

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

**Seventy-Ninth Session
April 3, 2017**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 9:08 a.m. on Monday, April 3, 2017, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, 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
Assemblyman Chris Edwards
Assemblyman John Hambrick
Assemblyman James Oscarson
Assemblywoman Ellen B. Spiegel
Assemblyman Michael C. Sprinkle
Assemblywoman Heidi Swank

COMMITTEE MEMBERS EXCUSED:

Assemblywoman Olivia Diaz
Assemblywoman Robin L. Titus

STAFF MEMBERS PRESENT:

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



After call of the roll, Chair Carlton opened the hearing for budget account (BA) 1000, Office of the Governor.

ELECTED OFFICIALS
ELECTED OFFICIALS
OFFICE OF THE GOVERNOR (101-1000)
BUDGET PAGE ELECTED-6

Cathy Crocket, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated there were no major closing items in budget account (BA) 1000. There was one other closing item that appeared reasonable, and Fiscal Analysis Division staff recommended closing BA 1000 as recommended by the Governor with authority to make technical adjustments as necessary.

Chair Carlton asked whether there was further discussion regarding the budget and there was none; the Chair called for a motion.

ASSEMBLYWOMAN SPIEGEL MOVED TO CLOSE BUDGET ACCOUNT 1000 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN SPRINKLE SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywomen Diaz and Titus were not present for the vote.)

BUDGET CLOSED.

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ELECTED OFFICIALS
ELECTED OFFICIALS
GOVERNOR'S MANSION MAINTENANCE (101-1001)
BUDGET PAGE ELECTED-10

Cathy Crocket, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated there were no major closing items in budget account (BA) 1001. The budget contained the costs for staff and operation and maintenance of the mansion. There were two other closing items that appeared reasonable, and Fiscal Analysis Division staff recommended closing BA 1001 as recommended by the Governor with authority to make technical adjustments as necessary.

Chair Carlton asked whether there was further discussion regarding the budget and there was none; the Chair called for a motion.

ASSEMBLYMAN SPRINKLE MOVED TO CLOSE BUDGET ACCOUNT 1001 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN ANDERSON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywomen Diaz and Titus were not present for the vote.)

BUDGET CLOSED.

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ELECTED OFFICIALS
ELECTED OFFICIALS
GOVERNOR'S WASHINGTON OFFICE (101-1011)
BUDGET PAGE ELECTED-14

Cathy Crocket, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated budget account (BA) 1011 was a staff closure with recommendations developed by Fiscal Analysis Division staff. The budget had not been heard previously by the Committee.

The budget for the Governor's Washington Office was established to identify, monitor, and provide information on selected federal items of high priority to Nevada. The budget was funded by transfers from the Office of Economic Development, Office of the Governor, which was State General Fund revenue; the Commission on Tourism, Department of Tourism and Cultural Affairs, which was room tax funding; and the Department of Transportation, which was State Highway Fund revenue.

There were no closing items and the budget was flat at \$259,434 in each year of the 2017-2019 biennium, which was consistent with the amount approved for the 2015-2017 biennium. Fiscal Analysis Division staff recommended closing BA 1011 as recommended by the Governor with authority to make technical adjustments as necessary.

Chair Carlton asked whether there was further discussion regarding the budget and there was none; the Chair called for a motion.

ASSEMBLYMAN FRIERSON MOVED TO CLOSE BUDGET ACCOUNT 1011 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL ANALYSIS DIVISION STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYMAN ANDERSON SECONDED THE MOTION.

THE MOTION CARRIED. (Assemblywomen Diaz and Titus were not present for the vote.)

BUDGET CLOSED.

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Chair Carlton stated that concluded the budget closings and she opened the hearing on Assembly Bill 98.

Assembly Bill 98: Revises provisions governing the Office of Grant Procurement, Coordination and Management of the Department of Administration. (BDR 18-580)

Assemblyman Paul Anderson, Assembly District No. 13, stated that Assembly Bill (A.B.) 98 had been presented in the Assembly Committee on Government Affairs, but the bill contained a potential budget item and was, therefore, rereferred to the Committee on Ways and Means for consideration.

Assemblyman Anderson stated that the Office of Grant Procurement, Coordination and Management (Nevada Grants Office), Department of Administration, played a critical and valuable role in increasing Nevada's ability to receive federal grant funds. The Nevada Grants Office was a revenue-generating agency, and one that brought in more revenue than it cost to run. In fiscal year (FY) 2015, the Nevada Grants Office assisted with 113 grants totaling \$131 million, which was a great return on investment. The Nevada Grants Office was created in 2011 and the number of staff was limited at that time. The intent of A.B. 98 was simply to remove the limitation in *Nevada Revised Statutes* (NRS) that stipulated the Nevada Grants Office could employ "two persons" and give the Office some flexibility with the new language that would allow it to employ "such persons" as deemed necessary.

Assemblywoman Irene Bustamante Adams, Assembly District No. 42, stated that in 2015, the Legislature created the Advisory Council on Federal Assistance (Grants Council) to review the Office of Grant Procurement, Coordination and Management (Nevada Grants Office) and identify action that could be taken to receive more money back from the federal government via grants than the state was paying in federal tax dollars.

Assemblywoman Bustamante Adams explained that she and Assemblyman Anderson had become involved in the Grants Council to replace former Assemblyman Derek Armstrong. She stated that A.B. 98 would modify the enabling language for the Nevada Grants Office by providing flexibility for it to employ the number of positions deemed necessary within the limits of money appropriated or authorized through the budget process.

The current language in NRS capped the number of employees at three [one administrator and two other persons]. The bill would also remove a statutory prioritization for certain grants so the Nevada Grants Office could equally serve any department and could work on grants based on factors such as high potential of award, size of award, and evolving state priorities. The bill would not change or discourage grant work in the areas of need.

Assemblyman Anderson stated that he would like to clarify his testimony. He mentioned earlier that the current NRS limited the staff to two positions, but staff was limited to three positions as stated by Assemblywoman Bustamante Adams.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that A.B. 98 was also rereferred to the Ways and Means Committee for a technical correction. While the limit regarding the number of employees would be removed by the bill, section 1, line 7 would still require that positions serve in the "unclassified" service of the state. Ms. Jones said the Nevada Grants Office had requested a change in that language to reflect either "classified or unclassified" service. The Nevada Grants Office was requesting a classified administrative assistant position in its budget. Therefore, to facilitate the flexibility of the Legislature to approve that position, Ms. Jones recommended that line 7 be modified to indicate either "classified or unclassified" service of the state.

Chair Carlton asked whether Assemblywoman Bustamante Adams or Assemblyman Anderson had any further comments regarding A.B. 98, and neither had further comments.

Assemblyman Sprinkle noted that section 1 of the bill indicated the money was appropriated or authorized to be expended "for this purpose," and he asked whether the requested position would meet that requirement.

Ms. Jones explained that the change in language would allow the Nevada Grants Office to employ persons in either the classified or unclassified service based on the positions that were approved by the Legislature. The bill would align the language in statute with the budget request, which would allow the agency to fill the classified administrative assistant position once approved.

Ms. Jones stated that with the permission of the Committee, she would request an amendment to A.B. 98 to change the language in section 1 to "classified or unclassified" service. Chair Carlton stated the Committee was in agreement with the proposed amendment, and once completed, the bill would be heard again during a work session.

Chair Carlton asked whether there was public testimony to come before the Committee in support of A.B. 98.

Paul J. Moradkhan, Vice President, Government Affairs, Las Vegas Metro Chamber of Commerce, stated that the Chamber supported the bill and believed that the additional flexibility to grow the Office of Grant Procurement, Coordination and Management (Nevada Grants Office), Department of Administration, would help bring additional dollars into Nevada to support Nevada citizens.

Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas, stated that the City of Las Vegas also supported A.B. 98 and believed that the flexibility granted in the bill was a move in the right direction: the state needed to maximize every opportunity to receive federal grant dollars. The City of Las Vegas had made that a priority and looked forward to working with the Nevada Grants Office to leverage additional federal grants. He stated there were a number of other bills regarding federal grant funding working their way through the legislative process, and he believed that a package of bills would help move the state forward in the federal grants operation. As the new administration in Washington, D.C., provided additional opportunities for federal grant dollars, pooling the bills together as a package would help position Nevada as it moved forward.

Miles R. Dickson, JD, Principal, The JABarrett Company, Las Vegas, Nevada, representing the Nevada Community Foundation, stated the Foundation was one of the largest charitable organizations in Nevada. The Foundation served donors by connecting to nonprofit organizations and causes. He said the Foundation supported A.B. 98, as it had supported similar legislation on numerous occasions, and supported efforts on local and regional levels that would build Nevada's capacity and competitiveness for federal grants.

Mr. Dickson thanked Assemblywoman Bustamante Adams and Assemblyman Anderson for their leadership and the Nevada Grants Office for its hard work. The Nevada Community Foundation had dealt with the Nevada Grants Office on many occasions and found staff to be exceptionally professional, proactive, and collaborative in the shared vision of increasing federal grant investments in Nevada.

Mr. Dickson submitted [Exhibit C](#), a written summary in support of A.B. 98, copies of which had been presented to the Committee, and a copy of which was available on the Nevada Electronic Legislative Information System (NELIS).

Chair Carlton asked whether there was further testimony to come before the Committee in support of A.B. 98.

David Clyde, Government Affairs and Legal Supervisor, Regional Transportation Commission of Southern Nevada, stated the Regional Transportation Commission (RTC) was responsible for Southern Nevada Strong's regional plan, which was the first federally funded and federally recognized regional plan for Southern Nevada. The cornerstone of Southern Nevada Strong's regional plan was increasing the availability and effective use of federal and private grant funds. The regional plan specifically addressed increasing grant capacity, improving grant communications, coordinating among local governments, and

coordinating between local governments and the state. The RTC believed that the flexibility contained in A.B. 98 would help it be more competitive in both federal and private grants, and it would support the bill for those reasons.

Connie Lucido, Chief of Grants Procurement, Office of Grant Procurement, Coordination and Management, Department of Administration, added her support to A.B. 98. She indicated the flexibility was needed, and changing the language in statute would assist the Nevada Grants Office in its goal of moving forward in its continued collaboration with the state.

There being no response to her request for further public comment in support of, neutral on, or in opposition to the bill, and with no further comments from the sponsors, Chair Carlton closed the hearing on A.B. 98. The Chair opened the work session regarding Senate Bill 197 and Senate Bill 198.

Senate Bill 197: Extends the deadline for issuing certain bonds for certain environmental improvement projects in the Lake Tahoe Basin. (BDR S-493)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Senate Bill (S.B.) 197 was heard by the Committee on March 28, 2017. The bill was presented by Senator Ben Kieckhefer, Senate District No. 16; James R. Lawrence, Deputy Director, State Department of Conservation and Natural Resources; and Charles Donohue, Administrator, Division of State Lands, and State Land Registrar, State Department of Conservation and Natural Resources. Testimony had been offered in support of S.B. 197 by interested parties. The bill would extend by 10 years, from June 30, 2020, to June 30, 2030, the period for issuance of the remainder of the \$100 million in general obligation bonds that were approved by the 2009 Legislature to be issued to carry out certain projects to improve the environment in the Lake Tahoe Basin.

Ms. Jones stated that according to the Division of State Lands, \$92 million of the \$100 million in general obligation bonds had yet to be issued because of debt affordability constraints. The agency also indicated that extending the deadline for the bonds would make funds available to leverage federal funding that might be available from the recently approved Lake Tahoe Restoration Act.

Chair Carlton asked whether there were further questions or comments regarding the bill and there were none. The Chair called for a motion.

ASSEMBLYMAN SPRINKLE MOVED TO DO PASS SENATE BILL 197.

ASSEMBLYMAN ANDERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblywomen Diaz and Titus were not present for the vote.)

Assemblyman Sprinkle was assigned the floor statement.

Senate Bill 198: Extends the deadline for issuing certain bonds relating to the property and natural resources of Nevada approved by the voters in 2002. (BDR S-494)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Senate Bill (S.B.) 198 was heard by the Committee on March 28, 2017. The bill was presented by Senator Ben Kieckhefer, Senate District No. 16; James R. Lawrence, Deputy Director, State Department of Conservation and Natural Resources; and Charles Donohue, Administrator, Division of State Lands, and State Land Registrar, State Department of Conservation and Natural Resources. Testimony had been offered in support of S.B. 198 by interested parties.

Ms. Jones explained that the bill would provide an extension by five years, from June 30, 2019, to June 30, 2024, of the deadline for the issuance of the remainder of general obligation bonds that were authorized, but not yet issued, for conservation resources protection grant programs. The voters approved funding the bonds in November 2002, and the deadline had been extended by the 2013 Legislature by five years. The total amount of authorized bond authority had not yet been issued because of debt affordability constraints. The agency testimony indicated that, not counting bond sales contemplated in The Executive Budget, the bond authority remained at \$18.6 million. Ms. Jones reiterated that S.B. 198 would extend the deadline for the ability to issue bonds for the program for an additional five years to June 30, 2024.

Chair Carlton asked whether there were further questions or comments regarding the bill and there were none. The Chair called for a motion.

ASSEMBLYWOMAN SPIEGEL MOVED TO DO PASS
SENATE BILL 198.

ASSEMBLYMAN ANDERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblywomen Diaz and Titus were not present for the vote.)

Assemblyman Sprinkle was assigned the floor statement.

Chair Carlton advised the Committee that it needed to consider the drafting of the following bill draft requests (BDRs):

- The first BDR was for a supplemental appropriation for the Division of Emergency Management, Department of Public Safety, for the Joint Field Office with the Federal Emergency Management Agency (FEMA). The BDR would address the flood assistance that was needed in the state.

- The second BDR would be for a one-shot appropriation of State General Funds for the Division of Emergency Management, Department of Public Safety, for the 2017-2019 biennium for the Joint Field Office with FEMA, also to address flood assistance.
- The third BDR would be for the film tax credit program. The Executive Budget incorrectly included the request as an appropriation, and a BDR would need to be drafted to consider increasing the amount available for the Nevada film tax credit program.

Chair Carlton asked whether there were any questions regarding the aforementioned BDRs.

Assemblyman Edwards asked about the Nevada film tax credit program.

Chair Carlton stated that a tax "credit" could not be appropriated and only funds could be appropriated; therefore, a BDR was needed to actually process the funding for the Nevada film tax credit program. The Executive Budget listed the credit as an appropriation and a credit could not be appropriated.

Assemblyman Edwards said it appeared that voting to draft the BDR would not mean that a member of the Committee had to vote to approve the funding. Chair Carlton said that was correct. The BDR would be drafted and when the BDR was completed, the Committee would then be asked to approve committee introduction of the BDR. After that introduction, a hearing would be held to discuss the resulting Assembly bill.

ASSEMBLYMAN FRIERSON MOVED THAT THE COMMITTEE
APPROVE THE DRAFTING OF THREE BILL DRAFT REQUESTS:

1. PROVIDE A SUPPLEMENTAL APPROPRIATION FOR THE DIVISION OF EMERGENCY MANAGEMENT, DEPARTMENT OF PUBLIC SAFETY, FOR THE JOINT FIELD OFFICE WITH THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR FLOOD ASSISTANCE.
2. PROVIDE A ONE-SHOT APPROPRIATION OF STATE GENERAL FUNDS FOR THE DIVISION OF EMERGENCY MANAGEMENT, DEPARTMENT OF PUBLIC SAFETY, FOR THE 2017-2019 BIENNIUM FOR THE JOINT FIELD OFFICE WITH THE FEDERAL EMERGENCY MANAGEMENT AGENCY TO ADDRESS FLOOD ASSISTANCE.
3. PROVIDE AN INCREASE IN THE AMOUNT AVAILABLE FOR THE NEVADA FILM TAX CREDIT PROGRAM.

ASSEMBLYMAN ANDERSON SECONDED THE MOTION.

THE MOTION PASSED. (Assemblywomen Diaz and Titus were not present for the vote.)

With no further public comment or business to come before the Committee, Chair Carlton adjourned the meeting at 9:32 a.m.

RESPECTFULLY SUBMITTED:

Carol Thomsen
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a written statement in support of Assembly Bill 98, presented by Miles R. Dickson, J.D., Principal, The JABarrett Company, Las Vegas, Nevada.