

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

**Seventy-Eighth Session
May 22, 2015**

The Committee on Ways and Means was called to order by Chair Paul Anderson at 8:36 a.m. on Friday, May 22, 2015, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 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 Paul Anderson, Chair
Assemblyman John Hambrick, Vice Chair
Assemblyman Derek Armstrong
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Irene Bustamante Adams
Assemblywoman Maggie Carlton
Assemblywoman Jill Dickman
Assemblyman Chris Edwards
Assemblyman Pat Hickey
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Randy Kirner
Assemblyman James Oscarson
Assemblyman Michael C. Sprinkle
Assemblywoman Heidi Swank
Assemblywoman Robin L. Titus



STAFF MEMBERS PRESENT:

Stephanie Day, Principal Deputy Fiscal Analyst
Sarah Coffman, Senior Program Analyst
Karen Daly, Committee Secretary
Cynthia Wyett, Committee Assistant

GUEST LEGISLATORS PRESENT:

Assemblywoman Dina Neal, Assembly District No. 7

Following call of the roll, Chair Anderson opened the hearing for public comment. There being none, Chair Anderson opened the hearing on Assembly Bill 161 (1st Reprint).

Assembly Bill 161 (1st Reprint): Authorizes certain businesses to apply to the Office of Economic Development for a partial abatement from certain taxes. (BDR 32-699)

Assemblywoman Irene Bustamante Adams, Assembly District No. 42, introduced Assembly Bill (A.B.) 161 (1st Reprint). She referred to [Exhibit C](#), "Estimated Effects of a Partial Tax Abatement on the Aviation Industry in Nevada." She said that the bill had been presented in a joint hearing of the Senate Committee on Revenue and Economic Development and the Assembly Committee on Taxation on February 19, 2015. The bill focused on new and existing aviation-related businesses.

Assemblywoman Bustamante Adams stated that the definition of the aerospace industry was located in section 1, subsection 12, on page 5 of the bill. She added that the aerospace industry was identified as one of the economic sectors with potential for growth in Nevada, and A.B. 161 (R1) would focus on growing the industry. The bill outlined parameters for a business to qualify for a special abatement. The Office of Economic Development, Office of the Governor (GOED), could grant a partial abatement of property and sales and use taxes for up to 20 years for applicants that met the following criteria:

- Operate in Nevada for a specific period of time.
- Possess or obtain a Nevada business license.
- Employ five or more persons full time within one year (new businesses).

- Increase the number of full-time employees on the payroll by 3 percent or three employees, whichever was greater (existing businesses).
- Meet additional requirements for capital investment as shown in section 1, subsection 2, paragraph (e).
- Perform audits and include claw-back provisions.

Assemblywoman Bustamante Adams stated that some of her comments related to the policy portion of A.B. 161 (R1), although that was not the discussion for this Committee. Regarding the fiscal section of the bill, she indicated that the Department of Taxation estimated a loss of property tax revenue of approximately \$665,047 per year from the 10 percent abatements ([Exhibit D](#)); this figure was the total tax from all entities, including counties, cities, school districts, and other local governments.

Regarding the sales and use tax, Assemblywoman Bustamante Adams said the Department of Taxation indicated it could not estimate the amount of sales tax revenue that would be lost from existing aircraft businesses from this abatement, nor the potential increase in the 2 percent sales and use tax from the additional business generated by the abatements.

Assemblyman Oscarson commented that several companies had contacted him that were currently doing business out of state, and these companies received benefits that Nevada did not offer. He said that there were a significant number of businesses that wanted to relocate to Nevada and would employ Nevadans. In addition, Assemblyman Oscarson stated that local airports could benefit from this bill if the opportunity existed for them to participate.

Assemblywoman Bustamante Adams pointed out that this bill would have a statewide effect, and there was a bipartisan effort in southern Nevada to support this bill as the number one priority for economic development.

Chair Anderson asked for more information regarding the offset of the loss of property and sales and use taxes, or the potential increase in the 2 percent sales tax.

Steve Hill, Executive Director, Office of Economic Development, Office of the Governor (GOED), said that the projections for the personal property tax were, at a minimum, \$1.1 million in the first year and could grow thereafter. He estimated that the bill might generate \$4 million, and he believed that this bill would more than offset the abatements granted. He stated that the states that surrounded Nevada did not charge taxes to the aircraft industry, and he believed that these

taxes were causing jobs to leave Nevada. It was his opinion that the jobs would quickly be brought back into Nevada, and several companies, both large and small, had expressed interest in relocating those jobs back to Nevada. As Assemblywoman Bustamante Adams had stated, the Department of Taxation could not project the effect on the sales tax. Mr. Hill believed the industry was currently small in Nevada because of the tax situation. He anticipated that the abatement amount and the offset would be relatively small. He said A.B. 161 (R1) would generate a positive fiscal impact for the state.

Mr. Hill advised that the bill was focused on manned flight, but he believed that the bill would also promote the unmanned aerial vehicle efforts. The Federal Aviation Administration (FAA) had recently granted authority for a Nevada test site for unmanned aerial vehicles (UAVs) in the experimental category, which weighed 55 pounds or less and flew up to 200 feet. Mr. Hill indicated that the state could now authorize test flights rather than waiting for FAA approval. The FAA approval process took four to six months, and the state would be able to complete the process more quickly. Mr. Hill stated that this was a positive step in helping the industry grow, and A.B. 161 (R1) would enhance the growth.

Chair Anderson asked for information regarding the growth of the unmanned flight industry.

Mr. Hill responded that GOED had eight to ten companies in the manned flight industry that were waiting for the bill to be approved to file an application for consideration by the Board of Economic Development at its July 2015 meeting.

Chair Anderson asked whether the companies in the aircraft industry would expand their operations if the bill was approved.

Mr. Hill replied that the policy contained in A.B. 161 (R1) would determine whether these companies—primarily in-state companies—would return their maintenance operations to Nevada.

Chair Anderson called for testimony in support of A.B. 161 (R1).

Tina Iftiger, Vice President of Airport Economic Development, Reno-Tahoe Airport Authority, concurred with the testimony of Assemblywoman Bustamante Adams and Mr. Hill. She said A.B. 161 (R1) was vital to attracting the aerospace, UAS, and aviation maintenance and repair operators to Nevada and grow the industry. She added that the jobs in the aviation industry were high-wage and high-skilled jobs, which included science,

technology, engineering, and mathematics (STEM) jobs. These jobs would be strategic to the diversification and growth of Nevada.

Chair Anderson asked about the average wage paid by the aviation industry.

Ms. Iftiger responded that the average wage in the aviation industry was 20 to 35 percent higher than the average state wage. She said that the wage depended on the specific sector within the industry category.

Chair Anderson called for further testimony either in opposition to or neutral on A.B. 161 (R1), and there was none. Chair Anderson closed the hearing on A.B. 161 (R1), and opened the hearing on Assembly Bill 399.

Assembly Bill 399: Directs the Office of Economic Development to create a pilot program to encourage the growth of existing businesses in this State. (BDR S-46)

Assemblywoman Dina Neal, Assembly District No. 7, introduced Assembly Bill (A.B.) 399. She advised that A.B. 399 was an "economic gardening" bill that created a pilot program to help existing Nevada companies use data to make better business decisions to foster growth. She said that the bill proposed the "grow from within" approach, which was to develop existing businesses rather than bring new businesses into the state. Assemblywoman Neal stated that the bill created collaboration among the Nevada System of Higher Education (NSHE), the various chambers of commerce, and other groups.

Assemblywoman Neal indicated that her request was for a geographic information system (GIS) position at the College of Southern Nevada (CSN). The position would be instrumental in collecting the data that an established business needed about its local market. The GIS position could map and analyze the data, which would allow the business to make better decisions about target and competitor markets.

Assemblywoman Bustamante Adams commented that economic gardening was a proven model in other states to help existing businesses grow.

Assemblywoman Neal said she met Chris Gibbons, the creator of the economic gardening approach, at a conference in 2011. Mr. Gibbons, a city employee of Littleton, Colorado, developed the program in 1987. His strategy used GIS, demographic, and economic data to assist local existing businesses. He retired in 2013 and was now teaching his strategy.

Assemblywoman Neal said one of the most successful programs using the economic gardening approach was in the state of Florida. Florida received Mr. Gibbons' services for free and developed its program called GrowFL. The GrowFL program assisted over 3,000 businesses and resulted in \$30 million for the local market. A series of studies between 2011 and 2014 showed the Florida market had grown significantly. She added that the proposed Nevada program mirrored the Florida program and included information that she received from using this type of program in her district from 2011 to 2013. Assemblywoman Neal informed the Committee that she had sponsored a similar bill in 2013 without success.

Chair Anderson asked Assemblywoman Neal about the success of the program in her district.

Assemblywoman Neal replied that she discovered many of the businesses in her district did not understand basic demographic data. She described helping a business identify data such as age, education level, or spending patterns by ZIP Code. For example, a shoe business used retail expenditure reports to determine trends for the types of shoes sold in a particular area. The customer expenditure reports were free to businesses, and the retail data could be divided into subgroups for analysis. The businesses could then consider diversifying or remaining with the same business strategy. Assemblywoman Neal summarized that the purpose of the data analysis was to enable businesses to make effective decisions to ensure future growth.

Assemblyman Kirner asked about the results of the Washoe County program.

Assemblywoman Neal responded that Brian Bonnenfant, of the Center for Regional Studies at the University of Nevada, Reno (UNR), could provide a more detailed explanation of the data collection and analysis performed by the Center for Regional Studies. She cited the example of a database that was created for a private business to determine the local Latino market in a specific geographic area in Reno. Assemblywoman Neal explained that A.B. 399 would allow the expertise of the UNR Center for Regional Studies and the Nevada Small Business Development Center (SBDC) in Washoe County to be shared statewide. She added that the function of the SBDC in northern Nevada and the GIS position at CSN would be to assist businesses to receive data.

Assemblyman Kirner asked whether there was data to indicate a return on investment (ROI) in Washoe County.

Brian Bonnenfant, Project Manager, Center for Regional Studies, University of Nevada, Reno, stated that the Center for Regional Studies was

administered by the SBDC, and all data collected was reported to the U.S. Small Business Administration (SBA). He advised that the SBDC tracked the number of jobs created, capital investments, and other information that could be used to determine an ROI. He explained that the Center for Regional Studies collected and analyzed the data. Counselors from the SBDC worked with small businesses to use the data for site selection, market studies, or competition analysis. Mr. Bonnenfant emphasized that this process had been used for 20 years in northern Nevada. The operation had expanded to include such data as land use information; payroll and wage information from the Department of Employment, Training and Rehabilitation (DETR); and retail sales figures from the Department of Taxation.

For the pilot program in A.B. 399, Mr. Bonnenfant indicated that the requested GIS position would collect data, but would not participate in counseling the small businesses. He explained that the SBDC had used interns from the College of Southern Nevada (CSN) to replicate the work of the Center for Regional Studies, without success. A full-time-equivalent (FTE) position was requested to conduct the work. He explained that a network, with participants from the College of Southern Nevada; University of Nevada, Las Vegas; the Urban Chamber of Commerce of Las Vegas; the Las Vegas Latin Chamber of Commerce; the University of Nevada Cooperative Extension in Clark County; local governments; and others would provide counseling to the participating businesses.

In response to a question from Assemblywoman Carlton, Assemblywoman Neal stated that the position would be located at the College of Southern Nevada.

Chair Anderson asked whether this bill targeted a specific business size.

Assemblywoman Neal replied that the program would focus on second-stage growth companies; those companies would have been in business in Nevada for at least two years and would have identified both their business model and plan. The benchmark to access the program would be a business that had over \$100,000 in revenue.

Mr. Bonnenfant commented that the SBA threshold for small businesses was 200 employees.

Chair Anderson pointed out that GIS data was readily available through private enterprise, and a company could pay \$30 to \$50 for a report. He asked how the bill would assist businesses beyond the information that was readily available.

Mr. Bonnenfant said that satisfactory demographic information developed from U.S. Census Bureau data could be purchased online. However, the data developed through this program would be actual sales information, wage and employment data, and information about competitors, using local government data. He pointed out commercial data sources often provided estimated data. The local government data used by the Center for Regional Studies was high quality and could be pinpointed to the neighborhood block level. When clients needed to make business plans and projections to acquire financing, he stated that the program sought to provide the best information available.

Assemblywoman Titus believed that this program fit well into the role of government. She supported the bill and appreciated the concept.

Chair Anderson asked when the appropriation would be needed.

Assemblywoman Neal responded that the bill, as introduced, required the pilot program to begin by January 1, 2016. She said that the appropriation would be required during the first six-month period.

Dan Gouker, Senior Associate Vice President, Division of Workforce and Economic Development and Division of Apprenticeship Studies, College of Southern Nevada (CSN), told the Committee that there was currently a functional program at CSN's Cheyenne Campus that was similar to the pilot program in A.B. 399. It was called the Nevada Workforce Development Center and it provided customized Excel and employability training for businesses. The Nevada Workforce Development Center partnered with DETR to provide training across southern Nevada

Mr. Gouker indicated that office space was available in the Center for the new GIS position. If approved, the GIS position could be filled in four months. The position required a specific background in data mining, which would ensure that the data was usable for the employers and employees.

Chair Anderson asked Assemblywoman Neal about a proposed amendment to A.B. 399.

Assemblywoman Neal responded that she had submitted a conceptual amendment (Exhibit E) with changes to dates and naming the College of Southern Nevada as the center for the data collection.

Chair Anderson asked for testimony in support of A.B. 399.

Mr. Gouker testified that CSN was in support of A.B. 399 because it would assist employers and employees in Nevada. He said that the Nevada Workforce Development Center worked with chambers of commerce and the small business community in southern Nevada. The bill would benefit businesses and potential employees in southern Nevada.

Constance Brooks, Ph.D., Director, Government Relations, Nevada System of Higher Education (NSHE), advised that NSHE supported A.B. 399. She thanked Assemblywoman Neal for ensuring that this concept would thrive and support the current structure that was in place to assist development of Nevada's small businesses.

Chair Anderson called for testimony in opposition to or neutral on A.B. 399, and there was none.

In conclusion, Assemblywoman Neal asked the Committee members to support A.B. 399.

Chair Anderson closed the hearing on A.B. 399 and opened the hearing on Assembly Bill 443.

Assembly Bill 443: Makes an appropriation to the Legislative Counsel Bureau for the cost of dues and registration for national organizations and one-time building maintenance and information technology purchases. (BDR S-1221)

Rick Combs, Director, Legislative Counsel Bureau (LCB), provided an overview of Assembly Bill (A.B.) 443 and referenced Exhibit F, "One-Shot Funds for the Legislative Counsel Bureau." The two main sections of the bill were the dues and registration costs for organizations that the Legislature had historically joined and one-time building maintenance and information technology purchases. Those organizations were the National Conference of State Legislatures (NCSL), the Council of State Governments (CSG), the National Conference of Commissioners on Uniform State Laws, and the Education Commission of the States (ECS). He advised that during the current biennium, LCB joined the National Conference of Insurance Legislators (NCOIL) and the National Council of Legislators from Gaming States.

The Legislature, as a body, paid dues to these organizations, and in return, legislators received opportunities for training, conferences, and networking. He stated that NCSL and CSG were the two most costly organizations. He believed that the legislators who used these organizations would agree that they were of tremendous value to legislators and LCB staff while they

completed work for interim studies. He said that these organizations were a source of support and provided information about issues on a national level and in other states.

Mr. Combs indicated the total request for dues and registration costs, as shown in section 1, subsection 1, was \$778,181. When the one-shot appropriation was originally submitted, LCB had not received all of the invoices. The amended amounts were shown on page 1 of [Exhibit F](#), with a new total request of \$776,460.

Mr. Combs added that subsection 2 of section 1 was a request for one-time building maintenance and information technology purchases. He referred to pages 2 through 5 of [Exhibit F](#) that included:

- Replacement components for the elevator in the Sedway Office Building. The 35-year-old elevator was the only one serving the building and needed to be upgraded. The challenge would be Americans with Disabilities Act (ADA) accessibility concerns while the elevator was being repaired. Those concerns would be addressed by moving affected staff to the Legislative Building during the interim while the work was being completed on the elevator. He stated that arrangements would be made for the public to access resources from the second or third floors through the Legislative Building as well. The total projected cost was \$214,245; the actual cost would not be identified until the project was sent out for bids.
- Computer network software and hardware totaling \$440,950.
 - The storage area network (SAN) in Carson City, created via a one-shot appropriation during the 2013 Session, would be expanded rather than replacing 12 individual servers; LCB requested funding to replace 3 Rackmount servers for the existing SAN. Information could be shifted to other servers within the SAN while maintenance was occurring or if a problem arose. Mr. Combs emphasized that the SAN had been useful in ensuring that the Internet and various other programs were running smoothly.
 - A SAN would be created in the Las Vegas office, replacing existing individual servers at a cost of \$98,200. In addition, two cooling units would need to be replaced to ensure the equipment did not overheat.

- The requested Adaptive Security Appliance Firewall/VPN [virtual private network] consisted of two connected failover devices that ensured the network was secure for individuals who used it from outside of the network. With the VPN connection, a user could log into a computer from outside the building. The VPN was security that protected the network.
- The encoders for Broadcast and Production Services would be upgraded. The encoders were part of the Information Technology Services Division and would ensure that it could communicate and receive the appropriate and matched signal with new Broadcast and Production Services equipment.
- Three servers that were not part of the SAN would be replaced. Mr. Combs indicated that two of the servers were devoted to the legislative website because of the volume of traffic; the third server would be used exclusively as a testing environment for improvements or changes to the applications on any of the systems in LCB.
- Phase I of Telecommunications System Replacement was a funding request of \$490,317. The telephone system was replaced approximately 18 years ago, and LCB was one of the last state agencies to move toward a Voice over Internet Protocol (VoIP) telephone system. The project was anticipated to be completed in two phases, with the first phase replacing the supporting foundation of the system. Mr. Combs indicated that LCB would seek funding from the Legislature in the 2017 Session to replace individual telephone handsets throughout all buildings occupied by LCB. The total cost of replacing the telephone system was projected to be approximately \$1.1 million.
- Upgrade of the voting system in the chambers. Mr. Combs stressed that the voting system was 15 years old and needed to be upgraded for the chambers of both houses to ensure that there were no major problems in future legislative sessions. There had been minor problems with the software, and it was difficult to use. The LCB requested \$82,260 for this project.

Mr. Combs stated that there was a reduction of \$6,841 in section 1, subsection 2 of the bill for a total of \$1,227,772; an amendment would be requested. The adjustments in section 1, subsections 1 and 2 would reduce the one-shot appropriation from \$2,011,073 to \$2,004,232.

Assemblywoman Swank recalled that the Subcommittees on General Government had approved moving servers to a rental space from the Grant Sawyer State Office Building. The request was for \$15,000 for two cooling units for the Las Vegas office, and she wondered whether those were two different projects.

Mr. Combs responded that the LCB computer system was separate from the Executive Branch computer system. He said that LCB would continue to maintain its information technology components for the LCB network in the Grant Sawyer State Office Building.

Assemblywoman Swank asked whether there was sufficient space available in the Grant Sawyer State Office Building for this equipment. She commented that space was one of the concerns mentioned in the Subcommittees on General Government meeting.

Mr. Combs replied that there was suitable space in LCB's portion of the building.

Chair Anderson asked for testimony in support of A.B. 443. Hearing none, he asked for testimony in opposition to or neutral on A.B. 443, and there was none.

Mr. Combs emphasized that the funding request in the original version of A.B. 443 was included in The Executive Budget.

Chair Anderson closed the hearing on A.B. 443 and opened the hearing on Senate Bill 195 (1st Reprint).

Senate Bill 195 (1st Reprint): Revises provisions relating to higher education. (BDR 34-509)

Constance Brooks, Ph.D., Director, Government Relations, Nevada System of Higher Education, stated that Senate Bill (S.B.) 195 (1st Reprint) created the Office of the Western Regional Higher Education Compact within the Office of the Governor. Ms. Brooks thanked Senator Hardy for sponsoring S.B. 195 (R1) on behalf of the Nevada System of Higher Education (NSHE). She stated that the bill was approved by the Senate Committee on Education on April 9, 2015, and the Assembly Committee on Education on April 29, 2015.

Vic Redding, Vice Chancellor for Finance and Administration, Nevada System of Higher Education, and Commissioner, Western Interstate Commission for Higher Education (WICHE), said that there were three Nevada members

on WICHE. In addition to Mr. Redding, the other Commissioners were Vance Farrow from the Office of the Governor, and the third position, formerly held by Senator Joe Hardy, was currently vacant.

Mr. Redding explained that the WICHE program was a 60-year-old congressionally approved interstate compact of 15 states that facilitated the sharing of higher education resources. He emphasized that not every state could afford to have professional schools to meet its workforce demand; in fact, most states did not have sufficient professional schools available, and WICHE enabled states to meet that demand. Through WICHE, he explained, the state could exchange students with the 15 other western states that offered educational programs not provided in Nevada universities. The student participants in the program were required to commit to practice up to four years in the state of Nevada and to repay a portion of the support provided for them to attend an out-of-state institution. Currently, 80 percent of the graduates returned to Nevada to serve Nevada citizens.

Mr. Redding pointed out that beginning in fiscal year (FY) 2010, by action of the 2009 Legislature, the Nevada WICHE appropriations were governed by the Board of Regents of the Nevada System of Higher Education (NSHE). The Board of Regents provided the back-office functions for WICHE, including administrative support and accounting services. Prior to FY 2010, WICHE had an independent board. The 2009 Legislature moved WICHE under NSHE as an early response to the recession. Mr. Redding added that the Legislature was concerned about staffing levels, business practices, and a large accounts payable balance. Therefore, the program had been reset in the past six years, with staffing levels reduced by 43 percent and elimination of the outstanding collection balance.

Mr. Redding advised that while preparing the biennial budget request, both NSHE and WICHE reviewed the program and recommended a different model. It was determined that there would be no additional benefit to keep WICHE under the NSHE umbrella. The change would have to be cost neutral, and WICHE would need to maintain the new efficient business processes. He advised that both of these conditions could be met and were included in The Executive Budget.

Mr. Redding explained that the proposal in S.B. 195 (R1) was a better solution than the one endorsed by the Commission. Instead of becoming a standalone board, the Office of the Western Regional Higher Education Compact would be placed under the Office of the Governor. The Office of the Governor would provide back-office support and accounting oversight.

Assemblywoman Bustamante Adams asked for more information about the Office of the Western Regional Higher Education Compact being placed under the Office of the Governor.

Mr. Redding responded that neither WICHE nor the Budget Division, Department of Administration, had contemplated this option while preparing The Executive Budget. The original request was to have WICHE return to being a standalone board. He stated that S.B. 195 (R1) would place the Office of the Western Regional Higher Education Compact administratively under the Office of the Governor. However, he clarified that the Commission would continue to exist in *Nevada Revised Statutes* (NRS) 397.020 to NRS 397.030. The three Commissioners would make the programmatic decisions and interact with Commissioners from other member states. The Office of the Western Regional Higher Education Compact would have an administrative backup by being placed under the Office of the Governor.

Ms. Brooks added that other states had adopted this model. She said that this bill would enable the Office of the Western Regional Higher Education Compact to be in alignment with the Executive Branch, providing a more focused and concerted effort toward supporting higher education throughout the country.

Assemblywoman Bustamante Adams asked whether S.B. 195 (R1) would enable the Office of the Western Regional Higher Education Compact to have a cabinet-level position in the Office of the Governor,

Michael J. Willden, Chief of Staff, Office of the Governor, responded that it was important to differentiate between "in the Office of the Governor" and "under the Office of the Governor" in this discussion. He said that the budgeting structure in the Office of the Governor included budgets for the Governor's Office; the Governor's Mansion; the proposed Office of Science, Innovation and Technology; and the State Energy Office. Therefore, there were a number of budgets and offices under the Governor's Office umbrella. He stated that the Office of the Western Regional Higher Education Compact would not be placed inside of the Office of the Governor, but would be another office under the Governor's Office responsibility. He stated that it would not be a cabinet level position; however, the Office of the Western Regional Higher Education Compact would fit with the Governor's initiatives and direction on improving education.

Assemblywoman Bustamante Adams asked whether there would be personnel included as part of the process.

Mr. Willden responded there were two existing employees: an accounting and a professional position. The professional position was unclassified, and the accounting position was classified. He stated that as proposed in section 4 of S.B. 195 (R1), the employees would come under the umbrella of the Office of the Governor and the positions would be nonclassified employees serving at the pleasure of the Governor.

Assemblywoman Kirkpatrick said that in 2009, the Legislature eliminated the program. However, it provided a good return on investment with Nevada students going to other states to get specialty educational training and returning to Nevada to be part of the workforce. She supported the Office of the Western Regional Higher Education Compact being under the responsibility of the Office of the Governor, because there would be statewide coverage and fiscal monitoring of the budget. She stated that there would also be oversight from the Legislature. At the Governor's level, there would be national attention to obtain various grants.

Mr. Willden agreed with Assemblywoman Kirkpatrick's summary of the program.

Assemblywoman Carlton was concerned with the two positions being considered nonclassified and serving at the pleasure of the Governor.

Mr. Willden responded that in the Office of the Governor, all positions were nonclassified, from the front-desk clerk to the Chief of Staff. However, he understood that the two employees would be under a different status with the passage of this bill. He thought that the positions could be classified, unclassified, or nonclassified.

Mr. Willden added that with the new Office of Finance being proposed in the Governor's Office and moving the Budget Division from the Department of Administration, existing staff from the Budget Division would remain in classified and unclassified service.

Assemblywoman Carlton asked if the employees currently in those positions would be moving under the Office of the Governor.

Mr. Willden replied that the current employees intended to remain in the positions under the Office of the Governor. He said that the Governor's Office

would provide the office space and integrate them with the other staff under the umbrella of the Office of the Governor.

Chair Anderson called for testimony in support of S.B. 195 (R1). Hearing none, he called for testimony in opposition to or neutral on S.B. 195 (R1). Hearing none, he closed the hearing on S.B. 195 (R1) and opened the hearing on Senate Bill 503 (2nd Reprint).

Senate Bill 503 (2nd Reprint): Provides for the creation and implementation of the Breakfast After the Bell Program. (BDR 34-1200)

Jim Barbee, Director, State Department of Agriculture, advised that the purpose of Senate Bill (S.B.) 503 (2nd Reprint) was to ensure that Nevada students were better prepared to begin their school day. Mr. Barbee referred to a PowerPoint presentation ([Exhibit G](#)) and explained the advantages for Nevada students who participated daily in a Breakfast After the Bell Program. He believed there was also an economic benefit to the state. By increasing participation, an increased amount of federal funding was brought into the state for reimbursement. Under S.B. 503 (R2), public schools with 70 percent or more of their students eligible for free or reduced-price lunches under the National School Lunch Act would be required to participate in the program. Mr. Barbee stated that there was an allocation in The Executive Budget each year of the 2015-2017 biennium to support the development of the Breakfast After the Bell Program. He noted that 123 schools would be eligible for startup funding for the program.

Mr. Barbee highlighted a positive example from Empire Elementary School in Carson City that had deployed Breakfast in the Classroom, which was one of the options available to the school districts through the Breakfast After the Bell Program. He emphasized that Empire Elementary School went from a 24 percent to an 84 percent participation rate, which increased the reimbursements back to the district. The goal for the program as a whole was to increase the state's participation rate from 22 percent to 32 percent.

Mr. Barbee said that the startup funding could be used to purchase equipment in the local schools, to market the Breakfast After the Bell Program within the school communities, and to increase the staff members' hours, if necessary, to get the program started. He stressed that this was one-shot funding. Once the program was established and participation increased, the result would be increased reimbursement for the school districts and the program would pay for itself. The State Department of Agriculture would provide technical assistance and professional development for the school staff.

Donnell Barton, Administrator, Food and Nutrition Division, State Department of Agriculture, said the grant application ([Exhibit H](#)) would be available online to the school districts. She pointed out that through the Breakfast After the Bell Program, the food could be served in the classroom or in the cafeteria. At the high-school level, she stated that the school district could provide a "Grab and Go" program with a nutrition break for the students between classes.

Ms. Barton reviewed the application form ([Exhibit H](#)) and pointed out the information that would be collected from participating schools. She also described the certification process and levels of reimbursement.

Ms. Barton stated that the State Department of Agriculture would monitor the participation rate in the districts. She added that if the participation rate was not increasing, staff would provide onsite technical assistance to increase the participation rate. She emphasized that the Department targeted schools that currently had 70 percent or greater of their students eligible for free and reduced-price lunches. There were 123 targeted schools with 93,861 students. If all eligible students participated every day, the state could realize a maximum of approximately \$15 million in additional federal reimbursements. Ms. Barton concluded by commenting that when children were fed and ready for school, they would be ready to learn and perform.

Assemblyman Edwards commented that the school districts' nutrition service enterprise funds paid for equipment, such as freezers, carts, and refrigerators, which seemed to be the focus of the bill. He pointed out that the Clark County School District's nutritional service enterprise fund contained about \$117 million: \$63 million budgeted for food, \$40 million budgeted for labor, and \$14 million for equipment. He asked why the state would pay for equipment and labor when the counties had funds to pay for these items. He commented that the counties should pay for staff, not the state.

Mr. Barbee responded that Assemblyman Edwards brought up good points. He stated that the Department was attempting to expand an existing system. Regarding the enterprise accounts, he said that he could not address the specific numbers for the Clark County School District (CCSD). The Department would provide startup funding to CCSD, and the District would be able to increase the hours of staff or buy coolers to deploy the new system. He believed that CCSD operated its nutritional services enterprise account with a long-term strategy of remaining solvent, and this program was not included in its planning.

Of the 123 eligible schools, Mr. Barbee noted that the schools were not all located in Clark County. Smaller school districts would not have that much

funding in their enterprise accounts. He stressed that the State Department of Agriculture's goal was to offer students the opportunity to participate in programs that already existed. In addition, this program would not supplement the reimbursements to the school for the cost of the food. Mr. Barbee emphasized that the one-shot funding was to establish the program in the schools.

Assemblyman Edwards commented that CCSD would account for 75 percent of the \$2 million in equipment funding. He added that CCSD could adjust its budget, and there would be no further need to seek additional tax revenue.

Assemblywoman Kirkpatrick informed the Committee about a volunteer program called Chefs for Kids and invited members to participate. She said that the chefs on the Las Vegas Strip and employees from the food industry provided breakfast for first- and second-grade students in high-needs schools and worked with the University of Nevada Cooperative Extension to educate children about the importance of nutrition. She said that children were excited to have the chefs serve them breakfast.

Regarding equipment purchases, Assemblywoman Kirkpatrick stressed that equipment should be replaced on a regular basis and that having extra equipment on hand would prevent other problems, should an equipment failure occur. She emphasized that if investments were made in existing programs, equipment had to be part of the discussion. Assemblywoman Kirkpatrick supported the program proposed by S.B. 503 (R2).

Assemblywoman Swank asked how many students would participate in the program at the start and where the Department would reasonably expect the student participation rate to be for the program to reach its goal. In addition, she asked how long it would take the program to become established and to reasonably reach its goal.

Mr. Barbee replied that the overall goal was a 10 percent increase over the biennium, and the State Department of Agriculture would report the results to the 2017 Legislature.

Assemblyman Sprinkle commented that he was a strong supporter of this program. There was sufficient research to indicate how important this program was to students. He emphasized that the purpose of taxpayer funds was precisely for this type of program, and it was necessary to take care of the next generation. He asked what types of food could be served every morning and whether there were nutritional standards the districts must meet.

Catrina Peters, School Nutrition Services Manager, State Department of Agriculture, responded that the breakfast and lunch programs had recently undergone substantial improvements to the nutritional requirements. She stated that for breakfast, the school districts were required to offer the students a cup of fruit, with no more than half of the fruit component to be from juice, a cup of milk, and a minimum amount of whole grains. She said that part of the grain portion could be replaced with a protein item, such as a cheese stick or yogurt.

Assemblywoman Dickman expressed concerns about the program. Funds were spent on advertising to grow these programs; there was a significant amount of wasted food in the program; and the children disliked the food. She heard from many teachers who said this type of program would take time away from instruction. She said that there were plenty of programs in place that gave parents money to feed their children.

Chair Anderson asked for testimony in support of S.B. 503 (R2).

Nicole Rourke, Executive Director, Community and Government Relations, Clark County School District, testified in support of S.B. 503 (R2). She informed the Committee that CCSD currently had 76 schools offering a universal breakfast. Ms. Rourke emphasized the importance of the startup funding to purchase such items as delivery carts, coolers for milk, and other items that were essential for the program to meet United States Department of Agriculture (USDA) and Southern Nevada Health District standards.

Regarding earlier comments and questions about the nutritional services enterprise fund, Ms. Rourke stated that CCSD had a central kitchen with equipment that was used almost 24 hours a day. The school district produced nearly one million meals a week in the central kitchen for delivery to the schools. The enterprise fund purchased delivery trucks, coolers, and all types of food production equipment. She pointed out that it was wise for CCSD to have a balance in the enterprise fund so there would be funding available to purchase the food and equipment necessary.

Ms. Rourke emphasized CCSD appreciated the models presented in the bill, including Breakfast in the Classroom and Grab and Go. As she mentioned earlier, CCSD provided breakfast in 76 elementary schools, and 6 high schools were proposed to participate. The 6 high schools would be a new model for CCSD, and the district was considering best practices to make the operation more efficient. She added that CCSD's fiscal note addressed the loss of instructional time. While it was not an actual outlay of funds, she stressed that

it was something to consider and the district was concerned about it. However, CCSD was making an effort to review best practices to mitigate the lost time.

Lindsay Anderson, Government Affairs Director, Washoe County School District, testified in support of S.B. 503 (R2). She said that there were approximately 33 schools in the district that met the participation criteria for the program and 23 schools already participated. Therefore, approximately 10 Washoe County School District (WCSD) schools would be eligible for the funds.

Ms. Anderson advised that WCSD had submitted a fiscal note for equipment and startup costs. As long as the school districts were able to access startup funds, the fiscal note could be removed.

Ms. Anderson pointed out that WCSD outsourced its nutritional services program, and a request for proposal would be issued to renew with the current vendor or identify a new vendor. The WCSD would partner with the vendor of the nutritional services program.

Ms. Anderson addressed the problem of wasted food as mentioned by Assemblywoman Dickman. She stated that WCSD worked with the Food Bank of Northern Nevada to donate unused food that was safe and met current guidelines.

Jessica Ferrato, representing the Nevada Association of School Boards, testified in support of S.B. 503 (R2). Because every school district and student population was different, the Nevada Association of School Boards appreciated the flexibility in the bill to accommodate the population that would be served.

Mary Pierczynski, representing the Nevada Association of School Superintendents, testified in support of S.B. 503 (R2) for the reasons outlined in previous testimony; however, she particularly appreciated the flexibility in the funding.

Jodi Tyson, Director of Government Affairs, Three Square, testified in support of S.B. 503 (R2). The Three Square provided afterschool and summer meals to the community from its community kitchen. At 165 sites, 149 of which were located on school campuses, Three Square had experienced expansive growth in afterschool meals over the past three years because of the partnership with the Clark County School District.

Ms. Tyson advised that because Three Square was presently on the school campuses and had good relationships with principals, school cafeteria staff, and the afterschool programs, there was an opportunity to provide technical

assistance and marketing to carry out the program in S.B. 503 (R2), should it be approved by the Legislature.

Ms. Tyson stated that Three Square staff had written and received a grant from Share Our Strength, a national partner. Three Square, in partnership with CCSD, was ready to deploy the grant funds to provide technical assistance with small equipment and marketing at the 155 schools with 70 percent or greater of their students eligible for free and reduced-price lunch. The state funding would support new schools. Only schools that did not have a breakfast alternative model would be eligible for the state funds. Three Square reserved a good portion its private funds to assist schools in improving their current Breakfast After the Bell Program. She emphasized that the goal of the grant was to increase the participation among students who participated in free or reduced-price lunch. She anticipated that approximately 70 percent of those students would participate in breakfast as well. Those students were the target population for Three Square. Currently, she said approximately 37 percent of eligible students who received and consumed school lunches also consumed school breakfasts. The participation rate had doubled in the last several years. Three Square would be responsible for tracking student participation for the private and federal funding over the next three years.

Ms. Tyson addressed the concern about wasted food. Three Square had a share program through the National School Lunch and Breakfast Programs. The Three Square bin was located in the cafeteria. Students who did not want to consume packaged and unopened shelf-stable items, such as a muffin or box of cereal, could deposit those items in the bin. The Three Square delivery drivers would return any excess food to the food bank.

The excess was not a sizable amount of food, but it was important for the students to understand that food was a responsibility, and when the food was not eaten, it was important to share it with the community through the food bank. In the first year, she noted that 7,000 pounds were returned to the program; however, in 2015 over 20,000 pounds were returned. She realized that 20,000 pounds might sound like a lot of food; however, 155 schools provided 100,000 meals.

Assemblywoman Titus commented that she was taught and believed that breakfast was the most important meal during the day. She emphasized that breakfast added to the students' learning and attention spans.

Dale A.R. Erquiaga, Superintendent of Public Instruction, State Department of Education, testified in support of S.B. 503 (R2). He advised that the flexibility provided to the school districts was an important adjustment in the bill.

This program was a modest investment in the funding that was approved for the State Department of Agriculture. From the Department's perspective, he said that the bill was also associated with Assembly Bill (A.B.) 107, which the Legislature had approved. This would allow the Department of Education to track participation in the breakfast programs. He said that the Department had attempted to present measures during this legislative session that included accountability and performance. If the Department was able to better track and report participation in breakfast programs, it could then discuss the effect on learning when analyzing the data through the longitudinal database. Mr. Erquiaga advised that he was a member of the Governor's Council on Food Security, which was chaired by First Lady Kathleen Sandoval.

Chair Anderson asked for testimony in opposition to S.B. 503 (R2).

Victor Joecks, Executive Vice President, Nevada Policy Research Institute (NPRI), was opposed to S.B. 503 (R2). He stated that everyone wanted students to have adequate food; however, providing the food to the children was the fundamental responsibility of parents. In other hearings this legislative session, he said that there had been discussions regarding the need for parental involvement in the schools and in their children's education. However, with S.B. 503 (R2) the school districts would be advising and advertising to the parents that they did not need to meet one of their most fundamental responsibilities. Reading from a *Nevada Journal* article entitled, "CCSD universal-breakfast program has more sugar than 'a 32-ounce Slurpee'" ([Exhibit I](#)), Mr. Joecks quoted parents and teachers critical of the program. Mr. Joecks pointed out that this was a mixed message sent to parents and students: there was an Office of Parental Involvement and Family Engagement in the Department of Education, but with the passage of S.B. 503 (R2), parents would be told they would not need to be involved in providing food for their children.

Mr. Joecks stated that because the proposed program was called Breakfast After the Bell, there would be less time for instruction and a shortened school day. He relayed that this had been the experience of CCSD when it deployed the universal breakfast program. Mr. Joecks provided quotes from the *Nevada Journal* article from a CCSD teacher about the loss of instructional time: "I don't know why they can't do [the program] before teacher and instructional time in the morning."

Mr. Joecks stated that the language from CCSD's fiscal note indicated the "proposal will take time away from the instructional day which will negatively impact learning and student achievement for students. The proposed schools, those with 69 percent or greater free and reduced-price lunch demographics,

include many of the students already struggling with achievement and will cut into the time available to teach these students." He added that CCSD viewed this from the standpoint of lost instructional time, at an estimated \$42 million cost over the biennium. He urged the Committee to oppose S.B 503 (R2).

Assemblywoman Benitez-Thompson commented that her daughter attended a Title I school with many students eligible for free and reduced-price lunch. She said that the parents were good, hardworking people, and she would see them drop off their children for school in their McDonald's work attire. She added that grandparents and extended family members would assist in picking up and dropping off the children at school while the parents were running back and forth between jobs. Many were still struggling to have enough food in the refrigerator to feed their children. She recounted a Friday afternoon when she was picking up her daughter seeing many children walking away with the little Ziploc bags full of food and snacks for the weekend, and one little boy asked if he could have an extra bag for his brother. Assemblywoman Benitez-Thompson said it was not about parents who did not want to provide for their children: it was about parents who could not provide for their children.

Assemblyman Armstrong stated that he understood Mr. Joecks' concerns, and he recalled that at a previous hearing, Mr. Joecks cited a study from the Rand Corporation that indicated that longer school days would reduce math scores. Assemblyman Armstrong asked Mr. Joecks about his opinion that if the school day were extended, there would be a negative effect on math scores.

Mr. Joecks responded that the study was specifically considering full-day kindergarten. He said that the Rand Corporation study discussed the school day being extended to full-day kindergarten, and that there would be fading or negative effects, but he emphasized that this was not a kindergarten program. This program was designed up to the high-school level.

Assemblywoman Swank commented that there was confusion about S.B. 503 (R2). She said the bill was not based on the premise of a "build it and they will come" type of problem. This was a response to a problem that had been ongoing for some time in Nevada communities. She suggested that Mr. Joecks research the data that tied student achievement to availability of food, especially breakfast, prior to conveying information to the Committee.

Mr. Joecks stated that the metrics were going to be how many children used the program; the success of the program would be defined as the number of children participating. He added that a better metric of success was how many parents could be empowered to be able to provide for their children, and

whether that was a resource issue or one of support and encouragement. He pointed out that when the number of people participating measured success, then the program would move from being "a hand up" to "a handout."

Assemblywoman Swank asked Mr. Joecks if he was advocating for the minimum wage, which would be a way to ensure that Nevada parents had the funds to spend on breakfast.

Mr. Joecks responded that the problem with raising the minimum wage was that the state would limit the opportunity for parents to obtain a lower paying first job. He believed that two-thirds of the parents that accepted a minimum wage job received a raise within the first year. He said that the parents could not receive a first raise if they could not get the first job. If the state required businesses to pay \$15 an hour, then the state would limit the opportunity for parents to get jobs.

Assemblywoman Swank commented that the parents would not be paid and children would not be fed.

Chair Anderson asked for further testimony in opposition to S.B. 503 (R2). Hearing none, he asked for neutral testimony on the bill.

Victoria Carreón, Director of Education Policy, Kenny C. Guinn Center for Policy Priorities, stated that there was academic research referenced in her written testimony ([Exhibit J](#)) regarding the academic achievement effect of providing school breakfast, particularly school breakfast in the classroom. She added that there was strong data to support this program, and there was the potential to increase the participation rate in the program. For schools currently participating in a Breakfast After the Bell Program, she said there was a 68 percent participation rate for eligible students compared to other schools that only had a participation rate of 37 percent.

Ms. Carreón stated that the Guinn Center participated in a health impact assessment of full-day kindergarten. She said that the findings showed that students currently in half-day kindergarten did not have access to breakfast in the afternoon program. Therefore, full-day kindergarten would be of assistance. In addition, many rural students rode the bus a great distance. Those students would not have time for breakfast in the traditional cafeteria program prior to the start of school. Therefore, a Breakfast After the Bell Program would increase the ability for those students to participate in the program.

Ms. Carreón added that she was testifying as neutral on the bill because of a suggested amendment. The original bill required universal access to meals,

and the schools that received funding would have to provide a free breakfast to each student. However, the bill was amended in the Senate to require that breakfast be offered. She stressed that the reason the bill was amended was to determine a way for the smaller school districts to participate, since it was difficult for them to make the program work economically. There was a difference in the reimbursement rates for students who were eligible for free, reduced, and paid meals. Therefore, in larger districts, there was a sufficient economy of scale that it could provide the free breakfast to each student.

To help the smaller school districts offer the universal breakfasts and to have the greatest effect, Ms. Carreón said the Legislature should consider allowing the funds to be used on a temporary basis, for up to 90 days, to assist the small districts with the differential in reimbursement rates. She added that after 90 days, the school districts would have a better idea of the number of students that participated in the program. In addition, she stressed that the small districts might be able to collaborate with one another to increase purchasing power and share the costs. She said that using the 90-day initial period would help to expand the scope of the program and the outreach to the students.

Assemblywoman Titus commented that research suggested that eating breakfast before school would improve a child's academic performance. She said that she wanted to review data on states that had initiated this program and given breakfast in the school, whether it was after the bell or before the bell. She emphasized that she was attempting to find hard data on performance.

Ms. Carreón replied that the Guinn Center would provide the data in written form as reference material.

Chair Anderson closed the hearing on S.B. 503 (R2) and opened a work session on Assembly Bill 161 (R1), Assembly Bill 443, Senate Bill 195 (R1), and Senate Bill 503 (R2). Chair Anderson asked the Committee to consider suspending the 24-hour rule in order for the bills to be passed out of the Committee. He requested a motion.

ASSEMBLYMAN OSCARSON MOVED TO SUSPEND RULE NO. 57
OF ASSEMBLY RESOLUTION 1.

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Stephanie Day, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said that Assembly Bill 161 (1st Reprint) was the first bill to consider for the work session. This bill was heard earlier in the meeting and was presented by Assemblywoman Bustamante Adams and Steve Hill, Executive Director, Office of Economic Development, Office of the Governor. The bill would grant partial abatements of sales and use taxes or property taxes to qualified business owners that owned, operated, manufactured, serviced, maintained, tested, repaired, overhauled, or assembled an aircraft or any component of an aircraft, and would meet the other requirements specified in the bill. The bill was effective upon passage and approval.

ASSEMBLYMAN OSCARSON MOVED TO DO PASS AS AMENDED
ASSEMBLY BILL 161 (1ST REPRINT).

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

Assemblywoman Titus advised that she would vote no on A.B. 161 (R1). She stated that she was opposed to tax abatements because they picked losers and winners. She would not support the measure.

THE MOTION PASSED. (Assemblywoman Titus voted no.)

The floor statement was assigned to Assemblywoman Bustamante Adams.

Chair Anderson said Assembly Bill 443 would be considered next in the work session.

Stephanie Day, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, advised that the second bill in the work session was Assembly Bill 443, which was presented by Rick Combs, Director, Legislative Counsel Bureau. She said that in section 1, the total was amended to \$2,004,232. The cost for dues and registrations for national organizations was amended to \$776,460, and the one-shot appropriation for building maintenance and information technology purchases was amended to \$1,227,772. The bill was a one-shot appropriation that was included in The Executive Budget.

Chair Anderson asked for a motion to amend and do pass A.B. 443.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 443.

ASSEMBLYWOMAN DICKMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Chair Anderson assigned the floor statement to Assemblywoman Dickman.

Stephanie Day, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Senate Bill 195 (1st Reprint) was heard earlier in the meeting. It would move the Western Interstate Commission for Higher Education (WICHE) from the Nevada System of Higher Education to the Office of the Governor. Vic Redding and Constance Brooks presented the bill. The bill would be effective on July 1, 2015.

Chair Anderson asked for discussion on S.B. 195 (R1).

Assemblywoman Carlton asked that the two positions that were being moved from WICHE to the Governor's Office remain in their current classifications. She said that the proponents of the bill indicated that they could allow the classifications to be classified, unclassified, or nonclassified. There could be discussions in the future about the classification.

Chair Anderson called for a motion.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
SENATE BILL 195 (R1).

ASSEMBLYWOMAN BUSTAMANTE ADAMS SECONDED THE
MOTION.

THE MOTION PASSED UNANIMOUSLY.

Stephanie Day, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Senate Bill 503 (2nd Reprint) was heard in Committee earlier. It would create and fund a "Breakfast After the Bell Program." She said that the bill was presented by Jim Barbee, Director, State Department of Agriculture, and Donnell Barton, Administrator, Food and Nutrition Division, State Department of Agriculture. This bill was effective upon passage and approval for purposes of adopting regulations, and on July 1, 2015, for other purposes. There were no amendments proposed.

Chair Anderson asked for discussion on S.B. 503 (R2).

Assemblywoman Titus commented that she was a strong proponent of a good, healthy breakfast. However, she did not feel this program was the school districts' responsibility, and she would not support the bill.

Chair Anderson asked for a motion.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO DO PASS
SENATE BILL 503 (2ND REPRINT).

ASSEMBLYWOMAN BUSTAMANTE ADAMS SECONDED THE
MOTION.

THE MOTION PASSED. (Assemblywomen Dickman and Titus
voted no.)

Chair Anderson opened the meeting for public comment. Hearing none,
he closed public comment and adjourned the meeting at 10:43 a.m.

RESPECTFULLY SUBMITTED:

Karen Daly
Committee Secretary

APPROVED BY:

Assemblyman Paul Anderson, Chair

DATE: _____

EXHIBITS

Committee Name: Assembly Committee on Ways and Means

Date: May 22, 2015

Time of Meeting: 8:36 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 161 (R1)	C	Assemblywoman Irene Bustamante Adams, Assembly District No. 42	"Estimated Effects of a Partial Tax Abatement on the Aviation Industry in Nevada"
A.B. 161 (R1)	D	Assemblywoman Irene Bustamante Adams, Assembly District No. 42	Estimated Aircraft Abatement, Department of Taxation
A.B. 399	E	Assemblywoman Dina Neal, Assembly District No. 7	Proposed Amendment
A.B. 433	F	Rick Combs, Director, Legislative Counsel Bureau	One-shot funds for the Legislative Counsel Bureau
S.B. 503 (R2)	G	Jim Barbee, Director, State Department of Agriculture	Senate Bill 503 (R2) Overview
S.B. 503 (R2)	H	Donnell Barton, Administrator, Food and Nutrition Division, State Department of Agriculture	Breakfast After the Bell Grant Application
S.B. 503 (R2)	I	Victor Joecks, Nevada Policy Research Institute	<i>Nevada Journal</i> article
S.B. 503 (R2)	J	Victoria Carreón, Kenny C. Guinn Center for Policy Priorities	Legislative Testimony, Senate Bill 503 (R2) : Breakfast After the Bell