

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON HEALTH AND HUMAN SERVICES**

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

The Committee on Health and Human Services was called to order by Chairman Michael C. Sprinkle at 1:04 p.m. on Wednesday, March 8, 2017, in Room 3138 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 Michael C. Sprinkle, Chairman
Assemblywoman Amber Joiner, Vice Chair
Assemblywoman Teresa Benitez-Thompson
Assemblyman Richard Carrillo
Assemblyman Chris Edwards
Assemblyman John Hambrick
Assemblyman William McCurdy II
Assemblywoman Brittney Miller
Assemblyman Tyrone Thompson
Assemblywoman Robin L. Titus
Assemblyman Steve Yeager

COMMITTEE MEMBERS ABSENT:

Assemblyman James Oscarson (excused)

GUEST LEGISLATORS PRESENT:

Assemblyman Nelson Araujo, Assembly District No. 3

STAFF MEMBERS PRESENT:

Susan Scholley, Committee Policy Analyst
Mike Morton, Committee Counsel
Kailey Taylor, Committee Secretary
Trinity Thom, Committee Assistant



OTHERS PRESENT:

Alex Ortiz, Assistant Director, Department of Administrative Services, Clark County
Yolanda T. King, County Manager, Clark County
Laura A. Sussman, Licensed Funeral Director, Kraft Sussman Funeral Services
Jennifer Kandt, Executive Director, Nevada Funeral and Cemetery Services Board
Wendy Stolyarov, Legislative Director, Libertarian Party of Nevada
Warren B. Hardy II, representing LaPaloma Funeral Services
Jennifer L. Carr, Deputy Administrator, Division of Environmental Protection,
Department of Conservation and Natural Resources

Chairman Sprinkle:

[Roll was called and committee protocol was explained.] We will begin with the first round of public comment here and in southern Nevada. [There was no comment.] We will close public comment and open the hearing on Assembly Bill 65.

**Assembly Bill 65: Revises provisions relating to medical care for indigent persons.
(BDR 38-438)**

Alex Ortiz, Assistant Director, Department of Administrative Services, Clark County:

We will be presenting Assembly Bill 65. With me is our County Manager, Yolanda King who will present the bill.

Yolanda T. King, County Manager, Clark County:

I will be going through A.B. 65. I ask that you bear with me because when we talk about intergovernmental transfers (IGT), the upper payment limit program (UPL), disproportionate share hospital (DSH), and other acronyms, it is a difficult topic to understand.

Page 2 of the presentation (Exhibit C) gives an overview of what A.B. 65 is trying to do. The first part of this is to expand the purpose for which these property tax dollars can be used. I will talk you through what the property tax dollars are and what they are currently being used for later in the presentation. Assembly Bill 65 is asking to expand and have more flexibility in how we use those dollars. In addition to that, it also requests that we take up to 2 cents of those property tax dollars to use for capital improvements for a public hospital. When we talk about the public hospital down in southern Nevada, that hospital is the University Medical Center of Southern Nevada, which I will refer to as UMC.

Page 3 looks at the difference of what the duty is with regard to a county. In this case, Clark County's duty is in providing aid and relief to indigent persons. *Nevada Revised Statutes* (NRS) 428.285 and 428.295 require the Board of County Commissioners to establish a property tax rate of 6 to 10 cents and allocate those monies for medical assistance to indigents. You will often hear us refer to this property tax rate as the property tax to assist those indigent persons. The property tax that is currently levied in Clark County is at the

maximum rate of 10 cents. Of the 10 cents, 1 cent of that tax levy is remitted to the State. The County Commissioners currently may use the indigent property tax rate to make DSH IGT payments.

Nevada Revised Statutes 422.382, providing aid and relief to the indigent persons, requires Clark County to make direct IGT payments to the State. Public hospitals, in this case UMC, are not allowed to make those IGT payments. This potentially avoids the perception of recycling federal funds. Currently, the county is required to make those intergovernmental transfer payments because UMC cannot make those payments. That is the relationship between UMC, the county, and the State with regard to making these payments. Clark County makes these IGT payments on behalf of UMC.

The total amount of IGT payments required by Clark County to make to the State is estimated at \$113 million for this fiscal year. They take those dollars and turn those monies around to be federalized. Then, UMC gets the federal supplemental payments from those dollars. Currently, within the Clark County budget, of the full amount of \$113 million, close to \$61 million will actually come out of the county general fund, and then the remaining part of that comes from the property tax to aid indigent persons.

These IGT payments are sent to the State, and as a result, those dollars are federalized. The monies that come back down to the University Medical Center are referred to as supplemental payments. There are three types of supplemental payments UMC receives. The first is the disproportionate share hospital (DSH) payment. The second supplemental payment that UMC receives is the upper payment limit (UPL). The third is for managed care organizations (MCO).

Page 6 summarizes what those supplemental payments look like and gives the terminology on what those supplemental payments should be used for. When we talk about DSH payments, those supplemental payments received by UMC are to enhance the funding that UMC gets. The thought is that they serve a disproportionate share of uninsured patients. That is the reason that you see those DSH payments coming to UMC. The upper payment limit (UPL) program is another supplemental payment that UMC receives, and it pays the difference between Medicaid and Medicare. They receive additional supplemental payments to fill that gap. Then you have your managed care organizations, which is a payment that goes to a managed care organization.

Page 7 is a snapshot starting with fiscal year 2015 and shows what we estimate these dollars to look like in fiscal year 2017 with regard to the amount of payments that Clark County makes. On the first row, the amounts listed are the required match that the State must make to the federal government in order to be able to federalize those dollars. There is a required match that is required to be made by the State. Clark County gives those dollars in the form of the IGT payment to the State to be able to make that state-required match. Then there is an additional county contribution. The total IGT payment made out of Clark County is \$113 million. We send \$113 million, and UMC gets \$216.8 million back because of our sending the IGT payments to the State. The amount of money that UMC receives in excess

of what we send up is \$103 million. There is a net benefit to the State in the amount of \$45.4 million. The State net benefit is the additional money the State receives in their budget as a result of our sending these IGT payments. I wanted you to understand how the dollars were working and the amount that goes to UMC and what we receive, but that there is also a benefit received by the State. I believe they use those dollars as part of their Medicaid budget.

As I stated earlier, Clark County assesses the full 10 cents. We want to have the flexibility to use those dollars for the different types of supplemental payments. As I mentioned, there are three types of supplemental payments that are received by UMC—DSH, UPL, and MCO. Currently, the statute allows us to make IGT payments for the DSH program. Assembly Bill 65 is requesting that we also be able to make IGT payments for the UPL program. That is the expansion of the flexibility to be able to use those dollars, not just on DSH, but on the UPL payments as well.

The second piece of A.B. 65 is to be able to use up to 2 cents of the 10 cents we are currently assessing to be able to fund capital for UMC. The reason we are asking for a dedicated source of capital for UMC is that currently the hospital has no dedicated source of funding for capital. They have quite a bit of capital needs when you look at medical equipment that needs to be replaced. In addition to that, they have an older tower at that facility that is about 60 years old. Part of what needs to occur is the replacement of that older facility. This helps them replace an aging tower, but it also makes UMC competitive with the private market. Many hospitals today are being built for private rooms. This particular facility is still semi-private. In order for UMC to be competitive with the private sector, they would like to be able to tear down the facility and start from the ground up. It would cost more to renovate. Those are some of the major issues regarding their capital needs.

When you look at the capital needs outside of rebuilding that tower, they need a minimum of \$65 million just to be able to replace capital and purchase new capital or new technology in order to keep up with the private industry. When you look at the cost to build a facility, which is roughly \$150 million to \$200 million in addition to the \$65 million capital need for equipment replacement, you can see the significant amount of capital that is needed for the hospital. Right now, UMC does not have a dedicated source of funding to be able to address their capital needs. The county has been providing a subsidy to UMC in addition to the IGT payments that the county makes to the State. Over the last two years, UMC has not necessarily needed a subsidy from the county. In the past, they have needed that subsidy to pay for the regular operation and maintenance of the hospital. A couple of years ago, they came to us and explained that they were doing well with the revenue coming in from Medicaid and self-pay, so they did not need the subsidy for operating and maintenance. Clark County still provided that subsidy, but the intent of the subsidy over the last couple of years has been for them to use it for capital because there is a need.

With the new Trump Administration, we do not know what will happen with the Affordable Care Act (ACA). At any point in time, the subsidy that we are currently giving UMC for capital purposes could go back to being used for operation and maintenance. From a county

standpoint, from a prudent standpoint of budgeting, we did not want to eliminate that subsidy from the Clark County budget because we never know if we may or may not have to give it back for operation purposes. The subsidy we currently give them could very well be taken away to be used for operation and maintenance, hence the reason we are asking to be able to have dedicated funding from capital needs through A.B. 65. That summarizes the intent of this bill.

Assemblywoman Titus:

I am looking at a flow chart with the Division of Health Care Financing and Policy; it flows down to the University Medical Center and it has other DSH hospitals. I am curious about the potential impacts on other hospitals. Do you have other hospitals that qualify for DSH payments in Clark County? Is UMC the only hospital receiving DSH payments?

Yolanda King:

University Medical Center is the major recipient of DSH payments. There are other DSH hospitals, but not a significant number. This change would not change the dollar amounts currently going to those hospitals, or even to UMC. Those other hospitals are not making the IGT payment. This is Clark County. They receive the benefit of the DSH dollars because Clark County is making those IGT payments. In terms of the distribution of funding, that would not change. This is simply that we are providing payments to the State, to the federal government, and then it flows to UMC and to the other hospitals.

Assemblywoman Titus:

Thank you for that clarification. The Centers for Medicare and Medicaid Services (CMS) are very strict on their requirements for where their money goes. Does this fall within their requirements on how this money could be allocated? This money is not just coming from Clark County. Obviously you filter it up, and then it is filtered back down. I want to make sure that it is within the appropriate usage of these funds.

Yolanda King:

Yes, it is. As I explained, in terms of the statute, in 2013 we were able to change the use of these property tax dollars to be able to use them for DSH. We have been making the payments for this purpose since 2013.

Assemblyman McCurdy:

Thank you for your presentation. I understand why this is needed. Could you briefly describe where we are with the need for capital improvements? Approximately, how much will it be if we implement the 2 cents?

Yolanda King:

University Medical Center's budget request for fiscal year 2017 and on is about \$65 million per year for the equipment part of it and small renovations. Then there is the cost to rebuild that old tower.

Assemblyman McCurdy:

How much will we gain from the 2-cent carve-out?

Yolanda King:

Today's estimate for fiscal year 2017 would be about \$10 million to \$11 million, based on this year's tax collections.

Assemblywoman Benitez-Thompson:

I remember my first year on this Committee when Clark County came before us. The problem at that time was they were drowning with the payments that had to be made from Clark County's general fund to UMC. This was before the ACA, so it was before we had the newly-eligible folks come on with a payer source. There was not a Medicaid source, so there was a large volume of patients that UMC was seeing of truly indigent people with absolutely no payer source. That was drowning the county. In recent history, there was a time when there were not Medicaid dollars for all of the people you had to serve. There is a potential that we could be back in a spot where there may not be the Medicaid dollars that had been coming in since the ACA that have allowed for a more positive balance sheet. Tell me where we end up in a couple of years. Does it make sense to start big capital projects with this financial insecurity? When I was the chair of the Assembly Committee on Government Affairs, we were looking at ways for all kinds of developers to be able to address developments that had been started but had not been able to finish. If we are potentially looking at a medical recession with the lack of dollars, how will this look in a couple of years?

Yolanda King:

There is definitely timing involved. If we look at rebuilding the tower, we are looking at three years before starting construction. Once you get a bid and get through construction, there will be at least three years before putting a shovel in the ground. What I would speculate is that by the time we get to that point, we would have an idea of what the new or revised ACA would look like. We would have an idea of whether or not this was something we could move forward. When you look at a minimum of a \$150 million project, bonding will have to take place. You tie those monies up for a period of time. That is something we definitely would have to look at because if we tie this money up, we may have to consider not moving forward with that project. What you could do with the dollars if this gets approved, and if they decide to move forward with a building, is take those dollars, pay as you go, and apply those to whatever those capital needs are today.

Three or four years ago, we had to give \$80 million to \$90 million to UMC for operating and maintenance. Before the ACA went into effect, these property tax dollars were being used for that expanded population that at one point was not covered through the ACA. These dollars were being used for that purpose, and then when ACA came online, we were able to use them for the IGT payments. To be honest, for Clark County, it is the same bucket of money. Whatever we are not able to use on the property tax side will affect the general fund because that is where the total amount of the IGT payments are being made. That is where the general fund subsidy for UMC is being made. We would look at the total amount needed

on the IGT side; those payments have to be made regardless. The State does not care about where it comes from; it is just an invoice through an agreement for them. We talk to UMC and get the amount of money that UMC will need for operating purposes. It is either going to be more from the county general fund or less. It is all one pot of money when you look at it. With regard to what is required of us to make IGT payments and how those IGT payments are distributed, that would still all work the same.

Chairman Sprinkle:

What was the need for the language in section 1, subsection 3 (b)? It now includes Washoe County, and Washoe County does not have a public hospital.

Yolanda King:

The IGT payment would be made by Clark County for a public hospital. It was just to specify that this would be used for UMC as opposed for any of the private hospitals.

Chairman Sprinkle:

I am looking at the population floor in section 1, subsection 3 where it says the population is 100,000 or more. What was the rationale for this language? Are you looking at something that may affect Washoe County in the future? There are no public hospitals in Washoe County.

Yolanda King:

It would allow for a public hospital. We did not want to be specific to UMC. I would imagine that if there were one in Washoe County, this would apply.

Chairman Sprinkle:

Specific to the conversation we have been having with UMC, how is the county going to determine that the money is specifically being used for capital improvement projects?

Yolanda King:

You still have the Clark County Board of Commissioners as the Board of Trustees for UMC who would give direction as well as the UMC administration.

Assemblyman Carrillo:

Section 1, subsection 5 talks about grants to a public hospital. Are you applying for grants for improvements?

Yolanda King:

This language came from the Legislative Counsel Bureau (LCB); it is not an intent to apply for grant dollars; it is intending for Clark County to grant those dollars to the public hospital.

I also wanted to note for the record that we have submitted an amendment ([Exhibit D](#)) to our bill. Specifically this is just a clarification. We have submitted this to the Committee. In section 1, subsection 5 there is a clarification that the 2 cents we are requesting for capital funding for a public hospital would be in any fiscal year as opposed to a one-time allocation.

Chairman Sprinkle:

Is there any testimony here or in southern Nevada in support of A.B. 65? [There was none.] Is there testimony in opposition to this bill? [There was none.] Is there anyone in neutral? [There was none.] Would you like to make any closing remarks, Ms. King?

Yolanda King:

No, thank you.

Chairman Sprinkle:

Thank you for bringing this bill forward. We will close the hearing on A.B. 65. We will open the hearing on Assembly Bill 205.

Assembly Bill 205: Revises provisions relating to cremation. (BDR 40-649)

Assemblyman Nelson Araujo, Assembly District No. 3:

I am here to discuss A.B. 205, which would authorize alkaline hydrolysis as a method to be used in cremation. Joining me today is Jennifer Kandt, from the Funeral and Cemetery Services Board, and Laura Sussman, a funeral home director and small business owner. Alkaline hydrolysis is an alternative to flame-based cremation and burial. This process achieves the same result as traditional flame cremation, which is reduction of the body until final ash remains. Families may choose this option for numerous reasons, including reduced energy consumption, lower carbon footprints, an aversion to flame or fire, or for other personal reasons. This process takes place in a highly specialized and sophisticated stainless steel vessel. It requires electricity and a solution of water and alkali. The alkali added to the process is based on the weight of the deceased and it is completely consumed by the end of the process. Alkaline hydrolysis is a proven sterilization technology in which all pathogens, as well as all chemotherapy and embalming agents, are destroyed if present in the body. Any mercury in the amalgam of the teeth is not vaporized through this process as it is with flame-based cremation. These dental fillings remain unaltered and are easily collected and disposed of through the same disposers that dental clinics use for amalgam recycling. There are 15 states that currently allow alkaline hydrolysis cremation; Colorado, Connecticut, Florida, Georgia, Idaho, Illinois, Kansas, Maryland, Minnesota, Missouri, Maine, North Carolina, Oregon, Vermont, and Wyoming.

You might ask yourself why I decided to bring this bill forward. I decided to bring this bill forward due to the positive environmental impact that the use of this new method could have on our state. More importantly, I felt that it was important to provide Nevadans with another option during such difficult times.

I will now walk the Committee through the bill. Section 2 of this bill defines "alkaline hydrolysis." Section 3 expands the definition of "cremation" to include alkaline hydrolysis. Section 4 adds the definitions in sections 2 and 3 onto the current *Nevada Revised Statutes* (NRS). I would like to direct the Committee to a friendly amendment ([Exhibit E](#)) to section 5, subsection 3 that clarifies that the board may issue a license to a crematory that uses alkaline hydrolysis cremation and does not meet local zoning requirements if it is approved

by the local governing body. Section 5, subsection 6 (a) simply adds section 2 and section 3 onto that NRS. Section 6, subsections 1 and 2 also add sections 2 and 3 onto the respective NRS. Section 7 clarifies that the container used may consist of materials that are readily dissolvable by alkaline hydrolysis in addition to the currently allowable containers consisting of readily combustible materials and provides that the container must be properly supported during transport if alkaline hydrolysis will be used for the cremation. Section 7, subsection 3 allows for the container to be dissolved instead of incinerated. Section 8 requires a person responsible for the disposition of the body to ensure that any device that would be dangerous if incinerated or subjected to alkaline hydrolysis be removed from the human remains prior to cremation. Section 9, subsections 1 and 3 add sections 2 and 3 into the correct NRS. Section 10 gives cremation the meaning ascribed to it in section 3. Section 11 makes this bill effective upon passage for the purpose of the regulatory process that needs to unfold in preparation for administrative tasks. January 1, 2018 would be the effective date for all other purposes. That concludes my overview of the bill.

During the walkthrough I referenced an amendment, but I also wanted to note that there is a second friendly amendment ([Exhibit F](#)) submitted to the Committee from the Division of Environmental Protection of the Department of Conservation and Natural Resources. The amendment specifies under section 5 that the crematory must notify the Division of Environmental Protection of intent to install alkaline hydrolysis-related equipment 90 days before the purchase of said equipment and thereafter insure that the discharge complies with applicable portions of the Nevada Water Pollution Control Law. I am happy to answer any questions.

Chairman Sprinkle:

Thank you. Are there any questions from the Committee?

Assemblyman Carrillo:

I Googled alkaline hydrolysis and of course there are many things talked about, such as the process. Someone has a funeral home in my district, and I have received many calls complaining about the smoke. It goes straight up, but they still know who it is from. All I can tell them is that you need to talk to the county or the United States Environmental Protection Agency (EPA) regarding air quality. I think this is definitely a great option. The only thing that concerns me is the separation of the waste. It has to go into the sewer system to be disposed of. We are dealing with something of high alkalinity that has to be neutralized. Are they required to keep a log to make sure they are testing to ensure that they are not putting a hot substance down the sewer system? After a while, this could be a repetitive process of dumping the load and running it down the sewer system. I want to make sure that there is some way to make sure that they keep track of that.

Assemblyman Araujo:

What I would like to share with the Committee is that we have had several different conversations with various stakeholders to make sure that this is an ongoing conversation. I would also share with you that the amendment ([Exhibit F](#)) you will hear about from the Division of Environmental Protection seeks to address that very concern. I think we can all

agree that our goal should be to ensure that everything we are putting into our sewer system could be filtered out appropriately. There are ongoing conversations that we continue to have in terms of what that looks like. I know that Ms. Sussman has done some intensive research on what other states have been doing, and I know Ms. Carr will reference some conversations that she has had with the University of California, Los Angeles (UCLA). There are several examples we can pull from, but I say all of this to share that we are happy with the amendments and think that the amendments are a great step forward. That does not mean that we do not need to have ongoing conversations at both the state and local level just to make sure that the implementation of this ultimately benefits everyone and does not create any type of hazard that could potentially be done through a lack of regulation.

Assemblyman Carrillo:

When you Google this you run into all sorts of things. It looks like in Ohio they passed this and then repealed it. I do not know if anyone knows the history behind that, but I do not want to put something in place and then find out that it was something we should have thought more about.

Assemblyman Araujo:

I cannot answer that specific question. I have not dug that far into it, but I would be more than happy to reach out to the folks in Ohio to see if they can provide some legislative history on the reasoning behind that. I can tell you that there are 15 other states that do this, some neighboring states, and it seems to be working well for them.

Laura A. Sussman, Licensed Funeral Director, Kraft-Sussman Funeral Services:

I believe that the person who started using alkaline hydrolysis in Ohio did so without permission from the state. He was operating and then had to close down because they did not have the legislation to allow it. I do not think it was ever brought before them again. It was one of the early cases, and since then, all of the other states that voted to approve it did so after that case.

Assemblywoman Benitez-Thompson:

I think this is a great notion to provide families with more options. Can you explain the cost? Cost is always the first thing that families want to talk about, and I wish that every family had a money tree to shake to put together their final arrangements, but often economics comes down to being the most important thing.

Laura Sussman:

About half of the companies that are currently using this are doing it at the same cost as the regular cremation, and some are charging \$300 to \$600 more. It is in the ballpark of what a typical cremation would cost.

Assemblywoman Benitez-Thompson:

Are there people for whom this would not be a good option? Obviously medical devices are removed, but is there any part of the population for whom this would not be a good option?

Laura Sussman:

I do not believe that the Hindu community would be using this. They would stay with flame cremation because the fire is a purification of the soul. In regard to medical devices, they are actually not removed because, through the process, they are sterilized and kept intact so they are readily recyclable. In flame cremation, you do have to remove them. Things such as gold teeth do not have to be removed. We can return them to the family instead of having a dentist come in to extract the teeth. There are many benefits to this in addition to the green environmental qualities.

Chairman Sprinkle:

You talked about materials that are readily dissolved. What would those be?

Laura Sussman:

Instead of the deceased being in a cardboard container, as in traditional flame cremation, they would be put in a biodegradable silk, wool, or bio-plastic sheet to cover the body. In this process, unlike flame cremation, the family is going to be receiving all of the remains back. About 20 percent more of the remains are available. There are also no other materials such as ash from the cremation casket, box, or their clothes. The family is getting back their loved one in the most pure form that we can provide.

Chairman Sprinkle:

It talks about artificial devices that may be removed, but you said that medical equipment is not removed. What would they be?

Laura Sussman:

They find that cotton sutures need to be removed most often. If there is an autopsy, a cotton suture is used to stitch them back together. Those would have to be taken out or we would have to use a suture made of another readily dissolvable material.

Assemblywoman Miller:

I am trying to get to the specifics. I know that family members like to do different things with cremated remains. Are you saying they will be packaged in a way that they would not be able to be opened and shared? Can we still share the remains?

Laura Sussman:

They will be presented to the family the same way that they are currently presented. Instead of it being a mixture of remains and other materials that may have been in the cremation chamber, it will only be the remains that have been processed.

Assemblywoman Miller:

What will the consistency be?

Laura Sussman:

It will be the same. Once we have the bones, they will be processed with the same machines that would be used for flame cremation.

Jennifer Kandt, Executive Director, Funeral and Cemetery Services Board:

For the record, the Funeral and Cemetery Services Board did review this proposal and from the perspective of this being a respectful way to handle disposition of human remains, they are in full support of this bill.

Assemblyman Thompson:

How many crematories do we have in Nevada?

Jennifer Kandt:

I believe right now we have about 20 crematories.

Assemblyman Thompson:

Are there some in the rural communities or are they mostly in southern Nevada and Washoe County?

Jennifer Kandt:

There is one in Elko and the majority are in Washoe County and Clark County. There are several in Carson City as well. If you live in some of the very rural parts of the state, those bodies sometimes have to be stored, and they do have to travel a distance to be cremated.

Chairman Sprinkle:

Thank you. Is there anyone in support of A.B. 205?

Wendy Stolyarov, Legislative Director, Libertarian Party of Nevada:

As with other elements of an individual's private life, the Libertarian Party of Nevada supports the right to choose in situations where no one else is harmed. End-of-life provisions are particularly sensitive and private, and we believe that people deserve to have their otherwise harmless end-of-life choices respected whenever possible.

Alkaline hydrolysis cremation is exactly such a choice. It is a proven and respectful method for the disposal of remains and is already legal in at least thirteen states and three Canadian provinces. In fact, it produces substantially less air pollution—a negative externality— than traditional cremation does and, therefore, poses less harm to the environment or to other individuals other than the subject.

Assembly Bill 205 is a simple measure legalizing a safe, environmentally friendly procedure, and we see no reason why it should remain illegal. The Libertarian Party of Nevada supports the legalization of alkaline hydrolysis and thanks Assemblyman Araujo for introducing A.B. 205.

Chairman Sprinkle:

Is there anyone else wishing to come up to testify in support? [There was no response.] Is there anyone wishing to speak in opposition to the bill here or in southern Nevada? [There was no response.] Is there anyone wishing to speak in neutral?

Warren B. Hardy II, representing LaPaloma Funeral Services:

We are neutral on this bill. We do not have a position whatsoever. This new technology can certainly be given a try. I did want to address an issue that came up about the emission from the current cremation retorts. I do not want to leave the Committee with the impression that this is not an environmentally sound process. There are almost zero emissions according to the EPA, and I will provide information to the Committee. I was not intending to testify, but when that came up, I wanted to state that for the record. A retort emits significantly less pollutants than an automobile. I do not want to leave the Committee with the impression that this is environmentally necessary because of fire cremation retorts, because they are very clean. In fact, in some states, the EPA does not even regulate those unless there are a certain number of cremations that take place. It is an extremely clean process.

**Jennifer L. Carr, Deputy Administrator, Division of Environmental Protection,
Department of Conservation and Natural Resources:**

I appreciate the opportunity to provide comment on Assembly Bill 205. The Nevada Division of Environmental Protection (NDEP) is neutral on the bill. While we initially had concerns, they have been addressed by one of Assemblyman Araujo's amendments in front of the Committee. I would like to extend my appreciation to the Assemblyman for his willingness to address our concerns. For the benefit of the Committee, I will briefly discuss NDEP's perspective on this matter and why we sought an amendment.

This bill was not originally on our watch list, but as we learned more about the alkaline hydrolysis process, we realized that there could be some unintended consequences related to this technology. We have learned that the process produces a liquid that appears to be subject to certain provisions of the Nevada Water Pollution Control Law. We have been in contact with the Nevada Funeral and Cemetery Services Board, and we are actively discussing the technology with the folks at UCLA to learn more about the technology and the character of the final liquid. We do know that the material produced is at least at a level of alkalinity or high pH that would violate pretreatment requirements for the municipal wastewater treatment plants. The proposed amendment ([Exhibit F](#)) intends to allow the Bureau of Water Pollution Control to be involved early in the process of citing an alkaline hydrolysis facility. Early involvement would permit us to address design requirements related to equipment that would be needed for pretreatment of liquids prior to release to a publicly-owned treatment works. Large wastewater systems have established pretreatment programs overseen by the EPA, but smaller systems are under the sole jurisdiction of the NDEP. This amendment would give us the opportunity to engage the crematory owner and the municipal wastewater system treatment provider in a discussion during facility design and planning. It would also allow us to ensure that the facilities that may be sited in rural Nevada would have adequate equipment and storage capacity to prevent use of an onsite sewage disposal system, also known as a septic tank, for final disposition.

I know that the Committee either has or will receive a letter ([Exhibit G](#)) from the Clark County Reclamation District, and I have been in contact with some other colleagues in the wastewater treatment field. Some of the local sewer authority representatives have commented to me in the past week that they would prefer to be named in the amendment that

has been proposed as well. It would not just be notification to the Division of Environmental Protection, but also to the local sewer authority, so that they can be initially notified as soon as possible instead of waiting for us to be the pass-through agency on that. If the Committee saw fit to add the local sewer authorities to the amendment that we proposed, I would not be opposed to that. Thank you for your consideration of this amendment.

Chairman Sprinkle:

Is there anyone else wishing to speak in neutral? [There was no one.]

Assemblyman Araujo:

Thank you for the opportunity to present this bill. I hope that you all will consider it. We want to be able to provide Nevadans with more options on how to cremate their loved ones in a difficult time. We hope that you will consider allowing us to provide this option to them. Thank you. If you have any other questions, I am happy to answer them offline, and I am willing to work with anyone else who may have any additional amendments that were brought in.

Chairman Sprinkle:

I will close the hearing on Assembly Bill 205. Is there anyone here or in Las Vegas who wishes to make public comment? [There was no response.] This meeting is adjourned [at 2:11 p.m.].

RESPECTFULLY SUBMITTED:

Kailey Taylor
Committee Secretary

APPROVED BY:

Assemblyman Michael C. Sprinkle, Chairman

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) a copy of a PowerPoint presentation titled "Clark County Assembly Bill 65," presented by Yolanda T. King, County Manager, Clark County.

[Exhibit D](#) is a proposed amendment to Assembly Bill 65 presented by Yolanda T. King, County Manager, Clark County.

[Exhibit E](#) is a proposed amendment to Assembly Bill 205 presented by Assemblyman Nelson Araujo, Assembly District No. 3.

[Exhibit F](#) is a proposed amendment to Assembly Bill 205 presented by Jennifer Carr, Deputy Administrator, Division of Environmental Protection, Department of Conservation and Natural Resources.

[Exhibit G](#) is written testimony submitted by Dan Fischer, Deputy General Manager, Clark County Reclamation District, dated March 8, 2017, regarding an amendment to Assembly Bill 205.