how Colorado is scrambling to change some of their laws because of the extractions and explosions since marijuana has gone recreational. Like I said earlier, there is an increase of 167 percent in explosions from people doing extractions. I have considered the long term, and I do believe what is in this bill helps us set a firm

standing moving forward. When we do go recreational, we will be slightly ahead of the curve. What is in this bill is what Colorado has recently done or what they are pursuing.

**Chairman Hansen:**
I think we may have the cart before the horse in terms of who is not looking long term. It was the Legislature that threw all of these laws into your lap, and you are now trying to deal with that reality. We were not thinking too long term.

**Assemblyman Gardner:**
I was looking through the bill and it looks like the term "concentrated cannabis" was taken out of the definition of marijuana. Can you tell me the practical effect of that?

**Chuck Callaway:**
It has only been taken out of the definition for the statute on trafficking. In section 2 of the bill, you will notice that it shows the definition of marijuana as all parts of the plant of the genus cannabis. Down further in paragraph (c) it says "including concentrated cannabis." However, if you go to section 4, subsection 4(a) says marijuana does not include concentrated cannabis. The reason for that is under current law, you can have 100 pounds of THC extract before you would be trafficking that substance. That would be like one of those big water jugs. If this was concentrated cannabis in this ginseng bottle (Exhibit F), it would equal quite a bit of marijuana because of its high potency level. That was one of the reasons why we wanted to separate the concentrate from the regular marijuana definition in that section of the statute. However, at the same time, we did not want to impact the legitimate businesses such as the dispensaries, cultivating facilities, or edible facilities. That is why we worked closely with the industry in order to get to this language in the bill.

**Chairman Hansen:**
Thank you both for your testimonies. I will open it up now to the general public. Who would like to testify in favor of S.B. 447 (R1)?

**John T. Jones, Jr., representing Nevada District Attorneys Association:**
We are here in support of S.B. 447 (R1), and we have worked with law enforcement and members of the industry on this bill and amendments. We look forward to continuing that work as we craft this legislation.

**Troy L. Dillard, Director, Department of Motor Vehicles:**
I am here to explain the other part of S.B. 447 (R1), which is section 35 and all related sections that deal with the letter of approval. Under present law, the Department of Motor Vehicles (DMV) is the agency that must issue the patient or caregiver cards for medical marijuana patients. The Department of Health and Human Services is the agency that approves those individuals. However, DMV is the agency that issues the cards. It currently requires an in-person visit on an annual basis or each time they renew their cards. The volume for medical marijuana cards has increased drastically over the last year. At this point, there are 125 applications a week being submitted to DHHS for approval. Each of those individuals is responding to DMV.

What section 35 and its associated sections does is to allow DHHS to issue the cards themselves if they so choose, and it allows a process between DMV and DHHS to allow a batch process. Once DHHS approves an individual for a medical marijuana card, it would become a process where they would send information to the DMV database, we would confirm that the individual already has a documented driver's license or identification card, and then we would conduct the release of the medical marijuana card without the individual having to come into the DMV. This will help alleviate the overcrowding and wait times.

Additionally, the DMV issues identification cards to individuals who are ten years or older. Medical marijuana is not limited to ten years or older. It is based upon a prescription written by a doctor. This bill also allows for a letter of approval rather than a medical marijuana caregiver card for individuals that are under ten years old. Unfortunately, we have seen several young children being brought into DMV offices to have their pictures taken to obtain a card so they can meet the requirements for the medical marijuana. All of those juveniles have to have a caregiver who is also obtaining a card to provide that for them anyway. This process allows those children not to have to come in and obtain that photo in person. It thereby helps both DHHS and DMV conduct our operations.

**Assemblyman Thompson:**
For clarification purposes regarding section 17, subsection 3, did you say under ten years of age? Or, are you looking to change it to at least ten years of age?

**Troy Dillard:**
Cards that we currently issue are for children ten years of age or older. Individuals that are ten years of age or older are able to obtain an identification card today. The bill addresses the children under ten years of age.

**Chairman Hansen:**
How did the DMV get involved in issuing medical marijuana cards? Obviously the answer is us. We probably put that into statute. It just seems odd that you got stuck doing that.

**Troy Dillard:**
Yes, it was the Legislature. I think it was because we had the proper equipment and processes to handle the photos. At the time this was implemented, it really was not all that large. Now it has exponentially grown, and we have changed as a state. As this expands to potentially recreational use, we will have to look at keeping up with it.

**Chairman Hansen:**
Do you have any idea how many people are in the range of 10 to 18 years of age?

**Troy Dillard:**
I do not. The Department of Health and Human Services may have the numbers.

**Assemblyman Thompson:**
I am not sure if you clarified my question. Currently, it says if they are under ten, but what it is looking to propose is the 10 to 18 years of age group. Am I reading that wrong?

**Troy Dillard:**
The proposal is that they would be under ten years of age.

**Assemblyman Thompson:**
The way I read it, the current law says that it is under ten years of age.

**Laura E. Freed, Deputy Administrator, Regulatory and Planning Services, Division of Public and Behavioral Health, Department of Health and Human Services:**
Under current law, every child who meets the statutory requirements, along with their caregiver, has to go to the DMV to get the card after DHHS approves the application. Under the bill as written, the children under ten years of age and their designated caregivers would skip the trip to the DMV. Instead, they would receive a letter of approval from DHHS. Everyone else would still have to go to the DMV.

We are here in support of S.B. 447 (R1) because various sections permit the Division of Public and Behavioral Health (DPBH), Department of Health and Human Services, to issue letters of approval rather than patient registry cards for children under ten years of age and their designated caregivers. The bill also provides that DPBH shall not disclose the contents of any tool used to evaluate an applicant or his affiliates or certain information provided by a medical marijuana establishment applicant without a release from the applicant. However, DPBH's work product such as the score, rank, or identifying information of a medical marijuana establishment may be released.

Finally, the bill eliminates the designation of a multi-establishment facility under *Nevada Revised Statutes* (NRS) 453A.116, which permits DPBH to regulate two types of medical marijuana establishments on one parcel separately.

I am here with Deputy Director Hettrick of the State Department of Agriculture (NDA) to present a friendly amendment to the bill (Exhibit H). The NDA and DPBH submitted a friendly amendment to this bill which has three purposes: (1) It would authorize DPBH to pursue an interlocal agreement with NDA in order to access NDA's expertise with pesticides, fungicides, and growth regulators as they pertain to the cultivation of medical marijuana; (2) It would provide legal immunity to employees of NDA when they handle cannabis for the purpose of testing and pesticide regulation, and (3) It would refine the language regarding lab testing and permit NDA to test cannabis.

**Lynn Hettrick, Deputy Director, State Department of Agriculture:**
Ms. Freed has very well described the provisions that we would like to see added to the bill. We consider it to be a friendly amendment, and we have discussed the amendments with the sponsors, and it is pretty straightforward. In the last section of the amendment, we notate why we are changing the language. Regarding page 2 of the amendment that amends NRS 453A.368, subsection 2 paragraph (b) (Exhibit H) where it says, "Whether the tested material is organic or non organic," you cannot test a product to be organic. Organic is a process of growing the product that has to be certified by the federal government demonstrating the product was grown organically. The federal government does not certify a process for marijuana. There is no such thing as a test for organic materials. Therefore, we have eliminated that language, and replaced it with "The presence and identification of molds and fungus." That would be far more important to the user to know that the product was safe.

Subsection 2, paragraph (d) of NRS 453A.368 said, "The presence and concentration of fertilizers and other nutrients." Plants do not uptake Miracle-Gro; they uptake nitrogen, phosphorus, et cetera. We cannot test

for fertilizer. We can test the composition of the plant, but we cannot tell you what fertilizer was used to supply that nutrient or that uptake. Therefore, we have simply changed the language to bring it more into line with what can actually be done by a laboratory. We have very sophisticated laboratories and we would like to work with the DPBH in regard to controls for testing labs. We might provide the controls or do split-testing.

**Assemblyman Nelson:**
Do you have anything in your amendment about pesticides? Oh, I see that you do. I know there has been a lot of news in the press lately about pesticides. What is your position on that? Do you want it to be consistent with the federal regulations?

**Lynn Hettrick:**
This is a difficult area. The federal government approves pesticides and herbicides based on their label. The label generally specifies the use. There is no product specified for use on marijuana. Right now, the only products legally used on marijuana are Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Section 25(b) products, which are products that do not require a federal label. There is an advisory commission set up through the Division that will establish some products that may be used in marijuana. We do not believe that it will be a federal issue. It certainly will not be an issue from our standpoint. However, it will be a gray area. Much as Mr. Callaway testified, we probably will have a bit of a tap dance to deal with those issues.

**Assemblyman Nelson:**
Do you think that it is wise to be tap dancing around all of these federal issues in light of the oath you took as a state employee, and that I took as a legislator?

**Lynn Hettrick:**
I think the situation was well described by Mr. Kandt. The federal government has established a position saying if a state establishes a law that controls marijuana, they are not going to be involved. Since the voters of this state passed a constitutional amendment saying they wanted access to medical marijuana, we are following the will of the voters of this state, and we believe the federal government is going to step back.

**Assemblyman Gardner:**
It is my understanding that pesticides cannot be used because of the issues that you have stated. If we pass this bill with your amendment, would that allow for it? I have talked to several legislators in Colorado, and they have created, together with the agriculture department, their own list of pesticides that may be used with marijuana.

**Laura Freed:**
The issue right now is current regulation. The regulation that implements NRS Chapter 453A states that a marijuana batch tested by an independent testing laboratory will be deemed to have failed if it does not meet the most stringent pesticide residue standard established by the Environmental Protection Agency (EPA) for any food product. The regulation adopts by reference the *Code of Federal Regulations* regarding food pesticides. The EPA has not approved any pesticide for use on cannabis. So there is no ability to adopt by reference because the EPA has nothing. In that *Code of Federal Regulations* there are extremely low residue tolerances. We are talking about 0.2 parts per million in some, which makes it almost impossible to use those regulations because they would fail once they went to the testing laboratory. Right now, cultivators in Nevada are faced with using the FIFRA Section 25(b) list, and currently the regulation is silent on the so-called tolerance-exempt substances, which are also considered very safe for use in consumable food crops. The Division intends to allow using the tolerance-exempt list until such time as either the Legislature opines on the pesticide issue or the regulations get changed.

**Chairman Hansen:**
Seeing no further questions, we are going to go down to Las Vegas for testimony.

**Vicki Higgins, Private Citizen, Las Vegas, Nevada:**
First, I want to say thank you for this bill in an attempt to protect us. I understand the intent is to protect the community.

My first item of concern is on page 13, referring to the patient grows. It talks about multiple patients per home are allowed 12 plants collectively, or 2.5 ounces collectively. For years we have been required to grow our own medicine and now you are trying to change the regulations. You are also trying to limit us to one patient medicine accommodation per home. I think that is unrealistic. Section 8, subsection 4 talks about cleanup and the people having to pay for it. I assume you are talking about methamphetamine labs, but this ties in with concentrates. I want you to be aware that we do not need Hazmat for concentrates.

About the driving under the influence (DUI) nanogram levels, as Mr. Callaway pointed out, we are always going to have nanogram levels in our system. I have a list of some scientific-based morning levels which are done by a qualified lab for average patients using different methods of delivery. This gives us a very basic outline, although I understand that much more research

is needed. Long-using medical marijuana patients will always have nanograms and milliliters of the substance in their blood and urine. I hope we would take that into consideration.

Section 5 defines rehab and civil penalties. On one hand, in another bill, you are saying that we can have under an ounce. Yet, the penalty is that you are going to put us into drug rehabilitation if we have to be involved with police officers or the system at all. That is ridiculous because we are not drug addicts; we are using medicine.

Section 16 talks about if a patient has a valid card and further discusses a letter of approval from DHHS. I spoke with them the other day, and the turn-around time for people to actually receive their approval is almost two months. The person I spoke with said that as long as the application has been received at DPBH by the expiration date, the patient is okay. I agree with the DMV not being involved. That is a lot of time and money that does not really need to be addressed. I believe that DHHS would be best to have overview over that part.

One of my big concerns is section 23, subsection 1(f) regarding patients giving other patients medicine. I realize you talk about legal patient to legal patient but we are concerned this is going to fold over. For years and years, we have been required to give medicine to people in need. We are very careful to do that for patients that are qualified. We would not like to be penalized if we are going to help out fellow patients.

The section about school property I understand. The nurse dispenses it in grade school and high school. They will not be smoking. This is more like edibles, tinctures, or oils that the child might need. A college student is an adult. If a student is carrying his medicine and not using it, I do not see why he should be penalized. We should be doing research at these colleges and not banning medicine.

Regarding the use of one dispensary per patient is frustrating. What if I go to a dispensary and I find out their product is not what I need or do not like how I was treated?

**Chairman Hansen:**
Ms. Higgins, please wrap it up. We are here for the proponents of the bill right now.

**Vicki Higgins:**
I have one last thing regarding the pesticides. Pyrethrum is listed and this is a natural plant derivative. I realize we are not addressing that issue right now,

but I think pyrethrum should be allowed. The average organic gardener uses pyrethrum because it is very natural. [Written testimony was also submitted (Exhibit I).]

**Chairman Hansen:**
Pardon me for confusing you. If the two ladies to your right are also for the opposition, please hold your testimony, and I will come back to you when we go to opposition. We will now come back north to Carson City. Who would like to start?

**Kiera Sears, representing Black Rock Nutraceuticals:**
Before I start with my testimony, I would like to address some of the previous questions. Nothing in this bill affects patients with valid registry identification cards. This bill applies to NRS Chapter 453, and the first subsection states none of its provisions shall apply to NRS 453A, which is the medical marijuana section. Regarding Assemblyman Trowbridge's concerns about confidentiality, under current Nevada law, DPBH is not allowed to release the registry information. Additionally, under current Health Insurance Portability and Accountability Act (HIPAA) laws, employers are not allowed to require employees to submit this information.

I am here today in support of S.B. 447 (R1). I worked closely with Legislative Counsel Bureau (LCB) staff to draft the amendment related to extractions and concentrated cannabis in a way that would make it legally feasible.

We, in the medical marijuana industry, worked extensively with law enforcement agencies to ensure that their goals were achieved without producing any unforeseen or unintended consequences on our industry. We worked with both the Washoe County Sheriff's Office as well as the Clark County Sheriff's Office. I worked directly with the laboratory directors, and I actually visited their facilities. I feel that the amendment that we proposed reaches their goal intended to ensure public safety.

Cannabis in concentrated form, if not diluted in further form such as a medium, a carrier, or edible, can be debilitating. The educational piece of our medical marijuana laws, which requires not only the proper and adequate education of our employees, but also the education to our patients, is important so that individuals know the dose they should be taking and the possible effects that it will have. Obviously, this education is nonexistent, nor is it regulated in the criminal realm.

Law enforcement worked directly with defense attorneys and the medical marijuana industry to come to reasonable conversions of concentrated cannabis in the realm of trafficking. I support the new proposed trafficking amendment that Will Adler is going to present.

There are also two other amendments being proposed today. One relates to distributors, and is set to provide money to local law enforcement agencies. The other relates to the supply of facilities and prevents further black market movements. This amendment will be presented by Mike Draper. I also support that amendment.

**Mike Draper, representing Good Chemistry:**
Good Chemistry is a seed-to-sell company that cultivates and dispenses medical marijuana to qualified patients. We have grow centers, production facilities, and dispensaries, and we strive to set the bar for safety, research, and technology. What we are discussing today is very important because we are trying to establish a fledgling industry that has significant potential to not only help people in need but also it has significant economic potential for our state. It is imperative that we set up a structure that not only allows companies operating in a responsible and reputable manner to flourish but also ensures that we do not take the same missteps that other states have made in implementing this industry. Good Chemistry supports everything that has been presented today. One of the areas that has not been addressed is one that we worked on for several months with law enforcement and some of the other companies planning to operate in Nevada. We would like to make sure that we are limiting the potential for black market diversion of excess product. In order to do so, we looked at what is currently being done in Colorado.

We have proposed an amendment (Exhibit J) that would begin to limit cultivation to a degree to lessen the possibility of diversions. That amendment would propose that if a cultivation facility fails to sell 85 percent of its harvest over the course of a year, that facility would then be fined the fair-market value of the amount that is under 85 percent. If a facility only sold 60 percent, they would be fined for the extra 25 percent that was not sold. If it is a vertically integrated facility, which some of the facilities represented in this room are, this means that they are not actually selling to themselves. Therefore, if those facilities fail to account for 85 percent of the product that they grow in their dispensary or production facility, they would also be fined the same amount. If after the second year that facility failed to sell or account for 85 percent of their production, they would be fined double the fair-market value for the excess marijuana that was not sold. After year three, if the facility again failed to sell or account for 85 percent of their product, they would be subject to losing their license with the DPBH. That fine could go back into law enforcement.

There has been some concern over the last few weeks about the availability of resources to enforce some of the laws around this. This is a proposal that has been discussed quite a bit. It was discussed on the Senate side in a different form, and that form actually created a barrier to entry, which is why it was not presented on the Senate side. We feel like this will allow everyone that is licensed to operate but ensure they are operating in a responsible and thoughtful manner. This amendment has full support of law enforcement as well as many of the companies represented in this room.

There are two other proposed conceptual amendments that were discussed with the Chairman last night. One would address seed-to-sell tracking, which is already required in statute, but it would create some urgency. It would mandate that the state adopt seed-to-sell tracking by January 1, 2016. Companies that are already licensed and working on getting ready to operate currently are all working with seed-to-sell tracking measures. Those seed-to-sell tracking measures would be accepted at the state's discretion as well.

Regarding the last conceptual amendment, in order to address some enforcement concerns, as well as best practices, the third conceptual amendment would say that the governing body of a political subdivision of this state may not adopt any ordinance or regulation which restricts the ability of a medical marijuana dispensary to obtain marijuana or related supplies from any registered cultivation facility in this state registered pursuant to NRS 453A.322. These provisions supersede and preempt any ordinance or regulation adopted by the governing body of a political subdivision of the state governing the supply of marijuana and related supplies by a cultivation facility to a medical marijuana dispensary. In other words, this would ensure that the best product was available to all of the dispensaries and production facilities statewide regardless of where it was coming from in the state. I can certainly provide language after this meeting, and I am open to any questions.

**Will Adler, representing Nevada Medical Marijuana Association:**
I have written two amendments. They should both be on the Nevada Electronic Legislative Information System (NELIS). These are both regulatory clarification amendments. The first one is regarding concentrated cannabis and its amounts (Exhibit K). During talks with law enforcement and patients, we determined that having concentrated cannabis as a Schedule I drug is not exactly in line with our current trafficking laws which separates marijuana from other drugs entirely. The only problem with this is concentrated cannabis usually is restricted to four grams no matter what form it is in. As the law is read and as it is prosecuted, any cutting agent is weighed with the drug itself. A cutting agent could be flour, sugar, or cocoa powder. A brownie is now weighed as

a brownie for the four gram limit for concentrated cannabis. We realized that it would not work to have such a restricted limit on the weight of concentrated cannabis.

The first amendment (Exhibit K) would bring concentrated cannabis as a separate substance but into marijuana trafficking laws as they are currently. It would require the striking out of concentrated cannabis in section 6, line 26 which brings concentrated cannabis into Schedule I drug trafficking. We want to remove it from there and bring it into section 7 and amend it. The current trafficking amounts are 100 pounds to 2,000 pounds of marijuana. The amendment shows: (a) 50 pounds of marijuana or 1 pound of concentrated cannabis; (b) 1,000 pounds of marijuana or 20 pounds of concentrated cannabis. These would be the new benchmarks for concentrated cannabis trafficking. As you can see on the amendment, it goes along that theme for the new marijuana trafficking laws. If there are any questions, I will answer them after I go over my second amendment (Exhibit L).

**Chairman Hansen:**
Actually, you will have to submit the second amendment to me, and we will have to take it up with the bill's sponsor because we are out of time.

**Will Adler:**
Okay.

**Chairman Hansen:**
Mr. Gardner has a question. Then I am going to go to the opposition testimony. There are only a few signed up, and we have already heard from one. We will give them an opportunity and then we will wind up the hearing.

**Assemblyman Gardner:**
This question is about Mr. Draper's amendment. How would the 85 percent provision affect seed-to-sale?

**Mike Draper:**
It would apply to seed-to-sale. Obviously, vertically integrated companies are not selling per se to themselves. If they are not accounting for 85 percent of the product that they are growing, they would be subject to the same fine or penalties. This would obviously be tracked through the seed-to-sale systems licensed or approved by the state.

**Chairman Hansen:**
There is nobody signed up in opposition in Carson City. I would like you three to vacate those seats. I will have three of the proponents or those in the neutral position to come up. We are going to opposition testimony now and we will start with Las Vegas.

**Cindy Brown, Private Citizen, Las Vegas, Nevada:**
I am a 21-year voting resident of Nevada. I have a little bit of an issue with section 16, subsections 5 and 6 on page 13. Vicki mentioned you want to combine all of us to have 2.5 ounces even if there are ten people in the house. That does not make any sense. We are not allowed to share any other pharmaceutical medications so why should we have to share our medical cannabis?

Also, some of us are going to be allowed to continue to grow due to when we got our cards and other circumstances. We would like to see the amount that we are allowed to have on hand raised to a minimum of 24 ounces. We really would like to see it at around three or four pounds, but I know you will not go for that. Some people like to grow a couple of times a year, and then start over next year.

We have seen that when the recreational use comes into play in other states, the medical people seem to be pushed out due to the substantial prices they charge at dispensaries. In fact, Washington State is now getting rid of their medical program. I do not know what those people are going to do.

There was a question earlier about concealed carry weapons (CCW). We are currently denied having a CCW when they do our background checks and they see that we are medical marijuana patients. We do not agree with that either; we want our guns.

We would also like to see protection for regular people's jobs and not just government jobs. We would like to disallow any testing for cannabis in the blood, hair, or urine, in order to procure a job. We would also like medication areas in the same places that cigarette smoking is allowed for those who choose or must medicate through smoking cannabis for immediate relief. We would also like to know that our children are protected from being taken by child protective services and that our guns will not be taken away. We are also wondering why the Las Vegas Metropolitan Police Department still has access to our database and that they are cross-referencing and going to people's homes without a warrant to see if they are in compliance. We want that to stop. Can you put that somewhere in the regulations please?

For clarification, ten-year-old children are not smoking cannabis. I am repeating what Vicki said, but you need to get that and understand it. A lot of you are not educated about how medical marijuana works and what we use. Regarding the concentrate or oil that people are blowing up their homes with, they are the idiots who are using butane and other things that are not acceptable for medical patients. They are doing it just to get high. We are not doing it just to get high. We are doing it to cure problems. Cannabis, in concentrated form, will cure many cancers. My brother-in-law has brain cancer. He has been using cannabis oil and his tumors are shrinking. The more that we can teach you, the better it will be to help us. Apparently, no one is teaching you the whole program.

**Mona Lisa Samuelson, Private Citizen, Las Vegas, Nevada:**
I try to give a voice to the medical marijuana community, and I agree with everything that my fellow advocates have stated. I fully support the amendments from the Department of Agriculture as well. I want to thank you for attempting to get these laws right and put them fairly for the patients. There is nothing more important to our community than getting this right. I do appreciate the intention behind the bill. However, I want you to be aware that medical patients are terrified because we are being regulated to death. I do not want to give you so much information that you cannot use it.

I will be submitting a lot of material online because I do not think you realize how vulnerable we are and how our laws have left us vulnerable the entire time. Now, when we are given the opportunity to come and have it fixed, we come up here and fight because we need your help. You are introducing this bill at the request of law enforcement. Meanwhile, we, the patients, have begged Senator Segerblom to introduce new amendments and draft bills to no avail. You are working with lobbyists, law enforcement, politicians, and people in Colorado. I beg you to just hear us, your local community. What we want is for you to protect the public. That is what you are here to do, but you are criminalizing all the real medical patients.

Let me just try to make two points. When you are talking concentrated cannabis, the things that make it dangerous are the butane extracts and all of the extracts that are not fit for human consumption. Maybe we can put that in instead of concentrated cannabis because using it medically, you are going to cook it down to some degree. That does not mean it is concentrated. This is called essential oils. That is something that is cold-pressed plant oil.

**Chairman Hansen:**
Ms. Samuelson, can you get to your second point please?

**Mona Lisa Samuelson:**
My second point is that I have a YouTube channel. I made sure to email each of you so you can watch it to see all of the processes yourself to see how flammable it is or is not. The methods that the medical patients use, I have already spoken to the fire chiefs about. They have told us that it is all covered by food-grade and alcohol can be used. I want you to know that concentrated cannabis is a different process. Please, I beg you to listen to your community because we are here to help. I do not want to give you information that you cannot use. I have a YouTube channel that is called MonaLisaLuvsMaryJane. I hope you take a look at it and see what we really face as medical patients.

**Assemblywoman Fiore:**
You have been in this business a long time. On my trip to Denver, I learned many things, and I met a marijuana masseuse. I may not be saying this correctly, but she does massages with marijuana oil or some other type of oil. When you look at a bottle of oil, it is not in that same ginseng bottle presented by Director Callaway (Exhibit F). Are we going to start confusing the law with specific oils as we have with brownies where they weigh the whole brownie not knowing what the rest of the ingredients are? These are the things that scare me because I am trying to decriminalize it but we are looking at laws that make it worse. Just like the weight of the brownie versus the ingredient in the brownie, the weight of this massage oil versus the tiny ginseng tube. How do we address this oil issue?

**Chairman Hansen:**
That is way off topic and we are flat out of time. You can communicate outside of this hearing and you can get the oil issue straightened out. Thank you for your testimony. We are going to come back up to Carson City and will start with Mr. Horne.

**William Horne, representing CW Nevada; NuVeda; and Alternative Solutions:**
I am here to testify in favor of S.B. 447 (R1) with proposed amendments by Ms. Sears and Mr. Adler. As for the amendment by Mr. Draper, I have not yet been able to read it, therefore I will be in the neutral position for that amendment. I understand the concepts, but I still have some questions regarding the tracking mechanisms. The restrictions on purchasing from any grower in the state is a good idea. I think it can be expanded to prohibiting local governments from restricting dispensaries from delivering product to a patient. For instance, they only deliver to the patient's address on his or her registration card as opposed to the actual patient and/or his or her caregiver. Lastly, keep in mind, there are two relevant chapters in NRS. There is NRS Chapter 453, which deals with the law enforcement issue. Basically, that chapter addresses those that are participating in marijuana use and production

without the appropriate licenses. Chapter 453A of NRS deals with the patients, dispensaries, et cetera. Ms. Sears summed that up pretty well. I will be happy to answer questions.

**Riana Durrett, representing Nevada Dispensary Association:**
My association comprises 12 dispensaries in southern Nevada which is over 30 percent of the dispensaries in southern Nevada. I just wanted to weigh in as neutral on the amendment presented by Mr. Draper. I need to discuss it with my Association. I am concerned about the possibility of further hurdles for these groups who have invested a lot of time and money in our community. I will speak with them about it, and I would like to be kept in the loop on the issue.

**Laurel Stadler, Rural Coordinator, Northern Nevada DUI Task Force:**
I am here to support the law enforcement intent of this bill. I would like to draw your attention to section 34, which provides clarifying language that talks about what information is available from the marijuana program. I can answer one of your questions, Chairman Hansen. As of April 1, 2013, there was one cardholder who was less than 18 years of age. On that date, there was a great deal of information available on the website. As of January 2015, the information became very limited. The changes in section 34 will again enable the populace to have statistical-only information on the medical marijuana program. I have a handout that I can provide. This statistical information is very important for the public and legislators, particularly regarding the numbers of cards being issued on a weekly basis.

**Chairman Hansen:**
How many cards are being issued on a weekly basis?

**Laurel Stadler:**
The testimony today was 125 applications per week are being submitted as per Troy Dillard from DMV. In 2013, there were 3,753 issued. By January of this year, there were 8,500-plus, and apparently going up exponentially with the opening of the dispensaries.

My other concern with the bill is on page 11, section 13. Where it talks about the letters of approval, there does not seem to be any difference in how much marijuana can be secured by a regular cardholder, which is presumably an adult or someone over ten years old, and the patients under ten years old. The same amount of marijuana is authorized for the patients with a letter of approval to have. It just does not seem like there is any medication that is equally prescribed or recommended for children that young as it is for adults. I would ask that it be looked at. Section 13, subsection 2(b) says that the same

amount of marijuana is eligible to be in the possession of these little kids. That seems inappropriate at best. In addition to my work with the DUI Task Force, I am also a charter member of Safe Kids Washoe County for the last 15 years or more. We look at unintentional injuries to young children. I am not speaking for that group, but my experience with that group shows that this would certainly seem to be an area that would be appropriate to look at. The amount of marijuana that is available for the medication of these young children should be examined.

**Chairman Hansen:**
I am sure that Officer Callaway and Mr. Kandt would be happy to talk with you about those issues. Are there any questions for any of the testifiers? [There were none.] We have five minutes, and I am going to hear two more opponents in Clark County.

**Delphine Callahan, Private Citizen, Las Vegas, Nevada:**
I wanted to specifically address law enforcement. The esteemed gentleman said that they did not want to unduly burden legally medicinal patients. However, instilling these laws and restrictions without consulting medical doctors who prescribe the cannabis and without consulting the patients is unconstitutional and hypocritical. We know that law enforcement has not instilled these same impositions on pharmaceutical companies. They do not say to pharmaceutical companies that they cannot distribute oxycodone or these attention deficit and hyperactivity disorder (ADHD) drugs because there is a high potential for abuse. We know there is high potential and high abuse in many pharmaceutical drugs. We know that our kids are selling Adderall and all kinds of drugs that they are getting from their own medicine cabinets that are prescribed by their own doctors for high amounts of money. I think that we need to treat it as any other medicine and not to instill these restrictions without doing so to the pharmaceutical companies.

Also, I would like to address the point about the doctors who prescribe cannabis. Some say there is a high abuse because of the one-stop shops. There are many doctors that are prescribing pharmaceutical medications that are getting many monetary kickbacks for their prescriptions. Why is that not being addressed and why is there discrimination?

We cannot instill personal choice and it is not our job to instill personal choice. If someone takes oxycodone, smokes a bunch of cigarettes, and is using oxygen, they can blow up their house just as much as anyone who is making

the concentrates. If you are going to instill all of these restrictions on medical cannabis patients, you need to do it with pharmaceuticals. You cannot say to someone that you cannot have your concentrate because you might blow up your house if you do not do that for anyone who is smoking and has oxygen.

**Timothy Addo, Private Citizen, Las Vegas, Nevada:**
To begin, I was born with a genetic condition called Ehlers-Danlos syndrome type 3 and I am here to speak this month because May is Ehlers-Danlos syndrome awareness month. Medical cannabis is very important to patients. Our representation has not been beneficial to us. Unfortunately, our voices have not been heard up to this point.

There are a few things that I would like to address. I will try to make it as brief as I can. As Assemblywoman Fiore stated earlier, there are a lot of changes that will be happening in the next ten years. One thing that I foresee will be for kids under ten years old and in school. There are issues going on right now, even in Colorado, where parents are fighting for the concentrated cannabis oils to be allowed in school. If you have an epileptic child who goes through seizures in school, you would want the school nurse to be able to have a high cannabidiol (CBD), low THC cannabis oil available to administer to the child.

**Chairman Hansen:**
I am sorry, but I am going to have to ask you to wrap it up. Please finish your statement.

**Timothy Addo:**
Medical cannabis patients are not able to receive our government benefits such as Social Security. Even if you are using medical cannabis for your pain, you will not be eligible to receive your benefits. These are things that matter to medical marijuana patients. Let us please look at this bill. I am in favor of some of it, but I am opposed to certain aspects. I think we need a dialogue where we all come together to make this better for our future generations. There is a lot of work to be done. Thank you for your time.

**Chairman Hansen:**
I am going to close the hearing on Senate Bill 447 (1st Reprint). We are now open for public comment. Are there any issues that anyone would like to discuss at this time? Seeing none, is there any Committee business? We do have a work session tomorrow with approximately 15 bills. The last bill was our last official bill. We are still waiting for some from the Senate. All of our bills that have been sent to the Senate have been heard. Congratulations to the Committee. With no further business, this meeting is adjourned [at 11:02 a.m.].

RESPECTFULLY SUBMITTED:

_____
Lenore Carfora-Nye
Committee Secretary

APPROVED BY:

_____
Assemblyman Ira Hansen, Chairman

DATE: _____

**EXHIBITS**

**Committee Name: Assembly Committee on Judiciary**

**Date: May 7, 2015** **Time of Meeting: 8 a.m.**

| Bill | Exhibit | Witness / Agency | Description |
|---|---|---|---|
| | A | | Agenda |
| | B | | Attendance Roster |
| S.B. 262 (R1) | C | Dan Roberts, *The Vegas Voice* | Testimony in Support |
| S.B. 58 (R1) | D | Brigid J. Duffy, Office of the District Attorney, Clark County | Proposed amendment |
| S.B. 446 (R1) | E | Robert C. Kim, Chair, Business Law Section, State Bar of Nevada | Memo |
| S.B. 447 (R1) | F | Chuck Callaway, LVMPD | Sample Ginseng bottle |
| S.B. 447 (R1) | G | Chuck Callaway, LVMPD | Safety Bulletin and news article |
| S.B. 447 (R1) | H | Laura E. Freed, State Department of Agriculture and Division of Public and Behavioral Health | Proposed amendment |
| S.B. 447 (R1) | I | Vicki Higgins, Private Citizen, Las Vegas, Nevada | Written testimony |
| S.B. 447 (R1) | J | Mike Draper, representing Good Chemistry | Amendment |
| S.B. 447 (R1) | K | Will Adler, NVMMA | Proposed amendment |
| S.B. 447 (R1) | L | Will Adler, NVMMA | Proposed amendment |