

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Ninth Session  
March 16, 2017**

The Committee on Government Affairs was called to order by Chairman Edgar Flores at 8:35 a.m. on Thursday, March 16, 2017, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4404B 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](http://www.leg.state.nv.us/App/NELIS/REL/79th2017).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Edgar Flores, Chairman  
Assemblywoman Dina Neal, Vice Chairwoman  
Assemblywoman Shannon Bilbray-Axelrod  
Assemblyman Chris Brooks  
Assemblyman Richard Carrillo  
Assemblyman Skip Daly  
Assemblyman Al Kramer  
Assemblyman Jim Marchant  
Assemblyman Richard McArthur  
Assemblyman William McCurdy II  
Assemblywoman Daniele Monroe-Moreno  
Assemblywoman Melissa Woodbury

**COMMITTEE MEMBERS ABSENT:**

Assemblyman John Ellison (excused)  
Assemblywoman Amber Joiner (excused)

**GUEST LEGISLATORS PRESENT:**

Assemblywoman Sandra Jauregui, Assembly District No. 41  
Assemblywoman Heidi Swank, Assembly District No. 16



**STAFF MEMBERS PRESENT:**

Jered McDonald, Committee Policy Analyst  
Carol Myers, Committee Secretary  
Cheryl Williams, Committee Assistant

**OTHERS PRESENT:**

Rocky Finseth, representing Nevada Land Title Association  
Sylvia Smith, representing Nevada Land Title Association  
Marcus Conklin, representing Nevada Mortgage Lenders Association  
Larry R. Burtness, Vice President, Property Records Industry Association  
Jen Chapman, Recorder, Storey County  
Karen Ellison, Recorder, Douglas County  
Jenny Reese, representing Nevada Association of Realtors  
Susan L. Fisher, representing Nevada Mineral Exploration Coalition  
Joshua J. Hicks, representing Southern Nevada Home Builders Association

**Chairman Flores:**

There are two bills on the agenda this morning: Assembly Bill 169 and Assembly Bill 264. We will take them in order. I would like to open up the hearing on A.B. 169.

**Assembly Bill 169: Revises provisions governing certain fees collected by county recorders. (BDR 20-832)**

**Assemblywoman Sandra Jauregui, Assembly District No. 41:**

I represent District 41 which is the far south end of the Las Vegas Strip, encompassing Las Vegas and Henderson. Assembly Bill 169 will revise the *Nevada Revised Statutes* (NRS) chapters relating to the recording of documents and the fees associated with them. Joining me today are Rocky Finseth with Carrera Nevada and Sylvia Smith with the Nevada Land Title Association. They will explain in detail why A.B. 169 is necessary. I support the bill and know first-hand of the need for the uniformity in recorder fees. I am happy to sponsor it and assist with any questions.

I deal with this specific situation on a day-to-day basis in my career outside of the Legislature. I work for a title company in the real estate industry. My company closes approximately 800 transactions a month. I am very familiar with the recording process. Delays are costly to everyone, especially the buyer. If we can save the buyers any dollars, they are appreciative, especially since they are closing the largest transaction of their life.

I would like to turn it over to Rocky and Sylvia to walk the Committee through the details of A.B. 169.

**Rocky Finseth, representing Nevada Land Title Association:**

We would like to thank Assemblywoman Jauregui for bringing forth this very important measure for the industry. She is considered the legislative expert in this building on issues related to real estate, and we appreciate her due diligence in bringing this bill forward.

The Committee will hear from a string of organizations. Each will explain the critical nature of A.B. 169 and why it is needed from a real estate perspective. The concept is to create a predictable recording fee for the industry. This is referred to as a flat recording fee. The issue is not unique to Nevada. There are over 23 states that have either enacted a flat recording fee or are considering enacting one. It is an important issue for the industry across the country. The issue is important to county recorders, whom you will hear from today, especially those from the rural counties from a revenue-stabilization point of view.

I would like to walk you through the bill, the provisions, and the mock-up of the proposed amendment ([Exhibit C](#)). Section 2, subsection 1, of the bill sets forth a flat recording fee and eliminates the first page charged for each document, any additional page fee, and the indexing fee. More importantly, section 2, subsection 5, eliminates the nonconforming document fee, which is set by statute at \$25. These have driven the challenges for the real estate industry.

Section 1 provides the county recorders with the discretion to accept and record documents that do not meet the formatting requirements contained in the NRS.

The mock-up ([Exhibit C](#)) addresses two issues. First, it replaces the proposed \$36 flat recording fee and reduces it to \$25. This is an important issue for Assemblywoman Jauregui. Second, it addresses concerns raised by the mining industry that mining-related documents be filed at the same rate as currently set in statute.

I will now turn it over to Sylvia Smith to explain why it is important to the title industry.

**Sylvia Smith, representing Nevada Land Title Association:**

I am the immediate past president of the Nevada Land Title Association (NLTA), a member of the NLTA legislative committee, and I serve on several committees with the American Land Title Association.

As Mr. Finseth explained earlier, the purpose of this bill is to establish a predictable or flat recording fee for most documents. This will assist title companies and lenders to disclose fees to a homebuyer accurately, the borrower on a refinance, or seller in a resale transaction.

Under new federal regulations, which were created by the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 1376 (2010), the Consumer Financial Protection Bureau (CFPB) was tasked with creating the new Truth in Lending Act and Real Estate Settlement Procedures Act integrated disclosures (TRID). In addition to the new forms, CFPB created timelines for when the forms had to be delivered to a borrower. The two new forms are an up-front loan estimate and a final document known as a closing

disclosure. These are provided in every consumer real estate financial transaction. In addition to the regulations, tighter restrictions were placed on fee variances. One of those fee variances is the recording fee.

Developing a predictable or flat recording fee will help settlement agents and title companies provide a more accurate recording fee up-front. It will reduce lender liability if the fees change substantially from the initial delivery of the loan estimate and the final closing disclosure. The closing disclosure is delivered to the borrower three days before they sign their loan documents and close their transaction.

Recording fees are part of a bucket of fees that cannot vary by more than 10 percent of the loan estimate and closing disclosure. Recording fees can change at the very end if the deed of trust comes in with more changes or riders attached to it than the pages originally counted for the provided loan estimate. The noncompliant fee that is currently in the NRS can add the additional fee.

These changes are not known by the title company until the actual loan documents are delivered. In the majority of cases, the loan documents are delivered the day we are recording. Changes in the recording fees can result in delays by changing the amount the buyer needs to bring to escrow for closing. It creates a huge amount of explanation and confusion for the buyer during what is normally a very stressful and overwhelming time.

Passing A.B. 169 will allow our industry to provide accurate recording fees with a flat or predictable recording fee per document. It will remove the noncompliant fee previously discussed and provide consistency in recording fees from county to county in the state.

Sometimes title companies are required to cover the shortage if the fee is underestimated on the loan estimate. This could put the title company in violation of the Real Estate Settlement Procedures Act and current NRS 686A.130. If the fees are overcollected and a buyer refund is necessary, the title company must contact the lender to ensure the refund will not create issues with the minimum down payment requirement. This requires the title company to refund the fees to the lender, and the lender is required to make a principal reduction on the buyer's loan. Sometimes title companies are allowed to refund the fees, and small checks anywhere from \$1 to \$5 are issued which are not usually cashed. This causes significant administrative costs, and ultimately those funds are passed to the state as unclaimed property.

I know this is a lot of information. I would like to present a real-life situation. One of our offices had a closing that involved a first-time military buyer obtaining a U.S. Department of Veterans Affairs (VA) loan. In order to close their transaction, initial information was provided at the beginning of the transaction. As the process neared the final disclosure, the estimated recording fees were provided by the lender to the borrower.

The VA loan documents arrived at the office for final closing, the buyer signed, and the files were delivered for recording—in Nevada, recording is prior to the disbursement of funds. The deed of trust arrived with an additional VA assumption rider attached, adding

three pages. The buyer signed outside the margin area which added a noncompliant fee of \$28 to the initial recording fees originally provided to the buyer. The title company had to stop the process and contact the lender immediately. The situation exceeded the lender's 10 percent tolerance. Because it was a VA loan, the seller had to pay part of that recording fee, and the lender had to credit the buyer part of that fee to cure the tolerance.

In addition to further convolute this matter, the seller was concurrently purchasing another property, which was supposed to close the same day. The title company provided the seller's closing disclosure to the seller's lender with the changed dollar amount. That required the lender to re-review the documents and provide an acceptance. In this case, the seller had to get a cashier's check to make up the difference in fees so the transaction could close. The title company was unable to close the seller's transaction on that day, and they were left homeless for a night. The buyer's transaction closed, but not the seller's because of a \$28 difference. This would not have happened if there was a predictable recording fee. You can imagine all the stress that was created for these parties. Assembly Bill 169 will alleviate this last-minute confusion, and we respectfully ask that you consider passing this bill.

**Chairman Flores:**

Real-life examples are a great way for the Committee to understand the situation and the industry.

**Assemblyman Kramer:**

Removing the nonconforming document fee makes sense. The rest seems like a simple way of raising the recording fee from \$10 to \$25 for the first page of the document. Have recorder fees really gone up that much where another \$15 per document is needed? Is that part of what is going on here?

**Sylvia Smith:**

I am not in a position to speak on whether it increases the fees. I can tell you that when we analyzed this, we looked at the usual documents that record with a real estate transaction: the deed, the deed of trust, and a reconveyance document. The reconveyance document may be three to four pages and is a final document releasing the seller's deed of trust. As far as cost, a deed might be \$20 to record, the deed of trust \$55 to record, and the reconveyance \$17 to record. We looked at those document fees across the board, and they generally evened out because of the disparity between the number of pages in a deed versus a deed of trust. In the end, it did not seem to make much difference.

It is strictly to get consistency between the counties. I am president of Western Title Company in my paying job. We record in eight different counties in northern Nevada and A.B. 169 will create consistency between counties and their noncompliance fees. For us, it creates an equal fee between the counties.

**Assemblywoman Neal:**

Section 1, subsection 3, paragraph (f) states, "Not have any documents or other materials physically attached to the paper." Paragraph (g), subparagraph (2), states, "A stamp or seal

that overlaps with text or a signature on the document, except in the case of a validated stamp or seal of a professional engineer or land surveyor who is licensed . . . ." What are some examples of nonformatting issues for paragraphs (f) and (g)?

**Assemblywoman Jauregui:**

The county recorders are here and would be better suited to answer your questions.

**Assemblyman Brooks:**

Earlier, you stated the amendment addressed concerns from the mining industry. Please explain.

**Assemblywoman Jauregui:**

I was referring to mineral exploration, which is usually individual people who record about 500 to 1,000 claims throughout the state in a year. I wanted to ensure that they were not being assessed any unnecessary costs. The bill creates uniformity for the real estate industry and ensures we were helping consumers in the end.

**Assemblyman Brooks:**

Where in the bill does it state that?

**Rocky Finseth:**

In the mock-up ([Exhibit C](#)), page 3, line 3, there is new language that states, "For any document specified in paragraphs (k), (l) and (m) of section 1 of NRS 247.120, or any amendments thereto." Paragraphs (k), (l), and (m) are documents filed by mineral exploration.

**Assemblyman Kramer:**

I read that also. It appears mining is being exempted. Instead of exempting, why not include the real estate documents and exclude the others, like judgments and decrees or wills admitted to probate. It looks like the fees are applied to everything except real estate. The additional pages are still \$1.

**Rocky Finseth:**

To your first question, we explored that idea with the county recorders. The challenge becomes, What is considered a real estate document? And they can expand further on that discussion. The concept on page three of the mock-up ([Exhibit C](#)) is to keep the existing fee in place for those mineral rights claims that are filed with a fee of \$10 for the first page and \$1 for each page thereafter.

**Assemblywoman Neal:**

I was reviewing NRS 247.305, and this may be another question for the county recorders. What do the county recorders do with the additional fees? Are they used to pay for administrative services? Will making the flat fee eliminate the county recorders from charging additional fees?

**Assemblywoman Jauregui:**

We worked with the county recorders to identify what the flat fee should be so it would not affect them. The county recorders will need to answer what they use those fees for.

**Assemblyman Daly:**

This may be a question for the county recorders as well. I understand making the recording fee a flat fee should balance out the charges for the nonconforming documents and the flat fee will make it easier for real estate transactions. Will county recorders be coming back in two years because the mineral rights documents are costing more? Are most of those documents conforming? This bill could create unintended consequences.

**Assemblywoman Jauregui:**

I will let the recorders address your concerns.

**Marcus Conklin, representing Nevada Mortgage Lenders Association:**

I am here in support of A.B. 169. Sylvia Smith articulated in detail the concerns this bill addresses. Part of the reason the Nevada Mortgage Lenders Association and the Nevada Land Title Association are here is federal regulations have brought us to the point where there is no room for error at closing.

You heard the story about closing getting moved back. That is actually a positive outcome. One outcome might be the closing mark is missed. Because of TRID rules put forth by CFPD, if the minimum amount is not brought to closing, the closing becomes null and void. In a standard closing, there is a minimum amount that must be applied by the homeowner. Usually a first-time buyer, someone getting a loan through the VA, or someone getting a loan through another federally sponsored program, is required to bring a minimum of 1 percent, 3 percent, or 5 percent of the actual total amount of the transaction to the closing.

As an example, I am a first-time homebuyer who is borrowing \$150,000 with a minimum requirement of \$3,000 for closing. Because of a \$20 oversight, the fee for closing is now \$2980. Later, a \$20 refund check is issued, and I am now in violation of the amount required at closing. The loan becomes null and void.

That is a terrible thing to happen, and what A.B. 169 does is take one unknown out of the equation. It allows for us to accurately predict up front what the closing costs will be and helps us avoid a circumstance that could be potentially painful for folks who are first-time homebuyers, other qualifiers of government-sponsored programs, or government-sponsored loans. We are in support of this bill. We appreciate the bill sponsor and the Nevada Land Title Association for bringing this forward.

**Larry R. Burtness, Vice President, Property Records Industry Association:**

I am the Washoe County Recorder, but I am here today in my capacity as vice president of the Property Records Industry Association (PRIA). I am testifying in support of A.B. 169. The Property Records Industry Association brings the business and government sectors together to collaborate on issues nationwide related to property records.

The mission of PRIA is to develop and promote national standards and best practices for the property records industry. The Property Records Industry Association frequently makes presentations and testifies in hearings to state and federal agencies for property records-related issues.

The Property Records Industry Association has been at the table discussing predictable recording fees across the U.S. Several PRIA papers have been produced specific to this topic. I will draw some salient points from a background paper on predictable recording fees. First, as you have already heard, a predictable recording fee is a fee that can be reliably and consistently estimated. The challenges that exist today were not created by county recorders. However, county recorders can help overcome the hurdles we see in today's real estate closing environment.

As you heard, government regulations require lenders to disclose all fees in the loan estimate accurately. If they do not match the closing disclosure, a closing may be delayed and could result in increased costs to lenders and consumers. Predictable recording fees can provide benefits to recorders, their business partners, and to the consumer. A predictable fee can prevent additional paperwork, delays in closing, and make closing costs more transparent and easier to understand.

Document recording fees may represent a small percentage of the total closing costs associated with a real estate transaction, but if the recording fees are calculated incorrectly, it can adversely affect the closing. Implementing predictable recording fees can reduce and eliminate unnecessary delays, rejections, and penalties. I would like to sincerely thank Assemblywoman Jauregui for bringing this bill to the 79th Legislative Session. Predictable recording fees can provide benefits to all parties in a real estate transaction. The predictable recording fee is endorsed by PRIA, and PRIA encourages states to evaluate this approach. On behalf of PRIA, I am in support of A.B. 169.

**Assemblyman Kramer:**

As a county treasurer, I worked a lot with county recorders. Were there so many nonconforming document fees that it is necessary to increase the first page from \$10 to \$25? Is it a revenue-neutral issue being discussed or is this more money for the county recorders?

**Larry Burtness:**

There are a lot of nonconforming fees charged, but it is inconsistent within the state. That is a challenge for the lenders. They do not know when that fee will be charged. I do not know if it is revenue neutral.

We gathered data points from every county recorder for the last two fiscal years. We gathered the number of documents recorded and the number of pages on each document, then created averages. This was an extensive process, using Excel to analyze valuable information and then determine a starting point, such as a \$25 recording fee.



**Assemblyman Kramer:**

The question was, Is it revenue neutral? You have said an analysis was performed but did not mention, for example, that there were 1,000 nonconforming documents producing a loss of \$25,000 in nonconforming fees. You mentioned total documents. What if there were 10,000 pages which might be so many documents at \$1 a page plus \$9 per document? How does that compute? If this is a fee increase, then I am not in support of it. If it is revenue neutral, I probably will be. I am not opposed to county recorders getting more money if it is justified, because nonconforming documents take an exorbitant amount of time. I feel you are dodging the question.

**Larry Burtness:**

I understand your concern. If a revenue-neutral recording fee was created, I would suggest there would be 17 of them. Each county's approach to the nonconforming fee is different, and they must blend and balance the documents they receive for recording. Washoe County and Clark County process the bulk of the recordings. There are counties where 80 percent of the documents recorded are mining. To try to answer your question about an absolutely neutral revenue fee structure, I suggest it would require 17 different recording fees.

**Assemblywoman Neal:**

On the mock-up, in section 1, subsection 3, paragraphs (a) through (g), please provide an example of paragraph (f) and what those attachments are since the nonconformity issue is now going to be in the law. Please provide an example of when a professional engineer or land surveyor should have a validated stamp attached.

**Larry Burtness:**

To your point on paragraph (f), when paragraphs (a) through (g) were created in 2011, it was very common for the recording document to have notary acknowledgments as pieces of paper taped or stapled to the documents. It became very problematic to capture that information on scanners. As you can imagine, in 2011 the scanning technology was much different from what it is today. Paragraph (f) is not as acute of a problem as it was then.

To answer your question on paragraph (g), I believe that primarily refers to maps that are submitted to the county recorder. The surveyor stamp has certain conditions for its application.

**Assemblywoman Neal:**

The title of the bill states, "... a county recorder has discretion to accept and record a document that does not meet certain formatting requirements . . . ." What does that mean? If it is under section 1, subsection 3, paragraph (g) of your proposed amendment ([Exhibit C](#)), and it is a map, it should at least show the correct boundaries and lines.

**Larry Burtness:**

I stand corrected. It relates to documents that are submitted to the county recorder for recordation, and the surveyor will stamp that document with his or her stamp.

**Assemblywoman Neal:**

The stamp means it has been reviewed and is legitimate. Is that correct?

**Larry Burtness:**

Yes, that is correct.

**Assemblywoman Neal:**

This language does not necessarily mean a document without a stamp will be accepted. I am trying to figure out what nonconforming means.

**Jen Chapman, Recorder, Storey County:**

First of all, it should be stated that a county recorder is going to do everything in their power to record the document. Any document brought into a recorder's office should be recorded most of the time. From my own experience, some of those legal documents can be sent in with ribbons, seals, and things. If that is a document authorized by law to be recorded, a recorder is still going to do everything in their power to accurately capture the document and record it. Discretion must be used for a lot of documents. Every recorder is going to know whether or not the attachments are important and they will not arbitrarily deny it because it has a stamp or seal.

**Assemblywoman Neal:**

*Nevada Revised Statutes* 247.305 concerns additional fees that may be otherwise charged. Prior to that, what were the additional fees used to pay for? Were they administrative costs, or other items? I ask because the language contains a lot of "ors."

**Larry Burtness:**

Are you referring to the \$25 nonconforming fee in section 2, subsection 5?

**Assemblywoman Neal:**

Yes. I was actually referring to NRS 247.305. There is language in NRS 247.305, subsection 5 that has the \$25, but the existing language is struck out in the mock-up ([Exhibit C](#)). It seems the \$25 fee and other fees can be collected on top of the existing fee. I am wondering, in the collection of fees, were they being used to pay for any administrative costs in the office?

**Larry Burtness:**

The \$25 fee becomes part of the general fund of each county. It is not necessarily used for an administrative function. This was added to statute 15 years ago, and there was a lot of extra effort extended by county recorders to accommodate the variety of conditions documents were arriving in: we were receiving letter-sized, legal-sized, smaller, larger, two-sided, colored ink, attachments stapled and/or taped.

As far as discretion, as the Storey County Recorder indicated, the recorders understand and agree that it is in the best interest of our constituents to record the document if at all possible. However, colorful individuals do come into the office and require a bar napkin to be recorded

rather than go through the normal procedure of putting it on a regular piece of paper. The discretion being considered in this bill provides the recorder the opportunity to recommend the characteristics that are in NRS 247.110 and gives them the discretion to refuse to record in the extreme case where a document is submitted that cannot be effectively captured and permanently preserved as a public record. The other important part of our duty as county recorders is to be a custodian of over 150 years of records. We are charged with preserving them, protecting them, and providing access to these records.

**Assemblyman Kramer:**

The real estate documents would not be on a napkin, have a ribbon attached, or be outside the boundaries. Title companies know what they are doing. It seems to me that the title companies are asking for a fee increase of \$15 for the first page. I do not see where the \$25 fee for irregular documents has hit the title companies except in some rare incidence where the signature might spill over. Quite frankly, I often see a box for a signature, and the people are cautioned to sign within the box. It does not look at all revenue neutral as far as the title company is concerned.

**Larry Burtness:**

Just for the sake of discussion, in both fiscal year (FY) 2014 through 2015 and FY 2015 through 2016, there were over 100,000 incidences of the nonstandard fee charged. The percentages vary by counties but that is a significant number of nonstandard fees.

**Karen Ellison, Recorder, Douglas County:**

Douglas County is a timeshare county as are Washoe and Clark Counties. I receive documents from all over the world to record, not only from local title companies. Every state has their own format, and I cannot say title companies are the only ones responding and understanding the \$25 conforming fee. We do get a large number of home-grown documents as people use Legaldocs.com and format their own documents.

**Sylvia Smith:**

I wanted to speak to the noncompliance fee being assessed on title companies. As stated by Larry Burtness, that is absolutely not true. We see that fee on a high percentage of documents that are recorded. I would like to clarify one more thing. It would be incredibly difficult and place a huge burden on the county recorder to determine if a document is a document that needs to meet TRID compliance under the federal regulation. Many states have discussed the predictable recording fee, and on a national level, it has come back that the predictable recording fee per document is a better way of doing business. There is no way a county recorder should be placed in a position to determine whether a document needs to be TRID compliant or not. As you know, title companies handle a vast amount of different real estate transactions. Some are under the TRID guidelines, and some are not. A commercial transaction may not have the same penalties for the lender that occur under TRID. It made more sense to go to a predictable flat recording fee per document.

**Chairman Flores:**

Is there anyone in Las Vegas or Carson City wishing to speak in support of A.B. 169?

**Jenny Reese, representing Nevada Association of Realtors:**

The Nevada Association of Realtors is in full support of A.B. 169.

**Susan L. Fisher, representing Nevada Mineral Exploration Coalition:**

The Nevada Mineral Exploration Coalition is primarily composed of small one-man and one-woman shops, as Assemblywoman Jauregui mentioned. The mineral explorers go out to a site to find minerals and then seek funds to do further exploration. The bill, as originally written, would have imposed a financial hardship on these small businesses and we appreciate the bill sponsor for listening to our concerns and addressing them in the proposed amendment. We support the bill with the proposed amendment.

**Joshua J. Hicks, representing Southern Nevada Home Builders Association:**

The Southern Nevada Home Builders Association is in support of A.B. 169. We have seen builders experiencing closing delays and confusion over the appropriate amount of fees. We think the certainty in predictability that this bill offers is a great advantage. We are happy to support it and thank Assemblywoman Jauregui for bringing it forward.

**Chairman Flores:**

Is there anyone else in Las Vegas or Carson City wishing to speak in support? [There was no one.] Is there anyone in Las Vegas or Carson City wishing to speak in opposition? [There was no one.] Is there anyone in Las Vegas or Carson City wishing to speak in the neutral position? [There was no one.] Assemblywoman Jauregui, please come forward for closing comments.

**Assemblywoman Jauregui:**

Thank you to the Chairman and Committee members for letting us walk you through A.B. 169. My office is always open, and as the sponsor, I would be happy to address any additional concerns.

**Chairman Flores:**

I will close the hearing on A.B. 169. Next on the agenda is Assembly Bill 264. I will open up the hearing.

**Assembly Bill 264: Revises provisions governing equipment used by the State to reduce the use of paper. (BDR 18-565)**

**Assemblywoman Heidi Swank, Assembly District No. 16:**

I represent District No. 16 in southern Nevada. I am here to talk you through Assembly Bill 264 ([Exhibit D](#)). This is a bit of a good governance bill. It is not a huge bill and does not have a huge impact, but it does have some nice housekeeping around the edges.

Basically, it mandates double-sided printing with some exceptions for flexibility within particular offices and divisions. The bill affects all state offices, the Judicial Branch, the Legislative Branch, school districts, and the Nevada System of Higher Education. As you can see [page 2, ([Exhibit D](#))], for every 20,000 employees, double-sided printing will save

the state \$1 million. It is not a lot of money, but I think we can all think about ways we might want to spend \$1 million on other issues in the state. This seems like a simple way we can start to trim up some of the paper costs incurred. From an environmental aspect, it saves a lot of water, trees, and the 800 gallons of gas used to produce the paper.

**Assemblyman Carrillo:**

Would someone get in trouble if he or she did not print double-sided?

**Assemblywoman Swank:**

There are not any punitive measures if this is not followed. Printers will automatically be set to default to double-sided printing. A document sent to the printer will print double-sided by default. The printer can be set to single-sided if desired. There are no punitive measures.

**Assemblyman Carrillo:**

Is there some type of notification that the document will print double-sided automatically?

**Assemblywoman Swank:**

I am happy to add that to the bill. I think there will be a transition period because we are all used to single-sided printing. I would be more than happy to add language concerning double-sided printer notification.

**Assemblyman Carrillo:**

Before people get used to the change, they may be wasting a lot of paper. If they did not want to print double-sided, those pages will get thrown in the recycle bin and must be reprinted.

**Assemblywoman Swank**

Yes, that is true. As with any change, there is a period of transition that will happen, but in the long-term, it will save the state some money.

**Assemblyman Brooks:**

I know a lot of corporations and companies have adopted a policy like this. Do you know if any other states are doing this?

**Assemblywoman Swank:**

I do not know, but I can certainly look into that.

**Assemblyman Daly:**

I am reading this as a code of best practices. There will be some growing pains. I like it on one side, and it seems easier to read. I am used to the double-sided because our documents here are printed that way.

**Assemblywoman Swank:**

I do want to state that, if passed, it will not require replacement of printers that do not print double-sided. When those printers are phased out and replacement printers purchased, they will have the double-sided capability. Almost every printer on the market today has that capability unless it is a basic printer

**Assemblyman Marchant:**

For the record, this is currently a policy in my office.

**Assemblywoman Neal:**

This assumes the majority of agencies have the newer printers. I was up in Reno at the Department of Employment, Training and Rehabilitation office, and their printer was really old. Is the bill taking into consideration the upgrade of office equipment that will need to occur?

**Assemblywoman Swank:**

Most of the newer printers in state buildings print double-sided. That seems to be what the state is purchasing now.

**Assemblyman Kramer:**

Section 2, subsection 1, refers to the court. Did you speak to the courts? I have never seen where the courts would accept a double-sided printed page.

**Assemblywoman Swank**

I have not spoken with the courts. It has been on my radar to follow up with them after the bill came out of drafting. I can see that double-sided printing may not work very well for the courts.

**Assemblyman Kramer:**

The bill has allowed others to opt out and the courts are probably ones that may take a long learning curve.

**Assemblywoman Swank:**

An opting-out process was an oversight and left out in drafting.

**Chairman Flores:**

Is there anyone wishing to speak in support of A.B. 264 in Carson City or Las Vegas? [There was no one.] Is there anyone wishing to speak in opposition of A.B. 264 in Carson City or Las Vegas? [There was no one.] Anyone wishing to speak in the neutral position in Carson City or Las Vegas? [There was no one.] I will close the hearing on A.B. 264.

Is there anyone here for public comment? [There was no one.] Having nothing left on the agenda, this meeting is adjourned [at 9:40 a.m.].

RESPECTFULLY SUBMITTED:

---

Carol Myers  
Committee Secretary

APPROVED BY:

---

Assemblyman Edgar Flores, Chairman

DATE: \_\_\_\_\_

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a proposed amendment to Assembly Bill 169, dated March 13, 2017, presented by Rocky Finseth, representing Nevada Land Title Association, submitted by Assemblywoman Sandra Jauregui, Assembly District No. 41.

[Exhibit D](#) is a copy of a PowerPoint presentation titled "AB264 Double-Sided Printing," presented by Assemblywoman Heidi Swank, Assembly District No. 14.