

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-ninth Session
May 25, 2017**

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 8:10 a.m. on Thursday, May 25, 2017, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Joyce Woodhouse, Chair
Senator David R. Parks, Vice Chair
Senator Moises Denis
Senator Aaron D. Ford
Senator Pete Goicoechea
Senator Ben Kieckhefer
Senator Becky Harris

GUEST LEGISLATORS PRESENT:

Senator Patricia Farley, Senatorial District No. 8
Senator Julia Ratti, Senatorial District No. 13

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Jaimarie Dagdagan, Program Analyst
Adam Drost, Program Analyst
Edgar Cervantes, Committee Secretary
Colby Nichols, Committee Secretary

OTHERS PRESENT:

Mike Draper, Argentum Partners

Chase Whittemore, Green Solutions Recycling; Nevada Recycling and Salvage;
A Track Solution; Lunas Construction
Susan L. Fisher, Vice President, Government Affairs and Advocacy Group,
McDonald Carano Wilson LLP; Nevada State Apartment Association;
C&S Waste Solutions of Nevada
John Shea, C&S Waste Solutions of Nevada
Sean Higgins, Republic Services
John Fudenberg, Coroner, Government Affairs, Office of the Coroner/Medical
Examiner, Clark County
Jamie Rodriguez, Washoe County
Misty Grimmer, Waste Management Inc.
Melissa Lewis, Chief, Fiscal Services, Division of Health Care Financing and
Policy, Department of Health and Human Services
Caleb S. Cage, Chief, Division of Emergency Management; Advisor, Office of
Homeland Security, Nevada Department of Public Safety
James R. Wells, C.P.A., Director, Nevada Governor's Finance Office
Dominique M. Etchegoyhen, Deputy Director, Department of Conservation and
Natural Resources
Rebecca L. Palmer, Administrator and State Historic Preservation Officer, Office
of Historic Preservation, Department of Conservation and Natural
Resources
Carrie Edlefsen, Administrative Services Officer, Division of Museums and
History, Department of Tourism and Cultural Affairs
Eugene M. Hattori, Ph. D., Curator of Anthropology, Nevada State Museum
Marcus Conklin, Nevada Mortgage Lenders Association
Amber Reid, School Social Work Liaison, Office of Safe and Respectful
Learning, Nevada Department of Education
Steven Cohen

CHAIR WOODHOUSE:

I call this meeting of the Senate Committee on Finance to order. We will begin today with some bill hearings. We will begin with Senate Bill (S.B.) 315.

SENATE BILL 315: Revises provisions relating to waste disposal. (BDR 40-989)

SENATOR MOISES DENIS (Senatorial District No. 2):

I want to thank Senator Patricia Farley for working with me on this legislation and letting me present it today. We have worked very hard to get this bill to this point.

For the past several sessions, I have been determined to make a landfill diversion policy an issue for the Legislature. The State has not had any serious discussion about this topic or other waste- and recycling-related topics since 1991. Over that time, many other states have substantially addressed these important issues while Nevada has failed to do so.

This bill, S.B. 315, will start to establish a comprehensive vision to further ensure the sustainability and environmental responsibility of Nevada. As has been well-documented this Session by the press and others, there are many issues surrounding landfill diversion, waste disposal and recycling that need to be seriously addressed, including transparency, competitive fairness and customer service.

However, in response to thoughts and concerns raised on all sides, Senator Farley and I are proposing an amendment ([Exhibit C](#)) that alleviates most concerns, eliminates the fiscal note and provides a foundation for future policy discussions on these issues. The amendment is not everything I wanted, but it is a badly-needed start. I would ask the Committee to work from that amendment and urge your full support.

As I mentioned, in 1991, the Legislature passed legislation that set a 25 percent recycling goal. That bill tasked the Nevada Department of Environmental Protection (NDEP) with overseeing the recycling program. Unfortunately, because that figure was a goal and not a mandate, NDEP was not given any kind of enforcement authority over it. The State has only met this goal 3 times in 25 years.

Landfill diversion and recycling is a critical part of our State's future, since recycling creates jobs and protects our natural resources. As we have implemented single stream recycling in both Clark and Washoe counties, it is time we change that goal to a mandate. [Exhibit C](#) mandates that, by 2022, the State's two most populous counties must have a 25 percent landfill diversion rate. This applies to all waste commercial and residential, but does not apply to construction and demolition waste, as that waste is not part of single stream recycling, and in most instances, is not subject to exclusive franchise agreements. That means it enjoys the benefits of competition, which stimulates innovation in recycling.

[Exhibit C](#) also outlines that the State Environmental Commission should set out penalties and sanctions should these counties not meet the goal. To keep us aspiring to be efficient and build a cleaner future, this legislation also raises the current 25 percent goal to 35 percent. This will help ensure that NDEP keeps educating the public about the benefits of recycling. In the southern part of Nevada, Republic Services has indicated that when their new recycling facility is operational, they will be recycling at a rate of 35 percent. Washoe County is already recycling at a 30 percent rate. The new goal should be attainable.

[Exhibit C](#) does away with the controversial parts about franchise agreements and pricing. While I feel that these must still be addressed at some point, this legislation builds on what I think is the most fundamental piece of establishing a long-term sustainable mission for waste and recycling.

SENATOR KIECKHEFER:

Does this bill only apply to Clark and Washoe Counties?

SENATOR DENIS:

Yes.

SENATOR KIECKHEFER:

If those two Counties are already recycling at a rate above 25 percent, why are we mandating that they go above 25 percent?

SENATOR DENIS:

Clark is not currently hitting their goal, but they are building a new facility that will help them get there. They have only hit their goal three times in the last 25 years.

SENATOR KIECKHEFER:

Do you know what percentage Clark County is hitting right now?

SENATOR DENIS:

I believe Clark County is currently recycling at a 23 percent rate.

MIKE DRAPER (Argentum Partners):

I am here today on behalf of a number of independent waste haulers and recyclers. As Senator Denis mentioned, we have worked with various parties over the last 24 hours to come up with a conceptual amendment ([Exhibit D](#))

that further simplifies S.B. 315. I believe [Exhibit D](#) will bring most parties to the table in support of this much-needed policy decision.

To summarize [Exhibit D](#), the highlights include a 25 percent mandate that starts on October 1, 2023. That gives five years before the mandate starts. Right now, there is language in the bill that says “at least 25 percent.” The “at least” phrase will be removed. Currently, there is a 25 percent goal. This will make it a mandate.

To Senator Kieckhefer’s point, right now, because that figure is a goal, the NDEP cannot even require reporting. There are counties that are not reporting. While this bill will only apply to counties with more than 100,000 people, the NDEP can require that reporting because of the change to a mandate. The Legislature will then be able to address counties that are not hitting the goal.

Currently, Clark County is not achieving that 25 percent rate. Their major waste and recycling provider will testify today that they feel confident that they can achieve that mandate soon. [Exhibit D](#) will continue to exclude construction and demolition waste, but it will also make it clear that this category of waste is also not counted in the overall commercial waste accounting in those counties. In other words, we will not include construction and demolition waste in the recycling total or in the overall waste total. We are taking that category out of both the numerator and the denominator.

At the request of some parties, we agreed to make the mandate increase in steps. In the first year of its implementation, there would be a 23 percent rate mandate. In the second year, it would be 24 percent and the full 25 percent mandate would become effective in the third year. This process starts on October 1, 2023.

[Exhibit D](#) is a simple amendment that alleviates concerns from NDEP and from the counties. I think it will bring all parties to be at least neutral, if not in support of, this bill. The two amendments, [Exhibit C](#) and [Exhibit D](#), remove any fiscal concerns from the NDEP.

SENATOR HARRIS:

I want to make sure I understand the amendments. Are you proposing a five-year grace period with a three-year stepped rate increase afterwards?

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MR. DRAPER:
That is correct.

SENATOR DENIS:
[Exhibit C](#) is an official proposed amendment. [Exhibit D](#), which implements the stepped rate increase, is a conceptual amendment.

SENATOR KIECKHEFER:
I see in [Exhibit C](#) a proposed change to the mandate to make it a 35 percent mandate. Will that be maintained in the conceptual amendment?

MR. DRAPER:
The 35 percent figure is a goal. We are taking what is currently a 25 percent goal and making that a mandate. Then, to keep us looking forward, we are setting a 35 percent goal. That goal is not enforceable, but because of the reporting requirements from the Counties to NDEP and from NDEP to the Legislature, the Legislature can choose to make the goal a mandate in the future.

SENATOR KIECKHEFER:
In section 13 of [Exhibit C](#), construction and demolition waste is excluded from this legislation. Is that waste currently included in the calculations for Clark and Washoe counties?

MR. DRAPER:
The NDEP gets different sets of figures that both include and exclude that category of waste. We can include it in for the overall goal. Most counties in the State do not franchise construction and demolition waste, and that waste is not subject to single-stream recycling. We took that category out of the calculations for the mandate. We took it out so the calculations are not weighted unfairly.

SENATOR KIECKHEFER:
So when you say that Clark County is at a 23 percent rate, does that include that category of waste?

MR. DRAPER:
Yes, it does.

SENATOR KIECKHEFER:

How will removing that category of waste affect the rate?

MR. DRAPER:

When you take that category out of the overall calculation, it should not have much of an effect on the overall number. We are in essence removing that category from both the numerator and the denominator of that calculation.

SENATOR KIECKHEFER:

Will this interfere in any way with existing franchise agreements?

MR. DRAPER:

It will not.

SENATOR GOICOECHEA:

I need to understand this clearly. You are imposing a 25 percent rate mandate for two counties specifically. Are all counties affected by the reporting requirement?

MR. DRAPER:

No. Not all counties will be required to report. The requirement of the mandate is for Clark and Washoe counties. The other counties are encouraged to report and to strive for that 35 percent rate goal. We would like to see NDEP encourage reporting.

SENATOR PATRICIA FARLEY (Senatorial District No. 8):

Senator Denis has been championing this cause for years. I think it is an important piece of legislation. The concern I have is that if we do not start looking at how we handle our waste management, we will continue to be more and more out-of-date.

What I like about this legislation is that all the recycling businesses that have reached out to me to say that they would like to be more involved in our State have stated that more recycling will bring more jobs. Recycling is a flourishing business in other states. I would like to see this legislation move forward so that this industry can flourish in Nevada too.

CHAIR WOODHOUSE:

I will now open the hearing up for those wishing to testify in support of S.B. 315.

CHASE WHITEMORE (Green Solutions Recycling; Nevada Recycling and Salvage; A Track Solution; Lunas Construction):

I am here on behalf of Green Solutions Recycling in Reno, Nevada; Nevada Recycling and Salvage, which is a materials recovery facility in Reno; A Track Solution, which is a small waste hauler in Las Vegas; and Lunas Construction, which is also in Las Vegas.

Think global, act local. A famous slogan and one that is most pertinent to our discussion here. The entire recycling process begins with a choice: do I place this cardboard in the waste bin or the recycling bin?

The person who chooses the recycling bin may be acting locally, but they are surely thinking globally. The recycling process has global ramifications. When a business chooses to recycle and the recyclables are collected, that business is choosing to conserve natural resources like water, minerals and trees.

When people choose to recycle, they are reducing the need for landfills. When a person chooses to recycle, they are choosing to reduce pollution and conserve energy, since recycling reduces greenhouse gas emission and saves energy spent in extracting raw materials.

When a person chooses to recycle, they are creating new jobs. The U.S. Environmental Protection Agency studied recycling and its effect on jobs. That report found that, for every 1,000 tons of materials recycled, 1.57 jobs are created. Green Solutions Recycling collects about 20,000 cubic yards of recycling each year. All of the materials collected by them are diverted to Nevada Recycling and Salvage. They own and operate a materials recovery facility. At this facility, the materials collected are sorted, packaged and sold outside of the State. Nevada Recycling and Salvage achieves a 70 percent recycling rate.

Their biggest customer is Newport CH International, located in California. They export roughly 1 million tons of recyclables each year, which is roughly the amount of recyclables processed in Nevada in 2015. This represents a value of about \$250 million to countries outside of the U.S., mainly China. This

exporting business and others like it operate globally, but rely on local companies like my clients throughout the U.S. to collect recyclables from hundreds of thousands of businesses.

Recyclable materials are bought, sold, transported, processed, sold, rebought and reused similar to other commodities in interstate commerce. Senate Bill 315 is no doubt a step in the right direction. In 2015, Douglas County achieved a 62.3 percent recycling rate. Washoe County achieved a rate of 31.4 percent. Clark County achieved a rate of 20 percent.

Why the disparities? First, Douglas County's franchisee is a company based in California and thus, is subject to California's stringent recycling mandates that requires franchisees and municipalities to divert at least 50 percent of the waste to recycling facilities and composting facilities. Second, the City of Reno, which is by far the largest contributor to Washoe County's recycling totals, implemented single-stream recycling in 2012 and has achieved an increase in its rates for a number of years.

Compare the rate of Clark County's recycling in 2012, 27 percent, to that of last year, 20 percent. Why are recycling rates much worse today than they were in 2012? A good question since participation rates are up for single-stream recycling.

We strongly urge your support of this bill so the State can begin to incentivize our largest counties to recycle more and divert more waste from our landfills, which will create more jobs and further protect our environment.

SUSAN L. FISHER (Vice President, Government Affairs and Advocacy Group, McDonald Carano Wilson LLP; Nevada State Apartment Association; C&S Waste Solutions of Nevada, Inc.):

Today, I am representing the Nevada State Apartment Association and also C&S Waste Solutions of Nevada, Inc. On behalf of the Apartment Association, I would say it is a challenge for us to get our residents to recycle. The majority of properties do provide recycling facilities as mandated by law. Several sessions ago, we put statutes into place for all new facilities and complexes to require recycling facilities.

On behalf of C&S Waste Solutions of Nevada, Inc., we also support this bill. I started down a path nearly 30 years ago with Assemblywoman Vivian Freeman

as an intern when she introduced the first recycling bill. We did not get that bill passed that Session. In 1991, she was successful in getting it through. That was a baby step at that time. That baby step is still in place. This bill is another baby step and we are very happy to see this moving forward.

JOHN SHEA (C&S Waste Solutions of Nevada, Inc.):

I am a fourth-generation recycler and waste hauler with over 20 years of operation in southern Nevada. We support any initiative that will advance recycling in our State. We are very encouraged to see recycling as a topic this Session.

This is a small step forward. As I have testified previously on this legislation, our company, with the support of Nye County, has implemented some of the first recycling programs in rural Nevada. Some of those have now been in place for over a decade. We have always seen the need and the benefits of implementing sustainable diversion programs.

These programs are developed and implemented at the local level. For the State to truly move forward and be committed to recycling and diversion, it is incumbent upon the Legislature to lay out a vision for the State that will make a difference. We do support the progress we have made, and encourage further advancement as we move forward.

We are here to help. We are here to do our part. We support moving S.B. 315 forward and looking at taking the next step after its passage. Thank you for your consideration.

CHAIR WOODHOUSE:

If you are in opposition to S.B. 315, I will now open the hearing for you.

SEAN HIGGINS (Republic Services):

I am in opposition to this bill in its current form. I want to address my points in opposition to the original bill before moving on to addressing [Exhibit C](#) and [Exhibit D](#) that, if adopted, could move Republic Services to a neutral position on this bill.

Republic Services is a recycling company. It is the largest recycling company in the State. Not a single company comes even close to the level of investment in machinery, equipment, facilities and money that Republic Services has made

with the goal to attempt to increase recycling. The fact of the matter is that all of the steps are working. We have seen an increase in recycling every single year because of our investment in southern Nevada.

With all due respect to the bill's sponsors and proponents, I would say that when you propose legislation like this and then exclude the two largest waste hauling companies in the State from the discussion, it gives us a reason to be in opposition. There should be an open and lengthy discussion about how to address an issue like recycling. Unfortunately, that has not occurred this Session. We have not been privy or included in any discussions.

That said, over the course of the last 48 hours, we have had discussions with the bill's proponents and have come to agree on some conceptual amendments whereby we could be in neutral on the bill.

In section 13 of the S.B. 315, we would remove the words "at least." It would then state that "maintaining a waste diversion rate of 23 percent in 2023, 24 percent in 2024 and 25 percent in 2025."

Additionally, in paragraph 2 of section 13, we would change the language to read, "The State Environmental Commission shall adopt any regulations necessary to carry out the provisions of this section." Everything following that statement would be removed.

In paragraph 3 of section 13, we want to insert a clarifying statement. I believe the bill's sponsors and proponents echoed this. We want to clarify that we are excluding construction and demolition waste. We are excluding it from both the calculable recyclables as well as the overall percentage of solid waste collected in a county. This is so that this category of waste is not present in either side of the equation. As was testified to earlier, we would remove it from both the numerator and the denominator.

Someone mentioned this was aimed at residential recycling. By removing construction and demolition waste, you still include all commercial waste. This is not a residential-only bill.

Finally, in section 23, paragraph 3 of S.B. 315, we would clarify that the first measurement period for this legislation is in 2023. Should [Exhibit C](#) and [Exhibit D](#) be adopted, Republic Services could be neutral on this bill.

CHAIR WOODHOUSE:

The Committee will now hear testimony from those in a neutral position on S.B. 315.

JOHN FUDENBERG (Coroner, Government Affairs, Office of the Coroner/Medical Examiner, Clark County):

Clark County is opposed to the bill as written. We are also opposed to [Exhibit C](#). We would like to echo Mr. Higgins' sentiment that [Exhibit D](#) would bring us to a neutral position.

We agree with Mr. Higgins about section 13, subsection 2 of S.B. 315. I want to make it very clear that we would remove this subsection in [Exhibit D](#). When it comes to the administrative sanctions, we all agreed this morning that we would remove that section. With that, we would move to a neutral position. Without it, we are definitely opposed to the bill.

JAMIE RODRIGUEZ (Washoe County):

I would echo the statements made by Mr. Fudenberg. We are opposed to the bill as written. Washoe County has a similar ordinance to what this bill would do. We have a goal of 35 percent for our county. We are currently at about 31 percent. That does include construction and demolition waste. That category of waste accounts for about half of the 31 percent recycling rate.

We have concerns with the original bill. With [Exhibit D](#), we believe that we would move to neutral on the bill. We would be more comfortable with that. The majority of our apartment complexes do not have single-stream recycling; they just use dumpsters. I wanted to clarify that on record.

MISTY GRIMMER (Waste Management, Inc.):

I am here to represent Waste Management, Inc. Similar to the previous speakers; our neutral position is very much dependent on seeing [Exhibit D](#) become a formal proposed amendment. This bill has seen four different iterations over the last week. In the policy committee, we were very much in opposition to this bill. We look forward to the possibility of becoming neutral on it.

Washoe County is one of the main regions we serve. I did want to put on the record that Washoe County has been proactive on this, and they do have an

ordinance in place that mandates a recycling goal. We have been pursuing this in Washoe County. We look forward to seeing the amendments.

SENATOR KIECKHEFER:

Would you agree with Mr. Draper that the bill, with [Exhibit D](#), does not interfere with your existing franchise agreement?

MS. GRIMMER:

That is correct.

SENATOR FARLEY:

Mr. Higgins testified that we did not engage with his client in conversation regarding this legislation. My door has been open the whole entire Session. I have met with him in Las Vegas. I have tried to meet with him up here. I have been consistently told that there was no room for discussion on this bill on their behalf. In fact, I have spoken with their teamsters on this issue quite a bit. I want to make sure the Committee understands that there has been a lot of discussion made in trying to move this issue, which is important to our State, forward.

I do agree that Republic Services is the largest recycler in the State. They are also the largest monopoly in the area. We will continue to be in contact with them as we move forward. I appreciate everyone who has come to the table to talk.

SENATOR DENIS:

I have similar comments. I have been working on this issue for six years. We have had three sessions and two interims to work on this and I have yet to have anybody from Republic Services come to talk about this issue. My door is always open and my phone number is public information. I am willing to talk with anyone about this issue. I think it is an important issue. I think many people know that it is to me. I am grateful to have these discussions and believe that we are at a point where most parties can agree that something must be done, not only for our environmental future, but also for our economic future.

I think many great things will happen if we make recycling a priority in the State. If the materials were available, there are businesses that want to come here. I have talked to them. They want to come to Nevada, but there is just not

enough recyclable material available right now. I appreciate the opportunity to talk about this issue today.

CHAIR WOODHOUSE:

That will conclude our hearing on S.B. 315. The Committee will move on to Assembly Bill (A.B.) 494.

ASSEMBLY BILL 494 (1st Reprint): 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. (BDR S-1176)

MELISSA LEWIS (Chief, Fiscal Services, Division of Health Care Financing and Policy, Department of Health and Human Services):

This bill is a supplemental appropriation to support Nevada Medicaid for expenditures due to an increased caseload over the 2015-2017 biennium. The State General Fund appropriation for this use is \$5.8 million. There is an additional expenditure authority from both federal and intergovernmental transfers of \$124 million.

CHAIR WOODHOUSE:

Seeing no one who wishes to testify in either support or opposition to this bill, as well as no one wishing to testify in the neutral position, I will close the hearing on A.B. 494.

The Committee will now hear testimony on A.B. 498.

ASSEMBLY BILL 498: Makes an appropriation to the Division of Emergency Management of the Department of Public Safety for a joint field office to work with the Federal Emergency Management Agency on certain flood reimbursements. (BDR S-1172)

CALEB S. CAGE (Chief, Division of Emergency Management; Advisor, Office of Homeland Security, Nevada Department of Public Safety):

This bill is very similar to its companion bill, A.B. 495, which we have discussed here before.

ASSEMBLY BILL 495: Makes a supplemental appropriation 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. (BDR S-1171)

Assembly Bill 498 appropriates about \$351,000 to the Division of Emergency Management for fiscal year (FY) 2017-2018. It will be used for maintaining the joint field office operations with the Federal Emergency Management Agency (FEMA) as well as continuing other recovery operations throughout the State.

The total between A.B. 498 and its companion bill, A.B. 495, is approximately \$420,000 for these ongoing operations. This is specifically for personnel costs for the upcoming fiscal year. It is necessary because of the unprecedented disaster year Nevada has experienced so far in 2017.

As I have noted in the past, the State's last two Presidential declarations of disaster were in 2014 and 2008. So far, in the first two months of 2017, we have had two declarations and are preparing for a third. What is referred to as Nevada 4303, which is the first Presidential declaration of 2017, resulted in estimated assessments of \$14 million in damage. Nevada 4307, the second declaration of 2017, resulted in about \$15 million in damages. We currently anticipate a third declaration because of snowmelt runoff later this summer throughout northern Nevada.

The need for this appropriation between these two bills is to help us better and more efficiently streamline the process for the recovery and recuperation of those dollars through the FEMA reimbursement process. This will not only help us to work faster, but also seek more opportunities for a 75 percent reimbursement rate for those two disasters. Because those are associated with presidential major disaster declarations, this money will be 75 percent reimbursable through the federal government through the declaration process.

CHAIR WOODHOUSE:

Seeing no one wishing to testify in either support of or opposition to this bill, and no one wishing to testify in the neutral position as well, I will close the hearing on A.B. 498.

The Committee will now hear testimony on A.B. 500.

ASSEMBLY BILL 500: Makes an appropriation to the Account for the Governor's Portrait for the preparation and framing of a portrait of Governor Brian Sandoval. (BDR S-1190)

JAMES R. WELLS, C.P.A. (Director, Nevada Governor's Finance Office):
Assembly Bill 500 includes a \$25,000 appropriation to the account for the Governor's portrait in the General Fund to pay for an oil painting of him to be displayed in the Capitol.

For reference, the last two portraits of Governors Guinn and Gibbons cost around \$17,600 and \$18,100 in 2007 and 2010, respectively. This appropriation would be for FY 2017-2018.

CHAIR WOODHOUSE:

Seeing no one wishing to testify in either support of or opposition to this bill, and no one wishing to testify in the neutral position as well, I will close the hearing on A.B. 500.

We will stand in recess as of 8:51 a.m. so that the whole Committee will be present for our forthcoming work session.

I call this meeting of the Senate Committee on Finance back to order as of 9:17 a.m. We will now enter a work session on some bills. Our first bill for the work session is S.B. 137.

SENATE BILL 137 (1st Reprint): Revises provisions governing certain plans, programs and reports relating to veterans. (BDR 37-64)

MARK KRMPOTIC (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

This bill was heard in Committee on April 26. The bill, as amended, requires a State agency or regulatory body to include the following questions on any form used to collect data from a veteran: the first is "have you ever served on active duty in the armed forces of the United States and separated from such service under conditions other than dishonorable?"

The second question is "have you ever been assigned to duty for a minimum of six continuous years in the National Guard or a reserve component of the armed forces?"

The third question is "have you ever served the Commission Corps of the United States Public Health Service or the Commission Corps of the National Oceanic and Atmospheric Administration of the United States?"

The primary concern with this bill was about the fiscal note. There was a fiscal note submitted by the Department of Employment, Training and Rehabilitation (DETR) totaling about \$50,000 for the first fiscal year and \$44,000 for the second fiscal year of the 2017-2019 biennium.

Testimony provided by DETR with respect to their fiscal note indicated that they could not absorb the costs using their federal revenues. Staff would note that DETR also has the Unemployment Insurance Special Fund, which includes penalties and interest intended for one-time uses to pay for things the federal grant will not pay for.

I would note that the Committees, in closing this budget, were concerned about the DETR using this account excessively to support its operating costs. There was a Letter of Intent issued. In talking with other Staff in my office who are very knowledgeable about this account, it appears that this account could be used to pay for the costs incurred by DETR.

There was also a fiscal note submitted by the Department of Wildlife. That Department has submitted documentation removing their fiscal note ([Exhibit E](#)) given the amended provision of this bill that allows for implementation and changing over of forms after a period of two years. I believe that is in section 3 of the bill.

Fiscal staff also received information from the Division of Human Resource Management of the Department of Administration that, given the same provision previously mentioned, they would remove their fiscal note as well. Staff received an email from the Agency to that effect. Therefore, it appears the fiscal impact of this legislation has been removed because of the reprint of the bill. If the Committee wishes to approve this bill, the proper action would be to pass as amended.

SENATOR PARKS MOVED TO DO PASS AS AMENDED S.B. 137.

SENATOR HARRIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We will now move on to S.B. 225.

SENATE BILL 225 (1st Reprint): Revises provisions relating to bullying and cyber-bullying. (BDR 34-753)

ADAM DROST (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The Committee heard this bill on May 15. It extends the requirements and prohibitions concerning bullying and cyberbullying that currently apply to public schools to private schools. The bill also requires the Statewide policy concerning a safe and respectful learning environment to include employee training in the needs of persons with diverse gender identities or expressions.

The bill also allows a school administrator to defer an investigation if a law enforcement agency is undertaking a related criminal investigation, provides alternative measures when a bullying violation is caused by the disability of the student who committed the violation, identifies certain persons to whom the bullying statute does not apply, provides additional time for a school administrator to investigate a bullying incident and provides for an unfounded bullying accusation to be excluded from a student's record.

As far as fiscal impact, the Department of Education submitted a fiscal note indicating the cost of one new education programs professional would be required to implement this legislation. Senator Parks presented the bill. Testimony in support of the bill was provided by Transgender Allies Group, Clark County School District, Nevada State Education Association, Washoe County School District and Nevada Advocates for Planned Parenthood.

Testimony against the bill was provided by Faith Baptist Academy, International Organization of Families, Nevada Families For Freedom and various individuals. Testimony in neutral was provided by the Department of Education. They clarified the training provided by the bill would be for adults. They also indicated the fiscal note associated with the bill reflected the additional workload associated with private schools.

Senate Bill 225 would become effective on July 1, 2017, if passed. No amendments were presented at the bill hearing. However, Senator Parks has provided a proposed amendment ([Exhibit F](#)) that would authorize private schools and their governing bodies and administrators to comply with the State's anti-bullying provisions wholly or in part, but that such compliance is voluntary.

In addition, a conceptual amendment ([Exhibit G](#)) was submitted by Steven Cohen that would require training regarding students with disabilities, as well as students with autism. [Exhibit G](#) would also require the Superintendent of Public Instruction be authorized to investigate incidents of bullying of students with disabilities or autism, direct corrective actions and report to appropriate parties on the number of incidents during the interim, as well as on an ongoing basis.

[Exhibit G](#) would also authorize parents of children with disabilities to remove their children from public school in cases of bullying and recognize each October as Bullying Prevention Month.

SENATOR PARKS:

The Committee should have a copy of proposed amendment 4949 ([Exhibit H](#)). I would briefly mention that [Exhibit H](#), as Mr. Drost indicated, would put private schools into a category of voluntary inclusion. It would add a section to the bill that provides that a private school and its governing bodies and administrators comply with the State's anti-bullying provisions wholly or in part, but that such compliance is voluntary, and no liability attaches to any failure on the part of the private school governing body or administrator to comply.

CHAIR WOODHOUSE:

It appears that the Committee does not have [Exhibit H](#) on hand at present. We will return to S.B. 225 later in the work session so that the Committee can have some time to review S.B. 225 and [Exhibit H](#).

For now, we will continue on to S.B. 244.

SENATE BILL 244 (1st Reprint): Revises provisions relating to historic preservation. (BDR 33-515)

ALEX HAARTZ (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The Committee heard this bill on May 12. This bill, as amended, has a number of provisions prohibiting, with limited exceptions, a person from knowingly investigating, exploring or excavating a prehistoric site on private lands located in the State unless the person first obtains a permit from the Museum Director at the Nevada State Museum. Activities including ranching, farming, construction, mining, mining exploration and logging would not require a permit. Senate Bill 244 requires the Museum Director to adopt regulations governing the procedures for obtaining such a permit.

The bill requires the Museum Director to provide notice and consultation with Indian tribes in Nevada in regard to any Native American and Indian human remains and other cultural items. This legislation requires the Museum Director as well as the State Historic Preservation Office (SHPO) of the Department of Conservation and Natural Resources (DCNR) to adopt regulations concerning the process of repatriation of certain human remains and other cultural items.

This bill revises the membership of certain related boards and commissions and increases the penalties for the defacement of prehistoric sites, historic sites and Indian burial grounds. There have been several proposed and conceptual amendments for this bill. When the bill was heard in Committee, both the Division of Museums and History and SHPO submitted fiscal notes. Museums and History had a fiscal note of \$188,879 in FY 2017-2018 and \$169,790 in FY 2018-2019.

The SHPO had a fiscal note of approximately \$900,000 over the 2017-2019 biennium. Subsequent to the bill hearing, proposed amendment 4447 ([Exhibit I](#)) was submitted on May 23. Staff has received information from both agencies updating their fiscal notes. The updated information from the Division of Museums and History reflects a revised fiscal note of \$156,052 over the 2017-2019 biennium and the SHPO has revised their fiscal note to reflect a cost of \$242,591 over the 2017-2019 biennium. We have received information from SHPO regarding the changes in the bill and the changes in the fiscal impact to their agency ([Exhibit J](#)).

Testimony was heard on this bill on May 12. In support, testimony was provided by both the Reno Sparks Indian Colony and the Pyramid Lake Paiute Tribe. There was no testimony in opposition. There was testimony in neutral

provided by Claudia Vecchio, the director of the Department of Tourism and Cultural Affairs as well as Mr. Jim Lawrence and Ms. Rebecca Palmer of SHPO.

As noted, the most current mock-up of this legislation includes [Exhibit I](#). If the Committee wishes to take action on this bill concerning [Exhibit I](#), the correct action would be to amend and do pass as amended. Staff would note that this legislation, if approved, would become effective upon passage and approval for adopting regulations and performing preparatory tasks and upon July 1, 2018, for all other purposes.

SENATOR FORD:

I am curious if we have any representatives from SHPO available today.

DOMINIQUE M. ETCHEGOYHEN (Deputy Director, Department of Conservation and Natural Resources):

Yes.

REBECCA L. PALMER (Administrator and State Historic Preservation Officer, Office of Historic Preservation, Department of Conservation and Natural Resources):

I am here as well.

SENATOR FORD:

Thank you both for coming. I have several questions about this bill. Could Fiscal staff repeat the revised fiscal notes for me before I begin?

MR. HAARTZ:

The SHPO's fiscal note for the May 23 version of the bill is \$242,591 over the 2017-2019 biennium.

SENATOR FORD:

That seems a bit extraordinary to me. I want to understand how this bill will actually affect your current practices. Can you tell me how this bill will require you to do anything different from current practices?

MR. ETCHEGOYHEN:

As you know, this is a fluid process. Many pieces are still in motion. There is one \$60,000 component of that \$242,591 fiscal impact that has changed very recently. I would like to address that component first.

Yesterday, the SHPO submitted [Exhibit J](#) for the Committee that updated our fiscal note. [Exhibit J](#) is based on the most recent mock-up of this legislation that we had. That was dated May 22. Today, we are looking at the May 23 version of this legislation. There had been many negotiations about language in the bill and one of the changes that was made between these two versions resulted in this impact.

If you look at page 15, lines 29 through 32 of the bill, you will see that subsection 7 states, "after the period for consultation described in subsection 5, the Office shall, to the fullest extent practicable within the appropriations available to the Office."

The Office mentioned is SHPO. We had suggested language that would refer back to subsection 2 on page 14 to avoid some of these costs. The language that we would suggest inserting would use the phrase "Agency or political subdivision" instead of "Office." That would be on page 14, line 44 of the May 22 version. That simple language change would result in a \$60,000 difference. That "Office" language brought our fiscal note from \$184,591 to the current impact of \$242,591. That is based on the number of resources we would expect to potentially find over the course of the year. That would be two resources per year over the biennium. At about \$15,000 per resource, we get to that \$60,000 figure. There is a possibility with this language change we could avoid this cost altogether.

For a more specific description of the fiscal impact to SHPO, I would defer to Ms. Palmer.

SENATOR FORD:

As you begin, Ms. Palmer, I also want you to answer in the context of what your current requirements are under State and federal law and how this bill would expand those.

MS. PALMER:

We currently determine affiliation using geography only for burials found in the State. This bill would require us to adhere to the Native American Graves Protection and Repatriation Act (NAGPRA) to determine cultural affiliation. That requires not just geography, but also the consideration of kinship, biology, anthropology, linguistics, folklore, oral tradition, historical and other relevant information and expert opinion.

We do not currently possess an individual with the qualifications to do this work. We would need one full-time equivalent (FTE) with experience in cultural anthropology in order to complete that evaluation of cultural affiliation.

SENATOR FORD:

Nevertheless, under the current permitting process, you already have to go the nearest tribe before excavations and things of that nature begin?

MS. PALMER:

The permits required do not currently apply to private land. This bill would expand it to cover private property. We are not responsible at SHPO for issuing permits; that is the responsibility of the Division of Museums and History. What this legislation does is expand the requirements of SHPO to use other methods to determine cultural affiliation beyond those very limited methods we use right now.

SENATOR FORD:

In addition, you need an entirely new position to accommodate the requirements of this bill?

MS. PALMER:

Yes.

SENATOR FORD:

That seems unreasonable to me, to be honest.

MS. PALMER:

The requirements of this bill need someone with experience we do not currently possess.

SENATOR GOICOECHEA:

It sounds like there will not be many permits applied for on private lands. In the private sector, if you inadvertently or unintentionally discover a site, they will want to get it cleaned up and get the issues resolved. It sounds like that will not change with the passage of this bill. I echo Senator Ford's sentiments. Without this bill, if a discovery is made, is SHPO still on the hook for compliance and facilitation?

I am supportive of this bill. I do not think it will have a huge fiscal impact. However, I do believe DCNR and SHPO will have to deal with these issues regardless of whether this bill passes or not. If a discovery occurs, somebody has to deal with it. Whether we have the expertise or not, we are going to have to deal with it. I would prefer to have personnel with expertise to deal with this correctly. Maybe we have requirements that are too strict.

I do not think it right for the State to say that this is solely a federal issue and for the State to shuck off its own responsibility.

CHAIR WOODHOUSE:

I wanted to follow up on Senators Ford and Goicoechea's questions about the new position. Have you considered looking at the staff that you presently have? Is there a person there who could take some additional coursework or study in order to perform the roles of the new position?

As Senator Goicoechea said, if someone unearths such a site, we have to be able to deal with it.

MS. PALMER:

What we currently do in dealing with burial sites, which occurs on a regular basis, is only use geography. The only person who handles those burial sites is me. What I do is use the closest tribal entity, contact them and deal with the repatriation.

This bill requires me to adhere to federal NAGPRA regulations, which requires a cultural anthropologist. None of my staff are cultural anthropologists. I am not required by the terms of my federal grant to hire a cultural anthropologist. This is why I do not have one on staff.

SENATOR GOICOECHEA:

Is there anything in the bill that would preclude you from contracting a cultural anthropologist? This may not be a skillset that is needed year-round. Is there a mechanism to contract for that position on a case-by-case basis?

MS. PALMER:

That is certainly an option we would be willing to discuss.

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SENATOR KIECKHEFER:

Really, this all hinges on the federal code. That is what is setting these requirements. Do I understand that correctly?

MS. PALMER:

Yes.

SENATOR KIECKHEFER:

Can you point me to the part of the bill that references that fact?

MS. PALMER:

It is on page 12 of the bill. It is in section 25, line 13.

SENATOR KIECKHEFER:

Have you had any discussions with the universities about maybe setting up a part-time position? Do they have people on staff that could help with this?

MS. PALMER:

We have not explored that option.

SENATOR FORD:

What if we removed the reference to NAGPRA from the bill? Would that remove your fiscal note?

MS. PALMER:

It would remove the need for that position.

SENATOR FORD:

Do you currently consult with tribes on this issue?

MS. PALMER:

Yes. We do so on a regular basis.

SENATOR FORD:

Can we take a brief recess?

CHAIR WOODHOUSE:

Yes. The Committee stands in recess as of 9:44 a.m.

I call the Committee back to order as of 9:47 a.m. I would like to thank representatives from the Division of Museums and History for coming forward to answer some questions.

CARRIE EDLEFSEN (Administrative Services Officer, Division of Museums and History, Department of Tourism and Cultural Affairs):
We are happy to do so.

EUGENE M. HATTORI, PH. D. (Curator of Anthropology, Nevada State Museum):
I am here as well to answer questions.

SENATOR FORD:

I do not know if the questions I previously asked apply to you. I am interested in what it would take to get your fiscal note removed from this bill.

DR. HATTORI:

What we are asking for is the reinstitution of a position that we had lost. That position handled permitting during Governor Gibbons' administration. We had an individual whose primary duty was handling the administration of the permitting process. This bill would add considerably to that workload.

SENATOR FORD:

Does the reference to NAGPRA affect you at all? Specifically in section 25.

DR. HATTORI:

We are under a different set of regulations at the Nevada State Museum. We are obligated to follow NAGPRA as part of our American Alliance of Museums accreditation. As such, we are required to follow the steps that Ms. Palmer outlined.

SENATOR FORD:

If we removed the reference to NAGPRA from section 25, would that affect your fiscal note in any way?

DR. HATTORI:

Even if that section was removed, we follow NAGPRA regardless. We are obligated to do so because of that accreditation. Removing that section would not change our obligation.

SENATOR FORD:

If you are already obligated, should you have that talent in-house?

DR. HATTORI:

We do repatriations and had the talent for doing so available in-house. However, we have had to put a stop to our repatriations because of loss of staff and budget cuts. During the budget crisis, we lost the person that did that job. Our Division was reclassified as part-time employees. We are approximately five years behind in catching up.

SENATOR FORD:

I am ready to make a motion. However, I believe Senator Ratti may have insight what the motion could look like in light of the fact that section 25 has a reference that is causing a considerable portion of the fiscal note.

SENATOR JULIA RATTI (Senatorial District No. 13):

I believe testimony today stated that, for SHPO, the change in methodology for identifying cultural affiliation requires a talent set that they do not have. That is what is driving the fiscal note, which would cover one new FTE position.

There is the potential to reduce the fiscal note by \$60,000. I am not very clear on exactly what that amendment would need to be. What I will say is that I have spoken with representatives of the Reno Sparks Indian Colony, and they are comfortable with removing the NAGPRA reference. I think that would significantly reduce the fiscal note because it would reduce the need for that position.

In addition, I am willing to continue working with DCNR and Legislative Counsel Bureau (LCB) legal counsel to see if there is a drafting change that would make that \$60,000 reduction.

I believe the permitting piece of the puzzle is what is driving the need for the Division of Museums and History's fiscal note. I was unaware that they had lost their permitting staff, so restoring it may be reasonable. The only piece that intrigues me today is that the Division seems to have the core capacity talent to comply with NAGPRA that SHPO does not. There is probably a conversation to pursue about cooperation among departments to fulfill the need.

What I would like to see today is an action to amend, and do pass as amended on this bill, with any reference to NAGPRA struck from the bill. We have testimony that doing so would remove a fiscal note. I would suggest that we amend and do pass as amended this form of the bill, and I will continue to talk with DCNR about the \$60,000 to see if we can amend it again before the bill goes to the Senate Floor. Perhaps we do not make the appropriation, and this is something the Interim Finance Committee can look at using Contingency Fund money.

SENATOR KIECKHEFER:

The Museums and History position is co-funded with Tourism Department dollars according to this fiscal note. I do not necessarily feel comfortable saying we are going to require work that we know we are not funding and that we will just dump it on the Interim Finance Committee's lap to figure out. If we want to appropriate the money because we think this is important, we should just do it.

This bill will also have an impact on the Department of Tourism and Cultural Affairs and will affect their budget as well. If we are going to do this, we should simply do it. If the Division of Museums and History needs the position in order to actually get the job done, we should not give them the workload while knowing that they cannot get the job done. If it is a \$180,000 appropriation and it is the opinion of this Committee that we fund this, we should do so fully now.

SENATOR RATTI:

I am completely fine with that. The only reason I was thinking about taking it to the Interim Finance Committee was the question regarding that \$60,000. If everyone here is comfortable that we will deal with that, passing it now is fine with me and the tribes, for whom I bring this bill forward on behalf of.

MR. KRMPOTIC:

Staff would just ask the Committee for some flexibility to work with the agencies to come up with the amounts in the appropriations. Senator Kieckhefer is correct in stating the Museums and History budget is funded 50 percent with Tourism and Cultural Affairs dollars and 50 percent with General Fund appropriations. It would appear at first blush that a position would be funded using that proportionate mix.

With respect to SHPO, I believe that it is an agency entirely funded through the General Fund. There may be some federal grants in there too. Staff would need

to explore this further and work with LCB Legal staff to put the appropriate funding labels in the amendment.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 244 WITH AMENDMENT 4447, TO STRIKE SECTION 25 FROM THE BILL, TO ADOPT ADDITIONAL LANGUAGE IN SECTION 30, SUBSECTION 7 TO CHANGE THE LANGUAGE OF "OFFICE" TO "AGENCY OR POLITICAL SUBDIVISION", TO INSERT AN APPROPRIATION COMMENSURATE WITH THE AMOUNT NECESSARY FOR THE DIVISION OF MUSEUMS AND HISTORY POSITION AND WITH AUTHORITY FOR FISCAL STAFF TO MAKE ANY TECHNICAL ADJUSTMENTS NECESSARY.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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SENATOR RATTI:

There are an awful lot of folks in the various agencies involved in this as well as the tribes who have put a lot of time and energy into this bill. I appreciate their time and effort as well as that of this Committee.

CHAIR WOODHOUSE:

It has been a long time coming. That will conclude our business regarding S.B. 244. We will continue on to S.B. 355.

SENATE BILL 355: Increases the fee for a certificate of death to fund grief support services. (BDR 40-114)

MR. HAARTZ:

This bill was heard in Committee on May 23. This bill creates the Grief Support Trust Account within the State General Fund. It requires the money in the account to be used to support nonprofit community organizations that provide grief support services to parents, children and adult caregivers. The director of the Department of Health and Human Services is required to administer the account and award grants to the Grant Management Advisory Committee and the Grants Management unit.

Existing law requires the State registrar to collect and charge a fee for a certified copy of a record of death. Section 5 of this bill requires such a fee for a copy of the certificate of death to include a \$2 credit to the Grief Support Trust Account. There is a proposed amendment 4609 ([Exhibit K](#)) for this bill, which is dated May 19. [Exhibit K](#) reduces the \$2.00 credit to \$.50 per certified copy of a death certificate.

With regard to the fiscal impact, the Division of Public and Behavioral Health testified at the hearing that it could fund the estimated \$62,750 per year in Statewide costs from budget reserves in each fiscal year of the 2017-2019 biennium. Testimony in support of the bill was provided on behalf of Adam's Place. There was no testimony either in opposition or in neutral. As noted, the sponsor presented [Exhibit K](#).

This bill would become effective upon passage and approval for purposes of adopting regulations and upon July 1, 2017, for other purposes. If the Committee is interested in adopting [Exhibit K](#), the proper action would be to amend and do pass as amended.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED
[S.B 355](#).

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now move on to [S.B. 497](#).

[SENATE BILL 497 \(1st Reprint\)](#): Creates the Advisory Task Force on School Leader Management. (BDR S-332)

JAIMARIE DAGDAGAN (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

This bill was heard by this Committee on May 24. This bill, as amended, would create the Advisory Task Force on School Leader Management to conduct a study during the 2017-2018 Legislative interim. This study must consider the

Statewide performance evaluation system as it relates to administrators, systems of school leader preparation and the qualification for licensure, equipment, professional development and compensation of administrators.

Senate Bill 497, as amended, requires this Task Force to submit a report of its activities, findings and recommendations to certain persons and entities on or before May 31, 2018. During the bill hearing, the Department of Education testified about their fiscal note for this bill. The bill was presented by Senator Woodhouse. The president of Nevada Succeeds and Dina Durish from the Department of Education testified in support of this bill. There was no testimony offered in opposition or in neutral to the bill. There are no other amendments.

The bill would become effective upon July 1, 2017, and expires by limitation on June 30, 2018. If the Committee approves, the proper action for this bill is do pass as amended.

SENATOR FORD MOVED TO DO PASS AS AMENDED S.B. 497.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now work on S.B. 498.

SENATE BILL 498 (2nd Reprint): Revises provisions relating to mortgage brokers and mortgage bankers. (BDR 54-484)

MS. DAGDAGAN:

This bill was heard by the Committee on May 18. As amended, it eliminates the requirement for an annual examination of mortgage brokers and bankers and instead requires the Commissioner of the Mortgage Lending Division of the Department of Business and Industry to conduct, at his or her discretion, standard examinations of a mortgage broker or banker.

The bill also eliminates certain courses of continuing education related to the laws and regulations of the State for mortgage broker or agent. Lastly, S.B. 498, as amended, allows the Commissioner to waive the required monthly activity report submitted by mortgage brokers and bankers if substantially similar information is available to the Commissioner from another source.

Testimony during the bill hearing indicated that, as amended, the fiscal note is no longer necessary. The bill was presented by Marcus Conklin, representing the Nevada Mortgage Lenders Association. There was no testimony in support of the bill, against the bill or in neutral to the bill. There are no other amendments.

The bill would become effective upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of the bill, and on January 1, 2018, for all other purposes.

If approved, the proper action by the Committee would be to do pass as amended.

SENATOR HARRIS:

I have a couple of concerns about this legislation. I have had the chance to talk to the bill's sponsor, and I think that we are in agreement. I would like to get the Committee's input on something.

I have concerns about removing the Nevada law portion regarding the continuing education requirements. I can understand why there would not be an annual requirement since the Legislature does not meet annually, and thus the law does not change annually. However, we do an awful lot with regard to property law in this State in our legislative sessions, and I think that there needs to be a guideline to help mortgage lenders understand the changes and the distinct nuances that we do have, particularly in how we handle homeowners and their challenges.

I have been told that, and have a fair amount of confidence in that, this can be handled by regulations in the *Nevada Administrative Code*. I just wanted to put my concerns on the record.

My second concern deals with the examinations. Currently, the way that the amendment reads in section 6, subsection 2(d) is that the Commissioner can

conduct at his or her discretion these examinations. I would like to simply add one word here. I would like for there to be thought around some kind of requirement that these examinations will actually happen. In other words, a mortgage lender would be unable to do work in this State without being subject to an examination. I would like to change this phrase to "periodic standard examinations at his or her discretion."

This is so that, whether in a year or in three years, they will be subject to some sort of review or audit process.

The sponsor is also asking for a reduction in the number of hours required for continuing education from ten hours to eight hours. That is apparently a cleanup measure. My concerns are not with that provision.

MARCUS CONKLIN (Nevada Mortgage Lenders Association):

We did have a conversation with Senator Harris and appreciated the opportunity to do so. We are in agreement with the use of the word "periodic" as she mentioned.

With respect to the State-specific requirement, the way that the bill was drafted removed the State-specific requirement. However, it left in the hours requirement for the time needed for that education. The Federal Secure and Fair Enforcement for Mortgage Licensing Act requires seven hours of continuing education; our State has an additional hour by statute for ethics. The two additional hours that are in statute are for State-specific law education.

When we remove the requirement for State-specific education, the hour requirements need to be removed as well. The hour requirements were left in. This bill will lower the ten-hour requirement to eight hours to make the requirements and the hour counts for the continuing education consistent.

However, I will also note for the record that the wording in the regulations contains the phrase "at least." Eight hours is the absolute minimum. The Commissioner can require additional hours if there is a need for all licensees. It is the intent that there would be a regulatory requirement still in place for all qualified employees to have ongoing State-specific training. It will simply be done under regulation, not statute. There will always be somebody who has to have that training, even if the State-specific law does not change very often.

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CHAIR WOODHOUSE:

If the Committee accepts these proposed changes, the motion would be to amend and do pass as amended.

SENATOR HARRIS MOVED TO AMEND AND DO PASS AS AMENDED
S.B 498.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now consider S.B. 428.

SENATE BILL 428 (1st Reprint): Provides for the issuance of certain special license plates. (BDR 43-1015)

MR. DROST:

This bill was heard by the Committee on May 10. It would provide for the issuance of certain special license plates indicating support for Tule Springs State Park and the Las Vegas Raiders. This bill would impose a fee for the issuance and renewal of the Tule Springs license plate as well as an additional fee that would be used to support programs, projects and activities in support of the Tule Springs State Park. There was no fee associated with the Raiders plate.

The bill was presented by Senator Manendo and representatives from the City of Las Vegas, as well as Laborers Local 872. Senator Manendo provided proposed amendment 4354 ([Exhibit L](#)) that would allow the Department of Motor Vehicles to design, prepare and issue license plates in support of any professional, major league sports team. [Exhibit L](#) would also impose a fee of \$35 for the initial issuance of these license plates and \$10 for their renewal.

Testimony in support of the bill was provided by the District Council of Ironworkers. There was no testimony against the bill. Testimony in neutral was provided by the Department of Motor Vehicles, which indicated there would be no fiscal impact on the Department based on [Exhibit L](#).

The sections of the bill associated with the Tule Springs State Park become effective two years after the administrator of the Division of State Parks of DCNR establishes that park. The remaining sections of the bill become effective upon January 1, 2018.

If the Committee approves [Exhibit L](#), the proper action would be to amend and do pass as amended.

SENATOR PARKS:

I am curious about the fee structure of this legislation. Support for the Raiders is a \$35 fee as well as renewable fee of \$10. That does not seem to be in conformance with most other specialty plates where the renewal fee is \$20. I was wondering if there was any discussion relative to that. I think, typically, you pay around \$62 for the initial issuance and around \$20 for renewal.

MR. DROST:

I would note that the fee is consistent with those set for the collegiate license plates. There is a \$35 standard issuance fee and a \$10 renewal fee. The Eagle Scouts plates that were approved last Session follow that fee scheme as well.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 428.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now return to S.B. 225.

MR. KRMPOTIC:

Staff had some discussion with the Legal Division of the LCB while we addressed the other bills in this work session. Legal has provided [Exhibit F](#) to the Committee members. They are suggesting that, in lieu of [Exhibit H](#), that the bill simply reverts to provide that the anti-bullying provisions are generally applicable to only public schools, including without limitation charter schools.

[Exhibit F](#) would add a new section that provides that a private school and its governing body and administrator are authorized to comply with the anti-bullying provisions, wholly or in part, but that any such compliance is wholly voluntary and no liability attaches to any failure on the part of the private school governing body or administrator to comply.

Staff's understanding in consulting with the Legal Division is that this would make the bill the same as it would be under [Exhibit H](#). They are recommending that [Exhibit F](#) be incorporated into this bill instead.

SENATOR KIECKHEFER:

I am generally resistant to authorizing people to do things in statute that they already have total authority to do. I do not know why we do so, other than to tee it up for the next session for one-word changes like from "may" to "shall."

I will oppose this for the time being, and reserve my right to change my vote once I see the actual language of the amendment. Knowing the subject, I believe the details are important.

SENATOR PARKS:

There is also [Exhibit G](#), which is a suggested amendment made by Steven Cohen. [Exhibit G](#) requests the inclusion of recognition of October as Bullying Prevention Month. We already have a Week of Respect in the first week of October. [Exhibit G](#) asks that training regarding students with disabilities and students with autism be included in the bill as well. I certainly would applaud the inclusion of students with disabilities. As for setting of October as Bullying Prevention Month, I would like to leave that to the administrators and their recommendation.

CHAIR WOODHOUSE:

Senator Parks, am I correct in understanding that, right now, you would like to include point 1 of [Exhibit G](#) in this bill as another amendment?

SENATOR PARKS:

Yes. Point 1 of [Exhibit G](#) reads "require training regarding students with disabilities as well as students with autism." I would like that language worked into the bill. I would have no objection to that.

SENATOR HARRIS:

I have a question for Senator Parks in regards to the “wholly or in part” language. Who is going to determine what part of the anti-bullying provisions would be complied with or adopted at a private school if they choose to do so?

Has there been any thought around what parts of the provisions should be adopted over others? Is that completely left to the schools’ discretion?

SENATOR PARKS:

My understanding through discussions with the Office for a Safe and Respectful Learning Environment is that the Office gets routinely questioned by private schools. The wording in the bill is that any compliance they have would be strictly voluntary. They could opt out or in at any time. Especially since there is another bill this Committee has already processed that sets up the Safe to Tell hotline, they might like to opt in. If for some reason they think it is more than what they want, they can opt out as well. There is no obligation for them. I would defer to the representative that is here today from that office.

AMBER REID (School Social Work Liaison, Office for a Safe and Respectful Learning Environment, Nevada Department of Education):

As the sponsor mentioned, we receive inquiries regularly from parents whose children attend private schools requesting support. Our intent is always to support those families and those schools as deeply and broadly as they are willing.

SENATOR HARRIS:

If I am understanding this correctly, it would be each individual school’s choice as to which provisions they want to comply with. Private schools would be able to not participate if so chosen. Is that correct?

MS. REID:

That is our understanding as well. I believe it is important to highlight that we provide training to our districts. I think it might be enticing to private schools to receive those resources and support from our Office as well.

SENATOR KIECKHEFER:

I am looking at the statute now. We are adding the first category of people that have to receive specific training for people with diverse gender identities and expressions. Everything else is just sort of lumped together in a broad category

of anti-bullying training. The additional amendment requires training regarding students with disabilities and autism. Would you interpret that training to be regarding how to identify bullying, how to prevent bullying and what their needs are?

I worry when we start listing out every specific thing to be included. I am not sure how it will be interpreted. It can be a very diverse definition as written.

MS. REID:

We have not had a chance to speak with the sponsor of [Exhibit G](#). I would hate to speak on his behalf. I would say that we would be more than willing to expand our trainings to incorporate those needs that are specific to those most vulnerable populations when appropriate and when we can identify best practices that are specific to those populations.

SENATOR KIECKHEFER:

Does the training currently include anything regarding students with disabilities?

MS. REID:

Yes. We do have more specific language regarding the needs of students with individualized educational plans in other legislation this Session. Those things are already covered.

SENATOR FORD:

I am going to look at this with a different perspective. I will defer to the sponsor's request pursuant to [Exhibit G](#). However, I am dismayed that we are taking out the requirement that private schools comply. I find it interesting that, on one hand, some private schools seek public money to help fund their programs but, on the other hand, they do not want to comply State requirements and anti-discrimination laws. I am not happy with the bill removing that requirement for compliance. Again, I will defer to what Senator Parks wants to do. I just wanted my objections noted for the record. I think it is inappropriate to ask for public money and not want to comply with State anti-discrimination laws.

SENATOR PARKS:

That change was made to reduce the fiscal note. My understanding and experience is that, over the last interim, I had received a number of inquiries from students who attend private schools and expressed to me some of their

personal experiences. I will not mention the schools by name, but they are fairly well-known.

I am hopeful that with the Safe to Tell bill that we are going to see a change in attitude with some of the private schools. Once they see this in operation, they will want to be included. A child attending private school is every bit as needing of protections as a public student. I think that, over the next interim, we will see some major changes that will make private schools want to take part in this.

SENATOR HARRIS:

I want to say for the record that I want to wait to see the language as well. I will be voting no as well, but reserve the right to change my vote on the floor.

SENATOR GOICOECHEA:

I would love to see the language as well. I think [Exhibit F](#) goes a long way. I do have a lot of constituents with kids in private schools who are concerned about the mandate. I would also like to reserve my right to change my vote on the floor.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED
[S.B. 225](#) WITH THE LANGUAGE FROM [EXHIBIT F](#) AND POINT 1 OF
[EXHIBIT G](#).

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GOICOECHEA, HARRIS AND
KIECKHEFER VOTED NO.)

* * * * *

CHAIR WOODHOUSE:

That will conclude our work session for today. The Committee will now hear public comment.

STEVEN COHEN:

I proposed [Exhibit G](#). I am glad to work with Ms. Reed and legislators over the interim to work toward furtherance of the other sections of [Exhibit G](#). My only

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question is whether the Committee received the supporting documentation and comments I sent as well.

CHAIR WOODHOUSE:

We have [Exhibit G](#), which is a one-page conceptual amendment. That is all we have. Mr. Cohen, if you could resend that information via email, we will make sure the Committee has access to it.

MR. COHEN:

Thank you. I appreciate it.

Remainder of page intentionally left blank; signature page to follow.

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CHAIR WOODHOUSE:

Seeing no one else wishing to make public comment and no other business before the Committee, I adjourn this meeting as of 10:28 a.m.

RESPECTFULLY SUBMITTED:

Colby Nichols,
Committee Secretary

APPROVED BY:

Senator Joyce Woodhouse, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	8		Attendance Roster
S.B. 315	C	11	Senator Patricia Farley	Proposed Amendment 4858
S.B. 315	D	1	Mike Draper / Argentum Partners	Conceptual Amendment to Proposed Amendment 4858
S.B. 137	E	1	Tony Wasley / Department of Wildlife	Letter removing fiscal note
S.B. 225	F	1	Senator David R. Parks	Proposed Conceptual Amendment
S.B. 225	G	1	Steven Cohen	Requested Conceptual Amendments
S.B. 225	H	14	Senator David R. Parks	Proposed Amendment 4949
S.B. 244	I	23	Senator Julia Ratti	Proposed Amendment 4447
S.B. 244	J	1	Rebecca Lynn Palmer / State Historic Preservation Office	Mock-up for Proposed Amendment 4447 for S.B. 244, First Reprint dated May 22, 2017
S.B. 355	K	5	Senator Tick Segerblom	Proposed Amendment 4609
S.B. 428	L	15	Senator Mark A. Manendo	Proposed Amendment 4354