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

Seventy-Ninth Session
May 27, 2017

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 9:39 a.m. on Saturday, May 27, 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 Jason Frierson, Vice 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

GUEST LEGISLATORS PRESENT:

Senator Pat Spearman, Senate District No. 1
Senator Joyce Woodhouse, Senate District No. 5

STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Sarah Coffman, Principal Deputy Fiscal Analyst
Carmen Neveau, Committee Secretary
Lisa McAlister, Committee Assistant

Chair Carlton asked the committee assistant to call roll. Following roll call, Chair Carlton stated that, in order to accommodate legislator schedules, she would open the hearing with Assembly Bill 468 (1st Reprint).

Assembly Bill 468 (1st Reprint): Revises provisions relating to mortgage brokers, mortgage agents and mortgage bankers. (BDR 54-1028)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Assembly Bill (A.B.) 468 (1st Reprint) for Committee consideration. This bill combined provisions related to the regulations of mortgage brokers and mortgage bankers in *Nevada Revised Statutes* into a single chapter. Both professions would be known as mortgage loan originators. A fiscal note received for the original bill, she said, indicated that the Division of Mortgage Lending, Department of Business and Industry, would anticipate $27,700 less in annual renewal fees, and it expected that the cost to adopt new regulations would be approximately $10,000. This amount would be paid from fees collected by the Division of Mortgage Lending with no impact on the State General Fund.

Marcus Conklin, Vice President, Nevada, Strategies 360, representing the Nevada Mortgage Lenders Association (NMLA) noted that the bill sought to merge two mortgage licenses into one license, the mortgage loan originator's license. Several licensees carried both licenses, and he noted that the industry expected the fees to go away in preparation for other pieces of legislation that were being worked on this session. Last year, he stated, he worked with the Division of Mortgage Lending to create a new fee structure adopted by the Legislative Commission in January 2017 that would go into effect after *sine die*. Those fees would more than makeup the reduced fees because of this legislation, he said.

Chair Carlton asked whether Committee members had any questions on A.B. 468 (R1), and hearing no questions, she asked whether anyone was in support of, in opposition to, or neutral on A.B. 468 (R1). Hearing no response, she closed the hearing on A.B. 468 (R1).

Senate Bill 481 (2nd Reprint): Creates the Nevada Commission for Persons Who Are Deaf, Hard of Hearing or Speech Impaired. (BDR 38-604)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Senate Bill (S.B.) 481 (2nd Reprint) for Committee consideration. This bill, as amended, changed the name of the Subcommittee on Communication Services for Persons Who Are Deaf or Hard of Hearing and Persons with Speech Disabilities of the Nevada Commission on Services for Persons with Disabilities to the Nevada Commission for Persons Who Are Deaf, Hard of Hearing or Speech Impaired in the Office of the Governor. The fiscal effect of the bill, she noted, related to an amendment in section 5.3 of the bill, which added $25,000 for each year of the biennium for per diem, travel, and administrative costs for the Commission.

Senator Pat Spearman, Senate District No. 1, presented S.B. 481 (R2). She noted the fiscal consequences to the bill; however, the $25,000 that the Assembly Committee on Health and Human Services added was valid. She noted that this was a group of citizens who were unable to participate fully in state government services. Without closed captioning, and with the difficulty in finding an interpreter, this bill would be a good first step in making sure there was a commission dedicated to the needs of the deaf, hard of hearing, and speech impaired. She added that Gary W. Olsen, advocate for the deaf community, had said earlier that people did not understand how being deaf socially isolated the deaf person. Society was not friendly to people who were differently abled.

Chair Carlton asked the Committee members for any questions, and hearing no questions, she asked whether there was anyone in support of S.B. 481 (R2).

Gary Olsen, advocate for the deaf community, spoke through his interpreter. He indicated that if the bill were passed successfully with a minimal amount of funding, there would be a significant difference in the lives of all people. Deaf persons and persons with hearing needed to learn to get along with each other and to work together so maximum benefits could be attained. He signed that barriers needed to be torn down. Last night, he communicated through his interpreter, he was watching the discussions on the floor, and he was unable to benefit from the discussions as other people did because there was no interpreter. He referenced Assembly Bill 200 of the 78th Session (2015) and noted that it was difficult to find interpreters or to set up appointments to meet with legislators because of the lack of interpreters or interpreter availability. In the community, he further noted, there was no access to many state agencies and service organizations because of the communication barrier. Through the Commission work, he concluded, he hoped to see great changes in Nevada as the opportunities for deaf people to be decent taxpayers, to be involved, and to provide neutral information increased. These services had been lacking in Nevada for the last fifteen years, and it had been a struggle. It was time for change, and this was a good start.

Chair Carlton asked for any Committee questions, and hearing no questions, she asked whether there was anyone else in support of S.B. 481 (R2).

Erik Jimenez, Legislative Affairs Director, Argentum Partners, representing High Sierra Industries, stated that his organization provided a myriad of services to persons with disabilities and advocated on their behalf. He said that over the past week, he had been working with Mr. Olsen, and Mr. Olsen was unable to understand what had been happening in the Legislature because of the lack of interpreters. He stated that because people were born differently, that did not mean that they should be treated as second-class citizens. If this bill brought others one step closer to allowing the deaf and hard of hearing to be involved and participate in the process, then the bill was of value.

Jon Sasser, Esq., Statewide Advocacy Coordinator, Washoe Legal Services, representing the Legal Aid Center of Southern Nevada, stated that he was also the legislative chair of the Nevada Commission on Services for Persons with Disabilities. As background, he said that

the current Subcommittee on Communication Services was a subcommittee of the Nevada Commission on Services for Persons with Disabilities. The goal of this bill was to elevate the proposed commission not only to report to his Commission and deal with matters in the Aging and Disability Services Division, Department of Health and Human Services, but to give the proposed commission a broader range of duties and powers to look at all aspects of state government. The original intent, he said, was to assign the proposed commission to the Office of the Governor. The fiscal note of approximately $200,000 for each year of the biennium covered additional staff in the Office of the Governor, and because of the fiscal note, the bill was amended to place the proposed commission under the Aging and Disability Services Division, but as a commission instead of a subcommittee.

Mr. Sasser commented that the fiscal note of $25,000 for operating expenses in each year of the biennium was a great starting point, but even without the funding, the proposed commission had operated as a subcommittee in the past.

Jana Walters, private citizen, Sparks, Nevada, had been a resident of Nevada for 40 years. Her two daughters and her two brothers were all deaf or hard of hearing. She stated that the bill would help the citizens of Nevada, whether deaf, hard of hearing, or hearing impaired. She believed that her family was still facing discrimination. Mental health was becoming a more important matter among her peers, and she urged the Committee members to support S.B. 481 (R2).

Chair Carlton asked whether there was anyone else in support of, in opposition to, or neutral on S.B. 481 (R2). Hearing no responses, the Chair closed the hearing on S.B. 481 (R2)**.** The Chair noted that the bill would not be moved because a Senate bill, the Education First Bill, had to be passed before S.B. 481 (R2) could be passed.

Senate Bill 146 (2nd Reprint): Revises provisions governing the filing of an integrated resources plan with the Public Utilities Commission of Nevada. (BDR 58-15)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Senate Bill (S.B.) 146 (2nd Reprint) for Committee consideration. This bill, as amended, required each utility to file a plan on or before June 1, 2018, and on or before June 1 of every third year thereafter, indicating how the utility planned to increase its supply of electricity or to decrease the consumer demand made on the system. As originally written, there was no fiscal effect to the Public Utilities Commission of Nevada (PUCN), but she noted that the PUCN had submitted an unsolicited fiscal note on this bill as amended. The amendment required the PUCN to review a distributed resource plan. According to the PUCN, she said, this would likely require two full-time senior attorneys and a full-time electrical engineer at a cost $721,392 over the biennium. In addition, the PUCN indicated that it would require an additional $18,000 over the biennium for training expenditures.

Senator Pat Spearman, Senate District No. 1, presented S.B. 146 (R2). She stated that the importance of this piece of legislation was punctuated at a hearing the day before for Assembly Bill (A.B.) 206. There were people who felt that A.B. 206 would be better if plans

were in place to address how much electricity resulted in high and low demands and how to ensure the utility and ratepayers did not suffer. This bill, she believed, addressed both of those criteria.

Chair Carlton asked for discussion on the fiscal note.

Joseph C. Reynolds, Chair, Public Utilities Commission of Nevada (PUCN), explained that the fiscal note of approximately $720,000 for S.B. 146 (R2) covered the two new attorney positions as well as an engineer position. He believed that this was a smart piece of legislation that filled gaps and needs in the PUCN's integrated resource planning (IRP) process. This would require a new hearing and new determinations that his office had never done before. There were approximately 26 different energy bills moving through the Legislature at different points that would affect the PUCN, and staff was needed. He stated that he was mindful of the fiscal effects, and he tried to be judicious on which bills to tie to fiscal notes, and this bill was needed if the bill was addressed as the sponsor intended.

Chair Carlton noted that the fiscal note did not require State General Fund dollars, and Mr. Reynolds confirmed her understanding. The funds would be generated through the PUCN's mill assessment, he said.

Chair Carlton wondered, with the 26 bills Mr. Reynolds referenced and knowing that some of the bills would not become law, about the effect these bills would have on the mill assessment. Mr. Reynolds estimated that the increase would be up to 3 cents per month, per electric bill.

Chair Carlton wondered about layering some of the other bills over the fiscal note and whether the 3 cents per month might increase. She acknowledged that the PUCN could only absorb a certain amount without affecting rates.

Mr. Reynolds said that it was possible the increase might be more, but each bill had been looked at in isolation so it was difficult to estimate. He noted that Nevada had the smallest per capita-funded public utilities commission in the country, yet the largest energy problems. He said that the eyes of the nation were watching to see what Nevada did with its energy situation.

Chair Carlton asked whether this increase would be a separate line item on the electric bills so customers would understand what the additional 3 cents was funding. Mr. Reynolds said it would not be a separate line item related specifically to S.B. 146 (R2).

Assemblyman Sprinkle wondered about the new positions and asked about the current staffing level of the PUCN. Mr. Reynolds replied that the PUCN was allocated 96 positions in Carson City and Las Vegas, primarily lawyers, economists, certified public accounts, engineers, and policy analysts. One of the primary functions of the PUCN, he stated, was the IRP process, which looked to the needs of the energy infrastructure and energy resources,

typically three years, but sometimes decades, into the future. He said that what S.B. 146 (R2) would incorporate into the IRP process were new examinations into the transmission and distribution of power at the homeowner and neighborhood level. This was critical with respect to net metering, rooftop solar discussions, and battery storage discussions. This involved taking a new look at the infrastructure and planning process at a smaller level, so homeowners became more engaged and more responsible for their energy use. The investigations were relevant and important. In the IRP proceedings, he continued, work was done under a statutory deadline of 180 days that included numerous stakeholders and lawyers, and the PUCN needed its own lawyers to help the Commission prepare for the proceedings.

Assemblyman Sprinkle stated that he did not question the validity of the proceedings, but he asked whether the additional work could be absorbed by the existing 96 positions. Mr. Reynolds stated that the size of the workload was going to increase, and the complexity of the work was going to expand. Examples of his open cases included Google, Apple, Switch, Tesla, MGM, and Wynn: each case had a significant dollar amount tied to it and additional personnel required to keep up with the demands.

Assemblywoman Titus asked whether the 3-cent increase was to look at transmission into homes. Mr. Reynolds said that was partly true. Assemblywoman Titus asked whether that had been Mr. Reynolds' job all along. Mr. Reynolds replied that had not been his job all along.

Assemblywoman Titus noted that if Mr. Reynolds and the 96 positions were focused on the big companies, then it appeared that the actual transmission, the new concepts, and the new potentials for getting lines into homes had taken a back seat. Mr. Reynolds said that nothing had taken a back seat at the PUCN. As technology evolved, however, Tesla, for example, was looking at home battery storage infrastructure. The PUCN was on the cutting edge of a new frontier in technology development, and the statutorily created PUCN had to keep pace with the improving technology. He concluded that this was new territory that was not part of the PUCN mission.

Assemblywoman Titus stated that she did not want her constituents to hear that the rates they had been paying for years were going to the PUCN to support other industries, so she appreciated his comment.

Chair Carlton asked Committee members for any other questions, and hearing no questions, she asked whether anyone was in support of S.B. 146 (R2).

Judy Stokey, Vice President, Government and Community Strategy, NV Energy, stated that NV Energy fully supported S.B. 146 (R2).

Jessica Ferrato, Principal, Crowley and Ferrato Public Affairs, representing the Solar Energy Industries Association, stated that the Solar Energy Industries Association supported S.B. 146 (R2).

Chair Carlton asked whether there was anyone in opposition to or neutral on S.B. 146 (R2). Hearing no response, she closed the hearing on S.B. 146 (R2).

Senate Bill 150 (1st Reprint): Revises provisions related to energy efficiency programs. (BDR 58-568)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Senate Bill (S.B.) 150 (1st Reprint) for Committee consideration. This bill, as amended, required the Public Utilities Commission of Nevada (PUCN) to establish annual goals for energy savings applicable to electric utilities in Nevada. The PUCN had originally indicated that there were no fiscal consequences to this bill, but once the bill was amended, the PUCN submitted an unsolicited fiscal note that indicated an additional full-time senior attorney, one part-time senior attorney, and a part-time regulatory economist would be needed at a cost of $487,618 over the biennium.

Senator Pat Spearman, Senate District No. 1, presented S.B. 150 (R1). She stated that one of the best ways to be responsible consumers of electricity and power was through energy efficiency, and this bill put utility goals in place. The fiscal note on this bill for how the money would be acquired, she said, was the same as Senate Bill 146 (2nd Reprint).

Chair Carlton noted that this bill was similar to another bill passed out of the Assembly; she believed it was Assembly Bill (A.B.) 223 (2nd Reprint) sponsored by Assemblyman McCurdy, and she asked Senator Spearman to review the differences between the two bills, as several Committee members had not heard A.B. 223 (R2). She noted that A.B. 223 (R2) did not have a fiscal note.

Senator Spearman said that for A.B. 223 (R2), a fund existed so there was no need for a fiscal note. The bill proposed by Assemblyman McCurdy, A.B. 223 (R2), required no funding. That bill took 5 percent of the existing money to give to lower-income persons. She said that S.B. 150 (R1) was different.

Tom Polikalas, Nevada Representative, Southwest Energy Efficiency Project, explained that his organization was a nonprofit organization that advocated for efficiency. There were common denominators between A.B. 223 (R2) and S.B. 150 (R1) such as:

- Both bills bundled the energy efficiency programs that NV Energy put forth to the PUCN.

- Both bills included a provision that no less than 5 percent of the funding for energy efficiency programs was targeted toward low-income consumers.

- Both bills used the benefits of energy efficiency to reduce the costs associated with bill collection.

Mr. Polikalas stated that S.B. 150 (R1) stepped beyond A.B. 223 (R2). He noted that S.B. 150 (R1) included the following provisions:

- The legal authority to pursue decoupling was provided to the PUCN.

- A clear public intent that energy efficiency was in the best interests of the state, because of job creation benefits and environmental benefits, was included in the bill.

Chair Carlton stated that decoupling meant the actual cost was decoupled versus recuperation and generation so that the energy company could be compensated for the energy that it did not sell.

Mr. Polikalas agreed with her statement, but stated that decoupling allowed the utility to be paid for the cost of providing service plus the authorized rate of return. There was an adjustment mechanism factored in to allow for differences, for example, because weather affected the number of kilowatt hours sold.

In education, Chair Carlton said, this concept was known as "hold-harmless." Mr. Polikalas agreed with the statement, and the Chair said she had concerns with that but would have further conversations on this matter.

Senator Spearman said that S.B. 150 (R1) complemented A.B. 223 (R2) and another bill from Assemblywoman Swank for window exchanges for energy efficiency that was voted out last week. There were steps that people and companies were already taking that would demonstrate differences in how energy was used. She was mindful that voters wanted to make sure changes were made to energy policy and the way energy was looked at. She said this bill would send a clear signal that the Legislature heard the voters. The lack of energy efficiency hit those with lower incomes hard, and energy efficiency was the least-cost method for energy policy.

Chair Carlton stated her agreement and referenced something she learned from former Senator Randolph J. Townsend in 1999 that "the best kilowatt was the kilowatt you did not generate."

Chair Carlton asked whether there were any questions from Committee members, and hearing no questions, she asked whether there was anyone in support of S.B. 150 (R1).

Judy Stokey, Vice President, Government and Community Strategy, NV Energy, stated that NV Energy fully supported S.B. 150 (R1). She appreciated the questions on decoupling, and she noted that NV Energy did not request the decoupling language. She noted that NV Energy was happy with things the way they were now, but NV Energy was also happy with the language in S.B. 150 (R1).

Kyle J. Davis, President, Davis Strategies, representing the Nevada Conservation League, stated that he was in support of S.B. 150 (R1) and underscored the point that the bill was only an authorization for the PUCN to consider decoupling. There was a separate process to determine whether decoupling was in the public's best interest.

Chair Carlton asked the PUCN to address the fiscal note. Joseph C. Reynolds, Chair, Public Utilities Commission of Nevada, explained that the PUCN requested the fiscal note on this bill for $487,618 for 1 1/2 attorney positions and 1/2 economist position. He stated that unlike S.B. 146 (R2), S.B. 150 (R1) was more economics-intensive and looked at the costs associated with these programs. That was why a new economist position had been requested instead of a new engineering position. The PUCN was being asked to do things it had never done before, and Mr. Reynolds' staff was stretched thin. There were public records requests, litigation, policy discussions, and training. Resources were needed to carry out the policies and directives of the Legislature.

Chair Carlton asked whether the mill assessment would be used to fund this bill. Mr. Reynolds confirmed that to be true. Chair Carlton asked whether this would add an additional 1 cent per month from the mill assessment, and Mr. Reynolds said it would. The mill assessment increase, then, would be about 4 cents per bill, per month.

Assemblyman Edwards asked why additional positions were needed for a program that was already in place and operating. Mr. Reynolds said that this was a new program that required a new cost benefit analysis for the energy efficiency programs. That was why the bill existed, he said—the PUCN was being charged with doing analysis work that it was not doing previously.

Assemblyman Edwards asked for an example of what was done now, compared with what the new positions would be doing. Mr. Reynolds stated that an example was an investigatory docket for LED lighting. Staff had held workshops, he and his legal staff presided over stakeholder meetings, staff compiled reports, and staff made recommendations and directives to NV Energy to initiate a program. Under S.B. 150 (R1), more work would need to be completed, and the reach of the energy efficiency program would need to be expanded to low-income persons. He emphasized that Nevada had the smallest per-capita public utilities commission in the country, and he explained that the eyes of the entire nation (for the energy world) were looking at what Nevada was doing. He said that some of the attorney positions would go to the general counsel side of the PUCN, and some would go to the regulatory operations side of the PUCN. The regulatory operations side, he clarified, was separated from the PUCN for contested cases and appeared as a separate advocacy body before Mr. Reynolds.

Chair Carlton asked whether Committee members had any other questions, and hearing no questions, she commented that when she rounded up, the increase to utility bills would be roughly a nickel per bill, per month. She asked whether there was anyone in opposition to or neutral on S.B. 150 (R1). Hearing no responses, she closed the hearing on S.B. 150 (R1).

Senate Bill 496: Revises provisions governing the issuance of revenue bonds and other securities by the Nevada System of Higher Education. (BDR S-1083)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Senate Bill (S.B.) 496 for Committee consideration. This bill authorized the Board of Regents of the Nevada System of Higher Education to issue revenue bonds and other securities for a total principal amount not to exceed $58,710,000 to finance the construction of an engineering building and residence hall at the University of Nevada, Reno (UNR). In addition, under existing law, the Board of Regents was authorized to issue $45 million of revenue bonds and other securities for student services facilities, classrooms, and parking facilities at the College of Southern Nevada (CSN). The bill increased that amount of bonding to $81 million. There was no fiscal impact; however, Fiscal Analysis Division staff noted that the authorization for the engineering building at UNR would require approval of the Governor's 2017 amended Capital Improvement Program (CIP) projects, which had been heard by the money committees and approved. This project as amended included $41.5 million in state funds and $43.2 million in university funds.

Senator Joyce Woodhouse, Senate District No. 5, presented S.B. 496. This bill authorized the Board of Regents to issue revenue bonds and other securities for key construction projects on five campuses in the Nevada System of Higher Education (NSHE). During the Great Recession, most of Nevada's capital expenditures for higher education were intended simply to keep pace with deferred maintenance. Last session, construction of the hospitality hall building for the hotel college at the University of Nevada, Las Vegas (UNLV) identified an emerging need, she said, that the Legislature was able to address. This bill, S.B. 496, she noted, continued the process of catching up on needed CIP projects by expanding the Board of Regents' bonding authority.

Vic Redding, Vice Chancellor for Finance and Administration, NSHE, stated that S.B. 496 increased the ceiling on the principal amount of revenue bonds that might be issued by the Board of Regents to finance self-supporting capital projects, or in the case of the UNR engineering building mentioned earlier, the campus portion of CIP 17-C06. The revenue bond authorization bill, he continued, was a standard NSHE request made periodically to the Legislature as campus capital projects that were good candidates for this type of financing were identified.

Mr. Redding offered some overview points for the Committee members' information. This bill contained only the authorization for the Board of Regents to issue this type of debt, which the Board might do after fully vetting the project, source of repayment, and other funding options. The bonds were not an obligation to the state, and for the record, not repaid with any appropriated funds, he stated. The bonds were serviced by the specific incremental revenues identified by the campus for each project, including special student fees or in the case of the proposed dormitory, with residence life operations (rental) income.

Mr. Redding referenced his presentation titled "Nevada System of Higher Education," (Exhibit C), and drew the Committee members' attention to the first page. The summary

sheet listed the six NSHE campuses that had, or had requested, revenue bond authority, the term of the existing authorization, and the shaded column that summarized the requested changes included in S.B. 496.

During the interim, Mr. Redding stated, each institution reviewed projects in the pipeline against existing revenue bond authority and other financing options. Three institutions, College of Southern Nevada (CSN), Truckee Meadows Community College (TMCC), and UNR, brought forward requests for increases to the additional authorization or, in the case of TMCC, a new authorization.

Mr. Redding paused for questions. Chair Carlton asked why this was a separate bill and was not included in the NSHE budgets or the Capital Improvement Program (CIP) bill. She also asked whether this bill would affect the Special Higher Education Capital Construction (SHECC) Fund and how the pieces fit together.

Mr. Redding replied that this bill was separate from the other processes, but related to the CIP. This bill was not part of the state-supported operating budget nor would any of the debt service require funds from the state-supported operating budget. This bill was from the self-supporting side of NSHE. Regarding Higher Education Capital Construction Funds (HECC) and SHECC Funds, he said, this bill was also separate from the fund process, referring to the Pavilion bonds approved in the 77th Session (2013) and repaid from the slot tax revenue. Those bonds had all been issued and were a different set of debt instruments issued by the state.

The revenue bonds, Mr. Redding said, were one of the financing tools that NSHE had available, along with bank loans and certificates of participation. With all other factors being equal, revenue bonds were generally the most cost-effective debt that could be issued. He noted that debt was always an issue, but particularly when student fees were used to service a portion of the debt.

Chair Carlton acknowledged that it was difficult to imagine the indebtedness that occurred when the debt was spread over multiple bills. She expressed concerns about being overextended, considering other departmental requests for projects in the state approaching the state bonding authority and then hearing about the NSHE revenue bonds. She wanted to ensure all factors were considered equally.

Mr. Redding clarified that the bonds were separate instruments, were not part of the state's debt limit, and were generally outside of the CIP budget and the state operating budget, with the exception of the UNR engineering building. The state would be funding its portion of the engineering building with general obligation bonds. A portion of the campus match from UNR would be funded with revenue bonds from student fees. That, he concluded, was the financing for two different parts of the engineering building costs.

Assemblyman Edwards asked how much of the student fees were going toward paying for the student portion, and he asked about the burden being placed on students. Mr. Redding

asked for clarification on which project, because there were three campuses with four projects coming forward. There was an incremental fee for the CSN's student union facilities for each of its three campuses, an incremental fee for the TMCC recreational complex currently undergoing value-engineering discussions to minimize the fee, and two UNR projects. As mentioned earlier, the UNR campus match for the engineering building would result in no incremental student fees and the proposed UNR dorms, still in the planning phase, would be funded with residence life operations income.

Assemblyman Edwards asked for the amount or range that students would be funding per student.

J. Kyle Dalpe, Ph.D., Interim Dean, Truckee Meadows Community College (TMCC), explained that the proposal package for the fitness center contained a $9-per-credit fee, per student for the fitness center. The fitness center initiative, he noted, was a student-led initiative and of great interest to students. He did mention that because the costs were still being discussed and he expected the $9 figure to decrease.

Assemblyman Edwards asked for verification that the cost per student, based on 15 credits per semester, would be roughly $130 per semester, per student. Mr. Dalpe said that most students at TMCC take one or two three-credit classes per semester, so the cost would be $54 per semester, per student.

Chair Carlton asked Committee members for questions and there were no questions. Chair Carlton asked whether this was how the bill was presented every session. Mr. Redding replied that it was and mentioned that CSN President Richards was available from Las Vegas to discuss the CSN portion of the fees for Assemblyman Edwards' question.

Michael D. Richards, Ph.D., President, College of Southern Nevada (CSN), explained that for the past several years, CSN had student-led initiatives to put campus student unions on the three CSN campuses. These were not student union buildings such as those at the University of Nevada, Las Vegas (UNLV) and UNR. He referred to the CSN buildings as "miniunions" because the buildings measured about 25,000 square feet each. The buildings provided sufficient gathering, meeting, and food service space to serve the student needs on the respective campuses. The administration had endorsed the students' concept, and the students presented their initiative to the Board of Regents. The Board of Regents approved a fee increase of $8 per credit hour during the academic year. The fee would change to $3 per credit hour in the summertime, and an additional $1 per credit hour would be assessed to students starting in the fall of fiscal year (FY) 2019 when the operation and maintenance on the building would be required.

Chair Carlton asked whether Committee members had any questions.

Assemblywoman Titus was concerned about the increased cost to the students and wondered with so many students already enrolled in online programs, whether the extra cost for infrastructure such as this discouraged students from being on campus.

Mr. Dalpe said he did not have the numbers in front of him, but TMCC had been focused on trying to keep students on campus. He referenced the Dandini campus in Reno, which served 8,000 of the 11,000 students at Truckee Meadows Community College and provided all the services needed by students. The most recent construction, he said, was a student center built in 2005. That building was now filled with students, leading Mr. Dalpe to wonder where the students went before the building was built. The infrastructure improvements and additions, he said, kept students on campus. He hoped that the fitness complex, which was now being referred to as a fitness center, would engage students. He would provide the numbers to the Committee members.

Assemblywoman Titus asked whether students could use the fitness center at no charge as part of the cost of their tuition. Mr. Dalpe agreed and said the fees would be paid up front by students based on their credit hours.

The Chair asked whether there was anyone in support of, in opposition to, or neutral on S.B. 496. Hearing no response, she closed the hearing on S.B. 496.

Senate Bill 518 (1st Reprint): Revises provisions relating to certain accounts used for the education of pupils enrolled in public schools. (BDR 34-1094)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Senate Bill (S.B.) 518 (1st Reprint) for Committee consideration. This bill revised provisions related to certain accounts used by the Department of Education. Specifically, the bill created the contingency account for special education services in the State General Fund and required that interest income earned from the account be placed in a different account to not affect the maintenance of effort required for special education. This bill, she noted, was consistent with how the budgets for these accounts were closed before the money committees.

Steve Canavero, Ph.D., Superintendent of Public Instruction, Department of Education, explained that section 1 of S.B. 518 (R1) established the special education contingency account, and subsection 2 eliminated the accrual of interest so the federal maintenance of effort requirement could be met.

Chair Carlton asked whether the Committee members had any questions on this budget implementation bill. Hearing no questions, the Chair asked whether there was anyone in support of, in opposition to, or neutral on S.B. 518 (R1). Hearing no responses, she closed the hearing on S.B. 518 (R1).

Senate Bill 524 (1st Reprint): Makes supplemental appropriations to the Division of Forestry of the State Department of Conservation and Natural Resources for a projected shortfall for certain activities. (BDR S-1173)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Senate Bill (S.B.) 524 (1st Reprint) for Committee consideration. This bill

made a supplemental appropriation to the Division of Forestry, State Department of Conservation and Natural Resources, for $6,063,934 for a projected shortfall related to higher-than-anticipated costs for fire suppression and emergency response. Another $182,032 was provided for a projected shortfall related to conservation camp crews working on nonreimbursable flood-related events. This was a supplemental appropriation for the current fiscal year, and was an appropriation not included in The Executive Budget but submitted by the Department of Administration after The Executive Budget was submitted to the Legislature.

Kacey KC, Deputy Administrator, Operations, Division of Forestry, State Department of Conservation and Natural Resources, explained that S.B. 524 (R1) was a supplemental appropriation request for the Division of Forestry to cover projected shortfalls in two budget accounts because of higher-than-anticipated wildfire suppression and flood response. The Division of Forestry had statutory responsibility from Chapter 472 of the *Nevada Revised Statutes* (NRS) for wildfire and emergency responses on state and private lands in Nevada. The Division of Forestry assisted with other jurisdictional lands through agreements with federal, state, and local partners. The additional $6,063,934 needed by the Division of Forestry was for the unanticipated cost of providing these services on other jurisdictional lands.

Section 2 of the bill, Ms. KC said, was a request for $182,032 for the Division of Forestry's conservation camp budget account. The conservation camp program budget was split 60 percent from the State General Fund and 40 percent from program revenues. This year, with more fire incidents than the last three years and more flood incidents than in any year in recorded Nevada history, the crews had been functioning primarily in a response capacity and were not projected to hit the revenue targets for FY 2017. The Division of Forestry was able to cover most of the shortfall in the conservation camp budget because of vacancy savings in conservation crew supervisor positions, but the request covered the remaining projected shortfall. She noted that the conservation camp crews provided the largest response capacity and source of labor in Nevada for wildfire and flood response, as well as for other emergencies as needed.

Assemblyman Sprinkle asked whether the $182,032 was just for flood response, and Ms. KC replied that the cost covered the revenue that the conservation camp program would not be able to recognize because of the crew response to both fires and floods.

Assemblyman Sprinkle asked about the $6,063,934 that Ms. KC equated to increased activity for fire activity and fire response. He wondered whether this was from last year's fire season. Ms. KC explained the budget account for emergency response covered FY 2016 and FY 2017. She noted that there was a small percentage of State General Funds as start-up for the budget account, plus any receivables from fire response. The shortfall was projected based on the flood response—in January and February almost all of the crews and staff were in Northern Nevada dealing with flood response in multiple counties. She mentioned that

because of these events and the associated unpaid receivables, the Division of Forestry was delaying payment of bills based on projections of the Division of Forestry expenditures before fiscal year-end.

Assemblyman Sprinkle restated that the $6,063,934 was a combination of the January and February flood response and the delay associated with reimbursements from the last fire season. Ms. KC agreed with his statement.

Assemblywoman Titus asked for the dollar amount for bills that were in arrears, and she wondered what the bill payment schedule was for the Division of Forestry. Ms. KC did not have the exact numbers with her, but she recounted that for inmate payroll they had responded to payroll bills through mid-February. She said that there were bills from the California Governor's Office of Emergency Services (OES) that her office did not have the funds to pay as well. As receivables came into the office, the older bills were being paid. She could provide more up-to-date information if needed.

Chair Carlton asked whether Committee members had any other questions, and hearing no questions, she asked whether there was anyone in support of, in opposition to, or neutral on S.B. 524 (R1). Hearing no response, the Chair closed the hearing on S.B. 524 (R1).

Assembly Bill 40: Makes an appropriation to assist with the construction of a new courthouse in White Pine County. (BDR S-402)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Assembly Bill (A.B.) 40 for Committee consideration. This bill requested an appropriation to assist with the construction of a new courthouse in White Pine County. The bill included an appropriation of $10 million, with a proposed amendment that changed the fund distribution schedule without affecting the total amount in the bill.

Ben Graham, Esq., Graham Solutions, LLC, representing the Supreme Court of Nevada, stated that the need for the new courthouse was driven by the placement of the maximum-security housing with more than 1,000 violent offenders, of whom 800 violent offenders, or 75 percent, were from Clark County.

Mr. Graham noted that a Judicial Branch amendment was prepared the day before this hearing and submitted for Committee consideration (Exhibit D). He noted that residents from Ely had attended the hearing.

The Honorable Steven Dobrescu, Seventh Judicial District Court, Chair, Judicial Council of the State of Nevada, explained that his district covered White Pine, Eureka, and Lincoln Counties. The Ely State Prison, Department of Corrections, the only maximum-security facility in Nevada, was located in White Pine County and housed dangerous and violent offenders. Ely State Prison, he said, had the worst of the worst inmates. The Ely State Prison was a great economic benefit to White Pine County; however, a problem was that prisoners do not stop committing crimes when incarcerated. Violent

offenders resulted in more crimes at the prison. Statistically, since FY 2000, he said there had been 11 prosecutions for murder in White Pine County. Six of those prosecutions were in the prison. There had been 18 prosecutions for attempted murder, and of those, 11 were in the prison. Additionally, he noted that the accused prisoners must appear at the White Pine County Courthouse in Ely. The prisoners were escorted by two correctional officers at all times. The courtroom was a small room, and an inmate who was not allowed to wear prison garb or shackles was positioned very close to counsel, as well as the jury box. Because of this scenario, two corrections officers, armed with shotguns and AR-15s, were posted in each corner of the courtroom, two correctional officers stood by the prisoner, and one correctional officer stood in the back of the room if the inmate had a shock belt on. Should the prisoner have to use a restroom, the prisoner had to walk down the same hallway and elevator that the jury and the public used.

Judge Dobrescu further explained that the courthouse was sufficient for regular use, but was not acceptable for cases from a maximum-security prison. That was the problem. This situation was recognized by a legislative committee and a commission on rural courts in FY 2003. The Ely State Prison, along with the White Pine County Courthouse, was identified as the No. 1 problem in Nevada. In 2007, the U.S. Marshal Service looked at the courthouse in White Pine County and found that the facility was inadequate and the location was a problem. Children from the middle school played on the grass at the courthouse, and the library was about 60 paces from the courthouse.

Over the last year, Judge Dobrescu had been working on improvements, had met with construction firms and architects, had had designs created, and had prepared an estimate to build a new courthouse that included a secure jail with it. The estimates ranged from $24 million to $30 million. White Pine County, along with the Supreme Court of Nevada, recognized the need to take action and was coming to the table with some funding secured. He stated that about two-thirds of the funding was in place, but he was looking for the remaining funding from the Legislature to solve the recognized problem caused by the maximum-security prison.

Chair Carlton asked for a recap of the funding breakdown. Elizabeth Frances, Finance Director for White Pine County, stated that White Pine County had approximately $9 million dedicated to the project from a quarter-cent sales tax authorized in a previous session for public safety infrastructure. She stated that a U.S. Department of Agriculture loan for about one-third of the project estimate was in place, and the ability to service the loan would be through the continuing quarter-cent sales tax. She expected adequate funds from the quarter-cent sales tax to support the level of debt service.

Chair Carlton requested to be walked through the proposed amendment.

John R. McCormick, Assistant Court Administrator, Administrative Office of the Courts, Nevada Supreme Court, explained that the idea behind the proposed amendment was to break

the appropriation down over more fiscal years to lessen the effect. Additionally, the breakdown would allow the county to supplement the money now and break the project up into three phases.

Mr. McCormick stated that $2.5 million would be needed in FY 2018, $5 million in FY 2019, and $2.5 million in FY 2020, the first year of the next biennium.

Chair Carlton explained that money could not be appropriated for the next biennium. She asked whether those amounts would be matched with the dollars available now from White Pine County to move the project forward.

Mr. McCormick stated that the Chair was correct, and all the money would be brought together to fund the phases.

The Chair asked whether White Pine County had more bonding authority for this project. Ms. Frances said that additional bonding capacity was available, but the ability to service the debt limited the County. This was the maximum amount of bonding that the County felt comfortable with, Ms. Frances said.

Assemblywoman Swank asked what would happen to the existing White Pine County Courthouse that was constructed in 1906. Judge Dobrescu explained that the other floors were used as administrative offices for the treasurer, the auditor, and the recorder, as well as others. It would remain as the historic courthouse and as a place where the public could pay taxes without worrying about safety.

Chair Carlton asked Committee members for other questions and hearing no questions, she asked whether anyone was in support of A.B. 40.

Jeff Fontaine, Executive Director, Nevada Association of Counties (NACO), stated that the NACO board of directors voted unanimously to support A.B. 40, recognizing that the White Pine County Courthouse was greatly affected by inmates from the maximum-security facility. The board also recognized that White Pine County did not have the resources to complete this project independently.

Richard Howe, Commissioner, White Pine County Commission, stated that White Pine County and the city of Ely fully supported the project, not just for security purposes, but also for the economic benefit to White Pine County. One matter that might not have been addressed, he said, was that U.S. 93, one of the most heavily traveled routes for illegal immigrants, ran through White Pine County, and when illegal immigrants were arrested, there was not enough jail capacity.

The Chair asked whether there was anyone in opposition to or neutral on A.B. 40. Hearing no responses, she closed the hearing on A.B. 40.

Chair Carlton called a recess at 11:06 a.m., and then reconvened the meeting at 11:16 a.m. Assemblyman Frierson assumed the chair.

Assembly Bill 382 (1st Reprint): Establishes provisions governing payment for the provision of emergency services and care to patients. (BDR 40-570)

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, presented Assembly Bill (A.B.) 382 (1st Reprint) for Committee consideration. This bill required an out-of-network hospital with more than 100 beds and not operated by a federal, state, or local governmental entity or an out-of-network independent center for emergency medical care that was operated by a person who also operated such a hospital to accept, under certain circumstances, as payment in full for the provisions of emergency services and care, a rate which did not exceed the greater of the average amount the third party negotiated with a hospital in the state or 125 percent of the average amount paid by Medicare for the same or similar services in a similar geographic area.

Regarding the fiscal effect, Ms. Coffman said that the Public Employees' Benefits Program submitted an unsolicited fiscal note indicating that the amendment would require $277,296 in fiscal year (FY) 2018 and $304,897 in FY 2019 for emergency services mediation and the addition of a management analyst 2 position to manage the reporting requirements of this bill. In addition, she noted, there was an unsolicited fiscal note from the Division of Insurance, Department of Business and Industry, indicating that it would require $63,175 in FY 2018 and $81,176 in FY 2019 for a full-time management analyst position to maintain a database for each carrier. The database would capture the data and information that would be reported on a quarterly basis.

Ms. Coffman told Committee members that there were two amendments proposed for A.B. 382 (R1). The first was "Proposed Amendment 4744" (Exhibit E) and the second was "AB382 Proposed Amendment to Mock-up of Amendment 4744" (Exhibit F) submitted by the Nevada Hospital Association. Fiscal Analysis Division staff was uncertain whether the fiscal effects had been resolved.

Assemblywoman Maggie Carlton, Assembly District No. 14, presented A.B. 382 (R1). Proposed Amendment 4744 (Exhibit E) addressed a number of the fiscal concerns. The fiscal note from the Division of Insurance was an iteration of the bill that had since been amended so that the fiscal note was no longer a concern. She noted that for the reporting requirement, she had received a letter from the Office for Consumer Health Assistance, Department of Health and Human Services, that funds were available in reserves to hire a consultant.

Assemblywoman Carlton mentioned that when the bill was heard in the Assembly Committee on Health and Human Services, the hearing was contentious, and she apologized. Since that time, she had 15 stakeholder meetings. When the bill left the Assembly Committee on Health and Human Services, the bill was mediation-only. There was

agreement around the table that the first and foremost goal of the bill was to take the patient out of the middle. The second goal of the bill, setting a fair rate for out-of-network costs, became a problem. She said that finding a rate took a lot of work and a lot of energy, and there were many proposals, but no consensus. When the rate seemed solved on one side, the other side did not work. This was a complicated problem, and a rate could not be found. She made a promise at that point to leave the rate out. She did not want to take action that could adversely affect anyone or inspire anyone to go out-of-network. That was the third goal of the bill–to minimize the opportunity for providers to drop their contract and go out-of-network to manipulate the system.

Assemblywoman Carlton concluded that with a mediation or arbitration component, and having a consultant under contract at the Office for Consumer Health Assistance, she felt that the patient could be taken out of the middle. The two sophisticated entities, the service provider and the insurance provider, would then decide how the medical charges should be handled. She reminded Committee members that patients, through no fault of their own, went through a wrong emergency door or had the wrong emergency provider in the hospital, not knowing the consequences.

Assemblywoman Carlton believed this was an important matter, and the bill was a good first step in moving forward. She asked whether the Committee wanted a high-level walk through the amendment. She received Exhibit E and shared it yesterday with all the stakeholders she could gather. She received a proposed amendment late the night before and she had some concerns about the amendment, so she would like to look into it further.

Vice Chair Frierson asked about the point when stakeholders were in "agreement" with respect to the status of the bill and the mediation component.

Assemblywoman Carlton said that at that point the bill left the Assembly Committee on Health and Human Services. The consensus, however, was based on the other pieces of the bill coming together. She did not believe that could happen in the time frame needed. The proposed components were the best thing for the patients in Nevada who found themselves with out-of-network charges.

Assemblywoman Carlton stated that section 1 through section 16 were definitions of the terms used in the bill. Section 16.5 of proposed amendment 4744 (Exhibit E) provided eligibility requirements for the patient. The bill only pertained to those who lived in Nevada and insurance plans licensed in Nevada. The bill covered border towns such as Laughlin and Lake Tahoe, where the person may live in California but the health plan was in Nevada. Tourists were not covered by the bill, she said. This bill, she noted again, only covered emergency care.

Assemblywoman Carlton walked the Committee members through the process steps, as follows:

1. Patient would enter the facility and be treated by an in-network provider or an out-of-network provider.

2. Patient would receive service and leave the facility.

3. Patient would receive a bill. Typically, the patient would pay his or her portion, deductible, copay, or fair share.

4. Patient would receive a bill for extra charges because of out-of-network status.

5. Patient would approach the insurance company to question charges.

6. Insurance company would release the patient from commitment and negotiate with hospital or provider.

7. Insurance company would reach out to hospital and/or provider to try to negotiate a fair payment.

8. If both parties were unhappy, the matter would move to arbitration with a consultant. The finding would be split equally between both parties, so parties would want to negotiate a fair deal.

9. Payment would be issued.

Section 18 outlined the noncontracted process for doctors, she continued. Section 19, as proposed in the amendment (Exhibit E), was deleted in its entirety. Section 20 outlined what the parties must do to use the mediation and arbitration process. Section 21 outlined what hospitals must report to the advocate each year. Section 21.4 as proposed in the amendment (Exhibit E), outlined the arbitration process that both parties could choose to pursue, created binding arbitration paid equally by both parties, and outlined considerations advocates should use in establishing a reimbursement decision. Section 21.6, she explained, ensured the advocate created an annual report for the Legislature summarizing the arbitration results. Section 22 enabled the establishment of regulations for a process and payment through arbitration.

Everyone had bad experiences with out-of-network charges, Assemblywoman Carlton said. The subject had been in the Legislature for as long as she had been in the Legislature. Getting data to identify the scope of the problem was a great first step in addressing the situation. This bill may solve the problem, she said, but she would not know until the state took the first step, as outlined in this bill.

Vice Chair Frierson asked whether Committee members had any questions.

Assemblywoman Spiegel asked whether the mediation and arbitration component was only for the amount the insurance company would pay to the health-care facility or provider, or

did the component prohibit balanced billing back to the patient. Assemblywoman Carlton answered that the final and last best offer would eliminate the balanced billing back to the patient. This step would be the resolution of the billing.

Assemblywoman Titus explained that she was aware of how the receipt of large, unexpected bills through no fault of the patient happened, but specifically, she questioned page 3, line 37 of Exhibit E. Her concern was where Exhibit E stated " . . . the rate offered by the third party." She stated that providers had not contracted with these insurance companies because the rates offered were so low that the provider could not afford to stay in practice at those rates. She understood what Assemblywoman Carlton was trying to solve, but the resolution forced providers back into the very situation that was being avoided by not contracting with the insurance company.

Assemblywoman Titus further continued by stating that the requirement in section 18, subsection 9 of Exhibit E for those noncontracted providers to go to arbitration extended the reimbursement time and further exacerbated the problem. She asked how it was determined that the third party should be the deciding party.

Assemblywoman Carlton clarified that this discussion occurred several times in her conference room. She recognized that many doctors chose not to contract for the reasons Assemblywoman Titus cited, and Assemblywoman Carlton felt that was a valid concern. She also felt that it was necessary to look at the circumstances. The specific scenario was an emergency room situation, where patients did not have a choice, and perhaps where the doctor did not have a choice either. Substantial time was spent trying to identify a rate that benefited both the provider and the insurance company. With the conflicting perspectives, she stated, a rate could not be determined. A basic premise was that everyone would have an equal stake in the outcome. For small claims, she believed that the insurance companies would just pay because the cost for arbitration to argue over a $1,000 medical claim would not be worth the insurance companies' effort. She said that for the larger claims, she felt that the sophisticated parties would be able to work out a solution. The goal was to take the patient out of the equation and let the doctor and the insurance companies determine the best amount.

Assemblywoman Titus stated that she felt it was inaccurate to say, "insurance companies would just pay" and not fight over the charge because it was small. She had insurance companies question a $15 charge and the insurers argued down to the penny. Because the Assembly Committee on Ways and Means was a money committee and not a policy committee, Assemblywoman Titus was curious about the money and the ultimate savings to Nevada. That was why everyone was there, she stated. She was interested in whom this bill would help, but the way the bill was written, she said the insurance companies would benefit. She asked whether this bill would lower the premiums to residents in Nevada.

Vice Chair Frierson stated that using the word "premium" did not make the question a money question. Assemblywoman Titus' question was a policy question, but he left it up to the discretion of Assemblywoman Carlton as to how she wanted to answer.

Assemblywoman Carlton stated that the question had been raised several times, so she was comfortable in addressing the question. She explained that no one had a crystal ball to tell what would happen to insurance premiums. This amendment would take the patient out of the equation. As it stood now, there was no responsibility for the insurance company to pay the out-of-network charge. Luckily, a few of the insurance companies she knew would cover the out-of-pocket charges because insurers valued their members and participants and would help the patient pay the charges. If negotiations fell apart without this legislation, the charge would go to the patient who would be held liable. This bill protected the patient from that charge and laid the burden on the two sophisticated parties. This bill was consumer protection and patient protection.

Assemblyman Anderson stated that he was empathetic to this matter because in FY 2015, as his family was traveling to Carson City for opening day ceremonies, his family was involved in a car accident. His family went to the emergency room (ER), and he stated that there was no thought of the costs. It took him two years to finalize the bills for the ambulance, the helicopter ride, the MRIs, the X-rays, the doctors, and the hospital stays. He stated that he was probably well insured compared with others. Bills were confusing and notices of liens were confusing. He asked whether there was a larger scope of study or an industrywide study to determine the process and whether there was a solution "everyone hated equally."

Assemblywoman Carlton stated that the problem had been in front of the Legislature for as long as she had been a legislator. Her goal for this session was to propose something to solve the problem so she would not be looking at a veto in the future. Her focus was on solving this matter for the patient, and she believed that had this bill been in effect when Assemblyman Anderson's family had been in that car wreck, the bill would have gotten him out of the middle of the billing equation.

Assemblyman Edwards referenced the ER situation and not being able to check to see the out-of-network status of providers. He asked whether Assemblywoman Carlton had considered establishing a floor so charges would have to reach a certain level before the negotiation kicked in. He felt this would minimize doctors and nurses quibbling with patients over small amounts.

Assemblywoman Carlton stated that there had been meetings to discuss this matter, but the floor, she felt, would hurt the patient. Any amount below the floor would fall back to the patient through no fault of their own, and even though the patient had paid the deductibles, made the copays, and paid the premiums, the patient would be liable up to the floor amount. Her intent, she reminded Committee members again, was to get the patient out of the equation.

Assemblyman Edwards stated that he was trying to find a balance that would work for both sides. Assemblywoman Carlton replied that the differences among anesthesiologists, providers, hospitals, rural hospitals, and hospitals with high Medicaid populations resulted in too many different components to agree on a rate. She said that she would keep trying to find a rate.

Assemblyman Sprinkle referred to the amendment and the two unsolicited fiscal notes. He was focused on the fiscal note from the Division of Insurance, Department of Business and Industry, to the amendment that came from the working group. He asked whether there was consensus at that point in time.

Assemblywoman Carlton said that at that time there was agreement, contingent upon the work that had to happen. The fiscal note from the Division of Insurance would go away, she said, with the proposed amendment because there would be no reporting to the Division of Insurance. The letter from the Office for Consumer Health Assistance, she said, indicated that the group had reserves to address the consultant. She believed that both fiscal notes had been addressed.

Vice Chair Frierson asked whether other states had tried to institute anything similar to this. Assemblywoman Carlton stated that various approaches had been attempted by California and New York. Different states addressed the problem in different ways. Because of the uniqueness of Nevada, having only one public hospital and many private hospitals and three major insurers, she felt that this bill was the best start. There were approaches in other states that she would have liked to try, but she did not feel that those approaches would have been fair to the industry in Nevada. She tried to get buy-in from everyone until the end of the process when it crumbled and fell apart.

Vice Chair Frierson asked Committee members for questions, and hearing no questions, he asked whether there was anyone in support of A.B. 382 (R1). Hearing no one, he asked whether anyone was in opposition to A.B. 382 (R1).

James L. Wadhams, Fennemore Craig Attorneys, representing the Nevada Hospital Association, stated that he agreed with Assemblywoman Carlton that she and the group spent hundreds of hours working on this matter. Taking the patient out of the equation was critical. Focusing on the development of a process for the ultimate resolution between the two sophisticated parties was an important outcome of the group. The process, he restated, started with a discussion between the provider and the insurer. When that did not resolve the matter, the case then went to the Office for Consumer Health Assistance for arbitration at the conclusion of which a final valuation would be determined. There was no lack of support for that piece of the process, he stated. The fundamental matter and the reason the Nevada Hospital Association was in opposition was the absence of the words "reasonable" or "good faith offer" regarding the first offer. He cited the economic tension between insurers and hospitals, and with no standard for the first offer, he said, there would be low-ball offers or unreasonable offers to force the charges into arbitration.

Mr. Wadhams discussed the need to receive a partial payment and then dispute the remaining payment. The delivery of care was an economic business, and it was expensive, but when lives were saved, the cost was of secondary concern. He again mentioned his support for Assemblywoman Carlton's efforts, and the need for language to ensure the first offer would be "reasonable."

Vice Chair Frierson asked whether Mr. Wadhams was involved in the stakeholder meetings. Mr. Wadhams replied that he attended and was fully engaged in every meeting.

Vice Chair Frierson asked Mr. Wadhams about the agreement that fell apart. The first offer was one component of the process, he recounted, and the ultimate resolution process (with a negotiation and an arbitration process) was the second component. There was 100 percent agreement for all involved about the arbitration process. There continued to be tension among the participants about the first offer process and how to keep the first offer from being too low. The intent, he believed, should not be to force every party into arbitration, only those who could not be satisfied with a reasonable first offer.

Vice Chair Frierson asked whether Committee members had any questions.

Assemblywoman Benitez-Thompson tried to think about the meaningful difference if this bill were enacted. For persons who received out-of-network bills, her experience had been that it took hours to work through billing questions with the provider, and many hours on the phone with insurers. She liked the phrase "sophisticated parties." Although some of the larger bills would result in arbitration, she felt that hospitals would get payment faster through arbitration rather than from the patients, many of whom would need payment plans.

Mr. Wadhams replied that the only responsibility for the patient was to pay the copay, deductible, or coinsurance. Any remaining amounts were between the provider and the insurer. Time spent trying to make sense out of a provider charge at that point was not up to the patient. The problem, he stated, was with the reasonableness of the first offer and the number of claims that would be sent to arbitration.

Assemblyman Sprinkle asked whether the participants in the working group were "active" members trying to find consensus. Mr. Wadhams repeated that he was in every single meeting. By and large, he said, most participants appeared at meetings consistently.

Assemblyman Sprinkle asked whether the amendment proposed by the Nevada Hospital Association was a consensus amendment from the working group. Mr. Wadhams said that it was not.

Assemblyman Sprinkle asked whether the amendment, delivered late the night before a hearing, was intended to address the fiscal notes, and if not, he wondered about the purpose of the amendment. Mr. Wadhams felt that it was important to address the standard for the first offer.

Assemblyman Sprinkle asked whether the matter of a "reasonable" first offer was discussed in the working group meetings. Mr. Wadhams said it was. Assemblyman Sprinkle noted that the intent of the working group was to reach consensus, so the Nevada Hospital Association must have believed that the working group was not going to reach consensus on

this matter and brought the amendment to the Legislature independently. Mr. Wadhams said his point was to offer standards to the working group. The working group did not agree unanimously with the concept of standards, and the inability of the working group to come together, he said, resulted in the working group's inability to conclude the project.

George A. Ross, President, The McMullen Strategic Group, representing HCA Sunrise Hospital, felt the arbitration efforts were headed in the right direction, but he did not agree that there was only one solution. The initial offer needed to be above the contracted rate, but not so high that contracts were disincentivized. Defining that rate was critical to finding balance. Without a first offer, thousands of cases at Sunrise Hospital would go to arbitration. He felt that Sunrise Hospital was in a unique position because in the ER, 68 percent were either Medicaid patients or uninsured. The hospital, he said, had to get the money from somewhere.

Mr. Ross said the criteria an arbitrator would look at included:

- The average amount a patient would pay for in-network services (there was no incentive to contract with an insurer, he said, if this was the criteria used).

- The average amount paid by Medicare. Medicare only paid 25 percent of costs for the ER. (The rates for other parts of the hospital were much higher, averaging out with the lower emergency reimbursement rates, he said.)

- Usual and customary charges (some insurers' usual and customary charges for some hospitals, he said, were not close to the cost of care).

If the bill was to go forward, Mr. Ross said, there needed to be recognition of the following factors:

- Recognition that an organization could not lose money and continue to operate: a basic recognition of costs.

- Recognition of the overall integration of the hospital economics.

Mr. Ross concluded by stating that access to quality care was critical, and that, he said, should be the primary concern of the Legislature. Sunrise Hospital would prefer to spend money investigating new technologies and procedures rather than funding staff to handle appeals. This bill as written would have significant financial consequences on Sunrise Hospital, he stated. The hospital could not continue to offer and maintain the same level of services with this bill in its current form.

Vice Chair Frierson restated his question about what processes were in place in other states such as California, New York, and possibly Texas, and if other states were doing this, he wondered why it would be devastating for Nevada.

Mr. Ross had asked his headquarters in Nashville, Tennessee, for other states where HCA operated and what the average reimbursement from Medicaid was in those states. The response from headquarters, he stated, was 89 percent. Nevada Medicaid reimbursed 53 percent to 57 percent. Assuming Nevada would have the same rate as other states, especially with the higher number of Medicaid patients, was untenable. The other states assumed Medicaid funding at about the same level as Medicare, which was not true in Nevada, he said.

Vice Chair Frierson asked whether Mr. Ross was referring to the average of other states. Mr. Ross explained that he was told the typical rate for other states was 89 percent. Vice Chair Frierson asked whether Mr. Ross was aware of any other states with the same reimbursable rate as Nevada, and Mr. Ross did not know the answer to that question.

Vice Chair Frierson asked about the motivation to enter into a contract or to resolve billing matters. He wondered if there was a concern about the cost that multiple arbitration cases would have on the system and whether that would then be motivation to resolve the cases.

Mr. Ross had anticipated the question and had asked his chief executive officer how to respond. The answer he got was that hospital administration could not afford not to go to arbitration. Vice Chair Frierson understood the concern for the first offer with no parameters, but Mr. Ross's proposed amendment inserted more than the word "reasonable."

Mr. Ross replied that the Nevada Hospital Association's proposed amendment included 150 percent of the most recent prior contract for the first offer. He explained that if the first offer was 150 percent more than a typical contract, it was an incentive to have a contract. Hospitals were better off when all providers were under contract, so the facility could estimate for planning and staffing commitments.

Vice Chair Frierson asked whether inserting the word "reasonable" before first offer would help. Mr. Ross stated that his answer depended on the definition of "reasonable." The three criteria he listed earlier were insufficient to get to a reasonable result. The reasonable result, he said, would have to take into account the cost of service and the fact that if the hospital were affected financially, then services would be reduced and it would affect constituents' ability to receive healthcare. Legislators, he said, must take into account the overall integration of what the hospitals were being paid with the overall financial situation of the hospitals.

Assemblywoman Diaz asked Mr. Ross to quantify the volume of out-of-network care. Her understanding was that the criteria for eligibility resulted in a small number of patients.

Mr. Ross replied that in 2016, Sunrise Hospital had 167,400 total patients in the emergency room (ER). He believed approximately 20,000 patients (12 percent) were out-of-network. He further stated that 68 percent were Medicaid or uninsured, and 17 percent were commercial patients, both in-network and out-of-network.

Assemblywoman Benitez-Thompson wondered again whether Nevada would be better off with this bill, and she asked what the collection rate was for the out-of-network patients and whether a payment plan was better than arbitration.

Mr. Ross deferred the answer until Todd P. Sklamberg, Chief Executive Officer, Sunrise Hospital, appeared before the Committee next week. He differentiated between the insured patient with out-of-network charges and the uninsured patient. The matter was how difficult it was to get reimbursement from insurance companies, not patient payment plans.

Assemblywoman Benitez-Thompson asked for the collection information, not specific to Sunrise Hospital, but for hospitals in Nevada.

Assemblywoman Spiegel asked why Mr. Ross said that during arbitration, if the provider was able to substantiate the costs, the arbitrator would not allow the provider to recover the costs. Mr. Ross explained that if the arbitrator was strictly guided by the criteria listed earlier, the actual costs would not be considered. This was a risk, he said, that Sunrise Hospital was concerned about. He further added that being reimbursed exactly the cost amount was disruptive to the hospital economics. Until either Senate Bill (S.B.) 509 worked or legislators arrived at a higher reimbursement rate, it was difficult for the economics in the hospital.

Mr. Ross cautioned the Legislature to be aware of the potential changes happening in Washington, D.C., that would affect the amount of Medicaid dollars flowing into Nevada. Healthcare may be a right, he acknowledged, but then those who provide healthcare must be in a position to provide access and quality at a level consistent with the belief in healthcare. This bill was risky, he concluded.

Assemblywoman Swank asked for clarification on the number of ER patients who were out-of-network. The proposed bill only applied to situations where federal law mandated the patient must be cared for in an ER, and a patient could not make a choice among the providers in an ER setting. She acknowledged that many people could walk into an ER on their own accord and make the wrong choice in provider and not be covered by the proposed bill.

Mr. Ross stated his understanding was that the bill applied to anyone who walked into the ER and was out-of-network.

Catherine M. O'Mara, JD, Executive Director, Nevada State Medical Association (NSMA), testified that she did not agree with the sponsor, Assemblywoman Carlton, on many things, but the sponsor allowed her to have her voice. This bill affected physicians in the ER and the on-call physicians. She mentioned that Nevada needed to grow the physician workforce. Nevada ranked 51st in the nation for surgical specialties, 51st in the nation for general surgeries, 49th in the nation for pulmonary surgeries, 50th in the nation for neurological surgeries, and 47th in the nation for pediatric specialties, to name a few.

The physician approach to this session, Ms. O'Mara noted, was to look for ways to solve the three ideals Assemblywoman Carlton raised. The three ideals were to protect the patient who received an unexpected uncovered emergency bill, to find a market-based solution for a healthy health-care market, and to encourage contracts for health-care coverage. She mentioned that the NSMA proposed their side, along with proposed new tools as part of Senate Bill (S.B.) 289. The NSMA tools and solutions included nonprofit independent databases and a nationally accepted threshold publicly endorsed by payer groups involved in Assemblywoman Carlton's working group. Despite that, every time Ms. O'Mara mentioned these solutions, she was told it was inappropriate for her to bring up topics publicly endorsed by the people who oppose them. She stated that NSMA did not get what they wanted out of the discussions to this point, but they negotiated in good faith and attended every meeting they were invited to attend. When Assemblywoman Carlton asked for the final offer NSMA could live with, NSMA provided that offer, dated May 11, 2017, in writing (Exhibit G). The letter included information on how to know when a provider was out-of-network, and how to opt into the Office for Consumer Health Assistance early. She said that Exhibit G was not what the physician community wanted to see, but there were protections in place to help meet the three criteria specified earlier.

Ms. O'Mara encouraged Committee members who were not on the Assembly Committee on Health and Human Services to review the initial hearing on A.B. 382 (R1). Many of the reasons NSMA was opposed to that bill were the same reasons they were opposed to this bill. The original bill, she remembered, had two metrics. The metrics were the average contract rate that an insurer would pay and a certain percentage of Medicare. The average contract rate was not an incentive to enter into a contract, she said, and it actually encouraged the insurer to have the highest average rate that could be reached. Medicare was not an appropriate standard for physician providers because it came from a federal pot of funds with a discrete population. Medicare was not reflective of market costs to provide services, and the Medicare population was not geared toward out-of-network or emergency services. Instead, she continued, Medicare was geared toward primary care for older populations. She stated that NSMA did not agree with the proposal as yet, but continued to participate in hopes of finding a solution that would satisfy everyone.

The amendment in front of the Committee members, Ms. O'Mara stated, provided for the insurer's first offer, then mediation or arbitration, which may result in the average contract rate or a percentage of Medicare. She explained that "usual and customary charges" was a difficult concept to grasp or to explain, but NSMA had advocated unsuccessfully to change the meaning of the phrase to "the percentile of charges in the geographic area."

Ms. O'Mara noted that ER charges were frequently under $1,000, and NSMA was concerned about having to potentially arbitrate all of the charges. One of the suggestions from NSMA was that if the ER charges were less than $1,000, the insurance company should just pay the charge. The patient was kept out of the equation, there was a small amount of pain for everyone, but the burden was not always on the provider to spend money, time, and resources to research charges.

Ms. O'Mara referenced a letter (Exhibit H) dated May 26, 2017, from Dr. Andrew M. Eisen, M.D., who could not be present for the hearing. She asked Committee members to read the letter. According to the letter, no one involved in the ER process had a choice except for the insurer. She stated that although the bill looked like a bill to protect patients, it was a bill to give an edge to insurance companies and their contracting practices.

Vice Chair Frierson asked Ms. O'Mara not to disparage the intent of the bill's sponsor. Ms. O'Mara apologized. She said she was referring to the effect, not the intent.

Ms. O'Mara added that Dr. Deborah Kuhls, M.D., President of the Nevada Chapter of the American Surgical Association, could not be present at the hearing but wanted her opposition to A.B. 382 (R1) on the record.

Ms. O'Mara concluded by acknowledging that intentions on both sides were very good, but she urged Committee members not to pass the bill in haste, but to step back and study the matter in greater depth and to review the Office for Consumer Health Assistance data in detail. The NSMA opposed the bill in its current form and for the negative effects the bill would have on the physician community.

Chelsea Capurro, Lobbyist, Griffin Company (G3), representing the Health Services Coalition, said that the Coalition represented 350,000 lives spread over 21 member groups. Some smaller plans, she said, had 445 members, that was 445 lives supported by their self-funded trust plan. Spending thousands or tens of thousands of dollars to go to arbitration would not be in the best interest of members, so the Coalition's first offer would be the best offer. The group always tried to contract with hospitals, and it was never their intent to be out-of-network although sometimes it happened, she stated. It was in the Coalition's best interest to save their self-funded trust money to give the best offer and avoid arbitration. Under section 21.5 of this amendment, she noted, there was a stipulation that an activity summary report would be submitted to the Legislative Committee on Health Care. The data from this report would be useful for determining the next step.

Bobbette Bond, Policy Director, Unite Here Health, stated that she had been working on this matter for 14 years and participated in good-faith efforts to put rates into statute. It was a long, repetitive, and unsuccessful effort. After three different offers, she realized they were not getting anything in writing from the hospitals. The solution before the Committee members was a way to meet the first fundamental goal of getting the patient out of the middle of the equation. She was frustrated that the solution was now being challenged, and she was frustrated with the hospitals' lack of action, but she supported A.B. 382 (R1).

Vice Chair Frierson asked whether there was anyone in opposition to A.B. 382 (R1).

Karen Massey, Legislative Liaison, Medical Group Management Association (MGMA), stated that she was also the Executive Director of the largest emergency physician group in Northern Nevada. Catherine O'Mara had represented the MGMA perspective in many meetings because Ms. Massey was unable to participate. She stated that there were about 120,000 ER visits in Northern Nevada, with an out-of-network rate of less than

one-half of one percent, a different number than that of other testifiers. Her concern with the bill was caused by the market incentives that would be created. The threshold had been one of the offers to address the concern and limit the fiscal impact of arbitration. She encouraged Committee members to consider the workforce effect, and she noted that every ER physician interview always included the candidate asking about the state of this policy in Nevada.

Bret W. Frey, M.D., Legislative Liaison, American College of Emergency Physicians and an emergency physician, spoke in opposition and noted that there were 1.5 million ER visits in the state annually. He was concerned about the erosion of critical services throughout Nevada and stated that recruitment and retention were critical efforts. There were significant gaps in on-call specialty coverage, and he mentioned that the ER physician workforce was mobile, with choices to work in other states. Physicians often moved depending on the market conditions, and he felt this bill would create incentives for ER physicians to flee Nevada. He referenced a medical malpractice crisis when physicians left Nevada in 2002-2003, and he felt this crisis could have similar results.

Mendy Elliott, Lobbyist, Capitol Partners, representing the Nevada Osteopathic Medical Association, stated that she had worked with Catherine O'Mara for various amendments. She referenced a letter in opposition to A.B. 382 (R1) from Dr. Bruce Fong, President, Nevada Osteopathic Medical Association, dated May 27, 2017 (Exhibit I).

Lesley Pittman, Lobbyist, Sierra Strategies, LLC, representing the Nevada State Society of Anesthesiologists, stated that she participated in the working groups. She noted that in states with a mediation model for out-of-network charges, there was a threshold standard of $1,000. Charges below $1,000, she offered, would either be paid by the patient or paid by the insurer. She further stated that the Nevada State Society of Anesthesiologists had agreed to mediation, but the model in amendment 4744 was an outdated version.

Kathleen Conaboy, Vice President, Government Affairs and Advocacy Group, McDonald Carano Wilson LLP, representing the Nevada Orthopaedic Society, stated that there were guiding criteria for the discussions. Everyone, she said, unequivocally agreed to the criteria. The two other criteria that she and her client had agreed with were to ensure marketplace stability and to ensure contracting remained in place—not too high for the physicians and hospitals and not too low for the insurers. She did not believe the amendment lived up to those criteria.

Ms. Conaboy referenced Section 20 of the amendment, and said that if the insurer wanted the protections of the bill, the insurer would, on an annual basis, review the in-network hospitals and pursuant to the provision starting on page 11, line 26, ensure that the persons covered had adequate information. The results from the review would then be submitted to the Office for Consumer Health Assistance. The regulatory responsibility for oversight of this information was with the Division of Insurance, Department of Business and Industry. This information may be useful to the Office for Consumer Health Assistance, but the Office for Consumer Health Assistance had no oversight responsibility or authority over the information, and she stated that the Office for Consumer Health Assistance had no authority to determine or sanction an insurer who had an inadequate network.

Ms. Conaboy recalled that she had asked about a patient being "whole" after copay and deductibles were made. She was not sure whether "whole" was in reference to in-network or out-of-network, and it would make a difference in what a physician could expect to receive. This request for clarification was unaccommodated in the amendment, she noted.

Vice Chair Frierson asked the remaining testifiers to state their name, organization, and opposition for the record.

Chris Ferrari, Ferrari Public Affairs representing Dignity Health–St. Rose Dominican, stated that he opposed A.B. 382 (R1). Mr. Ferrari had provided a letter (Exhibit J) earlier in opposition to A.B. 382 (R1) from Eugene Bassett, Senior Vice President of Operations, Dignity Health Nevada, dated May 27, 2017.

Kerry Novak, ER physician, Reno, Nevada, stated that he opposed A.B. 382 (R1).

Amy Sue Hayes, Obstetrics and Gynecology (OB/GYN), Carson Medical Group, representing Nevada Chapter of American College of OB/GYN, stated that she opposed A.B. 382 (R1).

David Strull, ER physician, Carson City, Nevada, stated that he opposed A.B. 382 (R1) because the unintended consequences could cause his practice to collapse.

Dan Musgrove, Dan Musgrove Advocacy, representing the Valley Health System of Hospitals, opposed A.B. 382 (R1).

Vice Chair Frierson asked whether there was anyone neutral on A.B. 382 (R1).

Damon Haycock, Executive Officer, Public Employees' Benefits Program, stated that amendment 4744 eliminated the need for the unsolicited fiscal note that had been attached to the bill.

Assemblywoman Carlton explained that she did not intend for the hearing to turn into a policy discussion. She stated that she would not propose an amendment that would harm access to healthcare. She came to this project after learning as a shop steward how important healthcare was to working people. She tried to address cost but could not get consensus. Medicare was not good enough, the cost-to-charge ratio was not good enough, and Ms. O'Mara's suggestion was a nonstarter that she did not want to consider.

Assemblywoman Carlton stated that she understood the confusion with the word "offer," and they tried to find a reasonable offer. Many reasonable people were at the table, but they could not agree to a reasonable offer at the same time. She apologized again for what the hearing turned into, but she emphasized the importance of the matter for Nevada.

Vice Chair Frierson closed the hearing on A.B. 382 (R1). Assemblywoman Carlton reassumed the Chair, and opened the work session.

Assembly Bill 468 (1st Reprint): Revises provisions relating to mortgage brokers, mortgage agents and mortgage bankers. (BDR 54-1028)

Chair Carlton stated that this bill dealt with mortgage agents and mortgage brokers. The bill had minimal consequences, but the bill was not supported by State General Funds. She added that there were no proposed amendments.

ASSEMBLYMAN FRIERSON MADE A MOTION TO DO PASS, AS AMENDED, ASSEMBLY BILL 468 (1ST REPRINT).

ASSEMBLYMAN OSCARSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson and Benitez-Thompson were not present for the vote.)

Chair Carlton asked Assemblywoman Spiegel to present the bill on the floor.

Senate Bill 496: Revises provisions governing the issuance of revenue bonds and other securities by the Nevada System of Higher Education. (BDR S-1083)

Chair Carlton stated that this bill was for revenue bonds for the Nevada System of Higher Education. There were no proposed amendments to this bill.

ASSEMBLYMAN FRIERSON MADE A MOTION TO DO PASS SENATE BILL 496.

ASSEMBLYMAN HAMBRICK SECONDED THE MOTION.

Assemblywoman Titus stated that she would be voting no based on her concern about the ever-increasing cost of education.

THE MOTION PASSED. (Assemblywoman Titus voted no. Assemblyman Anderson was not present for the vote.)

Chair Carlton asked Assemblyman Araujo to present the bill on the floor.

Senate Bill 518 (1st Reprint): Revises provisions relating to certain accounts used for the education of pupils enrolled in public schools. (BDR 34-1094)

Chair Carlton stated that this was a budget implementation bill with no proposed amendments.

ASSEMBLYMAN FRIERSON MADE A MOTION TO DO PASS SENATE BILL 518 (1ST REPRINT).

ASSEMBLYMAN OSCARSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Anderson was not present for the vote.)

Chair Carlton asked Assemblywoman Swank to present the bill on the floor.

Senate Bill 524 (1st Reprint): Makes supplemental appropriations to the Division of Forestry of the State Department of Conservation and Natural Resources for a projected shortfall for certain activities. (BDR S-1173)

Chair Carlton stated that this was a supplemental appropriation to the Division of Forestry, State Department of Conservation and Natural Resources, for the projected shortfall from fires and flooding activity.

ASSEMBLYMAN FRIERSON MADE A MOTION TO DO PASS SENATE BILL 524 (1ST REPRINT).

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Anderson was not present for the vote.)

Chair Carlton asked Assemblyman Sprinkle to present the bill on the floor.

Chair Carlton opened the floor for public comment. Hearing none, the meeting was adjourned at 1:07 p.m.

RESPECTFULLY SUBMITTED:

_____
Carmen M. Neveau
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 document titled "Nevada System of Higher Education," presented by Vic Redding, Vice Chancellor for Finance and Administration, Nevada System of Higher Education.

Exhibit D is a proposed Judicial Branch amendment to Assembly Bill 40 presented by Ben Graham, Esq., Graham Solutions, LLC, representing the Supreme Court of Nevada.

Exhibit E is a mock-up of proposed amendment 4744 to Assembly Bill 382 (1st Reprint) reviewed with the Assembly Committee on Ways and Means by Assemblywoman Maggie Carlton, Assembly District No. 14.

Exhibit F is a document titled "AB382 Proposed Amendment to Mock-up of Amendment 4744" proposed by the Nevada Hospital Association and referenced by Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

Exhibit G is a letter dated May 11, 2017, to Assemblywoman Maggie Carlton from Catherine M. O'Mara, Executive Director, Nevada State Medical Association, in opposition to Assembly Bill 382 (1st Reprint).

Exhibit H is a letter dated May 26, 2017, to Chairwoman Maggie Carlton from Dr. Andrew M. Eisen, M.D., in opposition to Assembly Bill 382 (1st Reprint) and referenced by Catherine M. O'Mara, Executive Director, Nevada State Medical Association.

Exhibit I is a copy of a statement by Dr. Bruce Fong, D.O., President, Nevada Osteopathic Medical Association, dated May 27, 2017, in opposition to Assembly Bill 382 (1st Reprint) and referenced by Mendy Elliott, Lobbyist, Capitol Partners, representing the Nevada Osteopathic Medical Association.

Exhibit J is a letter dated May 27, 2017, to Chairwoman Maggie Carlton from Eugene Bassett, Senior Vice President of Operations, Dignity Health Nevada, dated May 27, 2017, in opposition to Assembly Bill 382 (1st Reprint) and referenced by Chris Ferrari, Ferrari Public Affairs, representing Dignity Health–St. Rose Dominican.