

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-Eighth Session
May 8, 2015**

The Senate Committee on Finance was called to order by Chair Ben Kieckhefer at 8:09 a.m. on Friday, May 8, 2015, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Ben Kieckhefer, Chair
Senator Michael Roberson, Vice Chair
Senator Pete Goicoechea
Senator Mark A. Lipparelli
Senator David R. Parks
Senator Joyce Woodhouse
Senator Debbie Smith

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Adam Drost, Program Analyst
Brody Leiser, Program Analyst
Emily Cervi, Committee Assistant
Lona Domenici, Committee Manager
Jackie L. Cheney, Committee Secretary

OTHERS PRESENT:

Jim Wells, C.P.A., Interim Director, Department of Administration
Bobbi Thompson, C.A.E., Airport Manager, Minden-Tahoe Airport
Michael Hillerby, Nevada Airports Association
Curtis Calder, City Manager, City of Elko
Jeff Fontaine, Executive Director, Nevada Association of Counties
Dean Schultz, A.A.E., Executive Vice President and Chief Operating Officer,
Reno-Tahoe Airport Authority

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Jayne Harkins, P.E., Executive Director, Colorado River Commission of Nevada
Carolyn (Lina) Tanner, Commission General Counsel, Public Utilities Commission
of Nevada

Crystal Jackson, C.P.M., Executive Director, Public Utilities Commission of
Nevada

Alaina Burtenshaw, Esq., Chair, Public Utilities Commission of Nevada

Randy Brown, C.P.A., AT&T

Garrett Gordon, Ormat Technologies

Kathleen M. Drakulich, Attorney, McDonald Carano Wilson

Angel De Fazio, PUC Watchdogs

Richard Schweickert, Ph.D.

Steve Sisolak, Chair, Clark County Commission

Julie Wilcox, Deputy General Manager, Southern Nevada Water Authority,
Las Vegas Valley Water District

Jonathan Friedrich

David Cherry, City of Henderson

Tina M. Leiss, Executive Officer, Public Employees' Retirement System

Priscilla Maloney, American Federation of State, County and Municipal
Employees, AFL-CIO

Melissa Clement, President, Nevada Right to Life

Chair Kieckhefer:

We will begin with the Department of Administration presentation on the appropriation to the Fund for Aviation.

Jim Wells, C.P.A. (Interim Director, Department of Administration):

The Fund for Aviation is created under *Nevada Revised Statute* (NRS) 494.048. Governor Brian Sandoval's budget includes a \$100,000 appropriation for each fiscal year of the 2015-2017 biennium. We included this in our initial budget balance, but inadvertently left it out of the individual budget accounts. Today provides a separate hearing for this oversight.

This appropriation is for the enlargement, improvement and maintenance of rural airports, landing areas and navigation facilities matched by federal aviation grants. A \$100,000 investment generates approximately \$1.5 million in Federal Aviation Administration (FAA) funds.

Bobbi Thompson, C.A.E. (Airport Manager, Minden-Tahoe Airport):

These funds provide rural airports the required match monies to apply for FAA grants. Currently, 6.25 percent of the total project costs are required as match monies. These projects have a positive impact on economic development. Corporate executives and people making decisions on where to open businesses are using our rural airports. The funded projects provide well-paying construction jobs.

Michael Hillerby (Nevada Airports Association):

I have distributed two handouts. The first, "Nevada's Rural Airports, Critical Component in our Economic Vitality and Safety" ([Exhibit C](#)), describes activities supported by the rural airports such as firefighting, air ambulance, cargo transport, business aviation and employees commuting to and from work. The various airports have signed agreements with the government and with drone companies for drone testing. As Nevada expands the drone business, access to airports becomes more important.

The second handout, "The Aviation Trust Fund, Nevada DOT" ([Exhibit D](#)), is the final report on a one-time appropriation in 2005. Page 9 shows the State and federal dollars involved and the total number of projects completed. The remainder of the document describes the specific projects completed providing insight about the kinds of projects that could occur in the future. In 2005, the \$500,000 State Aviation Trust Fund monies were matched with approximately \$1.9 million in local funds and \$19.7 million in FAA grants for a total project budget of almost \$21 million. This federal program has existed for decades with increases in funding occurring annually. Every \$6 invested by the State is matched by \$94 in federal funds. If Nevada does not provide the match dollars and request the federal match, the federal monies go somewhere else.

Ms. Thompson:

I have given you two additional handouts, "Funding by Airport" ([Exhibit E](#)) and "Funding by County" ([Exhibit F](#)) providing a breakdown by airport and by county of the one-time appropriation received in 2005. Since 2005, the only income to the Aviation Trust Fund has been from the sale of specialized license plates. The current balance in the Trust Fund is less than \$30,000.

Senator Goicoechea:

I appreciate the Governor bringing this forward. This brings significant federal funds to Nevada to assist rural airports. These airports are critical for economic development and public safety.

Chair Kieckhefer:

Is there a list of potential projects?

Ms. Thompson:

Each airport has a 5-year capital improvement plan. Mostly the projects are for asphalt and electrical maintenance. These are merely wish lists that go nowhere without federal funding.

Chair Kieckhefer:

Who administers the Aviation Trust Fund?

Mr. Wells:

The Nevada Department of Transportation (NDOT) administers the Aviation Trust Fund.

Chair Kieckhefer:

We will begin the hearing for Senate Bill (S.B.) 125.

SENATE BILL 125 (1st Reprint): Makes various changes related to recruiting, retaining, stabilizing and expanding regional commercial air service in this State. (BDR 18-610)

Senator Pete Goicoechea (Senatorial District No. 19):

This bill originated with the City of Elko. We were looking for ways to establish commercial airline flights between Elko, Reno and Las Vegas. Currently, travelers must take a flight to Salt Lake City, resulting in out-of-state travel, to fly to Elko, Reno or Las Vegas. The original intent of S.B. 125 has rapidly expanded to focus on all small hub airports, including Elko, the other rural airports and Reno.

The bill provides a \$1 million appropriation for each fiscal year of the 2015-2017 biennium to subsidize airline companies to establish the flights. The airport or the city does not have the ability to grant funds to an airline carrier. Senate Bill 125 creates the Nevada Air Service Development Commission and

the Nevada Air Service Development Fund for purposes of awarding grants to air carriers. The Commission would be responsible for developing the program and granting the money.

The City of Elko has been exploring the possibility of a flight that would connect Elko, Reno, San Jose, Mammoth and Boise. They have a commitment from an airline carrier with some start-up funding. The Reno airport would be the hub for those flights.

In summary, there is a real economic need to expand airport services into Nevada's small hub airports.

Chair Kieckhefer:

Senate Bill 125 was heard and passed in the Committee on Revenue and Economic Development. This Committee is looking at the fiscal impact.

Curtis Calder (City Manager, City of Elko):

The city of Elko is the owner and operator of the Elko Regional Airport. We currently have daily air service between Elko and Salt Lake City. We lost our daily SkyWest Airlines' services between Elko and Reno in 2005. At that time, we were serving approximately 17,000 passengers a year.

If we reinstitute a flight service between Elko and Reno, our third-party aviation analyst estimates a beginning market of 15,000 passengers a year. This program would fund minimum revenue guarantees for startup operations for airlines to provide the service. The aircraft would also be used for other legs into Idaho and into California.

Jeff Fontaine (Executive Director, Nevada Association of Counties):

The Nevada Association of Counties (NACO) supports S.B. 125. This would provide opportunities for counties to improve public safety and would assist with economic development.

Dean Schultz, A.A.E (Executive Vice President and Chief Operating Officer, Reno-Tahoe Airport Authority):

The Reno-Tahoe International Airport Authority supports S.B. 125. This bill is needed to support air service development, especially at the smaller airports.

Chair Kieckhefer:

As there is no further testimony, we will close the hearing on S.B. 125 and open the hearing on S.B. 46.

SENATE BILL 46: Revises provisions relating to the Colorado River Commission of Nevada and the Public Utilities Commission of Nevada. (BDR 31-359)

Jayne Harkins, P.E. (Executive Director, Colorado River Commission of Nevada):

The Colorado River Commission of Nevada (CRC) supports S.B. 46. I have submitted my prepared testimony ([Exhibit G](#)).

The purpose of S.B. 46 is to give the CRC the ability to recruit and retain highly capable and technologically knowledgeable personnel to protect the State's rights to Colorado River resources and carry out its electric power functions.

We have lost valuable employees with high-level education and professional expertise to jobs with private or public utilities, companies and local government agencies, which pay significantly higher salaries. Employees with these qualifications are not generally available to us from other State agencies within Nevada. One example is a CRC employee making \$102,000 who accepted a job offer at a public power utility company in Washington for \$150,000. Other employees have left us for higher salaries in the local area. Additionally, we are concerned about recruiting as we have a number of people ready to retire in the next 5 to 10 years.

Senate Bill 46 exempts the CRC from the State Budget Act. It proposes to streamline the budget approval process by authorizing the CRC and the Public Utilities Commission (PUC) to approve agency budgets and salary structures in open public meetings. It moves the employees to nonclassified service, exempts them from the pay cap and allows them to participate in the Public Employees' Retirement System (PERS) and the Public Employees' Benefit Program. A 1-year reemployment status is given to classified employees who wish to stay in the classified service in another State agency.

Under S.B. 46, legislative oversight would continue. The CRC would continue to submit its biennial agency budget to the Legislature and to the Department of Administration Budget Division similar to how several other agencies operate today.

The CRC would remain as an agency of the State under the oversight of the Legislative Committee on Public Lands and comply with the Nevada's Open Meeting Law, Public Records Act and other applicable State laws.

The CRC would continue to issue our annual Comprehensive Annual Financial Reports and be subject to audits by the Legislative Counsel Bureau (LCB) and the Department of Administration's Division of Internal Audits.

There is no impact to the General Fund. We are funded through fees paid by our power and water customers.

We have support from the CRC. On April 23, the CRC voted 5 to 2 in support of S.B. 46.

You may hear today some rhetoric from opponents of S.B. 46. If this occurs, please question whether the points made relate to specific provisions of this legislation.

This legislation simplifies some burdensome requirements applied to two State agencies. Senate Bill 46 would exempt CRC and PUC from the Executive Branch State budget review and replace it with the budget review performed by the Boards of the CRC and PUC subject to further review by the Legislature's budget review staff and the legislators. Nothing in S.B. 46 is radical or new. The exemption from the State Budget Act for CRC and PUC already applies to the Legislature, Judicial Branch, PERS and the Tahoe Regional Planning Agency.

We suggest you ask opponents of S.B. 46 to give examples of how this approach has not worked for your own legislative budget or for the budget of these other agencies.

You may also hear claims that enactment of S.B. 46 would automatically result in unwarranted salary increases. This is incorrect. This bill does not authorize any specific salary increases, including that of the Executive Director. Senate Bill 46 exchanges one form of executive agency budget and salary review process with another. Under S.B. 46, all proposed salary range changes must be reviewed and approved in open public meetings, which provides more openness and transparency than provided by the budget review process today.

You may also hear that an enactment of S.B. 46 affects the General Fund. As previously stated, this is not true.

Finally, you may hear that enactment of S.B. 46 would increase utility or water rates. Please evaluate whether this is correct. Our preliminary analysis shows that salary increases needed are between \$500,000 to \$700,000, which for some of our customers is a minor part of their total budgets.

At our April 23 meeting, all of our Commissioners committed to work with our customers to assure responsible implementation of S.B. 46. Please consider all this when evaluating the arguments put forward by the opposition.

Chair Kieckhefer:

How many employees are employed at the CRC?

Ms. Harkins:

We have approximately 35 employees.

Senator Smith:

Every day we hear about the employees being lost because of inadequate salary levels. What makes the CRC special?

Ms. Harkins:

We have no impact on the General Fund. This has been done by other agencies. We can work with our Commission and our customers directly to get the salary increases we need to help us, not hurt other agencies and not affect the General Fund.

Senator Goicoechea:

At least three of us heard this proposed policy in the Government Affairs Committee. When this bill was initially presented, the PUC Board had not approved it. I told them if they could show Board approval, we would work the bill. They have done that and that is why the bill is before us.

Chair Kieckhefer:

What impact would S.B. 46 have on the CRC budget already closed and the PUC budget being heard later today?

Mark Krmpotic (Senate Fiscal Analyst):

Senate Bill 46 exempts the PUC and the CRC from the State Budget Act. Currently, only the LCB, the Judicial Branch and PERS are exempt from the State Budget Act. The effect of that would be seen next year when agencies submit their budgets for inclusion in the Executive Budget. Agencies are required by statute to submit their budgets by September 1, as reviewed by the Budget Division and the Governor. The Governor formulates a recommendation for submission to the Legislature. Generally, budgets submitted that are exempt from the Budget Act are included in the Executive Budget without any adjustments from the Executive Office or the Governor. In other words, the Governor's recommended budget for those agencies is what the agency requests.

Next year when the PUC and the CRC formulate their budgets and they are approved by their respective Commissions, they would be submitted to the Budget Division for inclusion in the Executive Budget. With the passage of S.B. 46, the Budget Division would simply present their budgets in the Executive Budget as requested by the PUC and the CRC.

Senate Bill 46 is proposing to change PUC and CRC positions to nonclassified positions. This is a limited provision utilized in Nevada State government budgets. Currently, nonclassified positions are included only in the Governor's budget and the Governor's Office of Economic Development budget.

With respect to closing the budgets today for the PUC and CRC, those budgets reflect positions as classified and unclassified, as currently provided for in law. Senate Bill 46 proposes to change a number of those positions to nonclassified positions, which means the salaries for those positions would no longer be established by the Legislature through the Unclassified Pay Bill. The Unclassified Pay Bill will be taken up later, prior to the end of Session. In Fiscal staff's estimation, if the Committee wishes to consider S.B. 46, it could still close the budgets for the PUC and CRC today and consider S.B. 46. Staff suggests a decision be made prior to the presentation and finalization of the Unclassified Pay Bill, which will be coming to this Committee in the next couple of weeks.

If the budgets are approved as is and the Committee approves S.B. 46, the Budget Division could implement the provisions of S.B. 46, remove the

designated classified and unclassified positions, and include them in the budget as nonclassified positions after the Legislation Session concludes.

Ms. Harkins:

We built our budget before S.B. 46 was drafted. Our customers see a more detailed budget than you see. They get an opportunity to review and comment on our budget twice, in two separate public hearings: first, when it is introduced to our Commission, and secondly, a month later during a public hearing at the time our Commission approves it. We have committed to our customers that we will stay within the authorized budget they have reviewed for the 2015-2017 biennium.

Carolyn (Lina) Tanner (Commission General Counsel, Public Utilities Commission of Nevada):

The passage of S.B. 46 would solve a serious problem that we have relating to the utilization of our Agency's resources. Before, during and after the Great Recession, the highly skilled workforce employed by the PUC has lagged behind comparable State positions, local government positions, county government positions, federal government positions and our colleagues in the private sector.

By allowing the PUC the ability to define the parameters of employment of this highly skilled workforce and set compensation plans reflective of those duties and requirements, we believe we will be able to attract and retain the caliber of employees required to effectively support the PUC. The work of the PUC affects nearly every one of Nevada's 2.8 million residents and every business that falls within the boundaries of the State.

This work requires a highly skilled workforce. We have engineers, financial analysts, economists and attorneys who are specialized in utility and energy policy. These employees are required to address highly complicated documents that come before the PUC on a regular basis. While we know we can never compete with the private sector, we must be able to compete with our own State agency positions and with our local and county government positions. As it stands today, we cannot.

Since S.B. 46 was first presented before the Senate Government Affairs Committee, we submitted a proposed amendment ([Exhibit H](#)) addressing some of the concerns put forth by those Committee members. Specifically, the

amendment clarifies that the Interim Finance Committee (IFC) approval process remains in place to address any increases in the Category 01 personnel services during the biennium or any increases in any other category within the statutory guidelines. Further, the amendment also allows our existing classified employees to remain in classified service if they so elect during the 1-year reemployment rights period set forth in the bill.

I have listened to many hearings this Session in both Houses of this building. I understand the difficulty you have in addressing State employee salaries and benefits during our fragile recovery period. I understand many people employed by the State on many different career paths are still struggling. The disparity between the PUC professionals with our colleagues in private and other government service, particularly in the field of energy and utilities, is long standing. We cannot fix all the problems with our State agencies and retention, but we can fix ours with S.B. 46. This solution will have little impact on ratepayers. I respectfully submit to you that it does no citizen or business in this State any good to have these very important positions at the PUC be the jobs of last resort. We urge you to pass S.B. 46.

Crystal Jackson, C.P.M. (Executive Director, Public Utilities Commission of Nevada):

I submitted a handout entitled "Public Utilities Commission, Senate Bill 46, Senate Finance, May 8, 2015" ([Exhibit I](#)).

We are not a General Fund agency. We are funded by our regulatory annual assessment set by the PUC in an open and public meeting. That assessment is capped in statute and we are not asking to change that statute.

Currently, residential customers pay approximately 42 cents a month to fund the operations of the PUC. As indicted by Ms. Tanner, the decisions of the PUC affect millions of consumers. They affect our air, our land and our water resources. They also affect local and regional economies. We are a statutorily deadline-driven agency. Without the necessary personnel, we cannot meet the deadlines mandated by the Legislature. We are quasi-judicial, operating similar to a court. The majority of our personnel are on the stand weekly testifying and being cross-examined by the utilities we regulate.

Our pay structure is static. We do not have flexibility to adjust our salaries as the industry changes. Over time, the PUC has absorbed more and more

regulatory responsibilities and frankly, "our sponge is soaked." We have lost 23 of 64 (36 percent) regulatory and safety employees in the last 5 years. This is a significant loss considering the specialized nature of our work. We must have expert, credible witnesses. Our salaries do not attract those. Our salaries attract college graduates. We must have a balance of college graduates and seasoned, expert, credible witnesses. You cannot be a credible expert witness without experience.

We have also lost 12 of 32 or 38 percent support staff in the last 5 years. This does not include retirements, transfers, terminations and those who leave the State entirely.

We conducted a salary survey in November 2013 in preparation for our budget submittal. Pages 5, 6, and 7 of [Exhibit I](#) include graphs displaying the results of that survey. Within our own State government, our comparable positions are paid far less.

We are simply seeking parity, nothing more and nothing less. Senate Bill 46 will provide us the ability to do that.

If S.B. 46 were approved, the PUC would adopt a compensation plan that would include the salaries and employment rights that would be approved in an open and public meeting. As stated earlier, we would still be required to go through the IFC. We would not exceed our Category 01 personnel services. We would remain within that allotment that the Legislature approves. If we exceed that amount, we would come back through the IFC process or biennium budget process.

Regarding the change to nonclassified positions, we plan to continue the classified service for 1 year while the employees have reemployment rights. However, if a position becomes vacant, the PUC would determine it to be nonclassified at that time. We would allow employees to waive their option to remain classified for that year and go directly into nonclassified if they so choose.

Chair Kieckhefer:

Have you spoken with your classified employees on this proposal?

Ms. Jackson:

We have been talking to them about this since November 2014. Our employees are supportive of S.B. 46.

Alaina Burtenshaw, Esq. (Chair, Public Utilities Commission of Nevada):

What you have before you today is one of the biggest concerns we face at the PUC. We have had significant turnover especially since the economy has been improving. We have lost three engineers in the last 3 months. These individuals are difficult to replace. We lost an electrical engineer who left about 2 months ago, and to date, we have not received any satisfactory résumés from candidates to replace him. We have also lost people to other State agencies. We find, after we train people for 3 to 4 years and they become very valuable, we lose them to higher paying jobs. The nature of our work requires 4 to 5 years for employees to become proficient. We are at a crisis point and appreciate your consideration of the solution placed before you.

Randy Brown, C.P.A. (AT&T):

As a regulated entity, AT&T supports S.B. 46. It is important to us to retain highly qualified employees with longevity and experience in this specific industry. It is also important to our ratepayers who want to be represented by highly qualified individuals at the PUC.

Garrett Gordon (Ormat Technologies):

We agree with Mr. Brown's statements and are in full support of S.B. 46.

Kathleen M. Drakulich (Attorney, McDonald Carano Wilson):

I support S.B. 46. I have been a public utility lawyer for 23 years. I started working for the public utility company, NV Energy, when it was known as Sierra Pacific and Nevada Power. For the last 12 years, I have been a private counsel attorney representing people going before the PUC.

I am uniquely positioned to address this bill. I appear before the PUC on a regular basis, and I work with the PUC staff every day. You will not find a more dedicated, more competent and harder working workforce than those at the PUC. I do not always agree with their decisions; however, their positions are well researched and well supported. I respect the time and effort they put into producing a well thought out product.

Intuitively, you would think that I would be opposed to a bill like this. Retaining the best people to represent the PUC makes my job harder. The converse of that is true. One must understand the function these people perform. They represent the most critical services of gas, water and electricity.

I am a litigator and I listen to the other members of my litigation team talk about cases that are \$10 million. The PUC deals with cases on a regular basis that are routinely in excess of \$100 million. Sometimes they are three, four and five times that amount of money. I sat through a general rate case a couple of years ago, in the middle of the recession, where the private utility company was asking for bonuses and salary increases for their employees. The PUC employees evaluating that request were operating under reduced pay and furloughs. The PUC employees are no less competent and no less qualified than the private utility company employees.

We entrust the PUC with hundreds of millions of dollars a year concerning our most critical services; consequently, we should entrust them with the responsibilities to make decisions about how to pay their employees. We must retain these people and be able to hire the best employees.

Senator Smith asked Ms. Harkins why this State agency is special. It is because of what they do. The service they provide is essential. They have gone a long time without pay increases. I highly encourage you to support S.B. 46.

Angel De Fazio (PUC Watchdogs):

Since November 2011, I have been at the PUC on a regular basis. I represent over 12,000 of their customers who are against the smart meters. Approval of S.B. 46 will not recruit or retain staff. The current executive director of the CRC was recruited by the U.S. Department of Interior. The Tahoe Regional Planning Authority's executive director has stated twice publicly that the exemption from salary caps has not affected her ability to recruit and retain staff. She says she must still compete with the private sector seeking inside information from former employees. The Internal Revenue Service and other government regulatory bodies face the same situation. The two important offsets of public employment are job security and a relatively lucrative pension plan versus Social Security retirement.

Please reject S.B. 46 as unnecessary and unproductive unless all employees at both agencies are willing to cease participation in the State retirement system.

The CRC and PUC, by their own admissions, are run by highly technical staff. The problem is these people have no real world business experience. Almost everyone who has financial duties never had to deal with real budgets. Instead, they come to the committees trying to glorify their existence and want to self-regulate.

Chair Kieckhefer:

Please be respectful.

Ms. De Fazio:

The PUC is requesting permission to operate as a private entity yet demand they stay in the State retirement system. Who is running the State? Employees threaten to leave if they are not given raises and the ability to self-govern. If they want the salaries that are afforded to other offices, let them go there.

The promise to hold open meetings is highly questionable.

Chair Kieckhefer:

Since you are not speaking directly to the bill, please wrap up your testimony. If you have something written, you may submit it to the secretary for inclusion in the record.

Ms. De Fazio:

I am addressing points brought up in the bill. These Commissions want to self-regulate. They are talking about open meetings. In open meetings, the public is allowed to speak, but what is said is not taken into consideration. We appear in the first public comment session and in the closing public comment session. Before every meeting, Chair Burtenshaw reads a statement thanking the public for their participation and their comments, but then says the PUC is not allowed to include our comments in their decision because they can only do filed copies. What good is a public hearing when what is said is not considered?

Richard Schweickert, Ph.D.:

As a private citizen, I have been a close witness of actions by the PUC over the past 3 to 4 years as it related to the smart meter issue.

I am opposed to S.B. 46 for many of the same reasons stated by Ms. De Fazio and others making public comment at the PUC public hearings.

As Senator Smith said a few moments ago, we are hearing repeatedly how agencies must recruit and retain the best people. This is the outcome of coming out of a recession. The universities and Desert Research Institute employees have been suffering under the same constraints. All agencies could request an increase in salaries for reason of recruiting and retaining the best people. People do not always leave because of a salary matter. Sometimes it is unsatisfactory job conditions, internal politics or other reasons.

Is the PUC responsive to public input as part of their job responsibility? I argue they are not. Since 2011, we the public have been bringing the health, safety, security and privacy risks of the smart meter program to the attention of the PUC. Over the past 4 years, more data has accumulated from international sources about the risks and hazards of smart meters. They are particularly dangerous to children who are ten times more vulnerable to radiation emissions than adults are.

Chair Kieckhefer:

We are not talking about smart meters today. We are talking about how we will budget for the Agency.

Mr. Schweickert:

My comments concern how well the PUC is doing their job and whether they deserve increased salaries. At least 16 states and 40 municipalities in the United States and numerous foreign countries have taken steps to stop smart meters. The PUC has ignored the painful lessons learned by other states and countries about smart meters. Consequently, the PUC does not deserve salary increases.

Steve Sisolak (Chair, Clark County Commission):

In addition to being chair of the Clark County Commission, I am Vice President of the Las Vegas Valley Water District and a member of both the Southern Nevada Water Authority (SNWA) and the CRC.

My comments relate specifically to the CRC, not the PUC. I am here in strong opposition to S.B. 46. This bill strips the Legislature and Governor of much of the critical oversight they currently have regarding the CRC. If passed, the CRC's budget would only be sent to the Executive Branch for informational purposes. Nothing in the bill allows the Legislature to change or modify salaries

adopted by the CRC. For many reasons, this is troubling to me as an elected official.

The CRC is comprised of four appointed individuals and three elected officials chosen by the SNWA. It is a fundamental principle of democracy that voters who are affected by budgetary decisions should be able to have recourse through the electoral process if they disagree with decisions being made. A majority of unelected officials could raise salaries under this bill with no clear recourse available to voters.

We proposed an amendment to require approval of the SNWA if the salary adjustments increased costs to SNWA. The CRC rejected that amendment. There is nothing in S.B. 46 that limits how high the CRC could raise salaries. There is no link between the CRC and the SNWA's operating budget. Consequently, tying the two together is completely arbitrary. The CRC could raise salaries by \$200,000 to \$1 million every year. This is simply unacceptable. Further, the CRC has been successful in increasing salaries in the Unclassified Pay Bill in previous Legislative sessions. In fact, the CRC head is already among the highest paid department heads in the State. This person's pay is higher than the directors of the Departments of Administration, Taxation and Health and Human Services. These Departments have significantly more employees than the roughly three dozen CRC employees.

I understand some of the CRC positions are underpaid and there is a great risk of losing qualified people. There may be instances where salaries may be adjusted upwards. We do not know which salaries should be adjusted because an independent salary study was never completed. We asked for a salary study in the fall of 2014. All I have heard is anecdotal stories. Had a study been completed at that time, it could have been presented to the Legislature justifying the need for salary increases. The Board, the Executive Branch or the Legislature was never given that information. To the best of my knowledge, the CRC staff has conducted informal research, which is not the same as an independent study by trained human resources professionals. The informal research that has been done could lead to an added cost of nearly \$900,000 annually to the SNWA's authority for less than 40 employees. The CRC should have come into this Session with a completed salary study so you could make an informed decision.

At last week's SNWA budget workshop, the CRC director committed to not raising salaries for the next 2 years. This being the case, we do not understand why this bill is being considered now instead of taking time for a salary study.

You should have received copies of letters to the CRC from the City of Henderson, the City of North Las Vegas, the Clark County Commission and the Las Vegas Valley Water District, all in opposition to this bill.

I continue to hear proponents say these salary increases will not affect the General Fund. That being said, the money does not grow out of the ground or fall from the sky. This increase in salaries will be paid by our constituents and ratepayers.

The potential request that the CRC is asking for in salary increases is an immediate increase in FY 2016 of approximately 20 percent for some positions that would be paid for with vacancy savings. The anticipated maximum salary subsequent to FY 2016 is potentially another 40 percent increase on some of the salaries. This is something ratepayers simply cannot afford.

Senator Roberson:

Please restate the entities that have indicated opposition to S.B. 46.

Mr. Sisolak:

The City of Henderson, the City of North Las Vegas, unincorporated Clark County and the Las Vegas Valley Water District which also includes the City of Las Vegas are opposed to S.B. 46.

Senator Roberson:

Because the Chair of the Clark County Commission is here testifying in opposition and considering all the other entities that have indicated opposition, this Committee should give this careful consideration.

Julie Wilcox (Deputy General Manager, Southern Nevada Water Authority, Las Vegas Valley Water District):

I am here as the representative of the CRC's largest customer. We pay 100 percent of the CRC's water costs and over 70 percent of their power costs.

Senate Bill 46 would set up a scenario where four appointed officials would be setting the salaries for the entire CRC, not just technical positions, and then would simply pass those costs through to us. We have undertaken several large community input sessions over the last 2 years putting together our budget. Input from the public is important. In the fall of 2014 when Ms. Harkins brought her budget to our general manager, we requested a classification and compensation study be done. That was not done. At that time, they were only talking about four or five technical people that they were losing.

We do not support S.B. 46 as introduced. We offered an amendment to bring the budget back to the Southern Nevada Water Authority (SNWA) Board so that if our costs went up because of salary increases, we would have input. Five of our members represent agencies responsible for raising rates for water in the Las Vegas area. That amendment was rejected. The CRC came back with two proposals for amendments that would tie the increase in salaries on an annual basis to our operating budget. We did not see any nexus for that kind of connection and the extensive authority it gave was not realistic to us.

In summary, we do not support S.B. 46 in its current form regarding the CRC.

Jonathan Friedrich:

I have attended many of PUC's public hearing meetings since 2011 and have heard many rulings. This State has a budget problem. The PUC wants this Committee to ignore that fact and grant them whatever they chose in salary levels. Your constituents have to live within their means and so must the PUC. They need to conserve and do more with less. The PUC's open meeting laws are nothing more than a charade. The PUC allows the public to speak but does not listen. In conclusion, I will leave you with a thought: If the utilities had competition, we would not even need the PUC.

David Cherry (City of Henderson):

I am here to express opposition to S.B. 46 for the same reasons outlined by Mr. Sisolak and Ms. Wilcox. I am submitting a letter ([Exhibit J](#)) from Sam Bateman, Vice Chairman of SNWA and Henderson City Council member, stating he cannot support S.B. 46.

Chair Kieckhefer:

The hearing on S.B. 46 is closed. We will go forward with closing the budgets for the PUC and the CRC, as they currently exist. If we decide to process S.B. 46, changes will be made in the budget accordingly.

We will begin with the State Department of Agriculture (NDA), B/A 101-4554.

COMMERCE AND INDUSTRY

AGRICULTURE

AGRI - Administration — Budget Page AGRICULTURE-5 (Volume I)
Budget Account 101-4554

Adam Drost (Program Analyst):

As you may recall, the NDA budgets were closed by the Committee on April 20. However, there was one outstanding issue in the Administration account, B/A 101-4554. You have been provided the "Senate Committee on Finance Joint Subcommittee on General Government Closing Report, Department of Agriculture" ([Exhibit K](#)).

The NDA requested the Subcommittees consider authorizing cost allocation funds of \$632,969 in FY 2016 to fund renovation projects on the Metro Building in Las Vegas, which would allow the department to move out of its existing building and occupy the Metro Building. Expressing concern with the NDA managing the project, the Subcommittees delayed action on the renovation of the Metro Building. Following the closing of the Department's budgets by the Subcommittees, the Budget Office submitted an amendment to the Capital Improvement Program (CIP) recommending the Metro Building renovation project be included in the 2015 CIP. The Budget Office indicates this project would be managed by the State Public Works Division (SPWD), which estimates the total cost for the Metro Building remodel would be \$2 million based on a revised project scope and expanded renovation. The SPWD proposes that the NDA provide funding of \$617,969, which would be cost allocated to the department budgets that would occupy the building. The SPWD indicates the remainder of the project cost would be funded with bond funds of \$1.2 million that would be reallocated from the 2013 CIP projects, General Fund appropriations of \$135,043 previously pledged to the CIP and \$75,000 from

the Department of Administration's Risk Management Division from a vandalism claim at the Metro Building.

The building remodel would include the addition of fire sprinklers and fire alarms, renovation of the interior finishes, replacement of the heating, ventilation and air conditioning equipment, installation of a new roof, addition of new metrology and fuel laboratories, building modifications to comply with the Americans with Disabilities Act and reconfiguration of the loading docks and parking lot. This recommendation will be considered by the Joint Subcommittee on K-12/Higher Education/CIPS at its meeting on May 18, 2015.

Fiscal staff requests authority to revise the NDA's cost allocation for the budgets that would fund this project and eliminate the cost of private, leased warehouse space in the Commodity Food Program budget in FY 2017 that would no longer be required by the Department, contingent upon approval of the Metro Building remodel project by the Joint Subcommittee on K-12/Higher Education/CIPS.

Chair Kieckhefer:

This has been a long process regarding this building. This appears to be the solution to meet the needs of the NDA. The SPWD indicates that this will not impede the construction and opening schedule for the Department of Motor Vehicles building, which is important to all of us.

Senator Goicoechea:

Senator Woodhouse physically inspected the building and reports she is comfortable with this plan. This effort will produce a product that should last at least 20 years and will avoid having to rent warehouse space.

Chair Kieckhefer:

Please explain the 2013 CIP monies that are being used.

Brody Leiser (Program Analyst):

Four projects were identified from the 2013 CIP that have been completed and have sufficient savings to reallocate funds to the Metro Building project.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 101-4554 AS
RECOMMENDED BY THE JOINT SUBCOMMITTEES ON GENERAL
GOVERNMENT.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

Next, is the Public Utilities Commission (PUC), B/A 224-3920.

PUBLIC UTILITIES COMMISSION

PUC - Public Utilities Commission — Budget Page PUC-11 (Volume I)
Budget Account 224-3920

Mark Krmpotic (Senate Fiscal Analyst):

Please refer to the "Senate Committee on Finance Closing List #11 May 8, 2015 ([Exhibit L](#))". The PUC is described on pages 2 through 4. The PUC is comprised of three commissioners whose responsibilities are to balance the interests of customers of public utilities to receive safe and adequate service with reasonable rates, while providing shareholders of public utilities the opportunity to earn a fair return on their investment.

The Executive Budget recommends total funding of \$28.8 million for the 2015-2017 biennium, an increase of 3.6 percent over the 2013-2015 legislatively approved funding of \$27.8 million. Primary funding in this account is derived from a mill assessment on gross utility operating revenues, statutorily capped at 3.5 mills. An additional assessment of up to 0.75 mills is assessed and transferred to the Office of the Attorney General's account for the Consumer Advocate. The PUC has set its annual regulatory assessment at 2.58 mills for each year of the 2015-2017 biennium. The mill assessment for FY 2014 and FY 2015 was set at 2.59 and 2.55 mills, respectively. The reserve level at the end of the 2015-2017 biennium is recommended by the Governor at \$2.4 million. According to the Agency, the optimal reserve range is between \$2.4 million and \$2.9 million.

AG - Consumer Advocate — Budget Page ELECTED-117 (Volume I)
Budget Account 330-1038

The major closing issue in this account relates to unclassified position salary increases in decision unit E-806. The Executive Budget includes Federal Gas Pipeline Safety Grant funding of \$22,218 in FY 2017 and a reduction to reserves of \$254,852 over the biennium to support salary increases for 22 unclassified positions. The Agency indicates the salary adjustments are needed to remedy internal inequities, align salaries with comparable classified and/or unclassified positions in other State agencies, and attract and retain a diverse, well-educated professional workforce who is technically prepared to meet the demands of the rapidly changing and increasingly complex utility industry. The table on page 3 of [Exhibit L](#) lists the positions with the existing salaries and proposed increased salaries.

E-806 Unclassified Position Salary Increases — Page PUC-15

The approval of this decision unit would provide funding; however, the salary changes will be considered in conjunction with the Unclassified Pay Bill, which will be considered later. As stated earlier, regardless of the Committee's decision on S.B. 46, Fiscal staff recommends closure of this budget account.

Chair Kieckhefer:

Has Fiscal staff reviewed the proposal and reviewed their supporting analysis?

Mr. Krmpotic:

The PUC is unique in that many of their positions are in unclassified State service. The positions shown on the table on page 3 are not common to other agencies in State government. Fiscal staff has not performed an in-depth analysis with other positions in State government, but could do this in preparation for the Unclassified Pay Bill.

SENATOR ROBERSON MOVED TO APPROVE DECISION UNIT E-806 of B/A 224-3920, INCREASING THE SALARIES OF 22 UNCLASSIFIED POSITIONS WITH THE UNDERSTANDING THE FINAL DECISIONS WILL BE MADE IN THE UNCLASSIFIED PAY BILL.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Mr. Krmpotic:

Other closing items in B/A 224-3920 include decision units E-249, E-710, E-719 and E-811. Discussion of these items can be found on pages 3 and 4 of [Exhibit L](#).

E-249 Efficient and Responsive State Government — Page PUC-13

E-710 Equipment Replacement — Page PUC-14

E-719 Equipment Replacement — Page PUC-15

E-811 Unclassified Position Changes — Page PUC-15

Decision units E-249, E-710 and E-719 recommendations appear reasonable to Fiscal staff and are recommended for approval.

Decision E-811 recommends reclassification of a financial analyst to an unclassified senior financial analyst position due to supervisory duties performed by the incumbent. The approval of this decision unit would provide funding, however, the salary change will be considered in conjunction with the Unclassified Pay bill, which will be considered later.

Fiscal staff requests authority to make technical adjustments as necessary.

SENATOR GOICOECHEA MOVED TO APPROVE DECISION UNITS E-249, E-710, E-719 AND E-811 IN B/A 224-3920 AS RECOMMENDED BY THE GOVERNOR WITH THE UNDERSTANDING THE FINAL DECISION FOR DECISION UNIT E-811 WILL BE MADE IN THE UNCLASSIFIED PAY BILL, AND WITH THE AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Mr. Krmpotic:

The CRC Research and Development account, B/A 296-4497 is discussed on pages 5 and 6 of [Exhibit L](#).

INFRASTRUCTURE

COLORADO RIVER COMMISSION

CRC - Research and Development — Budget Page COLORADO RIVER COMM-10
(Volume III)

Budget Account 296-4497

The Research and Development Fund is utilized as a pass-through account for the costs related to the Lower Colorado River Multi-Species Conservation Program to comply with the Endangered Species Act.

There are no closing issues in this account. Fiscal staff recommends this budget be closed as recommended by the Governor with authority to make technical adjustments as necessary.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 296-4497 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Mr. Krmpotic:

The CRC Power Delivery System account, B/A 502-4501, is described on pages 7 and 8 of [Exhibit L](#).

CRC - Power Delivery System — Budget Page COLORADO RIVER COMM-12
(Volume III)

Budget Account 502-4501

The Power Delivery System Fund records all costs associated with the CRC high-voltage power delivery system for the Sothern Nevada Water Authority (SNWA) water delivery system, which provides for a power

transmission system from the Lake Mead substation at Hoover Dam to the SNWA water treatment facility.

There are no major closing issues. Decision unit E-710 provides power sales funding of \$66,610 in FY 2016 to replace two 4X4 sport utility vehicles that are over 10 years old with an excess of 100,000 miles. This request appears reasonable.

E-710 Equipment Replacement — Page COLORADO RIVER COMM-13

Decision Unit E-800 recommends power sales funding of \$220,939 in FY 2016 and \$269,396 in FY 2017 for the CRC's administrative services cost allocation. This recommendation appears reasonable.

E-800 Cost Allocation — Page COLORADO RIVER COMM-13

Fiscal staff recommends this budget be closed as recommended by the Governor with authority to make technical adjustments as necessary.

SENATOR GOICOECHEA MOVED TO APPROVE B/A 502-4501 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Mr. Krmpotic:

The CRC Power Marketing Fund, B/A 505-4502, is described on pages 9 and 10 of [Exhibit L](#).

CRC - Power Marketing Fund — Budget Page COLORADO RIVER COMM-15
(Volume III)
Budget Account 505-4502

The Power Marketing Fund is used to record purchases and sales of power, debt service related to the Hoover Upgrading Bonds and operational costs of the Basic Substation project. This fund accounts for all power related activities except those dedicated to the SNWS and its customers. All hydropower allocations to Nevada administered by the CRC are also recorded in this account. Funding is provided through monthly billings to hydropower customers.

There are no major closing issues in this account. Decision unit E-800 recommends power sales funding of \$440 over the 2015-2017 biennium for the CRC's administrative services cost allocation. This recommendation appears reasonable.

E-800 Cost Allocation — Page COLORADO RIVER COMM-16

Fiscal staff recommends this budget be closed as recommended by the Governor with authority to make technical adjustments as necessary.

SENATOR LIPPARELLI MOVED TO APPROVE B/A 505-4502 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Mr. Krmpotic:

Discussion of the PERS account, B/A 101-4821, is located on pages 11 to 13 of [Exhibit L](#).

SPECIAL PURPOSE AGENCIES

PUBLIC EMPLOYEES RETIREMENT SYSTEM

PERS - Public Employees' Retirement System — Budget Page PERS-3
(Volume III)
Budget Account 101-4821

Decision Unit E-225 recommends a new general counsel position to serve as a member of the executive staff. The proposed annual salary for the position is \$146,599 prior to reduction for retirement. By comparison, the salary for the executive officer is \$175,086. This position is requested due to the increase in the number of documents requiring legal review, the specialized nature of pension law and the technical nature of compliance with federal law. This position would address day-to-day legal matters and manage litigation and compliance issues where these duties are currently supported by the executive officer. This position would not eliminate the need for services from the Attorney General's Office. The assigned attorney general would continue to assist the Public Employees' Retirement Board with open meeting law compliance and public records requests.

E-225 Efficient and Responsive State Government — Page PERS-4

The executive officer indicated approximately 95 percent of outside counsel expenses are related to litigation and 5 percent is related to general legal advice. The new general counsel position would handle much of the in-house litigation. As described on page 12 of [Exhibit L](#), if this position is approved the outside counsel expenses can be reduced by \$75,654 in FY 2016 and \$117,239 in FY 2017.

Does the Committee wish to approve the general counsel position for the PERS? If so, Fiscal staff recommends reducing funding for outside counsel expenses by \$75,654 in FY 2016 and \$117,239 in FY 2017.

SENATOR WOODHOUSE MOVED TO APPROVE B/A 101-4821, DECISION UNIT E-225, WITH A REDUCTION OF \$75,654 IN FY 2016 AND \$117,239 IN FY 2017 FOR OUTSIDE COUNSEL EXPENSES.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Mr. Krmpotic:

Decision unit E-710 of B/A 101-4821 includes \$1.4 million each year for replacement equipment including a software upgrade totaling \$1.3 million each year to comply with pension changes made through S.B. No. 427 of the 75th Session. Fiscal staff has no issues with this recommendation.

E-710 Equipment Replacement — Page PERS-5

SENATOR GOICOECHEA MOVED TO APPROVE DECISION UNIT E-710 AND THE REMAINDER OF B/A 101-4821, WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Mr. Krmpotic:

Senate Bill 420 adds a new general counsel position to the PERS executive staff. The Statute requires the annual salaries be fixed by the Board with approval of the Interim Retirement and Benefits Committee of the Legislature. Since this Committee will not meet until December 2015 or January 2016, Fiscal staff suggests an amendment be made including some transitory language to allow the general counsel position to be added and for the salary to be set with subsequent approval by the Interim Retirement and Benefits Committee when that Committee meets.

SENATE BILL 420: Revises provisions governing the executive staff of the Public Employees' Retirement System. (BDR 23-1176)

SENATOR WOODHOUSE MOVED TO AMEND AND DO PASS AS AMENDED S.B. 420 WITH THE TRANSITORY LANGUAGE.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Kieckhefer:

We will move on to S.B. 69.

SENATE BILL 69: Revises provisions governing judicial retirement. (BDR 1-496)

Mr. Krmpotic:

Existing law in NRS 1A.350, section 1, states a member of the Judicial Retirement Plan is eligible to retire at age 65 years if the member has at least 5 years of service; or at the age of 60 years if the member has at least 10 years of service; and at any age if the member has at least 30 years of service. Senate Bill 69 amends this language to allow a member to retire at age 55 years if the member has at least 22 years of service. However, the Judicial Branch has submitted an amendment ([Exhibit M](#)) to remove this amended language from the bill

In section 2 of NRS 1A.360, existing law authorizes a retired justice or judge who accepts employment as a senior justice, senior judge, senior justice of the peace or senior municipal judge of the Nevada court system to receive allowances under the Judicial Retirement Plan for the duration of his or her active service if the justice or judge is at least 60 years of age at the time of his or her reemployment and accepts the employment at least 6 months after the effective date of his or her retirement. S. B. 69 amends section 2 to reduce the minimum required period before the acceptance of employment from 6 months to 90 days after the effective date of the retirement of the justice or judge. The Judicial Branch amendment, [Exhibit M](#), will also allow reemployment of a judge or justice at any age after the retired judge or justice has 30 years of service.

Assembly Bill No. 92 of the 75th Session established provisions for the reemployment of retired justices and judges and allowed receipt of the retirement allowance under the Judicial Retirement Plan in addition to compensation for service. This expires by limitation on June 30, 2015. Senate Bill 69 eliminates the expiration date in section 3 of NRS 1A.360 and makes permanent the provisions for reemployment of retired justices and judges.

[Exhibit M](#) revises and amends section 3 in NRS 286.520. This section states, when a retired employee accepts employment or an independent contract with an employer participating in the PERS, they are disqualified from receiving any PERS retirement for the duration of the employment or contract. An exception is provided if a person accepts employment or an independent contract for the Legislature or LCB. The amendment submitted by the Judicial Branch proposes the same exception for a person who accepts employment or an independent contract as a senior justice, senior court of appeals judge or district judge of the Nevada court system. This Judicial Branch amendment to section 3, subsection 7 applies to judges who are currently under PERS, which currently includes 14 judges, while striking the limitation from the 2009 legislation that applies to judges under the Judicial Retirement System. The PERS indicated the proposed amendment greatly reduces the fiscal impact on S.B. 69.

Chair Kieckhefer:

Senate Bill 406, passed earlier this Session, may conflict with the provisions in S.B. 69. These two bills need to be cross-checked.

SENATE BILL 406 (1st Reprint): Revises provisions relating to public retirement systems. (BDR 23-1049)

Tina M. Leiss (Executive Officer, Public Employees' Retirement System):

The amendment language proposed in what is currently section 4 of NRS 1A.360 makes sense with the laws that currently exist and with the retirement eligibility as it currently exists. Currently, age 60 is the first age of eligibility with a certain level of service. Senate Bill 406 changes that for new enrollees after July 1, 2015 to age 62 with a certain level of service or have 33.33 years of service to be unreduced.

The way to fix this is to change the language in S.B. 69 to say it only applies to retired justices or judges who retire with unreduced benefits. Unreduced benefits mean they retired with normal eligibility. If someone was subject to the S.B. 406 provisions, they would need to be age 62 or have 33.33 years of services. Senate Bill 69 language currently only makes sense for employees who would not be subject to the language in S.B. 406.

Chair Kieckhefer:

Do we need to clarify the language in S.B. 69?

Ms. Leiss:

This would be helpful. Once people begin retiring under the provisions of S.B. 406, S.B. 69 language does not make sense because it refers back to retirement eligibility before the enactment of S.B. 406.

Chair Kieckhefer:

Please work with the Judicial Branch to revise the language in S.B. 69 so that it does not impede S.B. 406.

We will return to the appropriation for the Aviation Trust Fund.

Mr. Krmpotic:

The \$100,000 per year appropriation for the Aviation Trust Fund we talked about earlier in this meeting does not have a vehicle for approval. Therefore, if the Committee wants to recommend approval of this appropriation, Fiscal staff recommends it be included in the back language of the General Appropriations Act appropriated to the Fund for Aviation established under NRS 494.048.

SENATOR GOICOECHEA MOVED TO APPROVE ADDING BACK LANGUAGE IN THE GENERAL APPROPRIATIONS ACT TO APPROPRIATE \$100,000 FOR EACH FISCAL YEAR OF THE 2015-2017 BIENNIUM TO THE FUND FOR AVIATION ESTABLISHED UNDER NRS 494.048.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Priscilla Maloney (American Federation of State, County and Municipal Employees, AFL-CIO):

I testified previously with concerns about PERS bills with conflicting information. We support the senior judge program; however, we are looking for an amendment that will bring these bills into alignment.

Chair Kieckhefer:

Is there any public comment?

Melissa Clement (President, Nevada Right to Life):

Please release A.B. 405. I understand there is no longer a fiscal note. This bill needs a hearing. Parents all over the State want to be involved in their under-age daughters having any kind of a medical procedure, especially ones as invasive as abortions.

ASSEMBLY BILL 405 (1st Reprint): Revises provisions regulating certain abortions. (BDR 40-755)

Chair Kieckhefer:

I inadvertently passed over the CRC, B/A 296-4490. We will discuss that now.

CRC - Colorado River Commission — Budget Page COLORADO RIVER COMM-4
(Volume III)
Budget Account 296-4490

Mr. Krmpotic:

The Joint Subcommittees on Public Safety, Natural Resources and Transportation has completed its review of the budget for the CRC. You have a handout entitled the "Senate Committee on Finance Joint Subcommittee on Public Safety, Natural Resources and Transportation Closing Report Colorado River Commission," ([Exhibit N](#)).

The Subcommittees recommended approving the Governor's recommendation to add three new unclassified natural resource specialist positions with associated operating and travel costs to support increased workloads related to electric resource marketing activities for water customers and an increase in the hydropower customer base pursuant to the Hoover Power Allocation Act of 2011.

With regard to the Governor's recommendation for a new unclassified deputy director position and a new natural resource specialist position with associated operating costs including \$50,000 to produce a water conference to support increasing activity related to the water resources of the Colorado River, the Senate recommended approval of the Governor's recommendation, but the Assembly did not recommend approval of the Governor's recommendation.

Lastly, the Subcommittees recommended approval of a dedicated deputy attorney general position funded by the CRC consistent with the closing

actions of the money committees in closing the Attorney General's budget and recommended approving the remainder of the budget as recommended by the Governor with technical adjustments.

SENATOR GOICOECHEA MOVED TO APPROVE THE CRC,
B/A 296-4490, AS RECOMMENDED BY THE GOVERNOR WITH
AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS
AS NEEDED.

SENATOR ROBERSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BUDGET CLOSED.

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Chair Kieckhefer:

As there are no further comments, this meeting is adjourned at 10:05 a.m.

RESPECTFULLY SUBMITTED:

Jackie L. Cheney,
Committee Secretary

APPROVED BY:

Senator Ben Kieckhefer, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	5		Attendance Roster
	C	9	Michael Hillerby	Nevada's Rural Airports Critical Component in Our Economic Vitality and Safety
	D	16	Michael Hillerby	Aviation Trust Fund, Nevada DOT
	E	2	Bobbi Thompson	Funding by Airport
	F	1	Bobbi Thompson	Funding by County
S.B. 46	G	3	Jayne Harkins	Testimony
S.B. 46	H	3	Public Utilities Commission	Proposed Amendment to S.B. 46
S.B. 46	I	13	Crystal Jackson	Public Utilities Commission Senate Bill 46 Senate Finance May 8, 2015
S.B. 46	J	1	David Cherry on behalf of Sam Bateman	Written Testimony Submitted for the Record
	K	13	Adam Drost	Senate Committee on Finance Joint Subcommittee on General Government Closing Report, NDA
	L	13	Mark Krmpotic	Senate Committee on Finance Closing List No.11 May 8, 2015
S.B. 69	M	3	Mark Krmpotic	Judicial Branch Amendment to SB 69
	N	7	Mark Krmpotic	Senate Committee on Finance Joint Subcommittee on Public Safety, Natural Resources and Transportation Closing Report Colorado River Commission