

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-Ninth Session
May 22, 2017**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 5:08 p.m. on Monday, May 22, 2017, in Room 3137 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 Maggie Carlton, Chair
Assemblyman Paul Anderson
Assemblyman Nelson Araujo
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Irene Bustamante Adams
Assemblywoman Olivia Diaz
Assemblyman Chris Edwards
Assemblyman John Hambrick
Assemblyman James Oscarson
Assemblywoman Ellen B. Spiegel
Assemblyman Michael C. Sprinkle
Assemblywoman Heidi Swank
Assemblywoman Robin L. Titus

COMMITTEE MEMBERS EXCUSED:

Assemblyman Jason Frierson, Vice Chair

GUEST LEGISLATORS PRESENT:

Assemblyman Richard Carrillo, Assembly District No. 18
Assemblyman James Ohrenschall, Assembly District No. 12
Assemblyman Steve Yeager, Assembly District No. 9
Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1
Assemblyman William McCurdy II, Assembly District No. 6



GUEST LEGISLATORS PRESENT: (continued)

Assemblywoman Dina Neal, Assembly District No. 7
Assemblywoman Sandra Jauregui, Assembly District No. 41
Assemblywoman Brittney Miller, Assembly District No. 5

STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Sarah Coffman, Principal Deputy Fiscal Analyst
Carol Thomsen, Committee Secretary
Lisa McAlister, Committee Assistant

After call of the roll, Chair Carlton opened public comment, and there was none. The Chair opened the hearing on Assembly Bill 97 (1st Reprint).

Assembly Bill 97 (1st Reprint): Revises provisions relating to evidence collected from and the reimbursement of payment for forensic medical examinations of victims of sexual assault. (BDR 15-538)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 97 (1st Reprint) required law enforcement agencies to submit certain sexual assault forensic evidence (SAFE) kits to a forensic laboratory that would be responsible for conducting a genetic marker analysis within 30 days after receiving the kit. The measure authorized an officer of the Department of Administration to order the payment of compensation from the Fund for the Compensation of Victims of Crime to a county for up to \$10,000 to reimburse costs associated with conducting the forensic examination of the kits. The bill also appropriated \$3 million from the State General Fund to the Office of the Attorney General (AG's Office) for the purpose of making payments to forensic laboratories through interlocal agreements with public entities to reduce the backlog of SAFE kits that had not been tested.

Ms. Jones indicated that the Fund for the Compensation of Victims of Crime reserve at the end of fiscal year (FY) 2018 was projected to be \$9.6 million and \$8.2 million at the end of FY 2019, after budgeted victim payments of approximately \$4.3 million per year.

Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27, thanked the Committee for considering the funding request included in A.B. 97 (R1). During the interim, there had been a diligent working group housed within the AG's Office that worked on best policies and practices to eliminate the backlog of SAFE kits that existed throughout the various levels of law enforcement in Nevada, to identify the kits, and to submit the kits to labs for testing. Assemblywoman Benitez-Thompson noted that some SAFE kits were 20 years old.

The group's second goal was to consider how to ensure that there was never again such a backlog of SAFE kits and ensure that practices were in place so that kits were consistently processed in a timely manner. Clark County, Douglas County, and Washoe County had filed fiscal notes because of the time frame included in section 1, subsection 2 of the bill. The fiscal notes pertained to lab renovations or additional personnel that would be needed to comply with the 120-day time frame for processing kits. The bill requested a State General Fund appropriation of \$3 million that would be awarded through interlocal agreements between the laboratories and the AG's Office.

Assemblyman Sprinkle asked Assemblywoman Benitez-Thompson whether she believed the AG's Office was the appropriate place for the \$3 million appropriation that would be dispersed to local entities.

Assemblywoman Benitez-Thompson believed the AG's Office was the appropriate agency to handle the appropriation because the AG's Office was in receipt of the current grant funds from the U.S. Department of Justice, Sexual Assault Kit Initiative (SAKI). The AG's Office had been the hub for disbursing the grant funds for the costs associated with testing the kits; she believed it made the most sense to place the additional State General Fund appropriation in that office. That would allow the working group to work with local law enforcement agencies to devise an interlocal agreement for the management and use of the funding.

Assemblyman Sprinkle asked how the amount of \$3 million had been determined. It appeared the bill would address not only the current backlog of SAFE kits, but also prevent future backlogs, and he wondered how far the \$3 million would go toward those goals.

Assemblywoman Benitez-Thompson stated that the current SAKI grant funding would address the backlog. The bill would separate the SAFE kits into two different groups. The backlog were those kits on the books dated through December 2014. The current kits were those from January 2015 to the present. The \$3 million in A.B. 97 (R1) would fund the processing of the current kits. She pointed out that because of the volume of backlogged kits, it would take approximately four years to process those kits.

Assemblywoman Bustamante Adams wondered how many kits could be processed with the \$3 million State General Fund appropriation.

Assemblywoman Benitez-Thompson said she could not pinpoint the volume of kits going forward. She noted that because of the fiscal notes submitted and the 120-day requirement in section 1, subsection 2, it would take at least that amount for the labs to comply and process the volume of kits in the mandated time frame.

Chair Carlton said section 3.3 of A.B. 97 (R1) authorized an amount of \$10,000 to counties to test the SAFE kits, and she wondered whether that money would also come from the Fund for the Compensation of Victims of Crime.

Assemblywoman Benitez-Thompson stated that was correct: the authorization was for up to \$10,000 for each county.

Chair Carlton asked whether there had been an investigation about whether funding from the Fund for the Compensation of Victims of Crime could be used toward processing the backlog of SAFE kits.

Assemblywoman Benitez-Thompson said that had been discussed by the working group, and to date, there had been no formal opposition to using the funds to test the kits. She stated she had discussed the matter with the administrator of the Fund and there had been no indication that it would be an improper use of those funds.

Chair Carlton commented that there had been much discussion about the backlog of SAFE kits, and the concern was not only the funding, but also the ability of the labs to process those kits.

The Chair asked whether there was testimony to come before the Committee in support of, neutral on, or in opposition to A.B. 97 (R1).

Chuck Callaway, Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department, stated that the Las Vegas Metropolitan Police Department (LVMPD) was 100 percent in support of the intent behind the bill. There had been many conversations with Assemblywoman Benitez-Thompson and the working group regarding the SAFE kits over the interim. Mr. Callaway said LVMPD was committed to testing the backlog of kits, but the concern was the lack of resources. Even with a \$3 million allocation, the LVMPD could not hire people with that one-time allocation. He noted that Kimberly Murga was in Las Vegas, and she could provide specifics about the resource challenges involved in testing the kits.

Mr. Callaway said the LVMPD had two choices. It could hire personnel and complete the testing in its own lab, which would create a significant reoccurring fiscal note, and the lab would also need to complete testing on the new SAFE kits within the 120-day time frame. The LVMPD could also outsource the testing to private labs, but private labs throughout the country were significantly burdened with their own backlogs, and there would be no control over the private labs regarding the 120-day time frame.

Chair Carlton noted that the 120-day time frame was part of the policy that had already been discussed and decided within the bill. Mr. Callaway said he understood, but LVMPD believed the 120-day time frame would also affect the fiscal note.

Chair Carlton asked whether LVMPD would hire lab personnel under a contract or part-time basis or whether the employees would be full-time. She also wondered about the length of employment for the extra personnel because of the significant backlog of kits that needed to be tested. The Chair asked whether LVMPD had "done the math" to determine the cost of the extra personnel.

Mr. Callaway stated that Ms. Murga was available in Las Vegas and could better answer the questions and discuss the LVMPD's vision to test the backlog of kits and prevent a future backlog.

Kimberly B. Murga, Director of Laboratory Services, Forensic Laboratory, Las Vegas Metropolitan Police Department, stated the LVMPD forensic lab typically hired full-time employees. The DNA hiring process for forensic lab employees was very labor- and time-intensive, and if contractors were hired, it would take 12 to 18 months to train each batch of employees.

Considering the current backlog of SAFE kits, Chair Carlton wondered how long it would take the LVMPD forensic lab to process those kits.

Ms. Murga said the backlog consisted of two phases. There was one backlog of 6,473 kits in Southern Nevada that extended from 1985 to December 2014. There were also several hundred kits dating from January 2015 to the present that needed to be tested and would be addressed through the funding included in A.B. 97 (R1). Typically, the LVMPD tested approximately 105 kits per year internally without outsourcing. When the number of SAFE kits coming into the lab over the last three years was averaged, it was estimated that the lab would be receiving an additional 412 SAFE kits in addition to the 105 that were normally tested.

According to Ms. Murga, to comply with the 120-day turnaround time, the LVMPD forensic laboratory would need to hire 8 positions to remain in compliance with the turnaround time. The total salary costs for those eight employees would be in excess of \$1 million per year, with an additional \$595,000 for supplies needed to perform tests (consumables). The LVMPD would need \$1.6 million on an annual basis to comply with the mandates of A.B. 97 (R1).

Chair Carlton said testing 105 kits per year, plus the backlog and future kits, would indicate there was definitely a need for additional personnel because it did not appear to be a short-term problem, but rather a long-term commitment.

Ms. Murga agreed and stated that the LVMPD supported A.B. 97 (R1) and believed testing the backlog of kits was the right thing to do, but it wanted to ensure that the resources were properly aligned to avoid another backlog in the future. Accomplishing that would require the needed resources.

Chair Carlton asked whether those were the numbers that supported the Clark County fiscal note attached to the bill.

Ms. Murga said the forensic lab within the LVMPD served all of Southern Nevada at no charge for any DNA services rendered, and the fiscal note represented the amount of funding needed to support all of Southern Nevada, which encompassed Lincoln County, Esmeralda County, Nye County, and Clark County.

Chair Carlton commented that it appeared the other counties were not paying their share of the expenses for DNA services and the cost was borne by Clark County.

Ms. Murga explained that there were two full-service forensic labs in Nevada. The LVMPD forensic lab handled most of the services in Southern Nevada, and the Washoe County Sheriff's Office forensic lab handled those services in Northern Nevada. That was how forensic testing was provided per current *Nevada Revised Statutes* mandates.

Chair Carlton asked whether the cost for testing was paid by Clark County in Southern Nevada and Washoe County in Northern Nevada. Ms. Murga believed that was correct.

Chair Carlton said it appeared those two counties were bearing the burden for all other counties for forensic services, to which Ms. Murga agreed. Chair Carlton commented that was apparently the reason the remaining counties had not submitted a fiscal note on the bill.

Sergeant Corey Solferino, Legislative Liaison, Washoe County Sheriff's Office, stated that the Washoe County Sheriff's Office (WCSO) agreed with the comments from representatives of the LVMPD. The WCSO was in a similar predicament, and he thanked Assemblywoman Benitez-Thompson for working with WCSO to reach a common resolution. He explained that the WCSO contracted with counties throughout Northern Nevada to provide forensic services. Sergeant Solferino introduced Ms. Smyth-Roam who would address the fiscal note.

Lisa Smyth-Roam, Ph.D., Supervising Criminalist, Biology Unit, Forensic Science Division, Washoe County Sheriff's Office, stated that including the service provided to the various counties in Northern Nevada, the WCSO determined that it would receive an additional 350 sexual assault kits per year coming into its laboratory for testing with the passage of A.B. 97 (R1). That would require an additional six full-time DNA analysts and additional consumables. The WCSO would need personnel costs of \$720,612 and additional consumable costs totaling \$621,005, for a total of \$1.34 million per year to comply with the 120-day turnaround.

Chair Carlton asked whether the WCSO had considered the cost should the 120-day turnaround time be lengthened.

Ms. Smyth-Roam said she had also calculated the costs for a 180-day turnaround time, and those costs would be somewhat less at approximately \$1.2 million.

Assemblywoman Diaz said the fiscal note submitted by the WCSO included lab renovation expenses of \$300,000, and the fiscal note from the LVMPD had not included renovation expenses.

Ms. Smyth-Roam explained that the WCSO forensic lab was located in a basement and there was not sufficient room for six additional employees. Possibilities had been discussed about

additional space to process kits and additional desk space, which accounted for the fiscal note for lab renovation.

Alex Ortiz, Assistant Director, Clark County Department of Administrative Services, clarified that Clark County funded approximately 60 percent of the LVMPD's budget. Clark County extrapolated its cost to approximately \$1 million per year, based on the LVMPD's fiscal note of \$1.6 million.

Chair Carlton asked whether Clark County had discussed charging the other counties for the forensic services. Mr. Ortiz replied that it had not to his knowledge, but he would make further inquiries.

Chair Carlton said she would appreciate receiving additional information regarding that matter.

Chair Carlton said she would also like an answer to her question about the use of the Fund for the Compensation of Victims of Crime to process the sexual assault forensic evidence kits (SAFE kits), and she asked Assemblywoman Benitez-Thompson to provide information regarding who could answer her question about those funds. Assemblywoman Benitez-Thompson stated she would provide that information.

Chair Carlton asked whether there was further testimony to come before the Committee in opposition to or neutral on A. B. 97 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 122 (1st Reprint).

Assembly Bill 122 (1st Reprint): Revises provisions related to the manner in which the State Board of Examiners awards compensation to certain victims of crime. (BDR 16-305)

Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27, stated that Assembly Bill (A.B.) 122 (1st Reprint) related to victims of crime and who qualified to apply for compensation as a victim of crime.

Section 1, subsection 2 of the bill would change the wording in statute from a "resident" to a "person" as a qualifier for applying for compensation as a victim of crime. That change in wording created the fiscal note from the Victims of Crime Program within the Department of Administration, which appeared legitimate. However, one cost that needed additional explanation was the cost for translation and materials of \$45,000 in each year of the biennium.

Assemblywoman Benitez-Thompson believed that current forms and applications were available in both English and Spanish, and additional information would be needed to ascertain what other languages would be needed for the forms. The cost for hiring a bilingual administrative assistant seemed appropriate, considering Nevada's diverse population.

Chair Carlton asked about the additional costs for claim benefits, and whether it was assumed that there would be a significant number of additional claims.

Assemblywoman Benitez-Thompson said the fiscal note appeared somewhat unclear. The fiscal note indicated that based on the Pew Research Center's estimated undocumented population in Nevada of 7.2 percent, the working assumption appeared to be that all 7.2 percent would apply for compensation, which she did not believe would occur. There was a relatively small number of applicants who were denied during 2016 because of the citizenship requirement in statute.

There had also been discussion about allowing inmates to apply for victims of crime funds, but section 2 of the bill indicated that compensation could not be awarded to victims of certain kinds of crime, and that included persons who were injured while in prison or jail; that language was also in the original bill.

Chair Carlton asked about the number of claims that were actually denied. Assemblywoman Benitez-Thompson believed that approximately 50 claims had been denied, and she would verify that number and provide the information at a later date.

Chair Carlton asked whether there was further testimony to come before the Committee in support of A.B. 122 (R1).

Kristy Oriol, Policy Coordinator, Nevada Coalition to End Domestic and Sexual Violence, stated that the Coalition supported A.B. 122 (R1). Ms. Oriol submitted [Exhibit C](#), a letter dated May 22, 2017, copies of which had been presented to members of the Committee, and a copy of which was available on the Nevada Electronic Legislative Information System (NELIS).

Ms. Oriol stated that the Coalition did not believe that the anticipation of all 7.2 percent of the undocumented population applying for victim funds was accurate. The requirement to receive funding from the Victims of Crime Program would require cooperation with law enforcement and prosecutors. And while the bill would open funding opportunities for undocumented survivors and/or victims, the Coalition believed there would be hesitancy on the part of survivors or victims to come forward. Therefore, the Coalition did not expect the number of applicants to increase significantly.

However, said Ms. Oriol, there was an expectation that the numbers would increase because the funding would also be available to tourists, but again there would be some barriers. She emphasized that throughout the country there had been a growing concern that victims who came forward would be arrested and/or deported, even though during the investigation of the crimes, the citizenship of the victim would not be addressed. In addition, abusers would often use citizenship to threaten a victim by telling the victim that he or she could be arrested, deported, or lose custody of his or her children.

Ms. Oriol added that many undocumented victims were often able to speak English, and the legislation also covered foreign tourists, many of whom could speak English. The Victims of Crime Program was already serving many citizens throughout the state who spoke a variety of languages, and she was unclear why the costs were so high for translation of materials when many of those materials should already be translated. There were many survivors throughout the state who spoke multiple languages. Ms. Oriol said it was not as if the program was starting from the beginning to provide translated material.

Ms. Oriol said it was important to consider the cost of domestic violence for the state. *Forbes* magazine estimated that domestic violence cost \$8.3 billion annually in expenses for survivors of domestic violence through a combination of medical costs and loss of productivity. When victims were not receiving the necessary care for injuries they sustained, those injuries would continue and could result in higher costs.

Ms. Oriol asked Committee members to consider that fact when looking at the fiscal note. She stated that the Coalition urged the Committee to support A.B. 122 (R1).

Ms. Oriol advised that she was able to provide information regarding the number of applicants who were denied. The application currently indicated that if the applicant was not a U.S. citizen, he or she was not eligible to apply; however, some victims did apply and were denied, but many were deterred from applying for that reason.

Jon Sasser, representing Washoe Legal Services and Legal Aid Center of Southern Nevada, stated that Nevada and Alabama were the only states in the country that prohibited noncitizens from accessing victim of crime funds, and he believed that should be changed. Mr. Sasser voiced support for A.B. 122 (R1).

Assemblyman Hambrick wondered whether there had been an effort to determine whether tourists from foreign countries had some type of insurance, such as travel insurance, that might help the state recover some of the expenses so that Nevadans were not required to absorb 100 percent of the costs. He wondered whether there were other areas that could be explored to help offset the costs.

Chair Carlton said the language in statute currently did not provide assistance to victims of crime who were not U.S. residents, and she believed it would be difficult to track whether those victims had any type of insurance.

Assemblywoman Benitez-Thompson said the Victims of Crime Program was considered the payer of last resort; there could be no other funding sources available to the victim. It should also be noted that the funding was not from taxpayers, but rather was from fees generated from restitution, fines, and other sources.

Kristy Oriol stated that if a victim filed a claim to reimburse medical bills, that care would have to be obtained while the victim was in the United States. If a person returned to his or

her country of origin for medical care, the fund would not reimburse those costs; all costs had to be reimbursed within the United States.

Chair Carlton asked whether there was further testimony to come before the Committee in opposition to or neutral on A.B. 122 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 224 (1st Reprint).

Assembly Bill 224 (1st Reprint): Revises provisions relating to persons with disabilities. (BDR 39-780)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 224 (1st Reprint) would replace certain references to "related conditions" with the term "developmental disability" in certain provisions of the *Nevada Revised Statutes*. The Aging and Disability Services Division (ADSD), Department of Health and Human Services, had placed a significant fiscal note on the bill; however, ADSD confirmed with Fiscal Analysis Division staff that removal of the term "visual or hearing impairment" from the definition of "developmental disability" in the most recent amendment would remove the fiscal note. A May 12, 2017, mockup of the amendment that was provided to Fiscal Analysis Division staff would remove that term; therefore, there would no longer be a fiscal note attached to A.B. 224 (R1).

Assemblyman Richard Carrillo, Assembly District No. 18, stated that Ms. Frost was present in Las Vegas and would explain the aspects of the bill.

Charlene Frost, Statewide Family Network Director, Nevada PEP, stated she was also the mother of a young adult with a developmental disability. The bill was intended to accurately capture the population that was currently being served by the regional centers. For example, the current language in statute could potentially exclude those individuals with autism because it was listed as a DSM-5 diagnosis [*Diagnostic and Statistical Manual of Mental Disorders*] as well as the World Health Organization's *International Classification of Diseases*.

Ms. Frost explained the bill would make conforming changes with the exception of section 45. The amendment to A.B. 224 (R1) removed the term "visual and hearing impairments," which also removed the fiscal note from the bill and allowed it to move forward. The original intent was to attempt to serve more persons with disabilities through the regional centers so those persons could receive more and better services. However, given the fiscal note, that language was removed.

Section 45 served to codify the Workforce Innovation and Opportunity Act (WIOA). The portion of WIOA that would be codified was effective July 22, 2016, for any workers with disabilities under age 25 who were hired after the July 22 date. Therefore, any persons who were already working as of July 22, 2016, in a subminimum-wage environment would be excluded from section 45. The population addressed by the bill had to be employed at minimum wage unless they attempted, but failed, to meet any of the three

criteria that were required under WIOA. The bill did not affect anyone age 25 and over who was already working in a subminimum-wage environment. In addition, said Ms. Frost, any individual who was not able to meet any one of the three WIOA criteria and who was 25 and under would be eligible under federal law to work in a subminimum-wage environment.

Ms. Frost said the bill would provide youth and young adults more opportunities to thrive. That concluded Ms. Frost's presentation, and she stated she would be happy to answer questions.

Chair Carlton said by changing the language in section 45, the fiscal note had been eliminated. She asked whether there were questions from the Committee, and there were none.

The Chair asked whether there was further testimony to come before the Committee in support of A.B. 224 (R1).

Jon Sasser, representing the Legal Aid Center of Southern Nevada, stated he was also the Legislative Chair of the Nevada Commission on Services for Persons with Disabilities. The Commission voted unanimously to support A.B. 224 (R1), and Mr. Sasser said he urged the Committee members to support the bill.

Chair Carlton asked whether there was testimony to come before the Committee in opposition to A.B. 224 (R1).

Testifying from Las Vegas, Steve Cohen stated he was an adult self-advocate with autism. Mr. Cohen presented written testimony and a conceptual amendment to A.B. 224 (R1), [Exhibit D](#), copies of which had been presented to the Committees, and a copy of which was available on the Nevada Electronic Legislative Information System (NELIS).

Ms. Cohen said that he would like to discuss section 43, subsection 2; section 45, subsection 2; and section 52. He commented that one provider had recently closed, which meant that employees and clients would need to seek an alternate provider. Mr. Cohen believed there were two subclasses of providers and that included self-proprietors. He noted the age requirement and federal minimum wage requirement in the bill, but wondered if the providers were at capacity with staff and clients, how they could help new clients.

Chair Carlton asked Mr. Cohen to repeat the sections that he was concerned about because those did not appear to have a fiscal effect. Mr. Cohen replied that he was concerned about section 45, subsection 2; section 43, subsection 2; and section 52.

Chair Carlton asked whether there was further testimony to come before the Committee in opposition to A.B. 224 (R1).

Judith Koller stated she was the mother of two sons with disabilities and was on the board of the A Team NV. On behalf of many of the A Team NV members, Ms. Koller said she would

request that section 45 be eliminated from the bill. There needed to be jobs for people with disabilities, even if it was for a wage that reflected the person's abilities. Just because a person had a disability and might not be able to work competitively, that did not mean they should not have the opportunity to work at all. As written, section 45 would negatively affect people with disabilities who were still growing or in need of additional training. For that reason, A Team NV opposed A.B. 224 (R1).

Chair Carlton stated that section 45 had no fiscal effect. The Chair asked whether there was further testimony to come before the Committee neutral on A.B. 224 (R1).

Cara Paoli, Deputy Administrator, Developmental Services, Aging and Disability Services Division, Department of Health and Human Services, stated that the bill had gone through a number of revisions, and the Division was neutral on the bill at the present time.

Lisa A. Gianoli, representing Washoe County, wanted to put on record that with the amendments to A.B. 224 (R1), the county's fiscal note would be eliminated.

Ed Guthrie, CEO Emeritus, Opportunity Village, submitted written testimony to the Committee, Exhibit E, regarding A.B. 224 (R1), a copy of which had been presented to members of the Committee, and a copy of which was available on NELIS.

Mr. Guthrie stated that section 45, subsection 2, indicated that a provider of jobs and day-training services, "Shall not enter into a contract or other arrangement with any person or governmental entity to provide for the employment of a person under 25 years of age where the person will be paid less than the federal minimum wage." He said that did not reflect the provisions of WIOA. Those provisions were more specific and offered a number of other options so that an individual could be paid the federal minimum wage. The section of WIOA that covered the subminimum wage was regulated by the U.S. Department of Labor. When the state had different standards than those regulated by the U.S. Department of Labor, the state would then be required to regulate those standards, and therefore, there would be a fiscal note.

Chair Carlton asked whether there was further testimony to come before the Committee in support of, in opposition to, or neutral on A.B. 224 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 291 (1st Reprint).

Assembly Bill 291 (1st Reprint): Revises provisions relating to reports of presentence investigations and general investigations. (BDR 14-1076)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that the Division of Parole and Probation, Department of Public Safety, was required to include certain information related to the defendant's offense in a presentence investigation (PSI) report. The Division would be required to include any scoresheets or scales used to determine a recommendation. The measure would also allow a court order to be submitted to the Division to correct the contents of any investigation or PSI report within 180 days of the date on which the judgment of conviction was entered.

Ms. Jones stated that the Division of Parole and Probation indicated that there would be a fiscal note on the bill that required two new specialist positions and operating costs. Those costs were supported 70 percent by county reimbursement and 30 percent by State General Fund. The total cost in fiscal year (FY) 2018 included in the fiscal note was \$97,922, and the total in FY 2019 was \$123,505. The State General Fund appropriation in FY 2018 would be \$29,377 and in FY 2019, \$37,052 for those two positions that would be needed should the measure pass.

Assemblyman James Ohrenschall, Assembly District No. 12, explained that Assembly Bill (A.B.) 291 (1st Reprint) would ensure that the PSI reports were correct, which was very important. The changes in A.B. 291 (R1) would benefit the defendant, the prosecutor, the defense attorney, and the court because if there were errors in the PSI reports, the sentences would not be commensurate with what would be appropriate for the offender.

Additionally, A.B. 291 (R1) attempted to address the recent Nevada Supreme Court decision in the Stockmeier case. The Stockmeier decision [Stockmeier v. State, Department of Corrections, 122 Nev. Adv. Op. No. 35] indicated that if there was an error in the PSI report and it was not caught at sentencing, there was no means by which to correct that error. Assemblyman Ohrenschall said an error in the PSI could mean that the offender would spend more time incarcerated. The bill would provide a very limited window for correcting a PSI report, and that would be only if within 180 days after the final judgment of conviction was entered, both the defense attorney and the prosecutor stipulated to correcting the PSI report.

Assemblyman Ohrenschall believed there would be a very limited number of cases that qualified for the stipulations of the bill and the fiscal note from the Division of Parole and Probation should be more conservative, or perhaps there should be no fiscal note whatsoever. Assemblyman Ohrenschall did not believe that the floodgates would open because of the restrictions included in A.B. 291 (R1) when trying to correct an error in a PSI report.

Chair Carlton asked whether the correction of the PSI report would be before or after sentencing.

Assemblyman Ohrenschall stated the corrections would be made postsentencing. After the judgment of conviction was entered, the 180-day time frame would begin. That was the time limit when the defendant's attorney and the prosecutor could stipulate to correcting a factual error in the PSI report.

Chair Carlton said the fiscal note indicated that the workload to correct PSI reports was not taken into consideration when the JFA Institute report was completed, which prompted submittal of the fiscal note. It appeared A.B. 291 (R1) would have a much greater effect on the county than the state.

Assemblyman Ohrenschall said it was his understanding that 70 percent of the costs would be covered by the counties and 30 percent from the State General Fund.

Chair Carlton asked whether the changes would be technical or substantive changes; she noted that PSI writers currently did not go into the field to verify information, rather the information was received through self-attestation and investigations. She wondered whether additional investigative work would have to be done to ensure that the correction was accurate.

Assemblyman Ohrenschall said because both the defendant's attorney and the prosecutor would need to stipulate to the factual errors, he believed there would be no need for further investigation by the PSI writer. The correction, as agreed upon by both the defendant's attorney and the prosecutor, would be submitted to the Division of Parole and Probation.

Chair Carlton said it appeared if the two parties agreed on the correct language, then the PSI writer would not be required to conduct further investigation or verification.

Assemblyman Ohrenschall said the court would actually order that the PSI be corrected after the stipulation by the aforementioned parties; therefore, the PSI writer would not be required to conduct further investigation.

Assemblyman Steve Yeager, Assembly District No. 9, said he knew of only two examples where PSI corrections were attempted, but were not allowed, even though everyone agreed that the corrections should be made. The first case was when the race of the defendant was listed incorrectly in the PSI report, and that was a problem for the defendant during classification and housing in the institution. Everyone agreed that the race was wrong, but the court simply was not able to order a correction, nor was the Division of Parole and Probation able to make that correction. The importance was that the PSI report followed the defendant throughout his or her time in the Department of Corrections, followed him or her on parole, and if the offender ever ended up back in the system, that error would still follow him or her.

Assemblyman Yeager said the second example was a case that went to trial and the jury found that the defendant had not used a weapon in the commission of the crime. However, somehow the PSI report indicated that the defendant was found guilty of using a weapon in

the commission of the crime. The effect of that error was noted in the classification in the prison system. Even though everyone agreed that the PSI was incorrect factually, there was nothing that could be done.

According to Assemblyman Yeager, in crafting the language of A.B. 291 (R1), the intent was to acknowledge that in situations where the district attorney agreed there was an error and that some very important piece of information was incorrect, there would be the ability for the district attorney to stipulate to the court, and the court would decide whether to order a correction or change in the PSI report. The district attorney would be the gatekeeper of the policy, and the incarcerated defendant could not independently request a correction. He noted that the court did not have to order a correction. Assemblyman Yeager commented that at times the corrections happened presentencing and the court could prepare an order to the Division of Parole and Probation to make the correction and provide an amended PSI report.

Having discussed the bill with various district attorneys, Assemblyman Yeager opined that if the bill were enacted, there might be two to five cases per year throughout the state where corrections to the PSI report would be needed. The aforementioned two examples were the only cases he was aware of from the past several years.

Chair Carlton said the requirement of including the scoresheet and scales used by PSI writers could affect the fiscal note. She did not believe those documents were currently included when the PSI reports were provided to the courts, and there could be a verification process should those scoresheets and scales be included with the request for corrections in the PSI report. Those were very subjective documents, and she wondered whether that was part of the fiscal note.

Assemblyman Yeager did not believe the fiscal note included any costs for those documents. It typically took a court order or subpoena for those documents to be turned over to the courts. He reiterated that he did not think the fiscal note encompassed additional resources to comply with that provision of the bill.

Assemblyman Anderson asked about the fiscal note and the possible workload created by the process since Assemblyman Yeager had mentioned only two to five cases that might need to be corrected.

Assemblyman Yeager said the fiscal note basically stated that there was no mechanism to quantify the effect on the Division, but the Division believed there would be a workload increase. He could not speak to the reason why the Division believed there would be an increase. Assemblyman Yeager could not imagine a scenario that included an increased workload, and he believed there had been a disconnect in envisioning how the mandates of the bill would actually work in reality. The major point was that the incarcerated defendant could not initiate a request on his or her own—the request had to come from the defendant's attorney and the district attorney.

Assemblyman Anderson wondered whether the fiscal note of \$247,000 would be the State General Fund share or whether that was that the total cost.

Chair Carlton believed that was the 30 percent State General Fund. The fiscal note submitted by the Division changed the timeframe from 14 to 21 days and increased the hours for a PSI report to be completed.

Chair Carlton asked whether there was testimony to come before the Committee in support of A.B. 291 (R1).

John Jones, representing the Nevada District Attorneys' Association, concurred with comments by Assemblymen Ohrenschall and Yeager. The mechanism contained in the bill would be used sparingly, and there would be three separate gatekeepers built into the bill with respect to the provisions of amending a PSI report. There would be the defendant, who had to go through his or her defense attorney; the defense attorney, who had to approach the prosecutor; and if both the defense attorney and the prosecutor agreed, then they had to approach the judge to request the correction. Mr. Jones reiterated that the way the statute would be written, there would be three separate gatekeepers to prevent overburdening the Division with requests for PSI report corrections.

Chair Carlton wondered whether amending the PSI report would set off the first domino of amending other documents associated with that report to ensure that all information was the same.

Mr. Jones said that to his knowledge, the PSI report was the all-encompassing document, at least as far as the court was concerned, with respect to information about the defendant. The Department of Corrections might initiate other documents based on the information contained in the PSI report, but he was not familiar with the other documents.

Chair Carlton said she was curious about differing information on a police report and a PSI report and which one would be the controlling document.

Mr. Jones said the PSI report was the important document: that document was the one that controlled the official information about the defendant.

Chair Carlton asked whether there was further testimony to come before the Committee in support of, in opposition to, or neutral on A.B. 291 (R1).

Alex Ortiz, Assistant Director, Department of Administrative Services, Clark County, stated that Clark County was neutral on the bill and would remove a proposed fiscal note. When the bill was amended to remove Section 3, the county's fiscal note was no longer needed.

Stephanie O'Rourke, Major, Deputy Chief (North), Division of Parole and Probation, Department of Public Safety, stated that the Division was neutral on the bill. There had been much discussion about the effect of the bill on the Division, and Ms. O'Rourke explained that

the fiscal note resulted from the creation of a new mandate for the Division. Because there was no way to gauge the effect, the Division wanted to be prepared in the event there was an influx of corrections to PSI reports that had to be researched and resubmitted. Additionally, the Division was concerned with the delay of payment to victims when there was a restitution amount included in a PSI report that was being questioned.

Chair Carlton asked whether the Division would consider removing or revising the fiscal note regarding the number of staff that would be needed or whether the Division believed it would still need the additional staff.

Ms. O'Rourke said the Division did not know what the effect might be. She had discussed the matter with Assemblymen Ohrenschall and Yeager about what the district attorneys believed the effect would be. However, the Division still did not know what would occur; currently, no changes could be made to the PSI report after sentencing, and the effect of PSI report corrections was unknown until the process commenced.

Chair Carlton asked whether there was further testimony to come before the Committee on A.B. 291 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 303 (1st Reprint).

Assembly Bill 303 (1st Reprint): Requires that core correctional services be provided only by the State or a local government with certain exceptions. (BDR 16-1103)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 303 (1st Reprint) required, with certain exceptions, that all correctional facilities in the state that housed prisoners must be under the administrative and direct operational control of the state.

The amendment to A.B. 303 (R1) [amendment 341] removed the Department of Correction's fiscal note for approximately \$10.1 million in fiscal year (FY) 2018 and \$8.4 million in FY 2019. A new, unsolicited fiscal note was submitted after the bill was referred to the Assembly Committee on Ways and Means that indicated the amendment would delay the effective date of the provisions until June 30, 2022, which would allow the Department of Corrections to operate within the resources available to it for the upcoming biennium as included in The Executive Budget.

Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1, stated that the bill would ban for-profit prisons in Nevada. She also noted that there had been an amendment to the bill. She stated that she had formerly worked in the corrections field, and after talking with the Department of Corrections Director and assistant director, they indicated that the Nevada prison system suffered from severe overcrowding. She believed it was not safe for persons working within the prison facilities and for the inmates who were in the state's charge.

Assemblywoman Monroe-Moreno said she had worked under overcrowded conditions in the City of North Las Vegas, and she was aware first-hand that it was not safe for employees or staff. Accommodations had been made in the bill, and the effective date for city and county facilities would remain July 2017, but to accommodate the needed renovations at two state institutions, which would take approximately two years, the effective date was moved to 2022 for the Department of Corrections. The caveats to the amendment stipulated that the first inmates who would be moved out-of-state, whether housed in a state facility or a for-profit facility, would be those who were not residents of Nevada. Guidelines had been included in the bill about tracking those inmates, and ensuring that the out-of-state facility could accommodate videoconferencing for visits with family members and legal representation. The amendment also stipulated that the out-of-state facilities offer programs similar to those available in Nevada's facilities. By doing that, the fiscal note attached to the bill was eliminated.

Chair Carlton said it appeared the effective date of 2022 was to allow the proposed renovations at two Nevada facilities, and she asked which facilities would be renovated.

Assemblywoman Monroe-Moreno said she would defer that question to the Director of the Department of Corrections.

Assemblyman Anderson said the effective date had been deferred until 2022 because of concerns about overcrowding, which would address the current situation. However, he believed that might bind the hands of the Legislature's fiscal ability in the future and create an additional fiscal burden down the road, which future legislators would have to address.

Assemblywoman Monroe-Moreno stated that the goal of the bill was to outlaw for-profit prisons in Nevada, even though there were currently no for-profit prisons operating in the state. In the past, there were both an adult facility and a juvenile facility run by private industry with a number of negative outcomes. She indicated that A.B. 303 (R1) would address the fact that the state had learned from its mistakes and did not choose to repeat those mistakes. The fiscal note was not about having for-profit prisons in the state, rather it was about the overcrowding in the prison system, which was a significant concern that involved entities such as the State Board of Parole Commissioners and the Division of Parole and Probation.

Assemblywoman Monroe-Moreno opined that Nevada had a more significant problem with overcrowding that included ensuring that offenders were released when their terms were completed, or when they had been granted parole. Once offenders had been released from prison on parole, it was the role of the Division of Parole and Probation to ensure they followed the rules of their parole so they were not returned to prison at the first sign of problems.

Assemblyman Anderson agreed that there was a much larger problem, but he did not want to tie the hands of future legislators in providing solutions in the future.

Chair Carlton commented that legislators present during the 2019 Legislature could change that effective date. The recent budget closings supported inmates being moved out-of-state; there were a number of fiscal components involved in the process. The Chair said her concerns centered on the State Board of Parole Commissioners and releasing inmates in an appropriate amount of time, which also affected prison overcrowding.

Chair Carlton asked whether there were further comments or testimony to come before the Committee in support of A.B. 303 (R1).

Kevin Ranft, American Federation of State, County and Municipal Employees (AFSCME), Local 4041, stated that AFSCME supported A.B. 303 (R1). He noted that the bill was long overdue. The state had tried for-profit prisons, which failed miserably and cost the state money for litigation. Mr. Ranft said he was a former correctional officer and had seen firsthand what had occurred at the Florence McClure Women's Correctional Center in Southern Nevada when it was privately operated and the problems that created for administrators, legislators, and the staff who worked at the facility. Mr. Ranft said AFSCME strongly supported the bill and thanked the sponsor and the Director of the Department of Corrections for identifying the overcrowding problem along with the concerns about for-profit institutions.

Carter Bundy, AFSCME International, stated that AFSCME had faced private prisons throughout the country, and there were numerous problems. One primary concern was the workers at those facilities were given fewer rights, were paid less, never had access to a reliable retirement plan, and the healthcare was not as good as that offered by the state. Mr. Bundy said healthcare and retirement were very important for workers inside the facilities, which were incredibly difficult jobs. From the worker's perspective, AFSCME hoped that there were never any private prisons in Nevada that housed state and local inmates.

Mr. Bundy said another concern was that the state retained the liability but did not have control over how the private institutions were operated. In addition, private prisons would offer a lower price per bed, per night, per inmate, but once the facility was operational, the costs increased substantially, so in the end it was never as good a deal as portrayed.

Mr. Bundy stated that AFSCME urged the Committee's support for A.B. 303 (R1).

Chair Carlton asked whether there was further testimony to come before the Committee neutral on A.B. 303 (R1).

James Dzurenda, Director, Department of Corrections, stated that the first facility that needed renovation was the Southern Desert Correctional Center (SDCC), housing unit 8. The State Public Works Division, Department of Administration, had indicated the condition of the building was dangerous and inmates should be relocated; therefore, the 200 inmates housed in that unit would have to be removed to facilitate the renovation of the housing unit. That renovation was included in the 2017 Capital Improvement Program (CIP) for

completion. The second facility was not a renovation, but involved construction of a dormitory at the Northern Nevada Correctional Center (NNCC) for medical and/or mental health treatment for offenders in the system; that unit would include approximately 300 beds.

Chair Carlton believed those projects had been processed through the 2017 CIP and were in the works. Mr. Dzurenda stated that was correct.

Chair Carlton said she would like some assurance that as the projects were completed, the Nevada inmates would return from out-of-state.

Mr. Dzurenda said that was his hope as well; however, the Department had to consider the future, which included the number of inmates coming in and the number of inmates leaving because of parole or expiration of sentence. If those numbers continued as it was today, the Department would still have to deal with overcrowding in the future. His goal was to ensure that the environment at the facilities was as safe as possible, and he did not want to increase the number of offenders to the point where it would become unsafe. It was hard to determine the future population numbers, and Mr. Dzurenda believed the Department would require further CIP projects to accommodate inmates.

Chair Carlton said she appreciated that, but she remembered the saga of the Jean prison, which had sat empty ever since it had been renovated. She wanted to ensure that the projects were appropriate and ensure that if a Nevada resident was incarcerated that he or she would remain in-state. It was difficult enough to have a family member incarcerated, much less have that family member sent out-of-state where no visitation could occur. She would like some guarantees from the Department that it would do everything possible to keep Nevada inmates in Nevada.

Mr. Dzurenda said that was also his goal. He indicated that one use of out-of-state housing was to deter gang activity such as extortion from occurring; he hoped to keep the violence and extortion activities under control at the prison facilities.

Chair Carlton asked whether there was further testimony to come before the committee on A.B. 303 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 326 (1st Reprint).

Assembly Bill 326 (1st Reprint): Revises provisions relating to reports of presentence investigations and general investigations. (BDR 14-1117)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, said Assembly Bill (A.B.) 326 (1st Reprint) would provide a process for disclosure of documentation and supporting information in presentence investigation (PSI) reports of a defendant's gang affiliation or membership. If the defendant disputed the documentation, the Division of Parole and Probation, Department of Public Safety, or the prosecuting attorney had to show clear and convincing evidence that the information was inaccurate.

The measure also authorized a court order to the Division to correct the contents of a PSI report or general investigation report if the defendant or prosecuting attorney stipulated to the correction within 180 days.

Ms. Jones said the fiscal note from the Division of Parole and Probation, Department of Public Safety, was identical to the fiscal note for on Assembly Bill (A.B.) 291 (1st Reprint), in which the Division believed it would need two new specialist positions with 70 percent of the costs paid through county reimbursements and 30 percent paid from the State General Fund. The total cost was \$97,992 in fiscal year (FY) 2018 and \$123,505 in FY 2019, of which the State General Fund share would be \$29,377 in FY 2018 and \$37,052 in FY 2019.

Fiscal Analysis Division staff was unsure whether both fiscal notes would be required should both bills pass, or whether two positions could cover both bills because the fiscal notes were identical.

Assemblyman William McCurdy II, Assembly District No. 6, said that in the area where he grew up, he could have easily gone down either path, and he had seen many young people make the wrong decision. However, whether a person was or was not affiliated with a gang, he or she should have an opportunity to dispute the information and have an opportunity for fair and equitable justice. Assemblyman McCurdy said he also understood the need to hand down harsher punishment for those who had been or were currently affiliated with a gang, but he hoped the bill would pass. Assemblyman McCurdy acknowledged that A.B. 326 (R1) was very similar to A.B. 291 (R1).

Chair Carlton said it appeared that the provisions in A.B. 326 (R1) could be encapsulated in A.B. 291 (R1), to which Assemblyman McCurdy agreed.

Chair Carlton believed that would alleviate the second fiscal note, leaving only one fiscal note to address all provisions contained in both bills. She asked whether Assemblyman McCurdy had spoken to the Division regarding the fiscal note.

Assemblyman McCurdy said he had reached out, but had not received any information from the Division.

Chair Carlton asked whom Assemblyman McCurdy had reached out to, and he replied that he could not think of the name of the person. Chair Carlton asked that he provide that information to her at a later date.

Chair Carlton asked whether the correction would be preconviction or postconviction; she noted that the time frame of 180 days applied to both bills.

Assemblyman Steve Yeager, Assembly District No. 9, said he would like to clarify the record regarding the provisions in section 2 of A.B. 326 (R1) that mirrored the language included in A.B. 291 (R1), and which indicated the corrections would be made within 180 days after conviction. However, section 1 of A.B. 326 (R1) indicated that the factual

content of the PSI report would be provided to the court no later than 14 days before the defendant would be sentenced, which was preconviction. Disputes sometimes occurred prior to sentencing, but there was no current procedure in place about how the court should handle those disputes. The intent of section 1 of A.B. 326 (R1) was to put a procedure in place that he hoped would resolve the gang membership concern sooner and would allow the defendant to be transported from the county facility to a state facility in a timely manner.

Chair Carlton asked whether that 14-day time frame would affect the completion of the PSI reports. Should the information be contested, she wondered how the Division would ensure that the information could be validated within 14 days. The question was whether the Division would need additional staff to meet that mandate.

Assemblyman Yeager did not believe the time frame would affect the Division. Currently, the report was prepared, and if the defendant disputed the gang membership listed, the court considered that information at time of sentencing, which usually led to delays of up to 60 days. Section 1 of the bill stipulated that if it appeared reasonably likely that the defendant was disputing gang membership, then the bill would ensure that the verification documentation traveled with the PSI so the court could resolve that dispute at the time of sentencing rather than needing a continuance of up to 60 days. He opined there could be scenarios where there were delays, but he did not think that would occur.

Currently, said Assemblyman Yeager, the PSI writer in Las Vegas simply had to call the Las Vegas Metropolitan Police Department in Southern Nevada and ask whether the defendant was listed as a gang member in its gang database, which required either a yes or no response.

Chair Carlton said it appeared that that the bill would provide another piece of information that was currently not being provided.

Assemblyman Yeager agreed that the information was not currently being provided with the PSI report, but he noted that in cases where there was a dispute, the information was ultimately provided but that also delayed the sentencing up to 60 days. He pointed out that not all defendants disputed gang membership, and in many cases, the defendants wanted everyone to know they were gang members. A dispute about gang membership would be the exception rather than the rule.

Chair Carlton asked whether there was further testimony to come before the Committee in support of, in opposition to, or neutral on A.B. 326 (R1).

Stephanie O'Rourke, Major, Deputy Chief (North), Division of Parole and Probation, Department of Public Safety, stated that the Division would only need two additional specialist positions. The fiscal note was for the extra time needed to correct the PSI reports in 120 days.

Chair Carlton asked whether there was further testimony to come before the Committee on A.B. 326 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 327 (1st Reprint).

Assembly Bill 327 (1st Reprint): Revises provisions relating to records of criminal history. (BDR 14-658)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 327 (1st Reprint) would authorize a person who was dishonorably discharged from probation to apply to a court for the sealing of records related to the conviction, if he or she was otherwise eligible to have the records sealed, and, if upon filing a petition for sealing of the records, there was a rebuttable presumption that the records should be sealed if the applicant satisfied all statutory requirements for sealing of the records.

Ms. Jones said the reason A.B. 327 (R1) was being heard was that the Department of Public Safety indicated in an April 9, 2017, fiscal note that the Central Repository's computerized criminal history system did not capture the release information or discharge information from parole or probation; therefore, a programming modification would be required. An estimate provided to the Department from the Division of Enterprise Information Technology Services (EITS) of the Department of Administration, indicated the programming would cost \$30,938. However, a May 3, 2017, letter from the Department of Public Safety indicated that because the bill had been amended to remove section 11, the fiscal note for the programming costs would also be removed. Ms. Jones said the Department had indicated there could be a workload increase that would result in the need for the Department to approach the Interim Finance Committee (IFC) should additional staff be needed.

Assemblyman William McCurdy II, Assembly District No. 6, stated the fiscal note had been removed from A.B. 327 (R1) and he would be happy to answer questions.

Chair Carlton asked about section 11, which had been deleted.

Assemblyman Steve Yeager, Assembly District No. 9, stated that section 11 was a provision that would have required the Central Repository, after a certain period of time, to automatically remove from its database certain misdemeanor and gross misdemeanor convictions. Testimony from representatives of the Central Repository indicated that determining how to comply with that provision would have been very labor-intensive, so ultimately that section was removed. The current revised bill would require a person to file a petition to have his or her records sealed, which would generate the workload for the Central Repository.

Chair Carlton asked whether there was testimony to come before the Committee in support of A.B. 327 (R1).

Jon Sasser, representing the Legal Aid Center of Southern Nevada, stated that the bill came about because of an event involving a group of judges, law enforcement officials, attorneys,

and prosecutors who were attempting to seal a number of records for persons so those persons would have access to employment. That group had become very frustrated with the process and how long it took and was still trying to wrap up some of those cases. The group worked together with a large coalition who came up with the idea for the bill.

Chair Carlton asked whether there was testimony to come before the Committee in opposition to or neutral on A.B. 327 (R1).

Don Soderberg, Director, Department of Employment, Training and Rehabilitation, stated the Department was neutral on the bill, but wanted to point out that the Department viewed any type of criminal record sealing as a workforce issue. The Department was not expert in the area of criminal justice, but having a felony conviction was in many cases a complete bar to applying for the new Nevada jobs the state was trying to promote, regardless of a person's level of rehabilitation and qualifications. Mr. Soderberg said the Department believed that anything that made it easier for persons who had been successful at rehabilitation to seal their records would have a positive effect on the workforce.

Mr. Soderberg said he had participated in the event referred to by Mr. Sasser and had walked away with the same frustration as the others because it was extremely difficult to seal a record. Once a judge determined that a person was rehabilitated and his or her record should be sealed, the mechanics of accomplishing that were very difficult. He reiterated that the Department considered it a workforce issue, not just a criminal justice issue.

Chuck Callaway, representing the Las Vegas Metropolitan Police Department (LVMPD), said LVMPD had submitted a fiscal note on the bill, which was part of a cumulative fiscal note that encompassed four bills that dealt with the sealing of records. The records section of the LVMPD believed that should all bills pass, there would be a significant increase in the workload, which would require an expansion of the sealing of records team.

The fiscal note would equal approximately \$286,000 for all four bills. Mr. Callaway said it was difficult to determine the exact fiscal effect of passage of those bills. He explained that in A.B. 327 (R1), the waiting period to apply for sealing a record for a category-B felony would be reduced from 15 years to 5 years. Because of that reduction, the LVMPD could have more people requesting that their records be sealed.

Mr. Callaway stated that the LVMPD did not charge a fee for sealing a record. The courts collected such a fee, but LVMPD did not receive any portion of those fees, even though it did about 70 percent of record-sealing work, which included pulling the appropriate records and redacting and sealing. Mr. Callaway stated the LVMPD would like to see a bill that would allow it to collect a fee not to exceed the costs of sealing the records.

Chair Carlton asked how much the court charged for sealing a record. Mr. Callaway said he did not know the exact figure, but believed it was about \$200.

Chair Carlton and Mr. Callaway discussed the figures included in the fiscal note that encompassed all four bills dealing with sealing of records.

Chair Carlton asked whether there was further testimony to come before the Committee regarding A.B. 327 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 354 (1st Reprint).

**Assembly Bill 354 (1st Reprint): Revises provisions relating to employment practices.
(BDR 18-275)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 354 (1st Reprint) required the Director of the Department of Employment, Training and Rehabilitation (DETR) to provide the Director of the Legislative Counsel Bureau with quarterly reports pertaining to the unemployment rate of residents of Nevada by county and other unemployment information disaggregated by demographic factors.

The bill required the Office of Workforce Innovation, Office of the Governor to submit to the Legislative Counsel Bureau an annual report regarding the statewide longitudinal data system. Ms. Jones said a fiscal note was submitted by DETR on the amended version of the bill that indicated an effect of \$2,614,784 in fiscal year (FY) 2018 and \$3,168,628 in FY 2019 for additional data collection efforts that DETR believed would be required.

Ms. Jones referred to [Exhibit F](#), proposed amendment 4621 to A.B. 354 (R1), which clarified that the information to be provided regarding demographics for those who were unemployed in the state would be compiled from information currently available to DETR. If that amendment was adopted, DETR believed that would remove the fiscal note, as long as it was clear that the information to be collected and compiled regarding the demographics was from existing information within its systems.

Assemblywoman Dina Neal, Assembly District No. 7, stated that the proposed amendment was a good amendment because the impetus of the bill was to start compiling data by demographics on the website and to prompt activity should any of the subgroups experience double-digit unemployment, along with providing longitudinal data. The amendment would allow the existing data to be placed on DETR's website so it was readily available to everyone and the Governor's Workforce Investment Board and other entities could actually act on that information and engage in workforce development around the subgroups with double-digit unemployment.

In the absence of Chair Carlton, Vice Chair Sprinkle asked whether there were further questions from the Committee, and there being none, the Vice Chair asked whether there was testimony to come before the Committee in support of, in opposition to, or neutral on A.B. 354 (R1).

William D. Anderson, Chief Economist, Research and Analysis Bureau, Department of Employment, Training and Rehabilitation, indicated that the type of information that was being requested in the bill was readily available at the national level. That information was reported by the U.S. Bureau of Labor Statistics every month in a news release titled "The Employment Situation." Even though that information was at the national level, with one "tweak" Mr. Anderson said DETR could report that information at the state level. He stated DETR had been looking at the unemployment rate by age, gender, race, and veteran status for a few years. However, there was no information available below the state level for the counties.

Mr. Anderson said there were some options that might be considered. As presented, A.B. 354 (R1) called for demographics of unemployment rates at the county level. He indicated that DETR could conduct a current population survey in Nevada, but that would require increasing research staff tenfold to accomplish that task, hence the fiscal note attached to the bill. The Department could also limit its focus to those persons who were part of the Unemployment Insurance (UI) system at no cost. Rather than looking at the population as a whole, DETR could look at the workers in the UI system who were without a job.

According to Mr. Anderson, the U.S. Census Bureau produced some information as part of the "American Community Survey," which contained the information that the bill requested at the county level.

Mr. Anderson suggested that the information available on the state, which was reported every month, could be repackaged on a quarterly basis; that information could also be supplemented with additional county-specific information.

Mr. Anderson referred to Exhibit G, a document titled "Nevada Perspectives, Nevada Labor Force Demographics Overview," which had been compiled by DETR staff to give the Committee an idea of the information that could be provided by DETR. A copy of Exhibit G had been presented to members of the Committee, and a copy was available on the Nevada Electronic Legislative Information System (NELIS).

Vice Chair Sprinkle said it appeared that DETR was in agreement with the proposed amendment (Exhibit F), and by using information currently available to DETR, the fiscal note could be removed from the bill.

Mr. Anderson stated that was correct. However, DETR did not have information at the county level because that information simply did not exist, and DETR would have to generate that information. If the information was gathered on a statewide level, and DETR could supplement that information with the information provided by the U.S. Census Bureau, even though that information was not current, the information could be provided.

Assemblyman Anderson asked whether the information would be actionable if it included some older demographic data from the U.S. Census Bureau that was applied to today's unemployment data.

Mr. Anderson believed it would be actionable. For instance, he stated that over the last 12 months, the unemployment rate for African Americans was 11.8 percent. The DETR could review the available U.S. Census Bureau information on a county basis, even though it could be one to two years old. That specific example, for all intents and purposes, would only affect two counties—Clark and Washoe. There were approximately 123,000 African American employees in Nevada's workforce, about 113,000 in Clark County and 9,000 in Washoe County.

Assemblyman Anderson said based on the lack of data on the demographic side, DETR did not see much of a population shift, and because of the workforce concentration in specific counties, the statistics would be fairly reliable over a long period as opposed to the unemployment rate that appeared to change quite dramatically. Mr. Anderson concurred.

Having returned to the hearing, Chair Carlton asked whether there were further questions or comments from the Committee.

Assemblywoman Bustamante Adams stated that when A.B. 354 (R1) was heard by the Assembly Committee on Commerce and Labor, a statement was made by DETR that the county information was accessible and the information had been collected before through a hired contractor. If DETR were to limit the information to only Clark County and Washoe County, Assemblywoman Bustamante Adams wondered whether a fiscal note would remain.

Mr. Anderson said he was not aware of the testimony from the previous hearing. There simply was no information available about the unemployment rates by gender, race, age, veterans, or persons of color at the county level and that included Clark and Washoe Counties. The DETR would have to generate that information, and that would create a fiscal note.

Assemblywoman Bustamante Adams said if the information was limited to Clark County and Washoe County, and DETR hired a contractor to conduct those surveys for a certain demographic, such as those in the category of double-digit unemployment rates, she wondered what the fiscal note would entail.

Mr. Anderson said the national-level survey was of 60,000 households across the nation on a monthly basis. It was his understanding that the cost of that survey was approximately \$60 million per year, and it required between 125 and 150 economists in Washington, D.C., to run that program. Mr. Anderson said he did not know how many households would need to be surveyed to conduct a similar survey in Clark County and Washoe County, but it would be a very labor-intensive effort on the part of DETR. He believed that would create a significant fiscal note.

Assemblywoman Bustamante Adams commented that she did not believe it would be as complicated as Mr. Anderson presented.

Assemblyman Edwards said Mr. Anderson had mentioned several national reports, and if those reports covered Clark County and Washoe County, they could provide information regarding unemployment on a continuous basis, which would eliminate the need for another report. He asked whether there was something special about the reports requested in A.B. 354 (R1) that would give the state better information.

Chair Carlton said it was her understanding that the information was already available, but the bill would compile that information in one place for easy access.

Assemblyman Edwards said it appeared that the information available at the national level, would already cover the information requested in the bill. Chair Carlton believed the national information did not provide state data.

Assemblywoman Diaz asked whether DETR was hired as the vendor to conduct national unemployment surveys.

Mr. Anderson said DETR was paid to conduct those surveys by the U.S. Bureau of Labor Statistics. The Research and Analysis Bureau at DETR worked with the U.S. Bureau of Labor Statistics and conducted surveys on its behalf in Nevada. There was a sister agency in every state that also compiled such information, and both the employment and unemployment statistics were coordinated by the U.S. Bureau of Labor Statistics.

There being no further testimony, Chair Carlton asked Assemblywoman Neal to address Assemblyman Edwards' concerns.

Assemblywoman Neal explained that the information was being collected at the state level but it was not available in one place. The first part of the bill would make that information available to interested parties on DETR's workforce website. The second part of the bill specified that once the information became widely known, the Governor's Workforce Investment Board and local workforce boards could engage those groups that had double-digit unemployment rates. The bill contained criteria that would alert the Governor's Workforce Investment Board and the local workforce boards to take action regarding those groups. There were varying unemployment levels throughout the state, and if the information was not readily available, no action could be taken. That was the first problem: the information was not readily available; DETR actually had a webpage titled "Workforce," but it did not contain the information by demographics.

Assemblywoman Neal said the Assembly Committee on Commerce and Labor heard a bill about the unemployment data system that attempted to determine how many persons remained out of the system because they collected extended unemployment benefits. That Committee heard testimony that a vendor had been hired, and in one day that vendor had secured the county and city data and determined that 2,700 persons would be affected if that

bill passed. That led Assemblywoman Neal to believe the state could get the information, and use that information in a timely manner. Through several conversations, information was provided about how the data had been produced.

Chair Carlton asked whether there was further testimony to come before the Committee regarding A.B. 354 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 366 (1st Reprint).

Assembly Bill 366 (1st Reprint): Creates four behavioral health regions in this State and a regional behavioral health policy board for each region. (BDR 39-987)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 366 (1st Reprint) would create four behavioral health regions in the state. There was a fiscal note of \$12,501 in each fiscal year for meetings of the groups; however, a May 11, 2017, letter from the Division of Public and Behavioral Health, Department of Health and Human Services, indicated that the meetings could occur via videoconference or teleconference, thus removing the fiscal note from the bill.

Assemblyman Nelson Araujo, Assembly District No. 3, said A.B. 366 (R1) had been four years in the making. The bill originated from the many stakeholders of the Southern Nevada Forum, which was a group of over 100 community leaders who were focused on a variety of dire concerns that required the Legislature's attention. As the Forum held ongoing discussions, at the top of every list was the need to address mental health options and determine how to further grasp the concerns that were affecting the local communities and ensure that those concerns were prioritized.

From those discussions arose the idea of creating four mental behavioral health regions with four mental behavioral health boards that would advise the Division and a commission on public and behavioral health. Assemblyman Araujo said while the idea had originated as a Southern Nevada Forum priority, he noted that many stakeholders from throughout the state had joined forces to help create A.B. 366 (R1). The bill contained ideas from various leaders around the state.

Assemblyman Araujo said he was grateful that the Division of Public and Behavioral Health had agreed to remove the fiscal note. The bill created regional boards that would meet in each region, which would allow persons to participate in ideas that the Division was currently developing. Furthermore, there would be no need for per diem because the work would be conducted by the current mental health coordinator positions within the Division.

Assemblyman Araujo said he was very excited about the bill and believed it would lay the groundwork for some incredible policy and funding recommendations that would help move the state forward in the area of mental and behavioral health.

Chair Carlton asked whether there was testimony to come before the Committee in support of A.B. 366 (R1).

Robin V. Reedy, Director of Operations, Friends in Service Helping, stated she was representing the National Alliance of Mental Illness (NAMI) in Nevada. Ms. Reedy said she was in support of the bill, but was not in support of removing the fiscal note. Having 20 years of experience within the state of Nevada as a member of various boards, she did not know how four different boards could meet technologically or in person without spending some money. She wondered how the public would know about the meetings. Ms. Reedy said NAMI supported the policy aspect of the bill to deal with the concerns in four separate regions, but found it difficult to understand how that could be done without spending money.

Chair Carlton said the fiscal note removed the travel expenses and the meetings would be conducted via videoconference or teleconference.

Chair Carlton asked whether there was further testimony to come before the Committee in opposition to or neutral on A.B. 366 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 402 (1st Reprint).

Assembly Bill 402 (1st Reprint): Proposes to exempt sales of feminine hygiene products and diapers from sales and use taxes and analogous taxes. (BDR 32-830)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 402 (1st Reprint) related to taxes on retail sales, providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to provide an exemption from the tax for feminine hygiene products and diapers and providing for the exemption from certain other taxes.

Ms. Jones said the Office of the Secretary of State submitted a fiscal note of \$69,897 for the costs associated with publications for a ballot question. Those costs were typically paid through the Statutory Contingency Account administered by the State Board of Examiners. Ms. Jones noted that Assembly Bill 499 replenished that Account with an appropriation of \$2 million for the upcoming biennium: the Account currently had a balance of \$1.3 million.

The Department of Taxation fiscal note indicated that if the question regarding the Sales and Use Tax Act was approved by the voters, the Department was unable to determine how revenues would be reduced by the measure.

Assemblywoman Sandra Jauregui, Assembly District No. 41, stated A.B. 402 (R1) would attempt to eliminate the sales tax from feminine hygiene products and diapers. If the bill passed and was signed by the Governor, the question had to be determined by the voters in 2018.

Assemblywoman Jauregui said the bill was important to her because it would protect the very people she was here to represent—women and Nevada's hard-working families. She believed the bill was necessary because the cost of diapers placed a huge financial burden on Nevada's most at-risk families. Infants used on average 240 diapers per month, costing a family nearly \$80 per month. Diapers were not covered by Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), or the Special Supplemental Nutrition Program for Women, Infants & Children (WIC).

Assemblywoman Jauregui noted that 30 percent of mothers reported that they were unable to afford to change their child's diaper as often as they would like, and cloth diapers were not an option for many families because they were not allowed at laundromats and child-care facilities. Low-income families ended up paying more for diapers because they could not buy online or in bulk. Currently, 12 other states exempted diapers from sales tax.

At the end of 2016, there were 105,721 infants and children under the age of three. Nearly 25 percent of those were families living at or below 100 percent of the federal poverty level. According to the 2010 Census, 7 percent of all Nevada households were single-mother households.

Assemblywoman Jauregui stated that not only did single-mother households pay a tax on diapers, they also paid a tax on feminine hygiene products. Buying menstrual products was not a choice for women, but rather was a necessity that continued for approximately 40 years of their lives. The bill would take the first step in making those necessities affordable for women.

There was no equivalent health product that was used by one gender on a monthly basis for approximately 40 years of his or her life. The bill attempted to address the many gender inequities that women faced. Assemblywoman Jauregui commented there was also a pay gap; currently women earned 83 cents to every dollar earned by their male counterparts. Many studies had shown that gender pricing led women to pay \$2,161 more per year for the same goods and services purchased by men.

Assemblywoman Jauregui said Nevada had a unique opportunity because the Legislature was composed of 40 percent women, and it was the members' opportunity now to stand up for women and stand up for working families: the bill was an opportunity to give them a tax break.

Chair Carlton said it appeared there was no firm estimate on the future cost of A.B. 402 (R1).

Assemblywoman Jauregui stated that was correct.

Assemblyman Sprinkle stated the fiscal note from the Secretary of State's Office was for \$69,897 from the Statutory Contingency Account.

Ms. Jones explained that the Secretary of State could use reimbursement from the Statutory Contingency Account for the cost of printing and publicizing the ballot questions. That was a normal cost from that Account.

Assemblyman Sprinkle said that technically, the bill would not have a fiscal effect on the Secretary of State's Office.

Ms. Jones said that was correct; the fiscal effect would be to the Statutory Contingency Account, which was replenished each biennium similar to the Interim Finance Committee (IFC) Contingency Account, so there were sufficient funds available to cover costs that qualified for reimbursement from the account.

Chair Carlton asked whether there was testimony to come before the Committee in support of A.B. 402 (R1).

Elisa Cafferata, representing Nevada Advocates for Planned Parenthood Affiliates, stated that Planned Parenthood had supported the bill on the policy side, and hoped that the Committee would support the fiscal note that would give voters an opportunity to weigh-in on the question. Ms. Cafferata said legislators had not placed a tax on feminine products and diapers, they were simply a part of the tax structure. She urged the Committee to give the voters a chance to weigh-in on the question.

Jared Busker, representing the Children's Advocacy Alliance, stated for the record that the Alliance supported A.B. 402 (R1).

Chair Carlton asked whether there was further testimony to come before the Committee in opposition to or neutral on A.B. 402 (R1).

Wayne Thorley, Deputy for Elections, Office of the Secretary of State, said he did not have much to add about the fiscal note. As indicated, the fiscal note would affect the Statutory Contingency Account and was attached to the bill to indicate the cost associated with publishing certain information in newspapers prior to each election. He stated he would be happy to answer questions.

Chair Carlton asked whether the costs were the same for any type of petition or question that would go on the ballot and whether it was part of the cost of doing business to put questions before the voters.

Mr. Thorley stated that was correct. The dollar amount of the fiscal note was based on the actual costs for the four ballot questions on the ballot in 2016 and was an average of those costs. There was a cost every time a ballot question appeared on the ballot: state law required the Secretary of State's Office to publish certain information leading up to an election.

Cheryl Blomstrom, Interim President, Nevada Taxpayers Association, said she would like to discuss the policy of exempting any tax. The broader the base, the lower the rate would be, and there were two taxes that were evaluated by the Economic Forum and failed to perform. One of those was the sales tax that declined from the December 2016 forecast to the May 2017 forecast. The bill would add another exemption, even though it was only for feminine hygiene products and diapers.

Ms. Blomstrom said there were a series of proposals for exemption from sales tax, and the rate needed to increase to perform the way the Legislature expected it to. Additionally, the Local School Support Tax (LSST) would be exempted from the tax, and she appreciated the fact that the question would be presented to the voters. The LSST would be replenished by the State General Fund through the Distributive School Account. That meant the state would take a double hit on the exemption—both the percentage of sales tax that went to the state as well as making up for the reduction in LSST.

Chair Carlton asked whether there was further testimony to come before the Committee on A.B. 402 (R1), and there being none, the Chair closed the hearing and opened the hearing on Assembly Bill 417 (1st Reprint).

Assembly Bill 417 (1st Reprint): Creates the Nevada Main Street Program within the Department of Tourism and Cultural Affairs. (BDR 18-1053)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 417 (1st Reprint) created the Nevada Main Street Program within the Department of Tourism and Cultural Affairs. There was a State General Fund appropriation of \$500,000 to the Interim Finance Committee (IFC) Contingency Account that the Department could access for the operation of the program and to provide grants to designated local Main Street Programs.

Assemblywoman Heidi Swank, Assembly District No. 16, wanted to make sure everyone knew what the Main Street Program entailed. The program was sponsored by the National Trust for Historic Preservation, but was more of an economic development tool rather than a historic preservation tool. Nevada was one of about eight states that did not currently have a Main Street Program. The program would put into place a state coordinator who would work with the national program and who would act as the go-between between the national program and the individual communities who had their own coordinators.

Assemblywoman Swank said the coordinator would help by bringing in onsite visits and training, orientation programs for executive directors, commercial district revitalization workshops, vision development for downtowns, work-plan development, year-end assessment reviews, and access to grants. Many times, the Main Street Programs ended up in small towns, but there was no reason why Water Street in Henderson, Main Street in Las Vegas, and Virginia Street in Reno could not take advantage of the economic development tools that came with the program.

Assemblywoman Swank said one example of the effect of the program was in Rawlins, Wyoming, a town of about 9,000 persons. The building vacancy rate in downtown Rawlins went from just over 40 percent to 10 percent under the Main Street Program. The program created over 200 jobs and 28 new businesses in that town.

There was an amendment to the bill. Assemblywoman Swank said she had received a telephone call from the Office of Economic Development, Office of the Governor (GOED), requesting that the program be moved into that office, and she said she was happy to do so. The fiscal note was also reexamined: the starting cost was \$500,000 and that was reduced to \$350,000. Each fiscal year, a minimum of five cities would have to participate in the Main Street Program for it to operate in the state, and the cost was \$20,000 a year, per city at the state level. That money would also help GOED cover part of the full-time-equivalent (FTE) position needed to run the program. The remaining funding would be start-up funding for programs throughout the state.

Chair Carlton explained that the amendment would move the program to GOED, and GOED would provide the administrative services, which would help to lower the fiscal note. She asked whether that was correct.

Assemblywoman Swank replied that GOED would cover most of the administrative costs, but would need about \$20,000 to \$50,000 from the amount in the fiscal note to help cover the FTE position.

Assemblyman Sprinkle wondered whether the funding of \$350,000 would also be placed in the IFC Contingency Account, and GOED would have to request the funding. Assemblywoman Swank replied that requirement would remain in place.

Chair Carlton asked whether there was testimony to come before the Committee in support of A.B. 417 (R1).

Wes Henderson, Executive Director, Nevada League of Cities and Municipalities, thanked Assemblywoman Swank for bringing the bill forward. The League actually brought a similar bill in 2015, Senate Bill 51 of the 78th Session (2015), but that bill did not pass because the funding was not included in The Executive Budget, which was difficult for an outside agency. The League supported A.B. 417 (R1) on the policy side from Las Vegas, Henderson, Reno, Sparks, Fernley, Wells, Carson City, Gardnerville, and Minden. Mr. Henderson pointed out that the towns of Gardnerville and Minden already had main street programs, but they were not official, and there were certain grants those two towns could not apply for.

Mr. Henderson stated that the Main Street Program was a good program for economic development, historic preservation, tourism, and the economy and quality of life in the cities that had main street programs. The League asked that the Committee view the \$350,000 funding request as an investment in Nevada.

Chair Carlton asked about the return on investment that had been realized in other places. Mr. Henderson replied that testimony provided in 2015 was that the average return on investment was for every public dollar spent, \$21 came back. When the bill was considered by the policy committee, there were examples in the range of \$35 to \$40 return on investment.

Chair Carlton asked whether those examples had been presented to the policy committee, and Mr. Henderson replied that was correct.

Ms. Jones referred to [Exhibit H](#), proposed amendment 4483 to [A.B. 417 \(R1\)](#), which would move the program to the Office of Economic Development, Office of the Governor (GOED) from the Department of Tourism and Cultural Affairs, and would reduce the amount requested for the program to \$350,000 from \$500,000. Copies of [Exhibit H](#) had been presented to members of the Committee, and a copy was available on the Nevada Electronic Legislative Information System (NELIS).

Chair Carlton asked whether there was further testimony to come before the Committee on [A.B. 417 \(R1\)](#).

Thomas A. Dallaire, P.E., Town Manager/Engineer, Town of Gardnerville, stated that Gardnerville's Main Street Program had been operational since 2008. The vacancy rate in town had decreased, even though there were currently a few vacant spaces. He stated that the Town Board of Gardnerville was in support of the bill and looked forward to working with GOED. Representatives from GOED had attended the Gardnerville Main Street Conference the last three years. Mr. Dallaire believed the program was beneficial to communities, and he hoped that the Committee would support the bill.

Mr. Dallaire said he had submitted written testimony ([Exhibit I](#)), copies of which had been presented to members of the Committee, and a copy of which was available on NELIS.

Debbi Lehr, Executive Director, Main Street Gardnerville, said she supported [A.B. 417 \(R1\)](#) and had submitted a letter in support to the Committee ([Exhibit J](#)), copies of which had been presented to Committee members, and a copy of which was available on NELIS.

Chair Carlton asked whether there was further testimony to come before the Committee in opposition to or neutral on [A.B. 417 \(R1\)](#), and there being none, the Chair closed the hearing and opened the hearing on [Assembly Bill 423 \(1st Reprint\)](#).

Assembly Bill 423 (1st Reprint): Requires the Nevada Commission for Women to collect and report information related to gender equality in the workplace. (BDR 18-1047)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 423 (1st Reprint) required the Nevada Commission for Women, with the assistance of the Director of the Department of Administration, to design and conduct a survey of employers of the state with 100 or more employees, to collect data and information related to issues of gender equality in the workplace, and to maintain and make available to the public a database that provided information about employers that had best practices and policies on issues of gender equality.

On April 8, 2017, the Department of Administration submitted a fiscal note indicating it needed \$107,772 in fiscal year (FY) 2018 and \$81,672 in FY 2019 for a statistician and establishment of a website. Ms. Jones noted that the Nevada Commission for Women's budget account was currently not included in The Executive Budget or the Appropriations Act. The Department requested that if the bill passed and the position was added, that the budget for the Commission be moved to The Executive Budget or a budget that was included in the Appropriations Act.

Ms. Jones said the budget account for the Commission currently had a balance of \$793.50; the account began the year with \$1,149 balanced forward from the prior year, and \$534 in the current year had been spent on Commission activities. It was unclear whether the amendment that was adopted on the bill changed the fiscal note.

Assemblywoman Brittney Miller, Assembly District No. 5, stated that the basic premise of the bill was for the Nevada Commission for Women to create and administer a gender-equality survey to employers with at least 100 employees or more. The focus of the survey was to gather information about practices and policies around issues that faced women in the workplace. Some issues that affected women in the workplace resulted in turnover, which cost time and money for both the employer and the employee. The information would be made public and submitted to the Governor and the Director of the Legislative Counsel Bureau.

Assemblywoman Miller said there was a fiscal note, and the amendment would not affect the fiscal note, but was for the policy that surrounded the bill. Assemblywoman Miller stated that Elisa Cafferata, Chair of the Nevada Commission for Women, would speak more about the fiscal note and the funding. She noted that the funds were not available in The Executive Budget as stated previously, and the Commission was run by volunteers.

Elisa Cafferata, Chair, Nevada Commission for Women, stated that making the fiscal decision related to A.B. 423 (R1) would actually be a policy-level decision. The fiscal note would enable the Commission to focus on conducting a survey rather than asking high-level questions of Nevada companies. It would be a voluntary survey, and there would be no

penalty for employers who failed to complete the survey. Ms. Cafferata said she wanted to give the Committee a few reasons to consider allocating the funds and the connection to achieving the policy goals.

The survey was a case of getting what you paid for, and the fiscal note demonstrated that the Legislature was taking the task of conducting the survey seriously. Because it was a voluntary survey, there needed to be a commitment for real results from the survey. The bill would locate the survey within the Department of Administration, which was where the Nevada Commission for Women was housed. From a workplace perspective, that would make it easier to work together and provide a natural fit for the work conducted by the Commission. Ms. Cafferata said it was also a natural fit for promoting the survey. Because it was voluntary, it would fall on the Commission to promote completion of the survey to determine the employers using best practices and policies to achieve gender equality.

As volunteers, the Commission conducted a survey prior to the 2017 Session, asking women around the state what was important to them regarding workforce development and caring for their families. The volunteer members were able to get over 500 individuals to participate in that survey. Ms. Cafferata believed the Commission could be successful in conducting the survey addressed in A.B. 423 (R1).

The Department of Administration was also a logical location to connect the high-level policy information with actual information that state agencies might already have. When the survey was being discussed earlier with the Department of Administration, which received unemployment information from the Department of Employment, Training and Rehabilitation (DETR), it was determined that by adding some questions to existing surveys conducted by the state, the Commission would be able to get real-time information about pay levels by gender. That was not required by the bill, but Ms. Cafferata said that information would be available if it was determined to add that information.

For those reasons, Ms. Cafferata asked that the Committee support the fiscal note for A.B. 423 (R1).

Chair Carlton wondered whether the position would be a state employee or whether it would be a contract position.

Lee-Ann Easton, Deputy Director, Department of Administration, stated that the position would be a full-time-equivalent (FTE) state position.

Chair Carlton said the program was only for two years. Ms. Easton said it might only be for two years, but if the surveys continued, the position would also continue.

Chair Carlton said she believed the bill was for a one-time survey rather than an ongoing survey; she was not sure how much the information would change every 18 months to 2 years. The Chair asked whether the intent was to have an ongoing survey.

Assemblywoman Miller said the Commission was required to study the roles of women in society, and it was possible that the survey would be the first step in studying and evaluating women's issues. In two years when the position was revisited, the possibility of further funding would also be revisited with the intention that the survey would gain momentum. She did not view it as temporary.

Chair Carlton thanked Assemblywoman Miller, and said she wanted to make sure she understood the bill. The Chair asked whether there was further testimony either in support of, or opposition to A.B. 423 (R1).

Janine Hansen, State President, Nevada Families for Freedom, State Affiliate National Eagle Forum, stated there were several concerns with the bill. One concern was with the fiscal note. It was apparently not envisioned that anything about the bill would be temporary, so it was just the beginning of funding for projects for the Nevada Commission for Women. The Commission had a long history which Ms. Hansen said she had been concerned about for many years because the Commission did not represent the current concerns of the many more traditional women like herself.

One of the issues that the Nevada Families for Freedom had with the bill was that there had been a lot of research done and, in fact, the gender pay gap was a complete myth. There was an excellent article by Steve Tobak, CBS Money Watch, that listed eight reasons why the widely accepted reported concept that women were paid less than men was a myth. Some reasons were:

- Men were far more likely to choose careers that were more dangerous.
- Men were more likely to work in higher-paying fields and occupations by choice.
- Men were far more likely to take work in uncomfortable, isolated, undesirable locations and to work longer hours than women.
- Even in the same career category, men were more likely to pursue high stress and higher paid specializations.
- Women business owners made half the amount of male business owners because that was by choice.
- Unmarried women who never had a child actually earned more than unmarried men.

Ms. Hansen believed there was one other issue that was very important to women and families in Nevada, and that was since 1980 there had been continuous erosion of the wages of men. That led to a problem with men who were not married but paid child support. The 2007 Legislature was called the "man session" because the problem of male joblessness

was much worse than female joblessness: that had occurred in every recession since 1980. The Great Recession had the twin distinction of creating the largest postwar male jobless rate and the largest male/female jobless rate.

Ms. Hansen said many women depended on their husbands earning a good living, and when only women and their wages were considered, that did not apply to helping the entire family. The bill had a very narrow focus and would only look at women's wages. Many women made choices to not be part of the workforce when they had children. Because those women had been out of the workforce for some time, their pay might be less than others who had continuously worked.

Also, said Ms. Hansen, some women chose not to work as many hours or not to work certain jobs because they would not be available to take care of their children. Nevada Families for Freedom believed that it was always best to have a parent taking care of their child, which provided the best care of that child. The whole focus of the Nevada Commission for Women lacked traditional women. The Nevada Families for Freedom had always opposed any member volunteering for the Commission because it did not feel that the Commission represented a broad number of women in the state.

For those reasons, Ms. Hansen stated that Nevada Families for Freedom opposed the funding included in A.B. 423 (R1). It appeared the bill was laying the foundation for continuous funding for the Commission, which was of additional concern to Nevada Families for Freedom.

Chair Carlton asked whether there was further testimony to come before the Committee on A.B. 423 (R1), and there being none, the Chair closed the hearing.

Chair Carlton opened public comment and there was none. The Chair adjourned the meeting at 7:46 p.m.

RESPECTFULLY SUBMITTED:

Carol Thomsen
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a letter dated May 22, 2017, in support of Assembly Bill 122 (1st Reprint) to Chairwoman Maggie Carlton, Committee on Ways and Means, authored and presented by Kristy Oriol, Policy Coordinator for the Nevada Coalition to End Domestic and Sexual Violence.

[Exhibit D](#) is written testimony and conceptual amendments to Assembly Bill 224 (1st Reprint) submitted by Steven Cohen of Las Vegas, Nevada.

[Exhibit E](#) is written testimony submitted by Ed Guthrie, CEO Emeritus, Opportunity Village, regarding Assembly Bill 224 (1st Reprint).

[Exhibit F](#) is a proposed amendment to Assembly Bill 354 (1st Reprint), presented by Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit G](#) is a document titled "Nevada Perspectives, Nevada Labor Force Demographics Overview," presented by William D. Anderson, Chief Economist, Research and Analysis Bureau, Department of Employment, Training and Rehabilitation, regarding Assembly Bill 354 (1st Reprint).

[Exhibit H](#) is a proposed amendment to Assembly Bill 417 (1st Reprint), presented by Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit I](#) is written testimony submitted by Thomas A. Dallaire, P.E., Town Manager/Engineer, Town of Gardnerville, dated May 22, 2017, regarding Assembly Bill 417 (1st Reprint).

[Exhibit J](#) is a letter in support of Assembly Bill 417 (1st Reprint) authored and presented by Debbi Lehr, Executive Director, Main Street Gardnerville.