

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Seventy-Ninth Session
May 15, 2017**

The Committee on Commerce and Labor was called to order by Chair Irene Bustamante Adams at 2:47 p.m. on Monday, May 15, 2017, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/79th2017.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Irene Bustamante Adams, Chair
Assemblywoman Maggie Carlton, Vice Chair
Assemblyman Paul Anderson
Assemblyman Nelson Araujo
Assemblyman Chris Brooks
Assemblyman Skip Daly
Assemblyman Jason Frierson
Assemblyman Ira Hansen
Assemblywoman Sandra Jauregui
Assemblyman Al Kramer
Assemblyman Jim Marchant
Assemblywoman Dina Neal
Assemblywoman Jill Tolles

COMMITTEE MEMBERS ABSENT:

Assemblyman James Ohrenschall (excused)

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Kelly Richard, Committee Policy Analyst
Wil Keane, Committee Counsel
Earlene Miller, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

Judy Stokey, Vice President, Government and Community Strategy, NV Energy

Chair Bustamante Adams:

[The roll was called.] We have five bills on work session today. Assembly Bill 206 will not be heard today.

Assembly Bill 206: Revises provisions relating to the renewable portfolio standard. (BDR 58-746)

[This bill was not considered.]

Senate Bill 145 (1st Reprint): Revises provisions relating to energy. (BDR 58-54)

Kelly Richard, Committee Policy Analyst:

Senate Bill 145 (1st Reprint) is sponsored by Senator Spearman and was heard in this Committee on May 8, 2017 (Exhibit C). The bill establishes, as part of the Solar Energy Systems Incentive Program, an incentive program for the installation of energy storage systems. The measure creates the Electric Vehicle Infrastructure Demonstration Program and requires the Public Utilities Commission of Nevada (PUCN) to adopt regulations concerning the Program. It allows each utility to recover the costs of carrying out the Program. The available money for the existing Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program, and the Waterpower Energy Systems Demonstration Program are combined into a single pool of money from which the PUCN may authorize the payment of an incentive to a Program.

For the period beginning on January 1, 2018, and ending on December 31, 2023, the PUCN must authorize the payment of incentives in an amount of not more than \$1 million per year for the installation of solar energy systems and distributed generation systems at locations throughout the service territories of electric utilities that benefit low-income customers. The measure also repeals the provisions requiring each electric utility to create a Lower Income Solar Energy Pilot Program.

Chair Bustamante Adams:

Are there any questions from the Committee?

Assemblyman Hansen:

I have a question on section 1.5, subsection 2 where it says, energy storage systems, wind energy systems, and water power energy systems to [not] exceed \$295,700,000 for the period beginning July 1, 2010 and ending December 31, 2025. How much of that money is left?

Judy Stokey, Vice President, Government and Community Strategy, NV Energy:
We have \$40 million left.

Chair Bustamante Adams:

Seeing no other questions, I will entertain a motion.

ASSEMBLYWOMAN JAUREGUI MOVED TO DO PASS
ASSEMBLY BILL 145 (1ST REPRINT).

ASSEMBLYMAN BROOKS SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN HANSEN AND
MARCHANT VOTED NO. ASSEMBLYMAN OHRENSCHALL WAS
ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblywoman Jauregui.

We will move to Assembly Bill 146 (2nd Reprint).

Senate Bill 146 (2nd Reprint): Revises provisions governing the filing of an integrated resources plan with the Public Utilities Commission of Nevada. (BDR 58-15)

Kelly Richard, Committee Policy Analyst:

Senate Bill 146 (2nd Reprint) was sponsored by Senator Spearman and heard on May 8, 2017, (Exhibit D). The bill requires an electric utility to submit to the Public Utilities Commission of Nevada (PUCN) on or before July 1, 2018, a distributed resources plan as a part of the plan to increase its supply or decrease the demands on its system by its customers. The bill prescribes the minimum requirements of such a distributed resources plan. The PUCN may accept a distributed resources plan that complies with each of the minimum requirements after a hearing is held on the adequacy of the utility's resource plan. Additionally, the measure increases from 180 days to 210 days the period by which the PUCN must issue an order approving or modifying any portion of a resource plan that does not relate to the energy supply plan of the utility.

Chair Bustamante Adams:

Are there any questions from the Committee? Seeing none, I will entertain a motion.

ASSEMBLYWOMAN TOLLES MOVED TO DO PASS
ASSEMBLY BILL 146 (2ND REPRINT).

ASSEMBLYMAN BROOKS SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN OHRENSCHALL WAS ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblywoman Tolles.

The next work session is on Senate Bill 204 (1st Reprint).

Senate Bill 204 (1st Reprint): Requires the Public Utilities Commission of Nevada to investigate and establish biennial targets for certain electric utilities to procure energy storage systems under certain circumstances. (BDR 58-642)

Kelly Richard, Committee Policy Analyst:

Senate Bill 204 (1st Reprint) is sponsored by Senators Atkinson and Spearman ([Exhibit E](#)). The bill was heard in this Committee on May 8, 2017. It requires the Public Utilities Commission of Nevada (PUCN) to investigate and determine, on or before October 1, 2018, whether it is in the public interest to establish by regulation biennial targets for the procurement of energy storage systems by an electric utility. In making this determination, the PUCN must consider whether energy storage systems will achieve certain purposes. The measure further provides that, in measuring the benefits and costs of energy storage systems, the PUCN be required to consider all known and measurable benefits and costs. If the PUCN determines the benefits of the procurement of energy storage systems exceed the costs, the PUCN must establish by regulation biennial targets for the procurement of energy storage systems by an electric utility.

Chair Bustamante Adams:

Are there any questions from the Committee?

Assemblywoman Neal:

I would like more explanation for the biennial targets.

Judy Stokey, Vice President, Government and Community Strategy, NV Energy:

The targets will be set by the Public Utilities Commission of Nevada (PUCN) if they can find that it is cost effective after the study is done.

Chair Bustamante Adams:

So the study is first, and if the PUCN finds it is cost effective, the targets will be set. Are there any other questions from the Committee? Seeing none, I will call for a motion.

ASSEMBLYWOMAN JAUREGUI MOVED TO DO PASS
ASSEMBLY BILL 204 (1ST REPRINT).

ASSEMBLYWOMAN TOLLES SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN OHRENSCHALL WAS ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Brooks.

We will move to Senate Bill 209 (1st Reprint).

Senate Bill 209 (1st Reprint): Revises provisions relating to insurance. (BDR 53-485)

Kelly Richard, Committee Policy Analyst:

Senate Bill 209 (1st Reprint) was sponsored by the Senate Committee on Commerce, Labor and Energy ([Exhibit F](#)). It was heard in this Committee on May 3, 2017. As drafted, the bill eliminates the requirement that an insurer who provides industrial insurance maintain an office in this state that is operated by the insurer or its third-party administrator and authorizes an insurer to process industrial insurance claims filed in Nevada at an office located outside of this State. Such persons located outside of Nevada must be accessible to an employer and his or her employees who are located in Nevada.

The bill allows the Commissioner of Insurance to accept an independent audit in lieu of an examination of a nonprofit organization of surplus lines brokers if the Commissioner deems an independent audit to be in the best interest of the residents of Nevada. The Commissioner may adopt regulations to allow for the charging and collection of a fee by an insurance broker, consultant, or financial planner for consultation or related advice on the purchase of individual or group life or health insurance for an individual or group annuity.

An employee or authorized representative of a vendor may receive compensation from the vendor for selling or offering coverage under a policy of portable electronics insurance. Finally, the bill repeals the law authorizing the Commissioner, with the approval of the State Board of Examiners, to enter into a multistate agreement to preserve the ability of this state to collect premium tax on multistate risks.

There is an amendment attached to the work session document submitted by Robert Ostrovsky on behalf of Employers Insurance Group which would delete sections 1 through 5 of the bill.

Chair Bustamante Adams:

Are there any questions from the Committee? Seeing none, I will entertain a motion.

ASSEMBLYWOMAN CARLTON MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 209 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Assemblyman Kramer:

The amendment is still taking out the first five sections that deal with the out-of-state processing of claims by third-party administrators.

Chair Bustamante Adams:

That is correct. Is there any other discussion? Seeing none, I will call for the vote.

THE MOTION PASSED. (ASSEMBLYMAN OHRENSCHALL WAS
ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Araujo.

Our last bill on work session is Senate Bill 314 (1st Reprint).

Senate Bill 314 (1st Reprint): Revises provisions related to the installation of certain systems for obtaining wind energy. (BDR 22-482)

Kelly Richard, Committee Policy Analyst:

Senate Bill 314 (1st Reprint) was also sponsored by the Senate Committee on Commerce, Labor and Energy and heard in this Committee on May 8, 2017 ([Exhibit G](#)). The bill deletes the provision that specifies that the governing body of a city or county may impose reasonable restrictions on the use of a system for obtaining wind energy that are related to the height of the system. Instead, a governing body of a city or county is not precluded from denying an application for a permit for the installation of a system for obtaining wind energy if it determines, based on the size, height, or configuration of the system, that installation of the system represents a danger to the health, safety, or welfare of the public or is not compatible with the character of the area in which the system is located.

Chair Bustamante Adams:

Are there any questions from the Committee? Seeing none, I will entertain a motion.

ASSEMBLYWOMAN CARLTON MOVED TO DO PASS
ASSEMBLY BILL 314 (1ST REPRINT).

ASSEMBLYMAN BROOKS SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN OHRENSCHALL WAS
ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Kramer.

Is there any public comment? [There was none.] The meeting is adjourned [at 3:03 p.m.].

RESPECTFULLY SUBMITTED:

Earlene Miller
Committee Secretary

APPROVED BY:

Assemblywoman Irene Bustamante Adams, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a Work Session Document for [Assembly Bill 145 \(1st Reprint\)](#) dated May 12, 2017, presented by Kelly Richard, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit D](#) is a Work Session Document for [Assembly Bill 146 \(2nd Reprint\)](#) dated May 12, 2017, presented by Kelly Richard, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit E](#) is a Work Session Document for [Assembly Bill 204 \(1st Reprint\)](#) dated May 12, 2017, presented by Kelly Richard, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit F](#) is a Work Session Document for [Assembly Bill 209 \(1st Reprint\)](#) dated May 12, 2017, presented by Kelly Richard, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit G](#) is a Work Session Document for [Assembly Bill 314 \(1st Reprint\)](#) dated May 12, 2017, presented by Kelly Richard, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.