

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

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

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 8:10 a.m. on Monday, May 1, 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, and to Room 110, McMullen Hall, Great Basin College, 1500 College Parkway, Elko, 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](http://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:**

Assemblyman Richard Carrillo, Assembly District No. 18  
Assemblywoman Lesley E. Cohen, Assembly District No. 29  
Assemblywoman Melissa Woodbury, Assembly District No. 23  
Assemblyman Tyrone Thompson, Assembly District No. 17  
Assemblyman Steve Yeager, Assembly District No. 9  
Assemblyman Edgar Flores, Assembly District No. 28  
Assemblywoman Jill Tolles, Assembly District No. 25  
Senator Pete Goicoechea, Senate District No. 19  
Assemblyman John C. Ellison, Assembly District No. 33



**STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst  
Sarah Coffman, Principal Deputy Fiscal Analyst  
Keaton Westergard, Committee Secretary  
Lisa McAlister, Committee Assistant

After the roll was called, Chair Carlton explained that the Economic Forum was meeting at that time and the videoconferencing capabilities in Carson City were being used to broadcast the Economic Forum meeting. Some of the bills that were on the Agenda ([Exhibit A](#)) would be heard later that evening so the discussion could be videoconferenced to Elko and Las Vegas. Those bills were:

- Assembly Bill 41 (1st Reprint).
- Assembly Bill 109 (1st Reprint).
- Assembly Bill 458 (1st Reprint).
- Assembly Bill 477.
- Assembly Bill 481.

Chair Carlton opened the hearing on Assembly Bill 413 (1st Reprint).

**Assembly Bill 413 (1st Reprint): Makes various changes relating to electronic documents and electronic signatures. (BDR 12-597)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 413 (1st Reprint) addressed electronic wills and trusts. She said A.B. 413 (R1) revised provisions governing electronic notaries public and authorized electronic notaries public to perform authorized electronic notarial acts remotely through audio-video communication. The bill also increased the authorized fee amount that could be charged by an electronic notary public for the performance of certain electronic notarial acts, as well as authorized the collection of a fee to recover certain costs. The Office of the Secretary of State submitted a fiscal note on A.B. 413 (R1) that indicated \$254,577 would be required over the 2017-2019 biennium to update the Secretary of State's Office information technology system to operate the electronic notarial process. The funds would also be used to hire an additional administrative assistant to manage the new electronic notarial function.

Scott Anderson, Chief Deputy, Office of the Secretary of State, relayed that the fiscal note was based on the estimated cost for the Secretary of State's Office to execute and maintain the provisions of A.B. 413 (R1) as it was originally drafted. The amendment to A.B. 413 (R1) did not change the estimated cost of the bill. He explained that the Secretary of State's Office was currently replacing its Electronic Secretary of State (ESOS) processing system. Replacing the ESOS system was approved by the Legislature in 2015 through Senate Bill 514 of the 78th Session (2015). One of the first phases of the replacement project was developing processes to modernize the paper ESOS processes, which included

developing electronic notarization. He noted that electronic notarization was not the same as the remote notarization that was suggested in A.B. 413 (R1).

Mr. Anderson communicated that the ESOS replacement vendor was installing a system for traditional notaries and e-notaries that had been developed and used in other states. Complying with the remote notarization provisions that were in A.B. 413 (R1) would require customization of the system and would result in a change of scope that would put the current ESOS replacement project behind schedule. He said the provisions in A.B. 413 (R1) were outside of the provisions of the current project contract, and including the bill's provisions would require a contract amendment. He relayed that the vendor's soft quote was approximately \$150,000, and the total cost could be more depending on the number and complexity of the business requirements and other factors. Unanticipated costs could be incurred while developing the regulations that pertained to remote notarization.

Mr. Anderson indicated that remote notarization had only recently been discussed at the national level and was not initially something that the Secretary of State's Office considered when its budget was being developed. He said the original fiscal note that the Secretary of State's Office submitted contained an error, and [Exhibit C](#) explained the error and the corrected amount. The original fiscal note's description was accurate, but it contained a small calculation error. He stated that the corrected fiscal note accurately reflected the necessary resources for the Secretary of State's Office to accommodate the provisions of A.B. 413 (R1).

Chair Carlton asked Mr. Anderson to elaborate on the fiscal note error that was corrected.

Mr. Anderson said the error pertained to reduced training revenue. The Secretary of State's Office estimated that A.B. 413 (R1) would result in approximately \$6,350 of reduced training revenue in each year of the 2017-2019 biennium. He said the original calculation decreased the fiscal effect by \$6,350 in each year of the 2017-2019 biennium when it should have increased the fiscal effect by \$6,350 in each year of the 2017-2019 biennium. The corrected fiscal note reflected the accurate amount ([Exhibit C](#)).

Assemblyman Frierson indicated that the Secretary of State's Office could have been exaggerating the fiscal effects of A.B. 413 (R1). He had experienced remote notarization processes in other states, and those processes were not substantially different from the traditional notary process. He explained that both remote and traditional notary processes required a trained and licensed notary to validate identification, observe signatures, and perform proper recordkeeping. He suggested that remote notaries would accommodate people in the state who did not live near one another.

Assemblyman Frierson communicated that the fiscal note could imply that the Secretary of State's Office was overstressing the notarization process. He suggested that inexpensive video communication programs, such as Skype, could be used instead of purchasing expensive software and hiring someone to monitor the processes. Regular notarizations did not require that kind of surveillance. He understood that other states were also looking into remote notary processes, and he added that allowing remote notarizations could bring more

revenue into the state. Developing a system that allowed for remote notarization would be good for the state, and he did not understand why the Secretary of State's Office would need to operate differently if remote notarizations were permitted.

Mr. Anderson indicated that Virginia and Montana were states that had remote notarization processes, but he stressed that the way the states applied the processes were widely different from each other. There were no current national standards regarding remote notarization, but several groups, including the National Association of Secretaries of State, the National Notary Association, and the Uniform Law Commission, had discussed developing some. He suggested that electronic and remote processes were becoming more frequent, but the Secretary of State's Office concerns lay with the lack of national governance surrounding remote notarization.

Mr. Anderson said A.B. 413 (R1) had provisions that would require additional training regarding the processes surrounding how the videos of the remote notarizations would be collected and retained. He said section 51 of the bill required electronic notaries public who lose or surrender their position as a notary to transfer notarial records to the Secretary of State, who would then be required to archive, index, and retain the records. The records deferring process to the Secretary of State was not the same as the traditional notary process. He suggested that the provisions of A.B. 413 (R1) would create additional responsibilities for the Secretary of State, and the customized computer system would be necessary for the Secretary of State to execute those responsibilities adequately. He reiterated that the vendor quoted the customization at approximately \$150,000.

Assemblyman Frierson asked why the remote notarizations would be recorded and stored in a form other than the notary record book. He suggested that current notarizations were not videotaped and stored, and he did not understand the need to record the video footage of remote notarizations if that was not the practice for traditional notarizations.

Mr. Anderson said section 51 of A.B. 413 (R1) required the recorded videos of remote notarizations to be transferred to the Secretary of State if the notary lost or surrendered his or her license to perform notarial actions. Storing the footage would be a new duty assigned to the Secretary of State. He offered that the intent behind the storage was the recordings would be available if the footage was ever needed for certain situations or legal actions.

Assemblyman Frierson asked whether the Secretary of State was resistant to the bill because of the video storage requirements.

Mr. Anderson relayed that the requirements caused some hesitation. The system would require the electronic, remote, and traditional notarizations to be identifiable and desegregated to allow for tracking. He said the customization would require modifications to the current system.

Assemblyman Frierson struggled to understand how remote notarization would be different from the processes that were established and the processes being developed for traditional

and electronic notarization. He offered that remote notarization posed a tremendous opportunity to provide services for lawyers with clients who were at a significant distance or military personnel. He said the remote notaries could earn additional profits, and he suggested that the remote services did not require anything more than the traditional notary processes plus Skype.

Mr. Anderson offered that he could review the language of A.B. 413 (R1) and suggest language that would concur with Assemblyman Frierson's remarks. He noted that there were some concerns about jurisdiction and how to ensure that remote notaries did not perform outside of the state's procedures.

Assemblyman Frierson asked Mr. Anderson to provide information regarding whether other states experienced problems with jurisdictional matters or successes with the notary businesses.

Mr. Anderson indicated that the Secretary of State's Office attempted to contact Virginia's public notary department and had not yet been successful. He said the Secretary of State's Office would continue its attempts to gather information. The Secretary of State's Office had contacted individuals from Montana regarding its remote notaries. They reported that the remote notarial processes were still in preliminary phases and did not have much information.

With no further questions or comments from the Committee, Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 413 (R1). There being no other discussion, she closed the hearing on A.B. 413 (R1) and opened the hearing on Assembly Bill 143 (1st Reprint).

**Assembly Bill 143 (1st Reprint): Creates a Legislative Committee on Tax Expenditures and Incentives for Economic Development. (BDR 17-807)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 143 (1st Reprint) created the Legislative Committee on Tax Expenditures and Incentives for Economic Development. The fiscal note that was submitted on A.B. 143 (R1) indicated that the Legislative Counsel Bureau (LCB) would experience additional costs of approximately \$9,000 over the 2017-2019 biennium. The fiscal note also indicated that the bill permitted the Legislative Committee on Tax Expenditures and Incentives for Economic Development to contract with private consultants or academic institutions, which LCB estimated would cost approximately \$125 per hour.

Assemblywoman Irene Bustamante Adams, Assembly District No. 42, reiterated that A.B. 143 (R1) created an interim committee to review tax expenditures. She recalled that in 2011, a report was created that gathered information about money that was expensed through credits, abatements, exemptions, and anything else that took away from revenue. She was a member of the Assembly Committee on Taxation when the first report was produced. She

indicated that the scope of the Committee on Taxation did not provide an opportunity to analyze the details to a fine level and determine whether incentives were aligned with their intent that was set by the Legislature.

Assemblywoman Bustamante Adams added that reviews for incentives and expenditures that yielded duplicative results could also be conducted. The interim committee would analyze and evaluate data to ensure that expenditures and incentives were used as intended. She said legislation to create similar interim committees was being proposed across the United States with the goal of conducting further review regarding tax expenditures to develop a greater understanding of how money was being used. She reported that A.B. 143 (R1) was unanimously approved by the policy committee. She worked with the Fiscal Analysis Division, Legislative Counsel Bureau (LCB) staff on preparing the fiscal note and ensuring that the new committee's structure was similar to the other interim committees with the same powers, deadlines, quorum requirements, and other specifics.

Rick Combs, Director, Legislative Counsel Bureau, communicated that the fiscal note indicated that the bill would create additional costs of about \$7,500 in fiscal year (FY) 2018 and \$1,500 in FY 2019. The amounts were based on the assumption that the new committee would meet five times in the first year of the interim period and one time in the second year of the interim period. The assumption was consistent with the frequency that other interim committees met during the interim period. He added that the assumption was also based on members attending meetings at a location nearest to where they lived to reduce travel costs.

Mr. Combs explained that currently, \$30,000 was budgeted for legislative interim studies. He estimated that the \$30,000 could fund five or six interim studies. He relayed that the Legislative Committee on Tax Expenditures and Incentives for Economic Development would be a continuous statutory committee that could use funds from the interim studies budget. He suggested that if additional funds were required, the money could be added to the Legislative Commission's budget, or the Legislature could authorize Mr. Combs, as the LCB Director, to use legislative funds to fund the new interim committee. He indicated that the budgets and the number of planned interim committee meetings for the interim committees was submitted to the Legislative Commission at the beginning of each interim period for approval.

Mr. Combs continued that he did not include a specific number in the fiscal note for contract services over the 2017-2019 biennium because A.B. 143 (R1) did not require the use of contract services in any particular interim period. He suggested that when the Legislative Committee on Tax Expenditures and Incentives for Economic Development decided to use contract services, it would request funding for the services from the Legislative Commission. He noted that contract services could be included in the interim committee's initial budget process at the beginning of the interim, but usually the Legislative Commission would consider the requests during the interim on a case-by-case basis. The \$125-per-hour estimate was based on input from consultants and rates associated with academic institutions.

Chair Carlton indicated that many different studies are processed through the Legislature, and at the end of the legislative session, the studies would be sorted out and the Legislature would determine how the studies should be handled. She said A.B. 143 (R1) was before the money committee because it contained a fiscal note, but the bill would be discussed again at the end of the legislative session when the Legislature determined what tasks it would plan for the interim.

Assemblywoman Bustamante Adams added that the recent report by the Department of Taxation counted 356 tax expenditures that amounted to \$43.5 million over the 2015-2017 biennium. She said the number would continue to grow as more abatements and credits were granted. The increasing amount was the justification behind the Legislative Committee on Tax Expenditures and Incentives for Economic Development. She suggested that members of the money committees or individuals from the Department of Taxation could be the ones who serve on the new interim committee to analyze the credits and tax dollars and determine whether they were used in the way that the Legislature intended.

Chair Carlton called for testimony in support of A.B. 143 (R1).

Tyre Gray, representing the Las Vegas Metro Chamber of Commerce, supported A.B. 143 (R1). He said it added an additional layer of transparency and understanding on the performance and effectiveness of state incentives.

Marcus Conklin, representing The Pew Charitable Trusts, supported A.B. 143 (R1) and said that he appreciated the opportunity to work with the sponsor of the bill on the important piece of legislation.

Dagny Stapleton, Deputy Director, Nevada Association of Counties, supported A.B. 143 (R1) and said that she appreciated working with the bill's sponsor on ensuring that the Legislative Committee on Tax Expenditures and Incentives for Economic Development would provide oversight that included analysis of the effects that incentives had on local government revenues and services.

Chair Carlton called for testimony in opposition to or neutral on A.B. 143 (R1). With no further discussion, she closed the hearing on A.B. 143 (R1) and opened the hearing on Assembly Bill 487 (1st Reprint).

**Assembly Bill 487 (1st Reprint): Revises provisions relating to vehicles. (BDR 58-783)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 487 (1st Reprint) conferred concurrent enforcement jurisdiction on the Taxicab Authority, Department of Business and Industry, and the Nevada Transportation Authority, Department of Business and Industry, over transportation network companies and their drivers in Clark County. She added that the bill made various changes to provisions regarding taxicabs.

Ms. Jones continued that the Department of Taxation submitted a fiscal note for A.B. 487 (R1) that totaled \$2,386 for information technology (IT) expenses. The Nevada Transportation Authority indicated that the bill posed no fiscal effects to the agency. The Taxicab Authority suggested that the provisions in A.B. 487 (R1) regarding long-route violations could reduce or eliminate revenues associated with certain fines and penalties that were currently collected. The Taxicab Authority also suggested that overtime expenses could occur because of additional enforcement proceedings and responsibilities.

Ms. Jones said whether or not the amendment to A.B. 487 (R1) adjusted the bill's fiscal effects was unclear to the Fiscal Analysis Division, Legislative Counsel Bureau. She noted that the amendment changed the language of the technology fee that taxicabs charged from "must" be used for technological improvements to safety to "may" be used for technological improvements to safety.

Alfredo Alonso, representing the Livery Operators Association of Las Vegas, testified in support of A.B. 487 (R1). He advised that the original version of A.B. 487 (R1) contained excise tax language that was later amended out. He suggested that the fiscal notes were submitted before the amendment, and he indicated that the fiscal notes might no longer be applicable because of the new language in the bill.

Assemblyman Richard Carrillo, Assembly District No. 18, thanked Chair Carlton and the Assembly Committee on Ways and Means for hearing A.B. 487 (R1).

Chair Carlton indicated that the Committee and Fiscal staff would follow up on the bill and the fiscal notes to determine the bill's potential fiscal effects.

Assemblyman Anderson pointed the Committee to the enforcement jurisdiction of the Taxicab Authority and Nevada Transportation Authority that was mentioned in subsection 7 of section 3 of A.B. 487 (R1). He indicated that the fees that were associated with the agencies' enforcement functions would be administered to violators that the agencies governed and would not have a fiscal effect on the state.

Chair Carlton offered that representatives from the Department of Business and Industry would have information on the matter.

Mr. Alonso said the concurrent jurisdiction solidified the understanding that currently existed. He relayed that the Taxicab Authority would perform enforcement functions regardless of the bill, which was why the Taxicab Authority indicated in its fiscal note that A.B. 487 (R1) would have no fiscal effect on the agency. He suggested that the only current fiscal note on the bill was submitted by the Department of Taxation.

Ms. Jones relayed that fiscal notes that were zero could still contain narrative information that indicated a potential fiscal effect. She said paragraph (b) of subsection 7 of section 3 of A.B. 487 (R1) discussed that citations issued by the Taxicab Authority for violations against a transportation network company or one of its drivers would have to be adjudicated by the



Nevada Transportation Authority. She said the Taxicab Authority's fiscal note, which was zero, suggested that those citations could lead to some overtime.

With no other discussion in support of A.B. 487 (R1), Chair Carlton called for testimony in opposition to A.B. 487 (R1).

Eric Spratley, Lieutenant, Intergovernmental Services, Washoe County Sheriff's Office, indicated that his opposition was rooted in the interest of the state's public safety agencies. He noted that section 26 of A.B. 487 (R1) repealed *Nevada Revised Statutes* (NRS) 484D.493. He expressed that repealing that statute would have a significant fiscal effect on the public safety agencies by removing the restrictions on dynamic displays on vehicles.

Chair Carlton asked whether Mr. Spratley shared those concerns with the policy committee.

Mr. Spratley said the concerns about repealing the statute were shared when the bill was discussed during an Assembly Committee on Transportation meeting. He added that the concerns had also been shared with the bill sponsors, and a possible amendment had been mentioned, but those discussions had not developed. He relayed that repealing the statute would have a significant fiscal effect on the public safety agencies because of distracted driving and the crashes that would occur from having dynamic displaying signs on the freeways and roadways in Nevada.

Chair Carlton assumed A.B. 487 (R1) had been out of the policy committee for a significant amount of time, and there had been no further discussions on the matter.

Mr. Spratley confirmed Chair Carlton's remarks and said that section 26 specifically, which repealed NRS 484D.493, had not been discussed since the bill had come out of the policy committee.

Chair Carlton suggested that Mr. Spratley should resolve the concerns with the bill sponsors and report after the discussion. She suggested that there had been plenty of time to address concerns about the bill and determine what the fiscal effects of repealing the statute would be. She said no fiscal note was submitted that addressed that section of the bill.

Mr. Spratley communicated that it was difficult to determine the fiscal effects of section 26 of A.B. 487 (R1). Distracted driving was more common than ever before, and the crashes that had resulted from distracted driving increased costs for fire departments, police departments, medical organizations, and other public safety agencies. He suggested that removing NRS 484D.493 would increase distracted driving and the associated costs for the state, especially in Clark County.

Chair Carlton said the bill had been out of the policy committee for weeks, and she suggested that Mr. Spratley approach the bill sponsors regarding his concerns because the current Committee meeting was not the appropriate place for that discussion.

Chair Carlton called for testimony that was neutral on A.B. 487 (R1). With no other comments or concerns, she closed the hearing on A.B. 487 (R1) and opened the hearing on Assembly Bill 309 (1st Reprint).

**Assembly Bill 309 (1st Reprint): Revises provisions relating to the employment of veterans and certain widows and widowers by the State. (BDR 23-762)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 309 (1st Reprint) imposed additional duties on the Administrator of the Division of Human Resource Management, Department of Administration. She said the additional duties related to veterans and certain widows and widowers about preference provided to those persons concerning examinations for positions in the classified service of state government.

Ms. Jones reported that the Department of Administration submitted a fiscal note on A.B. 309 (R1) totaling \$9,202 in fiscal year (FY) 2018 for computer programing. She noted that the Assembly Committee on Ways and Means and Senate Committee on Finance Subcommittees on General Government recommended approving the Governor's recommendation to eliminate written tests at a cost savings of \$350,263 over the 2017-2019 biennium. She suggested that the Committee should consider a possible alignment problem because A.B. 309 (R1) mandated an increase to veterans' preference points, which would be added to the exams that the Governor and Subcommittees recommended eliminating. She indicated that the Committee could discuss how the preference points explained in section 5 of A.B. 309 (R1) would be applied given the Governor's and Subcommittees' recommendation to eliminate the testing program administered by the Division of Human Resource Management.

Assemblywoman Lesley E. Cohen, Assembly District No. 29, stated that Governor Sandoval wanted Nevada to be the most veteran-friendly state in the nation. She communicated that while A.B. 309 (R1) was her bill and not the Governor's, the bill was in the spirit of the Governor's mission. She relayed that two problems the state had in meeting the Governor's goal were the lack of veterans employed by the state and data collection. In 2016, veterans accounted for 10.4 percent of Nevada's population, but veterans made up only 2.9 percent of state employees. She noted that data collection had been a problem regarding state employees, which meant the reported numbers of veterans and state employees could have been inaccurate. She noted that Peter Long, Administrator of the Division of Human Resource Management, helped her prepare information about the fiscal effects of A.B. 309 (R1) regarding data collection.

Peter Long, Administrator, Division of Human Resource Management, Department of Administration, explained that the fiscal note was determined because accommodating A.B. 309 (R1) would require the Division of Human Resource Management to modify multiple systems. He said the bill would change the way points were awarded to veterans in the recruitment process, and it would also impose frequent reporting requirements. The Division of Human Resource Management's recruitment system would require changes

to pages and functions that were related to job applications, recruitments, exam scoring, and certified lists. He added that the recording requirements would also likely require adjustments to Advantage HR and the Division of Human Resource Management's data warehouse because of the time-period data on both the incoming hires and the current employees who were veterans, widows of veterans, or widowers of veterans. He noted that tracking the widows and widowers of veterans would require a new field because the current system did not capture that information.

Mr. Long acknowledged that the written testing requirements would likely be eliminated through the budgeting process, but he indicated that points could still be awarded to applicants on promotional lists. He said the lists were usually for supervisory and managerial positions that considered applicants' points that were based on criteria such as training, experience, and oral exams. He added that A.B. 309 (R1) also created three different amounts of points awarded. Applicants who were veterans, widows of veterans, or widowers of veterans would be awarded 5, 10, or 15 points depending on their specific situations. He relayed that accommodating the three different tiers would require some computer system adjustments.

Chair Carlton asked Mr. Long to elaborate on how the points would still be awarded if the written tests were eliminated.

Mr. Long said the Division of Human Management had multiple ways of testing, including application evaluations, written exams, and training and experience tests. He relayed that training and experience tests were the Division's way of awarding points for applicants' training, experience, and education. Written exams were just one of the many factors in the hiring process, and he suggested that points could still be awarded to veterans, widows, and widowers if the written exams were eliminated. He reiterated that the Division's system would require modifications to recognize widows and widowers, as well as the three different point tiers.

Assemblyman Sprinkle indicated that points were currently awarded for different categories of qualifications.

Mr. Long confirmed Assemblyman Sprinkle's remarks.

Assemblyman Sprinkle asked whether the system had been modified in the past to accommodate changes in point structures.

Mr. Long replied that the system had not been modified. The system was about 12 years old and statute had not changed since the system was developed. He explained that it was initially designed to track and award 5 or 10 points to veterans and disabled veterans. The bill required tracking and awarding 5, 10, or 15 points to veterans, widows of veterans, and widowers of veterans, which would require system modifications.

Assemblyman Sprinkle noted that the fiscal note indicated that the system modifications were expected to require 120 hours of programming time. He asked how it was determined that the modifications would take 120 hours. He indicated that 120 hours seemed excessive for a professional to add a couple of items to an already operational system.

Mr. Long said the estimate was provided by the Division of Enterprise Information Technology Services (EITS), Department of Administration, and was based on EITS programmers. He said the estimate was based on the assumption that multiple systems would be modified because various systems housed parts of the point and tracking systems in their reporting.

Chair Carlton asked whether A.B. 309 (R1) stated that points would be applied to written exams specifically.

Mr. Long indicated that the bill referenced exams with no specific indication about written exams.

Chair Carlton suggested that some clarifying language could help the bill be processed and avoid any confusion if the written exams were eliminated.

Mr. Long appreciated Chair Carlton's suggestion. He relayed that the Division of Human Resource Management was not confused about the language because A.B. 309 (R1) referred to competitive examinations and did not specify what type.

Chair Carlton said the bill would be evaluated further to ensure that the language was clear, and she relayed that she understood the purpose and goal of the bill. She called for testimony in support of A.B. 309 (R1).

Kevin Burns, Chairman, United Veterans Legislative Council, testified in support of A.B. 309 (R1). He referred to Assemblywoman Cohen's remarks about the disconnect between the number of veterans in the state and those who were employed by the state. He communicated that the Governor's desire to make Nevada the most veteran-friendly state could not be achieved without more veterans being employed by the state. He hoped that the bill would also assist the Department of Veterans Services in determining the accurate number of veterans who lived in Nevada. He stated that the United Veterans Legislative Council whole-heartedly supported A.B. 309 (R1).

Chair Carlton called for testimony in opposition to or neutral on A.B. 309 (R1). There being no further discussion, she closed the hearing on A.B. 309 (R1) and opened the hearing on Assembly Bill 29 (1st Reprint).

**Assembly Bill 29 (1st Reprint): Revises provisions governing off-highway vehicles.  
(BDR 18-220)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 29 (1st Reprint) placed the Commission on Off-Highway Vehicles (OHV) within the State Department of Conservation and Natural Resources (DCNR) instead of leaving it as a stand-alone entity. She continued that A.B. 29 (R1) also created the Off-Highway Vehicles Program within DCNR to assist the OHV Commission and administer the account for the off-highway vehicles. She summarized that A.B. 29 (R1) was a budgetary bill because it reorganized the stand-alone entity to operate within DCNR.

James R. Lawrence, Deputy Director, State Department of Conservation and Natural Resources, explained that during the previous fiscal year, the Executive Branch asked DCNR to add the OHV Commission to DCNR because the OHV Commission did not reside within any state department or agency. He noted that the Interim Finance Committee approved the request. The 79th Legislative Session was DCNR's first opportunity to submit a formal budget for the OHV Commission within DCNR, and A.B. 29 (R1) was the companion piece of legislation that would formally provide the statutory authority for the OHV Commission to operate within DCNR. He suggested that in many ways, A.B. 29 (R1) was a housekeeping bill.

Mr. Lawrence relayed that section 1 of A.B. 29 (R1) included several fiscal components, which included establishing the OHV Commission within DCNR, requiring the Director of DCNR to submit a budget for administering the OHV Program, and maintaining the requirement that a report on the OHV Commission's activities be submitted to the Legislature for each regular legislative session. He added that section 8 of A.B. 29 (R1) allowed a reserve account to be established in the operating budget. He explained that the reserve account was included to address revenue stream peaks and valleys that were common among budget accounts that were dependent on license or fee revenue. He indicated that this particular situation concerned OHV registration fees that were collected by the Department of Motor Vehicles.

Mr. Lawrence continued that subsection 4 of section 9 of A.B. 29 (R1) proposed reducing the registration late fee from \$25 to \$10 to encourage compliance. He indicated that fees and compliance had been the most frequently identified barrier to registration renewal because there was no grace period and most individuals owned more than one OHV. This made an inadvertent miss of a deadline very costly for individuals and encouraged many owners to skip reregistering altogether.

With no comments or questions from the Committee, Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 29 (R1). There being no other discussion on the bill, she closed the hearing on A.B. 29 (R1) and opened the hearing on Assembly Bill 100 (1st Reprint).

**Assembly Bill 100 (1st Reprint):   Revises provisions governing contractors.  
(BDR 28-194)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 100 (1st Reprint) prohibited provisions in contracts for public works that required prime contractors to waive or release claims for damages or extensions of time that resulted from impact events, that were unreasonable under the circumstances, and not originally contemplated when the parties entered into the agreement.

Ms. Jones indicated that an unsolicited fiscal note was submitted by the Department of Administration after A.B. 100 (R1) processed out of the policy committee. She said the fiscal note indicated that it was based on the amendment to the bill, and the fiscal effect would be \$11,840,444 for each year of the 2017-2019 biennium. The effect would result in a 10.3 percent increase to the cost of the proposed capital improvement project plan for 2017. She added that it was unclear how the amendment to A.B. 100 (R1) created the fiscal effect that was not indicated in the original version of the bill.

Chair Carlton expressed concern because A.B. 100 (R1) had been thoroughly processed through the Assembly and was on its way to the Senate before a fiscal note was submitted unexpectedly. She indicated that it could have easily been processed all the way through the Assembly before discussions regarding the bill's fiscal effects were discussed in the bill's house of origin.

Assemblywoman Heidi Swank, Assembly District No. 16, relayed that Craig Madole would provide an overview of A.B. 100 (R1).

Craig Madole, representing the Nevada Chapter of The Associated General Contractors of America, Inc., explained that A.B. 100 (R1) addressed the public policy of public works construction and payment for delays. He said the bill clarified that a contract for public work that required a prime contractor or subcontractor to waive damages because of a delay, acceleration, or an impact event would be void and unenforceable. He provided an example of a situation where A.B. 100 (R1) would apply. He said a project to expand a building on the University of Georgia campus had recently taken place. He continued that 105 bodies were discovered when the site was excavated, which resulted in a project delay. Under the provisions of A.B. 100 (R1), the contractor in that situation would not be solely responsible for the costs incurred from the unanticipated delay.

Mr. Madole indicated that the State Public Works Board, State Public Works Division, Department of Administration, issued an unsolicited fiscal note on the first reprint of A.B. 100 (R1) just before the bill went to the Senate for review. He relayed that the introduced version of the bill did not receive the fiscal note even though it was substantially similar to the first reprint. He said the State Public Works Board's input on the important public policy matters that related to A.B. 100 (R1) was appreciated, but he and his colleagues respectfully disagreed with the State Public Works Board's analysis that led to the fiscal note.

He stated that a more careful review of the underlying facts of the projects that were compiled by the State Public Works Board would demonstrate that the Board's indication was based on an incorrect interpretation of facts and A.B. 100 (R1). He said the result had been a flawed analysis of the potential fiscal effects of the bill, which led the State Public Works Board to reach an incorrect conclusion.

Mr. Madole referred to [Exhibit D](#) to guide the Committee through several projects and highlight how the State Public Works Board reached an incorrect conclusion. He explained that the document addressed six of the projects that were listed on the unsolicited fiscal note. The six projects were performed by The Associated General Contractors of America, Inc., (AGC) member firms. Further review of the projects revealed that the six projects accounted for almost \$5 million of the fiscal effect that was claimed by the State Public Works Board. He continued that in each of the first five contracts listed on [Exhibit D](#), additional scope was added to the project by the State Public Works Board and a change order was processed to compensate the contractor. The compensation was for the cost of the increase in scope and for the number of additional days necessary to complete the project. The last project listed (page 2, [Exhibit D](#)) was related to heating, ventilating and air-conditioning renovations. He explained that the construction contract originally called for 30 days of construction work, but the equipment that the contractor ordered to perform the work took 14 days to arrive. The State Public Works Board granted a 14-day extension for that contract, and the work was performed on time and on budget.

Mr. Madole indicated that in all of the projects mentioned in [Exhibit D](#), the contractors were compensated for additional time that was necessary and additional costs that were incurred because of increased scope at the request of the State Public Works Board. He summarized that a more careful review of the projects revealed that the State Public Works Board reached an incorrect conclusion on the fiscal effects of A.B. 100 (R1) because the bill's provisions were already being practiced by the State Public Works Board. He stated that based on the analysis of the projects, the unsolicited fiscal note was erroneous and should be rejected.

Assemblyman Sprinkle asked whether terms regarding compensation for contract extensions and reasonable project interruptions were negotiated when contracts were first built.

Mr. Madole said contract terms for public works were negotiated and included in the initial contracts. He expressed that current law did not prevent public owners from including contract provisions that placed the burden of costs from unanticipated delays or extensions on the contractor performing the work. He said A.B. 100 (R1) would prevent that kind of language from appearing in public works contracts.

Assemblyman Sprinkle mentioned that he did not understand how the amendment initiated a \$20 million biennial fiscal effect if the provisions of A.B. 100 (R1) solidified practices that were already common among public works projects.

Chair Carlton asked whether the fiscal note was submitted about the bill prohibiting certain contract language.

Mr. Madole indicated that he would defer answering questions regarding the reason for the fiscal note to the State Public Works Board.

Assemblyman Edwards asked for an example of a situation where the provisions of A.B. 100 (R1) would have gone into effect, as well as the before-and-after effects of the bill.

Chair Carlton asked whether examples were provided in [Exhibit D](#).

Mr. Madole relayed that [Exhibit D](#) contained examples of projects that were on the contract list in the fiscal note. He provided an example of a situation where the provisions of A.B. 100 (R1) would have affected the outcome. He said a university project had taken place several years prior that required the university to relocate some utility lines before construction could begin. The university failed to relocate the utility lines before construction was scheduled to begin and the project was delayed. He said provisions were included in that particular contract that resulted in the contractor incurring costs from the delay that were never compensated even though the delay was not the fault of the contractor.

Assemblywoman Swank elaborated that A.B. 100 (R1) would require both parties to negotiate the financial responsibilities of unexpected events. She said the bill did not mandate payment from one party or the other. Negotiations regarding the financial burden of unexpected events were already a common practice in public works projects. She indicated that it was important to consider the future potential consequences if these positive practices were not put in statute. She relayed that without these contract requirements, quality contractors could be deterred from public works because of the risk of being entirely financially responsible for events out of the contractors' control. She reiterated that the provisions of A.B. 100 (R1) required discussions about the financial responsibilities of unexpected events, and the provisions did not mandate any specific outcome.

Assemblyman Edwards indicated that the situations that A.B. 100 (R1) would apply to seemed similar to contract modifications. He said contract modifications required the parties of the contract to discuss the matter and whoever was responsible for the modification would also be responsible for any additional costs.

Mr. Madole expressed that the provisions of A.B. 100 (R1) would ensure that the modification and cost discussions that Assemblyman Edwards explained would occur for public works projects.

Assemblyman Edwards asked whether current law already required those discussions.

Mr. Madole said current law did not require those discussions for public works projects.

Chair Carlton called for further testimony in support of A.B. 100 (R1).



Brian Reeder, representing the Nevada Contractors Association, testified in support of A.B. 100 (R1). He said the Nevada Contractors Association represented about 600 members in the construction industry throughout Southern Nevada. He stated that the Nevada Contractors Association supported the bill when it was in the policy committee and still supported it in the money committee.

With no other discussion in support of A.B. 100 (R1), Chair Carlton called for testimony in opposition to or neutral on A.B. 100 (R1).

Gustavo (Gus) Nuñez, P.E., Administrator, State Public Works Division, Department of Administration, testified as neutral on A.B. 100 (R1). He noted that the university project example that Mr. Madole provided earlier in the meeting was not typical practice. He said the failure to relocate the utility lines should have been considered active interference, and the costs that resulted should not have been incurred by the contractor. He said the uncommon result of that particular situation did not mean that current law did not address those kinds of scenarios.

Mr. Nuñez indicated that the original version of A.B. 100 (R1) removed the exceptions to no-damages-for-delay clauses that were currently in statute. He indicated that the State Public Works Division, Department of Administration, did not object to the original bill because the exceptions would still be in effect under case law and enforceable through the Nevada Supreme Court if disputes or litigations were to occur.

Mr. Nuñez said the amendment to A.B. 100 (R1) was adopted during the policy committee work session and no public comment was held. He said the State Public Works Division was instructed to wait until the first reprint of the bill to submit a fiscal note. He said the State Public Works Division found some errors in its initial fiscal note and an amended fiscal note was submitted that totaled \$13.5 million over the 2017-2019 biennium based on the 2017-2018 Capital Improvements Program. He continued to read from his prepared testimony ([Exhibit E](#)). He said:

Under A.B. 100 [R1], the state will be responsible for all risks associated with costs when unforeseen conditions are encountered during construction of state public works projects. The new exceptions in A.B. 100 [R1] are so broad right now that basically, it swallows all of the other exceptions and it makes the no-damages-for-delay clause basically meaningless in our opinion. In the current law, if the state causes the delay, the contractor may be entitled to delay damages. Under A.B. 100 [R1], the state will be responsible for the contractor's delay damages even in those instances where the state had no part in causing the delay.

Under A.B. 100 [R1], the state will be responsible for all delays caused by weather, change orders, or any other unforeseen conditions encountered during construction.

After A.B. 100 [R1] passed as amended out of the Assembly with language contained in the amendment, I asked my staff to look at our completed projects, focusing on those projects where change orders were approved granting extra days because of unforeseen conditions. Staff looked at the original contract amount, contract time, and days added by change orders, estimated the contractors' daily costs (based upon past projects), and estimated what those additional days would have cost to the state if A.B. 100 [R1] were the new law and the state had to pay the contractor for all delays.

When we projected those estimates forward into the 2017-2018 Capital Improvement Program [CIP] and estimated that if [the State] Public Works [Division] is required to pay contractors for the delay damages on all unforeseen conditions, it will add approximately \$13.5 million to the 2017-2018 CIP.

In preparing our fiscal note, Public Works reviewed 62 projects. I would like to discuss a few to point out the potential increased risk and costs to the state. Under Project 15-A011, Apron Tarmac Replacement at the Nevada National Guard building in Carson City, the original contract amount was \$3.98 million with an original contract time of 90 days. The project experienced 174 weather days. The SPWD [State Public Works Division] estimated the contractors' daily overhead costs at \$5,310 per day. If A.B. 100 [R1] were in place, the state would have been responsible for compensating the contractor for each of those weather days for a total amount of \$1,074,000, or 27 percent of the total contract amount.

As set forth in our fiscal note and illustrating this example, if A.B. 100 [R1] were the law, the state would be responsible for all delay damages associated with the weather delays experienced this past winter in Northern Nevada.

Another example is Project No. 11-M60, Ely State Prison Surveillance. The original contract amount was for \$894,700 with an original contract time of 150 days. The project experienced a delay of 60 days to accommodate running fiber and media converters because there was no available conduit above the ceilings when the as-built drawings indicated such. The SPWD [State Public Works Division] estimated the contractor's daily overhead cost at \$716 per day. If A.B. 100 [R1] were in place, the state would be responsible for compensating the contractor for each of those days that it took to get the fiber and media converters installed for a total amount of \$42,960, or 5 percent of the contract amount.

Currently, when an unforeseen condition arises, a contractor is entitled to compensation for performing the work. The contractor obtains prices, subcontractor costs, et cetera, then submits the change order to Public Works for approval. Pursuant to our contract, the contractor is entitled to additional

days if necessary to perform the unforeseen extra work and is allowed to add a mark-up for the contractor, an additional mark-up for the general contractor, and an additional mark-up for work done by the general's own work forces. The allowed mark-up is 15 percent for any portions up to \$50,000 and 10 percent for any portion over \$50,000. Under NRS [*Nevada Revised Statutes*] 338.485, existing law permits a contractor to seek delay damages against Public Works if the delay was caused by Public Works.

The current law also tracks the Nevada Supreme Court decision that no-damages-for-delay clauses in construction contracts are enforceable. However, if an owner acts in bad faith and breaches the promise of good faith and fair dealing, then that party can incur liability. Those instances where the public owner can be found to have acted in bad faith are the listed exceptions currently found in NRS 338.485, which was amended in 2011 to track Nevada Supreme Court decisions to balance the law between protecting the state and the rights of contractors. NRS [*Nevada Revised Statutes*] 338.485 also entitles contractors to delay damages if Public Works decides to add scope and duration to the project. The current law treats both parties in a fair and equitable way.

Existing law and its inclusion in the state's public works contracting encourages both the contractor and the state to minimize delays. The state because we want the project completed and the contractor because there is no claim for money associated with normal construction delays, only additional time. Therefore, everyone has the same goal—minimize delays and finish the project.

The current law strikes a fair balance between contractors and Public Works; A.B. 100 [R1] would significantly increase the risk to the state and its taxpayers in the form of potential litigation and associated costs and liability.

We understand that one purpose of the bill is to remedy an inequity in NRS 624 between the prime contractor and subcontractors. Another stated purpose of A.B. 100 [R1] was to create equality between public and private construction. Public and private constructions are not equal.

In private construction, if a contractor takes unfair advantage of contract provisions, an owner can decide to never do business with that contractor. The state does not have that option. In public construction, if a contractor is qualified and submits the lowest bid, the state must award that contract to the low bidder. For example, Public Works must do business with a contractor that has sued us in the past.

In addition to being required to accept bids from all qualified bidders, Public Works must also comply with NRS Chapters 338, 339, 341, and numerous provisions that tell Public Works how it must qualify contractors, write its bid documents, write its specifications, advertise projects, issue preferences, award bids, handle bid disputes, pay prevailing wages, award to the lowest bidder, reject bids, and write our contract documents. None of these requirements apply to private owners. The state must comply with all of these requirements and minimize the risk associated with all these requirements. Private owners do not face these same risks. Our current no-damages-for-delay law is a crucial tool in minimizing the state's risk when managing these multimillion-dollar projects.

The SPWD [State Public Works Division] proposed an amendment that would remedy the inequity in NRS 624 and not shift all the risk of delays to the state. The proposed amendment makes it clear that the provisions of NRS 624 regarding claims for delay damages apply equally to the prime contractor and subcontractors. Again, that was our proposal. The amendment recognizes the distinction between public and private construction projects and the different levels of risk associated with each. However, our proposed amendment was not accepted.

Chair Carlton asked Mr. Nuñez to submit his remarks for the record and to the Committee members so they could review the large amount of information that he provided. She relayed that her concern was the timing of the fiscal note because it was submitted as A.B. 100 (R1) was about to go to the Senate for review. She recognized Mr. Nuñez's proposed amendment and suggested that his concerns were the type of topics that were usually discussed in a policy committee. She indicated that further discussion would be necessary to address the different areas and perspectives of the bill.

Assemblywoman Spiegel asked whether the fiscal note was prepared with the assumption that no discussions would take place regarding unanticipated events during public works projects, and the state would assume full financial liability for those events.

Mr. Nuñez communicated that the fiscal note was developed by applying the amended language of A.B. 100 (R1) to past projects and estimating similar results for future projects. The amended language suggested that the state would be subject to claims for events that happened during the project that were not contemplated by the parties at the time of the agreement. He said unexpected events, such as change orders and weather delays, were common among construction projects. He was concerned that the new language in the bill would protect contractors from events that were neither party's fault, leaving the entire financial burden of those events on the state.

Assemblywoman Spiegel indicated that the Las Vegas Readiness Center project experienced a delay because an additional building was requested by the state that was not part of the initial contract. She asked why the fiscal note estimated additional costs from the delay when

the state's request for an additional building was the reason for the delay and not the fault of the contractor. She also asked what the cost would be if the state was unable to add things such as buildings or parking lots to projects through a change order and instead was required to start new bidding processes for every additional item that was not part of the initial contract.

Mr. Nuñez relayed that the Las Vegas Readiness Center fiscal effects that were included in the original fiscal note were amended out and not included in the revised fiscal note. He indicated that further analysis revealed that the provisions of A.B. 100 (R1) would not apply to the circumstances with the Las Vegas Readiness Center project, and that specific project would have posed no additional fiscal effects if the provisions of the bill had been applied. He suggested that it was in the best interests of the state to continue to work with that project's initial contractor, and the contractor had agreed to perform the additional work. This meant that the contract was extended through mutual agreement, and the provisions of the bill would not have applied to that particular situation. He reiterated that the fiscal effects from that project were amended out of the fiscal note. He noted that two projects that were included in the original fiscal note were amended out and not included in the revised version because in both instances, the project extension was a mutual agreement between the state and the contractor.

Mr. Nuñez explained that the projects that were listed in the revised fiscal note were projects that experienced unexpected events that were common among construction contracts that could be potential claims if A.B. 100 (R1) became law. He was concerned that the bill's language would allow contractors to submit claims for anything that was not contemplated at the time of agreement. He relayed that the State Public Works Division had change order requirements because encountering unanticipated events during construction projects that were neither party's fault was a common and inherent aspect of the practice. The State Public Works Division issued additional days when situations called for them. Getting materials on site could sometimes be delayed because of problems with manufacturers or harsh weather, in which cases additional days would be justified. He said the State Public Works Division handled these instances by issuing additional days for projects rather than going after liquidated damages. He noted that the State Public Works Division did not issue extended general conditions in those instances.

Chair Carlton noted that the amended fiscal note had only recently been submitted. She asked Mr. Nuñez to provide Committee staff with his proposed amendment ([Exhibit F](#)) to A.B. 100 (R1) so it could be included with the other bill items.

Assemblyman Edwards mentioned that he had personal experiences with contracts and public works, and he understood that there was no way to predict everything that would happen during a project, and in those instances, contract modifications were helpful. He said it seemed that Mr. Nuñez was indicating that under A.B. 100 (R1) the financial responsibilities of unforeseeable instances that would normally be negotiated would instead fall to the state. He asked whether current law gave the state the flexibility to avoid those unexpected costs.

Mr. Nuñez expressed that the problem was that the interpretation of the language of the bill could lead to the state being solely responsible for the financial consequences of unforeseeable events, such as harsh weather, or anything that was not contemplated in the initial contract for public works projects.

Assemblyman Edwards summarized that the state would bear the cost in those instances.

Mr. Nuñez confirmed Assemblyman Edwards' remarks.

Chair Carlton assessed that, currently, the State Public Works Division could include provisions in its contracts that rendered certain unplanned or unforeseen events noncompensable, and contractors had to agree to those provisions to acquire public contracts. She asked whether current law and current practice required contractors to bear the costs for unexpected delays and events with no opportunity for negotiation.

Mr. Nuñez replied that negotiations occurred frequently.

Chair Carlton asked Mr. Nuñez to clarify whether the State Public Works Division currently included provisions in its contracts that rendered costs for certain unexpected events noncompensable.

Mr. Nuñez relayed that currently, a no-damages-for-delay clause was included in the State Public Works Division contracts. He indicated that there were three exceptions to the clause. Under the clause, if the state acted in bad faith or interfered with a contractor's work, the state would incur the liability and assume the responsibility for the delays. He said other than those instances, the State Public Works Division authorized extra days for projects, but not compensation.

Chair Carlton asked whether the no-damages-for-delay clause would no longer be mandatory in public works contracts and would be considered optional and up for negotiation if A.B. 100 (R1) became law.

Mr. Nuñez relayed that the exceptions listed in A.B. 100 (R1) would consume all of the current exceptions to the no-damages-for-delay clause.

Assemblyman Sprinkle recalled that earlier in the meeting, Mr. Nuñez indicated that the State Public Works Division did not have the opportunity to testify regarding the amended version of A.B. 100 (R1) because the amendment was adopted during a work session and no public comment was held. He asked whether Mr. Nuñez attempted to contact the bill sponsor after the bill was amended to address his concerns and try to reach a resolution regarding the amended bill's fiscal effects. He indicated that the bill sponsor should have been notified before the unsolicited fiscal note was submitted and A.B. 100 (R1) came to the Assembly Committee on Ways and Means for review.

Mr. Nuñez reiterated that the State Public Works Division had no objections to the original version of the bill. He explained that the State Public Works Division contacted The Associated General Contractors of America, Inc., (AGC) after the original bill was heard by the policy committee to discuss the State Public Works Division's concerns regarding AGC's proposed amendment. The State Public Works Division provided AGC and Assemblywoman Swank with its own proposed amendment ([Exhibit F](#)) to offer some resolution. The policy committee proceeded to adopt AGC's amendment during a work session when no public comment was held. He stated that the State Public Works Division acted after the bill was amended and submitted the fiscal note within three days of the policy committee's work session.

Assemblyman Sprinkle noted that Mr. Nuñez pointed out the potential significant litigation costs that could occur if A.B. 100 (R1) was approved. He asked Mr. Nuñez to elaborate on what he meant by significant litigation costs and to estimate those potential costs.

Mr. Nuñez said the language in the bill could be argumentative. The amended bill proposed that provisions in public works contracts would be void if they required contractors to waive their rights to damages from events that were unreasonable under the circumstances. The State Public Works Division was concerned that determining what was considered "unreasonable" was argumentative and could lead to conflict between contractors and the state. He stated that more conflict would lead to more litigation.

Assemblyman Sprinkle indicated that Mr. Nuñez did not have a numerical estimate of the potential costs from significant litigation increases. He asked whether litigation costs were the reason for the fiscal note.

Mr. Nuñez communicated that the fiscal note was submitted to reflect that all costs for delays during public works projects that were neither party's fault would be compensated by the state.

Chair Carlton suggested that a lot of new information had been brought before the Committee regarding A.B. 100 (R1), and the Committee members would need to review it all before discussing the bill further to fully understand the bill's effects.

Assemblywoman Swank advised that currently, the State Public Works Division could grant contractors additional time on public works projects when delays occurred. She said the provisions in A.B. 100 (R1) would provide an additional remedy for those delays that would involve negotiations between the parties regarding the costs incurred during the delays and who was responsible for those costs. She emphasized that negotiating the costs for delays was already a practice of the State Public Works Division. The bill would solidify the good-business practices of the State Public Works Division for the benefit of future contractors and public works projects. She observed that there could have been a misunderstanding about the bill because the fiscal note assumed that all delay costs incurred during public works projects would automatically be paid by the state. The cost negotiations would not inevitably result in the state bearing additional costs.

The negotiations could even result in an extension of time and no additional costs to either party. The State Public Works Division did not currently refuse cost negotiations, and the bill ensured that those practices would continue.

Assemblywoman Swank contested that the State Public Works Division did not have the luxury of being able to choose from whom it accepted bids. Contractors were required to be on the State Public Works Division's list of qualified bidders to be considered for public works projects. The preselected list ensured that qualified individuals submitted the bids.

Chair Carlton agreed that there seemed to be a misunderstanding about A.B. 100 (R1). She advised the bill sponsor and the State Public Works Division to contact the Legal Division, Legislative Counsel Bureau, to address the legality of the bill and what its effects would be so both parties could come to the same understanding. She recommended that the parties discuss their respective concerns and attempt to reach a mutual consensus before the Committee further discussed the bill and the fiscal effects.

Chair Carlton closed the hearing on A.B. 100 (R1) and opened the hearing on Assembly Bill 110 (1st Reprint).

**Assembly Bill 110 (1st Reprint): Revises provisions governing education. (BDR 34-327)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 110 (1st Reprint) required the establishment of a pilot program for competency-based education and, to the extent that money was available, authorized a competitive grants program for the pilot project. The bill would go into effect upon passage and approval for the purposes of adopting regulations, and all other provisions would go into effect July 1, 2017.

Ms. Jones said the Department of Education submitted a fiscal note indicating that A.B. 110 (R1) would require additional travel funds of \$1,500 per year for the network of school superintendents. Staff from the Fiscal Analysis Division, Legislative Counsel Bureau, pointed out that subsection 2 of section 1.6 of A.B. 110 (R1) offered the Account for Programs for Innovation and the Prevention of Remediation to carry out the pilot program. That account was proposed to be repurposed to budget account (BA) 2615, the Contingency Account for Special Education Services, in The Executive Budget and would no longer exist if the proposal were approved. She offered that BA 2699, Other State Education Programs, could be a more appropriate account to carry out the pilot program and could be amended into the bill if necessary, but Fiscal staff would rely on the Department of Education to determine the specifics of the amendment.

Assemblywoman Melissa Woodbury, Assembly District No. 23, thanked the Committee for hearing A.B. 110 (R1) and introduced Brian Mitchell from the Office of Science, Innovation and Technology, Office of the Governor, to provide a high-level overview of the bill and address its fiscal effects.



Brian Mitchell, Director, Office of Science, Innovation and Technology, Office of the Governor, explained that competency-based education was a system of learning where students advanced to higher levels of learning when they demonstrated mastery of concepts and skills. Assembly Bill (A.B.) 110 (1st Reprint) was proposed because Nevada was one of only seven states that did not have a state policy that allowed for locally designed competency-based education systems. He stated that A.B. 110 (R1) would empower local school districts to innovate and design a competency-based system for their communities through the establishment of a small number of pilot sites. The pilot sites would be voluntary and locally designed and would ideally have demonstrated local support. He continued that the bill would also establish a network of educators and leaders at the pilot sites who would identify barriers and solutions, share best practices, and develop recommendations for the continued use of competency-based education.

Mr. Mitchell communicated that A.B. 110 (R1) would require the Department of Education to (1) conduct an application process for potential pilot sites and (2) staff the network of educators and leaders at the pilot sites that he had previously mentioned. The Department of Education indicated that it would be able to bear the responsibilities of conducting the application process and staffing the network with its existing staff and budget. The Department of Education requested additional travel funds for Department of Education staff to visit the pilot sites if the bill was approved, which was the reason for its fiscal note of \$1,500 per fiscal year. He suggested that the network and other partners would help the pilot sites that were also schools conduct a competency-based education system within the individual schools' existing budgets. He added that an amendment could be discussed to address Fiscal staff's concerns regarding what budget account should be used for the grant program.

Chair Carlton advised that with the transitioning of various budget accounts, it would be important to administer the pilot program out of the correct one to ensure that it moved forward. She noted that Fiscal staff suggested another budget account for the program to operate within, and she offered to work with the Department of Education to ensure that the amendment did not disrupt the dynamics of the program.

With no other questions or comments from the Committee, Chair Carlton called for testimony in support of A.B. 110 (R1).

Chris Daly, Deputy Director of Governmental Relations, Nevada State Education Association, testified in support of A.B. 110 (R1) and mentioned that the Nevada State Education Association (NSEA) was neutral on the bill before it was amended. The amendment addressed NSEA's concerns by including educators and parents in the competency-based education network. He reiterated that NSEA was in support of the amended bill, and he noted that the fiscal note submitted by the Department of Education was relatively modest.

Nicole Rourke, Associate Superintendent, Community and Government Relations, Clark County School District, testified in support of A.B. 110 (R1) and competency-based

education. She reported that Clark County School District representatives visited similar programs and sites in other states. Competency-based education was a method that the Clark County School District had been interested in for some time, and she anticipated its participation in the pilot programs. She indicated that there were already some Clark County schools that would be interested in competency-based education. She noted that the programs could impose some minimal costs on the schools for new materials as they moved toward administering the pilot programs.

Lindsay Anderson, Director, Government Affairs, Washoe County School District, testified in support of A.B. 110 (R1) and noted that it was a bill that empowered local schools and school districts and gave them the ability to design educational programs that best fit their individual needs. She also supported the programs being voluntary and receiving additional appropriations. Similar to the Clark County School District, the Washoe County School District participated in working toward competency-based education during the interim period and was excited to see it move forward.

Mary Pierczynski, representing the Nevada Association of School Administrators and the Nevada Association of School Superintendents, testified in support of A.B. 110 (R1) and noted that her respective affiliations supported the bill when it was in the policy committee and continued to support it. She supported the bill's slow approach to competency-based education and suggested that the pilot programs would provide an opportunity to create competency-based learning.

Jessica Ferrato, representing the Nevada Association of School Boards, testified in support of A.B. 110 (R1) and noted her affiliate's support of the bill when it was in the policy committee. She appreciated the local control and flexibility that the bill provided and noted that the state had diverse schools and districts with needs different from one another.

Tyre Gray, representing the Las Vegas Metro Chamber of Commerce, echoed the other testimony in support of A.B. 110 (R1).

There being no other discussion in support of the bill, Chair Carlton called for testimony in opposition to and neutral on A.B. 110 (R1). There was no other discussion.

Chair Carlton asked whether there were any Department of Education representatives present to discuss the fiscal effects of the bill. No representatives came forward, and she closed the hearing on A.B. 110 (R1) and opened the hearing on Assembly Bill 144 (1st Reprint).

**Assembly Bill 144 (1st Reprint): Creates the Nevada Advisory Commission on Mentoring. (BDR 34-31)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, discussed that Assembly Bill (A.B.) 144 (1st Reprint) created the Nevada Advisory Commission on Mentoring and provided the membership, powers, and duties of the Commission. Within the limitations of funding available, A.B. 144 (R1) would require the

ability to administer competitive grant awards for mentorship programs as well as mandate the process for identifying children in need of mentoring. The process for identifying children in need of mentoring would include consideration of children who:

- Were at a disproportionate risk with respect to economic position or educational progress.
- Had been involved with the juvenile justice system.
- Were in the child welfare system.

Ms. Jones explained that the Department of Education submitted a fiscal note on the bill that estimated \$7,400 in additional funds would be required in each fiscal year of the 2017-2019 biennium to cover costs for travel, supplies, and temporary office help. The Department of Education indicated that its fiscal note was based on the estimated costs to conduct a minimum of four meetings annually. The costs of additional meetings were not included in the estimate because the costs were difficult to forecast.

Assemblyman Tyrone Thompson, Assembly District No. 17, thanked Chair Carlton and the Committee for hearing A.B. 144 (R1), which created the Nevada Advisory Commission on Mentoring. He wanted to clarify that the bill did not create a mentoring program. It established a think tank and policy commission to ensure that mentoring in Nevada was of the utmost value and to constantly address and support the needs of mentoring organizations. He indicated that mentoring in the state portrayed a desired need for capacity building, fund development, mentor and mentee recruitment, and other developmental needs.

Assemblyman Thompson stated that mentoring was a movement, and the areas where it was lacking should be treated as a business problem. He suggested that addressing mentoring throughout the state could be used as an opportunity to create a successful business model by establishing high-quality mentoring that included effective mentoring guidelines. The bill would create momentum so mentorship programs could provide support to the communities in Nevada. He indicated that this movement had received support over the previous three to four years from a wide range of organizations, including Las Vegas My Brother's Keeper initiative led by the city of Las Vegas and Nevada Partners, Inc.; University of Nevada, Las Vegas; College of Southern Nevada; the 100 Black Men of Las Vegas, Inc.; Big Brothers Big Sisters of America; The Links, Incorporated; and many others.

Assemblyman Thompson highlighted that the bill required two youth members to serve on the Nevada Advisory Commission on Mentoring. He suggested that adults did not always consider all youth needs, and having two youth members would create balance. Youth members were described in A.B. 144 (R1) as individuals between the ages of 16 and 24. He said the most important aspect of the Nevada Advisory Commission on Mentoring would be its ability to gain and disburse funding to support capacity building and program operations, which were the most significant barriers and needs for mentoring organizations.

Assemblyman Thompson had discussions with Steve Canavero, Ph.D., Superintendent of Public Instruction, Department of Education, regarding the coordinator position that A.B. 144 (R1) required. The position was not part of the fiscal note, but it was a paid position that would be appointed by the Nevada Advisory Commission on Mentoring. He was confident in the ability to appoint a qualified coordinator because a significant number of individuals had been working for a long time toward enhancing mentoring in the state. The coordinator would address mentoring development on a regular basis and would contribute to the overall effectiveness of the Nevada Advisory Commission on Mentoring.

Chair Carlton asked whether videoconferencing, teleconferencing, or other remote forms of communication were considered for the Nevada Advisory Commission on Mentoring meetings to reduce the \$7,400 fiscal note for travel costs that was submitted by the Department of Education.

Assemblyman Thompson suggested that videoconferencing would be used when available. He did not anticipate an abundance of travel for the commission meetings. The bill provided the Nevada Advisory Commission on Mentoring members with a per diem allowance on days they conducted business, which could have contributed to the \$7,400-per-fiscal-year fiscal note. The fiscal note also accounted for the estimated wages that would be paid to temporary clerical staff for helping with posting agendas and performing other clerical support.

There were no other questions or comments from the Committee members. Chair Carlton called for testimony in support of A.B. 144 (R1).

Tyre Gray, representing the Las Vegas Metro Chamber of Commerce, supported A.B. 144 (R1) when it was discussed in the policy committee and continued to support the bill as it was heard by the money committee. He believed in the power of mentoring and agreed with Assemblyman Thompson's remarks about strong mentoring programs leading to good business. The value of mentorships resonated with him on a personal level because he had a childhood mentor who was an attorney, which influenced him to become an attorney.

Constance Brooks, Ph.D., Vice Chancellor, Government Affairs, Nevada System of Higher Education, testified in support of A.B. 144 (R1). She viewed mentoring as a key component toward students' success. Between 25 and 30 percent of the students in Nevada's higher education system were adult learners and considered nontraditional. She hoped that the nontraditional students would be included in the mentorship opportunities.

Michael Flores, Director, Communications and Government Affairs, College of Southern Nevada, supported the bill. He echoed the comments of Ms. Brooks and added that the College of Southern Nevada's new mentoring program had already yielded positive results.

Nicole Rourke, Associate Superintendent, Community and Government Relations, Clark County School District, stated that she supported A.B. 144 (R1) when it was heard in the policy committee and continued to support the bill. She indicated that the bill would

expand and support the numerous mentoring programs in Clark County, and she encouraged the Committee members to participate as mentors in the programs.

Mary Pierczynski, representing the Nevada Association of School Administrators and the Nevada Association of School Superintendents, testified in support of A.B. 144 (R1) and said it did not pose fiscal problems for her affiliations' districts. She commended mentoring programs and believed in their value.

There being no other testimony in support of A.B. 144 (R1), Chair Carlton called for testimony in opposition to or neutral on the bill. There was no other discussion.

Chair Carlton asked whether there were any Department of Education representatives present to discuss the fiscal effects of the bill. No representatives came forward. She noted that it was important for the agencies that submitted fiscal notes to be available to answer questions in Committee meetings. She closed the hearing on A.B. 144 (R1) and opened the hearing on Assembly Bill 156 (1st Reprint).

**Assembly Bill 156 (1st Reprint): Authorizes public and private schools to obtain and use an albuterol inhaler in certain circumstances. (BDR 40-581)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 156 (1st Reprint) authorized public and private schools to obtain and maintain an albuterol inhaler and certain other devices under certain conditions. The bill required certain training related to the storage and use of albuterol inhalers and required public and private schools, to the extent feasible, to develop a comprehensive action plan related to the symptoms of an asthma attack.

Ms. Jones reported that A.B. 156 (R1) had fiscal notes from a number of county school districts in the state, including Carson City, Clark, Douglas, Lincoln, Lyon, Pershing, Washoe, and White Pine Counties. A fiscal note was also submitted by the State Public Charter School Authority (SPCSA) for 11 schools under its purview. The SPCSA's fiscal note indicated that the bill would cost the schools \$31,935 in fiscal year (FY) 2018 and \$17,467 in FY 2019. The fiscal note also suggested that there were 13 other schools that the SPCSA sponsored that could experience fiscal effects from A.B. 156 (R1), but the 13 schools did not submit information to the SPCSA prior to the fiscal note being submitted.

Assemblyman Steve Yeager, Assembly District No. 9, reiterated that the bill addressed albuterol inhalers in schools. He indicated that the fiscal effects of A.B. 156 (R1) stemmed from section 3 of A.B. 156 (R1), which required public schools in the state, including charter schools, to obtain one albuterol inhaler and no less than two spacers. The spacers allowed the inhalers to be reused. Section 3 of the bill also mandated that exhausted inhalers and spacers had to be replaced when necessary.

Assemblyman Yeager suggested that the bill had a training component as well. He introduced Jared Busker from the Children's Advocacy Alliance and noted that Mr. Busker would be able to discuss the training aspect of the bill. The training was expected to be almost cost-free, and efforts had been made to get the inhalers and spacers donated to the schools. He shared that potential donors were hesitant about committing to donating inhalers and spacers until A.B. 156 (R1) was enacted into law. He stated that, with the Chair's permission, Mr. Busker would provide estimates regarding the range of costs for inhalers and spacers.

Chair Carlton allowed Mr. Busker to proceed with the estimates.

Jared Busker, Policy Analyst, Children's Advocacy Alliance, reported that the average cost of albuterol inhalers ranged from \$30 to \$65 depending on capacity. The \$30 inhalers held about 60 puffs and the \$65 inhalers held about 200 puffs. The average cost of spacers ranged from \$3 to \$5 per spacer, which meant the overall average cost would be about \$80 per school depending on the number of inhalers and their capacity, as well as the number of spacers. He indicated that the training aspect of the bill was expected to present no cost because there was a free training course available online through the University of Arizona.

Chair Carlton indicated that the average cost per school could be multiplied by the number of public schools in the state to calculate the total cost because the inhalers and spacers would be kept at every public school whether or not there were individuals at the school who used inhalers regularly.

Assemblyman Yeager confirmed that A.B. 156 (R1) would require inhalers and spacers at every public school and charter school in the state. The bill contained permissive language that allowed private schools to stock inhalers and spacers, but it did not require them to. He explained that the inhaler would be available to any student who was diagnosed with asthma. The school nurse or designee would have a list of those students and would be able to provide them with an inhaler and spacer when necessary.

Chair Carlton conceptualized that it was difficult to get inhaler and spacer donors to commit before A.B. 156 (R1) went into effect, but the fiscal notes were deterring the bill from processing through the Legislature and becoming effective.

Assemblyman Yeager agreed with Chair Carlton's comments. He suggested that a similar instance occurred regarding epinephrine injectors (EpiPens) because manufacturers were reluctant to donate EpiPens to schools until schools were required to carry them by law.

Chair Carlton noted that youths commonly forgot their inhalers when they went to school. With no questions or comments from the Committee, she called for further testimony in support of or in opposition to A.B. 156 (R1).

Lindsay Anderson, Director, Government Affairs, representing the Washoe County School District, testified in opposition to A.B. 156 (R1). She informed the Committee that Washoe County School District (WCSD) tried to work on A.B. 156 (R1) in good faith by participating in a work group that convened several times via phone call. She suggested that the situation surrounding the EpiPen example, which Assemblyman Yeager had mentioned, was not the same as the situation with A.B. 156 (R1). The manufacturer of the EpiPens committed on the record to donating the medication at no cost. There had been no similar commitment for the inhalers and spacers. The lack of commitment was the reason for WCSD's fiscal note.

Ms. Anderson understood that school employees would be able to participate in the free training that Mr. Busker mentioned, but the employees would still be paid for the time that they spent doing the training. Substitute teachers and other staff would be required to fill in for the individuals while they received the training, which also posed additional costs. She indicated that training the employees would still pose a cost because it would occur during regular contract hours.

Ms. Anderson expressed that student medical needs were WCSD's top priority. The Washoe County School District (WCSD) employed 42 school nurses among 93 school sites, meaning a registered nurse was not stationed at every school. She explained that WCSD had clinical aides. The clinical aides were not medical employees. They provided some clinical support, but they were not medically trained. She said WCSD had concerns about the clinical aides administering medication because they were not trained medical professionals. The Washoe County School District (WCSD) was willing to continue to work with the bill's sponsor to reach a resolution and support A.B. 156 (R1). However, as it stood, WCSD considered the bill an unfunded mandate.

Chair Carlton pointed out that school districts scheduled days that were dedicated to employee training. She asked whether the online training could be included in the schedule of an existing training day so no additional days were compensated for the training.

Ms. Anderson replied that WCSD's chief school nurse indicated that the training days were already full of material. She suggested that WCSD hosted one or two training days before the school year began and also trained employees for one hour after school every week throughout the school year. She offered that the continuous after-school training was different from other school districts that dedicated entire days to training at various times over the course of the school year. It was her understanding that there was no additional time available in WCSD's training program.

Brad Keating, Legislative Representative, Clark County School District, testified in opposition to A.B. 156 (R1). He appreciated Assemblyman Yeager working with the Clark County School District (CCSD) on a frequent basis to try to reach a resolution on the bill, and he suggested that CCSD would be in support of the bill if inhaler and spacer donors had committed to donating. The Clark County School District (CCSD) submitted a large fiscal note because of the number of public and charter schools in Clark County and the large

amount of medication that would have to be purchased. He noted that the online training that Mr. Busker mentioned would have to be approved by CCSD to ensure that it met the school district's standards.

Mr. Keating explained that CCSD employees were compensated when they worked outside of contract hours. The Clark County School District (CCSD) no longer conducted staff development days. Instead, training was held after school each week, similar to WCSD. He indicated that the principals of each school in the CCSD determined the training schedule for each school's teachers. Each principal would have to be consulted about setting time aside to conduct the training that A.B. 156 (R1) required.

Mr. Keating added that CCSD did not have a registered nurse at each one of its schools. The school nurses were spread among the schools. He concluded that the bill was currently an unfunded mandate, and CCSD was opposed to it at this time.

Chair Carlton asked whether CCSD's estimated costs for inhalers and spacers were similar to the figures provided by Mr. Busker.

Mr. Keating reported a similar estimate for the inhalers at \$40 per inhaler. He said the spacers that CCSD researched cost \$30 per spacer, which was different from Mr. Busker's estimate of \$3 to \$5 per spacer. He offered to work with Mr. Busker to resolve the difference in estimated cost for spacers.

Chair Carlton asked Mr. Keating to compare notes with Mr. Busker.

Mary Pierczynski, representing the Nevada Association of School Administrators and the Nevada Association of School Superintendents, testified in opposition to A.B. 156 (R1) for fiscal reasons. She appreciated the changes that were made to the bill in the policy committee. She shared that the rural county school districts in the state shared the same concerns that were stated for WCSD and CCSD.

With no further discussion in opposition to A.B. 156 (R1), Chair Carlton called for neutral testimony on the bill.

Assemblyman Oscarson clarified that the purpose of the bill was to provide inhalers for students who forgot their inhaler at home. He indicated that a trained medical professional would not be necessary at every school to administer the inhalers because the inhalers would usually be used by students who already knew how to use them.

There were no other questions or comments regarding the bill. Chair Carlton closed the hearing on A.B. 156 (R1).

Chair Carlton pointed the Committee to Assembly Bill 348 (1st Reprint).



**Assembly Bill 348 (1st Reprint): Revises provisions governing courses of instruction in sex education. (BDR 34-285)**

Chair Carlton advised that the Economic Forum was meeting at that time and the videoconferencing capabilities in Carson City were being used to broadcast the Economic Forum. She relayed that a significant number of individuals in Southern Nevada had gathered at the Grant Sawyer State Office Building in Las Vegas to hear Assembly Bill (A.B.) 348 (1st Reprint) and testify. Videoconferencing was unavailable to the Committee at this time, and she did not want the people in Southern Nevada to miss their opportunity to participate on the bill. Chair Carlton rolled A.B. 348 (R1) to another day when videoconferencing would be available.

Chair Carlton opened the hearing on Assembly Bill 322.

**Assembly Bill 322: Revises provisions governing driver authorization cards. (BDR 43-955)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 322 revised provisions governing the administration of driver authorization cards and required the Department of Motor Vehicles' (DMV) regulations for the expiration dates of driver authorization cards to be harmonious with the regulations for the expiration dates of driver's licenses. She summarized that the bill would allow driver authorization cards to be valid for the same amount of time as driver's licenses.

Ms. Jones explained that the DMV submitted a fiscal note on A.B. 322. The fiscal note indicated that minor expenses totaling \$300 would be incurred in fiscal year (FY) 2017 for post cards, net revenue increases of approximately \$345,796 would be experienced in FY 2018 from renewal fees, and future biennia would experience a loss of over \$1 million of revenues from lost renewal fees as well as post card expenses of approximately \$24,183.

Assemblyman Edgar Flores, Assembly District No. 28, indicated that A.B. 322 would create parity between the renewal processes for driver authorization cards and driver's licenses. Senate Bill (S.B.) 303 of the 77th Legislative Session (2013) was the piece of legislation that allowed the state to issue driver authorization cards. He advised that the language of S.B. 303 of the 77th Legislative Session (2013) was based on similar legislation in Utah. The mimicked language included provisions that required the driver authorization cards to be renewed annually based on the date of issuance.

Assemblyman Flores said the annual renewal requirements had been troublesome for the DMV. He explained that many people took advantage of the driver authorization cards when they were first available. The large number of individuals were required to renew their card annually from the date that they were issued. The requirements had caused a large influx of people to the DMV at the same time each year because a large amount of cards were issued around the same time. The large crowds caused longer waits and increased frustration at the

DMV. He suggested that there was no substantial reason behind requiring the cards to be renewed every year based on the date of issuance. The requirements were only included in S.B. 303 of the 77th Legislative Session (2013) because the language was mimicked from another state.

Assemblyman Flores explained that DMV representatives were present to provide information about the fiscal note. He voiced that the lost renewal fee revenue would be outweighed by benefits from less crowded and less stressful DMV locations.

Jude Hurin, Administrator, Division of Management Services and Programs, Department of Motor Vehicles, communicated that the fiscal note was based on the assumption that the new driver authorization card renewal requirements would go into effect on the first day of 2018 because regulations would need to be adopted and some internal programing would need to be converted. The driver authorization cards would be required to be renewed every eight years for most Nevada residents instead of annually. The projection estimated the first signs of revenue loss to occur in FY 2019 with the full fiscal effects being experienced starting in FY 2020 and going forward. He noted that the amount of programing needed would be minimal, and those costs were not included in the fiscal note. The DMV would eventually experience some savings because it would send out fewer renewal reminders in the mail. Sending out reminders to individuals every eight years instead of annually would result in fewer expenses for postage and postcards. He estimated that currently, there were just over 35,000 valid driver authorization cardholders in the state.

Chair Carlton summarized that A.B. 322 would change the renewal date from the issue date to the cardholder's birthday. She was under the impression that the bill would change the validity period of the cards from one year to four years, but Mr. Hurin indicated that the cards would be valid for eight years. She asked whether A.B. 322 would allow the driver authorization cards to be valid for four years or eight years.

Mr. Hurin replied that the new cards would be valid for eight years. Driver's license validity was extended to eight years during the 77th Legislative Session (2013). The driver authorization cards would experience the same validity period of eight years per card, with the exception that cardholders who were 65 years or older would receive cards that were valid for four years.

Chair Carlton indicated that it would be difficult to predict the number of new cardholders. She asked whether data was available regarding the trend of new cardholders over recent years.

Mr. Hurin replied that the number of cardholders had remained steady over recent years. He said the number of cardholders as of March 2017 was 38,563, which included individuals with driving permits.

Assemblyman Flores added that he appreciated the efforts of Assemblywoman Diaz and Assemblyman Araujo on A.B. 322 and for holding discussions with the DMV to help the bill progress.

Chair Carlton called for other testimony in support of or in opposition to A.B. 322.

Janine Hansen, State President, Nevada Families for Freedom, testified in opposition to A.B. 322 because it extended the validity period of driver authorization cards from one year to eight years. She stated that there was no vetting process for driver authorization cardholders and almost everyone who received a card was an illegal alien. She began to reference a study from the Federation for American Immigration Reform regarding the cost of illegal immigration to Nevada from 1979 to 2009.

Chair Carlton communicated that the purpose of the hearing was to discuss the bill's fiscal note and not illegal immigration. The driver authorization cards were approved by the Legislature in 2013 and parameters were set around the cards and approved by the DMV to ensure the appropriate regulations were in place for cardholders. She asked Ms. Hansen to do her best to keep her remarks focused on the fiscal effects of A.B. 322.

Ms. Hansen expressed concern about the fiscal effects of the bill. She stated that illegal immigrants had cost Nevada taxpayers \$630 million annually, which calculated to \$763 per native-born-headed household in the state. She was also concerned about the lack of vetting for individuals with driver authorization cards. The cards could be obtained by presenting a consular identification card, and Ms. Hansen was not comfortable with the vetting process for consular identification cards either. She suggested that one-year cards would provide a more consistent check on cardholders, and extending the validity to eight years would cause a public safety problem regarding people who lived in the state illegally.

Chair Carlton recalled that she was a proponent for consular identification cards to be included as a valid identification option to obtain a driver authorization card, and she was still comfortable with that. She understood that Ms. Hansen would be more comfortable if the driver authorization cards remained one-year cards.

Ms. Hansen said the one-year cards would be better for public safety in the state. She added that she did not have a problem with changing the expiration date from the issue date to the cardholder's birthday.

Lynn Chapman, State Vice President, State Affiliate National Eagle Forum, testified in opposition to A.B. 322 and echoed the comments that were made by Ms. Hansen regarding the extension of the validity period for driver authorization cards, as well as the bill's potential cost to the state. She suggested that wait-times at the DMV would always be extensive, and adjusting the parameters for cardholders would not have a significant effect on wait-times.

John Wagner, Carson City Vice Chairman, Independent American Party, testified in opposition to A.B. 322. He had concerns about extending the validity period of the cards and was opposed to any additional costs to the taxpayers of the state. He noted that adjusting the expiration date from the date of issuance to the cardholder's birthday would automatically decrease crowding at DMV locations.

With no other discussion in opposition to or neutral on A.B. 322, Chair Carlton asked whether the Committee members had any questions or concerns about the bill.

Assemblyman Anderson asked whether currently, the same documents were required to be presented to the DMV when driver authorization cardholders renewed their card versus when the card was initially issued.

Mr. Hurin indicated that proof of Nevada residency documentation was required at each renewal.

Assemblyman Anderson asked whether there was any data available that indicated whether cardholders' residential information changed frequently.

Mr. Hurin was unsure whether that data existed.

Assemblyman Araujo indicated that driver authorization cardholders were required to renew their cards in person and did not have the flexibility to use DMV kiosks or renew online like other card and license holders.

Mr. Hurin confirmed Assemblyman Araujo's remarks.

There were no other questions or comments from the Committee. Chair Carlton closed the hearing on A.B. 322 and opened the hearing on Assembly Bill 362 (1st Reprint).

**Assembly Bill 362 (1st Reprint): Revises provisions relating to educational personnel.  
(BDR 34-1144)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 362 (1st Reprint) incorporated certain provisions of federal law into state law that were designed to prevent persons who had engaged in sexual misconduct with a minor from obtaining new employment under certain circumstances. The bill required applicants for employment within a public school and certain independent contractors to provide employment history to the prospective employer for vetting.

Ms. Jones said the Bureau of Vocational Rehabilitation, Rehabilitation Division, Department of Employment, Training and Rehabilitation, submitted a fiscal note that indicated \$41,066 in fiscal year (FY) 2018 and \$47,520 in FY 2019 would be required to support follow-up correspondence, emails, tracking, and reporting concerning its staff and provider

staff who interacted with children through one of its programs. The fiscal notes that were submitted by the school districts were zero, and no fiscal notes were submitted by other agencies that had programs that involved interacting with children.

Assemblywoman Jill Tolles, Assembly District No. 25, advised that A.B. 362 (R1) would close certain reporting and communication loopholes between schools and districts. The bill would prevent teachers, administrators, or other school personnel from moving from one school to another to sexually exploit or abuse children. She said A.B. 362 (R1) would align state law with current federal policies found in the Every Student Succeeds Act (2015). The bill would apply to all teachers, substitutes, and personnel who interact with children in public, charter, or private schools.

Assemblywoman Tolles offered thanks to the individuals who contributed to constructing A.B. 362 (R1). The bill was modeled after a piece of legislation in Pennsylvania that was sponsored by the Stop Educator Sexual Abuse, Misconduct and Exploitation organization. She stated that the bill had been enhanced through the Department of Education, concerned citizens, legal counsel, and contributions from the school districts and teachers' unions, and was now the model legislation for the United States in helping to stop educator sexual misconduct. She also thanked the Department of Employment, Training and Rehabilitation (DETR) for its interest and commitment to A.B. 362 (R1).

Shelley Hendren, Administrator, Rehabilitation Division, Department of Employment, Training and Rehabilitation, explained that when A.B. 362 (R1) was drafted, there was a question of whether the Rehabilitation Division would be considered an independent contractor under Section 12 of A.B. 362 (R1). The Office of the Attorney General advised that because an independent contractor was not defined elsewhere in the bill, the standard dictionary definition should apply. It was legal counsel's opinion that the Rehabilitation Division's programs, which included the Bureau of Vocational Rehabilitation and the Bureau of Services to Persons Who Are Blind or Visually Impaired, and any of the Rehabilitation Division's service providers who had contact with people, would be considered an independent contractor under A.B. 362 (R1). She indicated that the bill would require the Rehabilitation Division to undertake an abundance of additional steps to vet all of its service providers who would have direct contact with pupils. The Rehabilitation Division's permanent employees also had direct contact with pupils. She noted that the Rehabilitation Division's vocational rehabilitation program included frequent interaction with pupils both inside and outside of the school setting.

Chair Carlton asked what new responsibilities DETR anticipated from A.B. 362 (R1) because the bill incorporated certain federal provisions into state law, and DETR already should be adhering to the federal provisions.

Ms. Hendren replied that conducting fingerprinting and background checks were already practices for anyone who would be working with pupils. She listed the additional steps that the bill would require:

- Collect employment history, including contact information, for employment that involved direct contact with children.
- Collect the written authorization for a current or previous employer to release information.
- Collect the written statement indicating whether the person was subject to an investigation concerning an alleged sexual offense.
- Contact all employers listed in the employment history that involved contact with children and verify a number of items with them.
- Verify that the Department of Education had not received notice that the applicant was a defendant in a criminal case.
- Follow up on all information contained within the person's required statement if it indicated that they were subject to an investigation concerning an alleged sexual offense.
- Report certain information to the Department of Education, licensing agencies, law enforcement agencies, et cetera.
- Allow provisional employment under certain circumstances for up to 90 days and track that provisional employment so it did not exceed the 90 days.
- Maintain a list of all applicants and staff who willfully violated provisions of A.B. 362 (R1).

Ms. Hendren reiterated that these would be in addition to the steps that the Rehabilitation Division currently undertook when its providers were in contact with pupils.

Assemblyman Oscarson suggested that the additional steps would be prudent for the individuals who interacted with students and children.

Chair Carlton remarked that the other fiscal notes that were submitted were zero. The misalignment among the fiscal notes could indicate that they needed to be analyzed to ensure that the anticipated costs of A.B. 362 (R1) were as accurate as possible before the bill was discussed further. She asked the Rehabilitation Division to review its fiscal note and double check that all the anticipated costs associated with the provisions of the bill were realistic and true.

Ms. Hendren added that the Rehabilitation Division was neutral on A.B. 362 (R1), and its fiscal note was an honest representation of what the Rehabilitation Division would need to execute the provisions of the bill. The Rehabilitation Division did not submit the fiscal note to prevent passage of the bill.

With no other questions or comments from the Committee members, Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 362 (R1). There being no other discussion, she closed the hearing on A.B. 362 (R1) and opened the hearing on Assembly Bill 414 (1st Reprint).

**Assembly Bill 414 (1st Reprint): Requires the electronic recording of interrogations under certain circumstances. (BDR 14-600)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, reviewed that Assembly Bill (A.B.) 414 (1st Reprint) required law enforcement agencies to make electronic recordings of the custodial interrogations of persons who were suspected of committing homicide or sexual assault. The electronic recordings would not be required under certain circumstances. The bill also provided that evidence from an interrogation could be admitted in court even in the absence of an electronic recording of the interrogation. It also set forth conditions under which a jury had to be provided with a cautionary instruction.

Ms. Jones reported that the Nevada System of Higher Education (NSHE) submitted a fiscal note of \$25,790 for fiscal year (FY) 2018 for the University of Nevada, Las Vegas, Police Services. The University of Nevada, Las Vegas (UNLV) indicated that Police Services would need the funds to install surveillance cameras, microphones, and computer hardware to comply with the provisions of A.B. 414 (R1). The fiscal note also suggested that the University of Nevada, Reno and the College of Southern Nevada did not anticipate a fiscal effect because they already had the necessary equipment. The fiscal note did not provide Fiscal Analysis Division, Legislative Counsel Bureau, staff with a clear understanding of how UNLV Police Services were funded. It was also unclear to Fiscal staff whether the Police Services budget already had sufficient revenues available to purchase the necessary equipment if the bill passed.

John Oceguera, representing the Innocence Project, stated that false confessions were the leading contributor to wrongful convictions nationwide and had played a role in at least two wrongful convictions in Nevada. He suggested that recording custodial interrogations would provide a safeguard against wrongful convictions that stemmed from false confessions. The practice would deter coercive and illegal interrogation tactics that could lead to false confessions.

Mr. Oceguera believed that the fiscal concerns associated with A.B. 414 (R1) were addressed by allowing either audio-only recording or audiovisual recording. He said digital audio-recording devices could be purchased for \$30 and digital video-recording devices could be purchased for \$50. In 2015, the Innocence Project surveyed law-enforcement agencies in Massachusetts and Wisconsin, where recording interrogations had been required for over ten years, about the costs associated with those practices. The Innocence Project received over 100 responses from small, medium, and large agencies, none of which reported the costs to be burdensome. He commented that no local or state agency, other than UNLV, submitted a fiscal note on A.B. 414 (R1). He had discussed the bill with

representatives from UNLV, and he believed that at some point they would determine that there would be no costs associated with A.B. 414 (R1).

Assemblyman Anderson asked whether agencies would be forced to purchase new equipment to record the custodial interrogations anytime equipment was not readily available.

Mr. Ocegüera indicated that agencies would not be forced to purchase additional equipment because subsection 3 of section 1 of A.B. 414 (R1) provided a range of exceptions to requiring the recordings. Some of the exceptions were if:

- The equipment failed or there was an inadvertent error by the operator.
- There were circumstances related to public safety that precluded the recording.
- The custodial interrogation was conducted outside the state.
- Multiple custodial interrogations needed to be conducted simultaneously and the number of interrogations exceeded the equipment capacity available.

He suggested that the exceptions provided sufficient safeguards for the interrogators.

Assemblyman Anderson asked whether a cell phone could be used as an audiorecording device for the custodial interrogations.

Mr. Ocegüera believed that a cell phone could be used. He reiterated that the bill did not require video recordings, it required only audio recordings.

Assemblyman Oscarson asked Mr. Ocegüera to clarify what offenses would require a recording.

Mr. Ocegüera explained that A.B. 414 (R1) mandated recordings of custodial interrogations for the most heinous of alleged offenses, which were homicide and sexual assault.

Assemblywoman Titus asked how long the recordings would be kept and how much the storage would cost.

Mr. Ocegüera said he could provide the storage information at a later time. Storing audio files was inexpensive when compared with storing video files, and it was not expected to create a significant cost or time burden. He acknowledged that law enforcement could claim that the storage would pose problems regarding the policies around chain of custody of the evidence, but he believed that those policies could be worked through.

There were no other questions or comments from the Committee members. Chair Carlton called for further testimony in support of or in opposition to A.B. 414 (R1).



Chuck Callaway, representing the Las Vegas Metropolitan Police Department, testified in opposition to A.B. 414 (R1) for policy reasons that he did not want to elaborate on because he was testifying before the Assembly's money committee. The Las Vegas Metropolitan Police Department (LVMPD) did not submit a fiscal note on the bill because LVMPD already engaged in most of the practices that the bill would require. He offered to explain, outside of the money committee, the policy-related reasons why LVMPD was opposed to a bill that promoted certain practices that LVMPD already conducted.

Mr. Callaway indicated that cell phones could not be used to record a custodial interrogation because the recording would be evidence in a case. The chain of custody had to be considered when dealing with evidence, and the recordings had to be done on LVMPD's server. He explained that custodial interrogation recordings were stored until cases were settled, but in Category A capital offense cases, such as murder or sexual assault, the recordings were kept forever. The recordings were kept forever in case an appeal was submitted or the recordings were applicable to another case.

Mr. Callaway reported that LVMPD spent about \$10,000 per year on recording equipment and storing interrogation recordings. He wanted to clarify that the recordings were not as simple as using a cell phone or setting up a camera on a tripod and recording an interrogation. There were other factors to consider.

Chair Carlton suggested that LVMPD currently recorded interrogations, which meant A.B. 414 (R1) posed no additional fiscal effects for LVMPD.

Mr. Callaway confirmed Chair Carlton's remarks. He said LVMPD did not submit a fiscal note because it already budgeted about \$10,000 per year for interrogation recordings.

Chair Carlton noted that the \$10,000 per year for all of LVMPD's interrogation recordings put the costs of recording and storage into perspective.

Robert Roshak, Executive Director, Nevada Sheriffs' and Chiefs' Association, testified in opposition to A.B. 414 (R1). He suggested that local agencies submitted fiscal notes of zero on the bill because they could not provide an accurate estimate of what the bill would cost. He added that local law enforcement agencies already recorded interrogations in regard to serious offenses.

With no other questions or comments from the Committee members, Chair Carlton called for neutral testimony on A.B. 414 (R1). No further testimony was presented on the bill.

Chair Carlton noted that whether the recordings could be done on a cell phone or not would have to be determined before the bill was acted on. She closed the hearing on Assembly Bill 414 (1st Reprint).

Chair Carlton relinquished her duties as Chair to Vice Chair Jason Frierson so she could present the next bill to the Committee. Vice Chair Frierson opened the hearing on Assembly Bill 449 (1st Reprint).

**Assembly Bill 449 (1st Reprint): Establishes Public Lands Day in the State of Nevada.**  
**(BDR 19-770)**

Assemblywoman Maggie Carlton, Assembly District No. 14, communicated that Assembly Bill (A.B.) 449 (1st Reprint) established "Public Lands Day" in the state of Nevada. She indicated that an amendment was adopted, and the proposed date for "Public Lands Day" was adjusted. She offered to discuss the bill further or address its fiscal effects.

With no questions or comments from the Committee members, Vice Chair Frierson suggested discussing the fiscal effects of A.B. 449 (R1).

Eric Johnson, Administrator, Division of State Parks, State Department of Conservation and Natural Resources, read from his prepared testimony (Exhibit G) regarding the fiscal effects of A.B. 449 (R1):

Good morning, Mr. Vice Chair and members of the Committee. My name is Eric Johnson and I serve as the Administrator for the Division of State Parks within the [State] Department of Conservation and Natural Resources.

I am here today in a neutral position, if it is OK to jump to that, regarding Assembly Bill 449 [R1].

National "Public Lands Day" has been celebrated nationwide for many years as an opportunity to appreciate and explore the public lands in this country. Nevada State Parks historically participates in the recognition of "Public Lands Day" through activities such as trail maintenance, hikes, and special interpretive events.

State Parks appreciates efforts that promote awareness of publicly accessible lands. With Nevada's population at about 94 percent urban, it is important to continually remind residents and visitors of the outdoor experiences offered in our state.

The agency originally placed on Assembly Bill 449 [R1] a fiscal note of about \$40,395 for each year of the biennium. That was due to the bill calling for free entry, free camping, and free boating in all the Nevada state parks and recreation areas on the third Saturday in May. As amended, the bill calls for the date of celebration to be the fourth Saturday in September, the traditional day for celebrating "Public Lands Day," and retains the free entry, free camping, and free boating. When using the new date, the agency notes the

amount is about \$20,198 for each year of the biennium, so approximately half. Both the original fiscal impact as well as the revised figure are based on visitation figures for each of these specific days on prior years, so these are actuals.

However, as with the discussion this year regarding free state park entrance for fifth graders and acknowledging the free entry we offer during State Parks' "Discover Your Parks Day" in early June, we do recognize the value that comes from allowing and encouraging more residents and visitors to enjoy a state park. That return may come from an extra camping night, a purchase in the gift shop, a return trip that otherwise might never have happened, or even just the general promotion of State Parks. It is simply difficult to quantify these potential benefits, and as such, we are obligated to acknowledge the possible loss of revenue for the proposed "free" day [based] on figures from previous years.

With that, I would be happy to answer any questions that the Committee may have.

Vice Chair Frierson indicated that there may be an increase in usage of state parks because "Public Lands Day" could increase exposure to state parks and encourage individuals to visit the parks more frequently throughout the year and possibly create more revenue than the revenue lost from the "free" day.

Mr. Johnson noted that the Division of State Parks was an unusual state agency because it was a retail agency and had a marketing component. He anticipated the possible loss in revenues to be offset by the gain in revenues from the additional exposure to state parks.

Assemblywoman Titus asked for clarification on whether A.B. 449 (R1) provided free access for one day and individuals who used the parks for additional days around the "free" day would be required to pay the fees and costs of those additional days.

Mr. Johnson confirmed that the bill would provide free access for one day, and users would be required to pay for any additional days. He appreciated that Assemblywoman Carlton was willing to work with the Division of State Parks on adjusting the date of "Public Lands Day." September was the transition period between the parks' peak and off seasons. The Division of State Parks hoped that having the "Public Lands Day" in September would encourage visitors to visit the parks and potentially stay additional days during an otherwise inactive part of the year. He noted that the original bill proposed "Public Lands Day" to be celebrated in May, which would have been during the high-activity season for the parks.

Assemblyman Anderson asked for some clarification on why the initial fiscal note referenced current water levels. He also asked Mr. Johnson to elaborate on why the change in date adjusted the fiscal note amount and what the new amount was.

Mr. Johnson said the fiscal note was adjusted because visitation in May was typically higher than September. Moving the date to September put "Public Lands Day" into a period of time with lower visitation. The initial fiscal note was based on actual fee revenue from May over the previous two years. Moving the date to September resulted in about a 50 percent reduction to the estimated loss of fee revenue.

Assemblyman Anderson asked whether the initial fiscal note of approximately \$80,000 for the 2017-2019 biennium had been updated to a new amount.

Mr. Johnson clarified that the \$80,000 biennial fiscal effect was estimated on the basis that "Public Lands Day" would take place in May. Moving the date to September reduced the fiscal effect by about half of the initial estimate.

Assemblyman Anderson asked why the fiscal note referenced water levels.

Mr. Johnson replied that the Division of State Parks had to pull the visitation numbers for state parks with water access from years with typical precipitation amounts. He noted that the visitation numbers from years with unusually high or unusually low precipitation did not provide reliable figures.

Assemblyman Anderson indicated that the attendance at the state parks with water access depended heavily on the water levels.

Mr. Johnson advised that about a half-million dollars of statewide park revenue was influenced by water levels. The Rye Patch State Recreation Area and the Lahontan Reservoir were examples of state recreation areas in Northern Nevada with visitation that was heavily influenced by water levels.

Assemblyman Anderson suggested that the approximate \$40,000 fiscal effect could be considered marketing dollars because "Public Lands Day" would be a promotional day that encouraged visitors to spend the day at a state park with the chance that the visitors would pay the fees to stay additional days.

Mr. Johnson confirmed that considering the fiscal effect as marketing dollars would be a safe assumption.

Assemblywoman Carlton added that changing the date to the less active time of the year would allow the parks to be enjoyed by more individuals and families and would create an understanding of "Public Lands Day" in the state.

With no further questions or comments from the Committee members, Vice Chair Frierson called for testimony in support of, in opposition to, or neutral on A.B. 449 (R1). There was no other discussion, and he closed the hearing on A.B. 449 (R1).

Chair Carlton resumed her duties as Chair and opened the hearing on Assembly Bill 467.

**Assembly Bill 467: Revises provisions governing the Personnel Commission in the Division of Human Resource Management of the Department of Administration and the Merit Award Program. (BDR 23-551)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, discussed that Assembly Bill (A.B.) 467 revised provisions concerning the Personnel Commission within the Division of Human Resource Management, Department of Administration, and the Merit Award Program. The bill's provisions were in alignment with The Executive Budget because the bill eliminated the current \$1,000 annual limit for the Merit Award Board's operating expenditures, and The Executive Budget suggested \$1,400 per fiscal year for Board operating expenditures. The bill was proposed on behalf of the Sunset Subcommittee of the Legislative Commission.

Ms. Jones noted that the Department of Administration also proposed a bill that changed the Merit Award Board's allowance cap for operating expenditures—Senate Bill (S.B.) 72. She explained that S.B. 72 changed the cap from \$1,000 per year to \$5,000 per year, while A.B. 467 removed the cap altogether. The two bills contained some duplicative and competing measures. She added that A.B. 467 also made some changes to the Personnel Commission.

Assemblywoman Irene Bustamante Adams, Clark County Assembly District No. 42, relayed that she was a member of the Sunset Subcommittee of the Legislative Commission. The Subcommittee gathered recommendations from the Merit Award Board, which resulted in a fiscal note. She noted that one of the Merit Award Board members with knowledge of the fiscal note was in Las Vegas, but videoconferencing was not available at this time. She offered to answer any fiscal questions about A.B. 467 to the best of her ability.

Chair Carlton advised that the competing measures on the two pieces of legislation proposed different changes, and the most appropriate measures needed to be determined.

Assemblywoman Bustamante Adams agreed with Chair Carlton's remarks and added that the Sunset Subcommittee of the Legislative Commission proposed A.B. 467 to remove the expenditure cap not knowing that the Department of Administration also had plans to propose expanding the cap via S.B. 72.

Chair Carlton suggested reviewing the provisions of the bills, reaching a consensus, and then amending the bill appropriately to ensure that all interested parties were in agreement so the bill could process forward.

Assemblywoman Bustamante Adams confirmed Chair Carlton's comments.

There were no other questions or comments from the Committee members. Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 467. She asked Assemblywoman Bustamante Adams to follow up with the appropriate people and report

back to the Committee with the consensus. With no further discussion, she closed the hearing on A.B. 467.

Chair Carlton said that the Committee would recess until the call of the Chair. She explained that upon return from recess, the Committee would hear:

- Assembly Bill 41 (1st Reprint).
- Assembly Bill 109 (1st Reprint).
- Assembly Bill 458 (1st Reprint).
- Assembly Bill 477.
- Assembly Bill 481.

She noted that Assembly Bill 348 had been rolled to another day. With no other questions or comments from the Committee members, she recessed the meeting at 11:17 a.m.

Chair Carlton called the meeting to order from recess at 6:04 p.m. She relayed that the Committee would hear and act on some bill draft introductions before it continued hearing the bills on the Agenda ([Exhibit A](#)).

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that there were five bill draft requests (BDRs) that needed to be acted on. The Committee had previously approved the drafting of the BDRs.

**BDR S-1171** — Makes a supplemental appropriation from the State General Fund to the Division of Emergency Management of the Department of Public Safety for a projected shortfall for activities related to reimbursements for the 2017 floods. (Later introduced as [Assembly Bill 495](#).)

Ms. Jones noted that the amount of the supplemental appropriation in Bill Draft Request S-1171 was \$70,387. The appropriation would be used to support shortfalls related to setting up a field office with the Federal Emergency Management Agency to handle claims for reimbursements associated with the 2017 floods.

**BDR S-1167** — Makes a supplemental appropriation to the Division of Administrative Services of the Department of Motor Vehicles for a projected shortfall related to credit card processing fees. (Later introduced as [Assembly Bill 497](#).)

Ms. Jones reported that the supplemental appropriation in Bill Draft Request S-1167 was for \$847,022 and would support fees for credit card processing through the end of fiscal year (FY) 2017.

**BDR S-1168** — Makes a supplemental appropriation to the Office of the Secretary of State for a projected shortfall related to credit card processing fees. (Later introduced as [Assembly Bill 496](#).)

Ms. Jones said the supplemental appropriation in Bill Draft Request S-1168 totaled \$598,200 for support needed through the end of fiscal year 2017.

**BDR S-1176** — Makes a supplemental appropriation to the Division of Health Care Financing and Policy of the Department of Health and Human Services for a projected shortfall resulting from an increase in the Medicaid caseload over the amount legislatively approved for Fiscal Years 2015-2016 and 2016-2017. (Later introduced as [Assembly Bill 494](#).)

Ms. Jones noted that the amount of the State General Fund supplemental appropriation in Bill Draft Request S-1176 was \$16,391,696 and authorized expenditures of funds not from the General Fund or State Highway Fund in the amount of \$130,930,190.

**BDR S-1177** — Makes a supplemental appropriation to the Department of Corrections for a projected shortfall related to outside medical expenditures. (Later introduced as [Assembly Bill 493](#).)

Ms. Jones said the supplemental appropriation in Bill Draft Request S-1177 totaled \$1,327,561 for support needed through the end of fiscal year 2017.

ASSEMBLYMAN SPRINKLE MOVED FOR COMMITTEE INTRODUCTION OF BILL DRAFT REQUEST S-1171, BILL DRAFT REQUEST S-1167, BILL DRAFT REQUEST S-1168, BILL DRAFT REQUEST S-1176, AND BILL DRAFT REQUEST S-1177.

ASSEMBLYWOMAN DIAZ SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Anderson and Frierson were not present for the vote.)

Chair Carlton opened the hearing on [Assembly Bill 41 \(1st Reprint\)](#).

**[Assembly Bill 41 \(1st Reprint\)](#): Makes changes relating to the qualifications for and classifications of various positions in State Government. (BDR 28-240)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, discussed that [Assembly Bill \(A.B.\) 41 \(1st Reprint\)](#) made changes related to the qualifications and classifications of various positions within state government. The bill provided that individuals could be appointed to the State Public Works Board, State Public Works Division, Department of Administration, if they had been licensed in the past as a general building contractor or general engineering contractor in the state. The provisions of

A.B. 41 (R1) required the Administrator of the Division of Internal Audits, Office of Finance, Office of the Governor, to be a certified public accountant, certified internal auditor, or government auditing professional, or have a master's degree in an applicable field. The bill changed the Administrator of the Division of State Library, Archives and Public Records, Department of Administration, from a classified position to an unclassified position. It also made changes to the qualifications for division administrators within the Department of Health and Human Services and authorized the Chief Medical Officer, Division of Public and Behavioral Health, Department of Health and Human Services, to maintain a clinical practice that was not maintained through the University of Nevada to remain current in the Chief Medical Officer's specialized field.

Ms. Jones said that A.B. 41 (R1) was referred to the Assembly Committee on Ways and Means because it changed the Division of State Library, Archives and Public Records Administrator from a classified position to an unclassified position. The position had maintained a classified designation in statute, but had been listed as unclassified in the Pay Bill for some time. The bill would bring the statute in alignment with the budget.

Patrick Cates, Director, Department of Administration, read from his prepared testimony ([Exhibit H](#)). He said:

Good evening, Chair Carlton and members of the Committee, for the record my name is Patrick Cates, Director for the Department of Administration and sponsor of the omnibus bill A.B. 41 [R1].

A.B. 41 [R1] seeks to change the qualifications of certain public officials including administrators for the Department of Health and Human Services [DHHS], the Division of Internal Audits, the Library and Archives, and the State Public Works Division as well as members of the State Public Works Board. The purposes of these changes varied by agency. For DHHS, Audits, and the State Public Works Board, the purpose was to broaden the potential pool of applicants. For Library and Archives, the purpose was to conform statute to years of budgetary practice. For the Public Works Administrator, it was to return the requirements to those in statute prior to the 2015 Session.

I am grateful for the work of the Committee on Government Affairs. There were a variety of concerns expressed by the members during A.B. 41's initial hearing on February 20. At the request of Chairman Flores, myself and other interested parties worked with representatives of the Committee [on Government Affairs] to address those concerns. That working group reached a consensus, which was captured in the work session document considered by the Committee [on Government Affairs] on April 14.

During the April 14 work session, the Committee [on Government Affairs] approved all of the provisions in the working document save one-section 2 concerning the qualifications of the Public Works Division



Administrator. The committee voted to strike section 2 from the bill, retaining the current language in NRS [*Nevada Revised Statutes*] for the qualifications of this position.

Currently, NRS 341.100 requires a master's degree or doctoral degree to qualify as the Public Works Division Administrator. The bill as introduced sought to eliminate this requirement and replace it with a requirement to be either a licensed architect or a licensed engineer. This would return the qualification language to that which existed prior to the 2015 Session, when the current language was added late in session without input from the Executive Branch.

The Committee [on Government Affairs] seemed to be concerned that requiring a professional engineering or architecture license would narrow the pool of candidates. In actuality, the current law provides a narrower candidate pool than existed prior to the 2015 Session. I am of the opinion that a licensed architect or engineer is needed to run the Public Works Division and the state's complex CIP [Capital Improvement Program].

However, the existing language in NRS 341.100 does not broaden the pool of applicants to be considered for the job. Instead, it substantially narrows the pool. It requires that the Administrator must have an advanced degree (master's or doctoral). It precludes anyone with a bachelor's degree, even if that person is a licensed engineer or architect.

The current Administrator, Gus Nuñez, would not qualify for the position he currently holds based on the current language in NRS. Any potential contenders within the Division to replace Mr. Nuñez when he retires later this year would also not qualify under current law. These are experienced, licensed professionals with a depth of experience, knowledge, and skill in managing this program. In my opinion, they are well qualified for the job, but are not qualified under current law. As the appointing authority for the Public Works Division Administrator, current law prevents me from appointing the person I deem most qualified and leaves me with few good options.

I am seeking support to restore section 2 as introduced. To address the concerns of the Committee [on Government Affairs], I offer compromise language that allows two paths to qualify for the Public Works Division Administrator—either an advanced degree or an undergraduate degree with professional certification. I have included a mock-up [pages 2 and 3, [Exhibit H](#)] with the material that I submitted to the Committee [on Ways and Means]. With that, I would be happy to answer any questions.

Assemblyman Oscarson pointed to subsection 3 of section 10 of A.B. 41 (R1). The provision allowed the Chief Medical Officer to maintain a clinical practice. He asked whether the Chief Medical Officer would be able to bill and receive remuneration for the clinical practice while working for the University of Nevada and whether the billed funds would then process through the University of Nevada when the Chief Medical Officer acted in the capacity of a physician. He also asked how the university and clinical responsibilities would be balanced.

John M. DiMuro, D.O., M.B.A., Chief Medical Officer, Division of Public and Behavioral Health, Department of Health and Human Services, explained that the provision would allow him to use his medical skills in a greater capacity. He was certified in medication-assisted treatment and would be able to undertake time with the University of Nevada or treatment centers, such as methadone clinics, because he was subspecialty board-certified in anesthesiology and pain medicine. The provision would enable him to work weekends and receive remuneration for his services.

Assemblyman Oscarson asked whether Dr. DiMuro, as the state's Chief Medical Officer, would be receiving compensation from the state and billing on his own at the same time.

Dr. DiMuro indicated that he would not be performing and billing clinical services during the same hours that he was compensated for his duties as Chief Medical Officer. The provision would allow him to maintain his board certification in anesthesiology and pain medicine, as well as retain hospital privileges. The Chief Medical Officer would have the opportunity to work Saturdays and Sundays, about once per month, to maintain skills, board certifications, and subspecialty board certifications.

Assemblyman Oscarson wanted some clarification because he understood the Chief Medical Officer position to be an everyday, "around-the-clock" position.

Dr. DiMuro said it was that type of a position, and he had never had any problems with availability.

Chair Carlton suggested that A.B. 41 (R1) was referred to the Assembly Committee on Ways and Means because the Division of State Library, Archives and Public Records Administrator had to be changed to an unclassified position to match its designation in the Pay Bill.

Assemblywoman Swank assessed that the Assembly Committee on Government Affairs worked extensively on the bill, and it determined that section 2 of the original bill should have been amended out. She indicated that Mr. Cates wanted to undo the policy committee's work by adding section 2 back into A.B. 41 (R1).

Mr. Cates relayed that prior to the Assembly Committee on Government Affairs work session, the working group went through the language of the original bill and was in agreement on leaving section 2 in the amended version. The motion to exclude

section 2 during the work session was unexpected, and he did not have an opportunity to provide any input when the section was removed.

Assemblywoman Swank was concerned about upending the progress of A.B. 41 (R1) after it processed through the policy committee. She understood that there had been some resistance with requiring the Administrator of the State Public Works Division to have a public administration background. Nationwide trends indicated that hiring public works administrators had been difficult. She suggested that a common strategy was to hire an administrator with a background in public administration and hire a certified architect or engineer to be the administrator's deputy. She communicated that it seemed illogical to narrow the applicant pool given the difficulty in finding public works administrators.

Mr. Cates explained that the language he proposed did not eliminate the advanced degree and public administration or public policy experience requirements for the State Public Works Division Administrator position. The language that he was proposing (page 3, [Exhibit H](#)) provided an alternative qualification option that allowed individuals who were licensed architects or licensed engineers to qualify for the Administrator position. He was unsure about trends nationwide, but local governments in Nevada often had licensure requirements when recruiting those types of positions.

Mr. Cates understood the concerns regarding narrowing the applicant pool. He advised that the current language of A.B. 41 (R1) prevented individuals from qualifying for the position who were licensed architects or engineers, but only had a bachelor's degree. The language that he proposed (page 3, [Exhibit H](#)) allowed additional qualifying options that would yield a broader pool of applicants.

Assemblywoman Swank communicated that often there were not many public works administrators in any given state, so looking at a single state did not usually provide a large enough sample size to understand the trends of the position. She reiterated that nationwide trends for public works administrators included individuals with public administration backgrounds, and she offered to speak with Mr. Cates about those trends and options at a later time.

Chair Carlton asked whether adding section 2 back into A.B. 41 (R1) was discussed with the Chair of the Assembly Committee on Government Affairs.

Mr. Cates replied that he had sent his proposed language for section 2 of the bill to the members of the Assembly Committee on Government Affairs earlier that day.

Chair Carlton asked Assemblywoman Swank to contact the Chair of the Assembly Committee on Government Affairs to discuss the proposal. She did not want to undermine the policy committee or make significant changes to the bill without consulting the policy committee Chair.

Assemblywoman Titus asked for some clarification regarding the fiscal effects of the bill because all of the fiscal notes that were submitted on the bill were zero.

Chair Carlton clarified that changing the Administrator of the Division of State Library, Archives and Public Records from a classified position to an unclassified position required approval from the Assembly Committee on Ways and Means.

Assemblyman Sprinkle asked Mr. Cates to clarify to which committee members he sent the proposed language.

Mr. Cates responded that he sent the information to the members of the Assembly Committee on Government Affairs and the members of the Assembly Committee on Ways and Means.

There were no other questions or comments from the Committee members. Chair Carlton called for further testimony in support of, in opposition to, or neutral on A.B. 41 (R1). With no further discussion, she closed the hearing on A.B. 41 (R1) and opened the hearing on Assembly Bill 109 (1st Reprint).

**Assembly Bill 109 (1st Reprint):   Revises provisions relating to public utilities.  
(BDR 58-622)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 109 (1st Reprint) required the Consumer's Advocate, Bureau of Consumer Protection, Office of the Attorney General, to intervene and represent the public interest when a general rate application was filed with the Public Utilities Commission of Nevada by a water utility that had a gross operating revenue of \$2 million or more in a county whose population was less than 100,000. She noted that this was currently the case in Elko County.

Ms. Jones said a fiscal note was submitted by the Attorney General's Office that indicated A.B. 109 (R1) would have a \$20,000 fiscal effect each year because the bill made participation mandatory rather than discretionary in water rate cases that met the specific conditions regarding the revenue of the water utility and the population of the county. After the Attorney General's Office provided the fiscal note, additional information was submitted that indicated there were funds within the Consumer Advocate budget account for the types of work and activities that the bill required. She said the Attorney General's Office also indicated that if it could not absorb the costs within its existing budget, it had sufficient reserves and would present a work program to the Interim Finance Committee (IFC) to bolster that authority.

Senator Pete Goicoechea, Senate District No. 19, shared that when A.B. 109 (R1) came out of the Assembly Committee on Commerce and Labor, the understanding was that the Consumer Advocate budget account had enough reserves in place to cover the bill's fiscal effects. He noted that the Consumer's Advocate, Eric Witkoski, was available to address the fiscal note that was submitted by the Attorney General's Office. The bill's intent was to

address a current rate case in the Elko area. There had been discrepancies with a utility company in Elko County. The fiscal note was based on the resources necessary to participate in one Consumer's Advocate rate case per year that was relative to the case specifications in the bill's language. The Attorney General's Office indicated that it currently had enough reserves for those costs. He thanked Chair Carlton and the Committee members for hearing the bill at a time that videoconferencing to Elko was possible.

Assemblyman John C. Ellison, Assembly District No. 33, echoed the comments made by Senator Goicoechea. He added that the Attorney General's Office had been consulted before A.B. 109 (R1) was introduced to ensure that the bill did not pose a substantial fiscal effect. He relayed that the constituents in rural Nevada were affected by these types of cases, perhaps more so than those in the larger counties.

Eric Witkoski, Chief Deputy Attorney General, Consumer's Advocate, Bureau of Consumer Protection, Office of the Attorney General, said that the Attorney General's Office was initially concerned about A.B. 109 (R1) because The Executive Budget proposed reducing funds for expert witnesses in the Consumer Advocate budget account, and rate cases often required expert witnesses. He disclosed that a significant amount of money had been saved over the previous biennium. The proposed amount for expert witnesses in the Consumer Advocate budget account was about \$197,000 per fiscal year, which Mr. Witkoski believed to be adequate. He explained that rate cases had the potential to use up many resources, and multiple rate cases could occur in the same year. There were also other demands besides rate cases to consider and budget for.

Mr. Witkoski reiterated that currently there were significant reserves. He said if complications arose from addressing the current situation in Elko, a work program could be presented to transfer funds. He summarized that the Attorney General's Office believed that the provisions of A.B. 109 (R1) were manageable, and he would be able to participate in the rate case in the Elko area if that was what the consumers wanted.

Chair Carlton advised that the provisions of A.B. 109 (R1) would be lasting. The bill was not specific to one rate case in the Elko area.

Mr. Witkoski confirmed that participation in the rate cases would be a continuous obligation. He noted that rates were filed every three years. The Consumer's Advocate had traditionally participated in rate cases in the past with the only lack of participation occurring when resources were unavailable.

Chair Carlton suggested that it would be one case every three years for those types of situations.

Mr. Witkoski confirmed Chair Carlton's remarks.

Chair Carlton asked when the rate cases were usually filed.

Mr. Witkoski explained that his office was working on a rate case with a company in Pahrump. The company also owned a utility company in the Elko area. He did not anticipate the company to file rates simultaneously, and he predicted that the company would file rates for the Elko area sometime in the following year. He was unsure of the date.

Chair Carlton asked Mr. Witkoski to follow up with the information at a later time.

There were no other questions or comments from the Committee members. Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 109 (R1). With no further discussion, she closed the hearing on A.B. 109 (R1) and opened the hearing on Assembly Bill 458 (1st Reprint).

**Assembly Bill 458 (1st Reprint): Revises provisions governing industrial insurance. (BDR 53-489)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, discussed that Assembly Bill (A.B.) 458 (1st Reprint) made various changes to the administration of workers' compensation. The Division of Industrial Relations, Department of Business and Industry, submitted a fiscal note of \$40,000 over the 2017-2019 biennium for an annual actuarial calculation and review by a third-party actuary. She noted that the actuarial function was already supported by an assessment that was paid by providers of workers' compensation to the workers' compensation safety and trust fund.

Joseph (J. D.) Decker, Administrator, Division of Industrial Relations, Department of Business and Industry, explained that current regulations called for an actuarial study to be done annually, which the Division of Industrial Relations had not been doing. He said the Division of Industrial Relations engaged in an actuarial study in August 2016 that totaled almost \$20,000. That cost was the basis for the fiscal note.

Mr. Decker noted that the way the Division of Industrial Relations was funded was unique from the other Department of Business and Industry agencies. The Division of Industrial Relations applied assessment rates on providers and received funding through the providers' payments on the assessments. He said the money for the actuarial studies was available, and the fiscal note was submitted to reflect what the studies would cost the Division of Industrial Relations.

Chair Carlton summarized that funds for actuarial studies were available, the Division of Industrial Relations had engaged in an actuarial study, and the fiscal note was submitted to provide additional information on the cost.

Mr. Decker confirmed Chair Carlton's remarks.

There were no other questions or comments from the Committee members. Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 458 (R1). With no further discussion, she closed the hearing on A.B. 458 (R1) and opened the hearing on Assembly Bill 477.

**Assembly Bill 477: Authorizes appointment of a General Counsel of the Purchasing Division of the Department of Administration. (BDR 27-895)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 477 authorized the appointment of a general counsel in the Purchasing Division, Department of Administration. It was her understanding that state agencies could not have their own general counsel outside of the Office of the Attorney General unless it was specifically allowed in statute. She reported that the Assembly Committee on Ways and Means and the Senate Committee on Finance Subcommittees on General Government closed the Purchasing Division's budget account, budget account 1358, on April 28, 2017, and recommended creating the general counsel position to improve the state's contracting procurement processes. Improving the processes was recommended in a June 2016 audit report that was issued by the Division of Internal Audits, Office of Finance, Office of the Governor. In conjunction with the request to create the position, the Purchasing Division eliminated a vacant administrative services officer position. She said the net effect of the creation of the general counsel position and elimination of the administrative services officer position was estimated to cost an additional \$19,163 over the 2017-2019 biennium. The increase would be funded through purchasing assessment revenue. She added that A.B. 477 would align the statute with the budget if the money committees approved the new general counsel position within the Purchasing Division.

Jeff Haag, Administrator, Purchasing Division, Department of Administration, discussed that A.B. 477 proposed changing Chapter 333 of the *Nevada Revised Statutes* to allow the Administrator of the Purchasing Division to appoint an unclassified general counsel. He said the position would be more appropriately labeled as a contracting counsel position. The position would be complementary to the services provided by the Attorney General's Office. Currently, the Deputy Attorney General who provided legal services for the Purchasing Division also provided services for four other state agencies. The in-house contracting counsel would work collaboratively with the Purchasing Division's current Deputy Attorney General to address the procurement and contracting needs of the state.

Mr. Haag advised that the primary focus of the Purchasing Division's contracting counsel would be to:

- Review solicitations and contracts to ensure adherence to Nevada laws and procurement policies.
- Manage legal reviews and contract negotiations to ensure the state's needs were met.

- Provide statute interpretation services for the procurement function.
- Continuously review and maintain the state's procurement policies and legal documents.

He continued that the contracting counsel position would replace an administrative services officer position that had been vacant for over a year. The unclassified general counsel would result in a budget increase over the following biennium of approximately \$19,000.

There were no questions or comments from the Committee members. Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 477. With no further discussion, she closed the hearing on A.B. 477 and opened the hearing on Assembly Bill 481.

**Assembly Bill 481: Revises provisions governing the Division of Internal Audits of the Office of Finance. (BDR 31-898)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, explained that Assembly Bill (A.B.) 481 removed the Manager of Internal Controls position from the unclassified service. The Executive Budget replaced the position with a classified Executive Branch auditor 2 position. The salary cap for the Manager of Internal Controls was \$94,159 while the salary cap for an Executive Branch auditor 2 position was \$91,642. She noted that the difference in salary limits would result in savings of about \$2,500 per year.

Ms. Jones reported that budget account 1342, Governor's Finance Office – Division of Internal Audits, was closed by the Assembly Committee on Ways and Means on April 24, 2017, and the position change was contingent upon the approval of A.B. 481. She relayed that if the bill was approved, the Manager of Internal Controls position would no longer be approved in the Pay Bill. She summarized that the Committee already approved the position change when it closed the Division of Internal Audits' budget account.

Steve Weinberger, C.P.A., Administrator, Division of Internal Audits, Office of Finance, Office of the Governor, discussed that A.B. 481 reclassified an unclassified position to a classified position. He said the reason for the reclassification was because the unclassified Manager of Internal Controls was created before the Division of Internal Audits was created. This resulted in the current situation where the Manager of Internal Controls was the only unclassified position, other than the Administrator, within the Division of Internal Audits. The reclassification would align the Manager of Internal Controls with the other staff positions in the Division of Internal Audits.



There were no questions or comments from the Committee members. Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 481. With no further discussion, she closed the hearing on A.B. 481.

Chair Carlton called for public comment. With no public comment, she adjourned the meeting at 6:41 p.m.

RESPECTFULLY SUBMITTED:

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Keaton Westergard  
Committee Secretary

APPROVED BY:

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Assemblywoman Maggie Carlton, Chair

DATE: \_\_\_\_\_

## EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a document prepared by Lenora Mueller, Notary Administrator, Office of the Secretary of State, dated April 5, 2017, explaining a correction to a fiscal note on [Assembly Bill 413 \(1st Reprint\)](#), presented by Scott Anderson, Chief Deputy, Office of the Secretary of State.

[Exhibit D](#) is a document presented by Craig Madole, CEO, Nevada Chapter Associated General Contractors of America, Inc., dated May 1, 2017, regarding projects listed on an unsolicited fiscal note submitted by the State Public Works Board on [Assembly Bill 100 \(1st Reprint\)](#).

[Exhibit E](#) is written testimony presented by Gustavo (Gus) Nuñez, P.E., Administrator, State Public Works Division, Department of Administration, dated May 1, 2017, regarding [Assembly Bill 100 \(1st Reprint\)](#).

[Exhibit F](#) is a document titled "Proposed Amendment to [Assembly Bill 100](#)," dated April 5 2017, submitted by Gustavo (Gus) Nuñez, P.E., Administrator, State Public Works Division, Department of Administration.

[Exhibit G](#) is written testimony presented by Eric Johnson, Administrator, Division of State Parks, State Department of Conservation and Natural Resources, dated May 1, 2017, regarding [Assembly Bill 449 \(1st Reprint\)](#).

[Exhibit H](#) is written testimony and a proposed amendment to [Assembly Bill 41 \(1st Reprint\)](#) presented by Patrick Cates, Director, Department of Administration.