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

# Seventy-Ninth Session April 14, 2017

The Committee on Government Affairs was called to order by Chairman Edgar Flores at 8:36 a.m. on Friday, April 14, 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:**

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

#### **COMMITTEE MEMBERS ABSENT:**

None



# **GUEST LEGISLATORS PRESENT:**

Assemblywoman Heidi Swank, Assembly District No. 16 Assemblyman Tyrone Thompson, Assembly District No. 17 Assemblywoman Brittney Miller, Assembly District No. 5 Assemblywoman Lesley E. Cohen, Assembly District No. 29 Assemblyman Steve Yeager, Assembly District No. 9 Assemblywoman Ellen B. Spiegel, Assembly District No. 20 Assemblyman James Ohrenschall, Assembly District No. 12

# **STAFF MEMBERS PRESENT:**

Kevin Powers, Chief Litigation Counsel Jered McDonald, Committee Policy Analyst Jim Penrose, Committee Counsel Lori McCleary, Committee Secretary Isabel Youngs, Committee Secretary Cheryl Williams, Committee Assistant

#### **OTHERS PRESENT:**

Scott F. Gilles, Legislative Relations Program Manager, Office of the City Manager, City of Reno

Jason D. Guinasso, representing Awaken, INC, Reno, Nevada

Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas

#### **Chairman Flores:**

[Roll was called. Rules and protocol were explained.] We will start with <u>Assembly Bill 5</u>.

Assembly Bill 5: Provides for the creation of certain local improvement districts. (BDR 22-233)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 5 provides for the creation of certain local improvement districts. It was sponsored by this Committee on behalf of the Office of Energy in the Office of the Governor. Assembly Bill 5 provides for the creation by a local government, without an election, of a local improvement district that includes an energy efficiency improvement project or a renewable energy project. We had two amendments. The first was discussed at the hearing. This provides for the creation of a Property Assessed Clean Energy program. The second amendment was proposed by Assemblyman Daly. This adds some language to section 1, subsection 5 of the bill (Exhibit C).

#### **Chairman Flores:**

We do have an amendment proposed by Assemblyman Daly. That is on the Nevada Electronic Legislative Information System and should be in front of you. I do not know if you want to explain your amendment before we take a vote, Assemblyman Daly.

#### **Assemblyman Daly:**

The proposed amendment is basically addressing the issue I had during the presentation regarding construction work done under these programs with government help. It would require the payment of prevailing wage similar to what we have done in other statutes on conduit financing or government help. If there was not a government element in here, then they would not be in the building asking for a bill. I would be supportive of the measure with both amendments, but only if both amendments are in.

# **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 5.

ASSEMBLYMAN DALY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 5.

ASSEMBLYMAN BROOKS SECONDED THE MOTION.

#### **Assemblyman Ellison:**

I agree with the concept of the bill as presented, but with the amendments, I will be voting no.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, KRAMER, MARCHANT, MCARTHUR, AND WOODBURY VOTED NO.)

#### **Chairman Flores:**

Assemblyman Daly will take the floor statement.

**Assembly Bill 41:** Makes changes relating to the qualifications for and classifications of various positions in State Government. (BDR 28-240)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 41 makes changes relating to the qualifications for and classifications of various positions in state government. It was sponsored by this Committee on behalf of the Department of Administration and was heard in this Committee on February 20, 2017. The bill provides for the appointment of individuals to the State Public Works Board within the State Public Works Division, Department of Administration, who were licensed in the past as general building contractors or general engineers in the state. It requires the Administrator of the State Public Works Division to be a licensed professional engineer or a registered architect. It makes the qualifications for Division Administrators within the Department of Health and Human Services equivalent.

Finally, the bill authorizes the Chief Medical Officer to maintain a clinical practice that is not established through the University of Nevada in order to retain expertise and remain current in a specialized field.

We did receive an amendment from the Committee. It clarifies the qualifications of the Administrator of the Division of Health Care Financing and Policy, Department of Health and Humans Services (DHHS), and deletes other proposed changes in sections 6 through 9. The amendment also permits the Chief Medical Officer, with the approval of the Director of the DHHS, to maintain a clinical practice that is not established through the University of Nevada (Exhibit D).

# **Assemblywoman Monroe-Moreno:**

Before moving forward, I want to look at section 2, subsection 6. The language being struck seems to limit the scope of qualifications, which goes against the intent of this bill. I would like to leave that language in because it broadens our pool of whom we can have in that position.

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 41.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 41.

ASSEMBLYMAN MCCURDY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblywoman Monroe-Moreno will take the floor statement.

Assembly Bill 80: Revises provisions governing redevelopment in certain cities. (BDR 22-416)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 80 revises provisions governing redevelopment in certain cities. It was sponsored by this Committee on behalf of the City of Reno. It was heard in this Committee on March 27, 2017. Assembly Bill 80 authorizes, if adopted by ordinance, a city whose population is 220,000 or more located in a county whose population is 100,000 or more but less than 700,000 to extend the date of termination of a redevelopment plan adopted before January 1, 1991, to the later of the retirement of the last maturing securities or 60 years after the date on which the original redevelopment plan was adopted, whichever is later.

The bill also extends the set-aside of 18 percent of the incremental revenues received from taxes on the taxable property located in the redevelopment area, which are intended to improve and preserve existing public educational facilities located within the redevelopment area or serve pupils who reside within the redevelopment area. These provisions apply to

any city whose population is 220,000 or more, regardless of the population of the county in which it is located (currently the cities of Henderson and Reno), but only if the city adopts an ordinance extending the date of termination of its redevelopment plan (<u>Exhibit E</u>). We did get an amendment this morning (<u>Exhibit F</u>).

#### **Chairman Flores:**

I would like the representative from the City of Reno to come up. There was a last-minute amendment that came in. For clarity, I want to make sure we know what that was so we know exactly what we are voting for.

# Scott F. Gilles, Legislative Relations Program Manager, Office of the City Manager, City of Reno:

The amendment language was drafted by Washoe County. Both the county's and the city's attorneys' offices worked on that language. We both agree with the language. The intent of the language is to ensure once we extend the redevelopment district, we ultimately would not be able to reset the base for the redevelopment district and the allocations would proceed as normal.

There were concerns that third parties may have arguments to the contrary, and the amendment serves to sufficiently confirm that we would not be able to reset the base going forward. That is my understanding of why Washoe County wanted the amendment, but I do not want to speak for them. I can state that we are fine with the amendment.

#### **Assemblywoman Neal:**

I thought you were going to strike out the 18 percent language because there were only 300 kids affected and one school.

#### Scott Gilles:

If it is the Committee's desire to amend that provision out of the bill, we are fine with that. There is one school within the district and there are relatively few students who live within the district. If it is the Committee's desire to remove the set-aside, we would not be opposed to that.

# **Assemblywoman Neal:**

I would like to strike it out. You already have money to take care of that school. This is not needed.

#### **Scott Gilles:**

The City of Reno would be fine with that.

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 80.

# **Assemblywoman Neal:**

I want to make a motion to accept the proposed amendment on <u>A.B. 80</u>, which apparently is from Washoe County, and make an additional amendment to delete the set-aside of 18 percent to improve and preserve educational facilities within the redevelopment area.

ASSEMBLYWOMAN NEAL MOVED TO AMEND AND DO PASS ASSEMBLY BILL 80.

ASSEMBLYMAN DALY SECONDED THE MOTION.

#### **Assemblywoman Woodbury:**

I was fine with the bill as written, but I feel that by taking out the set-aside, the school districts will not be made whole, so I will be voting no.

# **Assemblywoman Neal:**

I will comment on that. The redevelopment area does not have money to make anyone whole.

# **Assemblyman Daly:**

I understand it would be 15 to 20 years before the money for the 18 percent set-aside would become available. It is already assigned to bonds anyway, so I do not have an issue with that part. These redevelopment agencies are being allowed an extension up to 60 years now. They were not intended to last forever. They were supposed to sunset. That is just in case anyone reads the record here again—because even the freshmen here today will not be here in 15 years when this extension comes up again. If you have not been able to do the job in the redevelopment area in 60 years, then we should look for another plan and not extend it.

#### Jim Penrose, Committee Counsel:

I want to be sure that I am clear on the 18 percent set-aside provision. Are we deleting the change made by the bill, or are we removing the 18 percent set-aside from existing statute?

#### **Assemblywoman Neal:**

Just from the bill, not from the statute. That would affect other areas. It is just for Reno.

#### **Chairman Flores:**

I will echo Assemblyman Daly's remarks. Not to put blame on what has been happening now because sometimes things are out of our control, but none of this is intended to last in perpetuity. It is frustrating for us as a body to continue these extensions. We have to hold each other accountable, and we cannot keep doing this, quite frankly. I will be voting on it, but with a lot of hesitation and frustration. We are making it a tradition now. We have done it in other cities. We keep extending redevelopment. We understand that it was never intended to be forever, and yet we keep coming back and doing it. For those who are here beyond us, you have to make sure you do not forget that. It is our obligation to keep demanding that we not fall into a pattern of extending these.

#### **Assemblywoman Joiner:**

I would concur with you. I agree with those warnings. I would like to make the argument that I am a strong supporter of this bill. The reason is because the situation we were in fiscally in this state during the recession and the last five years was very unique. I am hopeful that we never have to go through this again because we will not have those types of financial situations again. Because those were out of the control of the local government and it was by no fault of their own, I encourage people to vote for this today.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, MARCHANT, MCARTHUR, AND WOODBURY VOTED NO.)

#### **Chairman Flores:**

Assemblyman Carrillo will take the floor statement.

Assembly Bill 217: Provides for the revocation of the business license of a place of transient lodging where repeated acts of prostitution have regularly occurred. (BDR 20-278)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 217 provides for the revocation of the business license of a place of transient lodging where repeated acts of prostitution have regularly occurred. This was sponsored by Assemblyman Hambrick and heard in this Committee on March 2, 2017. The bill requires a county or city, as applicable, to revoke the business license issued to a place of transient lodging located within its jurisdiction if there have been repeated acts of prostitution regularly occurring on the premises and the person in control of the place of transient lodging knew or should have known that acts of prostitution were regularly occurring on the premises and failed to take reasonable remedial measures to ensure that such violations did not continue to occur.

We had a few amendments. The first was to add Assemblywoman Tolles as a joint sponsor. We also received a mock-up from the bill sponsor. My understanding of the bill is that it makes the bill permissive by replacing the "shall" with "may" regarding the revocation of a license. It allows for a civil penalty in lieu of a suspension or revocation of a license. It describes the circumstances in which an owner, operator, agent, property manager, or employee of a place of transient lodging knew or should have known of violations regularly occurring on the premises. Finally, it makes conforming changes for incorporated cities (Exhibit G).

# **Chairman Flores:**

Can I have a representative for this amendment come up? Can you walk us through the amendment and explain the intent, what you got rid of, et cetera?

# Jason D. Guinasso, representing Awaken, INC, Reno, Nevada:

At the initial hearing on this bill, a number of questions were raised. We needed to clean up section 2, subsection 1, which adds the unincorporated area of Clark County. Another question was raised with regard to the specific reference to *Nevada Revised Statutes* (NRS) 207.030. We were more specific and surgical by stating that the reference should be NRS 207.030 paragraph (b) and paragraph (c).

The next issue that was raised was what "person in control" means. There was a lot of discussion about that. In the mock-up, we attempted to clarify what we were talking about. We struck that term from section 1, subsection 1, paragraph (b), and section 2, subsection 1, paragraph (b), and inserted "owner, operator, agent, property manager or employee." Another issue was what "knew or should have known" meant. We took time to define that. We added some factors for guidance as to how to reach those determinations, and we provided examples in the mock-up.

Additionally, there were questions as to what a reasonable remedial measure would be. We took some time to talk about what a reasonable remedial measure is. We made some changes with regard to allowing local governments who are faced with this situation to have flexibility in the penalty they wanted to provide. They could suspend, revoke, or issue a fine in lieu of a violation. The original language we just provided for revocation of a license. This iteration of the bill has given local governments options to suspend, revoke, or issue a fine based on the facts and circumstances presented to them. I believe we have addressed all the concerns.

We also exempted property owners with nonrestricted gaming licenses. We believe that those properties are appropriately governed by the Nevada Gaming Control Board. If issues like these were to occur in larger casino properties, that body would be the appropriate body to address those issues.

#### **Chairman Flores:**

We had a few stakeholders who were in neutral or opposition. Did you work alongside them on the amendment?

# Jason Guinasso:

I ran this language by the lobbyists representing the gaming industry. I spoke with the representative of the American Civil Liberties Union of Nevada who raised the question about "person in control" and "reasonable remedial measures." I did not speak with the person who represented the Retail Association of Nevada directly, but I did incorporate the questions he raised in the mock-up. I did schedule meetings with different Assembly members on this Committee to talk about some of those changes. Some of those meetings we were not able to keep because of the accelerated schedule over the last few weeks. I believe I covered everyone's concerns mentioned up to this point.

#### **Chairman Flores:**

You spoke with the resorts. Did you get a confirmation from them?

#### Jason Guinasso:

I spoke with Pete Ernaut, who represents Nevada Resort Association. I sent him a mock-up last Saturday or Sunday and confirmed with him on Sunday that he had no problem.

#### **Assemblywoman Neal:**

In section 2, subsection 2, you tie the \$1,500 to the Consumer Price Index (CPI). I am not clear on what that does or why that is there. I do not know if that was in the original bill.

#### Jason Guinasso:

Mr. Penrose, I believe that was language added by your office. I do not think I was involved with the drafting of that particular piece. Can you explain that, please?

# Jim Penrose, Committee Counsel:

To the extent I understand it, I believe the CPI adjustment was requested by the City of Las Vegas. That is the reason it is in the bill. I can walk you through how the adjustment works.

#### **Assemblywoman Neal:**

What is it supposed to accomplish?

#### Jim Penrose:

It ensures that every year there is an inflation adjustment upward or downward to the \$1,500 maximum civil penalty.

# **Assemblywoman Neal:**

So we are creating an inflation adjustment with a legal penalty? Okay. I will move onto my next question. I do not think that is a good idea, but okay. My next question is about the blacklist created in section 2, subsection 4, paragraph (b). It says, "Reasonable remedial measures' include, without limitation: (1) Maintaining a list of patrons who have been arrested for violations of NRS 201.354 or paragraph (b) or (c) of subsection 1 of NRS 207.030 at the place of transient lodging and prohibiting those patrons from staying at the place of transient lodging."

#### Jason Guinasso:

In this section, we attempted to provide examples of what a "reasonable remedial measure" would be. That would be if an establishment were subject to being held accountable under this statute and there was a hearing. The question would be if they took reasonable remedial measures. This would be a piece of evidence that they could bring—a list of the people who had been arrested at the establishment and an assurance that they were not patrons at the establishment subsequently due to their prior conduct while staying at the establishment. It was intended to provide an example of evidence that would show a reasonable remedial measure taken by an owner, operator, or property manager.

# **Assemblywoman Neal:**

I am looking at section 2, subsection 4, paragraph (a), subparagraphs (1) and (2). It seems inequitable. You are carving out the big boys. The assumption is that somehow there is more activity occurring at the Budget Suites of America versus a property within a 1-mile radius of the Las Vegas Strip. I am confused on why they are being taken out. It just seems unfair. You are creating a list, and the assumption is that prostitution is not happening there.

#### Jason Guinasso:

I would not be so presumptuous to make that assumption. In dealing with the problem we are facing in hotels throughout Nevada, I believe we have to start somewhere. The places we are seeing the most acute problems are in some of the smaller hotels like the Siegel Slots & Suites, the Diamond Inn Motel, the Vegas Chalet Motel, the Shalimar Hotel, Motel 6, et cetera. With regard to the larger properties, certainly there is similar activity occurring in those places, but we would submit that they have additional oversight through the Nevada Gaming Control Board. As we identify this problem for the resorts, we believe there is some way to deal with that behavior through the oversight provided there. At this point, we do not need to include those properties in order to begin to take steps to address the problem where it is most acute.

#### **Assemblywoman Monroe-Moreno:**

The CPI language is referenced in two sections of the bill. Would it not be better and much easier to have the flat \$1,500 fee and take out the reference to the CPI in both sections?

#### Jason Guinasso:

Yes. We would not have a problem with that amendment. We were trying to accommodate different perspectives as we came up with this mock-up. I do not think that provision is essential to what we are trying to accomplish with this piece of legislation.

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 217.

# **Assemblywoman Monroe-Moreno:**

I would like to make a motion to amend and do pass the bill with the mock-up, but remove from section 1, subsection 2, and section 2, subsection 2, "The maximum amount of the civil penalty must be adjusted on October 1 of each year for the period beginning that day and ending on September 30 of the following year in a rounded dollar amount corresponding to the percentage of increase or decrease in the Consumer Price Index (All Items) published by the United States Department of Labor for the last preceding calendar year. On or before July 1 of each year, the governing body shall determine the amount of the increase or decrease required by this subsection and establish by ordinance the adjusted amount to take effect on October 1 of that year."

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 217.

ASSEMBLYMAN CARRILLO SECONDED THE MOTION.

#### Assemblyman Ellison:

I see where you took that out. There will not be a revocation or suspension of the license anymore, but there will be a fine. What will the fine be?

#### Jason Guinasso:

The fine would be \$1,500.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON AND NEAL VOTED NO.)

#### **Chairman Flores:**

Assemblyman Marchant will take the floor statement.

Assembly Bill 317: Revises provisions governing limitations on conducting business using certain fictitious names. (BDR 52-1019)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 317 revises provisions governing limitations on conducting business using certain fictitious names. It was sponsored by Assemblywoman Spiegel and heard in this committee on April 7, 2017. Assembly Bill 317 prohibits a person from adopting a fictitious name, which imitates the name of a governmental agency or entity of this state, another state, or the United States. We had an amendment that was provided at the hearing. As described by the sponsor, the amendment applies to entities that already have fictitious names and would be enforced upon renewal. It adds a provision that proposed fictitious names that are not actual names of official entities but sound like names of official entities may be denied. The phrase "entity of this state" will make clear that it includes all governmental entities found within the state's borders, including a federally recognized Indian tribe (Exhibit H).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 317.

ASSEMBLYWOMAN BILBRAY-AXELROD MOVED TO AMEND AND DO PASS ASSEMBLY BILL 317.

ASSEMBLYWOMAN JOINER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblyman McArthur will take the floor statement.

Assembly Bill 321: Requires a hosting platform to make certain reports to a county or city. (BDR 20-1138)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 321 requires a hosting platform to make certain reports to a county or city. It was sponsored by Assemblywoman Swank and others, and it was heard in this Committee on March 27, 2017. Assembly Bill 321 requires the board of county commissioners of a county or the city council or governing body of an incorporated city to adopt an ordinance requiring the submission of quarterly reports by an online hosting platform that facilitates the rental of a residential unit or a room or space within a residential unit for the purposes of transient lodging. Under this bill, the quarterly report must include certain information concerning the rentals facilitated by the hosting platform in the county or city, as applicable, and the revenue from such rentals.

The bill further requires the ordinance to authorize an agency of the county or city, as applicable, to issue a subpoena requiring a hosting platform to produce documents, records, or materials necessary for determining whether a rental of a residential unit or a room or space within a residential unit has violated the laws of this State or an ordinance adopted by the county or city in which the residential unit is located.

We did have one amendment. It says it was submitted by the City of Henderson, but that is an error. It was submitted by the sponsor, Assemblywoman Swank. The amendment changes "shall" to "may" to make the law permissive for the purposes of authorizing an agency of the county to issue subpoenas for certain records related to short-term rentals. The amendment also revises the required contents of reports provided to a city by a hosting platform that facilitates the rentals for the purposes of transient lodging (Exhibit I).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 321.

ASSEMBLYWOMAN JOINER MOVED TO AMEND AND DO PASS ASSEMBLY BILL 321.

ASSEMBLYWOMAN BILBRAY-AXELROD SECONDED THE MOTION.

# Assemblywoman Woodbury:

Why do section 1 and section 2 differ? Why is it "may" for the county commissioners and it takes out the quarterly reporting, but it is "shall" for the city councils and it keeps in the quarterly reporting? Do we know how we got there?

# Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas:

Assemblywoman Swank asked me if I would fill in her shoes, so I will do the best I can. I believe it was our intent to make this permissive in both categories for the county commission and also for the city councils as well. We would be fine if it went to "may" on both parts. I think that is what the industry would prefer as well.

# **Assemblywoman Woodbury:**

There are some municipalities where it is illegal to operate these short-term rentals, so I think it would be better to be permissive. I do not think they should be mandated to do it if it is not even allowed in their city. I would be for this bill if we made sections 1 and 2 consistent.

#### **Brian McAnallen:**

That is exactly what we were trying to get. The City of Henderson has a moratorium on short-term rentals, so we would not want to create a challenge for that jurisdiction.

ASSEMBLYWOMAN JOINER WITHDREW HER MOTION.

ASSEMBLYWOMAN BILBRAY-AXELROD WITHDREW HER SECOND.

# **Assemblywoman Joiner:**

I would like to move that we amend and do pass <u>A.B. 321</u> with the amendment that in section 2, subsection 1, the "may" becomes a "shall" so that it applies the same to cities and counties

ASSEMBLYWOMAN JOINER MOVED TO AMEND AND DO PASS ASSEMBLY BILL 321.

ASSEMBLY WOMAN BILBRAY-AXELROD SECONDED THE MOTION.

# **Assemblywoman Woodbury:**

The other inconsistency is the red crossed-out lines in section 1 about the quarterly reporting. Can we make everything consistent in both sections? Is there a reason that this is different?

#### **Brian McAnallen:**

I cannot answer that. I am not sure why it is inconsistent.

#### Jim Penrose, Committee Counsel:

I would think to make both sections consistent between the counties and the cities that the language related to the reporting requirements should be stricken from section 2 of the bill as well. I am speculating, but that would appear to be the required amendment.

#### **Brian McAnallen:**

I think part of the attempt to address some concerns from the industry was to grab the data in aggregate versus specific cases. That would be consistent with making both sections the same.

#### **Assemblywoman Woodbury:**

Let us just make section 2 consistent with section 1 and I will be good.

# **Assemblywoman Joiner:**

Usually as a sponsor, we review our amendments very carefully before we submit them. Are we coming back today? I would love to check in with Assemblywoman Swank first. When you say make them consistent, I do not know whether to adopt the language from section 1 or section 2. I appreciate the consistency, but I am not sure which to go with. I will withdraw the motion with strong hope that it comes back later today.

ASSEMBLYWOMAN JOINER WITHDREW HER MOTION.

ASSEMBLYWOMAN BILBRAY-AXELROD WITHDREW HER SECOND.

#### Chairman Flores:

We will move on to the next bill in the work session.

Assembly Bill 350: Revises provisions governing relations between local government employers and employees. (BDR 23-932)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 350 revises provisions governing relations between local government employers and employees. This bill was sponsored by Assemblyman Fumo and heard in this Committee on April 7, 2017. Assembly Bill 350 requires a local government employer to provide an in-person orientation to a local government employee at the employee's work location and during the employee's regular work hours within 30 days after the employee's date of hire.

Further, the measure requires a local government employer to allow an employee organization, by which the local government employee is eligible to be represented and which has at least 1,000 members, to give a presentation of at least 30 minutes during the orientation. The employee organization is authorized to designate a representative to attend the orientation during paid time. The bill provides that the content of a presentation is a subject matter that is not within the scope of mandatory bargaining. This bill also requires a local government employer to provide information concerning a newly hired local government employee and to allow such an employee organization to meet with a local government employee who is unable to attend the required employee orientation within 30 days after being hired. Finally, the bill requires a local government employer to allow

a member of an employee organization to meet with a local government employee outside regular work hours or during breaks in designated areas on the premises of the local government employer.

We did receive one amendment from the bill sponsor. This was discussed during the bill hearing. Essentially, the amendment proposed in the hearing removes references to local government and applies similar measures in the bill to state government (Exhibit J).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 350.

ASSEMBLYMAN CARRILLO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 350.

ASSEMBLYMAN DALY SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN KRAMER, MARCHANT, MCARTHUR, AND WOODBURY VOTED NO. ASSEMBLYMAN ELLISON WAS ABSENT FOR THE VOTE.)

Assemblyman Fumo will take the floor statement.

Assembly Bill 379: Amends provisions relating to general improvement districts created for the purpose of furnishing recreational facilities. (BDR 25-211)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 379 amends provisions relating to general improvement districts created for the purpose of furnishing recreational facilities. The bill was heard in this Committee on March 28, 2017 and sponsored by Assemblywoman Joiner. Assembly Bill 379 authorizes a board of county commissioners to create a general improvement district, which will furnish recreational facilities if each board of county commissioners and governing body of an incorporated city, unincorporated town, and existing general improvement district with territory included within the boundaries of the proposed district consent to the formation of the district by resolution.

The bill also authorizes a board of county commissioners to acquire, operate, maintain, manage, and restore these recreational facilities; design, compile, or administer certain environmental or cultural reports; and take measures to reduce wildfire, restore native vegetation, and conserve and manage natural resources; establish or fund the establishment of educational programs at facilities for recreation, including without limitation, funding for personnel who provide such educational programs; enter into certain agreement with a nonprofit corporation; and establish a fund and accept gifts, grants, and donations for deposit in the fund.

We did receive an amendment from the bill sponsor. The amendment creates park, trail, or open space districts in a new section. The amendment authorizes a county, city, or town to initiate the formation of the district by resolution. The district will be governed by a board consisting of five members appointed by the governing body that creates the district. The amendment also describes the powers of the board and requires the districts to consult with any conservation districts in which the general improvement district lies (Exhibit K).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 379.

ASSEMBLYWOMAN BILBRAY-AXELROD MOVED TO AMEND AND DO PASS ASSEMBLY BILL 379.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

# **Assemblywoman Woodbury:**

I did talk with the bill sponsor about this ahead of time, and I think she still thinks this is a friendly amendment. In the conceptual amendment section 1, subsection c, the initial members are appointed by the town that creates the district, but there may be other municipalities. I ask that at least one representative from each municipality be appointed.

# **Assemblywoman Joiner:**

That is friendly to me. I think that makes a lot of sense. If there are multiple local government entities involved—which, as the bill states, they would need an interlocal agreement anyway—but in the initial board, each one of them should have at least one representative.

#### **Chairman Flores:**

I would prefer Assemblywoman Bilbray-Axelrod withdraw her original motion. We can have Assemblywoman Woodbury make that motion.

ASSEMBLYWOMAN BILBRAY-AXELROD WITHDREW HER MOTION.

ASSEMBLYWOMAN MONROE-MORENO WITHDREW HER SECOND.

# Assemblywoman Woodbury:

I would like to make a motion to amend and do pass <u>A.B. 379</u> with Assemblywoman Joiner's conceptual amendment and revising section 1, subsection 3 of her conceptual amendment to say that the governing body of the county, city, or town that creates the district must appoint the initial members of the board, but include at least one representative from any other municipalities included in the district.

ASSEMBLYWOMAN WOODBURY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 379.

ASSEMBLYWOMAN BILBRAY-AXELROD SECONDED THE MOTION.

#### **Assemblyman Kramer:**

My understanding is that this legislation is enabling bodies to create these districts. I would like to have legal counsel tell us how it goes about being created and whether property owners get one vote each or if their vote is influenced by the value of the property.

# Jim Penrose, Committee Counsel:

To the extent I understand the way a general improvement district (GID) is created under the provisions of *Nevada Revised Statutes* (NRS) 318.055, subsection 1, "The formation of a district may be initiated by: (a) A resolution adopted by the board of county commissioners; or (b) A petition proposed by any owner of property to be located in the district." There is no requirement that any particular number of owners file such a petition. However, under the provisions of NRS 318.065, if a majority of the owners of property within such proposed district file a protest against the creation of a district then the district cannot be established. If less than a majority files protests, then under the provisions of that section, the board still has the discretion to create the district with certain limitations that I am not completely familiar with.

# **Assemblyman Kramer:**

If you have a district and 90 percent of the assessed valuation was one owner, but there were 500 other owners on the other 10 percent, is it weighted? Does each property owner get a vote, or is it weighted by the assessed valuation?

#### Jim Penrose:

My understanding of the statute is that it is based on per property owner. It is not a function of the assessed valuation of a parcel.

# **Assemblyman Kramer:**

If one property owner owns several properties, does that person only get one vote or a vote for each property?

# Jim Penrose:

I think that person only gets one vote.

# **Assemblyman Carrillo:**

This question is for the bill sponsor. I wanted to find out if there would be any restrictions in the park.

# **Assemblywoman Joiner:**

Can you clarify? What kind of restrictions are you thinking about?

#### **Assemblyman Carrillo:**

Just generalized.

# **Assemblywoman Joiner:**

My understanding of how this would work is that it is very similar to how GIDs work. It has a governing board that adopts policies for the area. My intent is to have this function very much the same as our current statutes with those special types of districts.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, KRAMER, MARCHANT, AND MCARTHUR VOTED NO.)

#### **Chairman Flores:**

Assemblywoman Joiner will take the floor statement. I would like to reopen <u>Assembly Bill 321</u> for discussion. Assemblywoman Swank is here, and I want to discuss some amendments brought forth. Assemblywoman Woodbury brought up some concerns. I want to run those by you, and see where you are.

Assembly Bill 321: Requires a hosting platform to make certain reports to a county or city. (BDR 20-1138)

#### **Assemblywoman Woodbury:**

I saw that section 1, having to do with county commissioners, differed. It was a "may" and it took out the quarterly reporting. The city did not have those changes. I asked to make section 2 consistent with section 1 (Exhibit I).

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

That was the intent. It just came out of drafting incorrectly. We want section 1 and section 2 to be the same. The only difference is the *Nevada Revised Statutes* Chapter they are in. One is for cities and one is for counties. The "may" should be in both and what is reported should be the same in both of those. We worked with Airbnb, Inc. specifically. They are good with all of this. We wanted to make sure that this is collaboration with Airbnb and giving enabling language to cities and counties, but not mandating anything.

# **Assemblywoman Joiner:**

When you say the language should be the same in section 1 and section 2, the "may" is easy. We got that. But which section would you like to copy? Would you like section 1 or section 2 as far as the list of reports?

#### **Assemblywoman Swank:**

Section 1 is the one we like. We want that mirrored in section 2.

# **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 321.

# **Assemblywoman Joiner:**

I would like to make a motion to amend and do pass <u>A.B. 321</u> with the change to the mock-up that section 1 and section 2 be identical as far as the reports and that they are both permissive—"may" and not "shall"—and that we use as the basis of the drafting what is currently in section 1 for the list of reports.

ASSEMBLYWOMAN JOINER MOVED TO AMEND AND DO PASS ASSEMBLY BILL 321.

ASSEMBLYWOMAN BILBRAY-AXELROD SECONDED THE MOTION.

#### Jim Penrose, Committee Counsel:

I am sorry to be slow on the uptake. Section 1 deletes the reporting requirement altogether. My understanding of the motion is that section 2 of the bill would likewise delete the information required in the report described in section 1 of the bill. Am I correct about that?

# **Assemblywoman Swank:**

That is correct. We worked with Airbnb to get to where we are right now.

THE MOTION PASSED. (ASSEMBLYMEN FLORES, KRAMER, AND MCARTHUR VOTED NO.)

#### **Chairman Flores:**

Assemblywoman Swank will take the floor statement.

Assembly Bill 384: Revises provisions governing the consideration of the criminal history of an applicant for employment by the State or a county or city. (BDR 23-33)

#### Jered McDonald, Committee Policy Analyst:

Assembly Bill 384 revises provisions governing the consideration of the criminal history of an applicant for employment by the State or a county or city. This bill was sponsored by Assemblyman Thompson and heard in this Committee on April 10, 2017. Assembly Bill 384 provides, with exceptions, that the criminal history of an applicant or other qualified person under consideration for employment in a State agency or local government may be considered only after an appointing authority has made a conditional offer of employment or if applicable, the applicant has been certified by the Administrator of the Division of Human Resource Management of the Department of Administration.

The bill also sets forth specific factors that must be considered by an appointing authority or the Administrator before the criminal history of an applicant may be used as the basis for rescinding a conditional offer of employment or for rejection of the applicant.

Finally, if the criminal history of an applicant is used as the basis for rejecting the applicant or rescinding a conditional offer of employment extended to the applicant, the appointing authority or the governing body of the county or city, as applicable, must provide to the applicant a written statement which must specifically state the evidence presented and the reason for the rejection of the applicant or rescission of the conditional offer of employment.

We did receive a conceptual amendment from the bill sponsor. I will briefly review some of those provisions. The amendment adds unincorporated towns to the provisions of the bill. It exempts peace officers, school district personnel, and firefighters. It clarifies what criminal records shall not be considered. It specifies certain language to include on an application regarding criminal records. It allows applicants to file a complaint with the Nevada Equal Rights Commission, Department of Employment, Training and Rehabilitation (Exhibit L).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 384.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND DO PASS <u>ASSEMBLY BILL 384</u>.

ASSEMBLYMAN MCCURDY SECONDED THE MOTION.

#### **Assemblyman Kramer:**

Ban the Box is something I am in favor of. My question comes down to if you deny someone a job because of that person's criminal record, I presume the discussion will be held. Now I understand the specifics have to be stated in writing instead of during a discussion. If your discussion shows that you have two people and both seem equally qualified and one person does not have a record, I will choose the one without the record. Is this saying that this is a reason to claim discrimination? If so, will that make liars out of people? Yes, there is discrimination. I fully admit that. And most of it is covered up by lies and saying it is something else. It seems like at some level, having a criminal record is a reason for legitimate discrimination. I think I need some assurances that because I chose one person and not another, all other things being equal, that this is not grounds for a lawsuit for discrimination.

# Assemblyman Tyrone Thompson, Assembly District No. 17:

On the bottom part of the amendment, it talks about the Nevada Equal Rights Commission (NERC). That is a given right for anyone for any reason. I would think that a human resources (HR) manager should be skillful and careful in how they address a situation like that. They probably cannot disclose that exact same scenario. Why that occurred would be suited for a discussion between the employer and with NERC, but I am not sure that the HR manager would tell the applicant that because there was someone who did not have a record and the same qualifications, the applicant was denied the job.

# **Assemblyman Kramer:**

If I had two people I was looking at and one was prone to mistakes and one was not, I could choose the one who did not make mistakes. But it sounds like if I am dealing with two people who are equal in all presentation I can see and one has made criminal mistakes—and believe me, I want to throw out half of what is out there anyway—you are saying I cannot say that is the reason I am choosing this other person? I just feel like on some level having a criminal history is a legitimate form of discrimination against someone.

# **Assemblyman Thompson:**

It has to be related to the job that the person is applying for. That is the whole premise of the bill. If a person is applying for a job as a greeter or receptionist in public service and their criminal charge was for murder—that does not relate to filing, computer work, et cetera.

Saying that the two applications are on the same level, but one has that criminal record, so they should not have the job, is not justifiable. The employer will have to dig deeper. They have to remove the criminal part and weigh the two people on their merits and if they will be a better fit for the work culture. Employers have to do that every day anyway when they have a person that may have the same amount of skills, aptitudes, and abilities. It comes down to if the person is the best for the work culture, leaving aside what they did in the past.

# **Assemblywoman Neal:**

The bill was allowing people to walk through the door without immediate discrimination because of their record. In the scenario Assemblyman Kramer mentioned, two people walked through the door. At least you have actually interviewed both and you make the decision based on their ability to perform the job. The biggest barrier was getting past the application and into the interview. If you find that one person is qualified, regardless of their criminal record, that is whom you select. If I select someone who does not have a criminal record, but I feel that he is better-suited, and I do not select the person with the criminal record, could that insert me into NERC? I have already evaluated the two people; I just chose someone else because they are better-suited. I had the interview, and I vetted both. I was not discriminatory because I at least allowed them to be interviewed. That is the way I understood it.

# **Assemblyman Thompson:**

The second to the last bullet point talks about that. If a rescission is going to be made, then that employer needs to think about how they will word that to the applicant. Again, the applicant has the ability to go to NERC should they feel like it was a reason because of their record.

# **Assemblyman Ellison:**

I totally agree with where you are trying to go. In section 4, subsection 2, the amendment seeks to remove the language, "other than marijuana." The problem is that marijuana is still not permissible under federal law. I could see removal of this language in the light of medical marijuana because that requires a prescription from a doctor. However, if the context is recreational marijuana, that might create a problem.

The next question is about section 5. If I have a job opening for a service technician and the only person who applies has been arrested several times for breaking and entering, and I do not hire him based on his criminal record, he could then sue my business. This is my only problem—being able to protect the business doing the hiring along with the individuals with criminal records.

In another example, I have a guy that I usually send out to do yard jobs. However, he did something stupid and got himself arrested. He will be getting out of prison in the next week or so. I do not care if he has a criminal record, but if he has been arrested for robbery, I cannot put him into a house.

#### **Chairman Flores:**

Assemblyman Ellison, I appreciate that. I appreciate you all being so respectful to Assemblyman Thompson and explaining where you are. I will take the vote in the interest of time.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, KRAMER, MARCHANT, MCARTHUR, AND WOODBURY VOTED NO.)

Assemblyman Thompson, I am going to give you the floor statement.

Assembly Bill 406: Revises provisions relating to certain construction. (BDR 28-781)

#### Jered McDonald, Committee Policy Analyst:

Assembly Bill 406 revises provisions relating to certain construction. This bill was sponsored by Assembly members Daly, Benitez-Thompson, Brooks, Carrillo, Bilbray-Axelrod, and others. It was heard in this Committee on March 29, 2017.

Assembly Bill 406 prohibits a public body that is found to have violated certain requirements governing construction of a public work with a construction manager at risk from entering into a contract with a construction manager at risk for two years after being found in violation. If such a violation is found, the bill makes the contract with the construction manager at risk void and requires the public body to transmit a copy of the decision regarding the violation to the building official having jurisdiction over the project to issue a stop order on the project.

Among other provisions, the bill requires school districts and the Nevada System of Higher Education to pay the same prevailing wage rates on their public works and other construction projects as other public bodies are required to pay, requires charter schools to pay prevailing wage rates on their public works and other construction projects, and decreases the percentage at which the rate is required to be prevailing from 50 to 30 percent of the total hours for the craft or trade. We did have a number of amendments. The first one was by Mr. Craig Madole [page 2, (Exhibit M)]. We also received an additional amendment this morning (Exhibit N).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 406.

ASSEMBLYMAN CARRILLO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 406.

ASSEMBLYWOMAN JOINER SECONDED THE MOTION.

# **Assemblywoman Neal:**

I will vote for it to get out of Committee, but I am more than likely going to be a different vote on the floor.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, KRAMER, MARCHANT, MCARTHUR, AND WOODBURY VOTED NO.)

#### **Chairman Flores:**

Assemblyman Daly will take the floor statement on that.

Assembly Bill 437: Establishes a statewide information system for reporting nonemergency situations. (BDR 19-755)

#### **Jered McDonald, Committee Policy Analyst:**

Assembly Bill 437 establishes a statewide information system for reporting nonemergency situations. It was sponsored by this Committee and heard on April 5, 2017. Assembly Bill 437 requires the Division of Enterprise Information Technology Services of the Department of Administration to establish and maintain a statewide nonemergency information system to provide information to and accept reports from the general public regarding nonemergency situations in this state. Further, the bill requires each state agency in the Executive Department of the state government to participate in the statewide nonemergency information system unless it is authorized to withdraw from participation. Additionally, the measure authorizes a local governmental agency to participate in the statewide nonemergency information system if the local governmental agency pays certain costs associated with its participation.

Finally, the bill requires the Division to develop a plan for the design, development, and implementation of the statewide nonemergency information system by May 1, 2018, and enter into a contract for the design, development, and implementation of the system by June 30, 2019 (Exhibit O).

#### **Chairman Flores:**

I will entertain a motion to do pass A.B. 437.

ASSEMBLYMAN DALY MOVED TO DO PASS ASSEMBLY BILL 437.

ASSEMBLYMAN CARRILLO SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN MCARTHUR VOTED NO.)

I will take the floor statement.

**Assembly Bill 477:** Authorizes appointment of a General Counsel of the Purchasing Division of the Department of Administration. (BDR 27-895)

# **Jered McDonald, Committee Policy Analyst:**

Assembly Bill 477 authorizes appointment of a General Counsel of the Purchasing Division of the Department of Administration. It was sponsored by this Committee on behalf of the Office of Finance in the Office of the Governor. It was heard in this Committee on April 6, 2017. Assembly Bill 477 authorizes the Administrator of the Purchasing Division of the Department of Administration to appoint a General Counsel of the Division in the unclassified service who must be an attorney in good standing licensed and admitted to practice law in Nevada (Exhibit P).

#### **Chairman Flores:**

I will entertain a motion to do pass A.B. 477.

ASSEMBLYWOMAN BILBRAY-AXELROD MOVED TO DO PASS ASSEMBLY BILL 477.

ASSEMBLYWOMAN NEAL SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

Assemblyman McCurdy will take the floor statement.

Assembly Bill 279: Revises provisions governing banks and other financial institutions regulated by the Commissioner of Financial Institutions. (BDR 52-1085)

# Jered McDonald, Committee Policy Analyst:

<u>Assembly Bill 279</u> revises provisions governing banks and other financial institutions regulated by the Commissioner of the Division of Financial Institutions in the Department of Business and Industry. It was sponsored by the Assembly Committee on Commerce and Labor. It was heard in this Committee on March 30, 2017. <u>Assembly Bill 279</u> requires the

Commissioner of the Division of Financial Institutions to adjust the rates paid by banks and other financial institutions for supervision and examinations by a percentage not to exceed the percentage change in the most recent annual budget approved by the Legislature for the Division of Financial Institutions.

Further, the measure requires the Commissioner to publish on the Internet website of the Division of Financial Institutions by December 31 of each year the amount of the fee for the following year. The bill defines the term "financial institution" to include a depository institution and any other institution or business regulated by the Division. The bill also requires the Commissioner to examine the accounts of the holder of a license to engage in the business of lending so far as they pertain to the business that is licensed (Exhibit Q). We do have an amendment submitted by Mr. Connor Cain, who is representing the Nevada Bankers Association [page 2, (Exhibit Q)].

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 279.

ASSEMBLYMAN DALY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 279.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

# **Assemblyman Daly:**

When we heard this bill, my concern was over the exemption of the Nevada Administrative Procedure Act. They came back and talked to me, and I suggested that if they wanted to do that, they could do it through their regulation in an open process that goes through hearings, workshops, and Legislative Commission review. They have done that, so it removed my concerns with the bill. I wanted to thank them for working with me on that.

#### **Chairman Flores:**

I want to echo those remarks. Thank you to the stakeholders for working with me on some concerns.

THE MOTION PASSED UNANIMOUSLY.

Assemblyman Daly will take the floor statement.

**Assembly Bill 404:** Creates the Nevada Office of the Inspector General. (BDR 18-740)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 404 creates the Nevada Office of the Inspector General. It was sponsored by Assemblywoman Miller and heard in this Committee on April 5, 2017. Assembly Bill 404 creates the Nevada Office of the Inspector General and provides that the Office of the

Inspector General consists of the Inspector General and any person employed in the Office of the Inspector General. The bill requires the Governor to appoint the Inspector General for a term of four years from a list of candidates submitted by the Legislative Commission.

The bill also requires the Inspector General to appoint a Deputy Inspector General and a Special Counsel who are in the unclassified service of the State of Nevada and authorizes the Inspector General, within the limits of available money, to employ such persons in the classified service of the State of Nevada to provide an appropriate staff for the Office.

We received two amendments. The first was to add Assemblyman Edwards as a cosponsor. The bill sponsor, Assemblywoman Miller, proposed the next amendment. The mock-up defines "waste" as the squandering of money or resources, whether or not the activity is lawful. It requires the Inspector General to be certified by the Association of Inspector Generals. It bars a former Inspector General from holding an elected office in the State for four years. It lowers the felony level from a class C to a class E for a person who impedes the Inspector General from carrying out the duties of the Office. It clarifies the reporting requirements of the Inspector General (Exhibit R).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 404.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 404.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

#### **Assemblywoman Neal:**

I will vote to get this out of Committee, but my vote will probably be different on the floor. I do not like legal ramifications regardless of intent. I have a problem with the whole definition of "fraud."

#### **Assemblyman Daly:**

I had a question for the sponsor. I know there was discussion during the hearing about section 3, ". . . governmental function and receives funding from the State." I believe Assemblyman Kramer brought it up. We talked about using public funds, and I do not see that in the mock-up. I want to make that clear if that is our intent. We should go back and fix the motion.

# Assemblywoman Brittney Miller, Assembly District No. 5:

You are absolutely correct. It was my understanding that that was submitted as an amendment as well. I just need to follow up. Clarifying "public funds" was submitted.

# **Assemblyman Daly:**

I believe we can make that in the motion here.

#### **Assemblyman Ellison:**

I like the bill, but I am concerned about the financing. I am going to do the opposite. I will vote no and then I will talk to the sponsor. I will probably change my vote on the floor.

# **Assemblyman Carrillo:**

I want to echo Assemblywoman Neal's comments.

#### **Chairman Flores:**

This will be going to the Assembly Committee on Ways and Means.

#### **Assemblywoman Miller:**

I want to clarify that the definition of "waste" came from the federal definition.

# Jim Penrose, Committee Counsel:

I would appreciate more clarification about what we are doing with the definition of "public funds" and what the significance of that change is intended to be.

# **Assemblyman Daly:**

I believe we talked about instead of saying, "funding from the State," we want to replace it with "public funding." That makes it open to all the levels of government rather than just state funding.

ASSEMBLYWOMAN MONROE-MORENO WITHDREW HER MOTION.

ASSEMBLYMAN KRAMER WITHDREW HIS SECOND.

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 404.

#### **Assemblyman Daly:**

I would like to amend and do pass  $\underline{A.B.}$  404 using the proposed amendment [page 2, ( $\underline{Exhibit R}$ )] and to replace "funding from the State" in section 3 with "public funding."

ASSEMBLYMAN DALY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 404.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN ELLISON VOTED NO.)

#### Chairman Flores:

Assemblywoman Miller will take the floor statement.

**Assembly Bill 423:** Requires the Nevada Commission for Women to collect and report information related to gender equality in the workplace. (BDR 18-1047)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 423 requires the Nevada Commission for Women to collect and report information related to gender equality in the workplace. This was sponsored by Assemblywoman Miller and heard in this Committee on April 3, 2017. Assembly Bill 423 requires the Nevada Commission for Women, with the assistance of the Director of the Department of Administration, to design and conduct an annual survey of employers in this state with 100 or more employees to collect data and information related to issues of gender equality in the workplace. The Commission must use the data and information to create and maintain a gender equality index that scores or rates each employer on issues of gender equality in the workplace. The index must be made available on the Internet website of the Department of Administration, and the Commission must submit an annual report to the Governor and the Director of the Legislative Counsel Bureau on issues of gender equality in the workplace.

We did receive an amendment from the bill sponsor. The mock-up removes references to the timing of the survey, replaces the "Gender Equity Index" with a database containing information about employers that have best practices and policies on issues of gender equity, and clarifies that the employer is not required to respond to the survey and will not be subject to any penalty for not responding. Finally, the amendment indicates that the Nevada Commission for Women may seek information about an employer regarding gender equality from public records of state agencies (Exhibit S).

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 423.

ASSEMBLYWOMAN JOINER MOVED TO AMEND AND DO PASS ASSEMBLY BILL 423.

ASSEMBLYMAN CARRILLO SECONDED THE MOTION.

# **Assemblywoman Woodbury:**

I appreciate the intent of the bill. What has me concerned is the vagueness of what the questions on the survey will be. That will be designed later. I think it is critical that the survey be designed not to come to a predetermined conclusion but to find actionable data that help show us if we have a problem. I will vote yes and reserve my right to change my vote on the floor.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, MARCHANT, AND MCARTHUR VOTED NO.)

#### **Chairman Flores:**

I will give the floor statement to Assemblywoman Miller. I want to add a few things to the work session. I want to start with <u>Assembly Bill 309</u>.

Assembly Bill 309: Revises provisions relating to the employment of veterans and certain widows and widowers by the State. (BDR 23-762)

#### **Chairman Flores:**

The sponsor of <u>Assembly Bill 309</u> is Assemblywoman Cohen (<u>Exhibit T</u>). She provided three conceptual amendments during the presentation. One changes the point system from 10 points to 15 points for disabled veterans. It changes the points for nondisabled veterans from 5 points to 10 points. She added language pertaining to Gold Star families. They would get 10 points themselves. Lastly, she removed section 2, which is the creation of a new position. Mr. Penrose will discuss the proposed amendment (<u>Exhibit U</u>).

#### Jim Penrose, Committee Counsel:

If you have the bill before you, the amendment deletes section 2 of the bill, which provided for the appointment for a Veteran Personnel Coordinator. There is no change to section 3 of the bill as drafted or to section 4 of the bill. In section 5, the points preference is expressed as follows: For veterans with disabilities, the points preference would be 15 points added to the passing grade of an examination. For veterans who are not disabled, and the widows and widowers of persons killed in the line of duty while on active duty of the Armed Forces of the United States, 10 points would be added to the passing grade achieved on an examination. For the widows and widowers of other veterans, 5 points would be added as is provided in existing law. Also as provided in existing law, 5 additional points will be added to a passing score on an examination for a member of the Nevada National Guard who submits a letter of recommendation from their Commanding Officer.

There is a new section added to the bill, which amends *Nevada Revised Statutes* (NRS) 284.265, which relates to the interviews. I am not as familiar with that as I should be, but basically the amendment would require the appointing authority to interview for the position each eligible person who is certified by the Administrator. Those are all of the changes made by the amendment.

# **Chairman Flores:**

I had an opportunity to speak with the bill sponsor and she is here. The intent is to make sure all veterans who meet the requirements get the opportunity to be interviewed. The issue that comes up in our veteran community is that very often, there is a false perception that they are not prepared mentally to fulfill the obligations of a job. That negative stereotype often leads to our veterans not being interviewed. The intent was to ensure that a veteran who meets whatever criteria is necessary and requests an interview gets that interview.

# **Assemblyman Carrillo:**

How is their status verified? Is there paperwork they would need to bring in to ensure they have met the criteria? If you had a DD Form 214, obviously you were a service member honorably discharged. But when it comes to widows and widowers, how do they verify their status? Do they have to show a death certificate? The DD Form 214? That seems to be the biggest issue with all of them. They cannot find a lot of the DD 214 forms from their spouses who have passed on.

# Assemblywoman Lesley E. Cohen, Assembly District No. 29:

I believe we addressed this at the hearing, and I do not want to give you any incorrect information. Since we have the Veterans Coordinator position within the Division of Human Resource Management, Department of Administration, who helps match veterans with job opportunities in the state of Nevada, I think all of that can be taken care of. I do not think we have to be concerned with anyone giving false information or if someone is having trouble getting records. There should be a way to assist them.

#### **Chairman Flores:**

I want to make sure everything is abundantly clear since you do not have the mock-up in front of you.

#### **Assemblyman Ellison:**

I want to thank the bill sponsor for making the changes in there. I thought that was important to get the points down to 15. I think that cleaned it up, and it is a good bill.

# **Assemblywoman Cohen:**

Thank you. Certainly, it was definitely not a problem to do. I think the veteran community I was working with was fine with that as well. They were just happy that we recognized the problems they face with suicide. That has been a real issue for the community.

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 309.

ASSEMBLYWOMAN BILBRAY-AXELROD MOVED TO AMEND AND DO PASS ASSEMBLY BILL 309.

ASSEMBLYMAN ELLISON SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN NEAL VOTED NO.)

Assemblywoman Cohen will do the floor statement.

# **Assembly Bill 433:** Revises provisions relating to public works. (BDR 28-1013)

# **Jered McDonald, Committee Policy Analyst:**

Assembly Bill 433 revises provisions relating to public works. This bill was sponsored by Assemblyman Brooks and heard in this Committee on April 11, 2017. Assembly Bill 433 authorizes a public body or its authorized representative to award a contract for a public work for which the estimated cost exceeds \$100,000 to the responsive and responsible bidder offering the best value bid if, after notice and a public hearing, the public body or its authorized representative determines that the public work presents unique and complex construction challenges. This bill also sets forth the criteria for a public body or its authorized representative to consider when determining the responsive and responsible bidder offering the best value bid (Exhibit V). We have the conceptual amendment discussed at the hearing. We also have a conceptual amendment that was proposed by Clark County [page 2, (Exhibit V)].

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 433.

ASSEMBLYWOMAN JOINER MOVED TO AMEND AND DO PASS ASSEMBLY BILL 433.

ASSEMBLYMAN BROOKS SECONDED THE MOTION.

#### **Assemblywoman Neal:**

I am not comfortable with the bill. I will vote no. I may change my vote on the floor.

#### **Chairman Flores:**

I, too, have a whole host of concerns. I will move it out. My expectation is to work on it. If we can get to where it needs to be, then it works. If we cannot get there, we will hold onto it for a while.

# **Assemblyman Kramer:**

I am the same way. I have concerns. I will vote yes to get it out, but I would like the discussion to continue as well.

# **Assemblyman Ellison:**

I will vote no on this bill, but I will reserve my right to change my vote on the floor. I just got a text message from the City of Elko. I will meet with the sponsor of the bill.

#### **Chairman Flores:**

For the bill sponsor and stakeholders, please meet with Assemblyman Kramer, Assemblyman Ellison, and Assemblywoman Neal today.

#### **Assemblyman Marchant:**

I ditto what Assemblyman Ellison said. I will reserve my right to change my vote on the floor.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, MARCHANT, MCARTHUR, NEAL, AND WOODBURY VOTED NO.)

#### **Chairman Flores:**

Assemblyman Brooks will take the floor statement. The stakeholders should also meet with Assemblyman Marchant. We will hold off on everything else. There are a few bills on the agenda that we have not discussed—specifically Assembly Bill 277. There are a few other bills that we are waiting for amendments on. As soon as we get the amendments, we will post them and allow everyone an opportunity to look at them and give feedback. We will just recess to the call of the Chairman, and allow everyone an opportunity to review everything. If there is anything you care about, please talk to me so we can discuss it.

[The Committee recessed at 10:25 a.m. and reconvened at 3:40 p.m.]

#### **Chairman Flores:**

We will wrap up the work session. There are three bills that we will hopefully move out. We have <u>Assembly Bill 106</u>, <u>Assembly Bill 277</u>, and <u>Assembly Bill 383</u>. All three bill sponsors are in the room. We will start with A.B. 277.

**Assembly Bill 277:** Revises provisions governing land use planning. (BDR 22-954)

#### Jered McDonald, Committee Policy Analyst:

Assembly Bill 277 revises provisions governing land use planning. It was sponsored by Assemblyman Yeager and others. It was heard in this Committee on March 31, 2017. Assembly Bill 277 restricts the general authority of any local government in this State to enact certain changes relating to planning, subdividing, and zoning of certain lands located within any national conservation area, national recreation area, or adjacent lands.

The bill repeals certain provisions of the Red Rock Canyon Conservation Area and Adjacent Lands Act and also repeals certain provisions of the Spring Mountains National Recreation Area Act (Exhibit W). There is an amendment attached from the Legal Division of the Legislative Counsel Bureau (LCB) [page 2, (Exhibit W)]. We also had a conceptual amendment submitted by the sponsor subsequent to the hearing this morning (Exhibit X).

# Kevin Powers, Chief Litigation Counsel, Legal Division, Legislative Counsel Bureau:

The LCB's Legal Division is a nonpartisan legal agency. We do not support or oppose any particular legislation, policy, or viewpoint. We provide the Legislature and its committee members with objective legal analysis regarding issues of law. Today, I will give you an

overview of the two proposed amendments to <u>A.B. 277</u>. There is the mock-up prepared by the Legal Division [page 2, (<u>Exhibit W</u>)] and a single paper prepared by the sponsor (<u>Exhibit X</u>).

As we go through the mock-up [page 2, (Exhibit W)], I will identify those places where the sponsor is asking for additional changes. As introduced, A.B. 277 created a buffer zone around national conservation areas and a freeze on zoning that would have kicked in on the effective date of the bill. The mock-up moves away from that approach. In fact, the mock-up is a gut-and-replace. We no longer go with a freeze on zoning within the buffer zone. Instead, the mock-up provides for uniform state standards that each local government has to apply when considering any project that would involve natural resources overlay lands. I will explain that as we go through the bill.

Section 1.1 of the mock-up is legislative findings and declarations. If you look at section 1.1, subsection 2, paragraphs (a) through (c), they will give you a general idea of the objectives of the bill. Those objectives are to designate and define natural resources overlay lands, establish uniform statewide standards that local governments must strictly comply with when regulating the use of those lands, and provide for judicial review and other appropriate remedies to ensure that local governments strictly comply with those standards.

The key of the bill is the definition of "natural resources overlay lands." That definition is in section 1.45 of the mock-up. These are any lands within the boundary of a national conservation area or not more than one-half mile outside the boundary of a national conservation area. As we discussed at the hearing, there are three national conservation areas in Nevada: Black Rock Desert-High Rock Canyon Emigrant Trails National Conservation Area in Washoe County; Sloan Canyon National Conservation Area in Clark County as well. All three of those are existing national conservation areas; however, the bill would also apply if the federal government designated any additional national conservation areas in the future in Nevada.

There are two important components of the definitions in section 1.45 dealing with "natural resources overlay lands." First, in subsection 3, the term does not apply to any parcel of land subject to any development agreement that was approved and recorded pursuant to the *Nevada Revised Statutes* (NRS) Chapter 278 before the effective date of this act. The mock-up now provides that unless the development agreement is amended on or after the effective date of this act, the proposal by Assemblyman Yeager is to remove the "unless" clause [page 4, line 36, (Exhibit W)]. Essentially, if that is adopted, the natural resources overlay lands would not include any lands subject to a development agreement that is in existence before the effective date of the act. Even if that development agreement was amended in the future, it still would not be subject to the provisions of this act. That is what the proposed amendment to the mock-up does (Exhibit X). I will call it the "mini mock-up" for ease of discussion.

Another important component of the definition of "natural resources overlay lands" is in section 1.45, subsection 4. If any part of land is located partially but not entirely within natural resources overlay lands, only the portion of the parcel within natural resources overlay lands is subject to the provisions of this bill. If a developer is developing the portion that falls outside the area, the bill will not apply to that portion of the land unless any portion that falls within it is subject to that development project.

Turning to the substance of what the bill does. You can look at sections 1.6 through 1.8 [pages 6 through 8, (Exhibit W)]. Section 1.6 provides that local governments can adopt policies and regulations to carry out and facilitate the provisions of the bill, including requiring developers to pay for the cost of the local government to review and analyze an environmental impact statement. One of the components of the bill is that before these projects can go forward on the overlay lands, the developer must complete and submit an environmental impact statement. That takes us to section 1.65, subsection 1, "... a local government shall not take any final action regarding the proposed project unless: (a) The developer prepares and submits an environmental impact statement that complies with section 1.7 or this act; (b) The local government posts the environmental impact statement on its website at least 15 calendar days before the public hearing at which the local government may take final action; and (c) The local government applies and weighs the factors set forth in section 1.75 of this act."

There is one exception to the environmental impact statement requirement. If the project is subject to environmental review under federal or state law for another reason and that review is completed, then the local government uses that separate environmental review. The developer does not have to produce an additional environmental impact statement.

Section 1.7 sets forth the requirements for the environmental impact statement. This is based on federal law, in particular the National Environmental Policy Act of 1969. That federal law requires environmental impact statements for certain projects that are subject to the jurisdiction of the federal government. This provision in dealing with environmental impact statements in the bill in section 1.7 is modeled on that federal law. Because of that modeling, section 1.7, subsection 4, provides that the local government can refer to the regulations adopted under that federal law to serve as a guide in determining whether the environmental impact statement accurately and appropriately addresses the environmental impacts of the proposed projects.

Section 1.75, subsection 1 provides that, "Before a local government takes any final action on any proposed project on natural resources overlay lands, the local government shall apply and weigh the following factors: (a) Whether the proposed project will be located near or in close proximity to existing developed or urban lands or existing undeveloped or rural lands. (b) Whether the proposed project will be located near or in close proximity to existing infrastructure and utilities or whether the project will require extensive work to build necessary infrastructure and utilities. (c) Whether the proposed project will have significant beneficial or adverse environmental impacts. (d) Whether the proposed project will restrict or impair open space or public access to open space. (e) Whether the proposed project will

protect or preserve or destroy or impair natural terrain, native vegetation, wildlife habitat, watershed areas, scenic views or geological formations." Before the local government may take final action on a project within the overlay area, it must weigh and evaluate the factors listed in the statute.

Section 1.8 sets the standards that the local government must strictly comply with. If a local government does not strictly comply, then their final action will be deemed void and of no legal force and effect. Any person aggrieved by that final action will have a right to file a petition for judicial review in the district court to challenge the final action of the local government. If the person prevails in that judicial review, then they would be entitled to attorney's fees and costs. This provision of the bill also makes clear that the developer would not be entitled to attorney fees or costs, regardless of the outcome of the litigation, unless those attorney's fees and costs were the result of sanctions under a different provision of law by court rules and other statutes that prohibit ethically and procedurally improper conduct. That would be the only way the developer could be awarded attorney's fees and costs. They could not be awarded attorney's fees and costs based on the outcome of the judicial review.

The rest of the bill goes through each of the NRS chapters dealing with the counties, cities, and towns. It sets up several specific provisions to make the scope and impact of this legislation clear. In particular, if you look under section 3, you can see the new language. It provides that the powers of NRS Chapter 268 and any of the other NRS chapters dealing with the local governments are subordinate to the provisions of this bill. If there is a conflict between those other powers, the provisions of the bill control. It also provides that the provisions of the bill set a minimum threshold of uniform statewide standards, and the bill does not preempt or otherwise limit a local government from imposing stricter standards with regard to zoning, subdivision planning, and regulation on these overlay lands.

Finally, section 4.5 is a transitory provision making clear, once again, that the provisions of the bill do not apply to any development agreement that was recorded and approved before the effective date of the legislation. This provision of section 4.5 in the mock-up includes an exception if the development agreement is amended after the effective date of this bill; however, the mini mock-up from Assemblyman Yeager (Exhibit X) would remove the exception. The mini mock-up removes all the exceptions and simply provides that if a development agreement was approved and recorded before the effective date of the bill, it will not be subject to the bill, even if it is amended after the effective date of the bill.

#### **Chairman Flores:**

I appreciate your reference of the mini mock-up. I do not think I have ever heard it referred to like that.

# **Kevin Powers:**

Trademark pending.

#### **Chairman Flores:**

I want to make sure everyone has a copy of the proposed amendment [pages 2 through 17, (Exhibit W)].

#### **Assemblyman Ellison:**

You confused me more now than I was from the beginning. In section 1.75 and section 1.8, I am confused because it says they can still build. But I thought that this is a buffer zone that goes from the existing property up to the national conservation area. Am I seeing something wrong? Are there existing rights and permits?

#### **Kevin Powers:**

The original bill had a buffer zone and a zoning freeze. They could not increase the density or take other actions that were different from the zoning in place at the time the bill would have been enacted. That was the introduced version. This guts and replaces it. This bill will narrow the zone around the national conservation areas from five miles to only one-half mile. In that one-half mile zone, a developer may build a project, but only if the developer goes through all the steps set forth in the mock-up. That is preparing an environmental impact statement, submitting that statement to the local government, and the local government has to then take the environmental impact statement and apply the factors in the bill to determine whether to approve the project. If the local government does approve the project, that is subject to judicial review.

The court on judicial review can determine whether or not there was substantial evidence on the record to support that project. This is no longer a freeze or a stoppage on development or construction within the half-mile zone. Instead it establishes uniform statewide standards that all local governments must follow before they approve any project within this zone. The goal is to ensure there are no differences between the local governments in how they approve these projects. Instead, they all have to follow these uniform statewide standards. They can impose stricter standards, but at the very least, they have to follow the statewide standards within the one-half-mile buffer zone around the national conservation areas.

# **Assemblyman Ellison:**

There is no private ground in the buffer zone, is that correct? This is all land managed by the Bureau of Land Management, U.S. Department of the Interior?

# **Kevin Powers:**

No, that is not correct. Within this buffer zone there is private land. That private land would be subject to this legislation and the requirements of the bill if the developer of that land wanted to build on that land. Let me further elucidate that there is an exception from the buffer zone for development agreements existing before the effective date of the bill. If there is private land within the buffer zone and a development agreement had been entered into before the effective date of the bill, then that development agreement would not be subject to the bill. The project could go forward without the requirements of the bill being met.

#### **Assemblyman Ellison:**

The ones that are approved would go to the City of Las Vegas, is that correct?

#### **Kevin Powers:**

There is existing development that has been approved near Sloan Canyon National Conservation Area in Henderson. I believe in Clark County there is private land that has been under a development agreement near the Red Rock Canyon National Conservation Area. There are existing development agreements that have been entered into under NRS Chapter 278 between local governments and developers now. Those agreements would not be affected by this legislation. Keep in mind that under existing NRS Chapter 278, the local planning and zoning law, in order to enter into a development agreement, a developer has to go through a series of preliminary steps. Once they go through those series of steps, then ultimately they enter into a development agreement with the local government. That development agreement lays out the rights of the developer and the rights of the local government. It specifies all the requirements for that development. If that process has been completed before the effective date of this legislation, that development agreement will not be subject to the legislation based on the mock-up [pages 2 through 18, (Exhibit W)] plus the mini mock-up (Exhibit X).

#### **Chairman Flores:**

How many developers are there now that would be applying through this process and trying to come up with a development agreement with the local jurisdiction? Do we know? How long does a development agreement process take? My only concern is that we will have developers coming to us expressing an overly tedious process that is too complex for them to be able to do what they want to do on their end. I am also concerned about those who are already there. I am concerned they will argue that we will set them back. They are in the process of taking certain steps, and now this law is triggered.

#### **Kevin Powers:**

I can only give you my general understanding of how the statutes work in NRS Chapter 278. If this bill is passed and no development agreement exists between the developer and the local government yet, then the developer must follow the procedures of this bill in addition to any other local requirements. There will be an additional time frame to get to the final action on the development project. How long that additional time frame will be, I could not tell you. Someone with experience sending a development agreement through the local government could answer that.

# **Assemblywoman Neal:**

I had a question about section 1.7 referencing the environmental impact statements. What if the person does not have the beneficial environmental impact listed here? This says the beneficial impacts are within this narrow scope.

#### **Kevin Powers:**

The way section 1.7 is set up, if you look at subsection 1 through subsection 3, it sets up the basic requirements for the environmental impact statement. In particular, subsection 3 sets forth what the environmental impact statement must analyze and explain—all significant beneficial and adverse impacts, all significant impacts which cannot be avoided or which would have irreversible consequences, all reasonable alternatives, all mitigation measures that may be implemented, and whether there is a gross-inducing impact of the proposed project. The developer analyzes all of that and puts it into the environmental impact statement. They then give it to the local government.

The local government has to take those factors into consideration in determining whether to approve the project as requested, reduce the size of the project, create conditions or terms on the project, et cetera. The idea for the environmental impact statement is to get as much information as possible to the local government when they are making a determination of whether to take final action on the project. Section 1.7, subsection 3 lists some of the things the local government can consider to be beneficial environmental impacts or adverse environmental impacts, but subsection 3 is not an exhaustive list. It is just certain factors the local government can take into consideration. It can also consider the entire, overall environmental impact of the project.

#### **Chairman Flores:**

Thank you for your thorough breakdown. I know we are busy, so I appreciate your time. Assemblyman Yeager, can I ask you a quick question? I know you have been working with stakeholders. I am curious to know if this mock-up puts a lot of concerns raised to rest so that we can give some confidence to the Committee. I also want to know if you know how many developers would be impacted right now and who would have to file for an agreement with the local government.

# Assemblyman Steve Yeager, Assembly District No. 9:

Before I answer that, I did want to thank Mr. Powers, who worked very late into the night on this mock-up [pages 2 through 18, (Exhibit W)]. I do not know that I can speak for everyone, but I did get a lot of input from people representing various developers, probably five or six. That is why you have the mini mock-up (Exhibit X). I do believe I have addressed most of the concerns. The primary concern was if someone already had a development agreement. It was unfair to come in and change the rules in the middle of the game. I agreed with that, which is why you see the exemption for certain development. Some of the developers I have talked to have development agreements for that property already, so they will be exempt.

It is hard to say how many, but I have talked to probably six to ten representatives of various developers. They expressed concerns to me, and that is why you saw the first mock-up and the mini mock-up as well. I have committed to all of those stakeholders to continue working on this. I am comfortable saying that I probably addressed most of the concerns, and I am confident that we will get there in terms of the remaining concerns.

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 277.

ASSEMBLYMAN MCCURDY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 277.

ASSEMBLYMAN CARRILLO SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN KRAMER, MARCHANT, MCARTHUR, AND WOODBURY VOTED NO.)

Assemblyman Yeager will do the floor statement.

Assembly Bill 106: Revises provisions governing government contracting. (BDR 27-295)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 106 reverses provisions governing government contracting. This was sponsored by Assemblywoman Spiegel and heard on February 23, 2017. Instead of reviewing the original bill summary, I will go into the amendment summary [pages 2 through 20, (Exhibit Y)]. This amendment was proposed by the sponsor and deletes most sections of the bill. It requires the Administrator of the Purchasing Division of the Department of Administration, within limits of available resources established by regulation of a program, to certify that vendors pay their employees equal pay for equal work without regard to gender.

If the Administrator certifies a vendor under the program, the Division must include the certification in its records or make it available on the Internet. The vendor may also include the certification in its advertising or promotional materials. Among other provisions, the amendment contains certain penalties for fraudulent acts related to self-certifying, creates a report to be delivered to the Governor and Legislature regarding the activities of the program, and creates a 5 percent bidding preference for certified vendors under certain circumstances.

# **Assemblywoman Neal:**

I had a question about section 5.3, subsection 1, paragraph (b). This is where they may be permanently prohibited from submitting a bid to the Purchasing Division for misrepresentation around the failure to issue equal pay for equal work. I want some discussion around that.

# Assemblywoman Ellen B. Spiegel, Assembly District No. 20:

That was put in by the Purchasing Division. If you wanted to make it a shorter period such as five or three years, I would be okay with that. The intent was to debar an organization as a penalty for falsifying its information. Again, permanent debarment is a bit excessive, or it could be. It is always good to let people have an opportunity to redeem themselves.

#### **Assemblywoman Neal:**

If you are open to changing it, I would definitely like that to be reduced, ideally, to three years.

# **Assemblywoman Spiegel:**

I am fine with that.

# **Assemblywoman Woodbury:**

I had a good discussion with Assemblywoman Spiegel earlier about how this is a pilot program, and she was open to the amendment that we have it sunset in two years so we can look at the data and see if we want to continue it or make changes.

#### **Assemblywoman Spiegel:**

I am absolutely open to a sunset as well. The one thing I would ask for the sunset though is if it could be two years after the system is implemented. Right now, it is subject to the Purchasing Division getting the funding and implementing its new system. This would be created as a part of that new implementation.

# **Assemblywoman Woodbury:**

I am fine with that. I do not know if we know when that will be up and running or how we would word that, but I am fine with that.

# **Assemblywoman Spiegel:**

I could see wording it like, "two years from the date of implementation."

#### **Assemblyman Daly:**

If we do not know when it will start, we should just have it sunset in 2021. It can be reviewed then. It will be up for long enough to get the data you are talking about, and then we do not have to worry about guessing when it will be up. It may only be up for six months by the time they do regulations and people are certified. There may be no information to base anything off of. I think the three years on the penalty works. It is a similar debarment for prevailing wage under *Nevada Revised Statutes* Chapter 338. That is the first offense. It makes sense.

# **Assemblywoman Spiegel:**

I would be okay with that as long as Assemblywoman Woodbury is okay with that.

# **Assemblywoman Woodbury:**

It makes sense to me. If it is going to take a while to get it up and running, we should do it after a legislative session. Then we can bring it forth the session before it sunsets.

#### **Assemblyman Ellison:**

I am trying to keep from putting more burdens on businesses. Did you say there was a 5 percent bid preference in here? I cannot find it.

#### **Chairman Flores:**

In section 5.7, subsection 6, it says, "In awarding contracts for the purchase of supplies, materials and equipment, if . . . ." Do you see that language?

# **Assemblywoman Spiegel:**

The 5 percent bidding preference is different from other bidding preferences that we have in the state. This would kick in only if the lowest bidder is from two or more bidders from within 5 percent of each other and they are from out of state. Then this self-certification would be used as a tie breaker with a bidding preference of up to 5 percent in those instances. It is not being done in a way that would favor out-of-state companies over Nevada companies. It is only if it could be used as a tie breaker between out of state companies.

#### **Chairman Flores:**

I will entertain a motion to amend and do pass A.B. 106.

ASSEMBLYMAN CARRILLO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 106.

ASSEMBLY WOMAN BILBRAY-AXELROD SECONDED THE MOTION.

# **Assemblywoman Woodbury:**

Would that include the sunset amendment?

ASSEMBLYMAN CARRILLO WITHDREW HIS MOTION.

ASSEMBLYWOMAN BILBRAY-AXELROD WITHDREW HER SECOND.

#### **Assemblyman Daly:**

I will move to amend and do pass with the amendments in the mock-up, with the exception of changing the debarment from permanent to three years. There will be a sunset in 2021.

ASSEMBLYMAN DALY MOVED TO AMEND AND DO PASS ASSEMBLY BILL 106.

ASSEMBLYWOMAN BILBRAY-AXELROD SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, KRAMER, MARCHANT, AND MCARTHUR VOTED NO.)

# **Assemblyman Ellison:**

I would like to reserve my right to change my vote after I read the amendment.

# **Chairman Flores:**

Assemblywoman Spiegel will take the floor statement.

**Assembly Bill 383:** Requires peace officers to be trained in the constitutional and lawful use of force. (BDR 23-1077)

# Jered McDonald, Committee Policy Analyst:

Assembly Bill 383 requires peace officers to be trained in the constitutional and lawful use of force. This was sponsored by Assemblyman Ohrenschall and heard in this Committee on April 6, 2017. Assembly Bill 383 mandates the Peace Officers' Standards and Training (POST) Commission to require, as a condition of the certification of each peace officer, that the peace officer be trained in the constitutional and lawful use of force.

This bill also requires the Commission to make available legal and practical training and informational materials regarding the use of force and sets forth certain subjects, which such training and materials must include. Finally, this bill requires the Commission to work with the State and local agencies to ensure the most effective use of resources in providing the required training (Exhibit Z).

# Assemblyman James Ohrenschall, Assembly District No. 12:

As you will recall at the hearing, there was opposition from Mr. Sherlock, the Executive Director of the POST Commission. Other than that, there was testimony in neutral from some law enforcement agencies. As I said during the hearings, I am committed to try to work with law enforcement agencies. There were a few terms they suggested that they wanted tightened up. I hoped we could get some language, but as of this morning, I was told that those neutral law enforcement agencies are going to stay neutral and not purpose any language to tighten up the terms.

#### **Chairman Flores:**

I will entertain a motion to do pass A.B. 383.

ASSEMBLYMAN CARRILLO MOVED TO DO PASS ASSEMBLY BILL 383.

ASSEMBLYMAN DALY SECONDED THE MOTION.

# **Assemblyman Ellison:**

Would this replace the POST Commission's training for new officers?

# **Assemblyman Ohrenschall:**

As I understood the testimony from Mr. Sherlock, the POST Commission does have training that they do now, as does the Las Vegas Metropolitan Police Department and the Reno Police Department. <u>Assembly Bill 383</u> would create uniformity in the training. Training would be specified by the *Nevada Revised Statutes*. But there is enough room that the POST Commission can have flexibility in the types of training programs. Certainly constitutional and lawful use of force would be mandated by statute if this law passes.

#### **Chairman Flores:**

I will entertain the questions, but the idea was to get the questions out at the beginning. Now we are in discussion on the motion.

#### **Assemblyman Ellison:**

I am trying to make sure that we can change and direct this at the new training without creating two or three new trainings. I want to focus it into the POST Commission's training. Later on, if the departments think they need more, they can do more. They can change this to address this at the POST Commission.

# **Assemblyman Ohrenschall:**

If this bill passes, this would provide clear guidelines as to what the training needs to be. Certainly I think the bill is written with enough flexibility that the POST Commission will have some flexibility. They have to work within the guidelines in statute.

THE MOTION PASSED. (ASSEMBLYMEN ELLISON, KRAMER, MARCHANT, MCARTHUR, AND WOODBURY VOTED NO.)

#### **Chairman Flores:**

Assemblyman Ohrenschall will take the floor statement.

[The Committee recessed at 4:23 p.m.] [The Committee was called to order at 5:32 p.m.] [The Committee adjourned at 5:32 p.m.]

[The Committee adjourned at 5:32 p.m.]	
	RESPECTFULLY SUBMITTED:
	Lori McCleary
	Recording Secretary
	Isabel Youngs
APPROVED BY:	Transcribing Secretary
Assemblyman Edgar Flores, Chairman	_
DATE:	_

#### **EXHIBITS**

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

<u>Exhibit C</u> is the Work Session Document for <u>Assembly Bill 5</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit D</u> is the Work Session Document for <u>Assembly Bill 41</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit</u> E is the Work Session Document for <u>Assembly Bill 80</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit F is a proposed amendment to <u>Assembly Bill 80</u> presented by Scott F. Gilles, Legislative Relations Program Manager, Office of the City Manager, City of Reno.

Exhibit G is the Work Session Document for Assembly Bill 217, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit H is the Work Session Document for Assembly Bill 317, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit I</u> is the Work Session Document for <u>Assembly Bill 321</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit</u> J is the Work Session Document for <u>Assembly Bill 350</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit K</u> is the Work Session Document for <u>Assembly Bill 379</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit L</u> is the Work Session Document for <u>Assembly Bill 384</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit M</u> is the Work Session Document for <u>Assembly Bill 406</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit N</u> is a proposed amendment to <u>Assembly Bill 406</u> presented by Assemblyman Skip Daly, Assembly District No. 31.

<u>Exhibit O</u> is the Work Session Document for <u>Assembly Bill 437</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit P</u> is the Work Session Document for <u>Assembly Bill 477</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit Q</u> is the Work Session Document for <u>Assembly Bill 279</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit R</u> is the Work Session Document for <u>Assembly Bill 404</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit S</u> is the Work Session Document for <u>Assembly Bill 423</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit T</u> is the Work Session Document for <u>Assembly Bill 309</u>, submitted by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit U is a proposed amendment to <u>Assembly Bill 309</u>, dated April 13, 2017, presented by Assemblywoman Lesley Cohen, Assembly District No. 29.

<u>Exhibit V</u> is the Work Session Document for <u>Assembly Bill 433</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit W</u> is the Work Session Document for <u>Assembly Bill 277</u>, presented by Kevin Powers, Chief Litigation Counsel, Legal Division, Legislative Counsel Bureau.

Exhibit X is a proposed amendment to Assembly Bill 277, dated April 14, 2017, submitted by Assemblyman Steve Yeager, Assembly District No. 9, presented by Kevin Powers, Chief Litigation Counsel, Legal Division, Legislative Counsel Bureau.

<u>Exhibit Y</u> is the Work Session Document for <u>Assembly Bill 106</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit</u> Z is the Work Session Document for <u>Assembly Bill 383</u>, presented by Jered McDonald, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.