

**MINUTES OF THE
SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Seventy-Eighth Session
May 20, 2015**

The Senate Committee on Legislative Operations and Elections was called to order by Vice Chair James A. Settlemeyer at 3:11 p.m. on Wednesday, May 20, 2015, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator James A. Settlemeyer, Vice Chair
Senator Greg Brower
Senator Tick Segerblom

COMMITTEE MEMBERS ABSENT:

Senator Patricia Farley, Chair (Excused)
Senator Kelvin Atkinson (Excused)

GUEST LEGISLATORS PRESENT:

Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27
Assemblyman James Oscarson, Assembly District No. 36

STAFF MEMBERS PRESENT:

Michael Stewart, Policy Analyst
Kevin C. Powers, Legislative Counsel
Linda Hiller, Committee Secretary

OTHERS PRESENT:

Andy Belanger, Southern Nevada Water Authority; Las Vegas Valley Water District
Steve Bradhurst, Executive Director, Central Nevada Regional Water Authority
Andrew Zaninovich, Great Basin Water Network

Steve Walker, Eureka County
Alex Tanchek, Nevada Cattlemen's Association
Kevin L. McGehee, Evaporative Control Systems, Inc.
Kelvin Hickenbottom, Deputy State Engineer, Division of Water Resources,
State Department of Conservation and Natural Resources
Jennifer Gaynor, Nevada Health Care Association
Paul Shubert, Division of Public and Behavioral Health, Department of Health
and Human Services

Senator Settlemeyer:

Chair Farley is testifying in another committee; I will open the meeting with Assembly Bill (A.B.) 198.

ASSEMBLY BILL 198: Requires the Legislative Committee on Public Lands to conduct a study concerning water conservation and alternative sources of water for Nevada communities. (BDR S-805)

Assemblyman James Oscarson (Assembly District No. 36):

This bill speaks to a very important issue to our State—our water issues. I introduced A.B. No. 301 of the 77th Session as a freshman. This issue is important enough that I am taking another shot at it this Session.

Nevada is the most arid State in the Nation. For nearly 2 decades prior to 2008, we were the fastest-growing state every year. Those two facts alone point to the need to carefully manage the State's existing water resources and explore alternative water sources. We need a better understanding of the water resources we have and potential contingency plans for the future.

The State Legislature does a water study about every 5 years. The last one was done after the 2005 Session. In the 2007 Session, water issues were added to subjects to be reviewed by Nevada's Legislative Committee on Public Lands. That Committee has been staying informed on water issues between sessions.

This bill proposes a comprehensive review of water issues during the upcoming Interim. Those issues to be reviewed include: quantifying water resources; calculating the State's consumptive use—or how many gallons of water are used per day; looking at alternative water sources like desalinization and water conservation; and addressing shared water basins across state lines.

Other western states are looking at these same issues and are measuring consumptive use by various population sectors, developing water inventories and creating water plans. The drought we are in is intensifying the need for us to start looking for some of these other water sources like gray water and desalinization. Strategies being used successfully in other states like Arizona and Utah should be contemplated for Nevada.

The proposed interbasin transfer from eastern Nevada to Las Vegas by the Southern Nevada Water Authority is complicated by the involvement of Utah due to shared water basins on the border between Nevada and Utah. These water issues are critical, since they affect our quality of life now and for future generations, as well as affecting the State's economic development opportunities. People can live without a lot of things, but water is not one of them. We are clearly overdue for a water study.

Senator Settelmeyer:

Is this going to be one of the Assembly's three allotted studies?

Assemblyman Oscarson:

I am hoping it will be.

Andy Belanger (Southern Nevada Water Authority. Las Vegas Valley Water District):

I support A.B. 198. We worked both last Session and this Session on this bill. We believe water issues are very important for the State. Since this bill was processed in the Assembly, Governor Brian Sandoval has made water issues an important focus, both at the Western Governors' Association and with his newly created Nevada Drought Forum.

That process is concurrent with this bill—identifying the issues and tactics that water agencies throughout the State have been addressing, the tools used to address the drought and the tools contemplated. That effort is moving forward quickly and planned to be completed this fall.

This bill would contemplate the Legislative Committee on Public Lands looking at alternatives after that. The timetable should work well. The Committee will want to consider the concurrent process of the Drought Forum through the Executive Branch. It is important that we have good, solid information in the State on our water resources and issues. We need to know how much water is

being used by various parts of the State and create efforts to conserve this precious resource we have here.

Steve Bradhurst (Executive Director, Central Nevada Regional Water Authority):

The Central Nevada Regional Water Authority is an eight-county local government that covers about 63 percent of Nevada. We support this bill. Nevada's traditional sources of water—surface water and groundwater—are at best, limited, and at worst, diminishing for various reasons.

What we see throughout the State is a water supply problem, maybe not at the crisis level but possibly down the road. We see a curtailment order coming from the State Engineer, Division of Water Resources, for Mason Valley and Smith Valley. We see a curtailment petition in court for Diamond Valley. Recently, there was a discussion by the U.S. Bureau of Reclamation about a possible curtailment of Colorado River water for Arizona and Nevada as early as 2017. We are feeling the edges of the box when it comes to water supply in the State.

This bill focuses on whether we have a supply-and-demand problem and our projected demand for water for the next 20 to 40 years statewide. It also directs the Committee to research the State's water supply in terms of identifiable, sustainable water. If we have a gap, how do we address that gap? One way to fill the gap could be through alternative water sources. This study would answer the question about our supply-demand gap and how to address that.

The picture in northern Nevada is probably as bad as in southern Nevada, although the Colorado River Basin is going into its fifteenth year of drought. The north is going into the fourth year of drought. *The U.S. Drought Monitor*, a weekly online map of drought conditions, recently pointed out that the worst area in the State—the most intense drought area—spans from Mineral County up to southern Washoe County and out to Lander County. This area has been the bull's-eye for the drought in Nevada for the last 3 to 4 years. We are looking at a statewide problem, not just a problem in the Colorado River Basin but also in the Great Basin.

Andrew Zaninovich (Great Basin Water Network):

We support A.B. 198.

Steve Walker (Eureka County):

As an active member of the Central Nevada Regional Water Authority, Eureka County supports this bill.

Alex Tanchek (Nevada Cattlemen's Association):

We support A.B. 198.

Kevin L. McGehee (Evaporative Control Systems, Inc.):

We are a water management company specializing in highly efficient irrigation, drainage and biofiltration systems. A 2-inch rainfall equates to 10,000 acre-feet of water which, if harvested properly, could support a community of 178,000 people for a year. One of our recommendations is to capitalize on community water harvesting as a sustainable way of developing other sources of water ([Exhibit C](#)). I have submitted a document of suggested legislative content for this bill ([Exhibit D](#)). We support this bill.

Kelvin Hickenbottom (Deputy State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources):

The recent drought has put our water supplies to the test. The issues proposed to be identified, studied or reviewed in A.B. 198 cover the full spectrum of water supply, use and conservation. This will require an enormous effort. Even though some of the information is known, much of it is not. The issues and costs to study desalinization in Nevada could take 2 years.

Ultimately, our concern is rooted in the assumption that much of this work required of the Legislative Committee on Public Lands will become work of the Division of Water Resources. We will do whatever is required should the bill become law. We want to go on record that we have a limited staff already dealing with a multitude of critical water issues statewide.

Senator Settlemeyer:

I will pull back A.B. 198 for work session and open A.B. 242.

ASSEMBLY BILL 242 (1st Reprint): Directs the Legislative Commission to appoint a subcommittee to conduct a study of postacute care in Nevada.
(BDR S-417)

Assemblywoman Teresa Benitez-Thompson (Assembly District No. 27):

During the 2014 Interim, I chaired the Legislative Committee on Senior Citizens, Veterans and Adults with Special Needs. This bill came out of a conversation that Committee had about postacute care in the State, otherwise known as nursing home care. This was a topic of great importance to all Committee members. A couple of points were brought to our attention during those conversations. One was a national report from fall 2013 about the state of Nevada's postacute care. At that time, a national organization had ranked Nevada as having a grade of F in quality of care. The industry adjusted, made improvements and this last year the State got a grade of C.

As a social worker and hospice caregiver, I visit people wherever they call home. If home is a house, I go there. If home is a nursing care facility, I go there. I have been in some stellar facilities providing amazing care—homes I would have no qualms about if I had a loved one there, whereas I might not have as much confidence in other places. There is a wide range. We know we need to do a better job encouraging all our postacute care hospitals to perform at a higher, better standard.

We are not yet at the point of going to mandates. However, the original bill that came out of the Interim Committee did. It mandated staffing ratios and a floor, which is the number of patients that can be in a facility. National guidelines around this issue are changing, and the industry has responded, but we know there is a need for a legislative committee to keep an eye on this industry during the interim periods between our biennial Legislative Sessions.

This bill proposes an interim subcommittee comprised of four Legislators who will study certain areas relating to postacute care in nursing homes. The study will include five areas as specified in section 12, subsection 3 of the bill. The first area is paragraph (a): "A review and evaluation of the quality and funding of postacute care in this State and alternatives to institutionalization for providing such care, including home- and community-based waiver programs."

Following the 2014 Interim Committee, the Department of Health and Human Services (HHS) responded and submitted a plan to the Centers for Medicare and Medicaid Services, and we were granted home- and community-based waivers. Now, if you are Medicaid-eligible or an impoverished senior who is fragile and cannot remain in your home, you have the option of finding a bed in a nursing home or waiving out of that option and getting placed in a group home bed.

Those waivers to group homes are so popular that there is a 6-month wait list for beds. Hopefully, additional funding from this 2015 Legislative Session will offset that.

We have not had a chance to look at institutionalization versus community home-based placement since the late 1990s. In terms of quality, the postacute care nursing home industry produces a lot of data—quarterly reports at the industry level plus state and federal reports.

There are also complaints, of which Nevada has many. The complaints rank in severity from a complaint that patients are generally getting good care but missing documentation to a complaint of serious harm of true present dangers. In those cases, HHS can curb or forbid future patient admissions until the problem is corrected. We would like to see a process where investigators report complaints in a timely manner. We would also like to see a reduction in the severity of complaints.

Section 12, subsection 3, paragraph (b) of A.B. 242 proposes “an evaluation of the cost of such alternatives and potential savings from each alternative.” The cost of putting someone in a nursing home compared to putting that person into a group home is very different. We save money if we can keep people out of postacute care when there is no medical reason to be there.

Many times, these beds are used by Medicaid patients with no family or friends to care for them. I had one patient who resided in a Carson City nursing home for 18 years. The current postacute model is to not accept long-term patients under Medicaid, but some do remain in the system. We need to examine the cost differences between nursing homes and community-based group homes.

The rest of subsection 3 of the bill refers to what we want the subcommittee to study. For one thing, we want to be ahead of the curve on what is coming from the federal government for nursing homes. The postacute care industry claims it is more regulated than the nuclear industry. I do not disagree. We need to have a subcommittee look at the data produced. Producing reports is one thing, but if we do not look at them and understand the data, then what is the point of making reports?

Senator Settlemeyer:

Is this one of the three interim studies the Assembly is putting forward?

Ms. Benitez-Thompson:

I am advocating for that. I would also be happy to fit this idea into another study if it relates to the subject matter.

Senator Settlemeyer:

Were the original staffing ratios in the bill removed?

Ms. Benitez-Thompson:

Yes; when the Interim Committee met, staffing ratios were mandated by the federal government, but the new federal mandates do not include staffing ratios.

Jennifer Gaynor (Nevada Health Care Association):

We support A.B. 242. Our industry is facing the challenges of conforming to changing federal legislation. I have written testimony from Daniel Mathis, President of the Nevada Health Care Association explaining some of the changes in the federal regulations ([Exhibit E](#)). These complex issues cannot be appropriately addressed during a 120-day Legislative Session.

Paul Shubert (Division of Public and Behavioral Health, Department of Health and Human Services):

We are neutral on this bill. With the amendment and reprint of A.B. 242, the fiscal note is no longer applicable.

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Senator Settlemeyer:

I will close A.B. 242 and ask for public comment. Seeing none, we are adjourned at 3:40 p.m.

RESPECTFULLY SUBMITTED:

Linda Hiller,
Committee Secretary

APPROVED BY:

Senator James A. Settlemeyer, Vice Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	4		Attendance Roster
A.B. 198	C	5	Kevin L. McGehee / Evaporative Control Systems, Inc.	Community Water Harvesting—The Missing Element in Sustainability
A.B. 198	D	1	Kevin L. McGehee / Evaporative Control Systems, Inc.	Suggested Legislative Bill Content
A.B. 242	E	1	Jennifer Gaynor / Nevada Health Care Association	Letter of Support from Daniel Mathis