MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS

Seventy-Ninth Session May 1, 2017

The Committee on Government Affairs was called to order by Chairman Edgar Flores at 9:02 a.m. on Monday, May 1, 2017, in Room 3143 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

COMMITTEE MEMBERS ABSENT:

Assemblywoman Melissa Woodbury (excused)

GUEST LEGISLATORS PRESENT:

Senator Tick Segerblom, Senate District No. 3 Senator James A. Settelmeyer, Senate District No. 17



STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Marla McDade Williams, representing Reno-Sparks Indian Colony

Ernie Adler, representing Pyramid Lake Paiute Tribe

Sherry L. Rupert, Executive Director, Nevada Indian Commission, Department of Tourism and Cultural Affairs

Benny Tso, Tribal Chairman, Las Vegas Paiute Tribe

Trent Griffith, Secretary/Treasurer, Ely Shoshone Tribe

Alan Mandell, Vice Chairman, Pyramid Lake Paiute Tribe

Laurie A. Thom, Tribal Chairman, Yerington Paiute Tribe

Wendy Stolyarov, Legislative Director, Libertarian Party of Nevada

Neal Tomlinson, representing Nevada Dispensary Association

Will Adler, representing Pyramid Lake Paiute Tribe

Robert Roshak, Executive Director, Nevada Sheriffs' and Chiefs' Association

Lorne Malkiewich, representing Nevada Resort Association

Chairman Flores:

[Roll was called. Committee rules and protocol were explained.] We have three items on the agenda, and we will take them in order. Members, you may have noticed <u>Senate Bill 399</u> is a repeat of <u>Assembly Bill 415</u>, which was presented by Assemblyman Hansen to this Committee. I anticipate that bill hearing will be short since those present in the Committee voted unanimously on <u>A.B. 415</u>. I will open the hearing on <u>Senate Bill 105 (2nd Reprint)</u>.

Senate Bill 105 (2nd Reprint): Authorizes and requests the Governor to proclaim "Indigenous Peoples Day." (BDR 19-115)

Senator Tick Segerblom, Senate District No. 3:

<u>Senate Bill 105 (2nd Reprint)</u> does not require a lot of explanation. I would like to provide a little history on the introduction of the bill this year. It was first introduced to the Senate as substituting Indigenous Peoples Day for Columbus Day, and the bill came out of the Senate Committee on Government Affairs that way.

As you are aware, Christopher Columbus did not discover America; he invaded America. Senate Bill 105 (2nd Reprint) is attempting to set the truth to the historical record. The Italian American community, to their credit, came forward and raised some issues. As a compromise, we agreed to change the date to August 9, which is recognized by the United Nations as the International Day of the World's Indigenous Peoples (Exhibit C).

The state of Nevada has 27 Native American tribes and, obviously, they were here long before most of us. Native Americans have been beaten, trampled, and ripped off. The United States government created treaties, and many of those agreements were not recognized. The Native Americans remain in and represent some of the most beautiful areas in Nevada, like Pyramid Lake. They take pride in their culture, and I believe this is a fitting time to recognize them.

I am aware this Committee heard <u>Assembly Bill 435</u> recognizing Sarah Winnemucca. I think these two bills would complement each other. Maybe there is a way to achieve both or decide which one is best for now. The companion bill, <u>Senate Bill 375 (1st Reprint)</u>, fits within this element of recognizing that the tribes have an economic interest and should be able to participate in our growing marijuana community. Nevada's 27 Indian tribes are united on this measure.

Chairman Flores:

Senator, thank you for your presentation. Is there anyone in Carson City or Las Vegas wishing to speak in support of S.B. 105 (R2)?

Marla McDade Williams, representing Reno-Sparks Indian Colony:

We are in support of this measure as it has been amended.

Ernie Adler, representing Pyramid Lake Paiute Tribe:

The Pyramid Lake Paiute Tribe was in support of the bill without the amendment, but this is an acceptable substitute. We support the current measure.

Chairman Flores:

Is there anyone in Carson City or Las Vegas wishing to speak in opposition to <u>S.B. 105 (R2)</u>? [There was no one.] Is there anyone in Carson City or Las Vegas wishing to speak in the neutral position?

Sherry L. Rupert, Executive Director, Nevada Indian Commission, Department of Tourism and Cultural Affairs:

We have had several tribal members testify at the board meeting of the Nevada Indian Commission, Department of Tourism and Cultural Affairs, in November regarding the issue of Indigenous Peoples Day versus Columbus Day. The testimony we received was in support of an Indigenous Peoples Day. I wanted to put that on the record.

Chairman Flores:

Senator, please come back up for closing remarks.

Senator Segerblom:

I am aware this Committee heard A.B. 435 to establish Sarah Winnemucca Day. I would like to reiterate that it is past due for the Legislature to honor our indigenous people. If we could figure out a way to embrace both measures, that would be fantastic. Senate Bill 105 (2nd Reprint) is an important bill, and I view it as a work in progress.

This bill got tied up with <u>S.B. 375 (R1)</u>, which I think is a more important bill right now, and I view Indigenous Peoples Day as a work in progress. At some point, we need to take Columbus and disassociate him from the Italian American day because Columbus was a pretty bad actor.

Chairman Flores:

I look forward to working with you on the two bills. I will close the hearing on Senate Bill 105 (2nd Reprint) and open the hearing on Senate Bill 375 (1st Reprint).

Senate Bill 375 (1st Reprint): Authorizes agreements between the Governor and Indian tribes in this State relating to the regulation of the use of marijuana. (BDR 18-321)

Senator Tick Segerblom, Senate District No. 3:

From my perspective, this bill is very exciting and historical. <u>Senate Bill 375 (1st Reprint)</u> allows the Governor to enter into compacts with Nevada's tribes [page 2, (<u>Exhibit D</u>)]. The tribes are sovereign nations. Technically, they could create their own marijuana programs, but they want to work through an agreement. <u>Senate Bill 375 (1st Reprint)</u> allows the tribes to participate in the state's medical marijuana program through a compact between the Governor and each tribe. It is analogous to a contract that would be signed, and it would enable them to generate economic income.

The tribes are located in many different areas, and there are currently no dispensaries or growth available in those areas. For example, the Pyramid Lake Paiute Tribe is on the way to Burning Man, and you could imagine the traffic from that festival might generate a million dollars in a day. The bill would not allow any consumers to bring it to the Burning Man property; that is a different story. The tribes have come together and said this is something they would like, and I am very excited to bring S.B. 375 (R1) forward. The bill was unanimous in both the Senate Committee on Judiciary and on the Senate floor. Both parties loved it. I think it is our way of recognizing that everyone in Nevada should participate in the regulated use of marijuana, including the tribes.

Assemblyman Kramer:

I know in some areas of tribal sales, the sales tax collected is treated a little differently than state sales tax. Also, marijuana has a tax at each level of the process as well as a 10 percent tax. Could you explain the differences between the taxes collected for marijuana sold at a regular dispensary versus a tribal dispensary?

Senator Segerblom:

That is unknown because it would be part of the compact agreement with the Governor. Tribes are allowed to tax the same way the state does, but the tax remains with the tribe. For example, if a compact allowed for the tribe to impose a 10 percent excise tax, those tax dollars could be used for the tribe's own educational purposes as opposed to having it come out of the State General Fund. The goal is to allow the tribes to generate money from

the process, and those funds would be used within their tribal community for their own needs. Theoretically, it would help the state reduce the assistance funds provided to the tribes.

Assemblyman Kramer:

I like a lot of what this bill does. In a sense, it allows counties and cities to prohibit the sale or growth of marijuana but still allow for public access via a nearby tribal area. The political subdivision allows for the sale or growth of marijuana without relying on city or county governments.

Senator Segerblom:

Yes, that is what it does. Current state law prohibits home grows if an individual resides under 25 miles from a dispensary. With this bill, that 25 miles would include the tribal areas. A lot of local police jurisdictions are excited about that. For example, if the Yerington Paiute Tribe was selling marijuana products, then there could not be any home grows within 25 miles of Yerington.

Assemblyman Ellison:

Most dispensaries are set up for medical, not recreational. Would this bill allow for both?

Senator Segerblom:

Yes. Under the current system, an entity starts with medical marijuana use and then becomes eligible to sell marijuana for recreational use. Depending on the compact with the Governor, this could allow for either or both. That would be negotiated between the Governor and the tribe, and they would have their eye on what President Trump or Attorney General Sessions is doing.

Chairman Flores:

Is there anyone in Carson City or Las Vegas wishing to speak in support of S.B. 375 (R1)?

Benny Tso, Tribal Chairman, Las Vegas Paiute Tribe:

I am also the Chairman of the Nevada Tribal Cannabis Coalition. We are in support of <u>S.B. 375 (R1)</u>, based on the economic impact it will provide to the tribes throughout Nevada. This is an opportunity for the tribes to participate in an industry the Nevada voters have approved, and it will create a level playing field for both sovereign nations. Additionally, this is a great opportunity to demonstrate that government-to-government relations can happen between tribal, local, state, and federal governments.

For far too long, the tribes have been experiencing the shortfalls of federal funding. Senate Bill 375 (1st Reprint) will create an opportunity to diversify some of the revenue generated from the marijuana industry for support of educational programs; health and human service programs; economic development; and various economic drivers for tribes. Tribes that are in an urban setting such as Las Vegas have those types of resources readily available. But tribes in the rural areas do not have close proximity to a lot of the social services mentioned.

<u>Senate Bill 375 (1st Reprint)</u> will allow the Governor to enter into a compact with a tribe and level the playing field for the tribes located in the rural areas. They will have the opportunity to create their own program, and funds generated will allow them to support medical programs, police, and day-to-day governmental functions. We are in support.

Ernie Adler, representing Pyramid Lake Paiute Tribe:

I think this is a good bill because it increases accountability for the state and the tribes. I view this working in much the same way as the cigarette tax. If a tribe imposes a tax equal or greater than the tax imposed by the state, the tribe keeps the tax revenue. This would enable both the state and the tribes to track marijuana from seed-to-sale and have a great deal more accountability for cash that is generated from these sales. This is a good enforcement tool as well as benefitting the tribes and the state of Nevada overall.

Assemblywoman Neal:

Section 1, subsection 1, paragraph (d) states, "The administration of laws relating to taxation." Technically, Native Americans are treated like any other government within the state. Is this going to be the same tax structure? Would the tribes be allowed to create a different tax structure?

Ernie Adler:

Technically, the tribes could create a different tax structure, but I do not think the state would want a different tax structure. The tax structure would be part of the compact negotiation, and I think the tribes would want to keep the same tax structure for consistency between the tribes and the various governmental entities in the state of Nevada.

Assemblywoman Neal:

Would the agreement include additional monies for the preservation of public health and safety? This is an expensive endeavor, and we are beginning to run into issues of enforcement costs, and we do not even have that bill yet. Will there be provisions in S.B. 375 (R1) for enforcement just in case the other bill does not pass?

Ernie Adler:

Tribal government is very good at enforcing their own regulations. There would probably be a provision in the compact for the tribe's self-enforcement. Tribes have been handling self-enforcement for decades, so I do not see that as a concern.

Assemblywoman Neal:

I was wondering because law enforcement will need additional funds in order to support the activity of marijuana.

Ernie Adler:

It may require tribes to add additional police officers, but that would be paid for through the tax revenues that the tribe would receive.

Benny Tso:

To answer Assemblywoman Neal's question, those are questions that can be negotiated in the compact with the Governor. For tribes like us, we have excellent relationships with our local municipalities, and we work hand in hand with the Las Vegas Metropolitan Police Department (Metro) and North Las Vegas. Those are things that can be renegotiated. As a matter of fact, our memorandums of association (MOA) are coming up for renewal, and that is an item we would like to discuss. Also, we have attended meetings on cannabis issues that Metro has hosted.

Assemblywoman Neal:

Section 1, subsection 1 discusses the cross-jurisdictional administration laws. How do you envision this working? Will there be an interrelationship with the Department of Taxation? Please explain what agencies will be part of the overlay in the cross-jurisdictions.

Benny Tso:

The cross-jurisdictional administration will go through the state, tribal, and local municipalities governments. It is still premature to forecast what will occur with the Department of Taxation because that will be part of the compact negotiation.

Assemblywoman Neal:

I want to make sure that the money, such as the excise tax, will be divided, and that the parties are not taking from each other. I would not want the cities or counties to take from the tribes in order to ensure the program works. I look forward to reading the compacts.

Trent Griffith, Secretary/Treasurer, Ely Shoshone Tribe:

I am also the Secretary of the Nevada Tribal Cannabis Coalition. *Asen Tsaa tammen saikkih nanama'aih tepooppeha niwene*. [It is good we are gathered here to discuss this bill.] The Ely Shoshone Tribe is in full support. I would like to discuss how this will affect the greater community. Ely is a small community, and there is a definite need for a medical dispensary within our area. The closest one is in Las Vegas, and that is a three-and-a-half hour drive. Through taxes and revenue, we would be able to provide scholarships for the surrounding community as well as our own tribal members. We would be able to donate to sports programs in our community because they are in dire need of funds. These kids need activities so they are not resorting to drugs or alcohol. We could use the tax revenues to do these things.

Alan Mandell, Vice Chairman, Pyramid Lake Paiute Tribe:

My tribe is a potential recipient of all those millions that will be coming from the Burning Man event. I would like to touch a little bit on the taxation issue. The Pyramid Lake Paiute Tribe has enjoyed a great relationship with the state and surrounding jurisdictions for many, many years. The Pyramid Lake Tax Commission is fully capable, has its own core system, and is independent of the tribe. Most of the revenue received is dispersed to law enforcement, education, and emergency response. Pyramid Lake is about 475,000 acres, and our number one industry is tourism. We have to ensure the safety and

health of those individuals visiting our area. We spend a substantial amount of our tax revenue on the environment and on the visitors who come to the lake and other areas. We have a very good relationship with the state, and we are in full support of a compact.

We have many compacts. We have MOAs with the local counties, such as Lyon County, Storey County, and Washoe County. We have a working relationship already in place. We will most likely have to work a bit harder to supplement our marijuana services because it is a new industry and a new area for us. We are fully supportive of <u>S.B. 375 (R1)</u>, and we are very appreciative of Senator Segerblom bringing this forward.

Trent Griffith:

I would like to touch on the black market. <u>Senate Bill 375 (1st Reprint)</u> provides for the 25-mile buffer zone of a dispensary. This is especially important in rural communities because the growers may start moving to the countryside where there are no dispensaries and the 25-mile buffer zone is not present. The possibility of a dispensary with a 25-mile buffer zone may stop some of the illegal activity from hurting the surrounding community. A couple of years ago, near one of our spiritual grounds, there was an illegal grow run by the cartel. That is scary because a lot of our people go up into those mountains. Someone might stumble onto an illegal grow, and these people are involved with guns and violence. We do not want that near our communities.

Laurie A. Thom, Tribal Chairman, Yerington Paiute Tribe:

[Spoke briefly in Paiute.] The Yerington Paiute Tribe is in support of <u>S.B. 375 (R1)</u>. As tribes, we are asking this Committee's permission to enter into a compact. As Chairman Tso explained, the native tribes have the sovereignty and the ability to form economic development enterprises at any time, but we would like to form a partnership with the state. There have been a number of discussions between tribes and community meetings with our tribal members. Our people are looking for the ability and access to have medical assistance through medical marijuana.

As background, I was in tribal law enforcement, and I had a hard time wrapping my head around this bill. I can understand how you may feel. Also, I have been a massage therapist and watched family members as young as eight years old pass from cancer. I have watched them at their end of life stages. I have watched as hospice comes in, and I can understand where this would help our people. Senate Bill 375 (1st Reprint) is asking for that.

As a massage therapist, I volunteered at the Carson Tahoe Cancer Center, providing volunteer massages to cancer patients. I could feel the difference in their muscles and tissues, the pain they were dealing with, and the lack of ability to hold food down. I have seen what that can do to a cancer patient. My dad is a prostate cancer survivor. I am concerned about providing this access to my people. I do not want to tell them that they cannot bring their medicine to their homes and use it. I do not want to tell them they do not have access to a medical card because we cannot form a compact with the Governor. I want to explain to them that they have equal access, and they have equal rights, just as everyone else. I want to let them know that we are going to do everything we can to help them through

these stages. Some of them are going to be final stages. We are looking for your assistance and cooperation to be able to do that and to have that government-to-government discussion with the Governor.

In regard to the law enforcement concerns, my officers have a MOA with the Lyon County Sheriff's Department. I have sat down and discussed this situation with Sheriff Al McNeil. He is aware of it, and he understands the 25-mile radius. He understands how that can and cannot benefit different dispensaries in the area. As was explained, those counties that have opted out can ensure there is a 25-mile radius for private grows. They can still do their job as law enforcement in that realm.

In regard to taxation, the tribes have a great relationship with the Department of Taxation. We negotiated a fuel tax exemption with the Governor and have been successful for a number of years. Also, we have done that with the cigarette tax. The tribes are not trying to change the level of taxation. The tribes are not trying to change the percentages. Usually, our tax levels are the same as those of the state of Nevada because we want to respect our relationship with the state. We do not want to create an unfair advantage if we were to offer a lower tax amount. How those tax dollars are spent depends on what our tribal members ask for. It might be extra law enforcement, emergency services, or social service programs. We have a shortfall of social services funding because of the shortfalls from the federal government. We would like to be able to supplement those programs with the marijuana tax revenues.

Assemblywoman Neal:

I raised the issue around taxation because there has not been a final marijuana bill laying out the terms for the money that counties will receive for enforcement measures. It might be a good idea to understand those bills and figure out the economics. I do not think the tribes are at the same level economically as Clark County. I think it is a legitimate conversation to understand what is in reserve for services before a compact negotiation. The 10 percent that a county will receive may mean something different to the tribe. The breakdown is something to think about and consider before the final bill moves through to ensure the tribe is aware of what they are getting into.

Laurie Thom:

I appreciate that. We would like to be at the table for a number of issues that we face as tribes. We are very small governments, but we do deal with all the same social issues that the state of Nevada deals with. That is why we are asking for cooperation and agreement to enable the tribes to enter into a compact with the Governor.

Wendy Stolyarov, Legislative Director, Libertarian Party of Nevada:

We believe that <u>S.B. 375 (R1)</u> is a straightforward, compassionate measure respecting the sovereignty of Nevada tribes. It will decrease black market crime and improve the quality of life for Nevada's tribal people. We are very happy to support S.B. 375 (R1).

Chairman Flores:

Is there anyone in Carson City or Las Vegas wishing to speak in opposition to S.B. 375 (R1)?

Neal Tomlinson, representing Nevada Dispensary Association:

I have been asked to present an amendment that was presented to the Senate by Mark Fiorentino [Senate Committee on Judiciary, April 16, 2017]. All marijuana legislation is first viewed through the lens of the federal guidance memorandums. The primary guidance memorandum is referred to as the Cole Memo [memorandum dated August 29, 2013, to All United States Attorneys, from James M. Cole, Office of the Deputy Attorney General, U.S. Department of Justice, titled "Guidance Regarding Marijuana Enforcement"]. The Cole Memo sets forth eight different enforcement priorities. Initially, when we look at a marijuana bill, we look at it through that lens. In this case, the Cole Memo requires a tightly regulated market, and there must be an effective enforcement mechanism.

With respect to this bill, Mr. Fiorentino proposed a very simple amendment. He would like to add a paragraph (d) under section 1, subsection 2. The new paragraph would state that the agreement must ensure that the tribal government adopt and enforce provisions at least as restrictive as the provisions of *Nevada Revised Statutes* (NRS) Chapter 453A and NRS Chapter 453D and that regulation adopted thereto. This is important for the state to maintain a safe and federally compliant marijuana industry, and it is essential that the tribes adopt regulatory standards such as testing, packaging, advertising, and all the things that are at least as restrictive as those adopted by the states.

The proposed amendment requires that any agreement ensures this is the case. The tribes have said on the record that they fully intend to do this. We think it is a good amendment to the bill, and we believe the bill is a good bill. The amendment does not require the tribes to comply with state law; they are free to adopt their own standards as long as they are at least as stringent as the state's regulations. The amendment is no more of an infringement on tribal sovereignty than any other requirement in the bill.

Chairman Flores:

Have you had an opportunity to speak with the sponsor of the bill?

Neal Tomlinson:

Yes. Mr. Fiorintino and I testified in the Senate to this effect.

Chairman Flores:

Since the amendment was not adopted, I am assuming it is not a friendly amendment.

Neal Tomlinson:

Yes, that is correct.

Chairman Flores:

Is there anyone in Carson City or Las Vegas wishing to speak in the neutral position to? [There was no one.]

Assemblyman Ellison:

Marijuana is a schedule 1 drug. If it is legalized for recreational use, will that lift the sale of alcohol and allow the tribes to sell alcohol?

Senator Segerblom:

<u>Senate Bill 375 (1st Reprint)</u> has no relationship to alcohol. Marijuana is legal today and beginning January 1, it will be for sale in the state of Nevada. This allows the tribes to participate in the same system, but it has no correlation to alcohol. I think the sale of alcohol may be a federal issue.

Assemblyman Ellison:

For the record, I have no problem with medical marijuana. I watched my son suffer and die of cancer. When he was in Utah, they were trying to provide him marijuana to help with nausea. Trying to find out all the parameters relating to the law might be a problem later on.

Senator Segerblom:

Fifty-five percent of the constituents voted to legalize marijuana without any qualifications. The medical program is very successful and would be an area for the tribes because, currently, they have to drive to Reno.

I would like to address the issue Mr. Tomlinson brought up. I fully support the amendment that the Nevada Dispensary Association brought forth, but when we brought it to the tribes, they were very concerned about their tribal sovereignty. They do not want anything in the statute that appears to dictate what they can or cannot do. That is a negotiated agreement with the Governor. That is what the compact does, and it involves tribal sovereignty. I would like to support their issue because I think it is important we follow the Cole Memo, but the tribes have a concern. Nevada's program is modeled after programs in Oregon and Washington. Washington has a successful program, and Oregon is just beginning. To let you know, there is a model we are following.

Chairman Flores:

I will close the hearing on S.B. 375 (R1). I will open the hearing on Senate Bill 399.

Senate Bill 399: Provides for the acceptance of a tribal identification card in certain circumstances. (BDR 18-78)

Senator James A. Settelmeyer, Senate District No. 17:

I will keep this brief since you have heard bills concerning this before. This issue came forth at the end of the last session. Unfortunately, we could not find a vehicle for it to travel in; therefore, I dedicated a bill draft request towards its purpose. Senate Bill 399 seeks to recognize federally recognized tribal identification cards in Nevada for state of Nevada

purposes, business purposes, and for the purpose of applying for other licensures. Sections 1 through 7 discuss the aspects required to be state compliant, such as a photograph or birth date. It would be difficult for a business to accept an identification card for purposes of age-sensitive products if that information were not available.

Sections 10 through 13 describe the other aspects of Nevada law. There is one friendly amendment that has been brought forward by the gaming industry. They would like the clause stating "unless federally prohibited" inserted. There have been concerns that the tribal identification cards may not be acceptable for banking standards.

Will Adler, representing Pyramid Lake Paiute Tribe:

I would like to thank Senator Settelmeyer for bringing this bill forward. <u>Senate Bill 399</u> was an issue we brought up in the 78th Legislative Session. These tribal identification cards are quite substantial. They are composed of photographs, holograms, and everything required by a REAL ID identification card. Tribal identification cards issued by tribal governments are an identification accepted by the federal government, but there has not been any acknowledgment at the state level. They are not accepted at the bank or a state office. That is why we brought this forward.

To make it clear, I would like the Pyramid Lake Paiute Tribe of Nevada's Card Issuance Policy to be added as an exhibit (<u>Exhibit E</u>). Creating these identifications cards is not a simple process. These are well-structured tribal government policies. It felt a little redundant because Pyramid Lake Paiute Tribe's tribal identification cards have been acknowledged by the Transportation Security Administration (TSA), U.S. Department of Homeland Security. A tribe member may board an airplane with their tribal identification card, but it is not accepted at a bank in the state of Nevada (<u>Exhibit F</u>)

Alan Mandell, Vice Chairman, Pyramid Lake Paiute Tribe:

I would like to thank the Committee for entertaining this bill. I will provide a brief history. One of the primary drivers for this bill was health care. We have a benefits coordinator at our health clinic, and if someone comes in needing services, we try to find alternative resources for the individual. We found that a percentage of our population did not have a state-issued identification card and they had trouble at the state offices trying to apply for services. That was the original driver because every one of our members has a tribal identification card.

As Mr. Adler pointed out, our identification card policy is very stringent. It goes through descendency, and various types of paperwork are required to prove who you are. But the basic driver for the bill was to ensure that some of our members had the ability to go to the bank and state or federal agencies to apply for benefits. Our oldest member is 100 years old, and she does not have a need for a driver's license. Her ability, and others in her age bracket, to cash a check at the bank was restrictive. Thank you for your consideration.

Chairman Flores:

Senator, will you be submitting an amendment to the Committee? We have not received it.

Senator Settelmeyer:

I am indicating that if the amendment were brought forward, we would consider it to be friendly. If for some reason there ever becomes a statute in Nevada or federal law prohibiting the use of the tribal identification card, this clause would ensure Nevada conforms.

Chairman Flores:

As a Committee, it is not necessary for us, but we will let you spearhead that conversation and decide which way to proceed.

Assemblyman Ellison:

When Assemblyman Hansen brought <u>Assembly Bill 415</u>, which is the same bill as <u>S.B. 399</u>, to the Committee [Assembly Committee on Government Affairs, April 3, 2017], there was an issue of smaller tribes not having the capability to provide a picture on their identification card. Is there a way those tribes can work through your office to get a photograph on their tribal identification card?

Senator Settelmeyer:

Section 1, subsection 3, paragraph (d) of <u>S.B. 399</u> states, "A digital photograph of the full face of the holder of the card." It is a requirement. The process of adding a photograph does not matter, but it must be complied with for a business to accept a tribal identification card. It must have a photograph.

Assemblyman Ellison:

I am asking because if A.B. 415 passes and S.B. 399 passes, it might be confusing.

Assemblywoman Neal:

What is the cost of adding a photograph to a tribal identification card?

Alan Mandell:

It is an expensive endeavor. The hologram, which is part of the security that we implemented on our card, was a little over \$10,000. For a smaller tribe, it may be difficult but there are vendors that provide those types of services, and they will bring their machine on site. Our enrollment office is in a secure location within our tribe. I would say it would be up to each of the tribes to determine if they would like to be a part of this.

Assemblywoman Neal:

We are modifying the policy to accept the tribal identification card as valid state identification. Will the state offer any assistance, or are the tribes on their own?

Senator Settelmeyer:

This bill allows for the recognition of tribal identification cards by the state of Nevada but does not force it. If the tribe does not choose to comply with the regulations, they may stay with their current identification system. If they wish to have the additional benefit of a recognized valid state identification, they may comply. It would be rather problematic for

businesses, especially within the gaming establishments, to have an identification that did not have a photograph. It does not force the tribe to change their system. It allows the tribe—if they wish or if they already have one that has a photograph—to have their tribal identification card be recognized by the state of Nevada.

Assemblywoman Neal:

Your amendment states "not federally prohibited." I was looking at the document that was submitted (<u>Exhibit F</u>), and it allows for a Native American Tribal Photo ID to be presented to TSA. If the amendment is added, would a tribal member be federally prohibited from using their nonphotograph identification card in Nevada?

Senator Settelmeyer:

No, it would not. If the tribal identification card is federally recognized and federally acceptable, it is allowed. There are some questions concerning banking standards that might be problematic. The Nevada Resort Association brought those up, and I am working with them to identify any issues. If the amendment was brought forward, I would not have an issue because if the federal government disallowed a particular identification card for a purpose, Nevada would comply.

Chairman Flores:

Is there anyone in Carson City or Las Vegas wishing to speak in support of S.B. 399?

Marla McDade Williams, representing Reno-Sparks Indian Colony:

We would like to go on record as in support of this measure.

Robert Roshak, Executive Director, Nevada Sheriffs' and Chiefs' Association:

We would like to go on record as supporting <u>S.B. 399</u>. We think this type of identification will benefit law enforcement. There have been concerns about how easily the existing tribal identification cards can be counterfeited, and this bill brings the tribal identification cards in line with state and federal requirements.

Wendy Stolyarov, Legislative Director, Libertarian Party of Nevada:

The Libertarian Party believes that any legislation that removes systemic, state-imposed disadvantages is good. We believe that <u>S.B. 399</u> is such a bill. Very simply, accepting the sovereignty of tribal nations means accepting the equivalency of the documents they issue. These identification cards show the same relevant information available on Nevada driver's licenses including name, birthdate, gender, physical characteristics, mailing address, signature, and a date of issue and expiration. If the information is equivalent, there is no practical argument for not treating tribal identification cards equivalently with Nevada driver's licenses for identification purposes. The Libertarian Party is happy to support S.B. 399.

Chairman Flores:

Is there anyone in Carson City or Las Vegas wishing to speak in opposition to <u>S.B. 399</u>? [There was no one.] Is there anyone in Carson City or Las Vegas wishing to speak in the neutral position?

Lorne Malkiewich, representing Nevada Resort Association:

As Senator Settelmeyer indicated, some of our members raised concerns about whether there were particular laws that may prohibit acceptance of the cards. If there was a particular statute or regulation, the business would be in the position of choosing between complying with state law or complying with federal law. We spoke with the sponsor, and we have been meeting with the proponents of the legislation on the amendment. One example is the Financial Crimes Enforcement Network of the U.S. Department of Treasury, which has some extremely large penalties for violation of that statute. It appears that the statute would allow acceptance of the tribal identification card, but if there was a specific statute or regulation that conflicted, we would like to have something in law that indicates it is an exception to the general requirement. I apologize for not having the amendment. We gave it to the proponents this morning to look at. If we come to an agreement, I would be glad to bring the amendment back to the Committee.

Chairman Flores:

Please work with the Senator. The Committee will let you work it out. I will close the hearing on <u>S.B. 399</u>. Is there anyone here for public comment? [There was no one.] This meeting is adjourned [at 9:57 a.m.].

	RESPECTFULLY SUBMITTED:
	Carol Myers Committee Secretary
APPROVED BY:	
Assemblyman Edgar Flores, Chairman	
DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

<u>Exhibit C</u> is a copy of a PowerPoint presentation titled "SB105: Indigenous Peoples Day," submitted and presented by Senator Tick Segerblom, Senate District No. 3.

<u>Exhibit D</u> is a copy of a PowerPoint presentation titled "SB375: Authorizes agreements between the Governor and Indian tribes in this State relating to the regulation of the use of marijuana," submitted and presented by Senator Tick Segerblom, Senate District No. 3.

<u>Exhibit E</u> is a document titled "Card Issuance Policy Final Version," by the Pyramid Lake Paiute Tribe of Nevada, submitted and presented by Will Adler, representing Pyramid Lake Paiute Tribe.

Exhibit F is a document titled "ID Requirements for Airport Checkpoints," submitted by Will Adler, representing Pyramid Lake Paiute Tribe.