

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

**Seventy-Ninth Session
February 8, 2017**

The Committee on Commerce and Labor was called to order by Chair Irene Bustamante Adams at 1:31 p.m. on Wednesday, February 8, 2017, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 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
Assemblyman James Ohrenschall
Assemblywoman Jill Tolles

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Rocky Cooper, Legislative Auditor
Carol M. Stonefield, Chief Principal Research Analyst
Shannon Ryan, Audit Supervisor
Kelly Richard, Committee Policy Analyst
William Keane, Committee Counsel
Judith Bishop, Committee Manager
Earlene Miller, Committee Secretary
Pamela Carter, Committee Secretary
Kathryn Kever, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

Edward O. Cousineau, J.D., Executive Director, Board of Medical Examiners
Susan L. Fisher, representing State Board of Osteopathic Medicine
Cathy Dinauer, M.S.N., R.N., Executive Director, State Board of Nursing
Frederick R. Olmstead, General Counsel, State Board of Nursing
Michael D. Hillerby, representing State Board of Nursing
Barry Gold, Director of Government Relations, AARP Nevada
Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber of Commerce
Jessica Ferrato, representing Nevada Nurses Association
Debra Scott, Private Citizen, Fallon, Nevada
George A. Ross, representing HCA, Inc., and Sunrise Hospital and Medical Center
Marlene Lockard, representing Local 1107, Service Employees International Union
Cherie Mancini, President, Local 1107, Service Employees International Union
Amber Lopez Lasater, Director of Politics and Strategic Communication, Clark County Education Association
Tamara L. Erickson, Private Citizen, Reno, Nevada
Katrina Alvarez-Hyman, Private Citizen, Las Vegas, Nevada
Tazo Schafer, Private Citizen, Las Vegas, Nevada
Donna Sandie, Private Citizen, Reno, Nevada
Darrella McGuire, Private Citizen, Sparks, Nevada
Kari Deaton, Private Citizen, Las Vegas, Nevada
Orsburn Stone, Private Citizen, Las Vegas, Nevada
Elizabeth Bickle, Private Citizen, Las Vegas, Nevada
Shirley Schludecker, Private Citizen, Las Vegas, Nevada

Chair Bustamante Adams:

[The roll was taken.] I would like to thank Speaker Frierson for appointing me as the Chair of this Committee. Along with the Assembly Committee on Ways and Means, I believe this Committee has an enormous amount of work that affects the economic vitality of the state. As a group, we are going to determine what is best to move Nevada forward. I would like to introduce the Committee members and our staff.

Assemblywoman Maggie Carlton is our Vice Chair. She has served on this Committee for the past three sessions and before that, on the Senate Committee on Commerce, Labor and Energy for six sessions. She has institutional knowledge that is valued by our entire body.

There are six other Committee members who have previously served on this Committee, including Assemblywoman Neal, and Assemblymen Daly, Frierson, Ohrenschall, Paul Anderson, and Hansen. Our new members include Assemblywomen Jauregui and Tolles, and Assemblymen Araujo, Brooks, Kramer, and Marchant. Please welcome our new members.

I will introduce my Committee staff. My personal attaché is Sonia Mendez. Prior to working as my assistant, she was my campaign manager during the 2016 election cycle. Originally from Los Angeles, Sonia has been a Nevadan for the past eight years. When she is not working, Sonia enjoys reading, sports, and staying warm. Once session is over, she would like to complete her degree in nursing.

My legislative aide is Irma Fernandez. This is Irma's first session. Previously, she worked as the Finance Director for the Assembly Democratic Caucus. Irma was born and bred in Texas and has lived in Brazil on a Fulbright Scholarship. You can usually find her trying to watch either soccer or basketball, listening to a podcast, or reading *The New Yorker*.

Judith Bishop is our committee manager. She retired in 2012. In 2013 she was committee manager for the Assembly Committee on Taxation, which I chaired, as well as my personal attaché. This will be her seventh session. Judi has lived in northern Nevada since January 1980, and has one daughter and two grandchildren. She is part of a local "clogging" dance group. She celebrated her forty-fifth wedding anniversary last September.

Olivia Lloyd is our committee assistant. She was born and raised in Cleveland, Ohio. She moved to Nevada more than 30 years ago. This is her sixth session as a committee assistant so she is our expert. Please let her know if she can be of any assistance.

Earlene Miller is a committee secretary for the Assembly Committee on Commerce and Labor, and this is her sixth session. Prior to her retirement, she was a social worker and the assistant executive director of a private nonprofit foster care agency. She has resided in Nevada since 1974. She and her husband of 48 years have three children and five grandchildren. She enjoys traveling, snorkeling, quilting, and being with her family.

Pamela Carter is a committee secretary. She has worked in health care compliance for over 30 years at the federal and state levels. She works closely with the Division of Public and Behavioral Health, Department of Health and Human Services. She has worked on new facility development for Humana acute care hospitals in seven states and long-term care and rehabilitative facilities in Nevada, Arizona, California, Colorado, Illinois, Indiana, Virginia, and Washington, D.C. She enjoys golf, hiking with her dogs, and classical piano.

Kathryn Keever is our third committee secretary. This is her first session. She has a background in education and grant writing and is a fourth-generation Nevadan. She has two children. She enjoys hot-air ballooning and serves as a volunteer at a hot-air balloon camp that teaches ballooning skills to youth. She also enjoys learning about Nevada history, gardening, and reading.

Kelly Richard is our committee policy analyst. Kelly has worked for the Legislative Counsel Bureau (LCB) since 2004. She previously served as staff for the Senate Committees on Commerce, Labor and Energy; Economic Development; and Transportation. She is a graduate of the University of Nevada and holds a bachelor's degree in political science and a master's degree in business administration. Kelly lives in Reno with her husband and four of their five children. Their oldest child recently enlisted in the United States Army.

William "Wil" Keane is our legal counsel. He has worked for LCB for 19 years. He received his law degree from Yale Law School and is a member of the Nevada and California Bar Associations. He served as the committee counsel for the Assembly Committee on Commerce and Labor in 2003, for the Senate Committee on Commerce, Labor and Energy in 2007, and for numerous interim studies and standing committees. He also served for several years as the chief litigation counsel, and served for several legislative sessions as the supervising attorney for the team of attorneys within the LCB's Legal Division. Wil and his wife live in Reno.

Our first business is to review and approve the 2017 Assembly Committee on Commerce and Labor Standing Policies ([Exhibit C](#)).

Kelly Richard, Committee Policy Analyst:

I will briefly go over Assembly Standing Rule No. 54. The Chair has asked that the members and the public who are testifying follow the outline in Rule No. 54 as it pertains to support, opposition, and neutral. If you are testifying in support of a bill, that means you either approve the measure as written or you approve the measure as written along with proposed amendments that have been approved by the sponsor of the bill. If you are in opposition, that means you do not support the measure as written, and/or you have an amendment that has not been approved by the sponsor. If you are in the neutral position on a bill or resolution, it means you are offering information and you do not take a policy stand one way or the other on the bill. Please be sure when you make your remarks that you do so during the appropriate time.

The proponents of a measure will get 15 minutes to present the bill. After that time, testifiers in support, opposition, or neutral will have approximately four minutes to discuss the bill. Public comment will be restricted to the bill. During public comment at the end of the hearing, discussion will be limited to what we have discussed in the Committee meeting.

I will explain the standing policies of the Committee. The exhibits, supporting documents, and handouts must be submitted electronically to the committee manager no later than 5 p.m. the day before the meeting which is the same for all committees in the standing rules. Make sure you have your name, the name of the organization represented, and contact information in case we have a problem uploading your document. If you have an amendment, the rules are the same. The Chair may need additional information before we can allow inclusion in the public records.

If testifying using a PowerPoint presentation, provide an electronic version in a pdf format or on a flash drive to the committee manager no later than 5 p.m. the day before the meeting. You will need to bring 20 paper copies so the public who may not have access to the Nevada Electronic Legislative Information System can see what you are talking about as we move through the bills. Make sure you put your name and the organization you represent on the sign-in sheet so we have a complete record of everyone who has attended the meeting. When testifying, state your name and whom you represent, if appropriate. If you have a bill to bring before the Committee or you know of someone who needs to testify from another location, please reach out to the committee manager as early as possible so we can set up videoconferencing and get a larger room if needed. Laptops and handheld devices must be muted or silenced during hearings.

Chair Bustamante Adams:

Our Committee is scheduled to meet on Mondays, Wednesdays, and Fridays at 1:30 p.m. and that is upon adjournment of the Assembly floor session. I will appoint a Subcommittee on Energy. During the past two sessions, this Committee has spent a substantial amount of time discussing changes to our state's energy policies. These changes have profoundly affected our economy and the utility bills of our constituents, often affecting consumers least able to afford increases. The Subcommittee on Energy will provide a venue where we can more closely examine the various energy bills referred to our Committee. Meeting throughout the session, the Subcommittee on Energy will delve deeply into the current energy policy and take a hard look at new proposals. The Subcommittee on Energy will meet on Mondays and Wednesdays at 4 p.m. in Room 4100 and will be composed of Assemblymen Paul Anderson, Araujo, Brooks, Bustamante Adams, Carlton, Jauregui, and Tolles. Assemblyman Brooks will serve as Chair. The first meeting is scheduled for Monday, February 13, 2017.

One of the largest groups of bills we will hear have to do with boards and commissions that affect the state. We will have a presentation from the Sunset Subcommittee of the Legislative Commission and also from the Audit Division of the LCB. We will then have presentations from the Board of Medical Examiners, the State Board of Osteopathic Medicine, and the State Board of Nursing. We will start with the Sunset Subcommittee of the Legislative Commission.

Carol M. Stonefield, Chief Principal Research Analyst, Research Division, Legislative Counsel Bureau:

I have been the policy analyst to the Sunset Subcommittee of the Legislative Commission for the last couple of interims. The Sunset Subcommittee was established in 2011 with the passage of Senate Bill 251 of the 76th Session. It had bipartisan support. It grew out of the recommendation from the Spending and Government Efficiency (SAGE) Commission that was created about 2008 under Governor Gibbons. The Sunset Subcommittee consists of six legislative members, three Senators appointed by the Majority Leader, and three Assemblymen appointed by the Speaker. There are three additional nonvoting, nonlegislative members who are nominated by the Governor and appointed by the Chair of the Legislative Commission. The Sunset Subcommittee is codified in *Nevada Revised Statutes* (NRS) 232B.210. It has the responsibility to review all boards, commissions, committees, councils, authorities, panels, and similar entities that are created by statute. Specifically outside of its purview are those boards and commissions created in the *Nevada Constitution* such as the Board of Regents of the Nevada System of Higher Education or that are created by executive order.

The Sunset Subcommittee is required by statute to make its recommendations to the Legislative Commission. As it reviews any boards and commissions, it is charged with recommending that the board should be continued; modified, which would include amendments to NRS; consolidated with another entity; or terminated. If terminated, the responsibilities and functions of the board could possibly be transferred to another entity.

In the three interims that the Sunset Subcommittee has been functioning, it has reviewed 91 individual boards and 3 of those have been before the Sunset Subcommittee twice. In the first two interims, the Sunset Subcommittee recommended terminating 13 entities, modifying 15 boards and commissions, and consolidating 2 licensing boards into 1. In the 2015-2016 Interim, it also recommended terminating another six entities, modifying ten more, and consolidating two authorities that regulate transportation into one new department. Those are proposals before the 2017 Legislature.

The Chairs of the Sunset Subcommittee have permitted the members to select the boards and commissions that they wish to review. In the 2013-2014 Interim, Chair Bustamante Adams made a concerted effort to identify inactive boards. We searched the records to see which boards had not had members for a long time or had not met for a long time. Senator Settlemeyer, the Chair in the 2015-2016 Interim, also continued that review of inactive boards. Of those inactive boards, there were a couple that were reactivated, such as the Nevada Commission for Women. Once some of them get some attention, then there is interest in reactivating them. Another example of reactivation is the New Energy Industry Task Force which met in the last interim. Some entities have been terminated and their responsibilities transferred to another entity. A number of those that were inactive were assigned to the Department of Health and Human Services. We received testimony from representatives of the Department that they had to deal with so many advisory committees that they could not find people who were interested in serving on them.

The Sunset Subcommittee learned that some of the advisory committees and councils have no budgets or funds and the members receive no reimbursement for their expenses, so the departments have difficulty finding people who have the resources and time to serve on them. An example was the Advisory Committee on the Arthritis Prevention and Control Program. When the Sunset Subcommittee recommended that it be terminated, it also recommended transferring those responsibilities to the Advisory Council on the State Program for Wellness and the Prevention of Chronic Disease. Where there is a responsibility to a committee or a board that the Sunset Subcommittee has recommended for termination, it has also recommended that those responsibilities be transferred to another entity.

Some of the entities which were recommended for termination are obsolete. Some had not had members for 20 years. The LCB Research Library works with us to search its records, the records of the Division of State Library, Archives and Public Records to see if we can learn how the board or commission was created, when it last had members, and so on. In the hearing procedures, the Sunset Subcommittee always provides each entity with an opportunity for a public hearing. Representatives of the board or commission are given an opportunity to comment. The Sunset Subcommittee has adopted a questionnaire that every board and commission under its review is requested to complete. They are also requested to submit their minutes for the last six meetings, their budgets, financial statements, information if they have any regulations pending before the Legislative Commission, and anything else that may be of value in understanding the functions and purpose of that board or commission.

The Sunset Subcommittee gives every board and commission an opportunity to make requests for revisions to its statutes. The Sunset Subcommittee will accept, adopt, and forward those recommendations. Some of the boards and committees have not been before the Legislature in a long time, so this is an opportunity to present to a legislative committee who they are, what they do, and if they think there are recommendations that would enable them to operate more efficiently. We have had one or two entities request to be terminated because they felt their purpose was no longer timely for the people of Nevada. There is also an opportunity for public comment, which has drawn a significant number of people who want to speak about issues that are before the Sunset Subcommittee.

There have been some interesting examples of issues that the Sunset Subcommittee has considered. In the 2011-2012 Interim, it reviewed the Nevada State Funeral Board and recommended the Board be terminated because of concerns about operations. The Legislature decided not to terminate the entity, but to reconstitute it into the Nevada Funeral and Cemetery Services Board with all new members and staff. It also recommended that the Board report to the Sunset Subcommittee for the following interim. The Sunset Subcommittee continues its review of boards and wants periodic status reports of what the boards are doing if there are recommendations for changes.

In the 2013–2014 Interim, the Sunset Subcommittee had concerns about people licensed from the Board of Examiners for Audiology and Speech Pathology and the Board of Hearing Aid Specialists. Some of these people held dual licenses and it seemed to be an inefficient

service to the people of Nevada. They recommended consolidating the two boards. The Sunset Subcommittee continued to monitor the boards and received periodic reports from them during the next interim.

In the 2015-2016 Interim, the Sunset Subcommittee reviewed several entities that drew public comments, including the Taxicab Authority and the Public Utilities Commission of Nevada. Another board that received considerable comment was the Board of Dental Examiners of Nevada. Because the Sunset Subcommittee had some concerns about operations, they requested an audit from the Legislative Auditor. The Sunset Subcommittee has the authority in NRS to request up to four audits in any biennium. It exercised that prerogative in the past interim. It was a very specific and limited audit.

The Sunset Subcommittee also looked at the State Board of Oriental Medicine for the second time in three interims. It has some concerns about the operations and made some recommendations for changes. If the Legislature agrees, this Board would continue to be monitored by the Sunset Subcommittee into the next interim.

That is a brief summary of the activities of the Sunset Subcommittee. Some of these boards are very old and go back to the late 1800s. They may not have been reviewed by the Legislature for a long time. This gives the Legislature an opportunity to look into these boards and gives the boards an opportunity to present before a legislative committee.

The Sunset Subcommittee has recommended the 2017 Legislature extend the period it operates. It is currently provided in statute to complete its work by June 30 and make recommendations. It has requested to be allowed to work further into the interim. Other statutory committees report their findings by August 31. That is one of the suggestions the Legislature will consider this session,

Chair Bustamante Adams:

Are there any questions from the Committee? [There were none.]

Rocky Cooper, Legislative Auditor, Audit Division, Legislative Counsel Bureau:

The Audit Division provides oversight of licensing boards in two ways. It conducts performance audits and reviews financial audits. The main function of the Audit Division is to perform in accordance with government auditing standards. The audit of the Board of Dental Examiners of Nevada is a good example of our performance audits where we were able to address concerns of the Sunset Subcommittee. We no longer perform financial audits in our office because we felt the Legislature was not getting the information it needed. We moved to performance audits so we can provide more accountability in state government. We review financial information that is required to be submitted to our office by December 1 of each year.

The purpose of performance audits is to improve state government by providing the Legislature with independent and reliable information about the operations of state agencies, programs, and functions. Performance audits provide an objective analysis to improve

program performance, reduce costs, facilitate decision making, and contribute to public accountability. The objectives of performance audits are generally intended to answer questions regarding program efficiency and effectiveness, internal controls over key functions, and compliance with laws and regulations. In the case of the Board of Dental Examiners of Nevada, our audit objective as requested by the Sunset Subcommittee was to determine whether the Board has assessed reasonable costs to licensees for investigating and resolving complaints in disciplinary matters. This objective was intended to address concerns that the costs of investigations charged to licensees were excessive in relation to the matter being investigated.

Our audit concluded the Board of Dental Examiners of Nevada did not always assess reasonable costs to licensees for investigating and resolving complaints in disciplinary matters. The Board overcharged licensees for its investigative costs in almost half of its investigations and some were over \$1,000. Four licensees agreed and approved stipulation agreements to donate over \$140,000 to organizations that provide health-related services. These charitable contributions are not allowed by statute and were not recorded in the agency's books. The Board exceeded its approved contract amount for legal services. The contract approved by the Board of Dental Examiners of Nevada was for \$175,000 a year, but the Board paid over \$300,000 a year. The Board could also save over \$100,000 by hiring a general counsel instead of contracting for legal services. We found investigation results and conclusions were not reviewed by supervisors or an independent review committee, whereas dental boards in other states and other Nevada boards had a review process in place to verify conclusions and recommendations based on clear and sufficient evidence. We also found the Board did not maintain critical documentation related to the disciplinary process and lacked an organized filing method for recordkeeping. In this audit, we had 14 recommendations to improve the Board's operations. The success of performance audits often depends on the Legislature's support.

The purpose of financial statement audits is to determine whether an entity's reported financial condition is presented in accordance with recognized criteria. Financial statement audits provide an independent assessment or opinion of whether the entity's reported financial information is presented fairly and free of material misstatement. Financial statements provide information about entities' assets such as cash; liabilities such as accounts payable; revenues such as license fees collected; and expenditures such as payroll. Therefore, this type of audit is not focused on making recommendations to improve the entity's operations. For example, the financial audit of the Board of Dental Examiners of Nevada contains no recommendations.

Financial audits provide valuable information so that board members and others can understand a board's financial activities and condition. In addition, financial audits would report if fraudulent transactions have been identified by the entity or the auditors. Some financial statements include recommendations to improve controls over financial reporting. Related to our oversight of state licensing boards, we review financial information received from 34 occupational and professional licensing boards. These boards do not receive state appropriations and are not included in The Executive Budget.

Shannon Ryan, Audit Supervisor, Audit Division, Legislative Counsel Bureau:

We submitted a letter written January 30, 2017. It is a synopsis of our review of the financial information reported by certain state occupational boards for 2016 ([Exhibit D](#)). *Nevada Revised Statutes* (NRS) 218G.400 requires boards to be audited annually, or biennially if revenues exceed \$75,000 in any fiscal year. Boards with revenues less than that can submit to us a balance sheet for each year. All reports must be submitted by December 1 following the end of the entities' fiscal year.

The first board that we discussed is the Nevada State Board of Optometry which did not file the required audit report. We contacted the Board which indicated the audit was not completed because the prior Executive Director died and the current Executive Director was not aware of the requirement. They were also in the process of hiring a new auditor to perform the audit and, therefore, did not know when the audit would be completed and submitted to us.

The State Board of Physical Therapy Examiners underwent a financial audit for fiscal years 2015 and 2016. The auditors indicated there were not adequate records to support expenditures or expenses for the two fiscal years. As a result, the auditors issued a disclaimer of opinion on that board. They were unable to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the Board's financial statements. The audit report also indicated the prior Executive Director may have received compensation that was not Board-approved and may have had personal expenses paid for with Board funds. We requested further information, and they indicated they had contacted the Office of the Attorney General for guidance. The Office of the Attorney General told them that supporting documentation would be necessary for them to further an investigation. The Board did not pursue the matter because supporting documentation was not available and an investigation would be costly compared with the anticipated dollar value of the misspent funds. The Executive Director indicated that the Board has improved controls related to cash receipts and disbursements.

We had two boards with audit reports with modified opinions. These were the State Board of Cosmetology and the Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors. These boards had modified opinions because they did not adopt Governmental Accounting Standards Board Statement No. 68, which relates to accounting and financial reporting for pensions. We will continue to monitor both of these boards to assure they accept Statement No. 68 in the future.

At the bottom of page 2 of our letter ([Exhibit D](#)) there is a list of boards that were current with our filing requirements. Attachment A shows the revenues, expenditures, and fund balance or net assets of each of the boards that reported to us for fiscal year 2016.

Chair Bustamante Adams:

Are there any questions from the Committee?

Assemblywoman Jauregui:

What happens to boards that do not submit their audits? Is there a fine assessed?

Rocky Cooper:

We do not have the authority to assess fines. We keep hounding them and keep reporting our information to the Legislature. Usually over a period of time, things get corrected in those situations. We do a biannual report so we will be reporting to the Legislature in July of this year. We keep notifying the board and the board members. If there is a situation where there is potential fraud, we would contact the Office of the Attorney General. In 2014, I was the supervisor for the boards and the information did not look correct on a balance sheet submitted to our office. We kept asking enough questions and writing enough letters. I ended up getting a nasty phone call from the Executive Director saying I made her look like a crook. A couple of weeks later, she confessed and was prosecuted by the Office of the Attorney General.

Assemblywoman Neal:

There was a statement about the audit on the State Board of Physical Therapy Examiners where the Executive Director indicated they had limited resources to do an investigation and it would be costly. What is the average cost of an investigation if they were going to look into the misuse of funds for the personal expenditure? How much did the Board raise in the prior year?

Rocky Cooper:

Regarding the cost of a potential investigation, it is very difficult in this situation because it is our understanding that they do not have the records. We have encountered this in some organizations. They represented to us the amount of potential misuse was small. We would have to get back to you on the amount of money that Board raised in the prior fiscal year.

Assemblywoman Neal:

In general, what is the cost of an investigation?

Shannon Ryan:

We had a board that had a forensic audit last year and it cost between \$7,000 and \$10,000. The attorney's fees for the Office of the Attorney General also climbed dramatically from the prior year, and they are included in the investigation as well.

Assemblywoman Carlton:

When I see the reserves of some of our boards, they are fairly large. Is there a standard for reserves, considering taking into account the size of the board and previous history? We do not want to put a board in the position of not being able to legally deal with the issues in front of them. We do not want them not to prosecute because they do not have the money.

But when you see a board that has over \$8 million in reserves and assets and another with \$2.3 million, I have to wonder if we are charging the licensees too much. Is there a standard we could look at?

Rocky Cooper:

I do not believe there is, but we could look for one. I agree with your statement that some of these boards have excessive reserves. I know the State Contractors' Board gave the licensees a large refund, but their fund balance is still high. It is something that should be investigated by the Sunset Subcommittee or others because many boards do not need more than a year of reserves unless they are small boards and anticipate lawsuits.

Assemblywoman Carlton:

I would like to be able to take the historical perspective of what a complicated case would cost. So maybe one year of revenue and the cost to finance one case, so you could use a baseline for reserves. I believe the issue with the State Contractors' Board was that many of our contractors went out of business, so there was no business to receive the refund. When we see excessive reserves, we need to have a baseline on how to address those.

Chair Bustamante Adams:

Are there any other questions from the Committee? [There were none.] We will now hear the board overviews.

Edward O. Cousineau, J.D., Executive Director, Board of Medical Examiners:

I provided a four-page exhibit to the Committee ([Exhibit E](#)). The second page is statistical data regarding the Board of Medical Examiners' licensing. There is a comparison between 2015 and 2016 regarding the number of individuals licensed in the state. There is an approximately 11 percent increase in the number of medical doctor licensees in 2016. There is a significant increase of approximately 33 percent in the number of limited license or resident licenses issued in 2016. We believe that is related to the new sources of graduate medical education (GME) funding that have been put in place. We expect those numbers to continue with the advent of the new medical schools being established in Las Vegas. The three categories including physician assistants, practitioners of respiratory care, and perfusionists remain nearly static compared to 2015. Overall, there was a total increase of approximately 124 licenses issued.

The total number of medical doctors in the state as of February 2, 2017, is in two categories: active or inactive. The total number is 8,628. The number of residents licensed in 2016 was 381; physician assistants, 927; practitioners of respiratory care, 1,676; and perfusionists, 49. We have added 19 more licensees to those figures as of today for a total of 11,680.

I was asked to give an update as to the status of the Interstate Medical Licensure Compact as it relates to the Board of Medical Examiners. In May 2015, legislation was adopted and signed by the Governor which allowed us to become the ninth state to be a member state. The Compact is not a new licensure category. It is a different pathway to obtain licensure. It is hoped that based on the statutory allowances that are in place, it will be an avenue to

expedite it and allow individuals who obtained licensure in a state of primary jurisdiction to more expeditiously obtain licensure in other states that are members of the compact. It will certainly facilitate licensure portability and ultimately help individuals seeking licensure for telemedicine. In Nevada, particularly in the rural counties, being underserved is a real concern. Eighteen states have adopted Interstate Medical Licensure Compact model legislation. Five states have that legislation being contemplated.

I serve as one of the voting members and am one of two Nevada commissioners on the Interstate Medical Licensure Compact Commission (IMLCC). One resides with the Board of Medical Examiners and one resides with the State Board of Osteopathic Medicine. Barbara Longo, the Executive Director of the State Board of Osteopathic Medicine was the other commissioner, but recently retired.

The Interstate Medical Licensure Compact has evolved from its infancy state to close to working stage. The executive director will be hired in a few months and assist with the day-to-day activities which are currently borne by the commissioners. We have had approximately 12 regular and telephonic meetings and in-person meetings since the IMLCC had its first meeting in October 2015 in Chicago. I believe that having a central office and an executive director will increase the alacrity for which the IMLCC ultimately becomes functional and operational.

The Board of Medical Examiners is seeking a change to the current language in NRS 630.167. It has been indicated by the Department of Public Safety that individuals who seek to obtain licensure through the Compact will not be able to have their fingerprints processed. A criminal background check is one of the requirements. The rationale there is that they deem the Compact license to be an "expedited" license. It is the position of the Federal Bureau of Investigation that our statutory construct currently does not allow for the fingerprinting to be had as it relates to any expedited license. Several other states along with Nevada, including Minnesota and Montana, have received letters from their state departments of public safety saying they will not be able to process the fingerprints. I learned there may be up to ten other states in the same predicament. It is important that we get language back to the federal level to ensure that the language we are proposing will meet their legal standards. *Nevada Revised Statutes* 630.167 says an individual seeking a license to practice medicine will obtain fingerprinting. This Compact license is a license to practice medicine, so we do not agree with their interpretation. We are going to try to do everything to satisfy their requirements. We are working to get that resolved.

There is a website, at www.licenseportability.org that provides a diagram of all of the states that have adopted the Interstate Medical Licensure Compact, as well as states that are still contemplating adoption. What the Compact involves is spelled out in NRS Chapter 629A.

The Board of Medical Examiners has set up an opioid awareness website called knowyourpainmeds.com. We worked collaboratively with the State Board of Pharmacy, the State Board of Osteopathic Medicine, the State Board of Nursing, and the Board of Dental Examiners of Nevada. We felt this was very important and recognized when the Governor

had his opioid summit that we as a Board needed to do more. We thought this was one of several steps that we could take to try to address the concern. The main objective was to have a one-stop shop for individuals who have concerns about the potential impact of opioids. I think it was important for consumers to be aware of the Nevada Prescription Monitoring Program which is run by the State Board of Pharmacy which also has a website. This is a common portal where individuals who have concerns about a prescribing practitioner can file complaints. It is a direct link to the boards to file a complaint. The website also provides information regarding alternatives to the use of opioids. We try to stress that alternatives are often desirable to opioid prescriptions. There are also resources for people who feel they need intervention that are provided in the website. I think all of the regulatory bodies understand that the opioid crisis is very real at the state and national levels. I want to be clear that this is not a fleeting effort. The Board of Medical Examiners intends that the website exist for an extended period. We want to ensure we initiate an advertising campaign and that the campaign continues. We will be using television and radio advertisements. We have reached out to some state leaders to seek their assistance for some sound bites to further the message. We have also established search engine marketing and social media advertising.

Chair Bustamante Adams:

Are there any questions from the Committee?

Assemblyman Daly:

You mentioned that hopefully the rural areas will be better serviced by the Interstate Medical Licensure Compact. Do you have any data on how many people will be licensed through it and how many will actually go to the rural areas?

Edward Cousineau:

The Compact is not fully engaged. This is something we are working towards. Our desire is to attract people who can practice via telemedicine. It is not the only purpose of the Compact, but we believe that will be one of the significant benefits.

Assemblyman Daly:

If doctors come in through the Compact, they are more likely to be a sole proprietor and operate their own business. Is it a different dynamic than some other licensing compacts?

Edward Cousineau:

I would have a hard time responding to that. I do not know what the specialties are going to be or what their intentions will be. We are thinking general practitioners, family practitioners, and internal medicine doctors could provide that care to the rural communities, but there are no restrictions or requirements to have a certain specialty. Certain specialties may be desired, but the Board of Medical Examiners does not recruit.

Assemblyman Daly:

I was trying to say that typically these doctors are not employees. This made me think of our health and welfare trust fund which now pays for virtual doctors. Are we utilizing that and has there been any progress in that, especially for the rural areas?

Edward Cousineau:

For many years in Nevada, it has been that if you have an unrestricted license, you can practice telemedicine. A person interfacing with a Nevada patient needs to be licensed in Nevada. In 2013, we put in place a licensure category specifically for telemedicine called a special purpose license. The Compact encourages people to come to the state because it is so easy and they do not have to go through the multiple steps. Once they have established that they meet the threshold requirements in the state of primary practice, they will get a letter of qualification when an individual seeks licensure through the Compact. That letter is sent out to the state that is requesting licensure so they can get a license in a matter of days. It is designed to try to encourage people to get licensed in the Compact states because it is effortless compared with how it currently exists.

Assemblywoman Carlton:

How does the portal fit in with the mission of the Board of Medical Examiners and your legislative declaration which is all about ensuring the public is safe from doctors. Is this portal geared to physicians or the public?

Edward Cousineau:

I believe it is more geared to the public. Public protection is our charge.

Assemblywoman Carlton:

What type of outreach and education do you offer doctors as far as this issue goes? That seems to me to be more your mission.

Edward Cousineau:

We have a two-hour outreach program that has several slides dedicated to new laws from the last session as well as reminders of the existing requirements. We presented that program last August to about 200 people in Las Vegas; last September to about 100 people in Reno; and in November to about 30 people in Elko. We have two or three more of these programs scheduled in the spring in Las Vegas. We do not have a specific program dedicated to it, but it is certainly something we talk about in our outreach. We also have a quarterly newsletter and we are constantly sending our licensees information about prescribing and have been for years. As an incentive to attend our live programs, the attendees get continuing education credits because the program has been accredited by the University of Nevada, Reno. I think the website is directed towards consumers.

Assemblywoman Carlton:

I have always thought you were a regulatory body, and I hope your focus will stay there because we have had problems with that in the past.

Chair Bustamante Adams:

We will move to the next board.

Susan L. Fisher, representing State Board of Osteopathic Medicine:

The State Board of Osteopathic Medicine has a new Executive Director as of three weeks ago, Sandy Reed. We currently have over 1,200 active osteopathic physicians licensees and 100 active licensed physician assistants ([Exhibit F](#)). All applications, per statute, are available online for applicants to get a new license, renew a license, get a license by endorsement, get a reinstatement, make changes, and get verifications. About 50 percent of new applicants opt to apply online and about 90 percent of renewing licensees apply online. At any given time, we have a number of pending new or renewal applications. A lot of the applications are pending because the application is incomplete. We immediately review the applications and the staff notifies new applicants immediately of deficient applications so it does not wait until a Board review before we ask for that information. As current licensees approach their renewal period, we reach out to them to let them know they are near their renewal period so there will not be any lapse in licensing. We always have a list of licensees who are pending who do not respond. Maybe they have decided they do not want to come to Nevada, have moved and/or opted not to maintain licensing, but have not notified the State Board of Osteopathic Medicine.

We do a case-by-case review on disciplinary issues. If a new applicant has any disciplinary issues, we make sure those issues are resolved. We include personal questions by the Board when applicants are interviewed. If they have had multiple medical malpractice cases filed against them, we discuss that. We investigate if they have a record of alcohol or other substance abuse issues, use any falsifications in their records, or have a negative fingerprint report. A lot of the processes we do are similar to what the Board of Medical Examiners does. In 2014, we stopped requiring physician assistants to credential through the Federation Credentials Verification Service, and this has shortened the application time for physician assistants by about 30 days.

Currently, when we get a complete application, it can be processed in 30 to 45 days. We are always looking for ways to expedite the process. The Legislature passed Assembly Bill 89 of the 78th Session which allows regulatory boards to provide a discount on licensing fees to veterans and their spouses. That is in effect now, and we have had some applicants. It also allows for licensing by endorsement for osteopathic doctors if the veterans meet the certain required qualifications.

We are anticipating the first license through the Interstate Medical Licensure Compact will be issued in March 2017. It has taken a long time to go through the entire process. We have been very involved with setting up and reviewing all the regulations for all the states to be sure they all fit together. They have hired an executive director to oversee a central repository and our new Executive Director will be active with the IMLCC as well.

Cathy Dinauer, M.S.N., R.N., Executive Director, State Board of Nursing:

We distributed a fact sheet about the State Board of Nursing ([Exhibit G](#)). The State Board of Nursing is a Title 54 board made up of seven members appointed by the Governor. Like other Title 54 boards and commissions, the State Board of Nursing is funded through licensure fees and receives no State General Fund money. Our mission is to protect the public through the regulation of nursing. Currently, we have 49,178 license and certificate holders in the state. We have registered nurses, licensed practical nurses, certified nursing assistants, advanced practice registered nurses, emergency medical service registered nurses, and certified registered nurse anesthetists. In Nevada, it takes approximately five days for a certified nursing assistant and/or a registered nurse/licensed practical nurse to be issued a temporary license or certificate which is good for six months. That is through endorsement providing there are no problems with the application. That allows them to work as soon as they are issued the temporary license or certificate. Our fees are \$100 for nurses to endorse. That fee has not changed in about 20 years.

We discipline through regulation. In the last fiscal year, we received 923 complaints regarding licensees and certificate holders. Of those, we closed the majority on the basis of lack of evidence or no violation of the Nevada Nurse Practice Act [NRS Chapter 632]. It takes approximately 100 days to resolve a complaint. We keep statistics on every complaint and we open every investigation. The number one reason that nurses are disciplined in the state is for not doing their continuing education. That is 100 percent preventable, and we do not like to have to discipline for that. Failure to collaborate with the health care team and practicing without a license or certificate are other types of complaints filed.

The State Board of Nursing also educates. We approve our nursing programs. We have 11 fully approved nursing programs and 24 certified nursing assistant programs. Some programs are in provisional status. There is a table ([Exhibit G](#)) showing the number of degrees issued in the last year. There were 2,392 total graduates. We have a staff of 26 and 2 offices in Reno and Las Vegas. Both offices are able to accept and process applications. We handle fingerprints in both offices. Our goal is to make the application as seamless as possible.

Chair Bustamante Adams:

Are there any questions from the Committee?

Assemblyman Kramer:

What type of reciprocity is there between Nevada and other states for nurses and how can nurses go from one state to another?

Cathy Dinauer:

We are not part of a compact, so now a person coming to our state would have to get a license in our state. If a nurse in Nevada decides to go to another state, he or she would have to get another license in that state.

Chair Bustamante Adams:

I will open the hearing on Assembly Bill 18.

Assembly Bill 18: Ratifies the Nurse Licensure Compact. (BDR 54-182)

Cathy Dinauer, M.S.N., R.N., Executive Director, State Board of Nursing:

I have been a nurse for almost 37 years. I started in the emergency department in southcentral Los Angeles. I went into management and then into administration. As a nurse, I have never wavered from my passion for this profession. Regardless of any of the positions I have ever held, it has always been about the patient, how can I protect and advocate for the patient. I think everyone here today can agree that we want to do what is best for our patients. All patients deserve and have a right to expect that the nurse caring for them is competent, has met standard qualifications and is not impaired. The mission of the State Board of Nursing is to protect the public through effective regulation.

The Nurse Licensure Compact is often referred to as "the Compact." It was launched in 2000 as an initiative to expand the mobility of nurses as part of our nation's health care delivery system. The Compact involves registered nurses and licensed practical nurses only. There is a separate compact for advanced practice registered nurses. This Nurse Licensure Compact allows a nurse to have the ability to practice across state lines physically and electronically through a seamless process without additional applications or fees. It ensures and encourages communication between the Compact states on important issues such as investigations and discipline and provides many benefits, including a reduction in redundant regulatory processes or fees for individuals who, for example, are part of the military or have spouses in the military who may need to relocate. It sets uniform licensure requirements for each multistate license including graduating from a qualifying education program, passing a national exam, having an unrestricted license, submitting to criminal background checks, and having a social security number. The original Compact has 25 states and those states met on a regular basis. In May 2015, the states agreed on an enhanced Nurse Licensure Compact that would include criminal background checks. Currently, there are ten states in the enhanced Compact with several states seeking approval this year. You have a map in the packet of information provided ([Exhibit H](#)).

The current licensing structure is not flexible enough to accommodate the mobility of the workforce and the growth of telehealth. The enhanced Nurse Licensure Compact allows a nurse to have one license in his or her home state and practice under that license on a privilege to practice in all of the states in the Compact, which eases the regulatory burden. It provides access to health care, mobile workforce, patient safety, and an ease of regulatory burdens. Those impacted by Assembly Bill 18 would be all Nevada nurses who would gain privileges to practice in all those Compact states without having to go through their licensure requirements. They would have to meet the licensure requirements in their home state.

We would like to thank the Nevada Hospital Association, the Nevada Rural Hospital Partners, the Nevada Organization of Nurse Leaders, the Nevada Nurses Association, and the Nevada Action Coalition for supporting us. On a national level, the Compact has received

letters of support from the National Military Family Association, the American Organization of Nurse Executives, and the American Association of Colleges of Nursing. The enhanced Nurse Licensure Compact provides the ability for a nurse to practice in multiple states with one license. It provides immediate assistance to a state experiencing a disaster. It provides us with the ability to facilitate and communicate discipline cases across state lines. So that we are obligated, all Compact states must communicate with each other regarding discipline or investigations going on within their state. The Compact clarifies the nurse's authority to practice in multiple states via telehealth. This is all done without lowering the standards set forth in our Nevada Nurse Practice Act.

It costs \$6,000 a year for the state to be part of the enhanced Nurse Licensure Compact. There is a fiscal impact to our revenue that we have already vetted. We will not increase the licensure fees to offset the cost of the Compact.

Frederick R. Olmstead, General Counsel, State Board of Nursing:

I will go through the bill. Article I of the Nurse Licensure Compact is titled, "Findings and Declaration of Purpose." These findings are either acceptable at first reading, or after discussion, you will accept these findings. Of interest is section a, subsection 3 stating, "The expanded mobility of nurses and the use of advanced communication technologies as part of our nation's health care delivery system require greater coordination and cooperation among states in the areas of nurse licensure and regulation." We are looking to the future. In the latest issue of *RN Information*, the president noted that about one-third of the nursing workforce will retire over the next ten years. We are looking at a future where one-third of our nurses are going to retire in the next ten years. To meet that need, greater mobility is necessary and one compact is the way to get a greater pool of nursing available to Nevada.

In Article I, section b, subsection 5, one of the purposes is to invest all party states with the authority to hold a nurse accountable for meeting all state practice laws in the state in which the patient is located at the time the care is rendered. We already do this. If a nurse is practicing nursing in Nevada and the patient is in Nevada, we hold that nurse accountable for the patient care provided. This reinforces that the State Board of Nursing has the ability to hold that nurse accountable. It is sad that we talk about discipline and holding a nurse accountable because only 1 to 2 percent of nurses are ever disciplined. If nurses act inappropriately, we have the jurisdiction to impact their license.

Article II of the Nurse Licensure Compact is titled "Definitions." It discusses the multistate license privilege. Section c refers to the "Coordinated licensure information system." That is a national database that has information on nurses and discipline that we can access. There is already a database to which we belong, but there is another database that will have greater scrutiny and information.

Article III states the basic principle in section a: "A multistate license to practice registered or licensed practical/vocational nursing is issued by a home state to a resident in that home state will be recognized by each party state as authorizing a nurse to practice . . . under a multistate licensure privilege, in each party state." If we are part of the Compact and Utah is

part of the Compact, the nurse has the home state of Utah and a multistate privilege in Utah, he or she can come to Nevada and practice without doing anything else. They do not have to notify us or Utah. They just have to practice safely in Nevada based on the multistate privilege. That is the purpose of the Compact. So a nurse can live in Truckee and have a California license. They currently have to have a Nevada license to practice in Reno. Nurses can have a license in Utah and they can come to Nevada and practice, and we will never know if they practice safely and have a multistate privilege. That is the greater access to care.

There will be questions that if we sign on to this, does this Compact require the nurses to be as qualified as the nurses in Nevada. Every requirement outlined in Article III matches the requirements in *Nevada Revised Statutes*. I did the comparison ([Exhibit I](#)) to be able to show that the basic licensure requirements are equal to our own. The requirements are all listed on page 5 of A.B. 18.

In Article III, section d, of the Compact, it states, "All party states shall be authorized, in accordance with existing state due process law, to take adverse action against a nurse's multistate licensure privilege such as revocation, suspension, probation or any other action that affects a nurse's authorization to practice under a multistate licensure privilege, including cease and desist actions." That is what we do now. If nurses take missteps in Nevada and they have a Nevada license, we have jurisdiction over them and we can take actions against them. If you replace "nursing license in Nevada" with "multistate privilege," that is exactly what is done now. We will be able to take action against the multistate privilege.

Section e of Article III says, "A nurse practicing in a party state must comply with the state practice laws of the state in which the client is located at the time service is provided." If they are providing telenursing from Utah, but the patient is in Nevada, they have to obey and comply with Nevada standards. It continues later on in section e, "The practice of nursing in a party state under a multistate licensure privilege will subject a nurse to the jurisdiction of the licensing board, the courts and the laws of the party state in which the client is located at the time service is provided." The nurses are subjecting themselves to Nevada's courts and jurisprudence if their patient is located in Nevada.

Article IV, "Applications for Licensure in a Party State," states that the licensing board must check the nursing database for discipline before multistate privilege is given. Section b of Article IV states, "A nurse may hold a multistate license, issued by the home state, in only one party state at a time." They cannot have more than one home state.

Article V is "Additional Authorities Invested in Party State Licensing Boards." Section a states, "In addition to the other powers conferred by state law, a licensing board shall have the authority to: 1. Take adverse action against a nurse's multistate licensure privilege to practice within that party state." That gives us jurisdiction to act on a nurse who has a patient in Nevada and acts inappropriately, which is important to the State Board of Nursing and Nevada citizens. Section b says, "If adverse action is taken by the home state against

a nurse's multistate license, the nurse's multistate licensure privilege to practice in all other party states shall be deactivated" If Utah is the nurse's home state and the home state acts on the nursing licensing, then Utah pulls back on the multistate privilege and will notify every member of the Compact so we know the multistate privilege has been impacted. Article VI, section c, states, "All licensing boards shall promptly report to the coordinated licensure information system any adverse action, any current significant investigative information, denials of applications (with the reasons for such denials) and nurse participation in alternative programs known to the licensing board regardless of whether such participation is deemed nonpublic or confidential under state law." We maintain confidentiality under state law, but we can share with other state boards and we do as soon as our discipline is public. We report it to a national database and it is broadcasted to other licensed states. Currently, Nevada is a single-state license. To practice nursing in Nevada, a nurse has to have a Nevada license. If we impact a Nevada nurse's license, then we broadcast it to the now-existing national database and they automatically generate an email to any other state where that nurse is licensed. We receive emails the same day a nurse is disciplined in another state. If a nurse is disciplined in another state and he or she has a Nevada license, we are notified the same day. We contact the nurse to find out what is going on so we can better protect the citizens of Nevada.

Article VII is "Establishment of the Interstate Commission of Nurse Licensure Compact Administrators." This is an organization that will oversee the Nurse Licensure Compact. The existing Compact had 25 states. They had a group of people who oversaw the Compact. This is a more organized approach. Every state will have one vote.

The bill included the powers of the Interstate Commission. Article VIII is "Rulemaking." The Commission has the authority to create rules. This Compact is a statute and the rules are the regulations. In Nevada, rules do not supersede statutes. They cannot make rules that supersede the Compact. Article IX is "Oversight, Dispute Resolution and Enforcement;" Article X is "Effective Date, Withdrawal and Amendment;" and Article XI addresses the date and time this is supposed to take effect.

Michael D. Hillerby, representing State Board of Nursing:

We appreciate the Office of the Governor for including this as an administration bill. Over the last several years, the Legislature by law and the Governor by executive order have put a lot of focus on ways to make licensing quicker and decrease barriers for military spouses, members of the military, retirees, and others. We think this is the next step in doing that. This is done to make that easier on nurses and address the nursing shortage which ebbs and flows with the economy and depends on specialties and parts of the state. We think this has an opportunity to help and give the State Board of Nursing even better access to the database so we know where nurses are and we know instantly if discipline has happened.

The reason the Board members, who are appointed by the Governor under the rules established by the Legislature, voted to move forward with this is because they felt the enhanced Nurse Licensure Compact's basic minimum qualifications were substantially equivalent to our high standards in Nevada. So what you are adopting for a nurse who wants

to pursue a multistate license here is substantially equivalent to the high standards we have. It is critical to know that the national compact organization has rules and a process for dealing with their procedures and policies. They cannot change the Compact, only the Legislature can do that. If it needs to be changed, that requires a change in state law and all of the states would need to do that. Each of the member states has one vote and has a member on the Interstate Commission of Nurse Licensure Compact Administrators. The operational and procedural issues that happen at the national level cannot change the underlying law. That is solely up to the Legislature.

We have learned about some concern particularly from the Service Employees International Union. I had a very good meeting with them and went through a lot of the details. We saw for the first time at the beginning of the hearing a document from National Nurses United and the National Nurses Organizing Committee, which I will be happy to address.

Chair Bustamante Adams:

Are there any questions from the Committee?

Assemblywoman Jauregui:

When a nurse is disciplined, a party state can take back the privilege of a nurse to practice in that state and the home state is notified the same day. What about the other Compact states?

Fred Olmstead:

If the complaint is egregious enough, we will notify the home state by email. Then we will start doing due process to investigate what happened. If we impact the nurse's privilege to practice in Nevada, we will provide the information to the home state. We will also notify everybody else in the Compact of what we did.

Assemblywoman Jauregui:

We will not be notified until after the investigation, so they could be practicing here until there is an outcome?

Fred Olmstead:

Yes and no. The Compact says we are going to be notified if the complaint is of significant investigative information. We will know before discipline is imposed. We do not know today where nurses practice. We would not know if they were practicing in Nevada until we get information and revoke or impact their privilege to practice in our state and that would be broadcast. The employers in Nevada can subscribe to emails from the database and they can find out if one of their employees has an impacted license. An employer will know if a nurse's license is impacted. I will get an email and I will know about it.

Assemblywoman Neal:

In Article V, it looks like you are delegating authority beyond state law. Why is that and what are the implications of that? It says, "In addition to the other powers conferred by state law, a licensing board shall have the authority to" and then it lists several things. What is the basis of that?

Michael Hillerby:

This is not replacing any of our existing license or disciplinary laws. This is in addition to everything else that is already in our Nevada Nurse Practice Act. If you were to approve this, and it becomes law, a nurse could still choose to get a single-state license here or he or she can apply under these new provisions of the Compact and that license would allow the nurse to have a multistate privilege to practice in the other states. The action against the nurse's home state license must happen in the home state. We will be given information if there is significant investigative information such as discipline or other issues in another state. No other state can take action against a nurse's home state license. They can remove their privilege to practice just as we could, but the action and discipline against that home state license is reserved to the home state. We retain our sovereignty and all of our existing laws remain in effect.

Assemblywoman Neal:

In Article III, section f, it talks about the individuals not residing in a party state. I am focused on the statement that says, "However, the single-state license granted to these individuals will not be recognized as granting the privilege to practice nursing in any other party state." I am assuming that when they move to the home state, there is a period where they need to apply for the multistate license or choose to keep their single-state license. My question is in Article VII, section i, that is "Qualified Immunity, Defense and Indemnification." If I want to practice and I move and I choose not to get the license or do a multistate license, that provision in Article III, section f seemed to hold them in a state that they cannot have a license unless they choose to take on the multistate license if they are a party to the Compact. I do not like the qualified immunity and would like to know why you have this super-extra defense regarding someone's license.

Michael Hillerby:

The nurse would not be required to have a multistate practice privilege license. The nurse in any of the Compact states could still choose to get a single-state license. We get the language of the Compact as it is written. This refers to the administrators, officers, executive director, employees, and representatives of the Interstate Commission itself.

Assemblywoman Neal:

It seems so convoluted. You have state law determining the rights of the licensees in their home state and then you have this Interstate Commission which appears to have other powers and authority that are immune from suit. I am confused why this Interstate Commission seems to be able to have these tentacles to reach into the home states where a multistate license exists and then has qualified immunity for their administrators, officers, executive directors, and representatives if they do something that is illegal. This seems to have a bifurcation of state law and this Interstate Commission that has this extra power to reach into states.

Michael Hillerby:

In Article VII, section i, subsection 1, it says that nothing shall be "construed to protect any such person from suit or liability for any damage, loss, injury or liability caused by the intentional, willful or wanton misconduct of that person." It does not talk about breaking laws. This would be civil. No one can come in and change state law the way nurses are licensed or disciplined in Nevada. It is a matter of each of the states that have adopted the Compact and these same standards, and we have a way to be sure that we are tracking discipline from one state to the other. The Interstate Commission itself, the national entity that is from the National Council of State Boards of Nursing cannot reach in and discipline a nurse or change state law. This is about their operation as a commission, their internal personnel decisions, and the way the national database operates. We have one vote on that Interstate Commission. The Legislature controls the Compact. There is a provision that if Nevada loses confidence in the Compact, with six months' notice we can withdraw. The significant control remains with the Legislature under Nevada law.

Assemblywoman Neal:

If the state keeps control, Article VII, section i, subsection 3, says the Interstate Commission shall indemnify and hold harmless any of the people listed from any settlement or judgment arising out of any actual or alleged act, error, or omission that occurred within the scope. What do we do if they are in conflict and the Legislature decides that they are in error? There is an alleged activity. What happens in that circumstance? When you have an alleged act, it could be circumstantial as to what I think you did and you are now held harmless for me acting upon this range of activities which is opinion. There seem to be a lot of protections and I do not know why they need it.

Michael Hillerby:

This is about employees and is something like the indemnification and protection received by state employees as long as your acts are within the scope and course of your employment. It is not exactly the same language, but very similar to that. The individual employees of the Interstate Commission would not be subject to something as long as it was not intentional, willful, or wanton misconduct. I will discuss this further if you have some specific questions. We will ask the existing Compact, because it has been around for 15 years, if there have been complaints or issues that have arisen against the Compact that either a state felt disadvantaged or a nurse licensed under the Compact felt that the national organization had in some way done something.

Assemblywoman Carlton:

I will give you a scenario: I have a relative in the hospital. A nurse comes in from another state and there is an incident. That nurse is responsible and then leaves the state. The nurse should not have been in our state because there was an incident someplace else and the Commission did not notify someone. Can we hold the Interstate Commission responsible for not notifying Nevada that the nurse should not have been in our state or are they indemnified? I need to know if the Interstate Commission is responsible; it needs to be held accountable, and I need to know that.

Michael Hillerby:

I do not have an answer for that.

Fred Olmstead:

I would agree completely. We would have a long discussion about whether the omission was deliberate or inadvertent. We will get an answer to that question.

Michael Hillerby:

While it does not address your question about potential liability of the national organization for some potential accident with the database, the important part is that even if the nurse leaves and goes back to a home state, we still have an ability to discipline.

Assemblywoman Carlton:

It is the liability of the Interstate Commission I am looking for. If they let this happen, they need to be held responsible. If they are indemnified through this, I would have great concerns that there are no teeth in this bill to hold them accountable to protect the people of this state. A regulatory body's number one mission is to protect the people of the state. If they cannot go after them, who can? That is something that I think needs to be addressed.

Assemblyman Araujo:

I agree with the comments of Assemblywoman Carlton. We would have to make sure we have all of the legal protections in place. If ten people came from Utah and did something wrong and then left the state, is there a legal agreement within the Compact that would protect us? Would they pay the legal fines, would the state have to take it up, or would we have to sue Utah? What other nine states are part of the Compact? In terms of the standards, are the current standards set by the Compact more flexible and lenient than those Nevada currently has, or are they more strict?

Fred Olmstead:

There is a map ([Exhibit H](#)) of the current states which have enacted the enhanced Nurse Licensure Compact. They include Idaho, Arizona, Wyoming, South Dakota, Oklahoma, Missouri, Tennessee, Florida, Virginia, and New Hampshire. There are 10 or 12 states currently considering this legislation. The baseline requirements to be a nurse are the same. They have to graduate from an accredited program, take the national test, and have no criminal convictions or discipline. There are some other things the applicant has to do and each state is different. To renew a license in Nevada, the applicant has to have 30 hours of continuing education to maintain licensure. We looked at the ten states that enacted the Compact and they are all different. In Florida, you have to take some continuing education, but it has to include one unit on human immunodeficiency virus (HIV), and one or two units on Florida law. Every state does it differently. South Dakota does not require continuing education, but they require a certain number of hours of practice within the last six years. In aggregate, they are all about the same about protecting the public and equal in licensure.

Michael Hillerby:

The other nine states that have adopted the Compact have adopted this same language.

Assemblyman Brooks:

Has there been any analysis of the annual incomes for individual nurses in the states that have adopted or are going to adopt the Compact in comparison to the annual incomes of Nevada nurses?

Michael Hillerby:

I am not aware of any.

Cathy Dinauer:

I am not aware of any.

Assemblyman Frierson:

Does it require a unanimous vote of all members to make a change to the Compact? Or are we just a vote which means if we opposed it, it would not necessarily stop the change from occurring.

Michael Hillerby:

If the Interstate Commission, through whatever mechanism, with everybody having a vote, made a recommendation that it was time to update the Compact, we would have the same one vote as every other state on operational matters or on determining what to bring back to you and the other states to consider. That decision lies completely with you whether or not to adopt and make a change or whether we would stay in the Compact or not.

Assemblyman Frierson:

For the part that does require a vote of the members, does it need a unanimous vote or a majority?

Michael Hillerby:

We will find that answer for you.

Assemblyman Frierson:

What if a state joins the Compact and then raises its licensing standards? Would in-state nurses have to meet the new standards, but Compact member nurses from other states would not?

Cathy Dinauer:

The nurses need to meet all licensure requirements of their home state.

Assemblyman Frierson:

So if Utah has lower standards, then Nevada would have to accept their lower standards if that were the case?

Fred Olmstead:

No. An example is Oklahoma. To get a home state license in Oklahoma, you do not have to be fingerprinted. But, if you want a multistate privilege, you have to get fingerprinted. By accepting the Compact, Oklahoma has raised its standard. If applicants do not want to get fingerprinted, they will have to get a single-state license.

Assemblyman Frierson:

What if the home state standard is higher than the Compact? Does this mean we would have to accept the lower standard nurses?

Michael Hillerby:

By adopting the Compact, those core pieces of licensure that the states have determined to be the key pieces for public safety are included. If there are additional pieces that are above and beyond, a nurse practicing in Nevada would be held to same practice standards as our nurses. The core piece of the Compact is a strict set of standards. If there are additional pieces states want to add that do not affect the standards of the Compact, they can. When nurses are practicing under a multistate privilege, they need to practice to the standard of care in that state.

Assemblyman Frierson:

My other concern is how we assure if we join the Compact that our home state nurses will be a priority.

Chair Bustamante Adams:

Are there any other questions from the Committee?

Assemblyman Daly:

In Article I, section b, subsection 5, one of the goals is to invest all party states with the authority to hold a nurse accountable for meeting all state practice laws. If a nurse comes from out of state and does not meet our requirement for continuing education, we would not know unless there was a complaint. In subsection 7, it says, "Provide opportunities for interstate practice by nurses who meet uniform licensure requirements." Where are those uniform requirements listed?

Michael Hillerby:

That is in Article III. That lists all of the requirements to be licensed. Those will be the same requirements that will be in every state. One of the reasons the State Board of Nursing voted to bring this before you now is because they feel the enhanced Nurse Licensure Compact has stricter requirements than the first compact and that more directly mirror those required in current Nevada law.

Assemblyman Daly:

So they are more stringent than what is in current Nevada law.

Michael Hillerby:

They are more stringent than the original Compact. These more closely mirror what we already require in Nevada law.

Assemblyman Daly:

Are these requirements above what Nevada requires now?

Fred Olmstead:

The requirements for the Compact are exactly equal to what we require in Nevada. There are some phrasing differences from *Nevada Revised Statutes*. For example, Nevada law requires the person be of good moral character. The State Board of Nursing has rules, regulations, and policies. If you have a felony, you have to go before the Board. Under the fingerprinting, we would get information. We require good moral character, and this requires that no felonies and certain misdemeanors cannot be part of the multistate privilege. For renewal of a Nevada nursing license, applicants have to attest that they are aware of safe injection practices. Things like that are not in the Compact language, but are additional.

Assemblyman Daly:

My next concerns are in Article II, section o, which says that "State practice laws" means a party state's laws, rules and regulations that govern the practice of nursing, define the scope of nursing practice, and create the methods and grounds of imposing discipline. It goes on to say that "state practice laws" do not include requirements necessary to obtain and retain a license, except for qualifications or requirements of the home state. If the home state has different requirements than Nevada, does it say that you are going to lose your Nevada license even if you have a multistate license if you have not met all of the Nevada requirements? Then it says that state practice laws do not include anything more than what is allowed in the home state. I think there is a conflict there.

Michael Hillerby:

In this context, this is referring to when the term "state practice laws" is used in this Compact. We will find each of those, make some notes, and get that to you. This only refers to when that term is used within the Compact.

Assemblyman Daly:

In Article VII, section g, it says, "The Commission shall have the following powers: 1. To promulgate uniform rules to facilitate and coordinate implementation and administration of this Compact. The rules shall have the force and effect of law and shall be binding in all party states." Are they talking about the rules within the Compact or are they making law in Nevada? Precise language would be useful here. I have a problem if they can have the force and effect of law and shall be binding on the party states.

Fred Olmstead:

The rules are the operational rules that the Interstate Commission will determine about voting and dates and times. They cannot create a rule that supersedes Nevada law. If that is not clear enough, we will get an interpretation for that.

Chair Bustamante Adams:

If members have additional questions, please contact the presenters. Are there any people who wish to testify in support of this bill?

Barry Gold, Director of Government Relations, AARP Nevada:

We have heard about the Nurse Licensure Compact and what it will do ([Exhibit J](#)). AARP members have an interest in the passage because it would create an expedited and less administratively burdensome process for nurses seeking licensure. We have heard about nurses already having to adhere to the existing rules and regulations under the Compact. We have heard about the minimum requirements and the fingerprint federal criminal background check and having to follow the standards of care.

What this is really all about is patients and their access to quality care. We heard earlier and we continue to hear in many hearings and across the state and in newspapers about the shortage of nurses and all medical providers in our state. Nurses are the front line of medical care, and we need to ensure we can safely meet the needs of our growing population. This is especially true in the rural parts of our state. By entering into a multistate agreement or compact, we feel that access to primary care will be expanded and the patient will be the real winner.

AARP Nevada, on behalf of our more than 330,000 members across the state, strongly urges you to pass A.B. 18 that will improve access to good care and to strong nursing professionals.

Justin Harrison, Director, Government Affairs, Las Vegas Metro Chamber of Commerce:

We are in support of A.B. 18. We believe this is an additional tool for the state and the State Board of Nursing in order to help bring down the barrier of entry for nurses coming to the state and close that barrier.

Jessica Ferrato, representing Nevada Nurses Association:

We are here in support of the bill. We have a shortage of nurses in the state, and it is expanding as nurses age out of their careers. We have a shortage, especially in rural Nevada, and think that telehealth is helping to serve the rural parts of the state. We think this will also help us to better access and close the loop in a lot of the needs we have in telehealth. I also think this will help if we have a natural disaster because it will be helpful to be able to have nurses from other states come across the state border easier.

Debra Scott, Private Citizen, Fallon, Nevada:

I submitted a letter of support for A.B. 18 ([Exhibit K](#)). I was the Executive Director of the State Board of Nursing for over 15 years, and I sit on the Legislative Committee of the Nevada Nurses Association. I come to you with support of a lot of nurses. The State Board of Nursing, in conjunction with others, came to the Legislature in 1999, 2001, and 2003 for the original Compact. I personally was not in favor of the original Compact because the requirements for licensure were not up to Nevada's standards. In 2012, the National Council

of State Boards of Nursing said, "Why are not more boards part of the original Nurse Licensure Compact?" We said it was because the licensure requirements are not high enough. We worked for two years with all of the executive directors of all the nursing boards across the United States to come to some resolution about what those requirements must be. That is what you have in the new Nurse Licensure Compact which is called the enhanced Nurse Licensure Compact. The requirements for a multistate license with the enhanced Nurse Licensure Compact are more stringent than Nevada's. If you have a felony, you cannot get a multistate license.

I come in support. This is a way of meeting the needs of the patients of Nevada to have more access and to be able to allow the State Board of Nursing to actually regulate all of the nursing that occurs in Nevada.

Chair Bustamante Adams:

I appreciate the legislative history.

George A. Ross, representing HCA, Inc., and Sunrise Hospital and Medical Center:

I am in support of A.B. 18. I hope the details will be worked out because we think this is an important step toward being able to recruit a sufficient number of experienced nurses. The more experienced and skilled nurses are older and will be retiring in ten years. They have to be replaced. The real nursing pressure and shortage we face, especially at a high-acuity hospital like Sunrise is experienced nurses in those high-acuity areas. We believe this bill would significantly help in recruiting new nurses to come to Nevada.

Assemblywoman Neal:

I read an annual report from the National Council of State Boards of Nursing in which some state attorneys wrote an opinion challenging the Compact, saying it was a violation of the states' sovereign authority and the Compact was an unconstitutional delegation of authority or police power. I have not been able to find the written response. Are you familiar with it?

George Ross:

I am not familiar with that.

[A packet of letters in support of A.B. 18 was submitted but not discussed ([Exhibit L](#)).]

Chair Bustamante Adams:

I would like Fred Olmstead to get that information for Assemblywoman Neal. Does anyone wish to testify in opposition to this bill?

Marlene Lockard, representing Local 1107, Service Employees International Union:

We met with the State Board of Nursing which answered many of our questions and concerns. Some of our concerns still remain. In Article I, which is the "Findings and Declaration of Purpose," a majority if not all of those are already being done by the State Board of Nursing so we are not adequately answered as to why this bill is necessary. We understand the overall philosophy about a compact, but our own State Board of Nursing

provides those functions as has been provided to you with *Nevada Revised Statutes* related to each of the articles of A.B. 18. We have considerable concern with the creation of the Interstate Commission itself. This commission, as we read it, has enormous power, but the bylaws and rules have not yet been determined. They can penalize a member state, sanction, and even hold the state accountable for damages if the state does not comply with the rules that we do not yet know. I feel we have the cart before the horse. I think we would really want to take a look at what the actual language, the rules, and the bylaws of this newly created Interstate Commission will actually be. We do not even know what state it will exist in. If we had an issue, there is a clause that we can comment in a public hearing, but where is it and what kind of travel expense will there be? The State Board of Nursing will have one member and the fiscal note is zero, but there will be transportation costs, participation costs, and there is a levy on the state. That is not spelled out in the bill. This commission can buy property and borrow money. The authority of this commission is fairly significant for us to enter into it. Our nurses may have to travel to appear before this body. We share the concern about the language that it would have the full force and effect and would supersede state law. That is what this bill says as it stands today.

There are significant things in A.B. 18 that we think will have a fiscal impact. As we interpret this, if a home state disciplines nurses from another state and they leave Nevada, the investigative costs, subpoenas, and potential litigation are borne by us. What kind of money are we going to have to spend to recover costs of investigations from a nurse residing out of state? You can go through this bill and pick out items that potentially have a price tag. We are concerned that we lose our voice here if this Interstate Commission implements the Compact.

Cherie Mancini, President, Local 1107, Service Employees International Union:

We currently represent nearly 5,000 nurses working in either public or private sector hospitals all over Nevada. I would like to commend the State Board of Nursing for its willingness to work and have an open line of communication with us. We had a productive meeting in which members of the Board answered our questions and concerns.

However, we still remain opposed to A.B. 18 and the ratification of the enhanced Nurse Licensure Compact. Our interpretation has led us to our first and foremost objection which is in regards to the issue of patient safety. As an organization that deals with the working conditions of nurses on a daily basis, we take seriously the level of professionalism and commitment required to work as a nurse in Nevada. Per the Nevada Nurse Practice Act, Nevada nurses must complete 30 hours of continuing education units (CEUs) in order to renew their licenses. In addition, all nurses must comply with a criminal background check and fingerprinting requirements set out in state law. This is because Nevada demands the best quality of care and to ensure that our nurses continually stay up to date on the cutting edge of health care service. We heard that the home states maintain the nurses' CEUs or whatever the renewal requirements are. We heard that in South Dakota, the nurse may not need to know bioterrorism, but certainly if a nurse is working in Nevada, he or she needs a bioterrorism course and continuing education on that.

The Compact proposed by A.B. 18 states in Article III that such state background check requirements and other regulations only apply upon a nurse's initial licensure within a Compact state. With the grandfathering clause, that means a nurse can be grandfathered in without having a background check or being fingerprinted. If a nurse obtained a license in a Compact state prior to Nevada ratifying this Compact, he or she would not be subject to the requirements currently practiced in Nevada. While the bill attempts to tie the requirements of a nurse with a multistate license to the state where a patient is located at the time of care, the bill provides no mechanism by which the State Board of Nursing can oversee and enforce nurses' compliance with local laws if they chose to practice in another state. This exposes patients in Nevada to the risk of nurses who do not meet our local standards for care if they were previously licensed in another state. If nurses from another state wish to practice in Nevada, they may already expedite their licensure through the process of endorsement. The process can already be expedited, and five days is not an exorbitant amount of time.

We have an issue with a nurse who is disciplined in another state and comes to work in Nevada. We heard from the State Board of Nursing that there were 923 complaints alone in Nevada and the average length of time per investigation was 100 days. How timely do you think we are going to get information back in regards to a nurse who has had a complaint against him or her? How many of the complaints are going to be reported in real time? Who makes the decision if it is an egregious act or not egregious enough to contact other Compact states? Then you are walking the fine line to determine if the complaint is egregious enough that their license should be suspended while they are in the 100-day investigation. Then the Board said out of the 923 complaints, the majority were unfounded. It is hard enough to control what we already have, let alone adding nurses from ten other states.

Ultimately, it is about patient care. When we have someone in the hospital, it is about a person who deserves to have the best care. We need to not go with the bare minimum of what we require. We need to promote higher standards in nursing care so we can attract good nurses. If we really want to deal with the nursing issue, let us deal with staffing. I have begged nurses to get out of sign-on bonuses because they cannot deal with the situations they are put in that jeopardize their licensure in this state.

According to a study conducted by the University of Michigan in 2015, researchers found "little evidence that the labor supply or mobility of nurses increased following the adoption of the Compact in the nurses' home state," and, "no effect on labor force participation, employment levels, hours worked, wages or the probability of working across state lines." The study concluded by stating, "this reduction in licensing barriers does not appear to be a solution to an aggregate shortage of nurses." The State Board of Nursing said there were over 2,000 nurses licensed in this state. I would be interested to see how many stay here and how many leave because they do not want to work in the environment that has been created in our state.

We need to think about the patients; ultimately, we want to raise the nursing standards and not keep it at the bare minimum because our patients and our community deserve it. California is not in a nurse compact because their standards are too high. They will not lower their standards to be in a compact. We want to improve, not lower our standards.

Amber Lopez Lasater, Director of Politics and Strategic Communication, Clark County Education Association:

We represent over 18,000 educators and licensed personnel. We also, collectively, have over 40,000 health care advocates who are part of our Teachers Health Trust. We are here in opposition to A.B. 18. The lowest common denominator approach for standards is not sound policy when related to the licensure of registered nurses who have the expertise to provide quality care in life-and-death circumstances. It is problematic that this bill would surrender the state's authority to a multistate authority. It is exceptionally concerning that this bill language does not include any provisions that address scenarios where a registered nurse from out of state who is under investigation could slip through the cracks and be practicing here. It really comes down to patient safety. It is our hope that after careful consideration, you agree that A.B. 18 is not sound policy for our state.

Tamara L. Erickson, Private Citizen, Reno, Nevada:

I am a registered nurse and have worked at Saint Mary's Regional Medical Center in Reno for almost 27 years. I have seen a lot of changes in the very exciting profession of nursing. Nursing is important to me. As a registered nurse and a member of the National Nurses Organizing Committee, I thank you for the opportunity to express my concerns regarding A.B. 18.

This bill, allowing nurses to practice across state lines, would negatively impact consumer protections for patients, standards for nurses, and the ability of nurses to best advocate for their patients. Our current protections, through the State Board of Nursing, can become diluted when we try to combine them with other states which may not have the same standards. Nevada patients and nurses deserve better. That is a summary. I think everyone here has the same concerns that we would not be raising the standards for education and the inability to sanction and revoke licenses for nurses deemed unsafe. It is scary to me because I could potentially be working with a nurse who is under review in another state who is unsafe. I am talking about people's lives, and that is important to me.

We need to keep Nevada's standards up. Lack of funding to enforce this bill is interesting to me. The State Board of Nursing recognizes there would be a loss of income by becoming part of the Compact. We have almost 50,000 nurses in Nevada. If we join ten states and they have 50,000 nurses, there would then be 100,000 that the Board would be getting reports on with the same number of staff. The numbers speak for themselves.

As a retiring registered nurse and an AARP member, I can appreciate the shortage that is coming to the nursing profession. I believe there are ways to repair that issue for Nevada and that is to make Nevada worth coming to as a registered nurse. Patient ratios, offering nurses

a safe place to practice, and maintaining our high standard of practice will bring nurses to Nevada. Please look hard at this bill and realize there are lives involved.

Katrina Alvarez-Hyman, Private Citizen, Las Vegas, Nevada:

I am a registered nurse with almost eight years of experience. I represent Local 1107, Service Employees International Union, and the National Nurses Organizing Committee. I have worked all over Las Vegas and am currently working at St. Rose Dominican Hospital. This is the best hospital by far because the nuns believe that nothing compares to the compassionate, intuitive care of our community's loved ones. I am your number one advocate when it comes to wrongdoing with a patient's care. I go to a patient's bedside to right wrongs until common-sense change is made for that patient and his or her family.

Assembly Bill 18 undermines the true nature of what we do as nurses. We are the most trusted profession, so trust me when I tell you that this bill will take away our advocacy and leave it in the hands of administrations that are out of touch as to the complexities we face in each moment we care for our sick community. Our art is being in tune and having the time to touch, see, feel, and smell our patients. I am here to tell you how many people already have died or have been irreversibly harmed due to a lack of care from intentional short-staffing in Las Vegas and across the country. I already have enough trouble caring for my patients and leaving work on time because there is no staff to help the nurses.

We become the certified nursing assistants and the housekeeper while critically thinking how to keep patients safe from dying. People who are not bedside nurses do not have the right to make this law. This law is not safe for me or my patients and their families. If this law were to pass, you and your loved ones will suffer by not getting the care you need to survive your stay. No one wants to be sick, but we are the ones who care for them. We do not need this bill to pass and bring more possibilities of harm. Please listen to us when we say this is not the right move. I believe that nurses should be able to be nurses nationwide without having to keep paying state fees, but they must be held to the same stringent vetting before laying their hands on your loved ones. We are a precious commodity, so please back off this bill so we can continue to provide the best care we can aside from the current short staffing issue that is pertinent in every hospital in Nevada.

I am here as your constituent telling you the travesties that occur every moment of every day in our healing hands. Walk with me and turn your vote to a no. Please tune in to our stories so that you understand the peril that we face each time we clock in. This is not a game to be messing with something so sacred—the healing arts of humans. Do not tell me that this bill is safe because it is the opposite. We are not going to accept what this bill brings because it is inherently wrong to pass such a not-thought-out law that will affect us all. There is the good and the bad. The good nurses are here before you today. We will not condone the bad ones to practice when they know they are unsafe and not reeducated or disciplined before they are considered to touch another life.

I already have a huge issue with health care quality and compliance and the State Board of Nursing. The Board is understaffed and is unable to answer and investigate fast enough.

When I report that my patients are dying that day, I do not need an incompetent nurse to think he or she can flee his or her wrongdoings. This state already has limited resources. I know that first-hand because I have advocated for years for those who have been harmed. Technology is fantastic, but not when you are speaking about what a nurse actually does. Head to toe is where I am looking; not at a computer, but the patient. Today I ask that you understand our struggle at the bedside. Not staffing enough help on purpose for the profit of the facility is a disgusting practice that I have witnessed all of my years.

This bill, A.B. 18, will be detrimental to healing our communities. I ask that you oppose this Nurse Licensure Compact bill for the sake and safety of us all. Please understand the devastating issues we already face. This bill, that has none of our input, needs to die or reflect the facts we present.

Tazo Schafer, Private Citizen, Las Vegas, Nevada:

I represent the Working Families Party in Nevada and reside in Assembly District 14. I am a retired businessman. I had a consulting firm in Washington, D.C., for many years. I was associate dean of the College of Business and Public Administration at the University of Arizona.

There was a lot of discussion here about nurses and accountability for nurses. I think the business that this law is really about is not accountability for nurses or the transportability of nursing licenses across states. The bottom issue is the whole shift of fiduciary duty away from clients towards investors, stockholders, and the bottom line of profit. I think if you pass this law and go in this direction, you will create a situation similar to the teacher shortage where you have 800 temporary/part-time, unqualified teachers. You will have nurses from other states coming in who are not qualified. When there is a core specification for qualifications, that means it is the least common denominator. The nurses here, who have the most direct contact with patients, are very concerned about the quality of nursing and health care. Listen to them very closely. I think behind this bill is a union-busting ideology that they want to weaken the bargaining power of the nurses to create a situation where we can have just-in-time inventory of nurses where you can pull temporary contract employees from other states and even other countries in the future, just as McDonald's and other companies have decided to do. No one will be full-time employed, and there will not be benefits or wages to support quality nursing care.

There are three considerations in any business endeavor. They are cost, niche or specialty markets for the skills provided, and quality. The nursing profession has specialties and you do not want the person taking care of you in the hospital to not be qualified. The cost to Nevada will be lower to the owners of these companies, but the price to the citizens, the patients, and the nurses in Nevada will be extremely high.

Donna Sandie, Private Citizen, Reno, Nevada:

I am a registered nurse with nine and a half years' experience at Saint Mary's Regional Medical Center in Reno. I represent the National Nurses Organizing Committee and National Nurses United.

If the multistate Compact does what it says its purpose is, to improve availability and mobility of nurses across state lines, then this compact scheme essentially uses tax dollars to encourage out-of-state nurses to come in and take good jobs from Nevadans. This scheme also encourages a casual relationship between caregivers and the citizens of this state, whereby nurses from other Compact states can move in and out of the state readily so not ensuring consistent care for the patients in Nevada hospitals.

Why is the State Board of Nursing, funded by Nevada nurses and taxpayers, planning on giving away our jobs? Registered nurses earn good wages and benefits as they provide a vital service to our communities. Would not our tax dollars be better spent educating Nevada residents to get these good jobs which diversify our economy and help uplift Nevadans? I found on nursinglicensuremap.com that the annual salary for a nurse in Utah is \$61,100 and in Nevada, it is \$80,240.

However, the available evidence suggests that the enhanced Nurse Licensure Compact does not, in fact, achieve its intended purpose. In a working paper by the National Bureau of Economic Research last summer titled "Labor Supply Effects of Occupational Regulation: Evidence from the Nurse Licensure Compact," Kevin Stange of the University of Michigan and National Bureau of Economic Research and co-author Christina DePasquale of Emory University evaluated the impact of a compact that has eliminated cross-state licensing barriers for nurses in 25 member states. The researchers found that the Compact which began in 2000, adding additional states over the years, has had no statistically significant impact on employment levels, hours worked, earnings, and likelihood of working across state lines. In *The Wall Street Journal*, Anna Louie Sussman wrote, "Even with the licensing hassle out of the way, nurses were not moving to high-demand states, working across borders, putting in longer hours or commanding higher wages."

What this means is that according to the only recent credible evidence, joining the enhanced Nurse Licensure Compact does nothing to improve mobility and supply. If that is true, then A.B. 18 increases risks to nurses and patients and reduces state oversight resources, and all for nothing. I strongly urge you to reject the bill.

Darrella McGuire, Private Citizen, Sparks, Nevada:

I am a registered nurse with 28 years of experience, 16 years at Saint Mary's Regional Medical Center in Reno. I am a member of National Nurses United and National Nurses Organizing Committee. I would like to quote extracts from a joint ProPublica/*USA Today* news article (dated July 14, 2010) titled, "Troubled Nurses Skip from State to State Under Compact." I do this to illustrate some of the more egregious situations that have occurred due to the multistate compact.

Nurse Craig Peske was fired from a hospital in Wausau, Wis., in 2007 after stealing the powerful painkiller Dilaudid "whenever the opportunity arose," state records say. In one three-month period, he signed out 245 syringes full of the drug—nine times the average of his fellow nurses. Hospital officials reported him to Wisconsin nursing regulators and alerted police.

Six months later, Peske was charged with six felony counts of narcotic possession. But by that time, he had used a special "multistate" license to get a job as a traveling nurse at a hospital 1,200 miles away in New Bern, N.C.

"When I went to go for the job in North Carolina, I looked at the status of my license and it was still active," said Peske, 36, who was later convicted of two felony drug charges. "That kind of surprised me, so I figured I would take it."

The ease of Peske's move illustrates significant gaps in regulatory efforts nationwide to keep nurses from avoiding the consequences of misconduct by hopping across state lines

"While any state can make mistakes, in a single-state license system, the errors impact one state," said Genell Lee, head of Alabama's nursing board, which is not part of the compact.

By comparison, when a compact state is slow to act or fails to share information, nurses suspected of negligence or misconduct remain free to work across nearly half the country, Lee said

Stephen Woodfin, a nurse anesthetist, surrendered his right to practice in North Carolina in January 2006 because of substance abuse. Even so, he was able to keep a clean multistate license in Texas. Nearly two years later at an Amarillo, Texas, hospital, he passed out during a surgery, bleeding from a vein in his arm. The Texas Board of Nursing found he had abused the narcotic Fentanyl. In September 2008, the board suspended him

Dayna Hickman was suspended from practicing in Texas in September 2006, after she administered undiluted vitamin K too quickly to a patient at a Dallas hospital. The patient died a short time later. The next year, Hickman was placed on probation in California because of the Texas discipline. But her multistate license in Iowa remains clear.

The citizens of Nevada deserve the highest protections possible when they are recipients of health care. Assembly Bill 18 fails to provide them with such protections. I strongly urge you to reject this bill.

Kari Deaton, Private Citizen, Las Vegas, Nevada:

I have been a registered nurse in Nevada for 30 years. I currently work in the Emergency Department of St. Rose Dominican Hospital, San Martin Campus, in Las Vegas. My concerns are that the adoption of this bill would lead to abrogation of state sovereignty, specifically that my practicing within Nevada would not have to meet the stringent initial and continuing education standards that ensure the nursing workforce has consistently excellent educational preparation for practice.

The enhanced Nurse Licensure Compact states that nurses must follow the regulations in the state where they are practicing. There is no mechanism in place to require training or coursework in the Nevada Nurse Practice Act or other applicable regulations related to public health and safety responsibilities in Nevada. Compact nurses are only required to meet the continuing education or competency requirements from their home state. Some Compact states do not require continuing education for nurses they license. In contrast, Nevada requires at least 30 hours of continuing education over two years and completion of a state-required bioterrorism course. If Nevada joins the Compact, the State Board of Nursing could not require or enforce these continuing education requirements with nurses from other states.

Nevada nurses are not alone in these concerns. In 1999, the Kansas Attorney General wrote that the state could not legally join the Compact, citing concerns of lowering the continuing education requirements for registered nurses in their state. If one Compact state, for example, decided that a correspondence course in aromatherapy was all that was needed to be licensed, Kansas would be required to let those nurses in.

Further, the Compact's authority would supersede Nevada's autonomy and control over the practice of nursing by allowing for closed meetings on topics that may be inconsistent with Nevada's open meetings laws. I urge the Committee to reject A.B. 18.

Orsburn Stone, Private Citizen, Las Vegas, Nevada:

I am a retired military service member and registered nurse of 36 years. I currently practice at Dignity Health in Las Vegas. My chief concern is delegation of the State Board of Nursing's authority to sanction and/or revoke the licenses of nurses practicing within Nevada. The Board does not speak for me and the bedside nurses who deliver care to the patients in these facilities. The Board is administrators who essentially yield to hospital administrations' demands. As such, this bill is bad for practice. The purpose of the State Board of Nursing is to protect the public's health, safety, and welfare through effective regulation. As a registered nurse in Nevada, I fully agree with that purpose. That is why I am here to oppose this bill.

Though the proposed bill appears to allow the State Board of Nursing to take action against the licenses of nurses practicing in Nevada, it is unclear whether the Board would have the authority to sanction or revoke a license issued by another state or whether it could merely prevent continued practice within its borders. Confusion could be created among consumers and employers relative to jurisdictional authority over licensees.

Nurses who pose a danger to patients due to negligence, incompetence, and the criminal activity of chemical dependency will be able to more easily move from state to state. These nurses should not be allowed to move to another Compact licensure state and injure patients. To test the effectiveness of the Compact state coordination in ensuring registered nurses are not posing a danger to the public, ProPublica, which is an independent, nonprofit newsroom that produces investigative journalism in the public interest, examined the disciplinary actions taken by five Compact states—Arizona, Virginia, Texas, Kentucky, and North

Carolina—in recent years. Reporters found four dozen examples of nurses whose primary licenses remained clean for months longer after another Compact state barred them from working there. Records show they have ignored their patients' needs, stolen their patients' medication, forgotten crucial tests, and missed changes in the patients' conditions.

This legislation fails to demonstrate by substantial evidence the need for this initiative. There are neither scientific studies nor expert rulings that this extraordinary move to become a part of the enhanced Nurse Licensure Compact will serve the health, welfare, and safety of Nevada residents. The purpose of this bill is they want to replace people like me and other nurses who have dedicated our lives to the service of patients at the bedside. They want to replace us with a robot or a telemedicine nurse somewhere off in Nevada to deliver cheaper, underprivileged care. Those people do not know anything about sitting at the bedside and holding the hand of a patient like the one I held last night when I was working a 12-hour shift. I refused to sleep because we need to be there. The voices of the nurses at the bedside need to be heard. This bill should not stand.

Elizabeth Bickle, Private Citizen, Las Vegas, Nevada:

I have been a registered nurse for over ten years, and I currently work at St. Rose Dominican Hospital in Henderson. Having grown up in rural Montana, I think I have a unique view as opposed to my more urban coworkers. Telemedicine has some wonderful advantages, but it also brings a set of unique challenges. I have elderly family members who still live in rural areas, so I think I can speak to this. Compact agreements will allow the practice of nurses to be across state lines using information technology. Health care corporations increasingly use telephone triage. Advice and consultation is a means of controlling patient access and flow to health care as well as chronic disease management.

There are numerous pitfalls based on this form of technology-driven care. Unfettered use of information technology, which is generally based on rigid standardization of care overrides the registered nurse's independent professional judgement. It has a chilling effect on the nurse's ability to advocate for her patient and depersonalizes the relationship with patients. If I am looking at someone through a computer screen, I cannot see clearly. I cannot smell their breath, I cannot touch their skin. I have information, but I do not have a full picture.

To quote the Center for Health Ethics at the University of Missouri, "But with the technology there is discovered a degree of depersonalization, as science is increasingly favored over art. For the healing encounter to attain its ultimate goal of patient benefit, there must be a carefully balanced coalition of knowledge, clinical skill, and effective communication." There is a fourth ingredient that can only be discovered in the intimacy and trust of shared personal interaction. That ingredient is personal awareness and touch that secures trust and reflects commitment to an ideal. Some have argued that health care requires pastoral as well as technical skills, art as well as science, and that the present health care culture, focusing on research and evidence-based medicine, is moving away from intimacy.

Telehealth and telemedicine as new and innovative technology may encourage depersonalization and diminish the trust and intimacy that defines the relationship between patients and their health care providers. National Nurses United and the National Nurses Organizing Committee are deeply concerned that the Nurse Licensure Compact would be detrimental to advocating for and ensuring the appropriate nursing resources necessary to meet the health care needs of the citizens of Nevada.

Shirley Schludecker, Private Citizen, Las Vegas, Nevada:

I have practiced nursing in Las Vegas for 30 years. I started working in 1970 and retired in 2002. I was the head of the intensive care unit at Sunrise Hospital for a number of years. I then went back to doing bedside nursing which I loved. I am very proud of all the nurses who spoke here today. They spoke about their patients and not about themselves. The hospitals do not care what happens to their nurses. We must reiterate that. I know that because I was a member of administration in hospitals in this city. We have treated our nurses like commodities. This bill treats our nurses like they are oranges. If I want to buy an orange to make orange juice and I go to Smith's and the oranges cost \$1.39 per pound, I will go to Albertsons because I can get them for \$1 a pound because it does not matter because I am making orange juice. But if I want to take care of patients, I do not go to the lowest denominator to find a nurse. I find a good nurse who is prepared to take care of patients. That is what we have with the present licensure here in Nevada. Why would we want to dilute it with nurses who are not prepared the same way our nurses are? We have good nurses and we have methods to take care of nurses who are not good nurses. We do not need anything else. Right now, we have a system that is working, so why change it? We know the political climate is anti-union and anti-employee. This bill would make it easier to replace nurses if they want to go on strike and give them very few bargaining rights at the table. I recommend that you do not pass A.B. 18.

[([Exhibit M](#)) was submitted but not discussed.]

Chair Bustamante Adams:

Is there anyone to testify from a neutral position? [There was no one.] I will close the hearing on A.B. 18. Is there any public comment? [There was none.]

The meeting is adjourned [at 4:52 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 Roster.

[Exhibit C](#) is a document titled "2017 Assembly Commerce and Labor Committee Standing Policies," submitted by Kelly Richard, Committee Policy Analyst, Research Division, Legislative Counsel Bureau, and presented by Chair Bustamante Adams.

[Exhibit D](#) is a letter dated January 30, 2017 from Rocky Cooper, Legislative Auditor, Audit Division, Legislative Counsel Bureau, regarding Biannual Status Report on Audits of Certain State Boards, presented by Shannon Ryan, Audit Supervisor, Audit Division, Legislative Counsel Bureau.

[Exhibit E](#) is a document including "Nevada State Board of Medical Examiners 2015-2016 Application Data, Current Status of Interstate Medical Licensure Compact, and the Opioid Awareness Website, " submitted by Edward O. Cousineau, J.D., Executive Director, Board of Medical Examiners.

[Exhibit F](#) is a document from the State Board of Osteopathic Medicine dated February 8, 2017, presented by Susan L. Fisher, representing State Board of Osteopathic Medicine.

[Exhibit G](#) is a fact sheet about the State Board of Nursing, presented by Cathy Dinuer, M.S.N., R.N., Executive Director, State Board of Nursing.

[Exhibit H](#) is a fact sheet and maps about the enhanced Nurse Licensure Compact, presented by Cathy Dinuer, M.S.N., R.N., Executive Director, State Board of Nursing.

[Exhibit I](#) is a document comparing Article III of the Nurse Licensure Compact with the *Nevada Revised Statutes*, prepared and presented by Frederick R. Olmstead, General Counsel, Nevada State Board of Nursing.

[Exhibit J](#) is written testimony presented by Barry Gold, Director of Government Relations, AARP Nevada.

[Exhibit K](#) is a letter to Chair Bustamante Adams submitted and presented by Debra Scott, Private Citizen, Fallon, Nevada.

[Exhibit L](#) is a packet of letters submitted by Hillary Murphy, Executive Assistant, State Board of Nursing, from Bill M. Welch, President/CEO, Nevada Hospital Association; Debra A. Toney, Chair, Nevada Action Coalition; Catie Chung, MSN Program Director, Touro University Nevada; Tomas C. Walker, Private Citizen, Henderson, Nevada; and Sheryl Giordano, Private Citizen, Las Vegas, Nevada.

[Exhibit M](#) is a document titled "Joint Resolution Opposing Nurse Licensure Compact Legislation" authored by the Nevada Central Labor Council and National Nurses Organizing Committee Nevada and submitted by Tamara Weber, Labor Representative, California Nurses Association and National Nurses Organizing Committee.