MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON JUDICIARY

Seventy-Ninth Session April 7, 2017

The Committee on Judiciary was called to order by Chairman Steve Yeager at 8:10 a.m. on Friday, April 7, 2017, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 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 Counsel Nevada Legislature's Legislative Bureau and on the www.leg.state.nv.us/App/NELIS/REL/79th2017.

COMMITTEE MEMBERS PRESENT:

Assemblyman Steve Yeager, Chairman
Assemblyman James Ohrenschall, Vice Chairman
Assemblyman Elliot T. Anderson
Assemblywoman Lesley E. Cohen
Assemblyman Ozzie Fumo
Assemblyman Ira Hansen
Assemblywoman Sandra Jauregui
Assemblywoman Lisa Krasner
Assemblywoman Brittney Miller
Assemblyman Keith Pickard
Assemblyman Tyrone Thompson
Assemblyman Justin Watkins
Assemblyman Jim Wheeler

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Diane C. Thornton, Committee Policy Analyst Brad Wilkinson, Committee Counsel Janet Jones, Committee Secretary Melissa Loomis, Committee Assistant

OTHERS PRESENT:

Nancy M. Saitta, Justice (Retired), Carson City, Nevada

Kathleen Sandoval, First Lady of the State of Nevada

Kelly Wooldridge, Administrator, Division of Child and Family Services, Department of Health and Human Services

Egan Walker, Judge, Family Division, Second Judicial District Court

Tom Stockard, Judge, Tenth Judicial District Court

William O. Voy, Judge, Family Division, Eighth Judicial District Court

Frank W. Cervantes, Director, Department of Juvenile Services, Washoe County

John "Jack" Martin, Director, Department of Juvenile Justice Services, Clark County

Scott J. Shick, Chief Juvenile Probation Officer, Juvenile Probation Department, Douglas County

Jo Lee Wickes, Chief Deputy District Attorney, Washoe County District Attorney's Office

Brigid J. Duffy, Chief Deputy District Attorney, Juvenile Division, Clark County District Attorney's Office

Dan Musgrove, Chair, Clark County Children's Mental Health Consortium

Sean B. Sullivan, Deputy Public Defender, Washoe County Public Defender's Office

John J. Piro, Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office

Holly Wellborn, Policy Director, American Civil Liberties Union of Nevada

Jared Busker, Policy Analyst, Children's Advocacy Alliance

Ali Banister, Chief of Juvenile Services, Department of Juvenile Services, Carson City/Storey County

Daniel Stewart, General Counsel, Office of the Governor

James M. Wright, Director, Department of Public Safety

Patrick Cates, Director, Department of Administration

Kirsten Van Ry, Communications Director, Office of the Lieutenant Governor

Jonathan Davies, President, Southern Nevada Cybersecurity Alliance

Steven D. Hill, Executive Director, Office of Economic Development, Office of the Governor

Gary Milliken, representing Switch Technology, Las Vegas, Nevada

C. Joseph "Joe" Guild III, representing Union Pacific Railroad, Reno, Nevada

Luis F. Valera, Vice President, Government Affairs and Compliance, University of Nevada, Las Vegas

Spencer Stewart, Chancellor, Western Governors University of Nevada

David Cherry, Communications and Intergovernmental Relations Manager, City of Henderson

William R. Burks, Brigadier General, The Adjutant General of Nevada, Nevada National Guard, Office of the Military

Judy Stokey, Vice President, Government and Community Strategy, NV Energy

Randy Robison, Director, State Legislative Affairs, CenturyLink

Omar Saucedo, Management Analyst, Public Affairs, Southern Nevada Water Authority

Paul Moradkhan, Vice President, Government Affairs, Las Vegas Metro Chamber of Commerce

Misty Grimmer, representing Employers Insurance Group, Las Vegas, Nevada

Debra Gallo, Director, Public Affairs, Southwest Gas Corporation; and Paiute Pipeline Company

Lea Tauchen, Senior Director of Government Affairs, Grocery and General Merchandise, Retail Association of Nevada

Paul Young, representing the Nevada Resort Association, Las Vegas, Nevada

Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department

Corey Solferino, Sergeant, Legislative Liaison, Washoe County Sheriff's Office

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

John Ridgeway, Private Citizen, Las Vegas, Nevada

Kimberly Surratt, representing Nevada Justice Association; and Vice Chair, Family Law Section, State Bar of Nevada

Robert E. Armstrong, Attorney, McDonald Carano

Michael Chodos, General Counsel, Notarize.com

Michael Delgado, General Counsel, Willing.com; and Bequest, Inc.

Chelsea Capurro, representing LegalZoom

Scott W. Andersen, Chief Deputy Secretary of State, Office of the Secretary of State

Nova Murray, Deputy Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services

Lynn Marie Goya, Clerk, Clark County

Nancy Parent, President, Nevada Association of County Clerks and Elected Officials

Robert D. Fisher, Chair, Government Relations, Las Vegas Wedding Chamber of Commerce

Terri Wengjen, Secretary, Board of Directors, Las Vegas Wedding Chamber of Commerce

Cliff Evarts, Chief Executive Officer, Vegas Weddings, Las Vegas, Nevada

Wendy Stolyarov, Legislative Director, Libertarian Party of Nevada

Margaret Flint, Owner, Chapel of the Bells, Reno, Nevada

Kathy Marino, Co-Owner, Arch of Reno Wedding Chapel, Reno, Nevada

Tyrone L. Seals, Vice President, Nevada/California State Baptist Convention; and representing Churches of Southern Nevada

Chairman Yeager:

[Roll was called. Committee protocol and rules were explained.] We have a full agenda today. We will begin with the work session.

Diane C. Thornton, Committee Policy Analyst:

<u>Assembly Bill 107</u> was sponsored by Assemblywoman Bilbray-Axelrod and heard in Committee on March 22, 2017 (Exhibit C).

Assembly Bill 107: Provides for the sealing of records relating to eviction under certain circumstances. (BDR 3-689)

The bill states that in any action for unlawful detainer or summary eviction, the affidavit of complaint and any other pleadings, proof of service, findings of the court, any order made on motion, and all other papers, records, proceedings, and evidence must be sealed and not open to inspection except to parties to the action and their attorneys; certain persons who provide the court clerk with certain required information about the action; any person by order of the court upon a showing of good cause; any person by order of the court if 60 days have elapsed after the affidavit of complaint has been filed, and the plaintiff prevails in trial; and any other person if 60 days have elapsed after the affidavit of complaint has been filed and the plaintiff prevails within 60 days after such filing.

There are two amendments to this bill; one is in the work session document, and the other is a separate sheet that was received last night. The first amendment (Exhibit C) was proposed by Jon Sasser, Legal Aid Center of Southern Nevada, and a mock-up is on the following pages of the work session document. This amendment automatically seals the eviction case court file in any action for a summary eviction if the summary eviction is denied or dismissed or the landlord fails to file an affidavit of complaint as required. Secondly, it authorizes the court to order the sealing of an eviction case court file under certain circumstances. Lastly, it defines "eviction case court file."

The second amendment (Exhibit D) replaces section 1, subsection 1, paragraph (a) and (b) of the mock-up and adds a paragraph (c). Paragraph (c) states "If the court holds a hearing pursuant to NRS 40.253(6) and determines that there is a legal defense as to the alleged unlawful detainer, upon failure of the landlord to file a complaint for unlawful detainer pursuant to NRS 40.290 to 40.420, inclusive, within 10 days."

Chairman Yeager:

At this time I am looking for a motion to amend and do pass A.B. 107.

ASSEMBLYMAN OHRENSCHALL MOVED TO AMEND AND DO PASS ASSEMBLY BILL 107.

ASSEMBLYMAN WATKINS SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Pickard:

Because I had some serious concerns, particularly with the second amendment in the way it was drafted, I have been working with the sponsor on these amendments. The way it is drafted it will be confusing to the courts in regard to handling summary evictions. What they are suggesting we do is to make the court record for someone who has been subject to summary proceedings sealed automatically. I understand the intent of the language in subsection 1, paragraphs (b) and (c); however, it could be interpreted that it would be automatically sealed, which is not the intent. My understanding is the intent is to make sure that a landlord does not lose the ability to find the summary eviction action for someone who was rightfully subject to that summary eviction. Because of the ambiguity, I proposed simpler language, which was rejected, which is fine. I understand the process. However, I am concerned about this second amendment as drafted. I will be voting no on this measure.

Assemblyman Wheeler:

I was originally going to vote yes on this bill with the amendment that the sponsor proposed. With the new amendment and Assemblyman Pickard's testimony, I will be changing my vote to no.

Assemblyman Ohrenschall:

I will be supporting the bill with both amendments. I think the amendments provide clarity, both for the landlord and the tenant. You cannot sit on your rights; if you are going to pursue an eviction action, you have to do it promptly. It cannot be done after an extended period after the tenant is gone. It establishes clear guidelines and provides protections for both parties.

Chairman Yeager:

Is there any further discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN HANSEN, KRASNER, PICKARD, TOLLES, AND WHEELER VOTED NO.)

I will assign the floor statement to Assemblywoman Miller.

Diane C. Thornton, Committee Policy Analyst:

Assembly Bill 118 was sponsored by Assemblyman Daly and heard in Committee on March 15, 2017 (Exhibit E).

Assembly Bill 118: Revises provisions governing the issuance of permits to carry concealed firearms. (BDR 15-572)

This bill authorizes a person between the ages of 18 and 21 who is a member of the Armed Forces of the United States, a reserve component thereof, or the National Guard, or was discharged or released from service in the Armed Forces of the United States, a reserve component thereof, or the National Guard under honorable conditions to carry a concealed

weapon. A sheriff must deny an application for a permit or revoke an existing permit if the sheriff determines that the applicant or permittee has been discharged or released from service under not honorable conditions and is less than 21 years of age.

There is one amendment to this measure. Assemblyman Daly proposed to revise section 1, subsection 7, paragraph (f) by adding "... showing a current military identification ... or a DD214 discharge form to prove the applicant is a member of or is an honorably discharged former member of the Armed Forces;"

Chairman Yeager:

At this time I will take a motion to amend and do pass A.B. 118.

ASSEMBLYMAN WHEELER MOVED TO AMEND AND DO PASS ASSEMBLY BILL 118.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Wheeler:

This is a great bill, and I want to thank the sponsor for bringing it forward.

Chairman Yeager:

Again, the motion is to amend and do pass A.B. 118.

THE MOTION PASSED UNANIMOUSLY.

By special request, I will assign the floor statement to Assemblyman Daly.

Diane C. Thornton, Committee Policy Analyst:

<u>Assembly Bill 132</u> was sponsor by Assemblyman Elliot T. Anderson and heard in Committee on March 22, 2017 (Exhibit F).

Assembly Bill 132: Provides for enhanced penalties for committing assault or battery against certain civilian employees and volunteers of law enforcement agencies. (BDR 15-111)

This measure revises the definition of "officer" to include certain civilian employees and volunteers of law enforcement agencies in the class of persons for which enhanced penalties for assault and battery would be authorized.

There is one amendment for this measure, and it is proposed by the Professional Firefighters of Nevada and Clark County Firefighters. This amendment includes civilian employees or volunteers of a firefighting agency who perform tasks related to firefighting, fire prevention, or code enforcement.

Chairman Yeager:

I will take a motion to amend and do pass A.B. 132.

ASSEMBLYWOMAN COHEN MOVED TO AMEND AND DO PASS ASSEMBLY BILL 132.

ASSEMBLYMAN WATKINS SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Thompson:

I would like some clarification regarding code enforcement. Some jurisdictions have code enforcement under the firefighters. I want to be clear that this is across the board code enforcement at the city, county, and so forth.

Assemblyman Elliot T. Anderson:

I worked with the Professional Firefighters of Nevada and the Clark County Firefighters, and we specifically discussed putting in a comma to make that clear. If you look at the amendment, section 1, paragraph (7), subparagraph (III), states, "Perform tasks related to firefighting, fire prevention, or code enforcement." Code enforcement is inclusive of anything that qualifies under it.

Chairman Yeager:

The motion is to amend and do pass A.B. 132.

THE MOTION PASSED UNANIMOUSLY

I will assign the floor statement to Assemblyman Elliot T. Anderson.

Diane C. Thornton, Committee Policy Analyst:

<u>Assembly Bill 204</u> was sponsored by Assemblywoman Tolles, et al. and Senator Gansert, et al. and heard in Committee on February 27, 2017 (<u>Exhibit G</u>).

Assembly Bill 204: Provides that marriage licenses and certificates of marriage may include the name to be used by each spouse after the marriage. (BDR 11-743)

This bill allows a person who is getting married to identify the name they will use after marriage on the application for a marriage license and on the marriage certificate.

There are three proposed amendments for this measure. Assemblywoman Tolles and Nancy Parent, Washoe County Clerk, proposed to limit the name options for the middle name and surname that can be chosen by the applicant and to give the applicant the option to include the name change on the application for a marriage license and on the marriage certificate.

The second amendment was proposed by Lynn Goya, Clark County Clerk, to change the effective date from July 1, 2017, to January 1, 2018, to give the county clerk offices and chapels more time to conform to the legislation.

For the last amendment, Assemblywoman Tolles proposed adding Assemblyman Yeager as a cosponsor of the bill.

Chairman Yeager:

I am looking for a motion to amend and do pass A.B. 204 with all three amendments.

ASSEMBLYMAN ELLIOT T. ANDERSON MOVED TO AMEND AND DO PASS ASSEMBLY BILL 204.

ASSEMBLYMAN THOMPSON SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

The floor statement is assigned to Assemblywoman Tolles.

Diane C. Thornton, Committee Policy Analyst:

<u>Assembly Bill 227</u> was sponsored by Assemblyman Carrillo and heard in Committee on February 27, 2017 (<u>Exhibit H</u>).

Assembly Bill 227: Makes changes relating to domestic partnerships. (BDR 11-784)

This bill revises the definition of "domestic partnership" by including a legal union that: (1) is validly formed in another jurisdiction; and (2) is substantially equivalent to a domestic partnership. Any reference to the date of a marriage is deemed to refer to the date of registration of the domestic partnership, or the date the legal union of the domestic partnership was validly formed in the other jurisdiction. The bill removes the requirement to register the legal union with the Office of the Secretary of State. There are no amendments for this measure.

Chairman Yeager:

I will take a motion to do pass A.B. 227.

ASSEMBLYMAN OHRENSCHALL MADE A MOTION TO DO PASS ASSEMBLY BILL 227.

ASSEMBLYMAN PICKARD SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Pickard:

Given the state of the law, particularly when it comes to domestic partnerships, I think it is a good idea to clarify. I am not sure it is necessary because the domestic partnerships are given the same rights and benefits of marriage, but it is always a benefit to clarify the law, and I support this measure.

Chairman Yeager:

Is there any further discussion on this measure? [There was none.]

THE MOTION PASSED. (ASSEMBLYMAN HANSEN VOTED NO.)

The floor statement is assigned to Assemblywoman Jauregui.

Diane C. Thornton, Committee Policy Analyst:

<u>Assembly Bill 228</u> was sponsored by Assemblyman Pickard, et al. and heard in Committee on March 17, 2017 (<u>Exhibit I</u>).

Assembly Bill 228: Revises provisions relating to the termination of parental rights. (BDR 11-590)

The bill requires service of notice to be attempted on a parent at their place of residence, if known. If service cannot be made on a parent or known relative, service must be attempted on a legal custodian or guardian at their place of residence, if known. If personal service cannot be made, the court may order the publication of a notice of hearing for the termination of parental rights under certain conditions. Before a notice of hearing is published, the clerk of the court is required to replace every instance of the name of the child with the initials of the child on the notice of hearing.

The bill allows a hearing to terminate the parental rights of a father, at the request of the mother of an unborn child, to be held any time after the birth of the child and the completed service on the father or putative father. The hearings, files, and records of a court relating to a proceeding to terminate parental rights are confidential, with certain exceptions. Lastly, this measure provides that if the natural father of a child is convicted of sexual assault, which resulted in the conception of the child, the conviction is grounds for terminating the parental rights of the natural father.

There are three proposed amendments to this measure. Assemblyman Pickard proposed an amendment regarding the notice of the putative parents by adding the names of the parents of the minor child. The next amendment would change the language in section 7 to make the bill gender neutral by deleting the word "father" and replacing it with "natural parent." The last amendment would add the following cosponsors to the bill: Senators Parks, Denis, Harris, Hammond, Goicoechea, Gansert, Hardy, and Roberson.

Chairman Yeager:

At this time I will take a motion to amend and do pass <u>Assembly Bill 228</u> with all three referenced amendments.

ASSEMBLYWOMAN TOLLES MOVED TO AMEND AND DO PASS ASSEMBLY BILL 228.

ASSEMBLYMAN WATKINS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

The floor statement is assigned to Assemblyman Pickard.

Diane C. Thornton, Committee Policy Analyst:

Assembly Bill 232 was sponsored by Assemblywoman Bilbray-Axelrod and heard in Committee on March 13, 2017 (Exhibit J).

Assembly Bill 232: Establishes provisions governing changing the name of a minor. (BDR 3-811)

This bill establishes the procedure for changing the name of a minor. A parent of an unemancipated minor may file a verified petition with the clerk of the district court of the district in which the minor resides. The measure sets forth procedures if there is not consent of the other parent. The court is required to make an order changing the name of the minor as requested in the petition upon being satisfied by the statements in the petition or other evidence that good reason exists, if the other parent consents or no written objection is filed within 10 days after the other parent is personally served or the last publication of notice as ordered by the court, upon proof of filing and evidence of service. The court is required to hold a hearing if an objection is filed. The order must be recorded as a judgment of the court, and the clerk is required to transmit a certified copy of the order to the State Registrar of Vital Statistics.

There are two amendments to this measure. Bailey Bortolin, Statewide Legal Services Legislative Liaison, proposed an amendment to add that a minor certified, tried, and found guilty of a felony in adult court must disclose that in his or her petition for a name change. It also clarifies that a request for a minor name change may be included in other actions.

In the second amendment, Assemblyman Pickard proposed adding the language in section 6, subsection 1, "Unless verified consent of the other parent is provided. . ." and adding in section 7, subsection 1, paragraph (a), "The verified consent of the other parent is provided."

Chairman Yeager:

I will take a motion to amend and do pass <u>Assembly Bill 232</u> with both amendments.

ASSEMBLYMAN PICKARD MOVED TO AMEND AND DO PASS ASSEMBLY BILL 232.

ASSEMBLYWOMAN MILLER SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Thompson:

I asked this question during the hearing, but I am not sure if I received the answer. Regarding the amendment by Assemblyman Pickard, when we are talking about a homeless young person and both the parents are not there, we talked about their being emancipated, but that is not always the case. Is there anywhere in the bill that this is addressed?

Assemblyman Pickard:

Fortunately, the verified complaint is when they are trying to put it through with the consent of the parent; otherwise, it would follow the normal proceeding.

Chairman Yeager:

Is there any further discussion on the motion? [There was none.]

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblyman Watkins.

I should have mentioned at the beginning of the work session that we are not going to address <u>Assembly Bill 278</u>. It should be rescheduled for some time next week.

Assembly Bill 278: Revises provisions relating to the support of children. (BDR 11-892)

I will now close the work session. We will be taking today's bills out of order from the agenda. We will begin with <u>Assembly Bill 472</u>. As you can tell, we have five bills today, and we will have to get through them in an efficient manner. We have budgeted about 10 to 15 minutes for presentations and then 10 minutes for support and opposition for each of the bills. I will ask everyone to keep their comments as short as possible. We would have liked to spend more time with each bill, but time is of the essence today. We also have an overflow room, which is Room 3142. I will now open the hearing on <u>A.B. 472</u>.

Assembly Bill 472: Establishes policies for reducing recidivism rates and improving other outcomes for youth in the juvenile justice system. (BDR 5-918)

Nancy Saitta, Justice (Retired), Carson City, Nevada:

This bill is the result of a task force that worked on this for about one and a half years across disciplines with an all-inclusive membership. The task force had only one objective, and that was to support better outcomes for youth who come into the system. This bill represents one of the most significant opportunities in recent history to allow Nevada to adopt policies and practices that will improve outcomes for youth in the juvenile justice system. We will be able to improve county and state resources and use them more efficiently. We will be able to increase consistency and collaboration between and among the counties and the state. This bill anticipates the use of common screening and assessment tools. Everyone across the state would be using the same data-access systems and screening. The goal was to create a bill that was utterly and completely data-driven and consensus-based.

The task force repeatedly voted unanimously to move forward with these objectives and to support what ultimately became <u>Assembly Bill 472</u>. We worked with focus groups, interviewed a wide range of stakeholders, and we were assisted by the Council of State Governments, which is a nationally recognized organization. They were able to help us do appropriate interviews and identify where there were potential holes in the system that we believe this bill patches.

The task force, once again, came to consensus repeatedly on how the system needed to be proved based on the analysis. This bill will allow us to adopt validated risk and needs screening and assessment tools to be used statewide. This will help us to better match youth with the best and most effective levels and types of supervision services. Previously, this was not a well-organized or well-considered process. This bill would allow everyone in the state to be on the same page to access our youth and give them the services they need.

This bill also provides for a phased-in cost sharing approach that gives counties time to shift their resources, if necessary, to enhance the current assessment approaches this bill proposes. This bill also will allow us the effective tools that will ultimately result in cost savings from improved supervision, services, and outcomes. The task force, and all of us who you will hear from today in support of this bill, are completely committed to implementing evidence-based programs, practices, and this bill provides the direction and support for achieving that goal.

Finally, establishing performance measures and enhanced requirement resources for data collection and quality assurance will improve agency decision making and accountability. This bill will allow us better data collection, and it will then allow us to analyze that data to continuously improve services and provide better outcomes for the children who once again touch the system.

We anticipate that this bill will have wide-based support. The bill arose from a task force that was part of the Juvenile Justice Commission and the Nevada Supreme Court, which I had the pleasure of co-chairing with First Lady Kathleen Sandoval. I urge your support for this bill and if you have any questions, we have many experts in the room who can respond to those questions.

Kathleen Sandoval, First Lady of the State of Nevada:

I have worked in the juvenile justice system for over 17 years running a nonprofit organization. I was very proud to co-chair this statewide initiative to improve juvenile justice systems. I was able to work with many experts throughout our state, from Clark County, Washoe County and the rural counties and for all of us to unanimously come together and present this legislation. We had the experts from the Council of State Governments analyze our data, and from that data, we designed <u>A.B. 472</u> to address a number of key challenges that prevent our juvenile justice system from effectively protecting public safety and improving the outcomes of our youth.

Nevada spends almost \$100 million a year on the juvenile justice system, yet the state continues to lack the data and research capacity necessary to know how the system is performing. The state and local counties are not systematically tracking, analyzing, or reporting recidivism data on youth and program outcomes. This bill will allow us to do this.

Second, the limited data available demonstrates that outcomes for youth in the juvenile justice system are poor and should not be acceptable for our state. Youth in Nevada cycle through the juvenile justice system multiple times, so by the time they are placed in the custody of the Division of Child and Family Services (DCFS), they average 11 prior referrals. More than half of the youth while on probation and state parole commit a new offense within one year. This bill will enable us to have better outcomes for our youth.

Third, statewide we lack objective tools to make cost effective supervision and service decisions. While we have seen a significant reduction of overall referrals to the juvenile justice system in the last few years, a greater portion of the youth are receiving formal supervision, and the number of youth being placed out of the home into youth camps and out of state or in state facilities has increased. Between 2013 and 2014, there has been a 32 percent increase in the number of DCFS commitments.

Nevada is one of the only states in the country that lacks a validated risk assessment tool used statewide. This is needed, so we can determine what are the best placements for youth. Finally, Nevada lacks the use of evidence-based services and practices in the community and facilities. Nevada is one of the few states in the country that does not have legislative or funding requirements or incentives that directly support the adoption and effective implementation of an evidence-based practice. Instead, we are spending money on programs and practices that we have no assurance are effective or will make a difference with our youth.

Assembly Bill 472 will help align Nevada's juvenile justice system with what we know works to reduce recidivism and improve outcomes for youth throughout our state. I have stated before that I am very proud that I was able to co-chair the statewide improvement initiative in Nevada with Justice Saitta, and more so, I am very excited that we had a group of individuals who worked diligently over the last year to come to a unanimous consensus to present this legislation to you that we hope you will pass.

Chairman Yeager:

Thank you, First Lady Sandoval, on behalf of the Committee for the hard work you have undertaken over the years on behalf of our youth. I think that work is reflected in the piece of legislation we have in front of us.

Kelly Wooldridge, Administrator, Division of Child and Family Services, Department of Health and Human Services:

We were hoping to have someone from the Justice Center of the Council of State Governments here this morning to review the bill; however, there was a weather issue in Washington D.C., and they were unable to be here. I will be presenting the bill today, and I will try to go through it quickly because I know we have a lot to do this morning.

The Council of State Governments Justice Center is a national not-for-profit bipartisan organization that engages with all three branches of state government to provide research-driven strategies to increase public safety [page 2, (Exhibit K).] Assembly Bill 472 seeks to address the findings from the Council of State Governments Justice Center analysis that the First Lady discussed in her remarks. The goal of this bill is twofold: to establish policies to reduce recidivism and improve other outcomes for youth in the Nevada juvenile justice system and to assist policymakers, and state and local agencies to use resources more effectively [page 3, (Exhibit K).]

The bill focuses on three key improvements to Nevada's juvenile justice system [page 4, (Exhibit K)]. The first is adoption of a validated risk and needs screening and assessment tool. The second is a requirement that state resources are used on evidence-based practices. Third is the establishment of outcome and evidence-based measures.

I will now review the sections of the bill according to the improvement areas and corresponding section. Section 4 on page 5 establishes the Juvenile Justice Oversight Commission which will serve two key purposes. The first is to oversee the implementation of the provisions in the bill. The second is to create, for the first time, a single oversight body to ensure that all entities across the state involving the juvenile justice system work and collaborate together. The pending amendment to this section adds one additional member from a nonprofit organization to the Commission to align with federal requirements for state advisory groups. One thing that I did not mention is that there is a friendly amendment on the Nevada Electronic Legislature Information System (NELIS) (Exhibit L).

Sections 5 through 7 [page 5, (Exhibit K)], outlines the main duties of this newly established Commission. The Commission will establish system-wide procedures for DCFS, local departments of juvenile services, and youth parole to use in developing performance measures to determine the effectiveness of the juvenile justice system. The Commission will also be responsible for selecting a validated risk assessment tool and mental health screening tool to assist the juvenile court, state, and Department of Juvenile Services in determining the appropriate actions to take for each child.

It will also contract with a vendor to provide technical assistance to support the state and counties in implementing these tools. Third, the Commission will develop a five-year strategic plan to increase the use of evidence-based practices including developing standards for what constitutes evidence-based. Fourth, the pending amendment (Exhibit L) states in section 7, subsection 1, that the Commission will conduct quality assurance reviews of state facilities and youth camps using a validated assessment tool and provide the facilities with recommendations for improvement.

From the research, we know that the predictive power of a validated risk assessment are significantly more consistent and reliable than professional judgment alone. Section 8 [page 7, (Exhibit K)] requires DCFS and local probation departments to implement the validated risk assessment and mental health screening tools that are selected by the Commission. It also establishes a cost-sharing model, so the first few years the cost of implementing these tools will be covered by the state; local departments will fully assume responsibilities by fiscal year (FY) 2020-21. Section 8 is about requiring the risk assessment.

Section 15 on page 8 requires local probation departments to conduct risk assessments and mental health screenings for all adjudicated delinquent youth prior to disposition. Local departments must provide results of the assessments to all parties involved in the youth's case. The juvenile courts will use these results to assist in determining the child's disposition. Section 16 on page 8 would require local departments to use the results of the risk assessment to develop individualized case plans and reentry plans for youth community camps. The pending amendment (Exhibit L) to section 16, subsection 1, would require case plans for youth in youth camps to identify the projected length of stay and release criteria based in part on results of the risk assessment.

Section 17 [page 9, (Exhibit K)] demonstrates how the state is being held to the same standard as the counties by requiring DCFS to use risk-assessment results to develop a length of stay matrix and release criteria for state facilities; also, to develop written case plans that have to be updated at least every six months, or when significant changes in a case occur, and to develop reentry plans as well. The amendment (Exhibit L) to section 17, subsection 1, also requires DCFS to use risk assessment results to help informed placement in the specific state facilities.

From the research we know that up to two-thirds of children in the juvenile justice system have a mental health or substance use disorder. Language in sections 20 and 21 [page 10, (Exhibit K)] requires mental health screenings to be conducted using the tool selected

by the Commission for youth in state facilities or youth camps every six months or whenever a significant change occurs.

The second major change in this bill focuses on adoption and implementation of evidence-based practices. Using research-based programs has been proven to reduce recidivism and provide considerable cost savings when they are implemented with fidelity [page 11, (Exhibit K)]. One analysis of programs for juvenile justice showed that most evaluated evidence-based programs—for example, functional family therapy or aggression replacement therapy—had demonstrated more than a \$10 benefit-to-cost ratio.

Section 9 [page 12, (Exhibit K)] establishes a five year phase-in approach to require all state funds for juvenile services, except for Medicaid dollars, be used for evidence-based practices. It establishes a cost-sharing model to allow time for the counties, state, and service providers to build capacity and increase service availability in their communities.

The amendment (Exhibit L) to section 9, subsection 4, paragraphs (a), (b), (c) and (d) establishes that local departments and DCFS would be required to use 25 percent of the funds for this purpose in FY 2019-20, and by FY 2021-22, use 100 percent of the funds. This bill also includes language to support smaller counties with this requirement. Smaller counties must be evaluated for compliance with this requirement based on the resources they receive and other limitations, such as the availability of treatment providers within their small communities. One of the biggest challenges we see in states and jurisdictions seeking to implement evidence-based practices are issues around fidelity and actually achieving good outcomes for these practices.

Section 10 [page 13, (<u>Exhibit K</u>)] would establish an evidence-based resource center to provide technical assistance, training, and other support to the state, local departments, and service providers on the effective implementation of evidence-based practices.

Section 11 would require the state to submit an annual report to the Governor, the Commission, and the Legislature on compliance with the evidence-based standards established in the Commission's strategic plan and provide performance data on service delivery and youth outcomes.

According to research, we also know that family engagement and maintaining positive relationships with family members is critical to achieving positive outcomes [page 14, (Exhibit K)]. Section 12 requires DCFS and local probation departments to develop and implement family engagement plans that increase family contact and engage families in case planning and treatment [page 15, (Exhibit K)].

In the earlier sections of this bill, with regard to risk assessment, these tools are not meant to be prescriptive; rather they are meant to enhance professional judgment in juvenile courts and local departments in making determinations.

Section 18 would require that the court, in order to place a child out of state, make a finding that an in-state institution has not met the needs of the child and that reasonable efforts were made to consult with agencies within the state [page 16, (Exhibit K)]. Similarly, the amendment to *Nevada Revised Statutes* (NRS) 62E.520 would require that in order to place a delinquent child in a state facility, the court must make a finding that an appropriate alternative to meet the needs of the child does not exist in the community, and the child poses a significant safety risk.

The third major change in this bill focuses on increasing system performance and accountability by improving data collection and analytic capacity across the system. In order for a system to make more effective decisions, it needs to evaluate recidivism rates and other youth outcomes; then analyze this data to account for risk and other variables and use the data to inform policy, practice, and resource allocation [page 17, (Exhibit K)].

Section 22 requires DCFS to annually analyze information that is submitted to them by local departments of juvenile justice to identify trends and determine the effectiveness of supervision and services, and submit annual reports with this information to the Governor and the Legislature [page 18, (Exhibit K)], in order to engage in the data-matching process to know whether youth are reoffending when they reach the age of 18, and can match data for youth with mental health disorders, and learn about their outcomes as well as to streamline service delivery across the systems. Section 23 adds to the list of individuals that a juvenile justice agency can release information to, which will include the director of the Department of Corrections and the director of a mental health services agency.

Section 24 allows the state to withhold money from a juvenile court or local probation department that does not comply with the data collection regulations and the requirements around evidence-based practices [page 19, (Exhibit K)]. The amendment (Exhibit L), in section 24, subsection 3, paragraph (c), outlines that the Division notifies the Department of Juvenile Services before any money is withheld and the amount to be withheld if corrective action is not taken. Section 25 adds to the measure that data must be collected and maintained by local juvenile probation departments, the juvenile court, and staff of regional youth camps and state facilities.

We know from the research that using graduated responses to technical violations allow systems to use a continuum of developmentally appropriate and cost-effective options to promote positive youth behaviors. Graduated responses are based on a youth's risk to reoffend and their level of misbehavior [page 20, (Exhibit K)].

Sections 26 through 28 require the Youth Parole Bureau to develop policies that help determine the most appropriate responses to parole violations, including the development of a sliding scale of responses that are based on the assessed risk of the child and the severity of the violation ([page 21, (Exhibit K)].

The last section of the bill, section 29, allows the Youth Parole Bureau to recommend a revocation of parole and recommitment to a facility only if there is a determination that the child poses a public safety risk and that other responses outlined in the Bureau's new policies around parole violations are deemed inappropriate as noted in the amendment [page 21, (Exhibit L)] and section 29.5.

Finally, section 13.2 in the amendment [page 5, (Exhibit L)] modifies NRS 62A.280 to change the language regarding the county camps. The goal of this amendment is to allow the youth in the camps the option to become Medicaid eligible if they qualify in order to enhance the behavioral health services in the camps. Currently, the camps are considered detention facilities, thus making them ineligible for Medicaid. By changing the language to treatment and rehabilitation facilities, which provide court-ordered treatment and rehabilitation services, the camps can focus on treatment, rehabilitation, and reentry plans. The Division will work with the camps on the rollout of the Medicaid services by first focusing on the youth in need of focused behavioral health treatment.

That concludes all of the sections of the bill, and we are happy to answer any questions.

Assemblyman Thompson:

Throughout the document when we are talking about evidence-based, who is going to vet the process to ensure service delivery is evidence-based? Do we, as a state, have the capacity to meet that need? What are we going to be doing with the organizations that are not quite there? The ones that are on the trajectory to become an evidence-based program, will they have any part in this program? They are probably doing some great work bringing those outcomes, and I would hate to see that they are automatically out of the picture.

Kelly Wooldridge:

The Commission will be the ones deciding what evidence-based practices to use. The second question on state capacity: one of the reasons we put a slower rollout in the amendment was so they do not need to use full evidence-based practices until 2020. This would enable us to assist those providers that are not quite there yet in getting up to speed. One of the ways we are looking at getting them there is through technical assistance through the Evidence-Based Information Center that is part of this bill.

Assemblyman Ohrenschall:

Thank you for letting me be on the Commission that worked so hard on this issue. This bill is a game changer, and it will change children's lives. As the First Lady said, there are so many children who come into juvenile court with undiagnosed mental health issues, and many are self-medicating. This is the first time they get a diagnosis and help. I cannot thank both of you enough on your leadership on this bill.

My question is on section 12 regarding the DCFS: "... and each department of juvenile services shall develop and implement a family engagement plan to enhance family engagement in the juvenile justice system." In Clark County they do a great job. Spring Mountain Youth Camp has a bus or shuttle to take parents to see their children

once a month. Many of the parents of children in delinquency court do not have reliable transportation. Even getting up from Las Vegas to Mount Charleston to see their children can be a challenge. For children who have been committed to a state facility, such as the Nevada Youth Training Center in Elko or Caliente Youth Center in Caliente—many of those children are from Clark County—how do you think we will overcome those geographic obstacles and the obstacles the parents have due to their circumstances to try to keep the family engagement there and accomplish what we are trying to do in section 12?

Kelly Wooldridge:

What the Division does now will be to continue and enhance the project over the next biennium if this goes through. First of all, DCFS has requested aid with transportation for family members in their technology investment request. The second thing that we are working on is the capacity to do telehealth, teletherapy, or visitation through videoconferencing. We are hoping, if our technology investment request gets approved this session, that it will be greatly enhanced as well.

Assemblyman Ohrenschall:

That is great to hear. If parents from Clark County could get out to Caliente and see their children, it would help them.

Assemblyman Pickard:

For the record, my wife is a hearing master in the juvenile division; we have a lot of shoptalk in our house about this subject. She did not authorize me to express her excitement over this bill. She is not in a position to take a position on it; however, our household is excited about this bill. My question has to do with the diversion programs that are currently being undertaken and, hopefully, expanded within the juvenile justice system. I do not see that they are addressed here, but I am assuming that the Committee will be looking at those as well and looking to verify the good work they are doing there; am I correct?

First Lady Sandoval:

That is one of the important parts of the standardized risk assessment. We will be able to determine what are the most appropriate services that the youth needs, and if it is diversion, what type of services they will need out in the community to be successful in that diversion program. It will allow us statewide to be looking at each child the exact same way and determining which child needs to be on diversion and which ones do not, and then what services need to be provided for that child.

Assemblyman Pickard:

Thank you very much for that. I know that the juvenile justice hearing masters are working hard to seek out the evidence-based best practices for those programs and trying to implement them. This will be a great help to that effort.

Chairman Yeager:

Thank you for your presentation this morning; we appreciate you being here. I have a list of support testimony. I am going to open the hearing for support testimony, but first will invite Judge Walker, Judge Voy, and Judge Stockard to the table.

Egan Walker, Judge, Family Division, Second Judicial District Court:

I cannot tell you how excited I am about this bill. I had the opportunity to attend each incremental session of the development of this bill. Trust me, it was unanimous in the vote, but there was some good head knocking that occurred in the middle. Ultimately, what this bill results in are tools for me, as a judge responsible for juvenile justice in Washoe County, to place the right child with the right services at the right time. I cannot tell you how hard that is in practice. It requires that we assess children and their families and the needs of each, synthesize and evaluate the information that we get from that assessment, execute a plan to meet their needs in a way that works for children, and then examine the results and engage in continuous quality improvement so we can go forward.

This bill, in my view, is a great balance. Speaking from a constitutional perspective, it is a great balance among the Executive, the Legislative, and the Judicial Branches. The constituency, accountability, and participation of the Commission will involve all of those branches. That is the best outcome for our children, so that the head knocking that needs to happen among all of us on a statewide level so we can take a hard look at what works for children and what does not work, can occur.

About 20 years ago, when I was a district attorney in Washoe County, I was a big proponent of "scared straight." If we are honest about it, I think many of us were. It was a great example of how in juvenile justice you really have to have high fidelity to look at the risk and needs children have and the outcomes. Scared straight works in the exact opposite way of how many of us wanted it to work—as do juvenile boot camp programs. This bill will provide for centralized coordination and accountability across the juvenile justice system. It is legislation that ensures we evaluate the needs of the children and elevate those needs over all of us, so from Jarbidge to Laughlin, children across the state have a common set of evaluations and expectations, and we are all accountable to them in terms of the outcomes they have. I strongly urge you to support this bill.

Tom Stockard, Judge, Tenth Judicial District Court:

I do want to echo everything that Judge Walker said, but to also stress how important this is for our rural communities. Because the number of juveniles in the system in the rurals is not nearly as high or as challenging as in Washoe and Clark Counties, it presents some opportunities for us. Resources are our challenge, and one thing that is going to be a great benefit is that there will be an increase in access to some of the resources for the rural communities.

I do express my support, and I want to thank Justice Saitta, First Lady Sandoval, and all the members of the task force. This is a great example of what we can do when we come together, listen to everyone's perspective, and try to come to a solution on something that is very important.

William O. Voy, Judge, Family Division, Eighth Judicial District Court:

I have been in this for 14 years, and I fully support this bill. Thank you for your time, and if you have any questions, I am more than willing to answer them.

Assemblywoman Tolles:

This is a great day in the Nevada Legislature. I think this is incredibly important work. Judge Voy and I have had conversations before about the challenges with juvenile sex trafficking victims and how often they are not identified until they are brought in through the juvenile justice system. How do you see this Commission and effort in the next five years helping to address the needs of those juveniles in particular?

Judge Voy:

This bill will enhance the efforts we are still bifurcated on. We have the Supreme Court's Commission on Statewide Juvenile Justice Reform, we have the Governor's Juvenile Justice Commission, the Legislative Committee on Child Welfare and Juvenile Justice, and we have the coalition that was established last year—the Nevada Coalition to Prevent the Commercial Sexual Exploitation of Children. Having one statewide commission across the board will enhance the credibility of that commission and will also centralize the power into one commission. We will be able to increase our efforts with that population with this commission. I was going to propose, after the session, to add a subcommission to the commission created by A.B. 472.

Chairman Yeager:

Thank you again for your work on this piece of legislation. We are now going to move to our juvenile justice county panel. I will invite them to the table at this time.

Frank W. Cervantes, Director, Department of Juvenile Services, Washoe County:

As demonstrated by the collaborated effort on this bill, you can see that Nevada juvenile justice has made good progress on many fronts, and we continue to see better ways to analyze data and program evaluation, which ultimately drives improved system outcomes. Our juvenile justice agencies across the state use various risk and needs assessments to drive and influence probation services and community probation risk. Assembly Bill 472 provides for a validated risk assessment that would standardize the practice for each agency. The payoff is big given that validation and standardization are two components that are not currently part of our system. They are critical tools, as the risk and needs assessment are the initial vehicles that drive the level of probation and corresponding services. We know that inappropriate matching services and sanctions sometimes produce worse outcomes than no interventions at all. Standardizing the risk and needs assessments statewide not only

provides consistency, but also allows for data analysis to eventually provide proper outcomes. However, this can only be accomplished if we have a contemporary and centralized data-management system as proposed in this legislation.

John "Jack" Martin, Director, Department of Juvenile Justice Services, Clark County: As a 30-year practitioner in the juvenile justice services, I have been honored to serve on this Commission. I want to express my deepest gratitude to First Lady Sandoval and Supreme Court Justice Saitta for spearheading such a challenging process. It was head knocking at critical points during this process, but it is head knocking that is going to improve outcomes for our children. I do not want to repeat what Mr. Cervantes said, but this will be a game changer in terms of juvenile justice statewide. We will be able to look at all of the aspects facing a child. In Clark County we live by five simple words, and those are "safer communities through successful youth." This bill will give us numerous tools that will allow us to provide more successful youth in our communities, in essence, making it a safer and better place to live. Please support this bill, as Clark County juvenile justice supports it wholly.

Scott J. Shick, Chief Juvenile Probation Officer, Juvenile Probation Department, Douglas County:

I want to echo the sentiments expressed by Supreme Court Justice Saitta and First Lady Sandoval for taking a lead on this bill. When you have good leaders, it is not hard to follow. In our capacity at the Juvenile Probation Office, our goal on behalf of the rural juvenile probation system is always to reduce recidivism. This bill will enable us to use the data and the Case Load Pro System, so a child can be followed in any jurisdiction, state, or body they end up in. We will be able to make better strength-based behavior and treatment decisions. It will improve transition from placement, and it will make diversion improvements by keeping the children out of the system.

I appreciate that we have developed *Nevada Administrative Code* standards for juvenile facilities throughout the state. This Commission is going to be able to provide that oversight on a yearly basis and hold us to the mark. Juvenile justice administrators invite scrutiny and oversight; it makes us better at what we do on behalf of the children and families we serve in the system. I like the mental health, substance abuse, youth level of service screening, and the risk and needs assessment as it gives us a foundation to work from. We will be able to consider all of these and bring it to the court to make the best possible decisions on behalf of the children in our care.

The evidence-based programs enable promising practices in each of our rural jurisdictions as they are unique in their demographics, resources, and capacity to provide particular services and programs. This bill allows that to happen—promising practices, evidence-based programs, things that keep children in school, working with their families, involving them in their communities—and it gives them career development and a good attitude towards their future. This bill supports every one of these pieces and ensures that we follow up. It also ensures public safety. Hopefully, we will avoid those negative situations by what we will be doing on the front end.

Chairman Yeager:

Next we will bring up our juvenile justice attorney panel.

Jo Lee Wickes, Chief Deputy District Attorney, Washoe County District Attorney's Office:

The prosecutors who served on the panel and work with the public defenders and defense lawyers who specialize in juvenile justice support this bill. In the interest of brevity, I will simply state that the validated risk assessment, the increased capacity for evidence-based programs, and the resource center will allow us to help these children become safe and productive members of society and prevent future victimization.

Brigid J. Duffy, Chief Deputy District Attorney, Juvenile Division, Clark County District Attorney's Office:

You have heard a lot this morning about how this bill is going to assist our children that are being charged with delinquent offenses. I am going to address those of you who constantly talk to me about how the juvenile justice system is addressing public safety. This bill will absolutely address public safety. When you heard the First Lady testify that our children have an average of 11 prior referrals to the juvenile justice system, that is 11 failures and 11 opportunities that we had to change the course of their lives and prevent future victims. With this bill and using a validated risk-assessment tool, I have hope that we can address what this child really needs and engage the family and prevent those future victims. I appreciate your time and hope you will support this bill.

Chairman Yeager:

Is there anyone else in support of this bill?

Dan Musgrove, Chair, Clark County Children's Mental Health Consortium:

I am the chair of the Clark County Children's Mental Health Consortium. We have a standing designated member of juvenile justice that sits on our board, and we talk about these issues on a daily and monthly basis. I have been following the work that has been done by Justice Saitta and the First Lady, and I am very intrigued and pleased that they are working in such a manner to bring things together to reduce the bifurcations. What we see in our consortium is that there are so many different groups working on separate items, and they need to be brought together so we can move forward. I applaud and support the bill.

Sean B. Sullivan, Deputy Public Defender, Washoe County Public Defender's Office:

We wanted to register our support of this bill. As I have stated in the past, I am a newly minted lawyer to the juvenile justice system and have practiced 14 years in the adult system. It is an honor and privilege to help the children of northern Nevada, and especially to be working with Ms. Jo Lee Wickes. We want to register our support for this very important measure.

John J. Piro, Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office:

We, too, are in support of this measure and would like to thank the sponsors for bringing this bill forward.

Holly Wellborn, Policy Director, American Civil Liberties Union of Nevada:

We would like to state our support for this bill and congratulate the task force on a job well done.

Jared Busker, Policy Analyst, Children's Advocacy Alliance:

The Children's Advocacy Alliance is also in support of this bill.

Ali Banister, Chief of Juvenile Services, Depart of Juvenile Services, Carson City/Storey County:

I would like to echo everyone's comments. My prior chief, who was also on the task force, was in favor of this, and I wanted to echo everyone's comments. Carson City is in favor of this bill.

Chairman Yeager:

Is anyone in opposition of <u>A.B. 472</u>. I do not see anyone in opposition. Is there anyone in the neutral position? I do not see anyone in the neutral position. I would invite the presenters back up for any concluding remarks.

Nancy Saitta:

I echo all of the comments that have been made by the people who have boots on the ground. There is no greater honor than to start with an idea that this task force had and see it to this point—on its way to conclusion—with the best-written bill and the most important policy considerations as a part of this bill. Ultimately, reaching the goals of better services for our children is the most important thing. Sometime in our future, one, two, or ten of those children will come out the other end and perhaps sit at this very table, or where you are, and help us write better policy for the state of Nevada. I cannot thank you enough for hearing this bill today and passionately urge your support.

Kelly Woolridge:

I want to thank you for your time this morning.

First Lady Sandoval:

I appreciate your time and consideration of this bill. Every day I see these youth come across my door, and I work with them on a daily basis. The failures that Brigid Duffy mentioned, and the opportunities that we should be giving these children, we now will have the ability to achieve. Being able to change the life of one child will have a ripple effect forever for that child's future and their family. Please consider passing this bill and making a difference in each of these children's lives.

[All items submitted will become part of the record: (<u>Exhibit M</u>) and (<u>Exhibit N</u>) were agendized but not heard.]

Chairman Yeager:

Thank you for being here this morning. I would like to personally thank everyone who I know has worked very hard on this piece of legislation. It is clear we have a wonderful piece of legislation in front of us. We will look forward to addressing it next week in work session. We will close the hearing on A.B. 472. We will now open the hearing on Assembly Bill 471.

Assembly Bill 471: Creates the Nevada Office of Cyber Defense Coordination. (BDR 43-917)

Daniel Stewart, General Counsel, Office of the Governor:

I would like to say it would be a tough act to follow the presentation before me. We will do our best as we think this is an important topic and has bipartisan and national support. I have with me James Wright, Director, Department of Public Safety and Patrick Cates, Director, Department of Administration. I will go through the bill; Mr. Wright will explain why the program is in the Department of Public Safety; and Mr. Cates will go over the supporting technological role of the Department of Administration.

Before I begin reviewing each section of this bill, I would like to address how we got here, as it is as important as what the bill itself says. This is an issue of national interest and need. We believe that with this bill, Nevada has a chance to be a national example on the issue of cybersecurity. One of the reasons this bill came up was through the National Governors Association, currently chaired by Governor McAuliffe of Virginia and vice-chaired by our Governor Sandoval. This is a national priority for them, and the policy they put forth, in many respects, is modeled after the state of Virginia, which is the gold standard for cybersecurity at this time. Many of the team and policy people involved in this actually participate in the National Governors Association Policy Academy, and their policy experts have been working with us on the drafting of this bill.

Former President Obama recently formed the Commission on Enhancing National Cybersecurity. One of those members was our own Heather Murren from Las Vegas. In December 2016, they issued a report indicating a number of recommendations for states and national policy on cybersecurity, and we attempted to incorporate those into our bill. This is a policy implementation of a budget bill. In the Assembly Committee on Ways and Means, there is a budget aspect to this—between \$3.5 million or \$4.3 million, depending how you count a loan—that will be spent to create the Office of Cyber Defense as well as to upgrade and help our Division of Enterprise Information Technology Services. We have had a lot of cooperation with other state agencies, including our National Guard with William R. Burks—the National Guard plays a key role in cybersecurity—as well as Shanna Rahming, Administrator of the Division of Enterprise Information Technology Services.

This bill is mainly about defending the state—being able to continue government, deliver essential services in the event of an attack—but it does go beyond that. Cybersecurity is a continuum; it is about protecting and stopping cybersecurity attacks from happening, recovering from cybersecurity attacks, being able to continue with those services, and then make a response such as investigations and prosecutions.

As with anything related to the Internet, it does not contain itself to state boundaries, so coordination is key. There is also a workforce development component to cybersecurity, which is why we are happy to be partnering with the Nevada System of Higher Education to help develop the employees of the future in the cybersecurity field. They will be critical in helping get this off the ground.

Cybersecurity is mostly reactionary, so we need to minimize the risk, as there is nothing we can do to prevent all attacks. It is a continually escalating arms race, and often the criminals and terrorists are ahead of us in key factions, so we are reacting to minimize risks and the impact on the state.

I would now like to go through the sections of the bill. For the first time ever, there are legislative findings on the importance of protecting the cyberinfrastructure of the state and in cybersecurity itself. I would like to read subsections 7, 8, and 9 because they outline the entire purpose of the bill and frame it quite well. Section 2, subsection 7 states, "Protecting and securing the statewide cyberinfrastructure depends on collaboration and cooperation, including the voluntary sharing of information and analysis regarding cybersecurity threats among local, state, and federal agencies and across a broad spectrum of the public and private sectors." Subsection 8 states, "Institutions of higher education play a critical role in protecting and securing statewide cyberinfrastructure by developing programs that support a skilled workforce, promote innovation and contribute to a more secure statewide cyberinfrastructure." Subsection 9 states, "It is therefore in the public interest that the Legislature enact provisions to enable the State to prepare for and mitigate risks to, and otherwise protect, information systems and statewide cyberinfrastructure." That lays the foundation for much of the purpose of this bill.

Sections 3 through 9 provide definitions, including the definition on the creation of the actual Nevada Office of Cyber Defense Coordination of the Department of Public Safety and the administrator of the office, who will be appointed by Mr. Wright or the following director.

Sections 10 through 21 discuss the roles and duties of this office. Section 10 lays out how the office will work with and help protect our state agencies. Section 11 discusses the office's duty to form strategic partnerships with higher education, local governments, and the private sector's interest that are experts in cybersecurity or have cybersecurity needs. It also discusses the partnerships with the federal government through the Investigation Division of the Department of Public Safety and law enforcement. Section 12 lays out the procedures for notifications to the office when there is a cyber security event, and notifications from the office to potential targets for cyberattacks. As part of section 12, it allows the administrator to create a cybersecurity incident response team to deal specifically with an attack they have

been notified of and that they are prepared to move forward to respond, mitigate damage, protect, and investigate. Section 13 is key; it requires the office to develop a strategic plan laying out best practices, policies, and procedures that the rest of the state, local governments, and private interests can look at to base their security measures on. One of the key things with the strategic plan is that it becomes part of the record for the Nevada Commission of Homeland Security, and as they are laying out and determining grants of Homeland Security funds, they are supposed to take this statewide strategic plan into consideration.

Cybersecurity is a priority just like regular security. The Nevada Department of Homeland Security will work with the cybersecurity subcommittee chaired by the Lieutenant Governor, Mark Hutchison. There is one friendly amendment that has been proposed on the strategic plan. In the draft of the bill, it states that this plan will be updated every five years. For those of you who own a cell phone, you understand that the technology is obsolete very quickly, so cybersecurity would ask that the statewide strategic plan be updated biannually—every two years rather than every five years.

Section 14 requires reporting to both the Governor, the Legislative Counsel Bureau, and to the Information Security Commission set up by the Legislature. Section 16 allows the office to create regulations, to enforce them, and execute them. Section 18 indicates that this office will serve as the strategic planning, facilitating, and coordinating office for the state on cybersecurity issues. Section 20 makes it clear that the administrator of this office is a nonvoting member of the Nevada Commission on Homeland Security.

There is a very important provision in section 15, which deals with confidentiality of records. We have a friendly amendment from the City of Henderson to include local governments (Exhibit O). If the state is going to partner with the private sector or local governments to help keep the system as secure as possible, the people working with the state need to know that when they disclose or share confidential, critical information that the information remain confidential and not be subject to public records. Some of this information could demonstrate significant weaknesses in their security systems.

One of the reasons for this bill is not because our state employees or state offices do not do a good job with cybersecurity already. In fact, as we sit here today, they are probably defending against attacks right now. They are doing a great job. One of the things that came up in the Policy Academy is that the biggest detriment to a broader cybersecurity defense effort was coordination. We have a lot of different parts of the state doing a lot of different things, and we need a centralized organizing office to handle that.

I would now like to turn it over to Director Wright to discuss the Department of Public Safety's role.

James M. Wright, Director, Department of Public Safety:

I am here to explain to you why the Department of Public Safety is involved with this. We at the Department are excited about taking on this role. As we worked through the National Governors Association Policy Academy, we reviewed various models that are employed across the United States and determined what we need for our state to take on this responsibility. We determined that the Department of Public Safety was probably the best place to locate this office. The reason is that many of the operational entities that are required to support this responsibility are within the Department. Those entities are the Nevada Threat Analysis Center (NTAC), which is there for intelligence, threat monitoring, and analysis on situations that come forth as threats; our Investigation Division within the Department for investigative services and follow-up for prosecution; and our Division of Emergency Management for planning, preparation, response coordination, and recovery coordination.

Also, we have a special relationship with Enterprise Information Services, which is our service provider for the Department of Public Safety information technology system. As mentioned earlier, we have a great partnership with the National Guard. With a cyber event, we would approach it like we do any emergency. We approach it with a multidisciplined approach, and with the resources that we have within the Department, we feel we are the best to handle that. The office is not going to be taking over any technical or systems operations; we are there to coordinate.

There are a lot of things happening on a daily basis within the realm of cybersecurity. It is the key element of coordinating that. Due to our relationships with our local and federal partners, we are best suited to handle that coordination role and bring about a safer cyber system within the state.

Patrick Cates, Director, Department of Administration:

Our Department also includes the Enterprise Information Technology Services Division. The Department is in support of this bill. Shanna Rahming participated in the Policy Academy that resulted in this legislation. Enterprise Information Technology Services does have an office of information security, and our focus is protecting the state's system. We manage the state's network and a lot of the information technology structure for the entire state. The Governor's budget includes some substantial investment in that office and tools for it to protect the state's systems. Being a liaison with the Department of Public Safety will be an enhanced layer to cyber protection for Nevada.

Assemblyman Wheeler:

We have had many high tech companies move into Nevada such as Google, Apple, and Amazon. Will this office be able to coordinate and actually contract with some of these incredible minds we have in the private sector to help with our cybersecurity?

Daniel Stewart:

Yes, in fact it spells it out in section 11, "The Office shall establish partnerships with . . . private entities that have expertise in cyber security or information systems" Not only do we have a chance to benefit from them relocating here, but as we develop a more sophisticated workforce, we will hopefully have Nevadans partnering in these jobs.

Assemblyman Elliot T. Anderson:

In one of the sections of the bill, you have proposed to grant regulatory authority. Do you have any idea what that office will be doing, and can you give us an idea of how you will use that authority?

Daniel Stewart:

My understanding is that the regulatory authority is based on setting up rules for state agencies on how they must protect and have cybersecurity training and policies. I was surprised in respect to the cybersecurity issue that it is not just about upgrading and having better software; a huge component of it is human resources. As state employees, we are already trained to identify things like potential phishing attacks through state emails, or someone finding a thumb drive in the parking lot, then putting it into their computer to identify whose it might be, and the next thing you know the state's services are compromised. It would be setting up regulations for the state itself. One thing I want to make clear is, we are not in this to compel the private sector to do anything. We think there are best practices, especially if you are contracting with the state. These regulations would be set up and enforced with respect to the policies and procedures of state agencies.

Assemblyman Elliot T. Anderson:

I support the bill, but I think you ought to consider a broader regulatory authority because, as you know, data security for the private sector is important as well when you consider all the information that many Nevadans have in the private sector. I certainly hope that we involve them in this concept as much as possible.

Chairman Yeager:

I will invite anyone up to the table who would like to testify in support of <u>A.B. 471</u>. Before we begin that testimony, I want to let the members know that there is a letter of support from Lieutenant Governor Mark Hutchison.

Kirsten Van Ry, Communications Director, Office of the Lieutenant Governor:

I am with the Office of the Lieutenant Governor and will read from his statement of support (Exhibit P). The Lieutenant Governor is privileged to write a letter of support on Assembly Bill 471, creating Nevada's Office of Cyber Defense Coordination and refining the role of cybersecurity in Nevada.

In 2015, he was selected to serve the state as a voting member on Nevada's Commission on Homeland Security. In 2016, he was appointed and named chair of the Commission's Cyber Security Committee. Over the past two years, the Lieutenant Governor, along with the Commission, have voted cybersecurity protection as Nevada's top priority in the annual

Threat and Hazard Identification and Risk Assessment. Thus, the Lieutenant Governor would like to, foremost, thank Governor Brian Sandoval for recognizing the importance of protecting our state's online information and integrity and prioritizing it as such.

Assembly Bill 471 offers Nevada the opportunity to take a proactive approach to cybersecurity. Sections 20 and 21 provide a great perspective to the Nevada Commission on Homeland Security and allows for cybersecurity to play a definitive role in determining the Commission's grant-funding priorities. The Cyber Security Committee supports Assembly Bill 471 as well, noting it is consistent with a continually evolving consensus of industry best practices for cybersecurity in part due to its focus on a comprehensive, collaborative, multi-agency, multi-stakeholder approach to developing and implementing a robust state cybersecurity operations and defense plan.

The Lieutenant Governor thanks you for the opportunity to share his support on <u>Assembly Bill 471</u> and for your time in considering this important piece of legislation. The Lieutenant Governor's statement has been submitted (<u>Exhibit P</u>) for the record and this completes our testimony.

Chairman Yeager:

Thank you for your testimony. I think you may have set a record for the speed of testimony; if anyone else is watching, I dare you to try to better that.

Jonathan Davies, President, Southern Nevada CyberSecurity Alliance:

I am a cybersecurity professional from Las Vegas. In my free time, I am the founder and president of a nonprofit community initiative called the Southern Nevada CyberSecurity Alliance. Our mission is twofold in that we offer our services to the state. We consist of members in the cybersecurity community from technical analysts to chief information security officers. I have a veritable army of cybersecurity professionals at my fingertips who are willing to donate their time and expertise as required.

Our second goal is for promoting and advancing those who wish to advance in cybersecurity education. We have a number of partnerships with higher education institutions here in the state, including the University of Nevada, Las Vegas, College of Southern Nevada, and Western Governors University (WGU).

We would like to testify today in support of this bill. It is music to our ears. In addition to our cybersecurity professionals on our team, we also have many established partnerships with cybersecurity vendors who are willing to provide technical services free of charge. We also have collaborations with the higher education institutions and local, state, and federal law enforcement.

Steven D. Hill, Executive Director, Office Of Economic Development, Office of the Governor:

We are in support of <u>A. B. 471</u>. As it relates to economic development, we often speak with committees and members of the Legislature about the most important issues with respect to economic development, often about issues such as workforce development or land that can be developed. Those priorities assume that the more foundational needs for both the citizens, state businesses, and those considering Nevada are met. It is important that we continue to meet those foundational needs in the state. We feel that this bill addresses that intent and requirement. Cybersecurity risk is real; we think this is an important step in mitigating that risk, and we would ask for your support of this bill.

Gary Milliken, representing Switch Technology, Las Vegas, Nevada:

At Switch Technology we know that data security is first and foremost in the minds of our business and of our over 1,000 clients who use our data center ecosystem. We believe that cybersecurity begins with the physical infrastructure where the data is stored. Switch's security system and its highly rated data centers are proprietary; we have multilevel security protocols, and the largest distributed denial of service (DDoS) scrubbing center in North America, which provides a critical part of the frontline to deter against cyberattacks. We would like to commend Governor Sandoval for his effort in bringing this critical issue forward, and we support the efforts to ensure data security.

C. Joseph "Joe" Guild III, representing Union Pacific Railroad, Reno, Nevada:

We are here in support of <u>A.B. 471</u> and the Governor's efforts to accomplish this vital and needed program. The Union Pacific Railroad operates on 32,100 miles of track throughout 23 Western states, and you can imagine, we have significant protocols relative to cybersecurity. We are more than willing to cooperate with the state in this effort once <u>A.B. 471</u> becomes law. We particularly appreciate the confidentiality provisions that Mr. Stewart talked about in sections 13 and 15. We urge your support of this legislation.

Luis F. Valera, Vice President, Government Affairs and Compliance, University of Nevada, Las Vegas:

The University of Nevada, Las Vegas, enthusiastically joins the others in supporting this bill. We look forward to contributing our assets, research, and workforce development towards the success of this initiative. We have faculty, staff, and resources in the Greenspun College of Urban Affairs, the Williams S. Boyd School of Law, Howard Hughes College of Engineering, and the Division of Education, which we believe will serve to support this effort. We would like to thank the Governor for bringing this bill forward and urge this Committee to support A.B. 471.

Spencer Stewart, Chancellor, Western Governors University Nevada:

I am here today urging your support for this bill. There is a real need for cybersecurity professionals as this country is facing a significant shortage. According to the Bureau of Labor Statistics, over 200,000 cybersecurity positions go unfilled in this country and postings have risen more than 75 percent over the last five years. In addition, one in four chief information officers (CIOs) who have been victims of cyber theft

of proprietary data indicate that they were victims because they did not have enough qualified cybersecurity professionals within their companies.

We are supportive of the premise of this bill, particularly with institutions of higher education being in a position to help develop a more skilled workforce. Western Governors University Nevada unveiled a master of science in cybersecurity and information assurance last year. Earlier this week, we rolled out a bachelor's degree in cybersecurity and network assurance. We are in support of this bill and grateful for the Governor and his leadership, and we look forward to working with this center and its partners in developing more cybersecurity professionals here in Nevada.

David Cherry, Communications and Intergovernmental Relations Manager, City of Henderson:

Thank you to the bill sponsor for accepting our proposed amendment. In section 11 of the bill it requires that the office must establish partnerships with local government, and in section 12, states there is a need to appoint cybersecurity incident response teams, so we are proposing a simple change in section 15 based on the Legislature's findings and the stated purpose of the cybersecurity incident teams. We propose that section 15 be amended to include local government records in the carve-out for nonpublic records and to allow such records be disclosed with the cybersecurity teams being created.

The City of Henderson has a proactive cybersecurity program to safeguard critical information and resources, and we recognize the value of this legislation in enhancing the state's capability to protect Nevadans against threats to our cyberinfrastructure systems and critical information.

William R. Burks, Brigadier General, The Adjutant General of Nevada, Nevada National Guard, Office of the Military:

I was also a member of the National Governors Association Policy Academy, so I sat in on the various functions we did there. This is a bill long overdue.

I think I have been a victim of every single major cyber breach in the federal government. I am tired of getting those letters where you have your credit monitored for three years. I have not gotten one from the state of Nevada and I am very happy about that.

I also sit on the national Council of Governors with the United States Department of Defense and the Department of Homeland Security. Among the main members of that council are Governor Sandoval and Governor McAuliffe of Virginia. Virginia is by far the leader in cybersecurity awareness. It probably comes down to the vast number of U.S. Department of Defense facilities and universities located there. They also have what they call the "high-tech corridor," the Dulles Technology Corridor. Nevada has all that too. Nevada is becoming a tech industry unto itself. We also have some of the best universities.

The chief priority of the Council of Governors is cyber defense and how Homeland Security relates to the states when they find out there has been a breach, either through a major corporation, or to the state itself. Some of these breaches go on for years without detection. When something is detected, there is a reluctance to notify the states because they do not have the implementation in process to safeguard the information once it is given to them.

As Mr. Stewart said, the human element is the weak link in the chain. The U.S. Department of Defense uses various things such as encrypted hard drives, two means of authentication, and yearly refresher training, not only on the cyber aspect, but also on whatever information has to be protected, such as personally identifiable information and the Health Insurance Portability and Accountability Act (HIPAA) requirements. This bill takes care of all of those basic issues right up front. We know that hardware and software is not going to solve the problem; we are going to have to also address the human element.

Judy Stokey, Vice President, Government and Community Strategy, NV Energy:

We are here in support of <u>A.B. 471</u>. I can assure you that NV Energy takes safety and security very seriously, and it is part of our core principals. We are working across the Berkshire Hathaway Energy platforms with a special team working on cybersecurity. We also have a member, Frank Gonzales, Retired General, who sits on the Homeland Security Commission of Nevada. My understanding is that these two groups will work together.

Randy Robison, Director, State Legislative Affairs, CenturyLink:

Mr. Stewart highlighted one of the main reasons we are here in support: the overall coordination and collaboration effort. This bill is consistent with developing national standards for states and the private sector.

I remember five years ago in a budget hearing the State Chief Information Officer (CIO) planted the flag about cybersecurity, and that we needed to start looking at it and investing in it because we were so far behind in terms of software and hardware. Two years ago I had an opportunity to represent my company in another state and listen to their CIO say that one agency in their state experienced over 100,000 cyberattacks each day. I thought he was overstating the figures, so I talked to him privately and he verified the numbers. I talked to him the next year and it was up to 300,000, and last year it was close to a million. The threat is growing, so we need to be prepared.

You talked about the workforce issue, which is huge. I am a member of the Institutional Advisory Council at the College of Southern Nevada, and they have recently engaged an initiative to help build the cybersecurity workforce. Again, we are here in support of this legislation and look forward to working on it as it goes forward.

Omar Saucedo, Management Analyst, Public Affairs, Southern Nevada Water Authority:

I want to thank the Governor for bringing this bill forward. I would also like to thank Mr. Stewart for his willingness to communicate with us on this bill. We, too, had a similar concern as the City of Henderson, so we are supportive of their amendment. We are here to support this bill. We believe it follows generally acceptable industry standards and incorporates best practices into the proposed office of cybersecurity. The Southern Nevada Water Authority is happy to lend its expertise and partner with other public and private entities and the state. For those reasons, we are happy to support this bill.

Paul Moradkhan, Vice President, Government Affairs, Las Vegas Metro Chamber of Commerce:

The Chamber would like to thank the Governor and his staff for their leadership on this issue. The Chamber is supportive of this bill. Cybersecurity has become a growing concern not only in the private sector but also in the public sector, and we need to be proactive.

Misty Grimmer, representing Employers Insurance Group, Las Vegas, Nevada:

Employers Insurance Group is a monoline workers' compensation company operating in over 25 states. As such, we exchange a lot of information with the state agencies, information that includes people's personal health records. The security of the state's systems are very important to us. It probably goes without saying, but as this process moves along, we would request that private industry be included since there is a lot of interface between private industry and the state agencies. We also ask that there be some consideration for the national consistency issue because many states and the federal government are engaging in exactly what we are talking about today. If you were a company like ours that operates in multiple states, it would be very helpful for there to be consistency across the country.

Debra Gallo, Director, Public Affairs, Southwest Gas Corporation; and Paiute Pipeline Company:

The Southwest Gas Corporation serves 1.9 million customers in Nevada, Arizona, and California, so cybersecurity is a large priority for our company. We are here to support this bill. We currently work with other energy providers to share intelligence at the federal level. We are committed to developing an ongoing cybersecurity partnership with Nevada.

Lea Tauchen, Senior Director of Government Affairs, Grocery and General Merchandise, Retail Association of Nevada:

The retail industry is committed to finding broad, long-term solutions to cybersecurity. Cybersecurity has proven to be a perpetual challenge in devising new levels of security to stay ahead of cyber criminals, and we recognize that no single entity or industry has the solution to combat this alone. We all need to work together, so we very much appreciate the Office of the Governor bringing this bill forward.

Paul Young, representing the Nevada Resort Association, Las Vegas, Nevada: We are in support of A.B. 471.

Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:

This is a critical issue and I would encourage anyone who is not well-versed on it to read Ted Koppel's book, *Lights Out*. It is an eye opener on how important this issue is.

Corey Solferino, Sergeant, Legislative Liaison, Washoe County Sheriff's Office: We are proud to support A.B. 471.

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

We support <u>A.B.</u> 471 and believe it will be a significant benefit to law enforcement agencies throughout the state.

Chairman Yeager:

We will now open the hearing for opposition testimony. Seeing none, is there anyone in the neutral position?

John Ridgeway, Private Citizen, Las Vegas, Nevada:

I want to thank my representative, Assemblyman Elliot T. Anderson, for his service. I am not for or against this particular bill; what I am for is cyber functionality. We have had a couple of glitches regarding a website recently, which convinced me to communicate with my assemblyman. If security is so tight that the system does not work, that is one thing. If we were hacked, that is another thing also. Technology needs to work; whatever they put in it has to work.

Chairman Yeager:

Is there anyone else who would like to testify in the neutral position? I do not see anyone else. I would invite the presenter back up for any concluding remarks.

Daniel Stewart:

I would like to thank the Committee and all of the supporters of this bill. I am sure they are here in support because I am presenting the bill, and not because of the name of the sponsor. I appreciate your time here, and I urge your support.

Chairman Yeager:

Thank you, Mr. Stewart. I may invite you to present bills with me in the future if we can get this kind of support. We will close the hearing on <u>A.B. 471</u>

Before we get started with our hearing, I want to let the Committee members know that I provided an email with a seven-minute video relating to remote notarization, and hopefully the members had a chance to watch it. If not, I would encourage you to watch it after the hearing; I think it will help in understanding today's discussion on this bill. I will now formally open the hearing on <u>Assembly Bill 413</u>.

Assembly Bill 413: Makes various changes relating to electronic documents and electronic signatures. (BDR 12-597)

Kimberly Surratt, representing Nevada Justice Association; and Vice Chair, Family Law Section, State Bar of Nevada:

This may seem like a strange bill for me to be in front of you testifying about today as I am a family law attorney. What this bill represents is an increase in verifiability of notarized documents, increased security, and the ability to know that individuals who are being notarized had an increased security screening on them. In addition, it increases accessibility. We have a massive rural area in Nevada where it is not always easy to get to clients or to get a notary to them. I have a large military clientele who are often deployed and require their family, in a short duration, to execute documents for sale of a home or having to do with their estate planning. There is also an increased amount of elder fraud and abuse that I am seeing in my office. I see it in extremely strange ways with annulments or sudden marriages to really young individuals where the family is pushing for a divorce, especially when there are stepchildren involved, in order to insert themselves.

I was first connected with remote notarization through my contracts and through my efforts with my military clients. Currently, I send all that business to Virginia because Virginia and Montana are the two states that have adopted remote notarization. I immediately began looking at our statutes because, as a Winnemucca girl, I would rather keep the business in-house. I found that we had electronic notarization within our statutes that was passed in 2009; those statutes require regulations to be passed by the Office of the Secretary of State. Those regulations have yet to be passed.

There is a difference between eNotarization and remote notarization. Using eNotarization allows the notary to affix their signature electronically; however, the notary is still face-to-face with the client. Remote notarization is done using a video camera. I have provided that seven-minute video to you because I wanted you to see just how secure I believe it is.

My paralegals have told me multiple times that they are so thankful that they do not have to notarize in a public setting. They are notarizing clients they have worked with all the way through their divorce matter, and they know their identity. As one of the lawyers in my office told me, before she became a lawyer and when she was a notary at FedEx, someone brought her a fake identification; it looked real, and she notarized the documents. She was brought in on a fraud investigation about the identification of that driver's license.

The available software utilizes fact-based questions about the person, scanning of the identification document, and looking for the specific details of each identification document, which you cannot do in person—it is nowhere near as secure. This discussion also led to a conversation about the military members who need estate planning. This also brought up electronic wills and electronic trusts; they are in our statutes, but no one is currently utilizing them.

Mr. Armstrong is here to talk specifically about the estate planning provisions within this bill, and I have submitted letters from different companies to show you the broad-based recognition and desire for this in order to increase the security of notarizations (Exhibit Q).

I want to emphasize that this does not replace the traditional version of notarization. It is just a supplement of additional means. Personally, as a private lawyer, I will require all notarizations to go through that process because it is more secure. I see it in the future as a potential malpractice issue not to do so—to use a traditional notarization where we do not scan the identification document, do not have the facial recognition, and do not have the fact-based questions. That would be an easy malpractice claim for an attorney.

Robert E. Armstrong, Attorney, McDonald Carano:

I have been practicing estate planning for 37 years. I was the chief author of the decedent's estate chapter of *Nevada Revised Statutes* (NRS) for the Civil Practice Code, and I have been a member of the American College of Trust and Estate Counsel for about 25 years. I am delighted to speak on this issue. I wanted to note that Michael Delgado, who is the general counsel of Bequest, Inc.—one of the leaders of online estate planning services and products in the United States—is also here to testify today. I have enjoyed working with Mr. Delgado on the development of the trust and electronic will provisions.

As Ms. Surratt noted, the Nevada Legislature passed key legislation back in 2001; it was groundbreaking in nature. Up to that time, no one in the United States considered the codification of electronic wills or trusts. Unfortunately, during the intervening period, the statute has laid fallow, primarily because, as a practicing lawyer, I only deal with self-proven documents—those that have been witnessed and notarized and are easily lodged with our district courts. The problem with the current statute is that it allows the execution of an electronic will but does not provide for the necessary infrastructure in order for that to occur.

We are trying to supply more of the ingredients to make electronic wills and trusts very similar to their paper counterpart. All our practices and professions know that we are moving towards a paperless world. This is a way we can facilitate execution of important documents by our citizens. Sixty percent of adults in the United States do not execute wills for a number of reasons—first of all, the ease and cost. Allowing it to be more accessible to those individuals is a very powerful move by us. One of the reasons our statute back in 2001 was not successful, although it supplied some terrific language, was that we did not have the practical capability we have today of providing strong electronic means of self-proving documents. We are now at the juncture where we can do that.

I can go through a section-by-section analysis of sections 1 through 28, but it would be easier to know that there are six primary elements in this legislation that are critical (Exhibit R). First, we have updated the requirements of an electronic will. Second, we have now allowed the witnesses to view the execution remotely in a simultaneous audio and visual environment and allowed them to execute electronic declarations and affidavits that are critical for self-proving wills. Thirdly, we are going to apply for electronic notarization simultaneously with this, with all the protections assigned to the data that is going to be collected during the execution process.

The fourth element is that we have a qualified custodian. This is a carryover from the existing legislation but has been beefed up significantly and provides certain mandates and handoffs that are critical in the use, maintenance, and storage of electronic wills and trusts. The fifth element that has been added to this statute by this proposed legislation is to allow for the generation of a certified paper product. This is critical because this will be familiar with our court system. When we normally lodge a will physically, we will have a certified physical counterpart that will be able to be admitted in a court and proven as part of the estate administration process. Finally, the sixth element is allowing how these wills can be admitted into court with the same sort of process associated with a paper product. This is important because we need to bring the cost down in order for more people to participate in this important function of their lives.

Kimberly Surratt:

I want to put the cap on what the remote notarization does because it begins at section 29. I want to review a few of the principles behind the way it was drafted. Under the old regulations for eNotarization, it required a new set of training. It also mimicked and followed all the rules of regular notarization. The theory was to make it cleaner where you would have to become a regular notary with training; doing everything you need to become a notary in Nevada; and then register with the Secretary of State to become an electronic notary. There are changes in terms between "appointment" as a notary and "registering" to be an e-notary.

There is a comment in the fiscal note (Exhibit S) stating that we took away the training requirement for e-notaries—it was not the intent. The intent was that they still go through the training for a notary, and then they need to lodge as a registered electronic notary with the Secretary of State's office. The Secretary of State would monitor which technology is sufficient or insufficient. There will be a small increase in the fees from \$10 to \$25. As compared to mobile notaries who have to drive out to the rural areas, this is significantly cheaper.

Most of the language in this bill was borrowed from Virginia law, which has been proven to be effective without any problems or complaints since 2012. They have seen none of the abstract, theoretical complaints that people come up with concerning being under duress. As a family law attorney, I can tell you the duress that clients have comes from outside factors that have been in play for a long time as the person won over the individual. By the time they are doing the notarization, it is being done consensually, not under duress in their mind, but the duress built up to that moment. It is through the actual identification of the person through the identification document where we see a lot of the fraud. Michael Chodos, from Notarize.com, told me that if you had notaries view a lineup with someone's identification they could not identify the person 30 percent of the time, even with the person standing in front of them. With this technology, it makes it much easier to make a correct identification. If the Committee has technical security questions, we do have individuals here today who can answer those.

Robert Armstrong:

Wills are only one component of estate planning. There are many documents being executed that transfer money and affect people's lives more than wills such as payable-on-death accounts and documents which designate our beneficiaries. The level of formality on that—versus what is billed in this electronic will and trust provision—you can see there are many more safeguards in the process proposed in this bill than what is currently in practice with regard to those nonprobate instruments.

Chairman Yeager:

I believe you indicated that Virginia has been doing this since 2012, and there have been no problems. Do we have an idea of how many times Virginia notaries have utilized remote notarization in the last few years? Could you confirm that there are no known cases of fraud, coercion, or anything like that?

Kimberly Surratt:

Michael Chodos from Notarize.com would be best to answer that. I do not have the numbers for how many times they have notarized, but I do have the numbers of how many electronic notaries there are in that state. I also want to state that we have some technical amendments that have been mutually agreed upon.

Michael Chodos, General Counsel, Nortarize.com:

Thousands upon thousands of notarizations have been done in Virginia by Notarize.com and approximately five other companies that provide these services. There is a very vigorous and expansive market of vendors who are providing these services. As far as we are aware, there have been no complaints, no issues, no challenges, or investigations of any sort.

Assemblyman Elliot T. Anderson:

I generally support the concept but want to address many of the concerns that come up in this sort of context such as, fraud, undue influence, and that sort of thing. There are provisions that are designed to protect against that, and I wanted to touch on those and see if there might be better ways to phrase the language.

Section 11, subsection 3, which is on the top of page 4: it appears this section is designed to ensure we have a visual record of the testator and the witnesses to ensure those requirements are met. I like the visual record part of paragraph (a) and the rest of the paragraphs, but a video would be more effective in ensuring that we do not have fraud or undue influence and that we have the witnesses there. A video would more accurately capture what is happening than a still photograph. Could you comment on that?

Robert Armstrong:

I have been thinking about how we implement this, and the video alternative is one that I would embrace as well. Particularly for older clients, in the next 20 or 30 years we are going to be dealing with clients that will be 95 and 100 years old. As you get older, the progressivity of mental illness becomes an issue. I think the more information we have about the execution the more critical it is. I would defer to Mr. Delgado to speak about

the practical implications of the current process. Section 24 allows us to make the admissibility of the video recordings as part of the execution. I may use that option more now than I have ever used it before, especially with the older clients. As practicing lawyers, that is going to be something we are looking at in our own offices.

Assemblyman Elliot T. Anderson:

In a way, it is revolutionary in terms of video because I cannot think of ever having evidence that good in the situation where the judge could actually view what was happening when this was signed. That is fairly exciting in terms of moving it forward and getting better evidence to prevent abuse.

Michael Delgado, General Counsel for Willing.com; and Bequest, Inc.:

[Supplemental testimony provided (Exhibit T).] The bill already includes provisions for video in section 11, subsection 3, paragraph (c). The idea is to have a full recording of the entire execution ceremony for all the reasons you are describing. The way it works today is that if there is ever a will contest, witnesses are called in and are expected to recall from memory what happened in the room at the time of the signing. This could be five or ten years earlier. As you said, it does not get any better than having a video that puts you in the room, so you can see what was going on, what state of mind all the actors were in, and so on.

Assemblyman Elliot T. Anderson:

Maybe my confusion is that it is a conjunctive subsection of three requirements. Why have photographs and everything there in section 11, subsection 3, subparagraphs (a) and (b), when you are just going to require a full video of it anyway?

Michael Delgado:

I think the rationale there is so that there is a record submitted to a court. Therefore, you could submit a photograph as part of the package that is lodged with the will as it might be more difficult to access or know that a video was there.

Assemblyman Elliot T. Anderson:

Section 12, subsection 1, paragraph (a), talks about releasing the will upon death. Paragraph (b) discusses when a qualified custodian could destroy the records. Regarding paragraph (a), might it be good to require that someone is designated to make the process run smoother? I think it is a good practice for an attorney to ask, Who do you want us to release this will to? You would then know that you are authorized to release confidential information. In subparagraph (b), might it be good to require it be released to someone and transfer the record in some medium like a thumb drive or CD before it is destroyed? There are examples where people explicitly revoke a will through a second will, only to revoke the second will. You would suddenly be left with nothing and be forced to go through probate. Would it make sense to require a custodian before destroying the document? It is fine to let them do so at their discretion, but before they do, they must give it to someone else.

Michael Delgado:

The concept of having to comply with the testator's instructions as far as disclosing anything about the will or accessing it altogether is incorporated in section 12, subsection 1, paragraph (a), subparagraph (1). Paragraph (a) says the qualified custodian "Shall provide access to or information concerning the electronic will or the certified paper original of the electronic will only to: (1) The testator or another person as directed by the written instructions of the testator" The idea is that when you are making an electronic will, within the instructions or otherwise, it would say who is allowed to access it. One of the practical problems faced today when it comes to wills and estate planning documents is that they can be lost. We have people contact us and say, a loved one recently passed away; are you storing his or her will? We have to explain to them that it is not possible for us to do that. However, this item in the bill would make it possible.

For example, say I would like my spouse to receive an email alert that I have made this will, and it can be accessed here at any time. I would also like my son to receive an email alert notifying him that the will exists, but he can only see it once I pass away. This section defines the terms of managing access according to the testator's instructions and obeying whatever confidentiality concerns they may have.

Assemblyman Elliot T. Anderson:

We should require the testator to designate someone. When the testator dies, if they did not designate anyone, it could be out there in cyberspace, and no one knows it is there. I am trying to solve what I think could be a practical problem.

Michael Delgado:

My only concern would be forced disclosure of the existence of the will. Some people want to keep private the fact that they have made this plan for whatever reason. Certainly, the qualified custodian would be aware of the existence of the will. It would be our practice to keep up with death records, and we will have an obligation as someone who has custody of a will to deposit the will with the court upon learning of someone's death.

Robert Armstrong:

In reviewing the language, as a practitioner, the one that I am focused on is that after the death of the testator, it is mandated that the personal representative be provided access as well as any interested person. That is a term of art under NRS Chapter 132 and is a very broad definition. I do not think this is a hide-the-ball-type of provision; I think we have a pretty wide platform put in place with this.

Assemblyman Elliot T. Anderson:

Did you have a comment about sending it to someone before it is destroyed, like in the case of a revocation, or that sort of thing?

Michael Delgado:

Section 12, subsection 1, paragraph (b) is talking about all of the point in time past which the will's existence is irrelevant. For instance, if the will of the testator has been probated

and five years have elapsed, the existence of another will could not possibly do anything at that point. That is why this provides for the qualified custodian's discretion to destroy the records at that point. Mr. Armstrong would probably know better the specific periods after which whatever is out there does not matter because the estate has already been administered. That is what these timelines are drawing from. If the will has been revoked for five years, that would be another example. Say the testator designated somebody else, a different provider, that the original qualified custodian passed everything along to, or if the testator has been dead for more than ten years, you cannot try to administer the estate at that point.

Assemblyman Elliot T. Anderson:

Mr. Armstrong, could you comment on that? I did not realize there was a time limit after you revoke a will that you cannot reanimate the revoked will.

Robert Armstrong:

In our statutes under Title 12 there are provisions that state if you are in possession of a will, you have to lodge it with the district court within a very short time frame, even if anyone of us signed about four wills and never told the other lawyers that we signed them. If you are in possession of that will in Nevada, you are statutorily required to lodge it with the court within 30 days. That lodging has to occur. After that, there is going to be some presumptions under the law. When I reviewed this legislation, Mr. Delgado suggested five years was very robust. In my practice of over 37 years, we have not had something spring up that late in the process. I was comfortable with that time period—absent fraud—for when the statute of limitations may be suspended. I felt very comfortable with five years and felt it was very generous.

Assemblyman Pickard:

I was surprised that we are saying five years after probate or revocation, but then it states that it is ten years after the death or 150 years after the execution of the will. I understand we are taking a long view, making sure that the person is likely dead. Given that we only have to wait until five years after the death, I am wondering if there is some legal requirement or rationale for that? Also, I am concerned with respect to the five or more years after the admission of any will of the testator at probate. My office is currently handling a case that is a small piece of a larger probate case that has been in litigation now for two years. We are taking a small piece of it because it is a family law-related issue. They were in the middle of a divorce when the testator died. If this takes another year to finish probate, that will only give a year and a half to two years of retention requirement. Would it make more sense to do this at the conclusion of probate? What is the rationale for doing it in the beginning?

Robert Armstrong:

From your context, has the will already been admitted to probate? If it has not, is it a will contest?

Assemblyman Pickard:

It has been admitted, but it has not yet been resolved because of this open question, which is being litigated.

Robert Armstrong:

Potentially, what happens is that you have had this other instrument out there. You have been going through this process, and this other instrument has not been submitted to probate as is required in Nevada. This other time frame may not be as critical to your case as getting a bite line out there.

Assemblyman Pickard:

I recognize that, but the probate will not be completed until after this litigation piece is done. I do not do trust and estates, so I probably do not understand the process well enough. Maybe you can educate me on that, and then it will make sense.

Robert Armstrong:

In the probate process, the will is lodged, so it becomes a public record; no destruction can occur. It is now controlled by the court systems as opposed to a qualified custodian or a third party. Once it has been lodged it is within the court system, and this statute will not allow the revocation of that instrument.

Assemblyman Pickard:

Does probate follow the litigation as the final act? I always thought probate was what the whole process was called. If probate is the process, we have lodged the will with the court. We start the litigation process; it is contested because of an intervening divorce that could not be finalized because of the death. Now there is an argument about how that distribution should be made. The probate court requires us to resolve that issue first before they finalize probate. In my thinking, the will has already been lodged and admitted to court. Are we going to retain this document for only a year or two after the probate is completed?

Robert Armstrong:

I agree with you, but the court system has that record, so even if it was destroyed, there is a paper product that has been lodged with the court that should help you in that regard.

Michael Delgado:

The admission of the will to probate is the court saying, this will is the will we will be using. If it was contested, that admission would not have been achieved yet. Therefore, this is five years after the court says, we are good, and this is the will. The process of administering the estate pursuant to that will or otherwise is a separate thing, but the will is the will that the court will follow at that point.

Assemblyman Pickard:

I appreciate that. It escaped me for a moment that we have a public record that will preserve the document, and we do not need the custodian to do so.

Chairman Yeager:

I have a question from Assemblywoman Cohen; she had to step out, but she wanted me to ask if anyone knew what the retention policy would be for a typical paper notary book versus the requirements in the bill for the video? Is there a paper record kept with respect to the remote notarization in case of some kind of cyberattack or if the originals are lost?

Michael Chodos:

The provision for retention of the electronic record is essentially a five-, seven-, or ten-year retention request. Since many of these documents involve financial transactions or mortgage-related transactions, et cetera, they are often required to be kept in accordance with federal or other rules that govern the records for those kinds of transactions. For example, X number of years beyond the life of the underlying transaction itself—it might be 20 or 30 years in the future—there is no underlining paper record with respect to these remote notarized documents. They are electronic records, but they are maintained in encrypted, backed-up servers, which have multiple layers of protection to ensure the data itself is secure.

Kimberly Surratt:

In addition, the party who asked for the document gets a copy of it and can print it. I often print hundreds of contracts through this method and submit them to the court and utilize them for whatever the purpose is. As an attorney who sent my client to be notarized, there would be copies in my records. It depends on what type of document is being notarized.

Michael Chodos:

At the end of every notarial act, the signer is given an electronic record of the document that was notarized. It is theirs to distribute to the recipient as they would in the ordinary manner. An electronic record of that notarized document is maintained on the servers of the remote notarization provider. These documents have been digitally locked using a digital certificate, so that once the document is notarized, and once the notary has placed her seal on it, any change to the document after that date is what is called "tamper evident." There is a permanent record to show that nobody has come in later and tried to change a signature, add an extra zero behind a number, or do anything like that. Even if the party's copy of the document that they walk away with is lost, we maintain a verification portal in which an enforcement agency, court, or any interested third party with access rights can come in and see the document in the future.

Assemblyman Krasner:

I am looking at the letter of opposition from the Office of the Secretary of State, and she seems to call out two clear concerns. I was wondering if you could address those concerns?

Kimberley Surratt:

In order to do so, I will have to pull up my computer to see exactly what the two concerns are as we do not have it printed in front of us.

Chairman Yeager:

I think what we will do in the interest of time is have the Secretary of State speak to those issues during their testimony. During your concluding remarks would be a good time to address them.

Assemblyman Ohrenschall:

Thank you, Ms. Surratt, for bringing this bill. I want to say thank you to Mr. Armstrong, as well. Former Senator Terry John Care connected me with him. Mr. Armstrong has been a great help on some of the uniform acts. The Uniform Law Commissioner, with the Revised Uniform Law on Notarial Acts (2010) and the 2016 amendments, has been going in the direction of electronic notaries. I have not been able to find out if there is a study committee on this subject, but we can tell which way the wind is blowing. I expect the Uniform Law Commissioners will be looking at this issue. My question has to do with sections 10 and 11, regarding the qualified custodian. In Virginia, what people or entities serve as the qualified custodians?

Michael Delgado:

The qualified custodian provisions are unique to the will sections of the bill. This has to do with storing a will as opposed to storing a notarized document. They may be one and the same in which case there will be duplicate storage. The concept of a qualified custodian, although there is a version of it in the current Nevada law, has actually not been put into use in the real world yet, and it is the only one of its kind.

Assemblyman Ohrenschall:

Virginia is not using this term of art for custodianship?

Michael Delgado:

That is right. The earlier sections of this bill have to do with enabling the concept of electronic wills. What Virginia has had on the books since 2012 has to do with the manner of remotely notarizing documents.

Chairman Yeager:

Thank you for the presentation. At this time we will open the hearing for testimony in support of A.B. 413.

Chelsea Capurro, representing LegalZoom:

As Assemblyman Ohrenschall stated, we can see which way the wind is blowing. We believe that this bill gets us there securely and safely, and we are in support.

Chairman Yeager:

We will now take opposition testimony.

Scott W. Anderson, Chief Deputy Secretary of State, Office of the Secretary of State:

[Read from letter (Exhibit U).] Thank you for the opportunity today to present comments on Assembly Bill 413. As the agency charged with commissioning and regulating

notaries public in the state of Nevada, we are very concerned about the remote notarization provisions in <u>A.B. 413</u> and rise in opposition to those provisions. Remote notarization is a controversial issue at this time and a matter of great national debate and has only recently been a matter of discussion in Nevada.

Only two states have adopted remote notarization. Montana and Virginia have adopted widely different versions. This bill basically adopts the Virginia standard. It removes the very important personal appearance requirements for a traditional notarization, allowing for appearance by audio/visual technology. We have concerns that the security aspects of personal appearance are no longer present. We also have concerns surrounding jurisdiction when a remote notary is authenticating a document outside the boundaries of the state.

There are other states considering remote notarization; however, it is our understanding that most are pulling the remote notarization provisions due to the same concerns. Our recent discussions with the National Association of Secretaries of State (NASS) identified many unanswered questions and concerns relating to this issue. We will continue these discussions, but at this time, there is little consensus and limited support until these questions and concerns are adequately addressed.

Additionally, we are just now beginning the implementation of the electronic notary provisions, which is not to be confused with remote notarization, that are currently in statute and have been for many years, since 2009. It is important to have this in place before remote notarization be considered.

We will continue our discussion with NASS, other states, and interested parties relating to remote notarization. We would be better served to continue discussions in the interim to make sure that we develop and adopt acceptable state and national standards.

Thank you for your time in considering the Secretary of State's opposition to the remote notarization provisions of <u>A.B. 413</u>.

Assemblyman Watkins:

I want to flesh out your concerns about the in-person appearance in making a determination of whether somebody is under duress. Having been in the room thousands of times when somebody has had their signature notarized, I have never once heard a notary ask whether or not they are signing a document of their own free will, look around, or check outside to see if a kid is being held at gun point in the car, or anything like that. In looking at the capability of the video evidence that could be stored through this sort of electronic system, it seems to me that this electronic system has more safeguards than the in-person system. I just want to get your thoughts on that.

Scott Anderson:

Unfortunately, we have seen limited videos in regards to this. We have been made aware of how this is supposed to work, but we are really not aware of its full impact. There has been a national discussion as to the importance of the personal appearance, having that person

sitting across the table, authenticating the documents, being able to present their identification, and interact personally with the notary public. That would not be available via the remote audio/visual process. We are still investigating and discussing this with other groups. We are still open to those discussions; however, right now we are not comfortable with the overall technology. Granted, we have Notarize.com and Willing.com here, but we are unaware of any standards in place in regard to the processes that would be put into place for this. There may be different standards for different vendors. We would like to see a national standard in place, so there is consistency within the processes on how remote notarization would be effectuated prior to going forward with remote notarization.

Assemblyman Watkins:

Does this bill enable your office to determine what those standards are for Nevada? Do you get to choose what is competent for the electronic notary and create the consistency that you desire within the state?

Scott Anderson:

Our main concern is that there is no national standard, and we would like to see some sort of national standard before we propose regulations regarding this.

Assemblyman Pickard:

Frankly, I am a little surprised that the Secretary of State is worried about the need for the presence of the person given that we regularly have testimony in a courtroom by video means. We do not go to the effort of panning the room and making sure that there is nobody there in terms of duress. You also expressed a concern about the notaries being in other states and thus the jurisdictional issues. Are you concerned about the testator being out of state, and we are doing the notarizing here?

Scott Anderson:

The concern is that there has not been a resolution or answer to certain questions relating to whether we are stepping on the sovereignty of another state or country in regard to what their notarization laws would be if that person would have that document notarized in their jurisdiction. There are still questions regarding that. If I was a Nevada notary with remote notarization and I was notarizing a document that was halfway around the world in another country, would that have the full effect of law? There are still discussions out there that it may be stepping on the sovereignty of those other states or countries.

Assemblyman Pickard:

Would it allay any concern if we made part of the regulation a requirement that the contract be deemed to have been entered into in the state of Nevada, so that Nevada's laws are thus controlling? It would be as if that person were in the state signing it rather than in another country or jurisdiction. I am just thinking out loud, but I am wondering if that would eliminate the concern?

Scott Anderson:

I would have to check with our legal counsel and those who would be dealing with laws of other states and countries.

Assemblywoman Tolles:

Do we know of any instances where this has been an issue in Montana or Virginia?

Scott Anderson:

I did not testify to that portion other than we do know that they have remote notaries.

Chairman Yeager:

The question was asked, and the prior testimony was that there have not been any issues in Virginia.

Assemblyman Ohrenschall:

Has the National Association of Secretaries of State taken a position on this subject?

Scott Anderson:

We just came from the National Association of Secretaries of State meeting in February in Washington, D.C. There was a remote notarization section for approximately three hours on the first day of the conference. It did not resolve anything; if anything, it opened more questions in regard to remote notarization. At the end of the day, the main question still surrounded the personal appearance and the jurisdictional questions. While there are a number of states that may have similar legislation pending, our understanding is that there is a lot of resistance, and some of this legislation is being pulled because of the remote notarization questions that remain unanswered.

Assemblyman Ohrenschall:

I want to correct what I said earlier. I did look at the National Conference of Commissioners and Uniform State Laws website, and there is an active drafting committee on formation, recognition, and validity of electronic wills, so they are working on a uniform act on this issue. I definitely think this shows where the wind is blowing.

Scott Anderson:

We want to be clear that we are not opposed to the electronic wills portion of this bill. Our concern is with the remote notarization. As I stated, we are working right now developing policies and procedures and eventually the regulations around eNotarization, which is affixation of the electronic signature and electronic notary stamp to an electronic document, which would include an electronic will. Currently, the statute specifically excludes wills from electronic notarization. I am not exactly sure why that is the case, but it is in statute. We do not have a problem with wills themselves, it is just the remote notarization portion. I do not believe the Uniform Law Commission has a drafting committee on remote notarization at this time. We will look and see if that might be the case.

Assemblyman Ohrenschall:

That I did not check on. Thank you, Mr. Anderson.

Chairman Yeager:

Is there anyone else in opposition? [There was no one.] Is there anyone in the neutral position? [There was no one.] I would invite the presenter back up for any concluding remarks.

Kimberly Surratt:

I have had thousands of contracts remotely notarized through Virginia and have submitted all of those to courts in Nevada or California. Both states require my surrogacy contracts to be notarized, and the courts have validated every single one of them. My perspective is that I can take a Nevada contract and go on vacation in Florida and have it notarized there. It does not matter that it is a Nevada contract; that is not what they are looking at. That is not their purpose or role. As long as the person who is notarizing it is doing it under the laws of their ability to notarize in Virginia, right now that is where it is, then they are doing it properly. I can continue that practice and continue using that company in Virginia, or I could direct the business to Nevada. It is not that I am concerned about the legitimacy of my contracts when they are notarized in Virginia. It is that I would like this to be accessible to more people, have more people know about it, and for rural Nevada and the military to be able to utilize it.

Michael Chodos:

I did want to address the Secretary's concern. The concern about security of the in-person appearance has been brought up in a number of questions today. I will simply say that right now this Committee, as I believe the Chairman mentioned, receives testimony all the time over an audio/video connection. Court proceedings receive testimony over an audio/video connection. It is a standard way for people to communicate. Most importantly, it is not hidden, a black box, or nontransparent. The current way a notarization occurs leaves no record other than the memory of the notary, which if ever brought before a court is brought before the court years later when the memories have faded. This creates a real transaction and record that shows what occurred with respect to the interaction between the two.

Next, the Secretary expressed a concern about jurisdiction. Thousands of times every day, notaries in one state will notarize documents that are intended for use in another state. Nevada records documents with notarial seals placed there by notaries in other states all the time. That is true in Virginia and everywhere else across the country. The first act passed by the Uniform Law Commission in 1894 was the Uniform Acknowledgment Act. States always accept the duly performed notarial acts of other states.

With respect to the assemblyman's questions, yes, the Uniform Law Commission has announced that they are going before their board at the next meeting with a request to form a drafting committee for a further amendment authorizing remote notarization domestically.

Last year, at the July meeting, the Uniform Law Commission adopted an amendment to the Revised Uniform Law on Notarial Acts that authorizes those outside of the United States to perform notarial acts thereby making a drafting committee for the domestic version as well. Also, the National Notary Association's Model Electronic Notarization Act, published in January of 2017, includes provisions authorizing remote notarization. This year's manual from the Council on State Governments included a uniform form of statute based on the Virginia law, which states can use to authorize remote notarization. There is a great deal of legislative activity on this topic. As the Deputy Secretary mentioned, a number of states are currently considering legislation on remote notarization.

Kimberly Surratt:

There was a default time put into this bill for the Office of the Secretary of State to create those regulations and determine what software they will use. If the issue is needing additional time, we are open to all those considerations and amendments around the fees and such. That language was to mimic Virginia's laws or attempting to come up with something that made sense for Nevada. It is not something we are wedded to; if the concept of remote notarization is acceptable by this legislative body, we could at least get that in place and then work on the concept where the regulations need to be fine-tuned. My only concern is, based on the track record of the eNotarization from 2009, we are not doing such a good job at that. However, I understand the need for more time.

Chairman Yeager:

If you have the technical amendments that you referenced, please provide those to the Committee at your earliest convenience. At this time we will close the hearing on <u>A.B. 413</u>. That brings us to our fourth bill on the agenda, <u>Assembly Bill 459</u>. We will open the hearing on <u>A.B. 459</u>. There is an amendment on Nevada Electronic Legislative Information System (NELIS) that substantially cuts down the length of the bill. If you have not had a chance to look at that, please pull it up and that should help us move this hearing right along.

Assembly Bill 459: Creates a procedure for the establishment of paternity in proceedings concerning a child in need of protection. (BDR 38-1026)

Kimberly Surratt, representing Nevada Justice Association; and Vice-Chair, Family Law Section, State Bar of Nevada:

The original language for Assembly Bill 459 was extremely long and was not the original request. There was a similar bill in the Senate, which adopted the same language. The intent of this bill was to give our judges the option in a *Nevada Revised Statutes* (NRS) Chapter 432B case, which is a child abuse and neglect case, to be able to order DNA testing to determine parentage. It seems like a silly, simple thing and, of course, why should a judge not be able to do that, but this chapter is a little narrow. I had judges from the north who had asked me about this a couple of sessions ago, and we had not gotten around to the change. My understanding, after hearing from others in the south, is that the judges there already do this without the authority actually being delineated.

You will see the amendment (Exhibit V) adds a subsection 1, paragraph (d) to NRS 432B.5460 for "Tests for the typing of blood or taking of specimens for genetic identification of the child, the natural mother of the child and the alleged father of the child pursuant to NRS 126.121." The original had a lot of language about how to draft a motion and how to get it in front of the court. That was not the intent; the intent here is to get the judges what they need so they can order this, and whatever procedures take place at that point I would give discretion to that court.

Assemblyman Pickard:

What we see on the amendment completely supplants and replaces what we see in the original bill. Is that correct?

Kimberly Surratt:

Yes, it does.

Chairman Yeager:

Are there any other questions from Committee members? Seeing none, I will now go to additional support testimony for <u>A.B. 459</u>. I do not see anyone. Is there anyone in opposition? Again, I do not see anyone. Is there anyone in the neutral position?

Nova Murray, Deputy Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services:

We had originally attached a fiscal note to this bill. It appears that the amendment has taken the Division of Welfare out of the bill, so the corresponding fiscal note will be obsolete.

Chairman Yeager:

Thank you for that testimony. It will be helpful as we proceed toward the deadline. We will now close the hearing on <u>A.B. 459</u>. I would invite the presenter back up for any concluding remarks. [Waived.] We will now open the hearing for <u>Assembly Bill 365</u>.

Assembly Bill 365: Revises provisions relating to marriage. (BDR 11-1020)

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

Assembly Bill 365 has to do with marriage and vow renewals. The tourist and wedding industry brings in \$2 billion per year in economic activity to Clark County alone. In the other counties, even Washoe County, it does not bring anywhere near as much in economic activity.

Assembly Bill 365 has three main goals. The first is to ensure marriage officiants are licensed and trained and that the counties' officiant lists are up-to-date. The second goal is to allow for wedding renewal certificates to be issued by the counties, if the county so chooses, and lastly, for the transparency and accountability for the wedding tourism funds. Lynn Goya is the Clark County Clerk and Nancy Parent is the President of the Nevada Association of County Clerks and Elected Officials. She is also the Washoe County Clerk; however, she is not here in her official capacity. They are here to present with me

and answer any of your questions. I will make some opening remarks and the clerks will take you through the bill. Ms. Goya has also provided an exhibit, which is posted on Nevada Electronic Legislative Information System (NELIS) that will detail the reasoning behind the bill (Exhibit W). We will be using the amendment mock-up that is on NELIS (Exhibit X).

The licensing and training portions of the bill are important because marriage is a legal contract that comes with rights and responsibilities. For instance, spouses make financial and medical decisions for each other, and they obtain benefits by virtue of being spouses, including being able to inherit property without tax consequences and military survivor benefits. For marriage to be legally recognized, a certificate must be filed and recorded with the county recorder's office.

Unfortunately, this is not always happening after weddings. It is the officiant's job to file the document. Over the years the clerks have seen couples come in after many years of marriage looking for their documentation to prove that they are married, so they can get the benefits they are entitled to. If that document is not filed, it makes proving the marriage extremely difficult. Ms. Goya has told me that she is starting to see this happening with people who have been married more recently. There seems to be a problem with the officiants not having proper training and knowing that they need to make sure they get the documents filed.

As for the vow renewal portion of the bill, this is exciting because this is a moneymaker for the counties and the state. In Clark County, people, directly and through chapels, have made it known to the clerk's office that they want to receive a vow renewal certificate with the county seal on it. These are people who are already legally married but want to go to Las Vegas and do the fun vow renewal, to walk away with a certificate with the embossed seal on it to hang on their wall. However, you cannot get those certificates legally in Nevada at this time.

In 2016, the Clark County Clerk's office rejected about 121 couples who were already married attempting to get marriage licenses in Nevada, so they could do vow renewals. By allowing for vow renewal certificates, any county that chooses to do this can make some money and make our tourists and locals happy by letting them get a certificate if they choose to do so. This will be enabling language; under the bill it makes it optional for the counties. It will not be a requirement of the couples renewing their vows. As they are already legally married, the certificate is not legally binding. I know this is not a money committee but \$25 from all marriage licenses go to our state's domestic violence program. As an added bonus of this bill, likewise, \$25 from each of these certificates would go to that fund. The third thing that the bill includes is an accountability and transparency for wedding tourism funds.

I will now turn the testimony over to Ms. Goya who will walk us through the mock-up amendment. There are a few minor amendments that we are still working on that will allow enabling language. We want it to be clear for the counties that this is enabling.

Lynn Marie Goya, Clerk, Clark County:

I will be reading through the bill section by section. This bill is also a cleanup bill for us. There are small things in it that you can ask questions on, but I will probably not cover them extensively. We are trying to get the language consistent throughout the bill so the clerks understand what they are supposed to be doing.

I am here to present <u>A.B. 365</u> that would ensure marriage integrity and expand wedding tourism in Clark County. It addresses three main concerns: ensuring that marriage officiants are licensed, trained, and our officiant lists are accurate and up-to-date; expanding wedding tourism opportunities by allowing the clerk to issue vow renewal certificates; and ensuring wedding tourism funds are accountable and transparent.

Section 1 amends *Nevada Revised Statute* (NRS) Chapter 122 that outlines provisions related to marriage. Section 2 defines a marriage officiant and adds a new category of who can become a wedding officiant. Section 3 allows vow renewals, so the couple can get an official-looking document with the county seal. These would not be legal documents and would not be subject to public record requirements; therefore, there would be no additional costs. Sections 4 through 6 are conforming language. Section 7 is basically cleanup language; if you have questions on that language I would be happy to answer them. Section 8 is conforming language, except for subsection 4, paragraph (e), and that establishes a \$25 fee for officiant license renewals.

Nancy Parent, President, Nevada Association of County Clerks and Elected Officials:

The way the mock-up is currently drafted (<u>Exhibit X</u>), it does not reflect what we have talked about in making this enabling language rather than requiring every county clerk to authorize marriage officiants. Many of them do not have the need in their communities or have the ability to do the training course that is contemplated as necessary. We will be working on an amendment that will make that an optional decision for each county.

Lynn Goya:

Section 9 includes conforming language except for subsection 2, paragraph (d) that authorizes the county clerk to establish an additional way for officiants to obtain their license. In lieu of obtaining authority to solemnize marriages from a church or religious organization as established in Nevada or becoming a notary, a person would now be able to become an officiant by completing a course authorized through the county clerk. The fee would be \$100 for the course. Currently, online organizations charge up to \$500 to get the document required by the county clerk to become a marriage officiant. The \$100 fee is more than competitive. The fees collected would be used to establish and maintain a training course. This would ensure that the officiants know what they are doing and the legal requirements to make sure the marriage is legal, filed, and on record.

Section 10 is conforming language except for subsection 4, which is an amendment that allows for the option of counties to have a five-year renewal for wedding officiants. Currently, wedding officiant licensing is permanent. Each clerk is required to upload all the wedding officiants from their county onto the Secretary of State's website.

We have over 4,700 wedding officiants that we upload onto the Secretary of State's website, and we are supposed to be monitoring and maintaining those records. Last time we did a mailing we got 1,000 back, so this would be a way to keep our records and the Secretary of State's records clean, so only officiants still interested in performing weddings would be on our list.

Nancy Parent:

This is another instance where we do not have the language finalized. Many of the clerks do not have a need or staff to do the following up and renewals. Most of the smaller counties know who their ministers are, so we will be changing this so that the language is more enabling, and it will be up to the clerk in their community whether to enforce it or not.

Lynn Goya:

It would be a five-year renewal and \$25 fee. Sections 11 through 16 include conforming language. Section 17 removes the penalty of conducting a marriage without an officiant license from a criminal statute to a civil penalty of up to \$1,500. That would be enabling language that the county commission could decide. What we are trying to ensure is that licenses are filed. We have many people think that they are officiants who have not gone through the clerk's office to get their licensing. We actually do not get their documents filed. The only way we know about a marriage is when a couple calls and asks how to obtain a copy of their certificate. We ask them who their officiant was, and it turns out we have no record of that officiant. If they do not come to the clerk's office and complain, we would never have known that they had been married and did not have their certificate filed. We have had people come in 20 or 30 years afterwards to find that their certificate was not filed, and then they do not have the legal benefits they have acquired. With this new rash of unlicensed officiants marrying people, we want them to understand that this is an important document and that they are impacting people's lives and financial stability if they do not file. That is why we are asking for the ability to issue a civil fine. Section 18 changes the word "submit" to "report" to give the county clerk the greater ability to ensure accountability with wedding tourism funds.

Nancy Parent:

In continuation of the enabling language, we will probably have to modify section 19 as well, which states that all of these certificates of permission will expire on June 30, 2022, or five years from the date they are issued.

Assemblyman Pickard:

Ms. Goya, is the county clerk's office currently enabled to issue civil fines for these things?

Lynn Goya:

No, we are not. If we discover that someone is performing marriages without a license, that is a misdemeanor, and we need to go to the courts. It has been very difficult to follow up with that because it is not deemed a high enough priority with the courts. We feel by modeling it after business licensing, where they can issue a fine, and there is a review board if they have a question about it, it is a better model for us.

Assemblyman Pickard:

Is there currently a review board in place or would this require additional staff? Presumably, you are going to have to go through the same kind of procedures that are outlined in NRS Chapter 233B.

Lvnn Gova:

Business licensing has a review board, and we are modeling it after them, so it would be the same procedure that business licensing uses.

Assemblyman Pickard:

Do you already have a board or is this going to require additional staff?

Lynn Goya:

We would use the existing staff with business licensing. It is not a full-time staff that does this procedure. This is what our district attorney recommended.

Assemblyman Thompson:

I know we met yesterday, but late last night I received calls from pastors in my community. Can you explain the revocation process for people with their licenses? There are pastors who have been doing this for years. As these are new guidelines for them, can you share with us what the revocation process is and who is involved with that?

Lynn Goya:

The revocation process is not part of this bill. Currently, officiants do have legal obligations spelled out in NRS. They are supposed to file their certificate within ten days and make sure they are conducting their marriages appropriately according to state law. A year or so ago I started pulling the list of officiants that were not filing within the ten days. We had people filing multiple ones—20 to 100—up to a year late. I started sending letters to those pastors, and the places they worked letting them know. For about a year I sent a letter every quarter. If there was someone still not filing their documents on time, I can then call them in for a hearing. We usually have more than one person at the hearing, and it is within the clerk's authority to revoke or suspend an officiant for not complying with the law.

Assemblyman Thompson:

Have there been more instances where you have just revoked and not had a hearing because people may not have discussed it further with you? When they have a hearing, is it a conversation with just you and the pastors, or is there a committee that you may appoint or have? The concern is that they want to make sure it is fair and not just one single person making that decision.

Lynn Goya:

Yes, it is a formal hearing; they get a certified letter saying that they need to come in. We have a team that listens to them, and it is recorded. If you have any specific hearings you are concerned with, we can give you a recorded transcript of that hearing. We try to let them know that this is a formal process, and within the letter, we tell them the specifics of why

we are calling them in for a hearing. It is rare that we do that. We want to make sure that they understand that filing the marriage certificates is critically important for the couples. As the county clerk, my main responsibility is to ensure that weddings that are conducted are filed so those couples have that record.

Chairman Yeager:

Thank you for your presentation. We will now open the hearing for testimony in support of A.B. 365.

Robert D. Fisher, Chair, Government Relations, Las Vegas Wedding Chamber of Commerce:

I am the former president and chief executive officer of the Nevada Broadcasters Association, a position that I held for 22 years. I am also the founding clergy of Midbar Kodesh Temple. For 12 years, I served as the cantor of the Henderson congregation. Today I am here to provide strong support of <u>A.B. 365</u> as a member of the Board of Directors of the Las Vegas Wedding Chamber of Commerce. In my role as chairman of Government Relations, like all of my fellow board members, I work closely with the Clark County Clerk, Lynn Goya.

Over the past year, the clerk and members of the board have been meeting with our licensed wedding officiants and vendors to elevate the standard and professionalism of this important part of the southern Nevada economy. We are dedicated to finding ways to protect, improve, and promote our brand as the wedding capital of the world. Our goal is to raise the standard of those who have the privilege to provide service to Nevada's wedding industry. We are talking about image and reputation.

As a wedding officiant, I do not do cookie cutter ceremonies; I take the time and make it a priority to get to know each and every bride and groom, and to communicate and be an important resource in providing the highest standard possible for local residents and destination wedding ceremonies. I would like this Committee to appreciate the economic impact that we have when we stand before 72 people who have all flown into Las Vegas, checked in to a Las Vegas hotel, eaten all their meals at restaurants, and shopped at our stores. They are all here to support a bride, a groom, and their family and friends. It is an honor to provide support for a county clerk who wants to protect our brand and to raise the standard of accountability.

Terri Wengjen, Secretary, Board of Directors, Las Vegas Wedding Chamber of Commerce:

I am a wedding officiant. I started my business about a year ago. In order to be approved to be a wedding officiant I went to one of the online ministries and paid my money in order for them to complete the paperwork required for Clark County. After that, I had to do a lot of research on my own to figure out what the requirements were, not only to run my business, but also, for performing a ceremony and filing the paperwork. I am here to support the online certification program. I think it would be very beneficial for new officiants as another way for them to be certified and to understand all of the requirements.

Cliff Evarts, Chief Executive Officer, Vegas Weddings, Las Vegas, Nevada:

I am the founder and Chief Executive Officer of Vegas Weddings. We do about 10 percent of all the weddings in Las Vegas, and I am here in support of A.B. 365. If you ask someone what are the five most important things people know about Nevada, they are going to say entertainment, gaming, and weddings. Weddings are always going to be in the top five. Only 80,000 couples got married out of the 40 million people who came to Las Vegas. Part of the reason is that about 80 percent of those 40 million people were already married. Those individuals want to have the same excitement, joy, romance, and opportunity of having this exciting event in Las Vegas by doing it through a vow renewal.

Having the vow renewal certificate option is a great way for them to do that. We currently provide them with a homemade certificate because they want it, but they prefer to have one that is official through the county clerk. Las Vegas is the wedding capital of the world and there is no reason that Nevada should not be the vow renewal capital of the world. I think that this is the first step in reach for that goal.

Wendy Stolyarov, Legislative Director, Libertarian Party of Nevada:

The Libertarian Party of Nevada believes that this bill is good for consumer choice. We appreciate the pathway it opens up for becoming an officiant, and we think it is excellent for the marriage tourism industry of Nevada.

Chairman Yeager:

Is anyone in opposition to A.B. 365?

Margaret Flint, Owner, Chapel of the Bells, Reno, Nevada:

My family has owned and operated Chapel of the Bells in Reno since 1962. I am here to gently oppose this bill. We are totally on board with the Washoe County Clerk making the language permissive. I do have some things I would like to point out to the Committee because people who are not in this industry generally do not think about these things. The first issue I am going to talk about is the vow renewal certificate.

There is a bit of history behind this because somewhere in the last decade there was an issue. Traditionally, people who came to Nevada for many years—it did not matter if it was a vow renewal or marriage—purchased a marriage license. Around 10 or 15 years ago, there was a district attorney who decided that the way the statute read, if they bought another marriage license and married the same person, it was still considered bigamy because they were still married. As such, they discontinued issuing marriage licenses for vow renewals. We ran into a situation where we had couples that were married in foreign countries 70 years ago and could not find documentation of their marriage, and attorneys were suggesting that these people come to Nevada and get married. The moment that they said something to the clerk that they were already married they were turned away.

Last session Legislators created what they called a "rejoinder license" for couples who cannot find legal documentation of their marriage licenses. A rejoinder license becomes public record and an official documentation of a marriage. Other than that, if it is just

a vow renewal, every wedding chapel that I know of issues their own certificate. It may not have a county seal on it, but the certificate is available, and they can take it with them.

As a consumer, if I went into an establishment and they gave me an option and said you can go and buy a vow renewal certificate at the clerk's office that is not a public record or an official document, but you are going to pay \$60 for it, or I can give you one that comes with our package for no charge, what are you going to do? If Clark County wants to try this and think they are going to bring in some revenue from it, go for it.

I have not seen the mock-up, but going from the original language, we are absolutely okay with the new language on the back of the certificate. It currently states to the couple so they understand that the certificate that they take with them is not a certified copy or legal documentation, that for legal purposes, they will need a certified copy. In section 7 of the bill it does change the language, and we are okay with that change.

Section 9 has to do with the officiants. When it comes to officiants, traditionally, for many years marriages were considered civil unions, and it was judges who performed ceremonies. Nevada is a good example of this because we are so rural and had many territories that judges were not available all the time to perform marriages, so they wanted someone else who had a set of standards—someone that they could rely on. It was the judges themselves that decided that they would go with ministers. Ministers were selected by certain judges. It was not until the 1960s the jurisdiction came under the county clerks rather than the In 2013 there was legislation passed because there was a request for a nontheistic entity who could perform marriages. It was discussed, negotiated, and decided that notary publics would be the ones who would be appropriate for this kind of appointment. It is not an automatic entitlement if you are a notary to perform a ceremony, but it does allow notaries who want to become marriage officiants to be able to apply and go through the same process as a minister to get a certificate of permission to perform marriages through a county clerk's office. We are concerned this bill opens it up to anybody who takes a class and pays a \$100; they can then become a licensed marriage officiant. We think there should be a higher standard for this. It is almost akin to avoiding law school and taking the bar exam for \$100, and if you pass, then you are an attorney.

We want you to take some of these things into consideration. We will follow Nancy Parent's lead on this as long as it is permissive to Washoe County. As I said, I am in gentle opposition to this. I understand some of the reasons behind this bill because tourism is important. I have been fighting the tourist industry on this one for years. I have come to this body with the fiscal impact of the wedding industry in Nevada for a long time to keep this on track. We love the fine. Anybody who is performing a marriage and is not authorized to do so should be paying a fine, and I am not sure it should not be more than \$1,500.

Kathy Marino, Co-Owner, Arch of Reno Wedding Chapel, Reno, Nevada:

I agree with Ms. Flint as far as that we want it to be permissive up here in the north. I have concerns about anybody being allowed to perform weddings. The officiant will make the \$100 fee back by doing one wedding. The fee does not guarantee that they are going to go in

and file these papers. I think there needs to be some type of a bond. There is no business license, no insurance, and no taxes. I think there needs to be something required of these people instead of just walking in and paying some money and being able to officiate weddings. This is a tourist thing, and the impact on these people's lives is significant.

I had the unfortunate experience of talking to a couple that got married by someone that they do not know. Someone on the streets of Reno stopped them, gave them my card, and told them they would marry them for \$500. Meanwhile the couple went to Iraq, and when they went to file their military benefits there was no record of the marriage. They reported it to the district attorney, but there was nothing filed. The people who are officiating weddings want to have standards and make it more than just taking a class.

Tyrone L. Seals, Vice President, Nevada California State Baptist Convention; and representing Churches of Southern Nevada:

I am the Vice President of the Nevada California State Baptist Convention and a member of the Churches of Southern Nevada, and we are in opposition of this bill. To renew this process every five years for old, senior, tenured ministers is almost like a disgrace. We have been serving our churches for many years, and the ministers of our community should have an input on this bill before it is passed. Basically, you are shoving something down our throats, and many ministers are not aware of this hearing today. I just happened to find out about it, and I stand in staunch opposition to the bill.

I do not think that any notary should be able to perform a marriage. A marriage is a sacred part of our duties and responsibilities as pastors. I was born and raised in Las Vegas, and I understand that people can come here and get married by anybody at anytime and anywhere. I am opposed to that. By the same standard, senior ministers in this community ought to have a voice in this bill. It is not right to say that every five years you need to go renew your certificate to receive permission to perform marriages. What happens in the event that a senior pastor is sick or out of town and cannot go through this process? Then he or she would not be able to perform their duties to their local congregation. I have a series of questions, and I would like to have this bill tabled until we can have the appropriate meeting with our senior pastors and other pastors in this community as well.

Assemblyman Hansen:

Pastor, I actually want to thank you. You are the first person who mentioned that marriage might have something besides a commercial implication to it. You mentioned that it is a sacred ceremony. I wanted to thank you for getting that on the record. Nothing against all the commercial wedding chapels, but I have a take much like your own, sir, and wanted to thank you for getting that back into the discussion.

Chairman Yeager:

I just wanted to let you know we are not going to take any action on this bill today. This is just the hearing on the bill. We do have a deadline next week where all bills must be out of our Committee or they will fail. I would suggest, if you have an opportunity, very soon, that you reach out to the sponsor of the bill and discuss your concerns and see if there is potentially a way those concerns can be alleviated.

Tyrone Seals:

Thank you, Mr. Chairman. I appreciate it, and I will.

Chairman Yeager:

Is there anyone else in opposition? [There was no one.] How about neutral testimony? [There was no one.] I will invite the sponsors back up to the table for final comments.

Assemblywoman Cohen:

I would like to address Assemblyman Hansen's comment. I think our concerns are not just simply commercial; I want to make that very clear. Even if you have a religious marriage, there is still a civil aspect in our country, and it brings with it rights. We do not want someone who 20 years later thinks they had their wedding ceremony to find out 20 years later that the minister, the rabbi, or whoever it was did not file the proper documentation. That will really hurt the family. That is why we want to keep the system healthy for our families and the tourists. Ms. Goya is going to address the concern about who can perform marriages because right now, as it stands, pretty much anyone can marry you through the online programs.

Lynn Goya:

Thank you for letting us present this bill. I appreciate it and hope that you can support it. The problem with Clark County is that we get hundreds of single ceremony applications all through online organizations, and probably 80 percent of our officiants are authorized through online organizations. There are no requirements in those organizations that restrict who can apply. According to the law, once they issue the authority to solemnize marriage from that organization we would have to have a reason to be able to deny them. If they have that authority to solemnize from a religious organization, even if it is an online organization, unless their background shows that there is something criminal, we would be obligated to issue them an officiant's license. I do not think it would expand it but actually help make sure that the people who are officiants know what they are doing. That is the key part of the bill.

I would be happy to meet with any groups. Over the last year we conducted a number of officiant meetings where we invited everyone to whom we had access to the meetings and talked about some of these issues. Most of them liked the five-year renewal because it will make the Secretary of State's database accurate. So if a chapel or couple does want to find an officiant, they can go to that site, and it will list current officiants and not a lot of dead wood.

In the long run it will benefit everyone, but I would be happy to have another meeting with Baptist ministers or whatever group who would like to talk, so we can make sure that we are responding to their concerns.

Assemblywoman Cohen:

I appreciate the ladies coming up from Washoe County and will continue to talk with them and try to alleviate everyone's concerns.

Chairman Yeager:

Thank you, and when you have an amendment ready, please provide that to us. We will now close the hearing on <u>A.B. 365</u>. Before we move on to public comment, I did want to take one more order of business. I am going to look for a motion now to reconsider the action we took on <u>Assembly Bill 107</u>, that action being an amend and do pass.

ASSEMBLYMAN OHRENSCHALL MOVED TO RECONSIDER THE PREVIOUS ACTION TO AMEND AND DO PASS ASSEMBLY BILL 107.

ASSEMBLYMAN ELLIOT T. ANDERSON SECONDED THE MOTION.

Chairman Yeager:

Before we get to the motion, I want to explain to the Committee members the vote that came out on that bill was somewhat unexpected, so what we are trying to do here is undo that. Hopefully, we can alleviate some of the concerns before the bill goes to the floor for a vote. This vote would undo the action of amend and do pass and put us back to square one on the bill. Is there any further discussion on the motion?

Assemblywoman Tolles:

Thank you for the chance to clarify any of the questions regarding the amendment and to reevaluate the vote.

Chairman Yeager:

Any other discussion on the motion? Again, it is a motion to reconsider the action we took on $\underline{A.B. 107}$ earlier in this meeting

THE MOTION PASSED UNANIMOUSLY.

We will now open the meeting for public comment. I do not see any public comment. Thank you, members, for your patience today. The meeting is adjourned [at 11:55 a.m.].

	RESPECTFULLY SUBMITTED:
APPROVED BY:	Janet Jones Committee Secretary
Assemblyman Steve Yeager, Chairman	
DATE:	

EXHIBITS

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

Exhibit C is the Work Session Document for <u>Assembly Bill 107</u>, dated April 5, 2017, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit D is a proposed amendment to Assembly Bill 107, submitted by Assemblywoman Shannon Bilbray-Axelrod, Assembly District No. 34, and presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit E</u> is the Work Session Document for <u>Assembly Bill 118</u>, dated April 5, 2017, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit F</u> is the Work Session Document for <u>Assembly Bill 132</u>, dated April 5, 2017, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit G is the Work Session Document for Assembly Bill 204, dated April 6, 2017, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit H is the Work Session Document for <u>Assembly Bill 227</u>, dated April 6, 2017, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit I</u> is the Work Session Document for <u>Assembly Bill 228</u>, dated April 5, 2017, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

<u>Exhibit J</u> is the Work Session Document for <u>Assembly Bill 232</u>, dated April 5, 2017, presented by Diane C. Thornton, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

Exhibit K is a copy of a PowerPoint presentation regarding Assembly Bill 472, titled "AB 472," dated April 7, 2017, presented by Kelly Wooldridge, Administrator, Division of Child and Family Services, Department of Health and Human Services.

<u>Exhibit L</u> is a proposed amendment to <u>Assembly Bill 472</u>, submitted by the Office of the Governor, and presented by Kelly Wooldridge, Administrator, Division of Child and Family Services, Department of Health and Human Services.

<u>Exhibit M</u> is material regarding <u>Assembly Bill 472</u>, submitted by Melissa Sickmund, Director, and Teri Deal, Senior Research Associate, National Center for Juvenile Justice consisting of the following:

- 1. A letter in support of <u>Assembly Bill 472</u> to members of the Assembly Committee on Judiciary.
- 2. An excerpt from an article from the *National Academy of Sciences* titled "Reforming Juvenile Justice: A Developmental Approach."
- 3. A document titled "National Center for Juvenile Justice's Juvenile Justice Model Data Project," by Teri Deal, Senior Research Associate, National Center for Juvenile Justice.

Exhibit N is material submitted in support of Assembly Bill 472 consisting of the following:

- 1. A letter dated March 31, 2017, to members of the Assembly Committee on Judiciary, from Michael P. Dempsey, Executive Director, Council of Juvenile Correctional Administrators.
- 2. A letter dated April 6, 2017, to members of the Assembly Committee on Judiciary, from Jim Hoffman, Legislative Committee, Nevada Attorneys for Criminal Justice.

<u>Exhibit O</u> is a proposed amendment to <u>Assembly Bill 471</u> from the City of Henderson, presented by Daniel Stewart, General Counsel, Office of the Governor.

Exhibit P is a letter dated April 7, 2017, in support of Assembly Bill 471, to Chairman Yeager, authored by Mark A. Hutchison, Lieutenant Governor of Nevada, and presented by Kirsten Van Ry, Communications Director, Office of the Lieutenant Governor.

<u>Exhibit Q</u> is material in support of <u>Assembly Bill 413</u>, submitted by Kimberley Surratt, representing Nevada Justice Association, consisting of the following:

- 1. A letter to Leslie Reynolds, Executive Director, Remote Notarization Task Force, National Association of Secretaries of State, dated February 14, 2017, from Dennis M. Horn, Co-Chair, American Bar Association, Real Property, Trust, and Estate Law, Future Practice and Guidance Task Force, regarding remote notarization.
- 2. A letter to Leslie Reynolds, Executive Director, National Association of Secretaries of State, dated July 11, 2016, from Kathleen Butler, Executive Director, American Society of Notaries.
- 3. A statement of policy on eNotarization from the Electronic Signature & Records Association.

- 4. A letter to the National Association of Secretaries of State, dated June 29, 2016, from Debra Spitler, Vice President, Strategic Alliances, HID Global, regarding the remote notarization of documents.
- 5. A document titled "Electronic Notarization: Traditional Assurances for Electronically Recorded Documents," dated November 11, 2015, from Property Records Industry Association.
- 6. A letter to the Remote Notarization Task Force, National Association of Secretaries of State, dated June 8, 2016, from Gary Weingarden, Senior Counsel, Quicken Loans, Inc., regarding remote notarizations.
- 7. A letter to Leslie Reynolds, Executive Director, National Association of Secretaries of State, dated June 9, 2016, from Fannie Mae/Freddie Mac, Uniform Mortgage Data Program, regarding National Association of Secretaries of State Remote Notarization Task Force Request for GSE Feedback on Electronic Remote Notarization.

Exhibit R is written testimony in support of <u>Assembly Bill 413</u>, presented by Robert E. Armstrong, Attorney, McDonald Carano.

<u>Exhibit S</u> is a document titled "Executive Agency Fiscal Note," for <u>Senate Bill 92 of the 75th Session</u>, by Kate Thomas, Deputy Secretary, Operations and Andrew K. Clinger, Director of Department of Administration, dated February 3, 2009, presented by Kimberly Surratt, representing Nevada Justice Association, regarding <u>Assembly Bill 413</u>.

Exhibit T is written testimony in support of <u>Assembly Bill 413</u>, authored and presented by Michael Delgado, General Counsel, Willing.com, and Bequest Inc., dated April 6, 2017.

Exhibit U is a letter dated April 7, 2017, in opposition of Assembly Bill 413, to Chairman Yeager and members of the Assembly Committee on Judiciary, authored by Scott W. Anderson, Chief Deputy Secretary of State, Office of the Secretary of State.

<u>Exhibit V</u> is a proposed amendment to <u>Assembly Bill 459</u>, submitted by Assemblyman Jason Frierson, Assembly District No. 8.

<u>Exhibit W</u> is a flyer titled "Ensuring Wedding Integrity," submitted by Assemblywoman Lesley E. Cohen, Assembly District No. 29.

Exhibit X is a proposed amendment to Assembly Bill 365, presented by Assemblywoman Lesley E. Cohen, Assembly District No. 29.