# MINUTES OF THE SENATE COMMITTEE ON FINANCE

# Seventy-Eighth Session June 1, 2015

The Senate Committee on Finance was called to order by Chair Ben Kieckhefer at 10:25 a.m. on Monday, June 1, 2015, in Room 2134 of the Legislative Building, Carson City, Nevada. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> 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

# **GUEST LEGISLATORS PRESENT:**

Assemblyman Elliot T. Anderson, Assembly District No. 15 Assemblywoman Dina Neal, Assembly District No. 7

# **STAFF MEMBERS PRESENT:**

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Joi Davis, Senior Program Analyst
Jaimarie Dagdagan, Program Analyst
Brody Leiser, Program Analyst
Lona Domenici, Committee Manager
Emily Cervi, Committee Assistant
Jason Gortari, Committee Secretary

# **OTHERS PRESENT:**

Paul Townsend, C.P.A, Legislative Auditor, Audit Division, Legislative Counsel Bureau

Mindy Martini, Deputy Superintendent for Business and Support Services, Department of Education

Nicole Rourke, Clark County School District

Lindsay Anderson, Washoe County School District

Mary Pierczynski, Nevada Association of School Superintendents

Rick Combs, Director, Legislative Counsel Bureau

David Prather, Deputy Administrator, Division of Forestry, Department of Conservation and Natural Resources

Bruce Breslow, Director, Department of Business and Industry

Kevin Ranft, AFSCME—Local 4041

Michael Flores, College of Southern Nevada

Omar Saucedo, Nevada System of Higher Education

Michael J. Willden, Chief of Staff, Office of the Governor

Terry Reynolds, Deputy Director, Department of Business and Industry

John McGlamery, Senior Deputy Attorney General, Bureau of Consumer Protection, Office of the Attorney General

## Chair Kieckhefer:

I will now hear Assembly Bill (A.B.) 278.

ASSEMBLY BILL 278 (1st Reprint): Revises provisions governing class-size reduction. (BDR 34-749)

# Assemblyman Elliot T. Anderson (Assembly District No. 15):

I will open my testimony on A.B. 278 with an overview of the key provisions.

Nevada has had a class-size reduction (CSR) program in place since 1989 with the passage of the Class-Size Reduction Act. The program was designed to reduce pupil-teacher ratios in classrooms with the goal of achieving a pupil-teacher ratio of not more than 15 pupils per teacher in kindergarten through Grade 3. In 2013, Assembly Bill No. 2 of the of the 27th Special Session established new reporting requirements for school districts' pupil-teacher ratios.

Assembly Bill 278 revises the provisions governing CSR and responds to the requirement for school districts to submit CSR plans to the Department of Education (NDE). Specifically the bill creates a new section in *Nevada Revised Statutes* (NRS) 388, which requires the NDE to develop policies and procedures to monitor the CSR plan compiled by each school district.

Section 1 of the bill requires the NDE to develop policies and procedures regarding the monitoring and distribution of funds to reduce the pupil-teacher ratios and to provide guidance to school districts concerning the CSR program.

Specifically, the measure requires the NDE to establish methods to monitor the school districts' plans for CSR, the content and accuracy of quarterly reports concerning pupil-teacher ratios and the average daily attendance. This measure also requires the NDE to review and verify the accuracy of program variance requests and provide documentation relating to the distribution and use of program funds.

The NDE must advise school district boards and trustees concerning its expectations for the use of the funds, including the minimum number of teachers a district is expected to employ. Finally, the measure requires a legislative auditor to conduct an audit concerning the use by each school district of money appropriated for the CSR program during the 2013-2015 biennium.

The audit must include an examination and analysis of the "Plus 2" Program that authorized school districts to elect to increase their class sizes by two pupils. The analysis must be submitted to the Legislative Commission's Audit Subcommittee by February 2017.

Assembly Bill 278 received unanimous support in the Assembly. This bill takes the recommendations of the CSR program audit and provides a good accountability measure for these funds being spent on this program.

Paul Townsend (Legislative Auditor, Audit Division, Legislative Counsel Bureau): I am speaking as neutral to <u>Assembly Bill 278</u>. I have provided an overview of the CSR portion of the audit entitled "Performance Audit Department of Education 2014" beginning on page 19 (Exhibit C).

In the area of teacher licensure, we found that controls over the CSR program could be improved. Plans required by statute were not submitted. This requirement expects each school district to develop a plan to reduce the districts' pupil-teacher ratio in certain grades and then requires that plan to be submitted to the State Board of Education (SBE).

The NDE considered a quarterly reporting form that included a space for a brief description of the plan as a way to meet the plan requirement. As we reviewed

the responses, we concluded the NDE did not constitute an appropriate plan and they often submitted brief statements as shown in the bullets on page 20 of Exhibit C.

As discussed at the bottom of that page, we found specific statutory requirements for the plan that were not met. For example, the SBE must determine the data to be monitored by each district to evaluate the effectiveness of its plan. This data must be reported back to the SBE. However, the NDE had not developed that plan, but have since the audit was issued in December.

We also found that while each school district must demonstrate how they would reduce pupil-teacher ratios within the limits of available funding, none of the 17 districts had submitted information indicating this had been done.

On page 21 of Exhibit C, we note that counties with populations of less than 100,000 were allowed to develop an alternative plan, which provided for higher ratios in the lower grades, but then increased the reporting requirement up through Grade 6. However, the alternative plan must demonstrate fiscal neutrality and not cost more to carry out than a regular CSR plan. We found none of the five districts using the alternative plan submitted that reporting requirement.

The NDE could provide districts with additional guidance on how to develop plans. In the bullet points on page 22, we identified some specific elements from other states that would help the NDE make progress in this area. At the bottom of page 22, we discussed how better monitoring of CSR reports and variances is needed. During the economic downturn when budgets were reduced, the 26th Special Session of the Legislature enacted provisions to provide additional flexibility on CSR reporting. Districts were given the opportunity to increase ratios in Grades 1 through 3 by two students with several requirements for money to be used to minimize the impact of budget reductions in Grades 4 through 12. However, the NDE did not develop a method for the districts to indicate that they were taking action and the NDE did not require any reporting from the school districts to ensure the funds were being used properly.

On pages 23 and 24 of Exhibit C, we discussed the pupil-teacher ratios. When the ratios are exceeded, districts are required to submit reports and variance

requests. These reports are summarized by the NDE and then submitted to the SBE and Interim Finance Committee. We found that the reports were incomplete and sometimes had errors.

Page 25 notes that the process for distributing the funds has weaknesses. A lot of money is distributed each year and the money distributed to each school district involves a large number of calculations and several data sources. The calculations were not reviewed and lack necessary supporting documents.

Page 27 discusses the need for improved communications of funding expectation with the school districts. School districts were not adequately informed of the minimum number of teachers to be employed with their portion of the CSR funds or the average teacher salary that had been used in the calculation. The amounts distributed to school districts are shown on page 26 of <a href="Exhibit C">Exhibit C</a>. Without proper communication, there is an increased risk that funds will not be used as intended.

Page 28 displays the recommendations regarding the CSR program that we made to the NDE. All of the recommendations have been accepted. In large part, the recommendations make up the components of <u>A.B. 278</u>. The NDE filed their plan on corrective action in March and have made significant progress in implementing their recommendations.

#### Chair Kieckhefer:

Based on the requirement in the bill for your Division to conduct the legislative audit, will you have the resources in the upcoming biennium to fulfill that requirement?

## Mr. Townsend:

Yes, the current resources in our budget as approved would provide us the ability to do this audit without much difficulty.

# **Chair Kieckhefer:**

This is a subject matter that we have discussed but never completely resolved. This legislation will be quite valuable. I will hear testimony in support of A.B. 278.

# Mindy Martini (Deputy Superintendent for Business and Support Services, Department of Education):

The NDE fully supports this measure. This measure establishes accountability for the CSR program. We have made substantial progress in meeting and correcting the audit findings. Putting this measure into law will keep the accountability consistent after the current staff is gone.

Section 2 of <u>A.B. 278</u> requires an audit of the "Plus 2" Program in the school districts. The program audit has been subject to much discussion this Session and we support that program as well.

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

I am here in support of <u>A.B. 278</u> on behalf of the Clark County School District (CCSD). This audit has been a topic of great discussion this Session. The issues the audit identifies are with the controls put in place, or not put in place, at the NDE level. We want to clear the record that audit concerns were about plans and procedures and not about how we use the money. The CCSD has used the money appropriately and has submitted a very lengthy list of teachers that are employed who are utilizing these funds from the District. We have submitted this list to the auditors to ensure that they knew those funds were used for CSR in Grades 1 through 3.

On page 20 of Exhibit C, there are several examples of the brief descriptions of the plans. None of the descriptions are from the CCSD and we are working on our plans now. Our recent plans look at one- and-two star schools and how to reduce class sizes.

Page 21 shows that the NDE has not determined what data school districts must monitor and use to measure the effectiveness of the implementation of the CSR plan. There has been a lot of talk this Session about the effectiveness of CSR. In the past we have not looked at data or had a clear direction on how to use the data. We will have a discussion in the interim about how to improve the effectiveness of CSR.

# Lindsay Anderson (Washoe County School District):

I am here in support of A.B. 278 on behalf of the Washoe County School District (WCSD). I support everything Ms. Rourke said. The WCSD welcomes this accountability because of the implications about how the CSR money has been misused or not well spent. As a district, we are happy to open up our

books and demonstrate how that money was used and how the teachers were employed with that money to reduce class sizes to as much as possible. We look forward to being able to clear the record next Session.

# Mary Pierczynski (Nevada Association of School Superintendents):

I am here in support of <u>A.B. 278</u> on behalf of the Nevada Association of School Superintendents. The plans and procedures are important and we want there to be no questions about how the CSR money was spent. The CSR money has been used appropriately and now we will clearly report that so everybody will be comfortable with it. The funding for CSR is important to our schools.

## Chair Kieckhefer:

I will close the hearing on A.B. 278 and open the hearing on A.B. 443.

ASSEMBLY BILL 443 (1st Reprint): 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):

I will discuss <u>A.B. 443</u>, which is our biennial one-shot request for dues and registration costs for national organizations, building maintenance and information technology (IT) purchases. The dues and registration costs used to be in the Legislative Commission portion of the Legislative Counsel Bureau's (LCB) budget. During the revenue shortfalls in the past, funds for the national organizations requests were removed. One year we did not make our payments in a timely fashion, but later were able to get a one-shot appropriation approved to pay the national organization dues late. We have funded those costs in a one-shot manner ever since.

The handout I have provided is entitled "One-Shot Funds for the Legislative Counsel Bureau 2015-2017 Biennium Assembly Bill No. 443" (<u>Exhibit D</u>). This five-page document specifies the various components of the one-shot requests.

Page 1 of Exhibit D lists the organizations that we plan to pay dues to. Dues were paid during the current biennium to these same organizations. They include the National Conference of State Legislators, Council of State Governments, National Conference on the Commissioners of Uniform State Laws, Education Commission of the States, National Conference of Insurance

Legislators (NCOIL) and National Council of Legislators from Gaming States (NCLGS).

The NCOIL was approved in the one-shot bill last Session for the current biennium. Pursuant to approval of Legislative Commission, the NCLGS was added, only for the current fiscal year and at a cost of \$3,000. We have elected to include that cost in this request. The funding offers our legislators the opportunity to go to conferences they wish to attend and provides some benefit to the LCB by having legislators in our Bureau become members of nationally recognized legislative organizations. The total request for each fiscal year can be found in section 1, subsection 1 in the first reprint of the bill. The total funding request for FY 2016 is \$384,556 and \$391,904 for FY 2017. The funding for the biennium totals to \$776,460 for the dues to be paid to those organizations.

Page 1 of Exhibit D also lists the maintenance and IT purchases that we need to make in the upcoming biennium. The following pages of this document breakdown the four different requests in further detail.

Page 2 describes the replacement components for Sedway Office Building (SOB) elevator. I indicated to the Legislature last Session that we are on a plan to replace at least one elevator that is noncompliant with code in the Legislative Building and one in the SOB where our staff from the Fiscal Division, Audit Division, and Research Division are housed. These elevator replacements will bring our elevators in to compliance with code.

The SOB elevator is the only elevator in that building, is approximately 35 years old, is nearing the end of its useful life and is our second major maintenance priority. The freight elevator in the Legislative Building was our first maintenance priority because that elevator was even older than the elevator in the SOB. We replaced the freight elevator during the current biennium and the project was successful. I cannot showcase the elevator because it is not used by the public. We need to do similar replacements. Rather than trying to fix them all at once, we are fixing what we can afford in any given biennium.

The SOB elevator replacement will address some logistical concerns for us because it is the only elevator in the building. We will need to accommodate LCB staff and members of the public meeting with LCB staff that have difficulties getting up the stairs, and arrange another location for meetings to occur. The first floor of this building is the most logical place. The elevator

replacement will be a small issue for LCB staff housed in SOB for the upcoming biennium, but is something that we need to do. When the elevator in the SOB is in compliance with code, it will be safer and less costly for repairs in the future.

Page 3 of Exhibit D provides a list of the network hardware and software replacements we are requesting. The first replacement entails a request for a storage area network system (SANS) for the Grant Sawyer State Office Building. Last Session, we obtained your approval for a SANS in our Carson City location which has worked out well.

The SANS provides redundancy and the ability to shift workloads from one server to another when one server needs maintenance. It also allows us to operate our programs while one server is undergoing repair. The SANS helps us react quicker to high volumes of workload that our programs often face, especially during session. We want to have the same capabilities in the Grant Sawyer State Office Building that we have in our Carson City location. Rather than replacing the 12 individual servers in that building, we would instead install a SANS.

We are also looking to do additional enhancements to the SANS in our Carson City offices. We want to upgrade our software to the latest version available. We also want to expand our SANS by replacing a few servers. All of our servers are on a replacement schedule, or at the end of their useful life, and are no longer under warranty.

We also want to replace some of our firewall security devices. One firewall replacement is for the broadcast production network connection that allows access to our network from a laptop at a different location. The other two firewall devices needing replacement are the ones used for the rest of our user traffic that accesses our Web site and programs.

The next replacement request is for 14 upgraded encoders in the Broadcast and Production Services (BPS) unit. It is time to replace their encoders. The encoders will be used to transmit the signal for videos and will provide a new serial digital interface signal that will work with some of the new BPS equipment being acquired during the interim. There will be a time during the interim when we are out of commission, as far as videoconferencing goes, due to a broad replacement of our BPS hardware and software. We have nickeled and dimed the current system from the start. It is time for us to replace the

matrix that controls all of the back and forth connections between the various committee rooms, control rooms and videoconferencing connections.

We need the new software because we are currently using a software package that a consultant developed. The consultant has told us that they will no longer be doing that kind of work and offered to sell us the software package at a price we felt was unreasonable. We do not have the staff trained to support that software and want a more off-the-shelf type of software that we can find support for in the future. A more generic software package will eliminate the chance of us running into the same type of problem again.

Rather than replacing the software and separately replacing the hardware, we decided that this interim was the time to replace both. This will be a much better software program when it is finished. This enhancement will be ready for the next legislative Session and is not part of this request. This enhancement will be funded out of our current Legislative Fund balance.

Costs for the encoders are in the one-shot legislation because they are more of an IT need than a need that should be included in the BPS replacement package. Included in the BPS replacement package are two cooling units for the Grant Sawyer State Office Building. The cooling unit will help control the temperature in the room where the servers are located so they are capable of working properly. The current cooling units are beyond their useful life and we are just waiting for them to break down.

Phase I of our telecommunications system replacement project is shown on page 4 of <a href="Exhibit D">Exhibit D</a>. The LCB was one of the first State agencies that switched from the old "Ma Bell" system to a digital system. The switch was made approximately 18 years ago. The LCB is now one of the last State agencies to switch to a voice over internet protocol (VoIP).

Rather than trying to fund the entire replacement this biennium, we have elected to request funding for phase I, which is replacement of the backbone of the system. This request includes the devices, servers and everything needed to switch over to the VoIP system. Next Session, we will ask for the actual replacement of the handsets. Among the large number of LCB staff, legislators' office staff and Senate and Assembly staff, a tremendous number of handsets need to be replaced. We will replace the current handsets as they break down

this biennium, but will eventually switch over to all new handsets and request the funds for them next Session.

We are requesting \$490,317 for phase I. The total costs of the entire project will be about \$1.1 million and we will ask for the remainder of those funds next Session if you see fit to approve it.

Page 5 of Exhibit D shows a request for \$82,260 to upgrade the voting system in both the Senate and Assembly Chambers. The old software we are using is having trouble adapting to our needs. Several interesting situations arise during legislative sessions. For example, LCB is staff constantly having to battle with the current software we use for voting systems when Legislators are absent, are no longer in office or when similar issues occur. It is time to update our software and provide our programmers with modern programming language so they can respond to software issues more quickly.

That sums up the items that make up the one-shot appropriation list. I have brought reinforcement staff to answer any detailed questions about the IT enhancements.

## **Senator Parks:**

We use a rear projection camera system to show our votes on a display board. Some Legislators have commented that the display board has degraded around the edges, especially during this Session, making it difficult to read. I know the projection bulbs have a tendency to burn out and before they burn out they dim out. Do you have any thoughts or plans in mind to fix the display boards?

## Mr. Combs:

The first thought that came to mind was that it might be a bulb getting ready to go bad and those are expensive to replace. This is the first I have heard of the issue. I am not normally in Chambers to notice it myself and have not yet noticed it. Since you have brought it to my attention, I will be sure to take it up with the people in the Information Technology Services and BPS units to see if there is an easy fix, or if it is something more complicated. We do not have funds for this in our one-shot bill, but we do have available funds in our regular operating budget for emergencies that arise. We will look into this problem during the interim and see if there is something we can do to correct it.

#### Chair Kieckhefer:

I will close the hearing on A.B. 443 and open the hearing on A.B. 438.

ASSEMBLY BILL 438 (1st Reprint): Makes an appropriation to the Division of Forestry of the State Department of Conservation and Natural Resources for certain costs related to the Intergovernmental All-Risk Fire Management Program of the Division. (BDR S-1220)

# David Prather (Deputy Administrator, Division of Forestry, Department of Conservation and Natural Resources):

Assembly Bill 438 is the request by the Department of Conservation and Natural Resources' (DCNR) Division of Forestry (NDF) for an appropriation related to costs connected with the termination of the NRS 473 all-risk fire protection district in Clark County. These costs are mandated by the DCNR's personnel rules and regulations.

#### Chair Kieckhefer:

I will close the hearing on A.B. 438 and open the hearing on A.B. 475.

ASSEMBLY BILL 475 (1st Reprint): Revises provisions governing the financial administration of the Real Estate Division of the Department of Business and Industry. (BDR 54-1171)

# Bruce Breslow (Director, Department of Business and Industry):

Assembly Bill 475 is a bill that would self-fund the Real Estate Division in the Department of Business and Industry (B&I). The bill has been amended and the fees intended to self-fund the Division have been removed.

At the industries' request, <u>A.B. 475</u> reduces the licensing period from a 2-year period to 1-year period for the sales people and from a 4-year period to a 2-year period for the brokers. The bill has corresponding language that reduces the fees because the Division does not want to be paid every 4 years and will be paid on a shorter time cycle which results in a fee reduction.

The Legislators may have an amendment that removed language from this bill, changing it from a self-funded budget to a General Fund based budget. I have seen the amendments online but have not seen the amended version on the bill yet.

#### Chair Kieckhefer:

The bill in the first reprint is consistent with your understanding of how your budget was closed. Were the increased licensing fees at the request of the licensees?

## Mr. Breslow:

Yes, and it actually reduces the time period for licensing. The request came from the industry.

## Chair Kieckhefer:

Will reducing the licensing cycle make people get licensed more often?

# Mr. Breslow:

Yes.

# Chair Kieckhefer:

I will close the hearing on A.B. 475 and open the hearing on A.B. 489.

ASSEMBLY BILL 489: Provides for compensation of state employees. (BDR S-1290)

# Mark Krmpotic (Senate Fiscal Analyst):

Assembly Bill 489 was heard in bill draft review form by the Committee on Friday. This is the Unclassified Employee Pay Bill and it also adds cost of living increases of 1 percent in the first year and 2 percent in second year for all unclassified, nonclassified and classified employees and for all classified and professional employees within the Nevada System of Higher Education (NSHE). The appropriations to fund the salary increases are included in the bill. Those amounts would be appropriated to the salary adjustment account for allocation by the State Board of Examiners during each fiscal year.

# Chair Kieckhefer:

I will close the hearing on A.B. 489 and open the hearing on A.B. 490.

ASSEMBLY BILL 490: Authorizes expenditures by agencies of the State Government for the 2015-2017 biennium. (BDR S-1291)

## Mr. Krmpotic:

The Authorized Expenditures Act provides authority to expend other monies not appropriated from the General Fund or Highway Fund. Those other monies include federal funds, self-funded fee generating budget accounts and interagency transfers. The two exceptions with General Funds and Highway Funds relate to the Gaming Control Board (GCB) and the Nevada Department of Transportation (NDOT). In those two agencies, General Funds and Highway Funds are authorized amounts. That approach gives NDOT more flexibility to adjust to changing conditions, enabling them to meet requirements for road projects throughout the year. I have not observed the GCB using its flexibility at any time. The back language in the bill provides for General Fund advances in selected cases, requires those agencies to adhere to the State Budget Act in NRS 353 and provides for other matters.

# Chair Kieckhefer:

I will close the hearing on A.B. 490 and open the hearing on A.B. 491.

ASSEMBLY BILL 491: Authorizes and provides funding for certain projects of capital improvement. (BDR S-1289)

# Mr. Krmpotic:

The Capital Improvement Program (CIP) bill provides for the State's capital construction over the next 2-year period. The Senate Committee on Finance and the Assembly Committee on Ways and Means, also known as the money committees, jointly heard each CIP project that encompasses the NSHE-related William F. Harrah College of Hotel Administration at the University of Nevada, Las Vegas and deferred maintenance projects. The money committees also heard a number of CIP projects within the Department of Health and Human Services, particularly upgrades and enhancements to the Southern Nevada Adult Mental Health Services complex and campus. The Department of Corrections (NDOC) had a number of CIP projects with respect to various maintenance projects and the Department of Veterans Services' (NDVS) new State veterans home. The bill also sets the State debt rate, which is the 17-cent debt rate allocated between State CIP and Question 1 projects. The bill also extends certain projects that were previously approved and expire after a 4-year period.

## Chair Kieckhefer:

I will close the hearing on <u>A.B. 491</u>. We will roll <u>Senate Bill (S.B.) 454</u> to our next agenda today. There is a proposed amendment that we are still evaluating.

I want to bring <u>S.B. 454</u> into work session along with the four bills that we just heard plus the three budget bills. I will open a work session on A.B. 278.

SENATOR SMITH MOVED TO DO PASS A.B. 278.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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# Chair Kieckhefer:

Was A.B. 438 a one-shot appropriation?

# Mr. Krmpotic:

Yes. Technically it is a "one-time" appropriation to provide for terminal leave payouts to the NDF. It relates to the winding down of the Intergovernmental All-Risk Fire Management Program through the Forestry Intergovernmental Agreements account 101-4227. It is a passage and approval bill that addresses additional costs not previously anticipated. Technically it is a one-shot appropriation because this program had no direct State General Funds to support it.

INFRASTRUCTURE

CONSERVATION AND NATURAL RESOURCES

<u>DCNR - Forestry Inter-Governmental Agreements</u> — Budget Page DCNR-104 (Volume III)

Budget Account 101-4227

SENATOR GOICOECHEA MOVED TO DO PASS A.B. 438.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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#### Chair Kieckhefer:

We will move on to A.B. 443, which addresses the appropriation for the LCB.

SENATOR LIPPARELLI MOVED TO DO PASS A.B. 443.

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## Chair Kieckhefer:

We will hear A.B. 475, which is related to B&I's Real Estate Division. This bill is in conformance with the way in which we closed the budget for that Division.

SENATOR GOICOECHEA MOVED TO DO PASS A.B. 475.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## Chair Kieckhefer:

We will move to <u>A.B. 489</u>, which is the Unclassified Pay Bill. The cost of living allowance included in this bill is long overdue. State employees have given their fair share of sacrifice during our recession and should be recognized for that as we emerge from it.

SENATOR WOODHOUSE MOVED TO DO PASS A.B. 489.

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## Chair Kieckhefer:

We will move to A.B. 490, which is Authorized Expenditures Act.

SENATOR SMITH MOVED TO DO PASS A.B. 490.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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#### Chair Kieckhefer:

We will move to A.B. 491, which is the Capital Improvement Bill.

## **Senator Parks:**

While I will support the motion, I am opposed to the expenditure of funds for an execution chamber at the Ely State Prison.

SENATOR GOICOECHEA MOVED TO DO PASS A.B. 491.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## Chair Kieckhefer:

I will now hear public comment.

## Kevin Ranft (AFSCME—Local 4041):

I am here to represent AFSCME—Local 4041. I appreciate all the efforts aimed towards State employees. It may be small but <u>A.B. 489</u>, in conjunction with the furloughs, will help State employees know that they will no longer be put at the back of the bus and know, that in future Sessions, the budget will not be balanced on their backs.

## Chair Kieckhefer:

We will stand in recess until the call of the chair at 11:10 a.m.

We will reconvene at 2:16 p.m.

I will now hear A.B. 399.

ASSEMBLY BILL 399 (1st Reprint): 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):

The NV Grow Program is based on the economic gardening concept. Economic gardening is the collection or retrieving of data on industry trends and performing market analysis on those trends. Economic gardening also consists of actively engaging in competitive intelligence and gathering data for projects to make better business decisions. The NV Grow Program allows a business to set benchmarks and be mentored on how a competitor can grow and capture their market share. Economic gardening can show businesses what new products they can capture to retain market share by reviewing consumer expenditure reports.

Gardening encompasses several different components. The mentoring component would allow the Nevada Small Business Development Center (SBDC) in southern Nevada to sit down with businesses to review their spending potential index and consumer expenditure reports so they could examine which potential customers to target and the characteristics of their customers spending' habits.

All components of economic gardening are important because you can obtain an understanding of a consumer's spending priorities. When a business starts thinking about developing a business model, what they intend to do with that model and how to they intend to plan for that model, economic gardening allows them to understand exactly what and who they should capture and why.

For example, in regards to retail goods and expenditure reports, the whole point of the NV Grow Program is to mentor a business in that field and teach them how to analyze data properly to make better business decisions. Data analytics are important because they can help a business discover the tapestry of families' spending habits.

Understanding the tapestries of families can help businesses figure out trends such as the average spending of a 36-year old consumer. The 36-year old consumer spends about \$1,700 a year on apparel and of that \$1,700 they spend \$316 on women's clothes. If you drill down even further, you can figure out that same consumer spends \$216 on footwear per year on average.

If a shoe business wanted to open up shop, they clearly would want to capture the areas where people are spending \$316 a month on average for women's clothes. The business would want to have plenty of shoes and women's shoes and know how to get more of each. The business would want to know if they were selling a lot of sandals so they could put more sandals in their store. That type of analytical support is what the NV Grow Program provides.

I have provided three handouts to help you understand what economic gardening means. The first is a general overview entitled "AB 399 Economic Gardening" (Exhibit E).

The second, entitled "Example of Data to be tracked AB 399" (Exhibit F), provides an overview of what the analytics of the program would look like in the Las Vegas area.

The categories in the first chart on page 1 of <a href="Exhibit F">Exhibit F</a> measures the NV Grow companies and the qualified nonparticipating companies. By measuring one company in the NV Grow Program against one that is not, you can then make a comparison between the two companies to measure growth and the effectiveness of this Program.

The second chart on page 1 provides an example of a business decision method of tracking. Several factors need to be analyzed when tracking the success of business decisions in the NV Grow Program. First, you must understand what decision the company is trying to make. Second, you must factor in how many weeks the company was mentored on that decision. Finally, you must measure the results achieved from the advice given. You need to capture those factors to measure the success of a business decision.

Page 1 of Exhibit F also provides an example of the type of services the NV Grow Program intends to deliver. Once a business decision and the idea of the company are established, this program will suggest targeted business classes for business owners to help them understand why they are making a business decision.

The College of Southern Nevada (CSN) and all other stakeholders in the bill are coming together to help Nevada businesses make better decisions using data provided by the SBDC. The SBDC serves as the mentoring component and helps

Nevada businesses come out of the NV Grow Program with milestones and benchmarks that they expect to meet.

I have submitted a geographic information system (GIS) map (Exhibit G). This bill requests \$150,000 to develop the pilot program for GIS mapping. When analyzing a similar program in Washoe County, I discovered the SBDC in Reno. With a limited amount of funding this program was able to help small private businesses go into the SBDC in Reno who then provided the business data on consumer trends, such as the total sales of Latino consumers in a specific area. The SBDC helped the business by creating a GIS map, similar to Exhibit G, of Latino consumers in the Reno area.

I want the SBDC in southern Nevada to have the same capabilities as the SBDC in northern Nevada because they currently are not equal. The SBDC in Washoe County does phenomenal work and the SBDC in Clark County does not. I noticed that the SBDC in Clark County only conducts basic questioning and helps business owners determine what their business plan is and then lets them walk out of the door. The SBDC in Clark County is not to the degree or at the level they should be. We are at the point in our State where we need to be growing businesses from the inside out. The NV Grow Program can provide this emphasis to Nevada businesses.

The SBDC provided me with information about how the \$150,000 requested in this bill can be used. For every \$150,000 that is spent in funding the SBDC programs, 86 jobs can be created. At the University of Nevada, Reno (UNR), the SBDC took \$150,000 and turned it into 15 business plans and a \$3 million capital infusion that contained a mix of grants and other funding sources. There were also 19 business startups, 68 long-term clients and 86 jobs created from the initial \$150,000.

The goal of this bill is to capture job and business growth with the use of the \$150,000. With this funding we can reach this goal by using the GIS at the CSN. When we complete the pilot program, we will develop an effective measurement tool. The measurement tool will not produce GIS map outputs exactly like the one displayed in <a href="Exhibit G">Exhibit G</a>, but will show that we implemented the program, business decisions were measured, business owners were informed on what business classes to take and that business owners established benchmarks for their company. At the end of the 2 years, this

program will allow business owners to see where they started and where they ended up. That sums up the NV Grow Program and A.B. 399.

## Chair Kieckhefer:

Section 2 of A.B. 399 appoints the SBDC on UNR's campus as the administrator of the GIS but it appropriates the money to the NSHE for CSN to purchase the software for a GIS. The CSN will then own that software and will get a person to operate it. Why does the bill state that the SBDC in Washoe County will be the administrator of the GIS in section 2, subsection 3, paragraph (b)?

## **Assemblywoman Neal:**

Brian Bonnenfant, the GIS analyst in Reno, has the expertise we want to replicate at CSN. We want Mr. Bonnenfant to mentor the new GIS person who comes on staff at CSN. Mr. Bonnenfant's direct relationship to that person will help teach and mentor them how to create charts and maps similar to the ones provided in Exhibit F and Exhibit G.

We want the SBDC in Washoe County to be the administrator of the program, even though it will not be housed there, in order to have an expert teach and mentor the GIS person at CSN.

## Chair Kieckhefer:

The SBDC does tremendous work and is an underutilized resource. The pilot program will prove itself worthy and will need to come back and make sure it is permanent and are available on an ongoing basis.

# Michael Flores (College of Southern Nevada):

I am here representing CSN. We are ready for the program at CSN and would look forward to working with UNR in making it a success.

## Omar Saucedo (Nevada System of Higher Education):

I am here representing NSHE. We support any measure that helps local small businesses and any measure that help Nevada's workforce development.

# **Assemblywoman Neal:**

I want to thank the Committee members for their support and hope they pass A.B. 399.

#### Chair Kieckhefer:

I will close the hearing on A.B. 399 and will hear A.B. 485.

ASSEMBLY BILL 485 (1st Reprint): Revises provisions governing the duties and structure of the Office of Science, Innovation and Technology. (BDR 18-1155)

# Michael J. Willden (Chief of Staff, Office of the Governor):

Assembly Bill 485 is the Office of Science, Innovation and Technology (OSIT) bill. This budget was heard in the Senate Committee on Finance and the Assembly Committee on Ways and Means and the budget was closed with funding for the new OSIT. We asked for four new staff members for this Office, a manager, a broadband position, a grants analyst and a position for administrative support.

In addition to the funding requests to staff the new OSIT, funding was requested for science, technology, engineering and mathematics (STEM) Workforce Grants for \$1 million in the first year of the biennium and \$2 million in the second year of the biennium. There was also a request for broadband allocation of about \$600,000 per year. The OSIT combines broadband, STEM and the Advisory Council on STEM activities.

Section 1 of  $\underline{A.B.}$  485 reestablishes OSIT. The OSIT has been authorized in the Office of the Governor for some time, but has been dormant. Section 1 also changes the focus of the OSIT to STEM. Section 1, subsection 8 allows us to administer \$3 million for the STEM Workforce Grants over the allotted period of time.

Section 2 moves the Advisory Council on STEM from the NDE to the OSIT. We worked with Senator Woodhouse on the membership of the Council. Section 2 also revises the membership of the Council and anticipates that the various people making the appointments coordinate to make sure the right individuals are appointed.

We worked with Senator Woodhouse on section 2, subsection 2 on the types of members to be appointed to the Council. Teachers and administrators in STEM activities can be appointed. In the past there have not been any face-to-face meetings, which has been a problem. In section 2, subsection 4, there is a requirement that two of the meetings be held in person. We have created travel

funds to support face-to-face meetings and the staff of the Council will coordinate that function. The board members will now be paid per diem instead of being paid by their agencies' budget accounts. This bill would put the OSIT into the Office of the Governor again and budgets have been closed with dollars to make that possible.

#### Senator Woodhouse:

I want to thank Mr. Willden and the Office of the Governor for looking at S.B. 236. Senate Bill 236 attempts to make significant changes for the Advisory Council on STEM education. The vast majority of the initiatives in that bill are now in A.B. 485 and I am pleased with that outcome. If the initiatives of A.B. 485 are put into place, we will address some issues from the Brookings Institute Report. We need to elevate the level of understanding and support for STEM education throughout the State and this is a good step forward.

SENATE BILL 236 (1st Reprint): Revises provisions relating to the Advisory Council on Science, Technology, Engineering and Mathematics. (BDR 34-655)

#### Chair Kieckhefer:

We had a bill similar to <u>A.B. 485</u> last Session when we created a cabinet level position for NDVS. That legislation brought that Department to the level it needed to be at in terms of the power hierarchy. I do not disagree with your statements.

I will close the hearing on A.B. 485 and open the hearing on A.B. 476.

ASSEMBLY BILL 476 (1st Reprint): Revises provisions relating to unarmed combat. (BDR 41-1172)

## Mr. Breslow:

Assembly Bill 476 is a funding mechanism to self-fund B&I's Nevada Athletic Commission (NAC) and make it a fee-based agency. To make the NAC a self-funded agency, we needed to add a 2 percent ticket surcharge. Currently, the State is receiving a 6 percent ticket surcharge and then making an allocation from the General Fund to fund the NAC. Assembly Bill 476 will allow the State to keep the 6 percent ticket surcharge plus the money that it would have allocated to fund the NAC. As a result, the General Fund will receive an additional 2 percent added on top of the 6 percent ticket surcharge, which

totals an 8 percent ticket surcharge. The NAC will be funded by 25 percent of the 8 percent ticket surcharge, which equates to the additional 2 percent ticket surcharge added by this bill.

During this process, a funding mechanism was set up in the live entertainment tax (LET) initiative with the help of Senator Lipparelli. That initiative has been removed. Some of the language from the LET initiative was added to <u>A.B. 476</u> in an amendment from the Assembly.

This bill addresses a few requests from the Ultimate Fighting Challenge and additional policy language recommended by the Attorney General (AG). These requests needed to be implemented into the bill to strengthen the drug-testing program for the State and the ability to issue fines. All of those initiatives have been incorporated into A.B. 476 and accepted by B&I.

# Chair Kieckhefer:

Does the amendment you referred to in section 3 strike the broadcasting rights fees?

## Mr. Breslow:

Yes. An amendment was included that strikes the broadcasting rights.

## Chair Kieckhefer:

Was that included in the original version of the bill?

#### Mr. Breslow:

No. It was a part of a compromise we made.

## Chair Kieckhefer:

That additional amendment has a General Fund impact that was not budgeted for. About \$600,000 per year will be added onto the General Fund balance sheets. The 2 percent ticket surcharge may not be reflected in the LET bill. Overall it will be a net positive to the State, but that piece is not on the balance sheets.

I will close the hearing on A.B. 476 and will move to hear A.B. 478.

ASSEMBLY BILL 478 (1st Reprint): Revises certain fees collected by the Real Estate Division of the Department of Business and Industry and imposes certain new fees to be collected by the Division. (BDR 10-1173)

# Mr. Breslow:

Assembly Bill 478 is a real estate bill. There are many components of B&I's Real Estate Division, but two sectors served by the Division felt they were not receiving the quality service they wanted. The two sectors affected were the timeshare groups and the developers. Both of those sectors have large applications that take the Division considerable time to review. The Division was not reviewing many of the applications.

Both of those sectors have volunteered to increase their own fees to save two State positions that were going to be lost. These positions were previously funded by the National Mortgage Settlement funds. The two sectors have proposed additional fees on themselves to pay to keep the two staff members who can give their applications priority when processing them.

When developers want to create a subdivision, they must get a map approved. Large companies, such as Disney, own timeshares and want to build more timeshare developments. We have not processed applications for over 1.5 years because of the backlog and lack of manpower in the Division. The B&I is bringing this initiative forward but it was an idea from the two sectors in the industry.

# Terry Reynolds (Deputy Director, Department of Business and Industry):

The Department has been involved in providing an expedited application process for timeshares. We have looked at what major timeshare companies have done in other states. Certain states mirror Nevada's timeshare process. The Real Estate Division has worked with other states to produce an expedited timeshare licensing process for the timeshare industry, which is included as a component of this bill. That initiative will help the Division process applications more quickly.

#### Chair Kieckhefer:

I will close the hearing on A.B. 478 and will move to hear A.B. 481.

ASSEMBLY BILL 481 (1st Reprint): Provides additional authority for the enforcement of the laws prohibiting deceptive trade practices. (BDR 52-1168)

# Mr. Breslow:

Assembly Bill 481 continues funding for the Consumer Affairs Unit within B&I. This bill brings back a law allowing us to process and prosecute cases. We have not had that law for the last 2 years. This bill sets up a process, similar to small claims court, permitting consumers who have a problem with deceptive trade or fraud to bring their cases before an administrative law judge if our investigator finds the case to be valid. In the past, we have not had any law for an administrative judge to rule on so we did not fill that position. We have worked with the Office of the AG on this initiative.

If you recall 2 years ago Senator Smith, you asked me to introduce a bill to put the Consumer Affairs Unit on hold because there was not any money to fund it and that resulted in a big program. This is a very small Unit and the funding comes from the National Mortgage Settlement Fund. The funding source only provides a 2-year fix but will allow us to move forward in a more efficient manner to help consumers.

## Chair Kieckhefer:

Will the appropriations only cover the 2-year extension since it is a transfer from the National Mortgage Settlement funds?

#### Mr. Breslow:

Yes.

# Senator Lipparelli:

How is this court hearing process different from a local justice court claim?

# Mr. Breslow:

This is an administrative hearing and is more affordable for a consumer who has a problem. For 2 years, we have been trying to solve consumer problems and have done a good job of it. In the case where a consumer has been defrauded, this initiative would give us an administrative means. If the case is criminal, we can still take it to the local court systems and the AG's Office. This is an administrative hearing for a deceptive fraud trader.

For example, if a store delivered a mattress that smelled like fish and if that store would not help the consumer fix the problem, our investigator would go to the store and would try to prove that store smelled like fish. The consumer with the damaged mattress and the investigator could come together and determine the cost of the mattress was \$400. If the administrative law judge happened to rule in the favor of the consumer with the damaged mattress, then the consumer would have a feasible way to collect the remedy.

# Senator Lipparelli:

Is there a set of regulations that guides the administrative law judge in their decision-making?

# Mr. Reynolds:

Yes. The administrative law judge would be under the regular procedural rules for an administrative hearing. In the procedural rules there are actual regulations developed for consumer affairs. We follow the same regulations the AG's Office uses to investigate and resolve consumer cases. We would also use resources from the Department's Mortgage Lending, Real Estate, Insurance and Financial Institutions Divisions for administrative hearings.

# Senator Lipparelli:

Will this initiative extend into those Divisions as well?

# Mr. Reynolds:

Yes.

## Chair Kieckhefer:

I will hear testimony in support of A.B. 481.

# John McGlamery (Senior Deputy Attorney General, Bureau of Consumer Protection, Office of the Attorney General):

The AG's Bureau of Consumer Protection supports <u>A.B. 481</u> as amended. As a result of the amendments, the fiscal note previously attached to this bill is no longer necessary. The AG will monitor the situation and will come back next Session and request funds if any additional leads are discovered in consumer deceptive trade practices through our investigations we conduct.

## Chair Kieckhefer:

I will close the hearing on A.B. 481 and will move to work session on S.B. 454.

**SENATE BILL 454:** Revises provisions relating to criminal justice. (BDR 14-559)

# Alex Haartz (Principal Deputy Fiscal Analyst):

<u>Senate Bill 454</u> was heard May 22. There were various fiscal notes presented at that time. All of the fiscal notes were either removed at the prior hearing or have been subsequently removed.

The Committee should have an amendment prepared by the Nevada Supreme Court entitled "Amendment to Senate Bill 454 by Ben Graham on behalf of the Supreme Court AOC" (Exhibit H).

On page 2 of Exhibit H, section 1 continues the language from the original bill in terms of development and the required use of a uniform risk assessment tool. Sections 2, 3, 4, 5 and 6 are proposed to be deleted by this amendment. In section 7, this amendment provides language that removes the original language in the bill to have the State Controller collect court fines, fees and assessments and restores that responsibility to the Department of Public Safety's Division of Parole and Probation (P&P).

On page 3 of Exhibit H, section 8 has been deleted by the amendment. Section 9 has language that is deleted and adds new language in the bill with regard to clarifying the responsibilities of an identification card. Whether it is a driver's license or identification card, once an offender is released from the NDOC, the responsibility of providing one of those cards is transferred to the Department of Motor Vehicles (DMV).

On page 4 of Exhibit H, section 10, subsection 1, paragraph (a) also contains clarifying language of victim notification of victim rights. Section 11 has been deleted by amendment. Sections 13, 14 and 15 are also deleted by amendment. There is no change to section 16 and section 17 has been deleted by amendment.

Section 18 continues the requirement that P&P, instead of conducting a study, conduct an assessment of the current risk assessment tools utilized by P&P. Section 18 also requires P&P to conduct this assessment using existing resources to any extent possible. Under section 18, P&P must provide a copy of their findings and recommendations on or before July 1, 2017, to the Advisory Commission on the Administration of Justice.

Section 19 has clarifying language on page 6 of <a href="Exhibit H">Exhibit H</a> with regard to supervision in instances of a gross misdemeanor or a misdemeanor offender. The LCB's Fiscal Analysis Division staff understands that this initiative provides flexibility to the courts. Section 21 has a small amendment, which deletes clarification of an effective date and removes the July 1, 2008 date from the existing statute.

## Chair Kieckhefer:

Does the amended language in section 9 pertain to the DMV? There was a fiscal note removed from the bill during a previous hearing in this Committee. Is this a different amendment from what we heard during that hearing?

## Mr. Haartz:

This is a different amendment. Fiscal staff understands that there is no fiscal note associated with this amendment or from any of the State agencies.

# Mr. Krmpotic:

Fiscal staff inquired about this portion of the amendment with the DMV since our earlier hearing today. Fiscal staff checked to make sure that the fiscal note was removed and understands that it is. The identification cards will be paid from a certain account in this bill. When the bill was first heard in this Committee there was little, if any, money in that account. Funding the driver's license and identification cards from that aspect of the bill would require funds in that account to be replenished. I am not absolutely sure what the funding source of that account is; there is a cost to issue driver's licenses and identification cards on the part of the DMV, which they perform under contract.

There is no direct fiscal impact. The NDOC removed their fiscal note when the amendments were heard. This amendment closely mirrors what was submitted previously by the Nevada Supreme Court. Lastly, we inquired about the fiscal impact to P&P. The Department of Administration's Budget Division looked into what the fiscal impact on P&P would be. The Budget Division confirmed that there was no fiscal impact on P&P.

SENATOR GOICOECHEA MOVED TO AMEND AND DO PASS AS AMENDED <u>S.B. 454</u> WITH THE AMENDMENT SUBMITTED BY THE NEVADA SUPREME COURT.

SENATOR SMITH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

#### Chair Kieckhefer:

I will move to hear 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)

# Mr. Krmpotic:

Senate Bill 125 was heard a while back in Committee. This bill relates to economic development and creates the Nevada Air Services Development Commission. This bill also sets forth the duties of the Commission and creates the Nevada Air Service Development Fund. The bill requires the Commission to administer the fund and requires them to establish and create criteria for awarding grants to certain air carriers from the fund. The Commission is also responsible for making appropriations and providing other related matters. The appropriations included in this bill, as outlined in section 11, total \$1 million in FY 2016 and \$1 million in FY 2017. The appropriations made to the Commission are created in the bill.

## Senator Goicoechea:

The creation of this Commission would allow for the implementation of new airline services, especially across all small hub airports. The airport in Reno can subsidize new flights into the area with this initiative as well. New flights would be added to Elko's airport because there are not any flights from Elko to western Nevada. This initiative anticipates expanding flights from Nevada into Idaho and into a few smaller hub airports in California.

# **Chair Kieckhefer:**

From an economic development perspective for rural Nevada, this initiative is being reidentified as an important item. The appropriation fits into our budget balance at this point.

SENATOR LIPPARELLI MOVED TO DO PASS S.B. 125.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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# Chair Kieckhefer:

I will now entertain motions on <u>A.B. 399</u>, <u>A.B. 476</u>, <u>A.B. 481</u>, <u>A.B. 478</u> and A.B. 485.

SENATOR LIPPARELLI MOVED TO DO PASS A.B. 399.

SENATOR WOODHOUSE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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SENATOR PARKS MOVED TO DO PASS A.B. 476.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

SENATOR SMITH MOVED TO DO PASS A.B. 481.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

SENATOR GOICOECHEA MOVED TO DO PASS A.B. 478.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

SENATOR WOODHOUSE MOVED TO DO PASS A.B. 485.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

#### Chair Kieckhefer:

I will now hear public comment.

## Mr. Saucedo:

I want to thank Senator Woodhouse for her efforts on <u>S.B. 391</u> during the interim. We are excited to see several educational measures moving forward.

<u>SENATE BILL 391(3rd Reprint)</u>: Revises provisions governing educational instruction in the subject of reading. (BDR 34-644)

## Chair Kieckhefer:

We will stand in recess until the call of the chair at 2:59 p.m.

The meeting is reconvened at 9:13 p.m. in a sidebar meeting to consider A.B. 436.

ASSEMBLY BILL 436 (1st Reprint): Eliminates longevity payments for state employees. (BDR 23-1157)

SENATOR GOICOECHEA MOVED TO DO PASS A.B. 436.

SENATOR LIPPARELLI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senate Committee	on	Finance
June 1, 2015		
Page 33		

# Chair Kieckhefer:

The meeting will stand in recess at 9:14 p.m. until the call of the chair.

The meeting is reconvened at 11:59 p.m. Seeing no further business before this Committee, this meeting is adjourned at 12:00 a.m. on June 2, 2015.

	RESPECTFULLY SUBMITTED:	
	Jason Gortari, Committee Secretary	
APPROVED BY:		
Senator Ben Kieckhefer, Chair		
DATE:		

EXHIBIT SUMMARY					
Bill	Exhibit / # of pages		Witness / Entity	Description	
	Α	2		Agenda	
	В	4		Attendance Roster	
A.B. 278	С	46	Paul Townsend/Legislative Counsel Bureau, Audit Division	Performance Audit Department of Education	
A.B. 443	D	5	Rick Combs/Legislative Counsel Bureau	One Shot Funds for the Legislative Counsel Bureau 2015-2017 Biennium Assembly Bill No. 443	
A.B. 399	Е	3	Assemblywoman Dina Neal	AB 399 Economic Gardening	
A.B. 399	F	2	Assemblywoman Dina Neal	Example of Data to be tracked AB 399	
A.B. 399	G	1	Assemblywoman Dina Neal	GIS Map	
S.B. 454	Н	7	Alex Haartz/Legislative Counsel Bureau, Fiscal Analysis Division	Amendment to Senate Bill 454 by Ben Graham on behalf of the Supreme Court AOC	