### THE ONE HUNDRED AND FIFTEENTH DAY

CARSON CITY (Wednesday), May 31, 2017

Assembly called to order at 12:34 p.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by Assemblywoman Maggie Carlton.

I will start afresh each new day with petty littleness freed. I will cease to stand complaining of my ruthless neighbor's greed. I will cease to sit repining while my duty's call is clear. I will waste no moment whining, and my heart shall know no fear. I will not be swayed by envy when my rival's strength is shown. I will not deny his merit, but I will try to prove my own. I will try to see the beauty spread before me, rain or shine. I will cease to preach your duty and be more concerned with mine. If a task is once begun, never leave it until it is done. Be the labor great or small, do it well or not at all.

AMEN.

Pledge of allegiance to the Flag.

Assemblywoman Benitez-Thompson moved that further reading of the Journal be dispensed with and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

### REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Judiciary, to which was referred Senate Bill No. 541, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

STEVE YEAGER. Chair

Mr. Speaker:

Your Committee on Ways and Means, to which were referred Assembly Bills Nos. 517, 518, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which was rereferred Assembly Bill No. 395, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which was rereferred Assembly Bill No. 207, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAGGIE CARLTON, Chair

### MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Assembly Bill No. 518 be taken from the General File and placed on the Chief Clerk's desk.

Remarks by Assemblywoman Benitez-Thompson.

Assemblywoman Benitez-Thompson moved that Assembly Bill No. 517 be taken from its position on the General File and placed at the top of the General File.

Motion carried.

#### GENERAL FILE AND THIRD READING

Assembly Bill No. 517.

Bill read third time.

Remarks by Assemblywoman Benitez-Thompson.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Assembly Bill 517 establishes the maximum allowable salaries for employees in unclassified service. The bill also makes appropriations from the General Fund and Highway Fund for salary increases for nonclassified, classified, and unclassified state employees. Specifically, the bill includes funding for a 2 percent salary increase for Fiscal Year 2018, effective July 1, 2017, and a 2 percent salary increase for Fiscal Year 2019, effective July 1, 2018. Additionally, the bill includes funding to support salary increases effective January 7, 2019, for elected officials in accordance with state law. That does not include my colleagues seated on this floor.

Assembly Bill 517 authorizes the Department of Health and Human Services and the Department of Corrections to provide callback pay for unclassified medical positions and pharmacists to perform on-call responsibilities to ensure 24-hour coverage in psychiatric and medical facilities. The bill also authorizes the Gaming Control Board to continue the credential pay plan, which provides up to \$5,000 annually for unclassified employees who possess a current Nevada certified public accountant certificate, a license to practice law, or are in a qualifying position as electronic laboratory engineer and possess a bachelor of science or higher degree in engineering, electronic engineering, or computer science.

The bill becomes effective July 1, 2017.

Roll call on Assembly Bill No. 517:

YEAS-42.

NAYS-None.

Assembly Bill No. 517 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assemblywoman Benitez-Thompson moved that the Assembly recess until 7:30 p.m.

Motion carried.

Assembly in recess at 12:44 p.m.

### ASSEMBLY IN SESSION

At 8:25 p.m. Mr. Speaker presiding. Quorum present.

#### REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Education, to which was referred Senate Bill No. 225, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

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Also, your Committee on Education, to which was referred Senate Bill No. 458, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

TYRONE THOMPSON, Chair

Mr. Speaker:

Your Committee on Government Affairs, to which were referred Assembly Bills Nos. 290, 475, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

EDGAR FLORES, Chair

Mr. Speaker:

Your Committee on Health and Human Services, to which were referred Senate Bills Nos. 189, 355, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MICHAEL C. SPRINKLE, Chair

Mr. Speaker:

Your Committee on Natural Resources, Agriculture, and Mining, to which was referred Senate Bill No. 511, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

HEIDI SWANK, Chair

Mr. Speaker:

Your Committee on Transportation, to which was referred Senate Bill No. 410, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RICHARD CARRILLO, Chair

Mr. Speaker:

Your Committee on Ways and Means, to which was referred Assembly Bill No. 388, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Ways and Means, to which was referred Assembly Bill No. 501, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Ways and Means, to which was referred Assembly Bill No. 503, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Ways and Means, to which was referred Assembly Bill No. 511, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAGGIE CARLTON, Chair

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 8:27 p.m.

ASSEMBLY IN SESSION

At 8:32 p.m. Mr. Speaker presiding. Quorum present.

#### MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 31, 2017

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 21, Amendment No. 946; Assembly Bill No. 309, Amendment No. 986, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate on this day concurred in Assembly Amendments Nos. 815, 959, 929 to Senate Bill No. 232.

SHERRY RODRIGUEZ

Assistant Secretary of the Senate

#### GENERAL FILE AND THIRD READING

Assembly Bill No. 207.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 1045.

AN ACT relating to juries; revising the provisions governing the selection of jurors; requiring the jury commissioner to report certain information about trial jurors to the Court Administrator; [prohibiting certain conduct relating to the use of certain employment information; providing a penalty;] and providing other matters properly relating thereto.

## **Legislative Counsel's Digest:**

Under existing law, a district court is authorized to assign a jury commissioner to select trial jurors. Existing law provides that the jury commissioner assigned to select trial jurors is required to select jurors from qualified electors of the county not exempt from jury duty, whether registered as voters or not. (NRS 6.045) Existing law further requires the Department of Motor Vehicles to provide a list of registered owners of motor vehicles and a list of licensed drivers for use in selecting jurors. (NRS 482.171, 483.225) Certain public utilities are also required to provide a list of customers for use in the selection of jurors. (NRS 704.206) [Section 4.5 of this bill requires the Administrator of the Employment Security Division of the Department of Employment, Training and Rehabilitation to provide a list of persons who receive benefits for use in jury selection.]

**Section 1** of this bill revises the process for selecting trial jurors by requiring the jury commissioner to compile and maintain a list of qualified electors from information provided by: (1) a list of persons who are registered to vote in the county; (2) the Department of Motor Vehicles; <u>and</u> (3) [the Employment Security Division of the Department of Employment, <u>Training and Rehabilitation; and (4)]</u> certain public utilities. **Section 1** also requires the jury commissioner to: (1) keep a record of the name, occupation, address and race of each trial juror who is selected and of each trial juror who appears for jury service; and (2) report this information once a year to the Court Administrator.

[Existing law makes confidential the employment information collected by the Employment Security Division of the Department of Employment, Training and Rehabilitation and prohibits the release of such information except for limited purposes. (NRS 612.265) Section 4.5 provides that if, in addition to those acts prohibited by existing law, certain persons use information collected by the Division for purposes other than those authorized by the Administrator or by law, or fail to protect and prevent the unauthorized use or dissemination of such information, the person is guilty of a gross misdemeanor.]

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** NRS 6.045 is hereby amended to read as follows:
- 6.045 1. The district court may by rule of court designate the clerk of the court, one of the clerk's deputies or another person as a jury commissioner, and may assign to the jury commissioner such administrative duties in connection with trial juries and jurors as the court finds desirable for efficient administration.
- 2. If a jury commissioner is so selected, the jury commissioner shall from time to time estimate the number of trial jurors which will be required for attendance on the district court and shall select that number from the qualified electors of the county not exempt by law from jury duty, whether registered as voters or not. The jurors may be selected by computer whenever procedures to assure random selection from computerized lists are established by the jury commissioner. [The jury commissioner shall keep a record of the name, occupation and address of each person selected.]
- 3. The jury commissioner shall, for the purpose of selecting trial jurors, compile and maintain a list of qualified electors from information provided by:
  - (a) A list of persons who are registered to vote in the county;
- (b) The Department of Motor Vehicles pursuant to NRS 482.171 and 483.225; and
- (c) [The Employment Security Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 612.265; and —(d)] A public utility pursuant to NRS 704.206.
- 4. In compiling and maintaining the list of qualified electors, the jury commissioner shall avoid duplication of names.
  - 5. The jury commissioner shall:
- (a) Keep a record of the name, occupation, address and race of each trial juror selected pursuant to subsection 2;
- (b) Keep a record of the name, occupation, address and race of each trial juror who appears for jury service; and
  - (c) Prepare and submit a report to the Court Administrator which must:
- (1) Include statistics from the records required to be maintained by the jury commissioner pursuant to this subsection, including, without

limitation, the name, occupation, address and race of each trial juror who is selected and of each trial juror who appears for jury service;

- (2) Be submitted at least once a year; and
- (3) Be submitted in the time and manner prescribed by the Court Administrator.
- 6. The jury commissioner shall not select the name of any person whose name was selected the previous year, and who actually served on the jury by attending in court in response to the venire from day to day until excused from further attendance by order of the court, unless there are not enough other suitable jurors in the county to do the required jury duty.
  - **Sec. 2.** NRS 482.171 is hereby amended to read as follows:
- 482.171 1. The Department shall provide a list of registered owners of motor vehicles in any county upon the request of a district judge *or jury commissioner* of the judicial district in which the county lies for use by the district judge *or jury commissioner* for purposes of jury selection.
- 2. The court [which] or jury commissioner who requests the list shall reimburse the Department for the reasonable cost of the list.
  - **Sec. 3.** NRS 483.225 is hereby amended to read as follows:
- 483.225 1. The Department shall provide a list of licensed drivers in any county upon the request of a district judge *or jury commissioner* of the judicial district in which the county lies for use in selecting jurors.
- 2. The court [which] or jury commissioner who requests the list shall reimburse the Department for the reasonable cost of the list.
  - **Sec. 4.** (Deleted by amendment.)
  - Sec. 4.5. [NRS 612.265 is hereby amended to read as follows:
- -612.265 1. Except as otherwise provided in this section and NRS 239.0115 and 612.642, information obtained from any employing unit or person pursuant to the administration of this chapter and any determination as to the benefit rights of any person is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person's or employing unit's identity.
- 2. Any claimant or a legal representative of a claimant is entitled to information from the records of the Division, to the extent necessary for the proper presentation of the claimant's claim in any proceeding pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of the Division for any other purpose.
- 3. The Administrator may, in accordance with a cooperative agreement among all participants in the statewide longitudinal data system developed pursuant to NRS 400.040, make the information obtained by the Division available to:
- (a) The Board of Regents of the University of Nevada for the purpose of complying with the provisions of subsection 4 of NRS 396.531; and
- (b) The Director of the Department of Employment, Training and Rehabilitation for the purpose of complying with the provisions of paragraph (d) of subsection 1 of NRS 232.920.

- 4. Subject to such restrictions as the Administrator may by regulation prescribe, the information obtained by the Division may be made available to:
- (a) Any agency of this or any other state or any federal agency charged with the administration or enforcement of laws relating to unemployment compensation, public assistance, workers' compensation or labor and industrial relations, or the maintenance of a system of public employment offices:
- (b) Any state or local agency for the enforcement of child support;
- (e) The Internal Revenue Service of the Department of the Treasury;
- -(d) The Department of Taxation;
- (e) The State Contractors' Board in the performance of its duties to enforce the provisions of chapter 624 of NRS; and
- (f) The Secretary of State to operate the state business portal established pursuant to chapter 75A of NRS for the purposes of verifying that data submitted via the portal has satisfied the necessary requirements established by the Division, and as necessary to maintain the technical integrity and functionality of the state business portal established pursuant to chapter 75A of NRS.
- → Information obtained in connection with the administration of the Division may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a public assistance program.
- Upon written request made by the State Controller or a public officer of a local government, the Administrator shall furnish from the records of the Division the name, address and place of employment of any person listed in the records of employment of the Division. The request may be made electronically and must set forth the social security number of the person about whom the request is made and contain a statement signed by the proper authority of the State Controller or local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation assigned to the State Controller for collection or owed to the local government, as applicable. Except as otherwise provided in NRS 239.0115, the information obtained by the State Controller or local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation assigned to the State Controller for collection or owed to that local government. The Administrator may charge a reasonable fee for the cost of providing the requested information.
- 6. The Administrator may publish or otherwise provide information on the names of employers, their addresses, their type or class of business or industry, and the approximate number of employees employed by each such employer, if the information released will assist unemployed persons to obtain employment or will be generally useful in developing and diversifying the economic interests of this State. Upon request by a state agency which is able to demonstrate that its intended use of the information will benefit the

residents of this State, the Administrator may, in addition to the information listed in this subsection, disclose the number of employees employed by each employer and the total wages paid by each employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses relating to the disclosure of this information to a state agency. The Administrator may require the state agency to certify in writing that the agency will take all actions necessary to maintain the confidentiality of the information and prevent its unauthorized disclosure.

- 7. Upon request therefor, the Administrator shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of benefits and the recipient's rights to further benefits pursuant to this chapter.
- S. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit a written request to the Administrator that the Administrator furnish, from the records of the Division, the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of such a request, the Administrator shall furnish the information requested. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.
- 9. In addition to the provisions of subsection 6, the Administrator shall provide lists containing the names and addresses of employers, and information regarding the wages paid by each employer to the Department of Taxation, upon request, for use in verifying returns for the taxes imposed pursuant to chapters 363A, 363B and 363C of NRS. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.
- 10. Upon the request of any district judge or jury commissioner of the judicial district in which the county is located, the Administrator shall, in accordance with other agreements entered into with other district courts and in compliance with 20 C.F.R. Part 603, and any other applicable federal laws and regulations governing the Division, furnish the name, address and date of birth of persons who receive benefits in any county, for use in the selection of trial jurors pursuant to NRS 6.015. The court or jury commissioner who requests the list of such persons shall reimburse the Division for the reasonable cost of providing the requested information.
- 11. The Division of Industrial Relations of the Department of Business and Industry shall periodically submit to the Administrator, from information in the index of claims established pursuant to NRS 616B.018, a list containing the name of each person who received benefits pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS. Upon receipt of

that information, the Administrator shall compare the information so provided with the records of the Employment Security Division regarding persons claiming benefits pursuant to this chapter for the same period. The information submitted by the Division of Industrial Relations must be in a form determined by the Administrator and must contain the social security number of each such person. If it appears from the information submitted that a person is simultaneously claiming benefits under this chapter and under chapters 616A to 616D, inclusive, or chapter 617 of NRS, the Administrator shall notify the Attorney General or any other appropriate law enforcement agency.

- [11.] 12. The Administrator may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this chapter, and may in connection with the request transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the Internal Revenue Code of 1954.
- —[12. If any employee or member of the Board of Review, the]
- 13. The Administrator, [or] any employee or other person acting on behalf of the Administrator, [in violation of the provisions of this section, discloses] or any employee or other person acting on behalf of an agency or entity allowed to access information obtained from any employing unit or person in the administration of this chapter, or [if] any person who has obtained a list of applicants for work, or of claimants or recipients of benefits pursuant to this chapter [uses], is guilty of a gross misdemeanor if he or she:
- -(a) Uses or permits the use of the list for any political purpose [, he or she is guilty of a gross misdemeanor.
- $\frac{-13.1}{\cdot}$
- (b) Uses or permits the use of the list for any purpose other than one authorized by the Administrator or by law; or
- -(e) Fails to protect and prevent the unauthorized use or dissemination of information derived from the list.
- -11. All letters, reports or communications of any kind, oral or written, from the employer or employee to each other or to the Division or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of this chapter.] (Deleted by amendment.)
  - **Sec. 5.** This act becomes effective on July 1, 2017.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 290.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 1026.

SUMMARY—Makes [various] certain changes relating to collective bargaining. (BDR 23-35)

AN ACT relating to collective bargaining by local governments; [authorizing the Local Government Employee-Management Relations Board to appoint a Deputy Commissioner; revising the period during which a new, extended or modified collective bargaining agreement or similar agreement must be posted and made available before a public hearing; requiring the chief executive officer of a local government to report to the governing body of the local government whether a proposed collective bargaining agreement or similar agreement is financially sustainable; revising the process of fact finding and arbitration after an impasse in bargaining; revising provisions relating to the budgeted ending fund balance of the general fund of a local government; making an appropriation;] revising certain provisions relating to employee leave; and providing other matters properly relating thereto.

## **Legislative Counsel's Digest:**

[ The Local Government Employee Management Relations Board administers the provisions governing labor relations between local government employers and employee organizations. (NRS 288.080, 288.110) The Board is authorized by existing law to appoint a Commissioner, who serves in the unclassified service of the State. (NRS 288.090) Section 4 of this bill additionally authorizes the Board to appoint a Deputy Commissioner, and section 10 of this bill makes an appropriation for that purpose.

Existing law provides that any new, extended or modified collective bargaining agreement or similar agreement between a local government employer and an employee organization must be approved at a public hearing by the governing body of the local government. Not less than 3 business days before the date of the hearing, the governing body must cause the proposed agreement and certain related documents to be posted and made available for downloading on the Internet website of the local government or, if the local government does not have such a website, deposited with the clerk of the governing body. At the hearing, the chief executive officer of the local government must report on the fiscal impact of the proposed agreement. (NRS 288,153) Section 5 of this bill requires that the proposed agreement and other documents be posted and made available not less than 21 business days before the hearing. Sections 1 and 5 of this bill require the chief executive officer to report on whether the proposed agreement is financially sustainable, meaning that the local government employer has the financial ability to pay compensation or monetary benefits in a given amount during the term of the agreement or for 3 years, whichever is longer, giving

consideration to reserved money, nonrecurring revenue or a potential loss of

If an impasse is reached in collective bargaining negotiations, existing law establishes a process of fact-finding and arbitration. Existing law requires a fact finder to make a determination of the financial ability of the local government to grant monetary benefits. After the fact finder makes his or her report, the governing body of the local government employer must meet to consider the fiscal impact of the fact finder's findings and recommendations, based upon a report from the chief executive officer of the local government. (NRS 288.200) Section 6 of this bill requires that the fact finder make a determination of the amount of compensation and monetary benefits that is financially sustainable for the local government employer, and that the chief executive officer and governing body also report on and consider whether the fact finder's findings and recommendations are financially sustainable. Sections 7 and 8 of this bill make similar changes relating to the process of final and binding orbitration.

Existing law limits the extent to which money in certain governmental funds may be expended by a local government employer pursuant to a collective bargaining agreement or considered by a fact finder or arbitrator in determining the financial ability of the local government employer to pay monetary benefits. (NRS 288.200, 288.215, 288.217, 354.6241) Existing law further provides that for any local government other than a school district, a budgeted ending fund balance for the general fund of the local government of not more than 25 percent of the total budgeted expenditures from the general fund, less capital outlay: (1) is not subject to collective bargaining negotiations; and (2) must not be considered by a fact finder or arbitrator in resolving issues of ability to pay compensation or monetary benefits. (NRS 354.6241) Section 9 of this bill deletes the exception provided for a school district. Section 9 further provides that a fact finder or arbitrator may consider certain money previously reserved by a local government employer if the governing body of the local government employer makes a finding that the continued reservation of the money is no longer necessary.]

Existing law authorizes a local government employer to provide leave to any of its employees for time spent by the employee in providing services for an employee organization, conditioned upon: (1) payment or reimbursement of the cost of the leave by the affected employee organization; or (2) bargaining concessions by the employee organization that fully offset the cost of the leave. (NRS 288.225) Section 8.3 of this bill provides that if such leave was provided by a local government employer as of June 1, 2015, to a given number of employees, bargaining concessions are deemed to have been made by the employee organization for the past, present and future costs of providing the leave to that number of employees.

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. [Chapter 288 of NRS is hereby amended by adding thereto a new section to read as follows:

"Financially sustainable" means that a local government employer has the financial ability to pay compensation and monetary benefits in a given amount during the term of a collective bargaining agreement or for 3 years, whichever is longer, giving consideration to the limitations set forth in NRS 354.6241, any nonrecurring revenue or potential loss of revenue and the other criteria set forth in NRS 288.200, 288.215 and 288.217, as applicable.] (Deleted by amendment.)

- Sec. 2. INRS 288.020 is hereby amended to read as follows:
- 288.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 288.025 to 288.075, inclusive, and section 1 of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)
- Sec. 3. [NRS 288.034 is hereby amended to read as follows:
- <u>288.034</u> "Commissioner" means the Commissioner or Deputy Commissioner appointed by the Board.] (Deleted by amendment.)
  - Sec. 4. [NRS 288.090 is hereby amended to read as follows:
- 288.090 1. The members of the Board shall annually elect one of their number as Chair and one as Vice Chair. Any two members of the Board constitute a quorum.
- 2. The Board may, within the limits of legislative appropriations and any other available money:
- (a) Appoint a Commissioner, a Deputy Commissioner and a Secretary, who are in the unclassified service of the State; and
- (b) Employ such additional clerical personnel as may be necessary, who are in the classified service of the State.] (Deleted by amendment.)
  - Sec. 5. [NRS 288.153 is hereby amended to read as follows:
- 288.153 1. Any new, extended or modified collective bargaining agreement or similar agreement between a local government employer and an employee organization must be approved by the governing body of the local government employer at a public hearing.
- 2. Not less than [3] 21 business days before the date of the hearing, the governing body shall cause the following documents to be posted and made available for downloading on the Internet website of the local government or, if the local government does not have such a website, deposited with the clerk of the governing body:
- (a) The proposed agreement and any exhibits or other attachments to the proposed agreement;
- (b) If the proposed agreement is a modification of a previous agreement, a document showing any language added to or deleted from the previous agreement; and

- -(c) Any supporting material prepared for the governing body and relating to the fiscal impact of the *proposed* agreement.
- 3. Any document deposited with the clerk of the governing body pursuant to subsection 2 is a public record and must be open for public inspection pursuant to NRS 239.010.
- 4. At the hearing, the chief executive officer of the local government shall report to the governing body of the local government the fiscal impact of the proposed agreement [.] and whether the proposed agreement is financially sustainable.] (Deleted by amendment.)
- Sec. 6. [NRS 288.200 is hereby amended to read as follows:

  288.200 Except in cases to which NRS 288.205 and 288.215, or NRS 288.217 apply:

1. If:

- (a) The parties have failed to reach an agreement after at least six meetings of negotiations; and
- (b) The parties have participated in mediation and by April 1, have not reached agreement.
- ⇒ either party to the dispute, at any time after April 1, may submit the dispute to an impartial fact finder for the findings and recommendations of the fact finder. The findings and recommendations of the fact finder are not binding on the parties except as provided in subsections 5, 6 and 11. The mediator of a dispute may also be chosen by the parties to serve as the fact finder.
- 2. If the parties are unable to agree on an impartial fact finder or a panel of neutral arbitrators within 5 days, either party may request from the American Arbitration Association or the Federal Mediation and Conciliation Service a list of seven potential fact finders. If the parties are unable to agree upon which arbitration service should be used, the Federal Mediation and Conciliation Service must be used. Within 5 days after receiving a list from the applicable arbitration service, the parties shall select their fact finder from this list by alternately striking one name until the name of only one fact finder remains, who will be the fact finder to hear the dispute in question. The employee organization shall strike the first name.
- 3. The local government employer and employee organization each shall pay one-half of the cost of fact-finding. Each party shall pay its own costs of preparation and presentation of its case in fact-finding.
- 4. A schedule of dates and times for the hearing must be established within 10 days after the selection of the fact finder pursuant to subsection 2, and the fact finder shall report the findings and recommendations of the fact finder to the parties to the dispute within 30 days after the conclusion of the fact-finding hearing.
- 5. The parties to the dispute may agree, before the submission of the dispute to fact finding, to make the findings and recommendations on all or any specified issues final and binding on the parties.

- 6. If the parties do not agree on whether to make the findings and recommendations of the fact finder final and binding, either party may request the formation of a panel to determine whether the findings and recommendations of a fact finder on all or any specified issues in a particular dispute which are within the scope of subsection 11 are to be final and binding. The determination must be made upon the concurrence of at least two members of the panel and not later than the date which is 30 days after the date on which the matter is submitted to the panel, unless that date is extended by the Commissioner. Iof the Board, Each panel shall, when making its determination, consider whether the parties have bargained in good faith and whether it believes the parties can resolve any remaining issues. Any panel may also consider the actions taken by the parties in response to any previous fact finding between these parties, the best interests of the State and all its citizens, the notential fiscal effect both within and outside the political subdivision, and any danger to the safety of the people of the State or a political subdivision.
- 7. Except as otherwise provided in subsection 10, any fact finder, whether the fact finder's recommendations are to be binding or not, shall base such recommendations or award on the following criteria:
- (a) A preliminary determination must be made as to the financial ability of [the]:
- (1) The local government employer based on all existing available revenues as established by the local government employer and within the limitations set forth in NRS 354.6241, with due regard for the obligation of the local government employer to provide facilities and services guaranteeing the health, welfare and safety of the people residing within the political subdivision [.]; and
- (2) The amount of compensation and monetary benefits that is financially sustainable for the local government employer.
- ⇒ Except as otherwise provided in this paragraph and NRS 354.6241, in making those determinations, the fact finder shall not consider any nonrecurring revenue or nonrecurring transfer of money or any money reserved by the local government employer to pay the current or future costs of health benefits for retired employees or workers' compensation benefits. The fact finder may consider nonrecurring revenue or a nonrecurring transfer of money in determining the ability of the local government employer to make a nonrecurring payment of compensation or monetary benefits.
- (b) [Once] If the fact finder [has determined] determines in accordance with paragraph (a) that there is a current financial ability to grant compensation and monetary benefits [,] and [subject to the provisions of paragraph (c),] the amount of compensation and monetary benefits that is financially sustainable, the fact finder shall consider, to the extent appropriate, the compensation of other government employees, both in and out of the State and use normal criteria for interest disputes regarding the

terms and provisions to be included in an agreement in assessing the reasonableness of the position of each party as to each issue in dispute and the fact finder shall consider whether the Board found that either party had bargained in bad faith.

- [(e) A consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multiyear contract, the fact finder must consider the ability to pay over the life of the contract being negotiated or arbitrated.]
- The fact finder's report must contain the facts upon which the fact finder has based [the fact finder's] his or her determination of financial ability to grant compensation and monetary benefits and the amount of compensation and monetary benefits that is financially sustainable, and the fact finder's recommendations or award.
- 8. Within 45 days after the receipt of the report from the fact finder, the governing body of the local government employer shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:
- (a) The issues of the parties submitted [pursuant to subsection 3;] to the fact finder:
- (b) The report of findings and recommendations of the fact finder; and
- (e) The overall fiscal impact of the findings and recommendations [,] and whether they are financially sustainable, which must not include a discussion of the details of the report.
- The fact finder must not be asked to discuss the decision during the meeting.
- 9. The chief executive officer of the local government shall report to the local government the fiscal impact of the findings and recommendations [.] and whether they are financially sustainable. The report must include, without limitation, an analysis of the impact of the findings and recommendations on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment.
- —10. Any sum of money which is maintained in a fund whose balance is required by law to be:
- (a) Used only for a specific purpose other than the payment of compensation to the bargaining unit affected; or
- (b) Carried forward to the succeeding fiscal year in any designated amount, to the extent of that amount,
- must not be counted in determining the financial ability of a local government employer or the amount of compensation and monetary benefits that is financially sustainable and must not be used to pay any compensation or monetary benefits recommended or awarded by the fact finder.
- —11. The issues which may be included in a panel's order pursuant to subsection 6 are:

- (a) Those enumerated in subsection 2 of NRS 288.150 as the subjects of mandatory bargaining, unless precluded for that year by an existing collective bargaining agreement between the parties; and
- (b) Those which an existing collective bargaining agreement between the parties makes subject to negotiation in that year.
- This subsection does not preclude the voluntary submission of other issues by the parties pursuant to subsection 5.] (Deleted by amendment.)
- Sec. 7. [NRS 288.215 is hereby amended to read as follows:
- 288.215 1. As used in this section:
- (a) "Firefighters" means those persons who are salaried or hourly employees of a fire prevention or suppression unit organized by a political subdivision of the State and whose principal duties are controlling and extinguishing fires.
- (b) "Police officers" means those persons who are salaried or hourly employees of a police department or other law enforcement agency organized by a political subdivision of the State and whose principal duties are to enforce the law.
- 2. The provisions of this section apply only to firefighters and police officers and their local government employers.
- 3. If the parties have not agreed to make the findings and recommendations of the fact finder final and binding upon all issues, and do not otherwise resolve their dispute, they shall, within 10 days after the fact finder's report is submitted, submit the issues remaining in dispute to an arbitrator who must be selected in the manner provided in NRS 288.200 and have the same powers provided for fact finders in NRS 288.210.
- 4. The arbitrator shall, within 10 days after the arbitrator is selected, and after 7 days' written notice is given to the parties, hold a hearing to receive information concerning the dispute. The hearings must be held in the county in which the local government employer is located and the arbitrator shall arrange for a full and complete record of the hearings.
- -5. At the hearing, or at any subsequent time to which the hearing may be adjourned, information may be presented by:
- (a) The parties to the dispute; or
- (b) Any interested person.
- 6. The parties to the dispute shall each pay one-half of the costs incurred by the arbitrator.
- 7. A determination [of the] must be made as to:
- (a) The financial ability of [a] the local government employer [must be] based on [:
- (a) All] *all* existing available revenues as established by the local government employer and within the limitations set forth in NRS 354.6241, with due regard for the obligation of the local government employer to provide facilities and services guaranteeing the health, welfare and safety of the people residing within the political subdivision [.]; and

- (b) [Consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multi-year contract the arbitrator must consider the ability to pay over the life of the contract being negotiated or arbitrated.
- → Once] The amount of compensation and monetary benefits that is financially sustainable for the local government employer.
- → Except as otherwise provided in this paragraph and NRS 354.6241, in making those determinations, the arbitrator shall not consider any nonrecurring revenue or nonrecurring transfer of money or any money reserved by the local government employer to pay the current or future costs of health benefits for retired employees or workers' compensation benefits. The arbitrator may consider nonrecurring revenue or a nonrecurring transfer of money in determining the ability of the local government employer to make a nonrecurring payment of compensation or monetary benefits.
- S. If the arbitrator [has determined] determines in accordance with [this] subsection 7 that there is a current financial ability to grant compensation and monetary benefits [,] and the amount of compensation and monetary benefits that is financially sustainable, the arbitrator shall consider, to the extent appropriate, the compensation of other-governmental employees, both in and out of this State.
- [8.] 9. At the recommendation of the arbitrator, the parties may, before the submission of a final offer, enter into negotiations. If the negotiations are begun, the arbitrator may adjourn the hearings for a period of 3 weeks. An agreement by the parties is final and binding, and upon notification to the arbitrator, the arbitration terminates.
- [9.] 10. If the parties do not enter into negotiations or do not agree within 30 days, each of the parties shall submit a single written statement containing its final offer for each of the unresolved issues.
- [10.] 11. The arbitrator shall, within 10 days after the final offers are submitted, accept one of the written statements, on the basis of the criteria provided in this section and NRS 288.200, and shall report the decision to the parties. The decision of the arbitrator is final and binding on the parties. Any award of the arbitrator is retroactive to the expiration date of the last contract.
- —[11.] 12. The decision of the arbitrator must include a statement:
- —(a) Giving the arbitrator's reason for accepting the final offer that is the basis of the arbitrator's award; and
- (b) Specifying the arbitrator's estimate of the total cost of the award.
- -[12.] 13. Within 45 days after the receipt of the decision from the arbitrator pursuant to subsection [10,] 11, the governing body of the local government employer shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:
- (a) The issues submitted pursuant to subsection 3;
- (b) The statement of the arbitrator pursuant to subsection [11;] 12; and

- (e) The overall fiscal impact of the decision [,] and whether it is financially sustainable, which must not include a discussion of the details of the decision.
- The arbitrator must not be asked to discuss the decision during the meeting.
- -[13.] 14. The chief executive officer of the local government shall report to the local government the fiscal impact of the decision [.] and whether it is financially sustainable. The report must include, without limitation, an analysis of the impact of the decision on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment.] (Deleted by amendment.)
  - Sec. 8. [NRS 288.217 is hereby amended to read as follows:
- <u>288.217 1. The provisions of this section govern negotiations between school districts and employee organizations representing teachers and educational support personnel.</u>
- 2. Not later than 330 days before the end of the term stated in their collective bargaining agreement, the parties shall select an arbitrator in the manner provided in subsection 2 of NRS 288.200 to conduct a hearing in the event that an impasse is declared pursuant to subsection 3. The parties and the arbitrator shall schedule a hearing of not less than 3 consecutive business days, to begin not later than June 10 immediately preceding the end of the term stated in the collective bargaining agreement or 60 days before the end of that term, whichever is earlier. As a condition of his or her selection, the arbitrator must agree to render a decision, if the hearing is held, within the time required by subsection [9.] 10. If the arbitrator fails or refuses to agree to any of the conditions stated in this subsection, the parties shall immediately proceed to select another arbitrator in the manner provided in subsection 2 of NRS 288.200 until an arbitrator is selected who agrees to those conditions.
- 3. If the parties to a negotiation pursuant to this section have failed to reach an agreement after at least eight sessions of negotiation, either party may declare the negotiations to be at an impasse and, after 5 days' written notice is given to the other party, submit the issues remaining in dispute to the arbitrator selected pursuant to subsection 2. The arbitrator has the powers provided for fact finders in NRS 288.210.
- 4. The arbitrator shall, pursuant to subsection 2, hold a hearing to receive information concerning the dispute. The hearing must be held in the county in which the school district is located and the arbitrator shall arrange for a full and complete record of the hearing.
- -5. The parties to the dispute shall each pay one half of the costs of the arbitration.
- 6. A determination [of the] must be made as to:
- (a) The financial ability of [a] the school district [must be] based on [:
- (a) All] all existing available revenues as established by the school district and within the limitations set forth in NRS 354.6241, with due regard for the

obligation of the school district to provide an education to the children residing within the district [.]: and

- (b) [Consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multi-year contract the arbitrator must consider the ability to pay over the life of the contract being negotiated or arbitrated.
- → Once] The amount of compensation and monetary benefits that is financially sustainable for the school district.
- → Except as otherwise provided in this paragraph and NRS 351.6241, in making those determinations, the arbitrator shall not consider any nonrecurring revenue or nonrecurring transfer of money or any other money reserved by the school district to pay the current or future costs of health benefits for retired employees or workers' compensation benefits. The arbitrator may consider nonrecurring revenue or a nonrecurring transfer of money in determining the ability of the local government employer to make a nonrecurring payment of compensation or monetary benefits.
- 7. If the arbitrator [has determined] determines in accordance with [this] subsection 6 that there is a current financial ability to grant compensation and monetary benefits [,] and the amount of compensation and monetary benefits that is financially sustainable, the arbitrator shall consider, to the extent appropriate, the compensation of other governmental employees, both in and out of this State.
- [7.] & At the recommendation of the arbitrator, the parties may, before the submission of a final offer, enter into negotiations. If the negotiations are begun, the arbitrator may adjourn the hearing for a period of 3 weeks. If an agreement is reached, it must be submitted to the arbitrator, who shall certify it as final and binding.
- [8.] 9. If the parties do not enter into negotiations or do not agree within 7 days after the hearing held pursuant to subsection 4, each of the parties shall submit a single written statement containing its final offer for each of the unresolved issues.
- [9.] 10. The arbitrator shall, within 10 days after the final offers are submitted, render a decision on the basis of the criteria set forth in this section and NRS 288.200. The arbitrator shall accept one of the written statements and shall report the decision to the parties. The decision of the arbitrator is final and binding on the parties. Any award of the arbitrator is retroactive to the expiration date of the last contract between the parties.
- [10.] 11. The decision of the arbitrator must include a statement:
- (a) Giving the arbitrator's reason for accepting the final offer that is the basis of the arbitrator's award; and
- (b) Specifying the arbitrator's estimate of the total cost of the award.
- [11.] 12. Within 45 days after the receipt of the decision from the arbitrator, the board of trustees of the school district shall hold a public

meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:

- (a) The issues submitted pursuant to subsection 3;
- (b) The statement of the arbitrator pursuant to subsection [10;] 11; and
- (c) The overall fiscal impact of the decision and whether it is financially sustainable, which must not include a discussion of the details of the decision.
- The arbitrator must not be asked to discuss the decision during the meeting.
- [12.] 13. The superintendent of the school district shall report to the board of trustees the fiscal impact of the decision [.] and whether it is financially sustainable. The report must include, without limitation, an analysis of the impact of the decision on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment.
- [13.] 14. As used in this section:
- (a) "Educational support personnel" means all classified employees of a school district, other than teachers, who are represented by an employee organization.
- (b) "Teacher" means an employee of a school district who is licensed to teach in this State and who is represented by an employee organization.]

  (Deleted by amendment.)

## Sec. 8.3. NRS 288.225 is hereby amended to read as follows:

- 288.225 <u>I.</u> A local government employer may agree to provide leave to any of its employees for time spent by the employee in performing duties or providing services for an employee organization if the full cost of such leave is paid or reimbursed by the employee organization or is offset by the value of concessions made by the employee organization in the negotiation of an agreement with the local government employer pursuant to this chapter.
- 2. If such leave was provided by a local government employer as of June 1, 2015, the employee organization shall be deemed for the purposes of this section to have made concessions to offset the past, present and future costs of leave for the number of employees to whom leave was provided as of that date.
- Sec. 9. [NRS 354.6241 is hereby amended to read as follows:
- <u>354.6241</u> 1. The statement required by paragraph (a) of subsection 5 of NRS 354.624 must indicate for each fund set forth in that paragraph:
- (a) Whether the fund is being used in accordance with the provisions of this chapter.
- —(b) Whether the fund is being administered in accordance with generally accepted accounting procedures.
- (c) Whether the reserve in the fund is limited to an amount that is reasonable and necessary to carry out the purposes of the fund.
- —(d) The sources of revenues available for the fund during the fiscal year, including transfers from any other funds.

- (e) The statutory and regulatory requirements applicable to the fund.
- (f) The balance and retained earnings of the fund.
- 2. Except as otherwise provided in subsection 3 and NRS 288.200, 288.215, 288.217, 354.59891 and 354.613, to the extent that the reserve in any fund set forth in paragraph (a) of subsection 5 of NRS 354.624 exceeds the amount that is reasonable and necessary to earry out the purposes for which the fund was created, the reserve may be expended by the local government pursuant to the provisions of chapter 288 of NRS.
- 3. For [any local government other than a school district, for] the purposes of chapter 288 of NRS [, a] :
- (a) A budgeted ending fund balance for the general fund of a local government of not more than 25 percent of the total budgeted expenditures, less capital outlay [, for a general fund:

<del>(a)]:</del>

- (1) Is not subject to negotiations with an employee organization; and
- [(b)] (2) Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits [.] or the amount of compensation and monetary benefits that is financially sustainable.
- (b) If and to the extent that the governing body of a local government employer makes a finding that the continued reservation of money previously reserved by the local government employer to pay the current or future costs of health benefits for retired employees or workers' compensation benefits is no longer necessary, the money may be considered by a fact finder or arbitrator in determining the financial ability of the local government employer to pay compensation or monetary benefits or the amount of compensation and monetary benefits that is financially sustainable.
- 4. As used in this section:
- (a) "Employee organization" has the meaning ascribed to it in NRS 288,040.
- -(b) "Financially sustainable" has the meaning ascribed to it in section 1 of this act. (Deleted by amendment.)
- Sec. 10. [1. There is hereby appropriated from the State General Fund to the Local Government Employee-Management Relations Board the sum of \$300,000 for the purpose of employing a Deputy Commissioner pursuant to NRS 288.090, as amended by section 4 of this act.
- 2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted

or transferred, and must be reverted to the State General Fund on or before September 20, 2019.] (Deleted by amendment.)

- Sec. 11. [1.] This [section and sections 1, 2 and 5 to 9, inclusive, of this act become effective upon passage and approval.
- 2. Sections 3, 4 and 10 of this act becomes act becomes effective on July 1, 2017.

Assemblyman Flores moved the adoption of the amendment.

Remarks by Assemblyman Flores.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 388.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 1036.

AN ACT making an appropriation to the Division of Public and Behavioral Health of the Department of Health and Human Services for the cost of the Women's Health Connection Program; and providing other matters properly relating thereto.

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** 1. There is hereby appropriated from the State General Fund to the Division of Public and Behavioral Health of the Department of Health and Human Services for the cost of the Women's Health Connection Program:

- 2. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2019.
  - **Sec. 2.** This act becomes effective on July 1, 2017.

Assemblywoman Benitez-Thompson moved the adoption of the amendment.

Remarks by Assemblywoman Benitez-Thompson.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 475.

Bill read third time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 1027.

AN ACT relating to education; requiring the Board of Trustees of the College Savings Plans of Nevada to establish the Nevada College Kick Start Program; revising the membership of the Board; providing that the Nevada Higher Education Prepaid Tuition Trust Fund consists, in part, of payments received pursuant to a loan made to the Trust Fund for purposes of the fiscal stabilization of the Nevada Higher Education Prepaid Tuition Program; requiring the transfer of money in accounts created under the Program to the Endowment Account in the State General Fund under certain circumstances; revising provisions governing the expenditures authorized from the Endowment Account; and providing other matters properly relating thereto.

# **Legislative Counsel's Digest:**

The Board of Trustees of the College Savings Plans of Nevada was created under existing law to oversee the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program. The State Treasurer or his or her designee serves as the Chair of the Board. (NRS 353B.001-353B.370) Section 2 of this bill revises the membership of the Board to: (1) provide that the State Treasurer or his or her designee serves as an ex officio nonvoting member; and (2) add a new voting member who is appointed by the Governor. Section 2 also provides for the selection of the Chair of the Board by the voting members of the Board.

\_\_Section 1 of this bill requires the Board to establish the Nevada College Kick Start Program to create college savings accounts for pupils enrolled in kindergarten in public schools in Nevada who are residents of Nevada. Section 1 requires the Board, within limits of money available for this purpose, to deposit money in the accounts to be used for the costs of higher education of those pupils. Section 1 also requires the Board to adopt regulations for the implementation of the Program and authorizes the Board to apply for and accept gifts, grants and donations to carry out the Program.

Existing law authorizes the State Treasurer to establish an Endowment Account in the State General Fund to carry out the State Treasurer's duties with respect to the Nevada College Savings Program. The Endowment Account is required to be used for the deposit of any money received by the Nevada College Savings Program that is not received pursuant to a savings account agreement and which the State Treasurer determines is not necessary for certain administration and marketing activities. The State Treasurer is authorized to expend money in the Endowment Account: (1) for any purpose related to the Nevada College Savings Program; (2) to pay the costs of administering the Governor Guinn Millennium Scholarship Program; or (3) in any other manner which assists residents of Nevada to attain

postsecondary education. (NRS 353B.350) **Section 6** of this bill limits the purposes for which the State Treasurer is authorized to expend money in the Endowment Account only to purposes related to the **funding of college savings accounts under the** Nevada College Kick Start Program, [or] the Governor Guinn Millennium Scholarship Program , administrative and marketing costs related to the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program, and programs for the financial education of residents of this State. Section 1 requires the Board of Trustees of the College Savings Plans of Nevada to transfer to the Endowment Account the balance in the account of a pupil created under the Nevada College Kick Start Program: (1) that has not been accessed by a parent or guardian of the pupil by the time the pupil is enrolled in the [third] fifth grade; or (2) which otherwise has not been used within the time prescribed by regulation.

Existing law creates the Nevada Higher Education Prepaid Tuition Trust Fund which consists of certain payments received by the Trust Fund. (NRS 353B.140) Section 2.5 of this bill adds to the list of payments included in the Trust Fund payments received pursuant to a loan made to the Trust Fund for the purpose of fiscal stabilization of the Nevada Higher Education Prepaid Tuition Program.

Existing law creates the Nevada College Savings Trust Fund and authorizes the State Treasurer to accept and expend for certain purposes money provided to the Trust Fund by a private entity. (NRS 353B.340, 353B.360) Section 6.5 of this bill removes this grant of authority from the State Treasurer and instead authorizes the Board of Trustees of the College Savings Plans of Nevada to accept and expend such money.

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 353B of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. The Board shall establish the Nevada College Kick Start Program to provide for the creation of a college savings account for each pupil who is a resident of this State upon commencement of his or her enrollment in kindergarten at a public school in this State. Within the limits of money available for this purpose, the Board shall deposit money in such an account to be used to pay a portion of the costs of higher education of the pupil.
- 2. The Board shall adopt regulations for the implementation of the Program, including, without limitation, regulations regarding:
- (a) Enrollment in the Program, including without limitation, opting in or opting out of the Program;
- (b) Procedures for the parent or guardian of a pupil to access the account of the pupil created pursuant to subsection 1;

- (c) The time within which the money in the account created pursuant to subsection 1 must be used; and
  - (d) Distributions from an account created pursuant to subsection 1.
- 3. The Board may apply for and accept any gift, donation, bequest, grant or other source of money to carry out the Program.
- 4. The Board shall transfer to the Endowment Account established pursuant to NRS 353B.350 the balance in the account of a pupil created pursuant to subsection 1 that:
- (a) Has not been accessed by a parent or guardian of the pupil in the manner prescribed in the regulations adopted pursuant to subsection 2 by the time the pupil is enrolled in grade  $\frac{[3,]}{5}$ .
- (b) Is otherwise remaining after expiration of the time prescribed in the regulations adopted pursuant to subsection 2 within which the money in the account must be used.
  - **Sec. 2.** NRS 353B.005 is hereby amended to read as follows:
- 353B.005 1. There is hereby created a Board of Trustees of the College Savings Plans of Nevada.
  - 2. The Board consists of [five]:
- (a) Five voting members composed of:
- [(a) The State Treasurer, who may name a designee to serve on the Board on his or her behalf.

<del>(b)]</del>

- <u>(1)</u> The Director of the Office of Finance, who may name a designee to serve on the Board on his or her behalf.
- [(e)] (2) The Chancellor of the System, who may name a designee to serve on the Board on his or her behalf.

## (d) Two

- (3) *Three* members appointed by the Governor. A member who is appointed by the Governor must possess knowledge, skill and experience in the field of:
  - $\frac{\{(1)\}}{\{I\}}$  (I) Accounting;
  - $\frac{\{(2)\}}{\{II\}}$  (II) Finance;
  - (111) Investment management; or
  - $\frac{\{(4)\}}{\{IV\}}$  (IV) Marketing.
- (b) The State Treasurer or his or her designee, who serves ex officio as a nonvoting member.
- 3. A member of the Board who is appointed by the Governor [:] pursuant to subparagraph (3) of paragraph (a) of subsection 2:
  - (a) Serves for a term of 4 years;
- (b) Except as otherwise provided in paragraph (c), may be reappointed by the Governor; and
- (c) Except as otherwise provided in this paragraph, may serve for only two terms. A member who is appointed to fill a vacancy in an unexpired term that is not longer than 3 years may serve two terms in addition to the unexpired term.

- 4. The [State Treasurer or his or her designee] voting members of the <u>Board</u> shall [serve as the] elect a Chair of the Board [-] from among their number. The term of office of the Chair is 1 year.
- 5. Each member of the Board serves without compensation, except that each member is entitled to receive:
- (a) The per diem allowance and travel expenses provided for state officers and employees generally; and
- (b) Reimbursement for any other actual and reasonable expense incurred while performing his or her duties.
- 6. As used in this section, the term "College Savings Plans of Nevada" includes the Nevada Higher Education Prepaid Tuition Program set forth in NRS 353B.010 to 353B.190, inclusive, and the Nevada College Savings Program set forth in NRS 353B.300 to 353B.370, inclusive [.], and section 1 of this act [.] including the Nevada College Kick Start Program.

# Sec. 2.5. NRS 353B.140 is hereby amended to read as follows:

- 353B.140 1. The Nevada Higher Education Prepaid Tuition Trust Fund is hereby created within the State Treasury to allow the cost of tuition to be paid in advance of enrollment at an institution of higher education.
  - 2. The Trust Fund consists of payments received pursuant to:
  - (a) A prepaid tuition contract;
  - (b) A bequest, endowment or grant from the Federal Government;
- (c) A matching contribution made as described in NRS 363A.137 or 363B.117; for
- (d) A loan made to the Trust Fund for purposes of the fiscal stabilization of the Nevada Higher Education Prepaid Tuition Program; or (e) Any other public or private source of money.
- 3. Money in the Trust Fund that is not expended during any biennium does not revert to the State General Fund at any time.
  - **Sec. 3.** NRS 353B.320 is hereby amended to read as follows:
- 353B.320 The Board may delegate to the State Treasurer any of its administrative powers and duties specified in NRS 353B.300 to 353B.370, inclusive, *and section 1 of this act* if the Board determines that such delegation is necessary for the efficient and effective administration of the Nevada College Savings Program and the Trust Fund.
  - **Sec. 4.** NRS 353B.330 is hereby amended to read as follows:
- 353B.330 Savings trust accounts and agreements entered into pursuant to NRS 353B.300 to 353B.370, inclusive, *and section 1 of this act* are not guaranteed by the full faith and credit of the State of Nevada.
  - Sec. 5. [NRS 353B.340 is hereby amended to read as follows:
- -353B.340 1. The Nevada College Savings Trust Fund is hereby created.
- 2. The Trust Fund is an instrumentality of this state, and its property and income are exempt from all taxation by this state and any political subdivision thereof.
- 3. The Trust Fund consists of:

- (a) All money deposited in accordance with savings trust agreements;
- (b) All money received as a matching contribution made as described in NRS 363A.137 or 363B.117; and
- (c) All earnings on the money in the Trust Fund.
- 4. Money in the Trust Fund:
- (a) Is not the property of this state, and this state has no claim to or interest in such money; and
- (b) Must not be commingled with money of this state.
- 5. A savings trust agreement or any other contract entered into by or on behalf of the Trust Fund does not constitute a debt or obligation of this state, and no account owner is entitled to any money in the Trust Fund except for that money on deposit in or account.
- 6. The money in the Trust Fund must be preserved, invested and expended solely pursuant to and for the purposes authorized by NRS 353B.300 to 353B.370, inclusive, and section 1 of this act and must not be loaned or otherwise transferred or used by this state for any other purpose.] (Deleted by amendment.)
  - **Sec. 6.** NRS 353B.350 is hereby amended to read as follows:
- 353B.350 1. The Trust Fund and any account established by the State Treasurer pursuant to this section must be administered by the State Treasurer.
- 2. The State Treasurer shall establish such accounts as he or she determines necessary to carry out his or her duties pursuant to NRS 353B.300 to 353B.370, inclusive, *and section 1 of this act*, including, without limitation:
  - (a) A Program Account in the Trust Fund; and
- (b) An Administrative Account and an Endowment Account in the State General Fund.
- 3. The Program Account must be used for the receipt, investment and disbursement of money pursuant to savings trust agreements.
- 4. The Administrative Account must be used for the deposit and disbursement of money to administer and market the Nevada College Savings Program and to supplement the administration and marketing of the Nevada Higher Education Prepaid Tuition Program set forth in NRS 353B.010 to 353B.190, inclusive.
- 5. [The] In addition to the money transferred pursuant to section 1 of this act, the Endowment Account must be used for the deposit of any money received by the Nevada College Savings Program that is not received pursuant to a savings trust agreement and, in the determination of the State Treasurer, is not necessary for the use of the Administrative Account. The money in the Endowment Account may be expended [:] for any purpose related to:
- (a) [For any purpose related to the] The funding of college savings accounts created under the Nevada College [Savings] Kick Start Program [;] established pursuant to section 1 of this act; [or]

- (b) [To pay the costs of administering the] The Governor Guinn Millennium Scholarship Program created pursuant to NRS 396.926 [H]. including, without limitation, the costs of administering the Program but such costs must not exceed an amount equal to 3 percent of the anticipated annual revenue to the State of Nevada from the settlement agreements with and civil actions against manufacturers of tobacco products anticipated for deposit in the Trust Fund; [or]
- (c) [In any other manner which assists the residents of this state to attain postsecondary education.] The administrative costs, as approved by the Legislature or the Interim Finance Committee, of activities related to the Nevada Higher Education Prepaid Tuition Program set forth in NRS 353B.010 to 353B.190, inclusive, and the Nevada College Savings Program set forth in NRS 353B.300 to 353B.370, inclusive, and section 1 of this act, including the Nevada College Kick Start Program;
- (d) The costs of marketing related to the Nevada Higher Education Prepaid Tuition Program set forth in NRS 353B.010 to 353B.190, inclusive, and the Nevada College Savings Program set forth in NRS 353B.300 to 353B.370, inclusive, and section 1 of this act, including the Nevada College Kick Start Program, but such costs must not exceed an amount equal to 3 percent of the money in the Endowment Account that was received during the first fiscal year of the immediately preceding biennium by the Nevada College Savings Program, was not received pursuant to a savings trust agreement and, in the determination of the State Treasurer, was not necessary for the use of the Administrative Account; or
- (e) The costs of providing programs for the financial education of residents of this State, but such costs must not exceed an amount equal to 3 percent of the money in the Endowment Account that was received during the first fiscal year of the immediately preceding biennium by the Nevada College Savings Program, was not received pursuant to a savings trust agreement and, in the determination of the State Treasurer, was not necessary for the use of the Administrative Account.

## Sec. 6.5. NRS 353B.360 is hereby amended to read as follows:

- 353B.360 The [State Treasurer] <u>Board</u> may accept and expend on behalf of the Trust Fund money provided by private entities for direct expenses or marketing [-] in accordance with the provisions of NRS 353.150 to 353.245, inclusive. Such money is not a part of the Trust Fund.
  - **Sec. 7.** This act becomes effective upon passage and approval.

Assemblyman Flores moved the adoption of the amendment.

Remarks by Assemblyman Flores.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 501.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 1037.

SUMMARY—Makes an appropriation to the Legislative Fund for dues and registration costs for national organizations and computer hardware **and radio** replacements. (BDR S-1191)

AN ACT making an appropriation to the Legislative Fund for dues and registration costs for national organizations and for computer hardware <u>and radio</u> replacements; and providing other matters properly relating thereto.

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** There is hereby appropriated from the State General Fund to the Legislative Fund created by NRS 218A.150 the sum of [\$1,062,855] **\$1,058,788** for dues and registration costs for national organizations and for computer hardware **and radio** replacements.
- **Sec. 2.** Any remaining balance of the appropriation made by section 1 of this act must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2019.

# Sec. 3. This act becomes effective [on July 1, 2017.] upon passage and approval.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 503.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 1038.

AN ACT making an appropriation to the Office of the Secretary of State for the second phase of the replacement of the Electronic Secretary of State System (ESOS) software and hardware; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** There is hereby appropriated from the State General Fund to the Office of the Secretary of State the sum of \$6,334,319 for the second phase of the replacement of the Electronic Secretary of State System (ESOS) software and hardware.
- **Sec. 2.** Any remaining balance of the appropriation made by section 1 of this act must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2019.

# Sec. 3. This act becomes effective [on July 1, 2017.] upon passage and approval.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 511.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 1039.

AN ACT making an appropriation to the Millennium Scholarship Trust Fund; and providing other matters properly relating thereto.

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** There is hereby appropriated from the State General Fund to the Millennium Scholarship Trust Fund created by NRS 396.926 the sum of \$20.000.000.

# Sec. 2. This act becomes effective [on July 1, 2017.] upon passage and approval.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 395.

Bill read third time.

Remarks by Assemblywoman Carlton.

#### ASSEMBLYWOMAN CARLTON:

Assembly Bill 395 revises statutes governing registration and community notification concerning certain juvenile sex offenders. The measure sets forth a revised registration and community notification process regarding a child who is 14 years of age or older at the time of an alleged offense and who is adjudicated delinquent for the offense. Procedures concerning the termination of registration and community notification requirements for such juveniles are also provided, as are continuing registration and community notification requirements for a child adjudicated delinquent for an aggravated sexual offense.

The bill authorizes a director of juvenile services and the Youth Parole Bureau to release certain information concerning a child to a law enforcement agency and to a school district under certain circumstances. In addition, the increased penalty for committing certain acts of open or gross lewdness or indecent or obscene exposure does not apply if the person committing the offense is under 18 years of age. Lastly, appropriations totaling \$3.6 million from the State General Fund are made to each judicial district in the state to provide treatment to certain juvenile offenders.

This act becomes effective on July 1, 2017.

Roll call on Assembly Bill No. 395:

YEAS—39.

NAYS—Krasner, Marchant—2.

EXCUSED—Titus.

Assembly Bill No. 395 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 207.

Bill read third time.

Remarks by Assemblywoman Bustamante Adams.

### ASSEMBLYWOMAN BUSTAMANTE ADAMS:

The bill, as amended, revises the process for selecting trial juries by requiring the jury commissioner to compile and maintain a list of qualified electors from information provided by the voter registration list in the county, the Department of Motor Vehicles, or certain public utilities. The bill also requires the jury commissioner to keep a record of the name, occupation, address, and the race of the each trial juror who is selected and each trial juror who appears for jury service and report this information annually to the Court Administrator.

Roll call on Assembly Bill No. 207:

YEAS—39.

NAYS—Marchant, McArthur—2.

EXCUSED—Titus.

Assembly Bill No. 207 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 290.

Bill read third time.

Remarks by Assemblyman McCurdy.

ASSEMBLYMAN MCCURDY:

Assembly Bill 290 provides that the cost of leave time that was granted by a local government employer to certain employees for the purpose of providing services for an employee organization as of June 1, 2015, is deemed to have been fully offset by bargaining concessions made by the employee organization. The effective date is July 1, 2017.

Roll call on Assembly Bill No. 290:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

Assembly Bill No. 290 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 388.

Bill read third time.

Remarks by Assemblywoman Benitez-Thompson.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

This bill makes an appropriation to Division of Public and Behavioral Health of the Department of Health and Human Services for the costs of the Women's Health Connection Program: for Fiscal Year 2017-2018, \$500,000, and for Fiscal Year 2018-2019, \$500,000.

Roll call on Assembly Bill No. 388:

YEAS—41.

NAYS-None.

EXCUSED—Titus.

Assembly Bill No. 388 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 475.

Bill read third time.

Remarks by Assemblywoman Joiner.

ASSEMBLYWOMAN JOINER:

Assembly Bill 475 requires the Board of Trustees of the College Savings Plans of Nevada to establish the Nevada College Kick Start Program to create college savings accounts for students enrolled in kindergarten in public schools in Nevada who are residents of this state. The Board must, within limits of money available for this purpose, deposit money in these accounts to be used for the costs of higher education for these students. The Board also must transfer to the Endowment Account the balance in a student's account that has not been accessed by a parent or guardian of the pupil by the time the pupil is enrolled in the fifth grade, or that otherwise has not been used within the time prescribed by regulation.

Roll call on Assembly Bill No. 475:

YEAS—27.

NAYS—Paul Anderson, Edwards, Ellison, Hambrick, Hansen, Kramer, Krasner, Marchant, McArthur, Oscarson, Pickard, Tolles, Wheeler, Woodbury—14.

EXCUSED—Titus.

Assembly Bill No. 475 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 501.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

I stand in support of A.B. 501. It makes the appropriation to the Legislative Fund for the dues and the radio. I would be happy to answer any questions.

Roll call on Assembly Bill No. 501:

YEAS—41.

NAYS-None.

EXCUSED—Titus.

Assembly Bill No. 501 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 503.

Bill read third time.

Remarks by Assemblywoman Carlton.

ASSEMBLYWOMAN CARLTON:

Assembly Bill 503 makes an appropriation to the Secretary of State for what we know as the ESOS [Electronic Secretary of State System] of \$6,334,319.

Roll call on Assembly Bill No. 503:

YEAS—41.

NAYS—None.

EXCUSED—Titus.

Assembly Bill No. 503 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 511.

Bill read third time.

Remarks by Assemblywoman Diaz.

ASSEMBLYWOMAN DIAZ:

I rise in support of Assembly Bill 511, which makes an appropriation to the Millennium Scholarship Trust Fund in the amount of \$20,000,000. It is effective upon passage and approval.

Roll call on Assembly Bill No. 511:

YEAS—41.

NAYS-None.

EXCUSED—Titus.

Assembly Bill No. 511 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

#### MOTIONS. RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved that Senate Bills Nos. 66, 74, 106, 132, 150, 189, 212, 213, 225, 229, 355, 410, 414, 427, 457, 458, 511, and 541; Senate Joint Resolution No. 14 be taken from the General File and placed on the General File for the next legislative day.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 8:53 p.m.

### ASSEMBLY IN SESSION

At 9:04 p.m. Mr. Speaker presiding. Quorum present.

#### REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Ways and Means, to which was rereferred Assembly Bill No. 382, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAGGIE CARLTON, Chair

#### MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 31, 2017

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 267, Amendments Nos. 780, 1031, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 235, 317, 392; Senate Joint Resolution No. 6.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 244, 306.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 390, 478.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to concur in the Assembly Amendment No. 894 to Senate Joint Resolution No. 17 of the 78th Session.

SHERRY RODRIGUEZ
Assistant Secretary of the Senate

### MOTIONS, RESOLUTIONS AND NOTICES

Senate Joint Resolution No. 6.

Assemblywoman Benitez-Thompson moved that the resolution be referred to the Committee on Legislative Operations and Elections.

Motion carried.

### INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 235.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Judiciary.

Senate Bill No. 244.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Senate Bill No. 306.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Senate Bill No. 317.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Senate Bill No. 390.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Education.

Motion carried.

Senate Bill No. 392.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Senate Bill No. 478.

Assemblywoman Benitez-Thompson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 9:11 p.m.

### ASSEMBLY IN SESSION

At 9:13 p.m.

Mr. Speaker presiding.

Quorum present.

### MOTIONS, RESOLUTIONS AND NOTICES

Assemblywoman Benitez-Thompson moved to reconsider the action whereby Senate Bill No. 306 was referred to the Committee on Judiciary.

Motion carried.

Assemblywoman Benitez-Thompson moved that Senate Bill No. 306 be referred to the Committee on Corrections, Parole, and Probation.

#### GENERAL FILE AND THIRD READING

Assembly Bill No. 382.

Bill read third time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 1065.

AN ACT relating to health care; requiring certain hospitals, independent centers for emergency medical care and physicians to accept certain rates as payment in full for the provision of emergency services and care to certain patients; providing an exception under certain circumstances; requiring the submission of certain reports relating to policies of health insurance and similar contractual agreements by certain third parties who issue those policies and agreements; requiring certain hospitals and independent centers for emergency medical care to submit reports to the [Department of] Governor's Consumer Health [and Human Services] Advocate concerning patient debt and rate increases; requiring the [Governor's Consumer Health] Advocate to adopt certain regulations; [requiring the Commissioner of Insurance to consider certain information when determining the adequacy of a network plan;] and providing other matters properly relating thereto.

## **Legislative Counsel's Digest:**

Under existing law, a hospital is required to provide emergency services and care and to admit certain patients where appropriate, regardless of the financial status of the patient. (NRS 439B.410) Existing law also requires certain major hospitals to reduce total billed charges by at least 30 percent for hospital services provided to certain patients who have no insurance or other contractual provision for the payment of the charges by a third party. (NRS 439B.260) Section 17 of this bill requires an out-of-network hospital with 100 or more beds that is not operated by a federal, state or local governmental entity or an out-of-network independent center for emergency medical care [that is operated by a person who also operates such a hospital] to accept, under certain circumstances, as payment in full for the provision of emergency services and care [, other than services and care provided] to stabilize a patient [, to certain patients] a reasonable rate [which does not exceed the greater of: (1) the average amount that offered by the third party . Thas negotiated with other hospitals in this State: or (2) one hundred twentyfive percent of the average amount paid by Medicare for the same or similar services in the same geographic area. The Commissioner of Insurance is required to adopt regulations to interpret these provisions in a manner that is similar to the interpretation of the federal regulation establishing the amount that certain health insurance providers must pay to out of network hospitals for emergency services. (29 C.F.R. § 2590.715-2719A) Such regulations must provide for a system for verifying negotiated contract prices by a third party or out-of-network facility submitted to the Commissioner of Insurance pursuant to sections 17-19 of this bill. Section 18 of this bill requires an out-

of-network physician for the medical staff of at an in-network or out-ofnetwork hospital with 100 or more beds or an **in-network or** out-of-network independent center for emergency medical care [that is operated by a person who also operates such a hospitall to accept as payment in full for the provision of emergency services and care <del>[, other than services and care</del> provided to stabilize a patient [] a reasonable rate which is [similarly calculated to that in section 17. Section 19 of this bill requires an out of network physician on the medical staff of an in-network hospital with 100 or more beds or an in-network independent center for emergency medical care that is operated by a person who also operates such a hospital to accept as payment in full for the provision of emergency services and care, other than services and care provided to stabilize a patient, a rate which is similarly calculated to that in sections 17 and 18.1 offered by the third party. Sections 17 [-19] and 18 further provide that, if a hospital, center or physician, as applicable, [determines that] rejects the amount [prescribed] offered by the third party pursuant to those sections fis not sufficient reimbursement as full payment for the provision of emergency services and care to a patient, the hospital, center or physician may negotiate a different rate with the third party and may, under certain circumstances, file a complaint and request for mediation with the Governor's Consumer Health Advocate. Sections 17 and 18 also authorize a third party to file a complaint and request such mediation under similar circumstances. Sections [21.3] 21.4 and 22 of this bill require the Advocate to establish a procedure for filing and processing such complaints and requests for mediation.

[Existing law requires the Commissioner of Insurance to make an annual determination concerning the availability and accessibility of the health care services of any network plan offered for sale in this State. (NRS 687B.490)] Section 20 of this bill requires a third party who wishes to pay the amounts [prescribed] offered pursuant to sections 17 [-19] and 18 to conduct a review of the adequacy of the network of the third party and submit certain reports to the [Commissioner and to the Legislative Committee on] Governor's Consumer Health [Care. Section 23 of this bill requires the Commissioner to consider such a report when making a determination concerning the availability and accessibility of the network plan to which the report pertains.] Advocate.

Section 21 of this bill requires a hospital with 100 or more beds that is not operated by a federal, state or local governmental entity or an independent center for emergency medical care [that is operated by a person who also operates such a hospital] to annually report certain information concerning the collection of debts, rate increases and negotiated payments for emergency services and care to the [Department of] Governor's Consumer Health [and Human Services.] Advocate. Section 21.5 of this bill requires the Advocate to annually report, in aggregate form, a summary of the data

# received pursuant to section 21 to the Legislative Committee on Health Care.

# THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 439B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 21, inclusive, of this act.
- Sec. 2. As used in sections 2 to 21, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 16, inclusive, of this act have the meanings ascribed to them in those sections.
- Sec. 3. "Advocate" means the Governor's Consumer Health Advocate appointed pursuant to NRS 223.550.
  - **Sec. 4.** (Deleted by amendment.)
  - **Sec. 5.** (Deleted by amendment.)
- Sec. 6. "Emergency services and care" has the meaning ascribed to it in NRS 439B.410.
  - **Sec. 7.** (Deleted by amendment.)
- Sec. 8. "Independent center for emergency medical care" has the meaning ascribed to it in NRS 449.013.
- Sec. 9. "In-network hospital" means, for a particular patient, a hospital that has entered into a contract with a third party for the provision of health care to persons who are covered by a policy of insurance or other contractual agreement which provides coverage to the patient and which is issued by that third party.
- Sec. 10. "In-network independent center for emergency medical care" means, for a particular patient, an independent center for emergency medical care that has entered into a contract with a third party for the provision of health care to persons who are covered by a policy of insurance or other contractual agreement which provides coverage to the patient and which is issued by that third party.
- Sec. 11. "In-network physician" means, for a particular patient, a physician who has entered into a contract with a third party for the provision of health care to persons who are covered by a policy of insurance or other contractual agreement which provides coverage to the patient and which is issued by that third party.
- Sec. 11.5. "Medically necessary emergency services" has the meaning ascribed to it in NRS 695G.170.
- Sec. 12. "Out-of-network hospital" means, for a particular patient, a hospital that has not entered into a contract with a third party for the provision of health care to persons who are covered by a policy of insurance or other contractual agreement which provides coverage to the patient and which is issued by that third party.
- Sec. 13. "Out-of-network independent center for emergency medical care" means, for a particular patient, an independent center for emergency medical care that has not entered into a contract with a third party for the

provision of health care to persons who are covered by a policy of insurance or other contractual agreement which provides coverage to the patient and which is issued by that third party.

- Sec. 14. "Out-of-network physician" means, for a particular patient, a physician who has not entered into a contract with a third party for the provision of health care to persons who are covered by a policy of insurance or other contractual agreement which provides coverage to the patient and which is issued by that third party.
  - Sec. 15. <u>1.</u> "Third party" includes, without limitation:
  - [1.] (a) An insurer as defined in NRS 679B.540;
- [2.] (b) A health benefit plan, as defined in NRS 689A.540, for employees which provides coverage for emergency services and care at a hospital;
- [3.] (c) A participating public agency, as defined in NRS 287.04052, and any other local governmental agency of the State of Nevada which provides a system of health insurance for the benefit of its officers and employees, and the dependents of such officers and employees, pursuant to chapter 287 of NRS; and
- [4.] (d) Any other insurer or organization providing health coverage or benefits in accordance with state or federal law.
- 2. The term does not include the Public Employees' Benefits Program established pursuant to subsection 1 of NRS 287.043.
- Sec. 16. "To stabilize" has the meaning ascribed to it in 42 U.S.C. § 1395dd.
- Sec. 16.5. <u>The provisions of sections 2 to 21, inclusive, of this act apply only to persons who:</u>
- 1. Are residents of Nevada; or
- 2. Are covered by or receive benefits from:
- (a) A policy of health insurance sold in this State; or
- (b) Other contractual agreement issued in this State.
- Sec. 17. 1. Except as otherwise provided in subsections [3 and 4,] 7 and 8, an out-of-network hospital with 100 or more beds that is not operated by a federal, state or local governmental agency or an out-of-network independent center for emergency medical care [that is operated by a person who also operates such a hospital] shall accept as payment in full for the provision of emergency services and care to a patient [5, other than services and care provided] to stabilize the patient [5] a reasonable rate [in accordance with subsection 2] offered by the third-party if the patient:
- (a) Was presented to the out-of-network hospital or out-of-network independent center for emergency medical care for the provision of medically necessary emergency services; and
- (b) Has a policy of insurance or other contractual agreement with a third party that provides coverage to the patient for emergency services and care provided by more than one hospital and independent center for emergency medical care in this State other than the hospital or

independent center for emergency medical care to which the patient was presented.

- 2. [Except as otherwise provided in subsections 3 and 4, an out of network hospital with 100 or more beds that is not operated by a federal, state or local governmental agency or an out of network independent center for emergency medical care that is operated by a person who also operates such a hospital that provides to a patient described in subsection 1 emergency services and care, other than services and care provided to stabilize the patient, shall accept as payment in full for such emergency services and care a rate which does not exceed the greater of:
- (a) The average amount negotiated by the third party with in network hospitals in this State for the same or similar emergency services and eare, excluding any deductible, copayment or coinsurance paid by the patient.
- (b) One hundred twenty-five percent of the average amount paid by Medicare pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seq., on a fee-for service basis for the same or similar emergency services and care in the geographic region in which the emergency services and care are rendered, excluding any deductible, copayment or coinsurance paid by the patient.
- → The Commissioner of Insurance shall adopt regulations that interpret the provisions of this subsection which must provide for, without limitation, a system for verifying a negotiated contract price submitted to the Commissioner of Insurance by a third party or entity described in subsection 2, and which must be consistent with the provisions of 29 C.F.R. § 2590.715-2719A to the extent practicable. Except as otherwise provided in NRS 239.0115, any information submitted pursuant to this section must be kept confidential by the Commissioner of Insurance.
- 3. An out-of-network hospital or out-of-network independent center for emergency medical care is not required to accept as payment in full the amount specified pursuant to subsection 2 if:
- (a) The third party that issued the policy of insurance or other contractual agreement which provides coverage to the patient has not submitted the quarterly reports required by section 20 of this act;
- (b) The third party which provides coverage to the patient has not, in good faith, participated in a negotiation or mediation pursuant to subsection 4 and has not documented the occurrence and outcome of any negotiation or mediation;
- (e) The patient has not paid the deductible, copayment or coinsurance that the patient would have paid for the provision of emergency services and care at an in-network hospital or in-network independent center for emergency medical care; or
- -(d)] The third party [has not paid the] shall approve or deny a claim submitted by an out-of-network hospital or out-of-network independent center for emergency medical care, as applicable, for the emergency services and care described in subsection 1 within [60] 30 days after

[receipt of the bill and all necessary medical records required to pay] the third party receives the claim. [or, if applicable,] If the claim is approved, the third party shall pay the claim within [60] 30 days after [the conclusion of any negotiation or mediation between the third party and the out-of network hospital or out of network independent center for emergency medical care.

## $\frac{-4.1}{1}$ it is approved.

- 3. If the third party requires additional information to determine whether to approve or deny the claim submitted pursuant to subsection 1, it shall notify the out-of-network hospital or out-of-network independent center for emergency medical care of its request for the additional information within 20 days after it receives the claim. The third party shall notify the out-of-network hospital or out-of-network independent center for emergency care of all the specific reasons for the delay in approving or denying the claim. The third party shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the third party shall pay the claim within 30 days after it receives the additional information.
- 4. A third party shall not request an out-of-network hospital or out-of-network independent center for emergency medical care to resubmit information that the out-of-network hospital or out-of-network independent center for emergency medical care has already provided to the third party, unless the third party provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.
- 5. A third party shall not pay only part of a claim that has been approved and is fully payable.
- 6. An offer made by a third party as payment for emergency services and care described in subsection 1 must include a statement that:
- (a) If such an offer is not accepted as payment in full within 90 days, the out-of-network hospital or out-of-network independent center for emergency medical care may file a complaint with the Advocate pursuant to NRS 223.560 and request that the Advocate mediate to determine the amount that must be paid for such emergency services and care; or
- (b) If such an offer is accepted as payment in full, mediation conducted pursuant to NRS 223.560 may not be requested.
- 7. If an out-of-network hospital or out-of-network independent center for emergency medical care [believes that] rejects the [amounts prescribed in subsection 2 are insufficient] amount offered by the third party as full payment to compensate the out-of-network hospital or out-of-network independent center for emergency medical care for the emergency services and care provided by the out-of-network hospital or out-of-network independent center for emergency medical care, the out-of-network hospital or out-of-network independent center for emergency medical care must, within 30 days [off] after receiving written notice of such amount

from the third party, request in writing to enter into negotiations with the third party which provides coverage to the patient to resolve the difference between the amount charged by the out-of-network hospital or out-of-network independent center for emergency medical care and the amount paid by the third party. Such negotiations must begin within 2 weeks [offafter] the out-of-network hospital or out-of-network independent center for emergency medical care [making] makes the request for negotiation [ii], or at a time agreed upon by the out-of-network hospital or out-of-network independent center for emergency medical care and the third party. If such negotiations do not result in an agreement on the amount that will be paid for the emergency services and care, the out-of-network hospital or out-of-network independent center for emergency medical care may file a complaint with the Advocate pursuant to NRS 223.560 and request that the Advocate mediate to determine the amount that must be paid for such emergency services and care.

- 8. If an out-of-network hospital or out-of-network independent center for emergency medical care does not make a request for negotiation pursuant to subsection 7 or accept as payment in full the amount offered by the third party, the third party may file a complaint with the Advocate pursuant to NRS 223.560 and request that the Advocate mediate to determine the amount that must be paid for such emergency services and care.
- [5.] 9. In no event shall the patient who received emergency services and care be:
- (a) Responsible for payment of any amount greater than any deductible, copayment or coinsurance paid by the patient pursuant to his or her policy of insurance; or
- (b) Required to participate in any negotiation entered into pursuant to this section or any mediation entered into pursuant to NRS 223.560.
- Sec. 18. 1. Except as otherwise provided in subsections [3 and 4,] 7 and 8, an out-of-network physician [on the medical staff of] who provides services at an in-network or out-of-network hospital with 100 or more beds or at an in-network or out-of-network independent center for emergency medical care [that is operated by a person who also operates such a hospital] shall accept as payment in full for the provision of emergency services and care to a patient [, other than services and eare provided] to stabilize the patient [,] a reasonable rate [in accordance with subsection 2] offered by the third party if the patient:
- (a) Was presented to the <u>in-network or out-of-network hospital or in-network or out-of-network independent center for emergency medical care for the provision of medically necessary emergency services; and</u>
- (b) Has a policy of insurance or other contractual agreement with a third party that provides coverage to the patient for the provision of emergency services and care by more than one in-network physician in this State who provides the same type of emergency services and care other

than the out-of-network physician who provided the emergency services and care at the <u>in-network or</u> out-of-network hospital or <u>in-network or</u> out-of-network independent center for emergency medical care to which the patient was presented.

- 2. [Except as otherwise provided in subsections 3 and 4, an out of network physician on the medical staff of an out of network hospital with 100 or more beds or an out-of-network independent center for emergency medical care that is operated by a person who also operates such a hospital who provides to a patient described in subsection 1 emergency services and care, other than services and care provided to stabilize the patient, shall accept as payment in full for such emergency services and care a rate which does not exceed the greater of:
- (a) The average amount negotiated by the third party with in-network physicians in this State for the same or similar emergency services and eare, excluding any deductible, copayment or coinsurance paid by the patient.
- (b) One hundred twenty five percent of the average amount paid by Medicare pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seq., on a fee-for-service basis for the same or similar emergency services and care in the geographic region in which the emergency services and care are rendered, excluding any deductible, copayment or coinsurance paid by the patient.
- → The Commissioner of Insurance shall adopt regulations that interpret the provisions of this subsection which must provide for, without limitation, a system for verifying a negotiated contract price submitted to the Commissioner of Insurance by a third party or entity described in subsection 2, and which must be consistent with the provisions of 29 C.F.R. § 2590.715-2719A to the extent practicable. Except as otherwise provided in NRS 239.0115, any information submitted pursuant to this section must be kept confidential by the Commissioner of Insurance.
- 3. An out-of-network physician is not required to accept as payment in full the amount specified pursuant to subsection 2 if:
- (a) The third party that issued the policy of insurance or other contractual agreement which provides coverage to the patient has not submitted the quarterly reports required by section 20 of this act;
- (b) The third party which provides coverage to the patient has not, in good faith, participated in a negotiation or mediation pursuant to subsection 4 and has not documented the occurrence and outcome of any negotiation or mediation;
- (c) The patient has not paid the deductible, copayment or coinsurance that the patient would have paid for the provision of emergency services and care by an in-network physician; or
- —(d)] The third party [has not paid the] shall approve or deny a claim submitted by an out-of-network physician for the emergency services and care described in subsection 1 within [60] 30 days after [receipt of the bill]

and all necessary medical records required to pay] the third party receives the claim. [or, if applicable,] If the claim is approved, the third party shall pay the claim within [60] 30 days after [the conclusion of any negotiation or mediation between the third party and the out-of-network physician.

—4.] it is approved.

- 3. If the third party requires additional information to determine whether to approve or deny the claim submitted pursuant to subsection 1, it shall notify the out-of-network physician of its request for the additional information within 20 days after it receives the claim. The third party shall notify the out-of-network physician of all the specific reasons for the delay in approving or denying the claim. The third party shall approve or deny the claim within 30 days after receiving the additional information. If the claim is approved, the third party shall pay the claim within 30 days after it receives the additional information.
- 4. A third party shall not request an out-of-network physician to resubmit information that the out-of-network physician has already provided to the third party, unless the third party provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the claim, harass the claimant or discourage the filing of claims.
- 5. A third party shall not pay only part of a claim that has been approved and is fully payable.
- 6. An offer made by a third party as payment for emergency services and care described in subsection 1 must include a statement that:
- (a) If such an offer is not accepted as payment in full within 90 days, the out-of-network physician may file a complaint with the Advocate pursuant to NRS 223.560 and request that the Advocate mediate to determine the amount that must be paid for such emergency services and care; or
- (b) If such an offer is accepted as payment in full, mediation conducted pursuant to NRS 223.560 may not be requested.
- 7. If an out-of-network physician [believes that] rejects the [amounts prescribed in subsection 2 are insufficient] amount offered by the third party as full payment to compensate the out-of-network physician for the emergency services and care provided by the out-of-network physician, the out-of-network physician must, within 30 days [off] after receiving written notice of such amount from the third party, request in writing to enter into negotiations with the third party which provides coverage to the patient to resolve the difference between the amount charged by the out-of-network physician and the amount paid by the third party. Such negotiations must begin within 2 weeks [off] after the out-of-network physician [making] makes the request for negotiation [fig.], or at a time agreed upon by the out-of-network physician and the third party. If such negotiations do not result in an agreement on the amount that will be paid for emergency services and care, the out-of-network physician may file a complaint with the Advocate pursuant to NRS 223.560 and request that the Advocate mediate

to determine the amount that must be paid for such emergency services and care.

- 8. If an out-of-network physician does not make a request for negotiation pursuant to subsection 7 or accept as payment in full the amount offered by the third party, the third party may file a complaint with the Advocate pursuant to NRS 223.560 and request that the Advocate mediate to determine the amount that must be paid for such emergency services and care.
- [5.] 9. In no event shall the patient who received emergency services and care be:
- (a) Responsible for payment of any amount greater than any deductible, copayment or coinsurance paid by the patient pursuant to his or her policy of insurance; or
- (b) Required to participate in any negotiation entered into pursuant to this section or any mediation entered into pursuant to NRS 223.560.
- Sec. 19. [I. Except as otherwise provided in subsections 3 and 4, an out of network physician on the medical staff of an in network hospital with 100 or more beds or an in network independent center for emergency medical care that is operated by a person who also operates such a hospital shall accept as payment in full for the provision of emergency services and care to a patient, other than services and care provided to stabilize the patient, a rate in accordance with subsection 2 if the patient has a policy of insurance or other contractual agreement with a third party that provides coverage to the patient for the provision of emergency services and care by more than one physician in this State who provides the same type of emergency services and care other than the physician who provided the emergency services and care.
- 2. Except as otherwise provided in subsections 3 and 4, an out-of-network physician on the medical staff of an in-network hospital with 100 or more beds or an in network independent center for emergency medical care that is operated by a person who also operates such a hospital who provides to a patient described in subsection I emergency services and care, other than services and care provided to stabilize the patient, shall accept as payment in full for such emergency services and care a rate which does not exceed the greater of:
- (a) The average amount negotiated by the third party with in network physicians in this State for the same or similar emergency services and eare, excluding any deductible, copayment or coinsurance paid by the patient.
- (b) One hundred twenty-five percent of the average amount paid by Medicare pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seq., on a fee for service basis for the same or similar emergency services and care in the geographic region in which the services are rendered, excluding any deductible, copayment or coinsurance paid by the patient.

- → The Commissioner of Insurance shall adopt regulations that interpret the provisions of this subsection which must provide for, without limitation, a system for verifying a negotiated contract price submitted to the Commissioner of Insurance by a third party or entity described in subsection 2, and which must be consistent with the provisions of 29 C.F.R. § 2590.715 2719A to the extent practicable. Except as otherwise provided in NRS 239.0115, any information submitted pursuant to this section must be kept confidential by the Commissioner of Insurance.
- -3. An out of network physician is not required to accept as payment in full the amount specified pursuant to subsection 2 if:
- (a) The third party that issued the policy of insurance or other contractual agreement which provides coverage to the patient has not submitted the quarterly reports required by section 20 of this act;
- (b) The third party which provides coverage to the patient has not, in good faith, participated in a negotiation or mediation pursuant to subsection 4 and has not documented the occurrence and outcome of any necotiation or mediation:
- -(c) The patient has not paid the deductible, copayment or coinsurance that the patient would have paid for the provision of emergency services and care to an in-network physician; or
- —(d) The third party has not paid the out-of-network physician for the emergency services and care within 60 days after receipt of the bill and all necessary medical records required to pay the claim or, if applicable, within 60 days after the conclusion of any negotiation or mediation between the third party and the out-of-network physician.
- 4. If an out-of-network physician believes that the amounts prescribed in subsection 2 are insufficient to compensate the out-of-network physician for the emergency services and care provided by the out-of-network physician, the out-of-network physician, the out-of-network physician must, within 30 days of receiving written notice of such amount from the third party, request in writing to enter into negotiations with the third party which provides coverage to the patient to resolve the difference between the amount charged by the out-of-network physician and the amount paid by the third party. Such negotiations must begin within 2 weeks of the out-of-network physician making the request for negotiation. If such negotiations do not result in an agreement on the amount that will be paid for emergency services and eare, the out-of-network physician may file a complaint with the Advocate pursuant to NRS 223.560 and request that the Advocate mediate to determine the amount that must be paid for such emergency services and eare.
- 5. In no event shall the patient who received emergency services and eare be:
- (a) Responsible for payment of any amount greater than any deductible, copayment or coinsurance paid by the patient pursuant to his or her policy of insurance; or

- (b) Required to participate in any negotiation entered into pursuant to this section or any mediation entered into pursuant to NRS 223.560.] (Deleted by amendment.)
- Sec. 20. If a third party who issues a policy of insurance or other contractual agreement that provides coverage for health care in this State wishes for out-of-network hospitals, out-of-network independent centers for emergency medical care and out-of-network physicians to accept as payment in full the [amounts prescribed in] amount offered pursuant to sections 17 [5] and 18 [and 19] of this act, the third party shall:
- 1. Review the in-network hospitals, in-network independent centers for emergency medical care and in-network physicians of the third party to determine whether a person who is covered by that policy of insurance or other contractual agreement that provides coverage for health care has adequate access to health care, including, without limitation, a review of \( \frac{1}{2} \) \( \frac{1}
- —(b) Whether a person who is covered by the policy of insurance or other contractual agreement that provides coverage for the provision of health care has access to in-network hospitals, in-network independent centers for emergency medical care and in-network physicians without experiencing an unreasonable delay in the provision of health care; and
- (e) The in network hospitals and in network independent centers for emergency medical care which provide emergency services and care and the number and type of in-network physicians on the medical staff of those in network hospitals and in network independent centers for emergency medical care to ensure that the third party has contracted with a sufficient number and type of physicians who are on the medical staff of those innetwork hospitals and in network independent centers for emergency medical care.]
- 2. Review the frequency with which persons covered by the policy of insurance or other contractual agreement that provides coverage for the provision of health care are treated for emergency services and care by out-of-network physicians at in-network hospitals and in-network independent centers for emergency medical care. [and the rate at which those services and care are reimbursed by the third party.]
- 3. Ensure that persons covered by the policy of insurance or other contractual agreement that provides coverage for the provision of health care receive adequate information regarding in-network hospitals, innetwork independent centers for emergency medical care and in-network physicians and the financial impact of receiving emergency services and care from out-of-network hospitals, out-of-network independent centers for emergency medical care and out-of-network physicians, including, without limitation, the financial impact of receiving emergency services and care

from an out-of-network physician [on the medical staff of] at an innetwork hospital or in-network independent center for emergency medical care. The information must be provided in a format that is meaningful for persons making an informed decision concerning emergency services and care and must be accessible to persons covered by the policy of insurance or other contractual agreement.

- 4. Submit once each calendar [quarter] year to the [Commissioner of Insurance and the Legislative Committee on Health Care] Advocate a report containing a summary of the reviews conducted pursuant to subsections 1 and 2 and the educational efforts undertaken pursuant to subsection 3.
- Sec. 21. Each hospital with 100 or more beds that is not operated by a federal, state or local governmental agency and each independent center for emergency medical care that is operated by a person who also operates such a hospital shall submit to the [Department] Advocate an annual report which must include:
- 1. The number of patients from whom the hospital or independent center for emergency medical care or a person acting on its behalf has attempted to collect a debt for any amount owed to the hospital or independent center for emergency medical care for emergency services and care;
- 2. The number of patients from whom a physician <del>[on the medical</del> staff] at the hospital or independent center for emergency medical care or a person acting on behalf of such a physician has attempted to collect a debt for any amount owed to the physician for emergency services and care;
- 3. The amount of any increase in the rate negotiated with a third party for emergency services and care that exceeds the percentage of increase in the Consumer Price Index, Medical Care Component, for the year in which the rate is increased and any justification for the increase; and
- 4. The amount of each payment negotiated by the hospital or independent center for emergency medical care pursuant to subsection [4] 7 of section 17 of this act or a physician [on the medical staff of] at the hospital or independent center for emergency medical care pursuant to subsection [4] 7 of section 18 [or subsection 4 of section 19] of this act and the emergency services and care for which the payment was made.
- Sec. 21.3. Chapter 223 of NRS is hereby amended by adding thereto [a new section to read] the provisions set forth as [follows:] sections 21.4 and 21.5 of this act.
- Sec. 21.4. 1. The procedure established by regulation pursuant to paragraph (j) of subsection 1 of NRS 223.560 for filing and processing complaints concerning the rate of payment [prescribed by] offered pursuant to sections 17 [,] and 18 [and 19] of this act and the mediation of those complaints must:
- (a) Require the Advocate or the Advocate's designee to determine, if an agreement between the parties cannot be reached, an acceptable rate that

must be paid to the hospital, independent center for emergency medical care or physician within 10 days of the conclusion of the mediation;

- (b) Provide that a decision made by the Advocate or the Advocate's designee is binding on both parties subject to the mediation; and
- (c) Provide that the costs of the mediation must be equally shared between the two parties subject to the mediation.
- 2. The procedure established by regulation pursuant to paragraph (j) of subsection 1 of NRS 223.560 must require the Advocate, in determining an acceptable rate that must be paid to a hospital, independent center for emergency medical care or physician to consider:
- (a) The average amount the third party pays for the same or similar emergency services and care in the county in which the services were rendered;
- (b) The average amount paid by Medicare pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seq., on a fee-for-service basis for the same or similar emergency services and care in the geographic region in which the services were rendered; and
- (c) The usual and customary charges for the same or similar emergency services and care rendered by an out-of-network hospital, out-of-network independent center for emergency medical care or out-of-network physician in the geographic region in which the services were rendered.
- <u>3.</u> Except as otherwise provided in NRS 239.0115, any information received by the Advocate or the Advocate's designee during the mediation procedure established pursuant to paragraph (j) of subsection 1 of NRS 233.560 must be kept confidential by the Advocate or the Advocate's designee.
- Sec. 21.5. The Advocate shall submit once each calendar year to the Legislative Committee on Health Care a report containing a summary, in aggregate form, of the data received pursuant to section 21 of this act.
  - **Sec. 21.6.** NRS 223.500 is hereby amended to read as follows:
- 223.500 As used in NRS 223.500 to 223.575, inclusive, *and* [section 21.3] sections 21.4 and 21.5 of this act, unless the context otherwise requires, the words and terms defined in NRS 223.505 to 223.535, inclusive, have the meanings ascribed to them in those sections.
  - **Sec. 21.9.** NRS 223.540 is hereby amended to read as follows:
- 223.540 The provisions of NRS 223.085 do not apply to the provisions of NRS 223.500 to 223.575, inclusive [.], and [section 21.3] sections 21.4 and 21.5 of this act.
  - **Sec. 22.** NRS 223.560 is hereby amended to read as follows:
  - 223.560 1. The Advocate shall:
- (a) Respond to written and telephonic inquiries received from consumers and injured employees regarding concerns and problems related to health care and workers' compensation;

- (b) Assist consumers and injured employees in understanding their rights and responsibilities under health care plans, including, without limitation, the Public Employees' Benefits Program, and policies of industrial insurance;
- (c) Identify and investigate complaints of consumers and injured employees regarding their health care plans, including, without limitation, the Public Employees' Benefits Program, and policies of industrial insurance and assist those consumers and injured employees to resolve their complaints, including, without limitation:
- (1) Referring consumers and injured employees to the appropriate agency, department or other entity that is responsible for addressing the specific complaint of the consumer or injured employee; and
- (2) Providing counseling and assistance to consumers and injured employees concerning health care plans, including, without limitation, the Public Employees' Benefits Program, and policies of industrial insurance;
- (d) Provide information to consumers and injured employees concerning health care plans, including, without limitation, the Public Employees' Benefits Program, and policies of industrial insurance in this State;
- (e) Establish and maintain a system to collect and maintain information pertaining to the written and telephonic inquiries received by the Office for Consumer Health Assistance;
- (f) Take such actions as are necessary to ensure public awareness of the existence and purpose of the services provided by the Advocate pursuant to this section;
- (g) In appropriate cases and pursuant to the direction of the Advocate, refer a complaint or the results of an investigation to the Attorney General for further action:
- (h) Provide information to and applications for prescription drug programs for consumers without insurance coverage for prescription drugs or pharmaceutical services;
  - (i) Establish and maintain an Internet website which includes:
- (1) Information concerning purchasing prescription drugs from Canadian pharmacies that have been recommended by the State Board of Pharmacy for inclusion on the Internet website pursuant to subsection 4 of NRS 639.2328;
- (2) Links to websites of Canadian pharmacies which have been recommended by the State Board of Pharmacy for inclusion on the Internet website pursuant to subsection 4 of NRS 639.2328; and
- (3) A link to the website established and maintained pursuant to NRS 439A.270 which provides information to the general public concerning the charges imposed and the quality of the services provided by the hospitals and surgical centers for ambulatory patients in this State; [and]
- (j) In accordance with section [21.3] 21.4 of this act, establish by regulation a procedure for filing and processing complaints concerning the rate of payment [prescribed by] offered pursuant to sections 17 [,] and 18 [and 19] of this act and the mediation of those complaints to determine:

- (1) Whether the rates paid pursuant to sections 17 [+,+] and 18 [and 19] of this act are sufficient in a particular circumstance; and
- (2) If a determination is made that a rate is not sufficient, an acceptable rate that must be paid to the hospital, independent center for emergency medical care or physician that filed the complaint; and
- (k) Assist consumers with filing complaints against health care facilities and health care professionals. As used in this paragraph, "health care facility" has the meaning ascribed to it in NRS 162A.740.
- 2. The Advocate may adopt regulations to carry out the provisions of NRS 223.560 to 223.575, inclusive.

Sec. 22.5. [NRS 239.010 is hereby amended to read as follows:

445B 570 449 209 449 245 449 720 450 140 453 164 453 720 453 <u>453 450 453 450 458 055 458 280 450 050 450 2866 450 555</u> 459 7056 459 846 463 120 463 15993 463 240 463 3403 463 3407 483 575 483 650 483 800 484E 070 485 316 503 452 522 040 534 A 031 561 285 571 160 584 655 587 877 508 0064 508 008 508 A 110 500B.000, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616P 215 616P 250 618 241 618 425 622 210 622 121 623 A 127 624 110 624 265 624 327 625 425 625A 185 628 418 628B 230 628B.760. 629.047. 629.069. 630.133. 630.30665. 630.336. 630A.555. 621 268 622 121 622 125 622 405 622 282 622 201 622 524 624 055 638 080 630 2485 630 570 640 075 640A 220 640B 730 640C 400 640C 745 640C 760 640D 190 640E 340 641 090 641 A 191 641B 170 641C 760 642 524 643 180 644 446 645 180 645 625 645 A 050 645A 082 645B 060 645B 002 645C 220 645C 225 645D 130 645D 135 645F 300 645F 375 645C 510 645H 320 645H 330 647 0045 647 0047 648 033 648 197 649 065 649 067 652 228 654 110 656 105 661 115 665 130 665 133 660 275 660 285 660 A 310 671 170 673 430 675 380 676A 340 676A 370 677 242 670B 122 670B 152 670B 150 670B 100 670D 285 670D 600 680A 270 681A 440 681D 260 681D 410 681D 540 683 A 0873 685 A 077 686 A 280 686 B 170 686 C 306 687 A 110 602C 3536 602C 3538 602C 354 602C 420 603A 480 603A 615 606R 550 703 106 704R 320 704R 325 706 1725 706A 230 710 150 711.600, and sections 17, 18 and 19 of this act, sections 35, 38 and 41 of chapter 478. Statutes of Nevada 2011 and section 2 of chapter 391. Statutes of Nevada 2013 and unless otherwise declared by law to be confidential. public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully books and public records. Any such copies, abstracts or memoranda may be supply the general public with copies, abstracts or memoranda of the ords or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge. diminish or affect in any other manner the rights of a person in any written book or record which is convrighted pursuant to federal law-

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can reduct, delete, conceal or separate the

confidential information from the information included in the public book or record that is not otherwise confidential.

- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.] (Deleted by amendment.)
  - Sec. 23. [NRS 687B.490 is hereby amended to read as follows:
- 687B.490 1. A carrier that offers coverage in the group or individual market must, before making any network plan available for sale in this State, demonstrate the capacity to deliver services adequately by applying to the Commissioner for the issuance of a network plan and submitting a description of the procedures and programs to be implemented to meet the requirements described in subsection 2.
- 2. The Commissioner shall determine, within 90 days after receipt of the application required pursuant to subsection 1, if the carrier, with respect to the network plan:
- (a) Has demonstrated the willingness and ability to ensure that health care services will be provided in a manner to ensure both availability and accessibility of adequate personnel and facilities in a manner that enhances availability, accessibility and continuity of service:
- (b) Has organizational arrangements established in accordance with regulations promulgated by the Commissioner; and
- (e) Has a procedure established in accordance with regulations promulgated by the Commissioner to develop, compile, evaluate and report statistics relating to the cost of its operations, the pattern of utilization of its services, the availability and accessibility of its services and such other matters as may be reasonably required by the Commissioner.
- 3. The Commissioner may certify that the earrier and the network plan meet the requirements of subsection 2, or may determine that the earrier and the network plan do not meet such requirements. Upon a determination that the earrier and the network plan do not meet the requirements of subsection 2, the Commissioner shall specify in what respects the earrier and the network plan are deficient.
- 4. A carrier approved to issue a network plan pursuant to this section must file annually with the Commissioner a summary of information compiled pursuant to subsection 2 in a manner determined by the Commissioner.
- 5. The Commissioner shall, not less than once each year, or more often if deemed necessary by the Commissioner for the protection of the interests of

the people of this State, make a determination concerning the availability and accessibility of the health care services of any network plan approved pursuant to this section.

- 6. The expense of any determination made by the Commissioner pursuant to this section must be assessed against the carrier and remitted to the Commissioner.
- 7. When making any determination concerning the availability and accessibility of the services of any network plan or proposed network plan pursuant to this section, the Commissioner shall consider [services]:
- (a) Services that may be provided through telehealth, as defined in NRS 629.515, pursuant to the network plan or proposed network plan to be available services.
- (b) The information contained in the most recent report submitted pursuant to section 20 of this act that pertains to the network plan, if such a report has been submitted.
- 8. As used in this section, "network plan" has the meaning ascribed to it in NRS 689B.570.] (Deleted by amendment.)
- **Sec. 24.** The Governor's Consumer Health Advocate appointed pursuant to NRS 223.550 shall adopt the regulations required by NRS 223.560, as amended by section 22 of this act, on or before October 1, 2017.
- Sec. 25. [1.—On or before June 30, 2018, the Legislative Committee on Health Care shall review the provisions of this act, including, without limitation, the rate of payment set forth in sections 17, 18 and 19 of this act, to determine whether providers of health care are being adequately compensated for the provision of emergency services and care.
- 2. The Legislative Committee on Health Care shall forward to the Assembly Standing Committee on Health and Human Services and the Senate Standing Committee on Health and Human Services the results of the review conducted pursuant to subsection 1 and any proposed changes to the provisions of this act, including, without limitation, the rate of payment set forth in sections 17, 18 and 19 of this act.] (Deleted by amendment.)
- **Sec. 26.** The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.
  - **Sec. 27.** This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
  - 2. On January 1, 2018, for all other purposes.

Assemblywoman Carlton moved the adoption of the amendment.

Remarks by Assemblywoman Carlton.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Assembly Bill No. 382.

Bill read third time.

Remarks by Assemblymen Carlton, Paul Anderson, Oscarson, and Ohrenschall.

#### ASSEMBLYWOMAN CARLTON:

I rise in support of Assembly Bill 382. The bill is otherwise known as the "bill charges" or "surprise bill." This bill has been worked on through almost the whole session. Numerous meetings were held. There are still negotiations going on. What is left in the bill right now is arbitration that would take the patient out of the mix of surprise bills and allow the insureds and the hospitals—the two sophisticated parties—to deal with what would be a reasonable rate as an offer on a surprise bill that a patient might receive. We are still trying to find a number for the rate, but it is very difficult because every hospital is different, every provider is different.

I have not given up yet. This is the first step toward completion, and I would ask the body to support it moving forward in order to make sure that the patients in this state are taken out of the middle of surprise bills.

### ASSEMBLYMAN PAUL ANDERSON:

I rise in support of Assembly Bill 382. I know the sponsor has worked diligently on this bill. It was just recently amended out of Ways and Means. While I am still a bit nervous with the current language, I am confident in the sponsor's promise to continue to work on it with those that are invested in making sure this comes out and gets the consumer out of the middle and lets those bills get paid in a timely manner and at a reasonable rate. I think it is important and good public policy that we need to continue to work on, so I will be a yes to support this and keep the conversation flowing.

### ASSEMBLYMAN OSCARSON:

I know that the sponsor has worked diligently with others in this building. I have been engaged in some of those conversations as well. I appreciate her diligence in trying to work with this. She has committed to myself and others in the building that she will continue to work to make this a bill that everyone can at least live with. The most important thing, as we have all noticed in the past, is that we need to have the patients out of the middle of the discussion. That, for sure, is one thing that in agreement between both parties, both entities, so I look forward to the further discussions and negotiations that I believe will transpire.

#### ASSEMBLYMAN OHRENSCHALL:

Assembly Bill 382 is a great bill and I urge its support.

Roll call on Assembly Bill No. 382:

YEAS-31.

NAYS—Edwards, Ellison, Hambrick, Hansen, Krasner, Marchant, McArthur, Tolles, Wheeler, Woodbury—10.

EXCUSED—Titus.

Assembly Bill No. 382 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 9:22 p.m.

## ASSEMBLY IN SESSION

At 9:24 p.m. Mr. Speaker presiding. Quorum present.

#### UNFINISHED BUSINESS

#### SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Senate Bills Nos. 65, 84, 149, 162, 199, 268, 270, 283, 291, 320, 350, 352, 357, 398, 399, 400, 415, 452, 460, 468, and 516; Senate Joint Resolutions Nos. 1 and 3.

## GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Brooks, the privilege of the floor of the Assembly Chamber for this day was extended to Briana Escamilla and Michelle White.

On request of Assemblywoman Diaz, the privilege of the floor of the Assembly Chamber for this day was extended to Denise Davis.

On request of Assemblyman Hansen, the privilege of the floor of the Assembly Chamber for this day was extended to Steve Sanson.

On request of Assemblywoman Miller, the privilege of the floor of the Assembly Chamber for this day was extended to Claudia Martinez.

On request of Assemblyman Sprinkle, the privilege of the floor of the Assembly Chamber for this day was extended to Sara Wainwright.

Assemblywoman Benitez-Thompson moved that the Assembly adjourn until Thursday, June 1, 2017, at 11:30 a.m.

Motion carried.

Assembly adjourned at 9:25 p.m.

Approved:

JASON FRIERSON
Speaker of the Assembly

Attest: SUSAN FURLONG

Chief Clerk of the Assembly