

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Seventy-Ninth Session
June 1, 2017**

The Committee on Legislative Operations and Elections was called to order by Chairwoman Olivia Diaz at 1:47 p.m. on Thursday, June 1, 2017, in Room 3142 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 Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/79th2017.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Olivia Diaz, Chairwoman
Assemblyman Nelson Araujo, Vice Chair
Assemblyman Elliot T. Anderson
Assemblywoman Shannon Bilbray-Axelrod
Assemblyman Skip Daly
Assemblyman John Hambrick
Assemblyman Ira Hansen
Assemblyman Richard McArthur
Assemblywoman Daniele Monroe-Moreno
Assemblyman James Oscarson

COMMITTEE MEMBERS ABSENT:

Assemblyman James Ohrenschall (excused)

GUEST LEGISLATORS PRESENT:

Senator Aaron D. Ford, Senate District No. 11
Senator Joyce Woodhouse, Senate District No. 5
Senator Yvanna D. Cancela, Senate District No. 10



STAFF MEMBERS PRESENT:

Carol Stonefield, Committee Policy Analyst
Bryan Fernley, Legislative Counsel
Kevin Powers, Committee Counsel
Sylvia Dominguez-Curry, Committee Manager
Julianne King, Committee Secretary
Melissa Loomis, Committee Assistant

OTHERS PRESENT:

Danny L. Thompson, representing Professional Fire Fighters of Nevada
Todd Ingalsbee, Legislative Representative, Professional Fire Fighters of Nevada
Ryan Beaman, President, Clark County Firefighters Union, Local 1908
Scott A. Edwards, President, Las Vegas Peace Officers Association; and representing Southern Nevada Conference of Police and Sheriffs
Mike Ramirez, Director of Governmental Affairs, Las Vegas Police Protective Association Metro, Incorporated; and representing Nevada Law Enforcement Coalition
Chris Daly, Deputy Executive Director of Government Relations, Nevada State Education Association
Dena Durish, Deputy Superintendent, Division of Educator Effectiveness and Family Engagement, Department of Education
Carter Bundy, Political Action Representative, Political Action Department, American Federation of State, County, and Municipal Employees, AFL-CIO
Joseph C. Reynolds, Chairman, Public Utilities Commission of Nevada
Yvonne M. Nevarez-Goodson, Executive Director, Commission on Ethics
Marlene Lockard, Private Citizen, Reno, Nevada; and representing Service Employees International Union, Local 1107; Las Vegas Police Protective Association for Civilian Employees; and Nevada Women's Lobby
Fran Almaraz, representing American Federation of State, County, and Municipal Employees, AFL-CIO, Local 4041
Paul K. Sonn, General Counsel and Program Director, National Employment Law Project, New York, New York
Stacey Shinn, Policy Director, Progressive Leadership Alliance of Nevada; and President-Elect, Human Services Network
Ruben R. Murillo, Jr., President, Nevada State Education Association
Erika Washington, Nevada State Director, Make It Work Campaign; and Make It Work Action
Jared Busker, Policy Analyst, Children's Advocacy Alliance
Elisa Cafferata, Director of Government Relations, Nevada Advocates for Planned Parenthood Affiliates, Incorporated
Annette Magnus, Executive Director, Battle Born Progress
Leonardo Benavides, Extern, Legal Aid Center of Southern Nevada; and representing Washoe Legal Services

Paul J. Moradkhan, Vice President, Government Affairs, Las Vegas Metro Chamber of Commerce
Tray Abney, Director of Government Relations, The Chamber, Reno-Sparks-Northern Nevada; and representing National Federation of Independent Business
Warren Hardy, representing Nevada Restaurant Association

Chairwoman Diaz:

[Roll was taken and protocols reviewed.] Because it is the time of session where we are running from floor to committee and committee to floor, we are going to work session a bill right now. We will then recess and go to floor and then come back to hear the four bills we have scheduled to hear today. With that, I will let our policy analyst walk us through Assembly Joint Resolution 14.

Assembly Joint Resolution 14: Proposes to amend the Nevada Constitution to ensure access to affordable emergency medical care to all persons in this State. (BDR C-1218)

Carol Stonefield, Committee Policy Analyst:

Assembly Joint Resolution 14 is before the body today. It was heard in this Committee on May 30, 2017, and was presented by Assemblywoman Carlton ([Exhibit C](#)).

Assembly Joint Resolution 14 proposes to amend *The Constitution of the State of Nevada* to provide that no hospital or independent facility for emergency medical care shall deny treatment or services to a person, regardless of whether the person has health insurance and regardless of the person's ability to pay for such services. The resolution provides that all persons in Nevada have a right to receive emergency medical care at a reasonable cost. No hospital or independent facility shall charge an amount greater than 150 percent of the lowest rate the hospital or facility has agreed to accept from a federal insurer. The Legislature may provide by law for a different rate, if it establishes a commission and fixes its duties by law. As the *Nevada Constitution* provides, this resolution, if it is passed by the 2017 Legislature, would have to pass in the same form in the 2019 Session, and then it will be placed on the 2020 General Election ballot.

There is an amendment attached behind the bill page, and Committee Counsel is prepared to explain it.

Chairwoman Diaz:

To my knowledge, Assemblywoman Carlton is aware of the amendment and it is friendly. To walk us through the amendment, I will have Mr. Powers explain it to the Committee.

Kevin Powers, Committee Counsel:

All of the changes proposed in the mock-up of the amendment are on page 2 of the amendment, beginning in subsection 2. As Ms. Stonefield mentioned, the resolution, as originally constructed, provided a mechanism for the Legislature to provide by law for

a different rate than the rates set forth in the proposed constitutional amendment for providing emergency medical services. What this mock-up amendment will do is provide an additional mechanism for adjusting that rate. Specifically, in the proposed subsection 3, if the Legislature has not provided by law for a different rate, the state agency authorized by law to regulate the hospital or independent facility for emergency medical care may allow a rate increase if that hospital or facility proves the rate increase is absolutely necessary to avoid a rate that is confiscatory under *The Constitution of the United States of America*.

What case law has developed is that, when the government requires a private company to provide certain services—in this case emergency medical services—the company is entitled to just compensation for providing those services. It is entitled to at least a reasonable amount of compensation for providing those services. That is determined on a case-by-case basis. If a hospital or facility wants to have a rate increase above what is in the constitutional amendment and if the Legislature has not provided a different one, each hospital or facility must go to the state agency and prove that the rate being charged under the constitutional provision is unjust and confiscatory and it is entitled to an increase in the rate. If it makes that showing, the rate increase must not exceed the amount that the *U.S. Constitution* requires to revise that just and reasonable rate. It is another mechanism by which the rate can be adjusted, obviously, to account for the constitutional requirements under the Takings Clause and the Due Process Clause of the Fifth Amendment and the Fourteenth Amendment to the *U.S. Constitution*.

The next change is in subsection 4, and it clarifies how this provision of the *U. S. Constitution* would be enforced. First, it does provide that the provisions are self-executing as far as the provision dealing with setting the rates and the provision allowing for the state agency to adjust the rate. If the Legislature does not take any legislative action, those provisions are self-executing, so all provisions of subsections 1, 2, and 3 are self-executing.

In addition, the mock-up amendment provides that those provisions of subsection 1, 2, and 3 may not be waived in any manner, or altered or varied by agreement, and may be enforced by the state of Nevada, a political subdivision of the state of Nevada, or may be enforced by civil action brought by a person who is denied any right protected by those provisions in subsections 1, 2, and 3.

Finally, subsection 5 directs the Legislature to provide by law for the administration and enforcement of the provisions of this section, so that if there are any procedural mechanisms necessary to carry out these provisions, the Legislature has a duty to provide those by law. Those are the existing provisions that allow the Legislature to provide by law for a different rate than the rate set forth in this constitutional provision. Subsection 5 also makes clarification that, if the Legislature provides a different rate, it has to do so by establishing a commission to ensure that the rates are provided at a reasonable cost to the patients and that the Legislature would have to provide by law for the appointment of the members of the commission and their powers and duties.

Chairwoman Diaz:

Are there any questions from the Committee? [There were none.] At this time, I will entertain a motion to amend and do pass Assembly Joint Resolution 14.

ASSEMBLYMAN ARAUJO MOVED TO AMEND AND DO PASS
ASSEMBLY JOINT RESOLUTION 14.

ASSEMBLYWOMAN BILBRAY-AXELROD SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman Hansen:

The very fact that we just had five amendments to proposed sections should indicate why this does not belong in the *Nevada Constitution*. That is issue number one. Even if we wanted to do it legislatively, the idea of putting something that has, frankly, not been worked out into something that is so difficult to change would be a reason to absolutely oppose this.

I also have a problem with this one-size-fits-all attitude. I represent a lot of rural areas that have incredible difficulty getting hospitals, doctors, nurses, et cetera, and you want to possibly limit them to the same policies that work in Clark County but will not work in Esmeralda County or Humboldt County. If we are going to say that everything is a right, basically we are saying that medical personnel, at some point, are almost reaching a level of involuntary servitude. They have to provide something because it is a right for someone else, yet they, in many cases, are not getting compensated for it fairly as it is. For all of those reasons, I am going to vote no on this resolution.

Chairwoman Diaz:

Is there any further discussion on the motion?

Assemblyman Elliot T. Anderson:

As I have expressed to some of the parties here, I am not completely thrilled with putting this in the *Nevada Constitution*, but because the Legislature can change it, I have enough comfort to vote yes today. I still think that the parties should make an agreement to resolve this issue. It has been around as long as I have been in the Legislature, and I think it is time that the parties make a deal and get something done outside of the Legislature or a law.

Assemblywoman Monroe-Moreno:

I have heard compelling arguments on both sides of this issue. I will be voting to get it out of Committee, but I am going to reserve my right to change my vote on the floor as there is still more information that I need.

Chairwoman Diaz:

I understand. Are there any further comments? [There were none.] I will call for the vote.

THE MOTION PASSED. (ASSEMBLYMEN HAMBRICK, HANSEN, AND MCARTHUR VOTED NO. ASSEMBLYMEN OHRENSCHALL AND OSCARSON WERE ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Anderson.

[Additional exhibits that were submitted but not discussed include a statement in opposition to A.J.R. 14, from the Henderson Chamber of Commerce ([Exhibit D](#)) and a document titled "Facts About A.J.R. 14" submitted by Dignity Health-St. Rose Dominican ([Exhibit E](#)).]

At this time, we will recess the Committee hearing [at 1:56 p.m.]

[The meeting was reconvened at 7:05 p.m.]

Chairwoman Diaz:

I appreciate everyone's patience and flexibility tonight. I see that we have our Senate Majority Leader here, so I will go ahead and invite him to the table to kick us off. I will now open the hearing on Senate Bill 540 (1st Reprint), which is a proposal to authorize the placement of a memorial to Nevada firefighters at a location on the Capitol Complex.

Senate Bill 540 (1st Reprint): Directs the Legislative Commission to authorize the construction or installation of a memorial to Nevada firefighters on the Capitol Complex. (BDR S-1221)

Senator Aaron D. Ford, Senate District No. 11:

It is an honor to be here today to introduce Senate Bill 540 (1st Reprint), which is the result of several years of hard work, planning, and collaboration among various firefighter organizations, and authorizes the construction—on the Capitol Complex—of a memorial to firefighters.

Since the tragic events of September 11, 2001, when nearly 350 firefighters were killed at the World Trade Center in New York City, nationwide firefighter fatalities have ranged between 60 and 105 per year. These sad and disturbing statistics, which include line-of-duty deaths as well as non-incident-specific deaths—but which are job-related—show just how dangerous this noble occupation can be. The sacrifices made by our firefighters, whether local firefighters, those fighting wildland fires on public lands, or our volunteer forces, are worthy of our recognition. Our firefighters protect personal property, they serve as first medical responders, they educate the public regarding fire safety, and they respond to various emergencies. They, in fact, are a comforting presence during difficult and dangerous times.

As you may know, Nevada has a firefighter memorial located at Mills Park here in Carson City. That memorial was constructed in 1994 and contains over 80 names of professional, military, federal, and volunteer firefighters. A ceremony commemorating

Nevada's fallen firefighters is held each year at this memorial on the last Saturday of National Fire Prevention Week in October. You may wonder, if there already is a memorial at Mills Park, why should we construct one on the Capitol Mall? I think the question begs the answer: the firefighters' memorial should be on the Capitol Mall.

There are many proponents here today to discuss the need for a new memorial, and, if it is approved, I understand that all the names from the Mills Park memorial will be transferred to this new memorial. Volunteers will work with the families of those appearing on the existing memorial to either relocate the existing memorial plaques or transfer the names to this new memorial in a respectful and ceremonious manner.

Senate Bill 540 (1st Reprint) is a simple bill with a proud impact. The measure requires the Professional Fire Fighters of Nevada to submit to the Legislative Commission three alternative designs for the memorial. The Commission shall review the design and select the one that it considers most appropriate for the Capitol Complex. After this selection, the Commission shall permit the Professional Fire Fighters of Nevada to construct or install the memorial at an appropriate location on the Capitol Complex. Finally, I would note that S.B. 540 (R1) specifies that no public money may be spent for the design, construction, or installation of this new firefighter memorial. Nevada's fallen firefighters deserve a place on our Capitol Mall, much like the Nevada Law Enforcement Officers Memorial, where we can recognize and commemorate our heroic firefighters who have fallen in the line of duty or who have died as a direct result of their selfless service.

There are others here today to testify in support of this bill, beginning with Todd Ingalsbee of the Professional Fire Fighters of Nevada. I know Ryan Beaman is here for the Clark County Firefighters Union, Local 1908, and Danny Thompson is here as well. There may also be others. With that, I appreciate your kind consideration of S.B. 540 (R1).

Chairwoman Diaz:

Does the Committee have any questions for Senator Ford? [There were none.] We will go ahead and invite those witnesses to the table.

Danny L. Thompson, representing Professional Fire Fighters of Nevada:

In 1989, as a state assemblyman, I introduced Assembly Bill 493 of the 65th Session that created the Law Enforcement Memorial that is out on the lawn now. You may have attended one of the ceremonies there. It is a fitting memorial for fallen officers, and you may have seen the ceremonies they have every year. I think it is only fitting that our fallen firefighters have the exact same kind of memorial here that is recognized by the Legislature and the Nevada government. On this complex, it would certainly get that recognition, so on behalf of the Professional Fire Fighters of Nevada, we urge you to pass this bill.

No public dollars were spent on the police memorial. All of the money was raised by police organizations and others, and the money that will be used to create the firefighter memorial will be raised by the firefighters. Our intention is to repurpose the existing memorial.

We want to thank Senator Ford for his foresight and compassion to bring this bill forward to you. It is a fitting memorial and needs to be moved because the current memorial in Mills Park has been vandalized, and there are issues. Here, on the Capitol grounds, is the proper place for it. We urge you to pass this bill.

Todd Ingalsbee, Legislative Representative, Professional Fire Fighters of Nevada:

We would like to thank Senator Ford and would like your consideration for approval of this bill. This memorial will be a great asset for the Capitol grounds. It will not only show tribute, but families and others can come and experience the monument on well-maintained grounds. We ask for your support, and you can be assured that we will build a monument that everyone can enjoy, including firefighters and their families.

Ryan Beaman, President, Clark County Firefighters Union, Local 1908:

I appreciate Senator Ford's bringing this important piece of legislation forward to recognize firefighters who made the ultimate sacrifice in the line of duty. It is a great memorial. As mentioned, every October our fallen heroes are memorialized on the wall, where family members and visitors can pay tribute.

I cannot think of a better place than here on our own Capitol grounds. Our Capitol grounds are beautiful and protected. The police memorial is here also, and every May there is a commemorative event—which many of you may have experienced—just as the firefighter memorial has been held every October. We have talked about bringing this to these grounds for at least the last ten years. We support this bill.

Chairwoman Diaz:

I do not see any questions, so I will open it up to testimony in support. Is there anyone else here in Carson City in support of S.B. 540 (R1)? I do not see anyone in Las Vegas.

Scott A. Edwards, President, Las Vegas Peace Officers Association; and representing Southern Nevada Conference of Police and Sheriffs:

I represent the correctional officers at the City of Las Vegas Detention Center. I am also the president of the Southern Nevada Conference of Police and Sheriffs, representing the major law enforcement labor groups in southern Nevada. As a proud father of a City of Las Vegas firefighter, I wholeheartedly support this bill, and I ask you to do the same.

Mike Ramirez, Director of Government Affairs, Las Vegas Police Protective Association Metro, Incorporated; and representing Nevada Law Enforcement Coalition:

I represent the Las Vegas Police Protective Association, and our Nevada Law Enforcement Coalition. It would be great to have all of our brothers and sisters in one area so we can all enjoy the memorial. We urge your support.

Chris Daly, Deputy Executive Director of Government Relations, Nevada State Education Association:

We also support S.B. 540 (R1) to bring the memorial here.

Chairwoman Diaz:

I appreciate your brevity. Is there any further support for S.B. 540 (R1)? [There was none.] We will go to opposition. Is there anyone here to testify in opposition to S.B. 540 (R1)? [There was no one.] Is there anyone here to testify in the neutral position? [There was no one.] Are there any final comments?

Assemblyman Hambrick:

I will be voting in favor of this bill. I have a personal interest. A former son-in-law was at the Fairfax County, Virginia, fire department in their rapid response unit. They have a special name for it, but they pack up and go. He was sent to Oklahoma City. He sadly succumbed, several years later, to some of the chemicals he inhaled. I am very personally involved with this bill, and I will be supporting it.

Chairwoman Diaz:

Are there any final comments from the sponsor? Seeing none, I will close the hearing on S.B. 540 (R1), and at this time I will entertain a motion to do pass.

ASSEMBLYMAN ELLIOT T. ANDERSON MOVED TO DO PASS
SENATE BILL 540 (1ST REPRINT).

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN HANSEN AND
OHRENSCHALL WERE ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman Hambrick.

I will now open the hearing on Senate Bill 497 (1st Reprint), which is a proposal to create the Advisory Task Force on School Leader Management.

Senator Joyce Woodhouse, Senate District No. 5:

I thought I was here for Senate Concurrent Resolution 6.

Chairwoman Diaz:

I have you for both.

Senator Woodhouse:

Okay. I do not have the right folder for S.B. 497 (R1), but I can run back to the office and get it.

Chairwoman Diaz:

Let us go ahead and hear the one you are prepared for.

Senator Woodhouse:

I have a phone-in friend whom I worked with on this measure.

Chairwoman Diaz:

I am glad you could phone and that she just teleported here into the Committee room. You are really fast. Is it all right for us to start with S.B. 497 (R1)? I will defer to you, Senator.

Senate Bill 497 (1st Reprint): Creates the Advisory Task Force on School Leader Management. (BDR S-332)

Senator Woodhouse:

That would be great. Ms. Durish, from the Department of Education, and I are here to introduce Senate Bill 497 (1st Reprint). I will now turn the presentation over to her.

Dena Durish, Deputy Superintendent, Division of Educator Effectiveness and Family Engagement, Department of Education:

Thank you for the opportunity to present with Senator Woodhouse. We are here today, not only in support of this bill, but because we worked very closely with Nevada Succeeds throughout the interim and the Education Interim Committee. One of the things that we found is that we all know the importance of a quality school leader, especially with the school reorganization that is occurring in Las Vegas and in all of our buildings across the state. We know what a difference a strong school leader makes. In our Nevada ESSA plan, or the Every Student Succeeds Act, that is one of our three key areas of focus on school leaders. We are very excited about this.

As you can see, you have a reprint version in front of you. We were happy to work with the sponsor of the bill, as well as Nevada Succeeds, to make some amendments to what we think is an amazing and robust task force. Senate Bill 497 (1st Reprint) creates a task force to take a look at the whole, entire-career continuum of school administrators in the state of Nevada: to look at how we prepare our administrators, how we recruit school leaders, how we mentor and coach them when they are in the system, what kind of professional growth opportunities we provide for them, and what we do to ensure that we are recruiting highly qualified administrators and continuing to support that.

Section 1, subsection 3, states that the task force would make recommendations concerning various matters. I am not sure how many meetings we decided on—I think it was four—and I am not sure if we ended up with a minimum number of meetings. From the four meetings, reports go to your Committee and several other bodies, including all of the school districts in the state and all of our programs that prepare our students—such as the Commission on Professional Standards and the Teachers and Leaders Council because of their work with the Nevada Educator Performance Framework that also includes administrators—along with any recommendations for possible legislation for the next session, regulations, or just good policy that we would adopt.

I know Nevada Succeeds was planning to speak in Las Vegas, but it does not look like anyone is there unless they have conveniently hidden behind the post, as I tend to do. I know, however, that they are thankful to have this bill heard today.

Senator Woodhouse:

May I add something to Ms. Durish's remarks? I had the opportunity to attend most of the meetings of Nevada Succeeds when we were working on this, and at each meeting there were over 60 stakeholders present—everyone from teachers, to administrators, to members of the community, and business people—and this area was one of the top priorities that came out of those meetings as something that we needed to step forward and address. In light of efforts that we make in professional development for teachers and administrators, we worked on a similar task force in the last interim. This is the next step forward to building leadership with our teachers and our administrators—those who are entering the profession and those who are advancing in the profession. I highly support S.B. 497 (R1), and I hope you will too.

Chairwoman Diaz:

I see the value in this bill because a lot of our administration is starting to retire and we will need to advance their replacements quickly and make sure that we have top-notch leaders ready to replace those who are moving on. Second, with the shift to reorganize—especially speaking of the Clark County School District—we need to have strong leaders in those buildings to make sure we are taking care of our children and their families. I see this as a very instrumental task force. Are there any questions or comments from the Committee?

Assemblyman McArthur:

This is more out of curiosity, I guess, in how you can vote. In section 1, subsection 6, it says, "A majority of the members of the Task Force constitutes a quorum for the transaction of business, and a majority of those members present at any meeting is sufficient for any official action taken by the Task Force." It sounds like a basic quorum is going to be 50 percent, and 50 percent of those people can pass anything, so you only have 25 percent of your members making all of your decisions. Is that really what we want?

Senator Woodhouse:

This language mirrors the Professional Development Task Force that we had in the last interim. It is the majority of those who are on the committee or Commission Task Force who will then make the decisions. It is 50 percent plus one; it is not 25 percent.

Assemblyman McArthur:

It says that a majority of the members of the Task Force constitutes a quorum, so 50 percent of the people constitutes a quorum. The next part of it says that a majority of those members present is sufficient for the official action taken by the Task Force.

Senator Woodhouse:

That is not our intent. Our intent is 50 percent plus one. We will look at that language.

Assemblyman McArthur:

I thought that probably was your intent, but that is not really what it says.

Senator Woodhouse:

I had been looking at that very carefully and that question has not come up before. Thank you very much for bringing it to our attention. We will take care of it.

Chairwoman Diaz:

Mr. Fernley, is that your reading and understanding of a quorum as used in the bill, or are we using quorum as 50 percent plus one? I want to make sure. Have you had a chance to look at it?

Bryan Fernley, Legislative Counsel:

Yes, I have. I think Assemblyman McArthur is reading it correctly. It does say that a majority of the members constitutes a quorum for the transaction of business, so a quorum would be 50 percent plus one of the members. "A majority of the members present at the meeting is sufficient for any official action taken by the Task Force," would mean that, if less than all of the members were present at the meeting, it would be a majority of the members present who would be needed to take action.

Chairwoman Diaz:

Are there any further questions?

Assemblyman Elliot T. Anderson:

Maybe I am just thinking out loud. Maybe this is for legal counsel or whoever might know the answer, but do we not structure most of our task forces this way, where it is the majority present? I am not sure. My only thought is that sometimes it is hard to get everybody, so maybe that is a reason for having language like that. I am not sure. Obviously, if that is your intent, I am not trying to change it. I am just thinking out loud.

Senator Woodhouse:

The experiences I have had—for example with the Advisory Task Force on Professional Development—is that we always had more than 50 percent of our task force present, which included legislators and school personnel. We were always able to conduct business because we had enough people present. I have not run into that problem, and that is why we just assumed everything was working well.

Chairwoman Diaz:

I guess I just need to see where you are, Senator Woodhouse. Do you consider the language in the bill sufficient for the purposes of the Task Force? Do you feel like it needs to be tightened up? I do see there are 13 members who, per the bill as outlined, will sit on the Task Force.

Senator Woodhouse:

In answer to your question, what is concerning me right now is the fact that we are a few days away from *sine die*. If we were a month back, I would be more than willing to come up with an amendment and process it through. I do not want to lose this bill trying to get

another amendment through. I believe that the people who are going to be appointed to this Commission will be there in force, because it is an issue that we all want to work on. At this point, I would prefer to just leave the measure as it is and, hopefully, have your Committee's support for it. Thank you.

Assemblyman Araujo:

I am glad that you said that because I would show the same concerns no matter which house it was in. I think this is a great piece of legislation that we need to advance. We have put a lot of my colleagues' comments on the record here, so we know what the intent is. We know you, and we know how actively you work during the interim. I, personally, do not have any concern that the intent will not be followed through.

Assemblyman Hambrick:

Hopefully, this is a question for legal counsel. With our conversation, we are establishing legislative intent. If we do not change the written word as we go forward, the legislative intent is 50 percent plus one. That was the intent of the author. Is that enough to go forward until the author has the opportunity to add some other language, but not stop the bill tonight?

Bryan Fernley:

In construing statutes, the language of the statute typically does prevail as the first item that courts look at when interpreting statutory language. I also want to point out that the action this Task Force is to take is to make recommendations concerning matters relating to the study authorized by the bill. That is the action they should be taking. If you follow the language of the bill, they could do that by a majority of the members present. It sounds like the intent is to work hard to make sure that all of the members show up.

Dena Durish:

As indicated in section 1, subsection 7, "The Department of Education shall provide the Task Force with such staff as is necessary for the Task Force to carry out its duties." As the Deputy who will be overseeing this work, I can assure the sponsor of the bill and this Committee that we will use Doodle polls and all sorts of other RSVP methods because we want this to be a robust discussion that comes out with really strong recommendations. We will work to change the dates to accommodate schedules as needed to meet the intent.

Chairwoman Diaz:

My policy analyst just reminded me that this Task Force is pretty much going to meet to come up with best practices and recommendations to move forward. It is not like they are going to take any legislative action or anything that would cause concern. This will only be a meeting of the minds where discussions happen, then those discussions get further vetted over time, and then you decide what avenues you think are the best to pursue and to present. As I understand, this also expires June 2018. It is not going to be a task force that is established in perpetuity. If it was going to continue on and on, we would make sure we did it right because it would continue. Let me rephrase that: it will be a task force that will continue to meet over many years without knowing if it would then sunset.

Are there any other questions? Seeing none, we will open it up for testimony in support. If there is anyone to testify in support of S.B. 497 (R1), please come up to the table. If there is anyone in Las Vegas, make your way up too. Seeing no one, we will go to testimony in opposition to S.B. 497 (R1). Seeing no one, we will move to neutral. There is no one, so we will go to Senator Woodhouse for any closing remarks. [Senator Woodhouse indicated she had no closing remarks.] We will close the hearing on S.B. 497 (R1). Can I have a motion to do pass?

ASSEMBLYMAN ELLIOT T. ANDERSON MOVED TO DO PASS
SENATE BILL 497 (1ST REPRINT).

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblyman McArthur:

I understand the intent of this bill, but the way it is written, if you have 13 people on the panel, it is possible that 4 can make all of the decisions for you. Although I like the intent of this bill, I am going to vote no because of that.

Chairwoman Diaz:

Any further comments? Seeing none, I will call for the vote.

THE MOTION PASSED. (ASSEMBLYMAN MCARTHUR VOTED NO.
ASSEMBLYMEN HANSEN AND OHRENSCHALL WERE ABSENT FOR
THE VOTE.)

I will assign the floor statement to Vice Chair Araujo.

I will open the hearing on Senate Concurrent Resolution 6.

Senate Concurrent Resolution 6: Directs the Legislative Commission to conduct an interim study concerning salaries for certain positions in the unclassified and nonclassified service of the State. (BDR R-998)

Senator Joyce Woodhouse, Senate District No. 5:

I am here to present Senate Concurrent Resolution 6, which creates a long overdue interim study concerning the salaries for certain positions in the unclassified and nonclassified service of the state. I bring this bill forward to address the ongoing concern of whether the salaries of unclassified and nonclassified state employees are competitive with both the private sector and local governments, and whether they appropriately match the employees' positions. The delivery of essential governmental service to the people of this state is dependent on the men and women who are employed in state government. During the recession, state employees at all levels were required to take furloughs and reductions in pay. They lost merit and longevity pay and other reductions in benefits. In general, we know that

classified and unclassified state employees receive certain benefits and salaries on less favorable terms than those employees in similar positions at the local level and in the private sector. We often make a significant investment in the recruitment and training of state employees, only to see those employees depart state service in favor of higher-paying jobs elsewhere. The payment of adequate salaries and benefits for those in unclassified and nonclassified state service is necessary to attract, recruit, and retain an effective workforce.

With regard to classified state employees, the Division of Human Resource Management of the Department of Administration conducts salary surveys of certain comparable jobs in government and in the private sector, both regionally and within the state of Nevada. Based on this analysis, the Division makes recommendations to the Legislature concerning the appropriate salaries for these classified employees. These surveys take into account changes in the cost of living, turnover rates, and challenges in recruitment. Unfortunately, nothing comparable exists for unclassified positions in state government. That is why we have brought forth this S.C.R. 6. This resolution directs the Legislative Commission to appoint a committee of six legislators to conduct an interim study concerning the appropriate salaries for certain positions in the unclassified and nonclassified service of the state.

Also on the committee, as a nonvoting member, is the Administrator of the Division of Human Resource Management. As part of the interim study, the committee shall include, at a minimum, a review of any position within the Judicial Branch of state government, the Commission on Ethics, the Nevada Gaming Control Board, the Public Utilities Commission of Nevada, and any other department, commission, or agency in the state of Nevada as determined by the committee. The committee shall review the salary paid to the state officer or employee in each position selected for review by the committee and provide a market salary analysis to be performed in a manner determined by the committee for each selected position. Finally, the committee may also consider whether any position that is currently designated within the classified, unclassified, or nonclassified service of the state should be redesignated to a more appropriate classification.

I know you share my belief that all of our state employees, whether classified or unclassified, provide a valuable and much-needed public service to our state. Over the last four months, we have all seen how important these people are to our work. This interim study is a step in the right direction to ensure our unclassified and nonclassified employees are fairly compensated for their important work.

Chairwoman Diaz:

Are there any questions for Senator Woodhouse at this time? I do not see any. We will open it up to take testimony in support of S.C.R. 6.

Carter Bundy, Political Action Representative, Political Action Department, American Federation of State, County, and Municipal Employees, AFL-CIO:

We stand in strong support of the measure. We represent state employees. It has been a tough 10 years since the recession started, and we have not really recovered from any of it. We have lost things like longevity pay and rural pay, which affects a lot of our correctional officers, for example. We took furloughs, and that is something that our members did because they wanted the state to provide the core services they did. I think this would be a good step in making sure that if and when we do have the resources to start to recover and restore some of that funding, we will know how it should be done and, especially, in what job classifications.

Joseph C. Reynolds, Chairman, Public Utilities Commission of Nevada:

I am here to encourage the Committee's support of S.C.R. 6. The Public Utilities Commission is looking at one of the heaviest lifts with respect to our industry issues in our 110-year history. We are an agency largely of lawyers, engineers, economists, and accountants. Keeping the best-qualified people that we can is a priority to the success of the Utilities Commission. We have some of the largest businesses in the state, including Google, Switch, Apple, mining companies, and major resort properties appearing before us regularly, so we welcome this study and look forward to participating in it.

Yvonne M. Nevarez-Goodson, Executive Director, Commission on Ethics:

I, too, wanted to offer my support for S.C.R. 6 ([Exhibit F](#)). The Commission has been active for at least the last three sessions in trying to bring some parity to the salaries of the Commission staff with other positions within, not only the unclassified, but also the nonclassified positions within the state. We are happy about the timing of this, as it comes on the heels of the unclassified pay bill having been introduced and passed through the Assembly where there has been some movement on behalf of the Commission on that bill to start this process for the Commission. Nevertheless, we look forward to working with the study to see if we can establish further parity with Commission staff salaries and getting some gravity to these issues presented to the Commission and the Legislature. We look forward to working on the salary study and note that we are one of the commissions referenced in the bill. We look forward to having a frank discussion about the responsibilities of the positions of the Commission. We have been one of those commissions, as short-staffed as we are with a staff of only six, that have incurred a lot of turnover and difficulty with retention and recruitment. We are looking forward to those discussions.

Marlene Lockard, Private Citizen, Reno, Nevada:

I want to offer my total support for this measure. I have had a long history in state government and, as I have said often, not all public employees are created equally, and that absolutely applies to state employees. They have always been training ground for employees for moving on to greener pastures, and other local government entities have always benefited at the expense of the state. Just in terms of cost savings, adjustments to state salaries would go a long way and save substantial dollars.

Fran Almaraz, representing American Federation of State, County, and Municipal Employees, AFL-CIO, Local 4041:

The state employees have given a lot in the years since the recession started. Although we are grateful that the Governor did put a small remuneration in his budget, the majority of the employees that American Federation of State, County, and Municipal Employees (AFSCME) represents probably make in the \$50,000-per-year range. A 2 percent pay raise is like \$1,000 per year. It is not a lot, but we are grateful for something. We think this study will definitely show that state employees need more.

Chairwoman Diaz:

Through my service here in the Legislature, I know that the state employees have been instrumental to making sure that the state continues to operate, and they have been troupers in terms of taking pay cuts and furloughs in order for us to balance the budget. I appreciate their service.

Is there any other testimony in support of S.C.R. 6? Seeing none, we will go to opposition. Is there anyone here to testify in opposition to the bill? Seeing no one, we will go to neutral. [There was no one.] Are there any closing remarks, Senator Woodhouse? [Senator Woodhouse indicated no.]

[Submitted but not discussed was ([Exhibit G](#)).]

We will close the hearing on S.C.R. 6.

Do I have a motion to adopt Senate Concurrent Resolution 6?

ASSEMBLYMAN ELLIOT T. ANDERSON MOVED TO ADOPT
SENATE CONCURRENT RESOLUTION 6.

ASSEMBLYMAN DALY SECONDED THE MOTION.

THE MOTION WAS ADOPTED. (ASSEMBLYMEN HANSEN AND
OHRENSCHALL WERE ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblywoman Monroe-Moreno.

I do not see our next presenter here, so as soon as she gets here we will continue with the last bill we have here today.

Paul K. Sonn, General Counsel and Program Director, National Employment Law Project, New York, New York:

I am a telephone witness, and I am on hold for Senate Joint Resolution 6 (1st Reprint).

Chairwoman Diaz:

Thank you. We are waiting for Senator Cancela to come to the committee room before we start the hearing on the bill.

I will open the hearing on Senate Joint Resolution 6 (1st Reprint) as our next presenter is here.

Senate Joint Resolution 6 (1st Reprint): Proposes to amend the Nevada Constitution to provide for certain increases in the minimum wage. (BDR C-867)

Senator Yvanna D. Cancela, Senate District No. 10:

It is an honor to present Senate Joint Resolution 6 (1st Reprint). It is a bill that stands to make a difference in the lives of some of our most vulnerable Nevadans, and those are low-income workers.

I would like to go through what the resolution does. In 2006, Article 15 of the *Constitution of the State of Nevada* was amended to include Section 16, which established a state minimum wage. On the effective date, an employer was required to pay a wage of \$5.15 per hour if the employer provided health benefits, and \$6.15 per hour if the employer did not provide such benefits. Wages are adjusted annually on July 1 by the amount of increases in the federal minimum wage over \$5.15 per hour, or, if greater, a cumulative increase if the cost of living is measured by the percentage increase of the consumer price index. This information is published by the United States Department of Labor. Currently, the minimum wage for Nevada employees with health benefits is \$7.25 per hour. The minimum wage for all other employees is \$8.25 per hour.

Senate Joint Resolution 6 (1st Reprint) proposes to amend the *Nevada Constitution* to increase the minimum wage to \$14 per hour. Beginning on January 1, 2022, the minimum wage must be increased by \$1.15 each year until the minimum wage is \$14. Tips or gratuities received by employees must not be credited as being part of, or offset against, the minimum wage rate.

Senate Joint Resolution 6 (1st Reprint) also has an exemption for collective bargaining agreements. If, at any time, the federal minimum wage is greater than the amount calculated under S.J.R. 6 (R1), the minimum wage in Nevada must equal the federal minimum wage. Further, the Legislature is authorized to increase the minimum wage to an amount higher than the minimum wage calculated under this joint resolution. The joint resolution also proposes to amend the *Nevada Constitution* to remove provisions authorizing an employer and an employee to waive the minimum wage requirement in a collective bargaining agreement.

Finally, S.J.R. 6 (R1) authorizes an action against an employer for violating the minimum wage requirement to be brought as a class action and provides that an employee who prevails in an action for a violation of the minimum wage requirement is entitled to damages in an amount equal to three times the amount the employee would have been paid if the employer had complied with the minimum wage requirement.

Chairwoman Diaz:

Are there any questions on S.J.R. 6 (R1)? To make sure I understand this correctly, did you say that this excludes collective bargaining agreements?

Senator Cancela:

Yes, that is correct.

Chairwoman Diaz:

To calculate this quickly, if this were to pass this session and next session, and then to the vote of the people, by 2025 we are looking at \$14?

Senator Cancela:

It would be by 2027; it should be five years from the date enacted.

Chairwoman Diaz:

That would be 2026.

Senator Cancela:

That sounds correct.

Chairwoman Diaz:

It says here, on January 1, 2021, it would be \$9.40 per hour.

Senator Cancela:

That is right. That would be the first increase. You are correct that it would take less time to get to the \$14 per hour than five years.

Assemblyman Daly:

Does this contain a continuation of the escalator? If I remember correctly, there is an escalator in the provisions now in the *Nevada Constitution*, a cost-of-living index that can increase more quickly. Does this maintain that over the \$14 or does it stop and there is no calculation after \$14?

Senator Cancela:

As I read it, this would not have the same cost-of-living increases that are currently in the *Nevada Constitution*, but rather, it would give the Legislature the authority to make those increases.

Chairwoman Diaz:

What I also appreciate about the resolution is in section 16, subsection 3, where it says that the Legislature may establish by law a minimum wage that an employer must pay that is higher than what is going to be established. I like the flexibility and that the Legislature will still be able to speak to it because it is easier to pass laws than it is to amend the *Nevada Constitution*.

Are there any further questions? Seeing none, I will open it for testimony in support of S.J.R. 6 (R1). Senator Cancela, we have a gentleman on the phone. Do you want him to speak before I take testimony in support?

Senator Cancela:

That would be great.

Chairwoman Diaz:

Please identify yourself for the record and then proceed.

Paul K. Sonn, General Counsel and Program Director, National Employment Law Project, New York, New York:

We are a national employment policy research advocacy organization. I testified a couple of months ago on earlier versions of the proposal to raise Nevada's minimum wage.

The main point I wanted to make with this proposal is that it is really much more in line with what other states are doing to raise their minimum wage and with what congressional Democrats are proposing in terms of raising the minimum wage and the previous proposals that were advanced. As noted, this proposal, because it would not be voted on until 2020, would not phase up to \$14 per hour until 2025. To put that in context with what other states are doing, Arizona and Colorado just raised their minimum wage last November through voter action on the ballot, and they will go to \$12 in 2020 and continue phasing up after that. By cost-of-living projections, those states' minimum wage is projected to be between \$13 per hour and approaching \$14 by 2025. This would put Nevada in the same ballpark as what Arizona and Colorado are doing.

In addition, the coastal states have approved a \$15 minimum wage and will actually be a good deal ahead of what this proposal would do, but this proposal would close the gap and bring the state closer. For example, California is going to \$15 per hour by 2022, and for small businesses by 2023. This proposal, which is \$14 per hour by 2025, a couple of years later, is at least closer to what California is doing.

It is worth noting that last week congressional Democrats, 180 of them, introduced the new federal minimum wage bill. In the past, Democrats were divided: some supporting \$12 an hour and some supporting \$15 an hour. They are now unified behind calling for a \$15 national minimum wage by 2024. This, again, would be a little bit slower than that,

by being \$15 a year later by 2025, but it would be closer to what is being proposed nationally. This context is really intended to illustrate that this is a very moderate proposal and it would do more earlier than \$12 proposals would to improve pay and living conditions for workers at the bottom of the state's economy.

In terms of the likely impact, there is probably somewhere on the order of more than 30 percent of the state's workforce that would receive raises if this were to become law. The raises would probably average around \$3,000 per year, which is a significant amount for today's workers struggling on \$20,000 a year. The states that have started to phase in similar increases are seeing that it is not harming the state's job growth. A good example is Arizona, where the minimum wage on January 1, 2017, jumped up to \$10 per hour and the state is continuing to see very strong job growth and very low unemployment. That is the national context that I wanted to share.

Chairwoman Diaz:

Are there any questions from the Committee? [There were none.] We will take testimony in support of S.J.R. 6 (R1).

Marlene Lockard, representing Service Employees International Union, Local 1107; Las Vegas Police Protective Association for Civilian Employees; and Nevada Women's Lobby:

All of these entities are strongly in support of S.J.R. 6 (R1). We feel that it is an essential piece of legislation that should move forward through the process to address the very important issue of helping low-wage earners to survive in today's economy and escalating cost of living.

Stacey Shinn, Policy Director, Progressive Leadership Alliance of Nevada; and President-Elect, Human Services Network:

I want to put us on the record in support and to let you know that we represent over 90 organizations. This is one of our top priorities for the legislative session. It is a gender justice issue, a racial justice issue, and an economic justice issue.

Ruben R. Murillo, Jr., President, Nevada State Education Association:

We are here in support of S.J.R. 6 (R1). The reason I am here speaking is that a lot of our educators work with community members who work multiple jobs where families struggle to earn a living wage. In order to continue feeding and supporting their families, they work multiple jobs. We are hoping that the increase in the minimum wage would also help them not to have to work as many multiple jobs so they can concentrate on the success of their children. We also have support staff members who are making minimum wage right now. Many times we know that making minimum wage is not a livable wage, and for those support staff members who would benefit from the increase in the minimum wage, we are in support of this bill.

Erika Washington, Nevada State Director, Make It Work Campaign; and Make It Work Action:

We are here in support of this bill. We represent thousands of single mothers and breadwinning mothers across the state of Nevada and across the United States who are just trying to make it work, and the best way to do that is to raise the minimum wage.

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

Nevada's current minimum wage is insufficient for our working families. To give you a brief example, a single parent working and making \$8.25 an hour, with an infant, will spend approximately 60 percent of his or her income on child care alone. To put that in other terms, they would have to work for 1,250 hours, or approximately 31 weeks, just to pay for the child care they need to work. We really need to increase our minimum wage to help support our working families.

Elisa Cafferata, Director of Government Relations, Nevada Advocates for Planned Parenthood Affiliates, Incorporated:

We are also a member of the Nevada Coalition for Women's Equity, and we support this bill.

Annette Magnus, Executive Director, Battle Born Progress:

I am here today representing our over 15,000 subscribers statewide. We are here to say, "Us, too." We support raising the minimum wage. It is one of our core values as a progressive organization, and we hope you will take this bill under consideration.

Carter Bundy, Political Action Representative, Political Action Department, American Federation of State, County, and Municipal Employees, AFL-CIO:

We, too, stand in support of the bill for the reasons stated. We will also point out that the more people who are able to make it work, the less reliance there will be on government services. This crosses the political spectrum.

Leonardo Benavides, Extern, Legal Aid Center of Southern Nevada; and representing Washoe Legal Services:

We are also in support of this measure.

Chairwoman Diaz:

Is there anyone else in Carson City to provide testimony in support of S.J.R. 6 (R1)? I do not see anyone, and there is no one in Las Vegas, so we will move to opposition. If you are here in opposition, come on up.

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

The Metro Chamber's government affairs committee is opposed to S.J.R. 6 (R1) on behalf of our members. The Las Vegas Chamber is concerned about the potential adverse impact it will have on Nevada employers and their employees. Because of the Chamber's large and broad membership composition, this requires us to look at this type of bill and how it impacts all industries and businesses of all sizes as it applies to all private employers in Nevada.

I would like to share with you some of the major concerns and feedback from members regarding measures relating to minimum wage increases. In a survey conducted by the Metro Chamber, private employers across a broad range of approximately 30 different industry sectors, 68 percent of Nevada respondents indicated a minimum wage increase would affect their business. Then, 64 percent indicated they would anticipate a change or a need to adjust their business model if the state's minimum wage rate increased. Respondents indicated that they would consider changes to their business model, including, but not limited to the following: 59 percent would slow down the hiring of new employees; 57 percent would consider increasing the price of goods or services; 53 percent would consider reducing employee hours; 41 percent would consider not replacing employees who leave; 40 percent would consider laying off employees; and 33 percent would consider automation of services.

The reality is that any mandated minimum wage would also mean additional costs for employers at the state level, regarding the modified business tax, unemployment insurance, and workers' compensation. These types of costs are not independent of each other. As we know, there are direct correlations and a need to look at it holistically. In the Chamber's survey, 56 percent of respondents indicated that these additional costs would increase the level of concern with a minimum wage increase. These additional cost factors should be taken into consideration when discussing these types of proposals and how it may hinder job creation or reverse the effect on employers and employees in Nevada.

The Chamber is also concerned regarding the removal of the health care credit, class action lawsuits, and damages. How friendly states' employment and labor laws are toward employers, and the level of requirements and mandates, are factors in the composition to relocate or expand existing markets. It is important that we compare ourselves to other states in the Intermountain West region and nationally and that we look at them at the same basis. Each state has a different minimum wage. They have different formulas and factors that apply in calculating minimum wage, such as offering healthcare, overtime formulas, tip credit, industry sector, and employment size. These are just some of the policy and economic factors that I would like to highlight for your consideration.

In closing, we appreciate the proponents' arguments; however, since the majority of our members and private employers in Nevada have significant concerns associated with these types of proposals, we are not able to support S.J.R. 6 (R1). The Las Vegas Latin Chamber of Commerce has also asked me to register their opposition to the bill.

Tray Abney, Director of Government Relations, The Chamber, Reno-Sparks-Northern Nevada; and representing National Federation of Independent Business:

I will ditto all of the comments made by my colleague from the Las Vegas Metro Chamber. We are always concerned about minimum wage increases and certainly, in this bill, with the private right of actions, triple damages, and getting rid of the health-care credit. Getting rid of that incentive for employers to provide healthcare is something that we are very

concerned about. If there was tip credit, this could be a different conversation. If Nevada was like 46 other states and had just a 40-hour workweek that overtime is based on and calculated, that could also be a different conversation.

I will close with saying that I have talked with several of the restaurant owners about this bill and this issue and one told me that the only people making minimum wage are the servers who are making \$25 to \$30 an hour. They make it on tips. When something like this goes up, the people at the bottom end—like the cooks and the folks in the back who do not get the tips—are already making over minimum wage, but they would not be able to participate like the servers. I think the tip credit is very important to discuss.

Warren Hardy, representing Nevada Restaurant Association:

It is with a lot of personal regret that I have to come here and testify in opposition to this bill, because I have only been around here for 27 years, but I do not think I have ever had the opportunity to work with a better freshman senator than Senator Cancela, who has done a wonderful job in the Senate. This professional disagreement between us carries over from our years in the lobbying corps together.

The Restaurant Association has a bit of a nuanced position on minimum wage. The restaurant industry is the leading provider of entry-level jobs. When we talk about the minimum wage, we tend to focus on the impact that it will have on entry-level jobs. Entry-level jobs, whether they are minimum wage jobs or whatever, allow someone to enter the workforce, in most cases without skills, and to be able to learn a skill to start the process of becoming a valuable employee to a company. This starts at that entry-level job. In this case, a minimum-level job. An astonishing 90 percent of restaurant owners or managers in upper management in the restaurant industry started out in an entry-level position in the restaurant industry. Advancement is absolutely incredible.

Our concerns are specifically on the impact that this will have: what will raising the minimum wage do to our ability to hire people at the bottom of the economic ladder to enter the workforce? You get a wage at a certain rate and it is no longer viable to hire someone to train them, work with them, and bring them up. Ideally, a \$7-an-hour job turns into an \$8-an-hour job, then \$10, et cetera. That is how you work your way up the ladder.

The other problem was identified by Mr. Abney. We have a very tight profit margin in the industry. In the best of times, it is a 3 to 4 percent margin in the industry. When we have to pay minimum wage to the servers who, in some cases in upper-end restaurants, are making \$60,000, \$70,000, or \$80,000 a year, there is less money available to provide better income levels to the cooks and the service people in the back of the house. That is always a struggle with us.

The most important asset of any restaurant—just like any business—is a happy employee. Having a high-paying job is an important part of having a happy employee. Currently, our servers are very happy employees. They make a very good living. Unfortunately, others in our industry do not. We would love nothing more than to bring them up to a higher standard of living.

The best way to do that is through a tip credit. The distinguished gentleman who spoke over the phone referenced the minimum wage in other states. Each of those states, from what I heard, all have a tip credit. This would be an entirely different discussion if Nevada had a tip credit. We would certainly be in favor of incremental increases in the minimum wage if we had a tip credit. A tip credit—a lot of the members of the Legislature consider that a poison pill—would allow us to address those lower-paid employees who are not benefiting the way servers and others who are tipped are.

Finally, procedurally, my concern with this bill is that it proposes to put triple damages in the *Constitution of the State of Nevada*, which I think is a precedent that we should be very careful about.

Chairwoman Diaz:

Is there anyone else here to testify in opposition to S.J.R. 6 (R1)? Seeing no one, we will go to neutral, if there is anyone here to testify in the neutral position. Seeing no one, I invite Senator Cancela back to rebut some of the opposition that we heard and to close it out for us.

Senator Cancela:

This is not the first minimum wage bill that has been discussed this session and certainly not the first minimum wage bill that has been brought before this body in previous sessions. Most of you are very well versed on the ins and outs of how the minimum wage works in this state.

Senate Joint Resolution 6 (1st Reprint) merely says that the people should decide how minimum wage is enacted in this state, and I think that is tremendously important. When this was on the ballot in 2004, it received more votes than George W. Bush received that year. It was the highest-voted item on the ballot. It is important that we allow people to make that decision.

With that said, certainly there are all sorts of different ways to raise the minimum wage. Different states have different policies. What we have before us is what works for Nevada. We are a largely service-driven economy. When you start talking about things like tip credit, what you are really talking about is a pay decrease in the lives of tip workers. A stable minimum wage, a living minimum wage, allows for tip workers not to have to be on a roller coaster of an income where one week business is great and the next week business is really slow. That kind of instability is not only problematic, but it is also terrible for families. Suddenly, income is no longer reliable. I am not interested in putting that in this bill. If there is a discussion to be had about that, I think it should happen on its own merit and not be tied to the minimum wage. While I appreciate all of the discussion, I think that should be in its

own bill and not in this one. I would urge the body to move the resolution as is, as it has been worked on heavily on the other side to get to the right numbers, and I think we have gotten there. I hope that, with the lack of time left in the next few days, it moves quickly.

[Submitted but not discussed is ([Exhibit H](#)).]

Chairwoman Diaz:

With that I will close the hearing on Senate Joint Resolution 6 (1st Reprint). I will entertain a motion to do pass S.J.R. 6 (R1).

ASSEMBLYMAN ARAUJO MADE A MOTION TO DO PASS
SENATE JOINT RESOLUTION 6 (1ST REPRINT).

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN HAMBRICK, MCARTHUR
AND OSCARSON VOTED NO. ASSEMBLYMEN HANSEN AND
OHRENSCHALL WERE ABSENT FOR THE VOTE.)

I will defend this bill on the floor.

I will open it up for public comment. Is there anyone here wishing to offer public comment? Seeing no public comment, I will close public comment. With that, I will adjourn this meeting for today [at 8:18 p.m.].

RESPECTFULLY SUBMITTED:

Julianne King
Recording Secretary

Karyn Werner
Transcribing Secretary

APPROVED BY:

Assemblywoman Olivia Diaz, Chairwoman

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a Work Session Document for [Assembly Joint Resolution 14](#), presented by Carol Stonefield, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit D](#) is written testimony authored and submitted by Aviva Gordon, Legislative Committee Chairwoman, and Amber Stidham, Director of Government Affairs, Henderson Chamber of Commerce, dated May 27, 2017, in opposition to [Assembly Joint Resolution 14](#).

[Exhibit E](#) is a document titled "Facts About [AJR 14](#)" submitted by Dignity Health-St. Rose Dominican, in opposition to [Assembly Joint Resolution 14](#).

[Exhibit F](#) is written testimony authored and submitted by Yvonne M. Nevarez-Goodson, Executive Director, Commission on Ethics, dated June 1, 2017, in support of [Senate Concurrent Resolution 6](#).

[Exhibit G](#) is written testimony authored and submitted by Janette Dean, Private Citizen, Carson City, Nevada, dated June 1, 2017, in support of [Senate Concurrent Resolution 6](#).

[Exhibit H](#) is written testimony submitted by Randi Thompson, Nevada State Director, National Federation of Independent Business, Dated June 1, 2017, in opposition of [Senate Joint Resolution 6 \(1st Reprint\)](#).