# MINUTES OF THE SENATE COMMITTEE ON COMMERCE, LABOR AND ENERGY

# Seventy-ninth Session March 22, 2017

The Senate Committee on Commerce, Labor and Energy was called to order by Chair Kelvin Atkinson at 8:06 a.m. on Wednesday, March 22, 2017, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

# **COMMITTEE MEMBERS PRESENT:**

Senator Kelvin Atkinson, Chair Senator Pat Spearman, Vice Chair Senator Nicole J. Cannizzaro Senator Yvanna D. Cancela Senator Joseph P. Hardy Senator James A. Settelmeyer Senator Heidi S. Gansert

# **GUEST LEGISLATORS PRESENT:**

Senator Joyce Woodhouse, Senatorial District No. 5

# **STAFF MEMBERS PRESENT:**

Marji Paslov Thomas, Policy Analyst Bryan Fernley, Counsel Christine Miner, Committee Secretary

# OTHERS PRESENT:

Mike Schneider, The Smith Center for the Performing Arts
Myron G. Martin, President, CEO, The Smith Center for the Performing Arts
Jonathan P. Leleu, Live Nation Entertainment
Lesley Pittman, Ultimate Fighting Championship
Alfredo Alonso, Caesars Entertainment Corporation; Black Knight Sports and
Entertainment; Southern Glazer's Wine and Spirits

Kerry Bubolz, President, Vegas Golden Knights Russell Rowe, Boyd Gaming Corporation David Goldwater, Nevada Ticket Broker Association Samuel P. McMullen, Event Ticket Marketing Association Brian Mueller, Senior Director of Operations, Vivid Seats William Horne, eBay, Inc.

Jennifer Lazovich, Bravo Tickets, LLC

Julio Alvarado, Owner, Bravo Tickets, LLC

Michael Hillerby, Bently Heritage

Carlo F. Luri, Bently Enterprises; Bently Heritage

Jan Vandermade, Executive Director, Carson Valley Visitors Authority

Barry Penzel, Chair, Board of County Commissioners, Douglas County

Steve K. Walker, Douglas County; Lyon County; Storey County; Carson City

Bill Miles, Miles Construction

Marcus Conklin, Breakthru Beverage

Edward Ableser, Administrator, Aging and Disability Services Division,
Department of Health and Human Services

Brian M. Patchett, CEO, President, Easterseals Nevada

Ella Philander, Director of Autism Services and Northern Early Intervention, Easterseals Nevada

John Sasser, Legal Aid Center of Southern Nevada

Eric Kessler

Erik Lovaas

Gwen Dwiggins, Executive Director, Accelerated Learning Clinic

Matthew Frantom

## CHAIR ATKINSON:

I will open the hearing on Senate Bill (S.B.) 235.

SENATE BILL 235: Provides for the regulation of ticket sales to an athletic contest or live entertainment event in certain circumstances. (BDR 52-672)

SENATOR JOYCE WOODHOUSE (Senatorial District No. 5):

I will present <u>S.B. 235</u>. I recently read a Consumer Reports magazine article about why entertainment and athletic ticket prices are going through the roof. The article provided the example of people purchasing tickets for Adele's 2016 North American Tour on the Ticketmaster Website. They were not only competing with one another, they were also up against ticket brokers and

unscrupulous spectators who were able to purchase the majority of the available seats. Fans could purchase tickets only from brokers and individual resellers on the resale market at excessive prices. Ticket brokers and resellers manipulate the marketplace and force ordinary Nevadans and visitors to buy tickets on the secondary market at inflated costs.

This problem is occurring throughout the Country. Other states have investigated this issue. The New York State Attorney General investigated this matter and released a report of his findings in 2016. The report revealed 54 percent of tickets are reserved for artists, production companies, venues, promoters, radio stations and presale customers. Experts say this is indicative of ticketing practices nationwide. When the remaining tickets are released to the public, profiteering can be rampant.

Today, anyone can resell tickets on the Internet: an individual, a small-time speculator looking to make a large windfall or a professional ticket broker. These resellers are free to sell tickets at whatever prices consumers are willing to pay.

Senate Bill 235 is an effort to combat unfair and illegal ticket purchasing and reselling. The bill expands Nevada's deceptive trade practices to include this. The measure defines a reseller and a ticket broker. It requires certain disclosures to a ticket purchaser before completing the resale. A reseller is defined as a person who annually sells 25 or more tickets to an athletic event or live entertainment event and is not sanctioned by the event. A ticket broker is defined as a person who is a reseller and annually sells 25 or more tickets at a price greater than the face value of the tickets. This bill does not apply to a person who obtains a ticket for his or her personal use or resells less than 25 tickets per calendar year.

<u>Senate Bill 235</u> addresses the use of Internet robots. Using bot software, some ticket brokers quickly purchase tickets from primary sellers such as Ticketmaster, then add huge mark-ups and quickly list them on resale platforms like StubHub. Bot software enables brokers and resellers to buy tickets in bulk by automatically completing online forms faster than a human can by hand, submitting multiple entries at lightning speed and bypassing authentication codes on Websites intended to deter such software.

The federal Better Online Ticket Sales Act of 2016 (BOTS) prohibits an Internet ticket seller from using such computer programs to purchase tickets.

Senate Bill 235 prohibits the use of Internet robots in Nevada. A person who is injured by the use of an Internet robot may bring a civil action to seek declaratory and injunctive relief and actual damages of \$100, whichever is greater. A violation of any of the provisions of the bill is a misdemeanor unless a greater penalty is otherwise provided by law. In the interest of consumer protections for Nevada, I urge your support of this bill. I received a proposed amendment to S.B. 235 (Exhibit C).

MIKE SCHNEIDER (The Smith Center for the Performing Arts):

My wife is a vice president of The Smith Center for the Performing Arts. Ticket sales for The Smith Center in Las Vegas only represent 74 to 75 percent of the monies required to operate it. The Center wants to keep sales affordable for families. A ticket to a Broadway play may start at \$29. Ticket brokers are buying tickets and reselling them for hundreds of dollars. The Smith Center is the largest public-private partnership in Nevada. The half-billion dollar structure was built on land provided by the City of Las Vegas, and the City is a partner of the Center. The Center has a 99-year lease at \$1 per year. If The Smith Center defaulted, the City of Las Vegas would take ownership.

The proposed amendment, <u>Exhibit C</u>, was crafted to help stop some of the actions by those engaged in deceptive trade practices. It pertains only to The Smith Center.

MYRON G. MARTIN (President, CEO, The Smith Center for the Performing Arts): The Smith Center is a small ticket seller compared to the casinos in Las Vegas. We see the harm done to consumers from fraudulent ticket sales on a regular basis. I know of a family who purchased tickets online and were of the belief their tickets were from The Smith Center Website. The Website they used contained our intellectual property and led consumers to believe they were purchasing tickets directly from The Smith Center. Arriving at the theatre to see *Wicked*, the family discovered they were just one of several families who purchased fraudulent tickets from a broker. The tears of disappointment shed by the little daughter in the family was heartbreaking. We must protect consumers from these fraudulent acts.

The document (<u>Exhibit D</u>) illustrates examples of various Websites containing The Smith Center name offering tickets to see *Hamilton*, coming to The Smith Center in 14 months. Real tickets are not yet on sale nor are the dates or prices set for this event. How can tickets be sold online for an event

not yet firmly scheduled? How is it possible to sell tickets not yet on sale? Consumers are led to believe the Websites represent The Smith Center and unknowingly purchase fraudulent tickets.

The primary goal of the bill is to stop the fraudulent sale of tickets. A ticket broker should hold actual tickets prior to offering them for resale. The bill is not against the secondary ticket market. I have purchased from StubHub and attended sporting events in other cities because I could not buy direct from the box office. The secondary ticket sellers generally agree with the bill and have concerns with some of the language. One of the provisions in the bill is for ticket resellers to state on their Websites they are not the official Website for The Smith Center. Many ticket resellers do this. We want to prevent the bad actors from selling nonexistent tickets.

A season ticket holder has the right to resell his or her ticket. The bill's provisions seek to keep people from pretending to be a venue and misrepresenting themselves. Tickets cannot be advertised for sale before they actually go on sale, and all seat locations must be identified. Ticket brokers must offer full refunds should the event be cancelled.

The Smith Center is attempting to help protect our consumers and families from fraudulent activity. We have a relationship with StubHub and are working on new ticket software to allow our subscribers, through an application, to resell or donate tickets back if they are unable to attend an event. We are not against secondary ticketing. This bill will make for better ticket purchasing experiences for the families of Nevada.

# CHAIR ATKINSON:

Can you clarify some of the content in Exhibit D?

## MR. MARTIN:

The first page is a screenshot of a Google search on *Hamilton* tickets for The Smith Center showing various Websites offering tickets for sale. Real tickets are not yet available for sale to the public. The document identifies how many Websites are offering sales at prices in the hundreds of dollars and specifying seat locations in sections of the building. The dates listed for the *Hamilton* event are not valid. The Smith Center is still in negotiation, and dates are subject to change. This document illustrates tickets being offered for sale that are not in the possession of the seller.

#### CHAIR ATKINSON:

If a person buys a ticket from one of these Websites, what happens when the event occurs? Does the ticket get purchased for \$59 and resold for \$679? Does the buyer actually get a ticket?

## MR. MARTIN:

A ticket broker offers a ticket for sale, then scrambles to buy a ticket to fulfill the order. In cases where the order cannot be fulfilled, the seller is holding the buyer's money. Senate Bill 235 includes the provision that money from the sale must be refunded if the order cannot be filled. There are some cases where multiple tickets are sold for the same seat. These are scenarios we want to prevent.

## SENATOR SETTELMEYER:

Sounds similar to stocks and bond trading. What other states have entertained legislation like <u>S.B. 235</u>, and how successful have they been? Regulating the Internet has not been very successful in Nevada.

## Mr. Martin:

The Better Online Ticket Sales Act (BOTS) has helped with some of the ticketing problems. Other states are working on these issues. Thomas Ferrugia of The Broadway League has submitted a letter of support (Exhibit E). The Broadway League is the principal trade association of the commercial theatre industry in North America. Nevada can do its part and perhaps play a leadership role with this legislation.

#### SENATOR CANCELA:

It would be helpful if the Office of the Attorney General, tasked with regulating fraudulent ticket sales, could provide a list of entities engaging in this behavior for public viewing to aid the public prior to purchasing a ticket. It might prevent people engaging in this behavior.

## SENATOR HARDY:

Do we have reputable Websites we can partner with, like StubHub? The Internet moves at an extremely fast pace with ticket sales. Prevention is challenged by this. We have to figure out how we can do more onsite as well.

#### MR. MARTIN:

There are reputable companies in Nevada in the secondary ticketing arena. We need to find new and better ways to offer tickets for sale and to offer portable tickets for sale that cannot be reprinted. These are key elements the industry is working on.

#### SENATOR GANSERT:

Portable tickets getting reprinted more than once, the electronic ticket, are a huge issue and difficult to control. Some Websites are crossing state lines. Is this fraud on the federal level?

# Mr. Schneider:

Yes, it is an interstate transaction, and it is interstate racketeering. How do we enforce this? The Smith Center is different from many of the casinos having huge arenas and many events. The Smith Center is a public-private partnership with government. The Smith Center is a government actor in this legislation.

The proposed amendment, Exhibit C, Section 17.5, subsection 1 states:

A person who violates the provisions of sections 3 to 18, inclusive, of this act relating to the sale of a ticket to an entertainment facility which is operated by a governmental entity or a public-private partnership is guilty of a: (a) Gross misdemeanor, if the value of the tickets sold in violation of sections 3 to 18, inclusive, of this act is less than \$1,000; or (b) Category D felony, as provided in NRS 193.130, if the value of the tickets sold in violation of sections 3 to 18, inclusive, of this act is \$1,000 or more.

This gives the FBI enough strength to look at this as defrauding the government. The FBI can consider an out-of-state Website with fraudulent practices against The Smith Center as an offense against government with interstate rules being broken. The bill attempts to prevent out-of-state offenders.

### SENATOR SETTELMEYER:

The monetary number of \$1,000 in the amendment does not mean much. The number of tickets a seller sold may have more meaning as a felony. An unfortunate person doing a bad deed selling a small number of tickets

fraudulently online is wrong, but the penalty is severe. Can we discuss making the penalty relevant to the number of tickets sold?

## Mr. Schneider:

We can look at this issue when we meet as a working group with concerned businesses. The \$1,000 is a negotiable number, and I appreciate your concern.

# CHAIR ATKINSON:

Is the \$1,000 a concern or the number of tickets sold your concern?

## SENATOR SETTELMEYER:

If someone sold five fraudulent tickets, they would get in trouble. Are we after the small seller? The individual selling hundreds of tickets and large numbers of tickets is a bigger issue. The ramifications of receiving a felony and what it entails should be considered. We are after those with mass fraud ticket and robot software situations. My suggestion is to reconsider using numbers of tickets sold versus a dollar amount.

## CHAIR ATKINSON:

I do not see how selling five fraudulent tickets is different than multiple tickets. A family is harmed just a much by a person selling 5 tickets or 100 tickets. The penalty phase of the bill could be discussed. People who engage in fraud, theft and grand larceny are aware it is a felony.

# SENATOR SETTELMEYER:

I am concerned with the situations we have discussed—a large corporation selling for large economic gain versus the individual at home who made an error in judgement.

## Mr. Schneider:

The amendment pertains only to The Smith Center. It is meant to tackle the out-of-state Websites. The dollar amount seemed good to us, but it is open for discussion.

### CHAIR ATKINSON:

An error in judgement affects the hardworking person no matter what the source. A person I know was unable to see a Dodgers game with his family of five after spending significant money in a fraudulent sale. I disagree with changing the consequences.

#### Mr. Martin:

We are progressing and working with our colleagues and intend to bring a bill to the Committee that we will all be proud of.

### SENATOR GANSERT:

The way the amendment is written, it could pertain to other facilities if they were public-private partnerships. Why define entertainment facility or live entertainment event?

# Mr. Schneider:

The amendment could also apply to the Thomas & Mack Center in Las Vegas or the Lawlor Events Center where the Wolf Pack basketball team plays in Reno if the location is a government entity.

# **SENATOR GANSERT:**

You might consider adding live entertainment events to the bill. I think there should be further discussion on penalties. I agree the penalty seems high versus a financial penalty for a misdemeanor.

#### Mr. Schneider:

If the FBI or Attorney General's Office is investigating someone committing a crime, they will know whether it is a professional committing the offense or a misguided citizen flipping a ticket.

# SENATOR GANSERT:

Think about how electronic tickets are duplicated. Someone could buy a fraudulent ticket and resell it without knowing the ticket is fraudulent.

# CHAIR ATKINSON:

From a personal perspective, it is easy to do this. My season tickets are physically sent to me, and I can also print the tickets from the Website under my account. Potentially, I could print and sell my ticket. I can also email the ticket to someone. I would still have the physical ticket and go to the event, yet sell the ticket.

# **SENATOR GANSERT:**

It is the chain of buying and selling a fraudulent ticket.

#### SENATOR HARDY:

The "innocent person" is trying to make a few bucks on the Internet. There is no control on how many people attempt to sell or purchase fraudulent tickets. The Internet is a major challenge in this issue.

## Mr. Schneider:

If a person sells a ticket 100 times, and has collected 100 fees, that is an easy track to follow for the FBI or Attorney General's Office. It is a major crime.

# JONATHAN P. LELEU (Live Nation Entertainment):

Live Nation Entertainment owns Ticketmaster. I also represent Anschutz Entertainment Group which owns Access, its ticketing arm. The two companies represent 90 percent of the ticketing world nationwide. I am only representing Ticketmaster, today. We support <u>S.B. 235</u> and the proposed amendment. The bill provides an even playing field and begins to address an issue we will see more of in Nevada over time. Nevada is going through an adolescence. As we go through this, we will see growing pains. Ticketing is part of this. More and more events create more ticket sales, like the professional hockey team which will start playing next season at the T-Mobile Arena. We might see the Raiders come to Las Vegas with a new stadium being built for them. There are many outdoor festivals that are continually coming into play.

We are seeing Nevada change, and with these changes, we will see what other states are seeing. Live Nation is in Illinois, Colorado and Nevada. In these states, we see the fraudulent ticket issue often. Unwittingly, Mr. Martin is representing our entire industry very well. Senate Bill 235 is similar to law coming forth nationwide and is a good mix of these laws. The BOTS Act was written by Live Nation, and we pushed to get it signed. Senate Bill 235 contains the relevant portions of the BOTS Act that work. This bill meshes with what is happening legislatively across the Nation. Live Nation is here as industry experts ready to participate in the working group to deliver a great bill.

# LESLEY PITTMAN (Ultimate Fighting Championship):

The Ultimate Fighting Championship endorses <u>S.B. 235</u>. The bill contains excellent consumer protection provisions important to us who own and produce events. We are part of the working group.

ALFREDO ALONSO (Caesars Entertainment Corporation; Black Knight Sports and Entertainment):

Caesars Entertainment Corporation and Black Knight Sports and Entertainment support S.B. 235. Black Knight Sports and Entertainment owns Vegas Golden Knights, the new professional ice hockey team in Las Vegas. We intend to participate in the bill's working group to keep the integrity of the original ticket producer or authorized person, and also protect the public. There is an evolution in the world of ticket sales from what a ticket price is to how tickets are purchased and sent to friends and family. The existing issues about season tickets being sold prior to the finalized schedule of an event is very concerning. Our team has not been signed, and it is premature to be advertising tickets, yet it happens. Another issue is individuals taking snapshots of StubHub tickets and putting the tickets on sites for resale. There are many stories of fraudulent ticket practices. We are attempting to address and work out these issues as well as other nuances in the bill.

# **SENATOR CANCELA:**

I am interested in data that shows how rampant a problem this is and data highlighting the problem areas.

# KERRY BUBOLZ (President, Vegas Golden Knights):

The Vegas Golden Knights is the newest member of the National Hockey League. I worked with the Cleveland Cavaliers in the National Basketball Association for the past 13 years and most recently as president of their business operations. I have a 28-year career in professional sports. I am familiar with this issue. This fall, we will launch the first expansion team in major professional sports in over 16 years. This is the first major-league team to come to Nevada. The sporting community is watching this launch. We need to get this right for Nevada consumers and for the visitors attending our sporting events. Senate Bill 235 is important. Bill Foley, owner of the Vegas Golden Knights, recently paid \$500 million, the largest expansion fee in the history of a major professional sports team, for the right to operate this franchise. He has all of the business risk associated with this investment. There are no public dollars associated with it. All of the financial and reputational risk lies with the franchise. When unauthorized brokers resell our tickets, it creates a significant negative effect and potential customer issues for the team and the venue. These individuals are not able to be found when there is a problem. The ticket broker is creating financial opportunity for themselves without the risk to the financial operation of the team. We have partnered with The Smith Center, the

Downtown Las Vegas Events Center, the Ultimate Fighting Championship and others supporting S.B. 235. We must get this right for our season ticket holders, our consumers, ticket buyers, the National Hockey League, the integrity of our business and for the future of team sports that consider Nevada as home.

RUSSELL Rowe (Boyd Gaming Corporation):

Boyd Gaming Corporation owns and operates the Orleans Arena in Las Vegas. We support <u>S.B. 235</u>, and it is important we get this right for our residents, our tourists and our economy.

DAVID GOLDWATER (Nevada Ticket Broker Association):

I will read from my written testimony in support of S.B. 235 (Exhibit F).

# SAMUEL P. McMullen (Event Ticket Marketing Association):

I represent a consortium of businesses that resell tickets in the secondary ticket market. We are against <u>S.B. 235</u> and are a part of the working group. We agree with Section 16, which addresses the issue of fairness for ticket buyers and levels the playing field for everyone.

BRIAN MUELLER (Senior Director of Operations, Vivid Seats):

I will read from my written testimony addressing the concerns Vivid Seats has to  $\underline{S.B. 235}$  (Exhibit G).

#### CHAIR ATKINSON:

Do you appreciate the concerns and issues which prompted  $\underline{S.B.}$  235 to be initiated?

# MR. MUELLER:

I understand some of the concerns. Marketplaces such as Vivid Seats are a good solution to the concerns. We are a large national marketplace that has a good reputation and cares about our customers. We have considerable repeat business. We have an A-plus rating with the Better Business Bureau. We have enough leverage to hold sellers accountable. If an individual purchases tickets from a seller and has a bad experience, that person will not do business with the seller again, especially if travelling for an event from out of state. We have the leverage to enforce policies with sellers and only do business with sellers having a positive track record. An established reputable company with sales terms and non-cash payment can be vetted online.

#### CHAIR ATKINSON:

There are people who must pay cash for a ticket and do not have access to a credit card.

# Mr. Mueller:

I understand that issue. The intention of the bill is good, but the way it is written will prevent ticket sellers from using our marketplace.

#### SENATOR GANSERT:

You claim it is difficult to publish the face value of a ticket. Your sellers could upload the accurate value as part of your agreement with them. The resellers should be able to provide that information.

## Mr. Mueller:

It is true, but the concern is the penalty provision if the information is not accurate. We do not have a way to verify the accuracy of the information. We could be considered criminals for distributing incorrect information.

## SENATOR GANSERT:

The amendment reads that there are different levels of offenses within sections 3 to 18. Perhaps another look at the penalties for the various offenses is valid.

#### MR. McMullen:

The Event Ticket Marketing Association has a presentation (<u>Exhibit H</u>) illustrating various examples of how the secondary market works. Citizens benefit from the secondary market. We recognize the intention of the bill is not to stop the reselling market, but to manage those who abuse it.

The language as written in <u>S.B. 235</u> can restrict a good company doing business in the secondary market. A company can be accused of deceptive trade practices and be charged with a felony. A good business does not want the reputation or problems resulting from criminal liability. A good company wants to sell validly in Nevada. We will work with the bill sponsors to address our concerns.

# WILLIAM HORNE (eBay, Inc):

eBay, Inc. is the owner of StubHub. We are in opposition to <u>S.B. 235</u>. We are eager to work with the sponsor to create good legislation. In 2000, StubHub

revolutionized the secondary ticket market. It provides a safe and transparent platform for consumers and fans to buy and resell tickets. StubHub does not sell tickets directly. It is a platform for third parties to buy and sell from each other. Senate Bill 235 will be problematic for the market. StubHub has a reputation of excellent service and has earned the trust of consumers visiting their Website.

# JENNIFER LAZOVICH (Bravo Tickets, LLC):

We consider ourselves one of the good companies. We have concerns with the bill as written. We are now going to be part of the working group. Bravo Tickets is a Nevada-based business with a number of employees and is a good resource in addressing some of the issues.

# JULIO ALVARADO (Owner, Bravo Tickets, LLC):

I am a partner in Bravo Tickets. I have 12 years of experience as a ticket broker. I understand the intentions of <u>S.B. 235</u>. There is language that is not good for both worlds. Nevada businesses are governed by a national brokers association which requires that we follow certain ethics. We want the bill to be written in a way that does not affect the local businesses in Nevada.

#### Mr. Schneider:

The bill is model legislation from the Broadway Group of New York, where there are considerable problems in the ticket selling market. We will negotiate in good faith with those in the industry sharing their concerns.

# CHAIR ATKINSON:

I will close the hearing on <u>S.B. 235</u> and open the hearing on <u>S.B. 199</u>.

**SENATE BILL 199**: Revises provisions relating to alcoholic beverages. (BDR 52-519)

# SENATOR JAMES A. SETTELMEYER (Senatorial District No. 17):

I will present <u>S.B. 199</u>. This bill wishes to establish a new category called Estate Distilleries. The purpose of the bill is to promote Nevada businesses. The bill stipulates estate distilleries must use 75 percent Nevada products when manufacturing spirits. Section 5 is existing language. For estate distilleries, we are seeking to change the case cap for selling and transporting spirits in Nevada from 10,000 cases to 100,000 cases per calendar year. We are seeking a change in case cap for estate distillery spirits from 40,000 cases to 400,000 cases for exportation to another state in any calendar year. It is a large

increase; however, the individual I am working with for a project in Douglas County thinks, acts and delivers in this way. In many ways, this is a jobs bill. It will help diversify the economy. The father and uncle of the individual I am working with had a metal lathe. My father and his friend thought these guys would not be in business long and had weird ideas. Mr. Bently, the father, sold his existing company to General Electric for a tidy profit. His son, Christopher Bently, has taken over the company and has other significant holdings in San Francisco and 40,000 acres in Douglas County. He has the means and the backing to accomplish his goals. He is reinventing a mill warehouse on U.S. Route 395 in Douglas County. He has invested millions of dollars in this project. The Bently project is a cornerstone of the community. We are working with the concerns of others to be sure the legislation is crafted narrowly enough to stand strict scrutiny and legal challenges. This bill specifically promotes Nevada businesses.

# MICHAEL HILLERBY (Bently Heritage):

The distillery industry is new, growing, learning and adapting as it grows. Bently Heritage fully supports the three-tiered system. The challenge is finding ways to allow this growing industry to fit within this system. We are working with wholesalers and distributors to finalize the provisions in the bill. Senate Bill 199 encourages investment by Nevadans and the export of a product people will be interested in. It encourages the import of jobs and money. The estate designation on wineries means they are growing the crops on their property. Bently Enterprises will grow 75 percent of the crops for distilling. Economic development and historic preservation are important to Mr. Bently. He has permitted releasing the total investment amount for Bently Heritage of over \$100 million.

# CARLO F. LURI (Bently Enterprises; Bently Heritage):

I have a visual presentation (<u>Exhibit I</u>) and a written presentation titled "A Future Informed by Our Past" (<u>Exhibit J</u>). This history of Minden is linked to the story of the entrepreneurial Dangberg family. Like the past, the future of Minden is closely linked to another entrepreneur's story as is <u>S.B. 199</u>.

In 1853, a young German immigrant named H. F. Dangberg arrived in the Carson Valley. Like many others, he came west looking for gold. In 1856, he chose to farm and raise cattle. The Dangberg family left a rich legacy which led to the founding of Minden. The family started many businesses to support ranching and farming. In 1906, Fred Dangberg, Jr., opened the Minden Flour

Milling Company. This iconic structure still stands in the heart of Minden and will soon be the focal point of the Bently Heritage estate distillery. In 1908, he built a creamery in Minden and founded the Minden Butter Manufacturing Company. Like the flour mill, this historic building will soon be reimagined as part of the Bently Heritage estate distillery. The Farmers Bank of Carson Valley once served the needs of the local ranching community and was the headquarters of the H. F. Dangberg Land and Livestock Company. Today, the modern office of Bently Enterprises occupies this historic building designed by noted architect Frederick J. DeLongchamps.

Over 150 years after H. F. Dangberg sparked the economy in the Carson Valley, another Nevada businessman is poised to lead the economic resurgence into the next century. Christopher Bently, an entrepreneur with a passion for northern Nevada's agricultural and architectural history, envisioned a new use for these landmark buildings. Using cutting-edge green building practices, these historic places are being reimagined as a world-class estate spirits distillery. The Bently Heritage estate distillery combines the rich legacy of farming in the Carson Valley with the beneficial reuse of Minden's historic buildings. Bently Heritage will create some of the world's finest spirits from local ingredients growing on its property in the Carson Valley. Its crown jewel will be a world-class single malt whisky, traditionally distilled in the historic flour mill that the Dangberg's built in the heart of Minden.

The craft distillery law first introduced in The 77th Legislative Session opened up the economic potential of creating value-added spirits in Nevada. It allowed for craft spirits producers to create tourism destinations. Craft producers can now open their doors to educate consumers about spirits production, offer tours, tastings and on-premise sales in limited quantities. This legislation includes an annual restriction of 10,000 cases sold in-State and the production of 40,000 cases for out-of-state sales. These restrictions severely limit the potential for Nevada's smaller producers to be an economic force in manufacturing and exports, and hinders the opportunity to bring much needed tourism to rural Nevada.

Nevada Heritage estate distillery supports <u>S.B. 199</u>, which creates an estate distillery category allowing for the future growth of Nevada's craft spirits and tourism industry by increasing the potential sales of Nevada-made spirits beyond the current craft limits. This legislation works within the framework of Nevada's

three-tiered distribution system and stands to benefit the distributors who will handle the bulk of spirit sales in and out of Nevada.

<u>Senate Bill 199</u> proposes the creation of a new category of spirits producer allowing higher sales as well as higher manufacturing volumes for distillers who rely on Nevada-grown grains and specialty crops.

As the Bently Ranch has shown by successfully planting and harvesting four types of malting barley and various other grains such as rye, wheat, corn, triticale, oats and spelt, diversification of agricultural resources is not only possible, but critical to the economic sustainability of Nevada's agriculture. Christopher Bently's commitment to the Bently Heritage project has already resulted in excess of \$100 million in investment for Nevada. From the equipment and materials sourced from local vendors to the local construction jobs created, the economic impact is already being felt in the community. When the Bently Heritage distillery opens in late 2017, our community will be poised to capitalize on the tourism market that is hungry for authentic experiences. Bently Heritage will produce premium spirits that will bring visitors to Nevada and create added value from our agricultural resources while bringing needed jobs to rural Nevada.

I encourage members of the Committee to support <u>S.B. 199</u> for its positive impact on the economy of Nevada and the stakeholders involved.

# MR. HILLERBY:

The estate distiller license fee provision shown in section 9 has a two-thirds Senate majority vote designation requirement. It creates an estate distillers license fee of \$75, which is the same fee existing for brew pubs, brewers and craft distiller licenses.

# **SENATOR CANCELA:**

Are there any other distilleries poised to enter the field?

## SENATOR SETTELMEYER:

The Frey Ranch Estate Distillery, in Churchill County, raises its own crops and distills its own products.

JAN VANDERMADE (Executive Director, Carson Valley Visitors Authority):

Carson Valley Visitors Authority supports <u>S.B. 199</u>. The Bently Heritage is in the heart of our destination between Genoa and Topaz. More and more travelers are looking for new discoveries and seek new experiences. They look for opportunities to find what is authentic and homegrown to gain a greater sense of the place they are visiting. Distillery tours and tastings programs will serve as ideal offerings to visitors. Working with local tourism partners, the sense of anticipation and enthusiasm for the Bently project is palpable. The Bently Heritage will represent the single largest impact on our local tourism economy to benefit the area's lodging resorts, retailers and restaurant partners. Equally, the surrounding tourism communities within the Reno and Tahoe areas will benefit through the potential for extended stays, new visitors to the area and expanded activity offerings. Bently Heritage will clearly attract and create worldwide appeal. As one example, we are seeing many more international travel and tour organizers consider the opportunity to expand itineraries to our area.

BARRY PENZEL (Chair, Board of County Commissioners, Douglas County): The Douglas County Board of County Commissioners supports <u>S.B. 199</u>. The Bently Heritage project represents new business and industry in Douglas County. It allows for the preservation and expansion of our agricultural lands.

STEVE K. WALKER (Douglas County; Lyon County; Storey County; Carson City): Douglas County, Lyon County, Storey County and Carson City support S.B. 199. The empty bottle I am holding up represents a product produced in Nevada at the Frey Distillery. I am a fourth generation agricultural person from Idaho. A term we often use in the agricultural field is value-added. This is a concept meaning if tomatoes are grown, a product is made from the tomatoes. The Frey Ranch Estate gin bottle signifies we can do it in Nevada. The Frey Ranch Estate is creating an award-winning, high-value product, a very good gin. Senate Bill 199 will generate revenue and maintain agriculture in Nevada.

# BILL MILES (Miles Construction):

Miles Construction is the contractor for Bently Heritage Distillery. We have worked with the Bently family for years. From an economic development perspective, the Bently family wants jobs in Nevada offered by Nevada companies. We have averaged 35 employees per day on the construction job for over a year. Milder weather would have increased the employee count. I encourage the Committee to pass S.B. 199.

# ALFREDO ALONSO (Southern Glazer's Wine and Spirits):

Southern Glazer's Wine & Spirits opposes <u>S.B. 199</u>. We want to work with the sponsor of the bill. We do not oppose the idea of the estate designation. There are several issues of concern in the bill. Is the 75 percent Nevada products provision enough for an estate designation? Most of the distilleries in the State fall under this designation today. The 100,000 case allowance is a large sales number. Southern Glazer's top 3 brands produce 100,000 cases or less in Nevada. These brands have been here for 50 years. There are no caps on cases sold on premises in the bill. Does it allow for bars and other retailers to sell these spirits at their places of business? If the goal is economic development and selling within the system, we can address the issues.

# MARCUS CONKLIN (Breakthru Beverage):

Breakthru Beverage has similar concerns to Southern Glazer's and will work with the bill sponsor to come to an agreement.

# **SENATOR CANCELA:**

Would the distributors carry what is produced at the estate distilleries?

#### Mr. Alonso:

The distributors would like to. The concern is additional distilleries only selling on their premises and becoming distribution centers because they are operating as all three tiers of the three-tiered system. Changing the case count might accomplish this concern.

## SENATOR SETTELMEYER:

Do existing laws allow this now?

# MR. ALONSO:

Yes, the cap is 10,000 cases. The 100,000-case increase is a huge departure from 10,000 cases, which is a manageable number for a craft distillery. Expanding that significantly is concerning.

## SENATOR SETTELMEYER:

I want to thank the distributors for what they have done for the Frey Ranch by distributing their product throughout Nevada. What do you think would be a good percentage of Nevada products used for the manufacturing provision, considering all the food sources for a specific flavor or variety may not be available in Nevada?

#### Mr. Alonso:

I do not know, but will find out. Frey Ranch produces with 100 percent Nevada-made products. I do not know if that is attainable for all distilleries. Frey Ranch is a great example of how it should be done.

## SENATOR SETTELMEYER:

<u>Senate Bill 199</u> is an excellent opportunity for Nevada to diversify, and I hope we can get a settlement on the issues.

# CHAIR ATKINSON:

I have testimony in favor of <u>S.B. 199</u> from Wendy Solyarov, Libertarian Party of Nevada (Exhibit K).

## CHAIR ATKINSON:

We will close the hearing on S.B. 199 and open the hearing on S.B. 286.

**SENATE BILL 286**: Revises provisions governing the regulation of applied behavior analysis. (BDR 39-633)

## SENATOR HEIDI S. GANSERT (Senatorial District No. 15):

I am here to present S.B. 286. Early intervention is critical for children with autism. Getting service to preschool-aged children by qualified providers is a matter of urgency. We lack providers in Nevada. We have over 500 children eligible for care on a waiting list. Medicaid funds are available for reimbursement, but there is a lack of providers to deliver the care. We have a pipeline problem. The shortages include the lowest level of providers, the supervised care extenders, and the masters at Ph.D. level behaviorists. Because of the small window of time during which the impact on a child's life is greatest, we must act now. There are several levels of providers eligible for medical reimbursement in Nevada. I have a visual table (Exhibit L). At the top are Board Certified Behavior Analysts (BCBA) who have master's degrees or greater, and who are reimbursable by Medicaid. The next level is Assistant Behavior Analysts with bachelor's degrees and are board certified and eligible for Medicaid reimbursement. The Registered Behavior Technician (RBT) has a high school degree or greater and is eligible for Medicaid reimbursement. The potential new RBT + level and the behavior interventionists are not eligible for Medicaid reimbursement. In the past year, the individuals who are serving most clients are the behavior interventionists. We have \$3 million in Medicaid funds to pay for services, but we use only \$150,000.

We seek to create a board comprised of peers to oversee and license providers in <u>S.B. 286</u>. The board will be connected to the Aging and Disability Services Division of the State. This legislation and conceptual amendment (<u>Exhibit M</u>) will create the new board which will have discretion to establish standards of care and criteria for new categories of providers eligible for Medicaid reimbursement. This field is large enough and the demands strong enough to have a board with intendance toward behaviorists. Time is of the essence. A new board will help establish the standards via regulations to identify the type of care providers needed and expedite the licensing process while maximizing use of available Medicaid funds. This bill allows the board to license through endorsement to expedite new providers who have been licensed in other states. The opposition thinks this bill will limit the market. The intent of the bill is to create additional levels of qualified providers to meet the standards of care and obtain the Medicaid reimbursement for serving more children.

EDWARD ABLESER (Administrator, Aging and Disability Services Division, Department of Health and Human Services):

The Aging and Disability Services Division has a significant early intervention program as well as developmental services. In the early intervention Autism Treatment Assistance Program (ATAP), we are responsible for serving those families without the private means or insurance to access autism services for autism spectrum disorder. We have a substantial waiting list which is not a result of the efforts two years ago in funding the program with Medicaid. It is the result of a pipeline issue. We are working with providers to enroll and credential RBTs, a national credentialing recognized by Medicaid. We could draw down those funds through the national system. We have the ability to set our own standards as a State and work with Medicaid to make it more efficient and effective to get the providers to scale. We are utilizing behavior interventionists at a two-to-one rate. The work these individuals are doing is not drawing down any Medicaid dollars for Medicaid-eligible children. As a result, we are not effectively serving the 500-plus children waiting for services in Nevada. A person not licensed as an RBT is not entitled to service children. My Division is supposed to yank that service delivery, which could result in over 1,000 children moving to the waiting list. Gaining the RBT status is not extremely cumbersome, but there are changes that occurred post 2015 when the decision was made to include an examination. Many of the high school level individuals struggle to pass the exam.

My Division supports reimbursement and provides free training to RBTs for their 40 hours of classwork as well as hands-on training to help with the exam. Upon going through our system, many RBTs get swallowed up by the private market and are not available to meet with Medicaid children. This is the reason we have a sparse number of individuals qualified in the State.

There are about 156 BCBAs who have the designation, but only 90 are licensed through our Board of Psychological Examiners. The reason is unknown. Designating the Behaviorist Board, to serve within the Board of Psychological Examiners, will create a stronger effort with workforce expansion and development.

The bill with the amendment would create the Behaviorist Board positioned within the Aging and Disability Services Division just as the Board of Education exists in a symbiotic relationship with the Department of Education. We would be responsible for the administrative and functional efforts of the new Board, would do the automated and online process of applications and work on endorsement reciprocity. The bill eliminates roadblocks for out-of-state endorsement reciprocity. It helps clarify more roles and duties of the Board to designate internally what the potential new level of RBT+, RBTs or behavior interventionists would look like, so we can draw down Medicaid funds working with our sister agency in Medicaid.

#### SENATOR GANSERT:

The BCBAs and the Assistant Behavior Analysts will supervise the RBT+ providers, the RBTs and the behavior interventionists. The new board will set the criteria on how the ratios will work for the extender positions.

# SENATOR HARDY:

What is going to be Medicaid-eligible if our definition is not in the national definition of the proposed positions? Is the potential new level of RBT + going to be Medicaid-eligible?

## Mr. Ableser:

A person in college seeking an Assistant Behavior Analyst degree and working as an intern for four years could get paid at a higher rate doing a larger scope of work as designated by the board. The RBT could also do this. The mental health field has a similar type of technician level doing low level scopes of work and touching and connecting with families. We have the ability to meet the needs of

the 565 children on the waiting list. We cannot do it without reimbursement funds.

# SENATOR HARDY:

Are you seeking to make the RBT+ and the behavior interventionist positions Medicaid eligible?

Mr. Ableser:

Yes.

## SENATOR HARDY:

Are other states doing this, and is the federal government in agreement?

# Mr. Ableser:

Michigan has pulled away from the RBT status because of the national level of requirements. They are looking at other ways to engage with Centers for Medicare and Medicaid Services (CMS). It is incumbent on CMS approval. We have worked with our sister agency in Medicaid, and it is a joint effort to create the regulator Behaviorist Board of peers who would then create the criteria for submission to CMS for approval. We can move forward upon approval.

# **SENATOR HARDY:**

Are other states besides Nevada doing this?

#### Mr. Ableser:

Other states are looking at this issue, and it has been done in other fields, not this specific field.

# **SENATOR GANSERT:**

We are working with CMS for the 350 behavior interventionists who are serving families right now, but are unable to get the reimbursements. We have spoken to the University System with autism programs about the potential RBT+ level. Growing the pipeline by creating an internship program for an RBT+ will help develop the upper levels of analysts and bring the Medicaid dollars to Nevada.

# BRIAN M. PATCHETT (CEO, President, Easterseals Nevada):

Easterseals Nevada is a provider of autism and early intervention services. I am Chair on the Nevada Commission on Services for Persons with Disabilities. We support <u>S.B. 286</u> and the conceptual amendment. Certifications are too strict on who can bill and who cannot bill. This has made it difficult for providers to serve

more children with autism. We want to see people in the process of becoming licensed BCBAs have the ability to bill for services through Medicaid while in transition. It takes 90 days or longer for a person to go through the RBT process.

ELLA PHILANDER (Director, Autism Services and Northern Early Intervention, Easterseals Nevada):

The new level of RBT+ is billing Medicaid in Utah. If a person in Utah is in a master's degree program or has a master's degree and is working on the BCBA coursework, billing and supervision is permitted for up to a year after the coursework is completed.

# JOHN SASSER (Legal Aid Center of Southern Nevada):

The Legal Aid Center of Southern Nevada supports the concept of <u>S.B 286</u>. We have not seen the language. Parent groups and the autism community are concerned because of the language in the bill. It would allow criminalization of current practices used by interventionists with RBT status hired by the Autism Treatment Assistance Program, our schools and private-pay individuals. The amendment will leave out those provisions, and we will work on the development of the bill language. The bill conceptually helps develop the workforce. The Medicaid money is there, but the clogged pipeline is keeping the autism community from being served.

#### ERIC KESSLER:

I am a licensed BCBA and am in support of <u>S.B. 286</u>. I will read from my written testimony (<u>Exhibit N</u>). There is some confusing language in the bill. Revisions in the language will address some of the concerns in my testimony.

# **ERIK LOVAAS:**

There is a pipeline issue. Kids are not getting access to treatment, and the RBT issue has been difficult. Other states face these difficulties. Minnesota is actively removing the RBT requirement because there is a pipeline issue there. That state is allowing the supervision to be given to the providers ultimately responsible for their employees until they can increase the RBT pool.

# SENATOR SPEARMAN:

What does the RBT do, and what is their relationship to the team helping children with autism?

#### Mr. Kessler:

A BCBA creates the curriculum and program after visiting the home of the autistic child. The RBT is part of the team that implements the curriculum. Because the RBT certification is cumbersome, many families have an interventionist level team member who has not attained the certification. There are two interventionists with high school diplomas from Mexico working for me. Because it is difficult for them to get their U.S. high school diplomas, they are unable to obtain the RBT credential. They are working on their GEDs to be able to have a high school equivalency to go forward with the RBT certification.

## **SENATOR SPEARMAN:**

Are parents who do not have the financial ability unable to implement the plan without the RBT?

## Mr. Kessler:

Funding agencies like ATAP help provide a code for a 40-hour module to help pay for a portion of the fee. The interventionist is responsible for some of the costs. There are costs to set up an account for the BCBA and a cost for testing. The RBT modules fee is \$200. The parent does not have to pay these costs. If an RBT is employed by an agency, the employer can help with the costs. This is not always the case.

#### Ms. Philander:

At Easterseals Nevada, we do not charge our behavior interventionists to get the RBT. We cover the costs, and ATAP assists with costs of the training course. The BCBA sets up the curriculum and directly supervises the interventionist while providing the service. It is the RBTs or the behavior interventionists who are in the family home for 2 to 18 hours per week. They do the one-on-one work with the child.

# GWEN DWIGGINS (Executive Director, Accelerated Learning Clinic):

I am a licensed behavior analyst. I commend the movement toward the practice mandate to require that only licensed individuals provide services to consumers in Nevada. There are several agencies circumventing the supervision requirement of the RBTs. These agencies use private funding and are potentially harming individuals, and often the costs are very high. The RBT is not the issue. Workforce development is the issue starting with the BCBAs. There is a lack of supervisors to provide important supervision for RBTs. Would a person send their child to an unlicensed special education teacher or an unlicensed

psychologist for intervention? The Board of Psychological Examiners has worked hard to start the RBT process so families are ensured proper supervision. As a business owner, we completed the year requirement and covered the costs to provide training for our clients and staff.

I was previously a member of Nevada Association for Behavior Analysis (NAVA). The NAVA Board opposes the bill. The references to the District of Columbia, not Nevada, and the veterans reference in Section 24 are concerning. We question the reference to the suicide prevention and continuing education credit and propose it be replaced with the supervision requirement. The supervision of RBTs and behavior interventionists is a critical issue.

The ATAP has done wonderful things, but I do not want ATAP to tell me if I am eligible to be licensed in the State. Who on the Behaviorist Board is licensed to tell me whether I am qualified? It is important for board certified behavior analysts to have representation on the Behaviorist Board. When the bill was developed, BCBAs were not consulted. It affects our practices and our field. In Section 22, subsection 1, paragraph (b) of <u>S.B. 286</u> requiring a statement if there is a court order for child support against someone is unclear.

Who is going to mandate the behavior interventionists have the 5 percent minimum supervision required by the Board and 10 percent by Nevada? There are many interventionists not being properly supervised, and it is negatively impacting the children being treated. Parents may not realize their children are being serviced by unqualified individuals. The problem starts with workforce development. We need to produce more behavior analysts at the doctoral and masters levels, and assistant behavior analysts who can provide appropriate qualified supervision to all of the behavior interventionists.

Legally, a child can be homeschooled. Our research shows autistic children should be receiving 30 to 40 hours per week of treatment. I am obligated to give a medical diagnosis and evaluation that treatment is medically necessary. The funding sources cover 10 to 18 hours per week. My ethical responsibility is to evaluate and inform on the needs of the child. The funds are accessible to the families who homeschool during daytime hours. Our company has become a Medicaid provider, and we work within the system. The rate of payment is not the only issue. The biggest issues are workforce development and assuring proper supervision is given to every child in Nevada and every individual with autism. For us to support this bill, it must ensure the supervision is across every

agency providing services. Several agencies call themselves behavior consultants and therapists, yet are not board certified analysts. The services provided by some of these agencies are adhering to the supervision requirement. A high school-educated individual without proper training and supervision is not the appropriate person to teach a child with autism. I provide the intervention a child with autism needs by my certifications and education.

#### CHAIR ATKINSON:

I have written testimony from Jon Saunders (<u>Exhibit O</u>) and from Alicia Warner (<u>Exhibit P</u>) in opposition to <u>S.B. 286</u>.

## SENATOR GANSERT:

I will respond to some of the objections. Section 24 of <u>S.B. 286</u> refers to licensing by endorsement. This is why it references the District of Columbia or any state, and allows veterans and their spouses the ability to get licensed by endorsement. The Board will be a Board of peers and would ensure individuals are qualified. The presentation, <u>Exhibit L</u>, shows the positions we are discussing, are all supervised positions. The BCBA and Assistant Behavior Analysts will supervise any positions below them, and we hope to develop a tier that will allow internship positions with individuals getting a bachelor's degree or higher. There are many individuals at the behavior interventionist level who, we want to be sure, can be brought within the system, licensed appropriately and available for Medicaid reimbursement.

We will continue to meet with interested parties to clarify the language in the bill. More providers in Nevada are critically important, and time is of the essence. The children with autism have a short window where the intervention is most effective.

## **MATTHEW FRANTOM:**

I am a registered behavior technician in Nevada. We are hearing of the blockage of the pipeline and the lack of technicians. <u>Senate Bill 286</u> does not address these problems, and it serves to block the pipeline further. Switching regulatory responsibilities from the Board of Psychological Examiners does not serve any purpose. Are we passing legislation to ensure maximum impact for the children we are serving or throwing around terminology left and right? I would caution having the regulatory responsibilities and funding responsibilities under the same roof. This could be a potential conflict of interest.

#### CHAIR ATKINSON:

We will close the hearing on <u>S.B. 286</u>. I will now accept a motion to rerefer <u>S.B. 361</u> to the Senate Committee on Judiciary.

SENATE BILL 361: Revises provisions related to domestic violence. (BDR 53-775)

SENATOR HARDY MOVED TO REREFER S.B. 361 TO THE SENATE COMMITTEE ON JUDICIARY.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

## CHAIR ATKINSON:

I will assign <u>S.B. 392</u> and <u>S.B. 407</u> to the Senate Committee on Commerce, Labor and Energy Subcommittee on Energy. We will now begin the work session on S.B. 130.

**SENATE BILL 392:** Revises provisions relating to energy. (BDR 58-663)

SENATE BILL 407: Creates the Nevada Green Bank Program. (BDR 58-1133)

**SENATE BILL 130**: Revises provisions relating to brew pubs. (BDR 52-520)

MARJI PASLOV THOMAS (Policy Analyst):

I will read the summary of the bill and the amendment from the work session document (Exhibit Q).

# CHAIR ATKINSON:

I will entertain a motion.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 130.

SENATOR GANSERT SECONDED THE MOTION.

#### SENATOR CANNIZZARO:

Can we get more clarification on the 10,000 barrels versus the 30,000 barrels in the amendment?

## SENATOR SETTELMEYER:

From testimony in the hearing, the concern of 15,000 barrel cap for sale at retail was too much since most brew pubs were not hitting this cap. We reduced the number to 10,000 barrels for retail sales in pubs. We compromised the 45,000 barrel total production in a calendar year to 30,000 barrels.

# SENATOR CANCELA:

Was there ever a discussion about a phase-in to reach the 10,000 or 30,000 barrel cap? Very few of the entities reached these numbers.

# SENATOR SETTELMEYER:

There was no discussion on phase-in, just the high or low numbers.

# **SENATOR SPEARMAN:**

I am going to vote no on the bill but reserve the right to change my vote on the Senate Floor. There are two bills on this subject, and I wish for more information on whether the two bills work together.

## SENATOR SETTELMEYER:

The second bill on this subject deals with distilled spirits. Senate Bill 130 has to do with breweries.

THE MOTION PASSED. (SENATORS SPEARMAN AND CANNIZZARO VOTED NO.)

\* \* \* \* \*

## CHAIR ATKINSON:

We will move to S.B. 204.

<u>SENATE BILL 204</u>: Requires the Public Utilities Commission of Nevada to investigate and establish a requirement for certain electric utilities to procure energy storage systems under certain circumstances. (BDR 58-642)

Ms. Pasi ov Thomas:

I will read the summary of the bill and amendments from the work session document (Exhibit R).

SENATOR SETTELMEYER:

Mr. Chair, do you agree with the amendments and that none of the amendments conflict with one another?

CHAIR ATKINSON:

Yes, I agree.

SENATOR GANSERT:

I appreciate the amendment because the language has been softened from "requirement" to "target." This being new technology to Nevada, there is a place for it, but there is uncertainty. The changes are positive.

CHAIR ATKINSON:

I will entertain a motion.

SENATOR SETTELMEYER MOVED TO AMEND AND DO PASS AS AMENDED <u>S.B. 204</u>.

SENATOR CANCELA SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

CHAIR ATKINSON:

We will move to S.B. 206.

**SENATE BILL 206**: Revises provisions relating to barbering. (BDR 54-535)

Ms. Paslov Thomas:

I will read the summary of the bill and amendments from the work session document (Exhibit S).

#### SENATOR SETTELMEYER:

Thank you for considering the amendments I brought forward to bring some consistency. The suggested amendments work toward this goal. You are not in agreement to merge the State Barber's Health and Sanitation Board with the State Board of Cosmetology, but maybe in the future.

#### SENATOR ATKINSON:

I will entertain a motion.

SENATOR SETTELMEYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 206.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

# SENATOR ATKINSON:

We will move to S.B. 210.

**SENATE BILL 210**: Provides for the licensure and regulation of anesthesiologist assistants. (BDR 54-155)

# Ms. Paslov Thomas:

I will read the summary of the bill and amendments from the work session document (Exhibit T).

# SENATOR CANCELA:

Senator Hardy, was there a reason you left out a specific type of degree or certificate in your amendment?

# **S**ENATOR HARDY:

The anesthesiologist assistant is somewhat equivalent to a physician's assistant. It is a master's level program, which is traditionally a two-year process after acquiring a bachelor's degree. An entity meeting the criteria for the programs could start one up. There is not one in Nevada.

## SENATOR SPEARMAN:

There is sufficient evidence to suggest the scope of practice of anesthesiologist assistants do not compromise the Certified Registered Nurse Anesthetists scope of practice.

## SENATOR ATKINSON:

I will entertain a motion.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 210.

SENATOR SPEARMAN SECONDED THE MOTION.

# SENATOR CANCELA:

I will vote no today because I am not completely comfortable with the amendments. I reserve the right to change my vote on the Senate Floor. I would like to speak with the interested parties.

THE MOTION PASSED. (SENATOR CANCELA VOTED NO.)

\* \* \* \* \*

## SENATOR ATKINSON:

We will move to S.B. 256.

**SENATE BILL 256**: Revises provisions relating to the Board of Dental Examiners of Nevada. (BDR 54-549)

# Ms. Paslov Thomas:

I will read the summary of the bill and amendment from the work session document (Exhibit U).

## CHAIR ATKINSON:

I will entertain a motion.

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED S.B. 256.

SENATOR SETTELMEYER SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

SENATOR ATKINSON:

We will move to S.B. 292.

**SENATE BILL 292**: Exempts physicians who are licensed in another jurisdiction from provisions governing the practice of medicine for certain purposes relating to athletics. (BDR 54-319)

Ms. Paslov Thomas:

I will read the summary of the bill from the work session document (Exhibit V).

SENATOR ATKINSON:

I will entertain a motion.

SENATOR SETTELMEYER MOVED TO DO PASS S.B. 292.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

\* \* \* \* \*

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CHAIR ATKINSON: Having no further business, I will close the vectors at 10:45 a.m.	work session and I adjourn this
	RESPECTFULLY SUBMITTED:
	Christine Miner, Committee Secretary
APPROVED BY:	
Senator Kelvin Atkinson, Chair	_

EXHIBIT SUMMARY						
Bill	Exhibit / # of pages		Witness / Entity	Description		
	Α	2		Agenda		
	В	10		Attendance Roster		
S.B. 235	С	12	Senator Joyce Woodhouse	Proposed Amendment 3233		
S.B. 235	D	9	Myron G. Martin / The Smith Center	Document		
S.B. 235	Е	2	Myron G. Martin / The Smith Center	Thomas Ferrugia Written Testimony		
S.B. 235	F	4	David Goldwater / Nevada Ticket Broker's Association	Written Testimony		
S.B. 235	G	2	Brian Mueller / Vivid Seats	Written Testimony		
S.B. 235	Н	4	Samuel P. McMullen / Event Ticket Marketing Association	Presentation		
S.B. 199	ı	14	Carlo F. Luri / Bently Heritage Estate Distillery	Presentation		
S.B. 199	J	10	Carlo F. Luri / Bently Heritage Estate Distillery	Presentation "A Future Informed by Our Past"		
S.B. 199	K	1	Chair Kelvin Atkinson	Wendy Stolyarov Written Testimony		
S.B. 286	L	1	Senator Heidi S. Gansert	Presentation		
S.B. 286	М	2	Senator Heidi S. Gansert	Conceptual Amendment		
S.B. 286	N	1	Eric Kessler	Written Testimony		
S.B. 286	0	2	Chair Kelvin Atkinson	Jon Saunders Written Testimony		
S.B. 286	Р	2	Chair Kelvin Atkinson	Alicia Warner Written Testimony		
S.B. 130	Q	1	Marji Paslov Thomas	Work Session Document		
S.B. 204	R	11	Marji Paslov Thomas	Work Session Document		
S.B. 206	S	1	Marji Paslov Thomas	Work Session Document		
S.B. 210	Т	5	Marji Paslov Thomas	Work Session Document		

S.B. 256	U	1	Marji Paslov Thomas	Work Session Document
S.B. 292	٧	1	Marji Paslov Thomas	Work Session Document