

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Seventy-ninth Session
May 27, 2017**

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 9:14 a.m. on Saturday, May 27, 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 Ben Kieckhefer
Senator Pete Goicoechea
Senator Becky Harris

GUEST LEGISLATORS PRESENT:

Senator Nicole J. Cannizzaro, Senatorial District No. 6
Senator Pat Spearman, Senatorial District No. 1

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Cathy Crocket, Program Analyst
Jaimarie Dagdagan, Program Analyst
Adam Drost, Program Analyst
Kristina Shea, Program Analyst
Felicia Archer, Committee Secretary
Barbara Williams, Committee Secretary

OTHERS PRESENT:

Holly Welborn, ACLU of Nevada
John Borrowman, Deputy Director, Support Services, Department of Corrections
Fran Almaraz, Teamsters Locals 631 and 986
Danny Thompson, Laborers International Union Local 872; International Union of Operating Engineers Local 3
Joanna Jacob, Nevada Contractors Association
Jeff Haag, Administrator, Purchasing Division, Department of Administration
Jeanette Belz, Nevada Chapter Associated General Contractors
James Dzurenda, Director, Department of Corrections
Michael Flores, Director, President's Office, College of Southern Nevada

CHAIR WOODHOUSE:

We will begin with a work session on Senate Bill (S.B.) 402.

SENATE BILL 402 (1st Reprint): Restricts the use of certain disciplinary action on persons in confinement. (BDR 16-1087)

KRISTINA SHEA (Program Analyst):

Senate Bill 402 was heard in Committee on May 22. The bill was presented by Holly Welborn of the American Civil Liberties Union (ACLU) of Nevada, based on the Mock-Up Proposed Amendment 4935 ([Exhibit C](#)). There was additional testimony provided in support by Robert Roshak of the Nevada Sheriffs' and Chiefs' Association. There was no testimony in opposition or neutral on this bill.

Senate Bill 402, as amended, prohibits the Department of Corrections (DOC) or other private facility from imposing solitary confinement on a person in prison, unless the offender is found guilty of an infraction, provided written notice of the charges and a hearing is held after the completion of an investigation of the alleged violation. The bill prohibits the placement of offenders with serious mental illness or other significant mental impairment in solitary confinement unless the prisoner otherwise poses a safety concern to themselves, staff or other prisoners. Additionally, the bill establishes a due process specifically for this population.

The bill allows an offender to request placement into solitary confinement to protect his or her safety. Additionally, the bill requires that, if disciplinary segregation is imposed on an offender, the period of disciplinary segregation be

(1) the minimum time required to address the harm or threat and (2) not exceed certain periods based on the seriousness of the offense. The DOC is required to provide certain provisions and accommodations to an offender in solitary confinement.

The Proposed Amendment 4935, which was presented at the May 22 hearing, removes the language regarding solitary confinement of a prisoner detained in a county, city or town or other detention facility. It also removes section 3, subsection 6 language, which would have contradicted the legislative intent of the bill by placing all inmates with a serious mental illness in solitary confinement, as stated by Holly Welborn at the hearing.

This act becomes effective July 1, 2017. Director Dzurenda of the DOC testified that, as amended, there was no fiscal impact to the Department. Fiscal staff notes that two conceptual amendments have been proposed by the DOC and the ACLU.

SENATOR PAT SPEARMAN (Senatorial District No. 1):

The bill had a glitch in the way it was written in that the DOC was required to allow the inmate to wear personal clothing, while the intent was that he or she be allowed to wear the clothing issued by the DOC. That is the proposed clarification amendment from the DOC ([Exhibit D](#)).

HOLLY WELBORN (ACLU of Nevada):

The additional amendment that we proposed ([Exhibit E](#)) addressed a concern brought up in Committee by Senator Harris. We removed the term "evaluated" because the term has a technical meaning that could be interpreted to require the DOC to provide a complete psychological evaluation daily. The language was changed to be in line with DOC terminology requiring a daily "health and welfare" check in the individual's cell.

JOHN BORROWMAN (Deputy Director, Support Services, Department of Corrections):

I believe Senator Spearman addressed our letter, clarifying that there was no intention for inmates to bring their own personal clothing.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 402 WITH THE PROPOSED AMENDMENT 4935 AND

LANGUAGE CHANGES FROM THE ACLU AND DEPARTMENT OF CORRECTIONS.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

I will now open the hearing on S.B. 317.

SENATE BILL 317 (1st Reprint): Revises provisions relating to preferences in bidding for certain contracts for businesses based in this State. (BDR 27-936)

SENATOR NICOLE J. CANNIZZARO (Senatorial District No. 6):

Senate Bill 317 deals with bidding preferences and is an effort to ensure that, when we award public works contracts, they are going to Nevada-based businesses and employing Nevadans.

The Mock-Up Proposed Amendment 5023 ([Exhibit F](#)) deletes certain portions of the bill and amends others. I have been working with stakeholders within the construction industry to ensure we are putting in good policy. There was an additional conceptual amendment that I submitted yesterday ([Exhibit G](#)).

I wanted to share with the Committee how this issue was brought to my attention. A friend of mine was a construction worker who had been out of work for some time and had struggled to find employment. He worked for a Nevadan company and said that such companies were not being given contracts. This bill is an effort to ensure Nevadans are working on our public projects.

I would note that Nevada has a history dating back to 1985 of providing contract preferences. Through the years, it has been amended to try to give preference to those who live in Nevada.

In the mock-up, sections 1 through 8, which dealt with the Purchasing Division in the Department of Administration, have been deleted. Originally, the intention

was to include a bidder's preference within the Purchasing Division. The fiscal note that was attached to S.B. 317 was from the Department of Administration and related to the changes that were being made to *Nevada Revised Statutes* (NRS) 333. Those portions have been deleted. I think we have to leave that discussion for another day. These changes should remove the fiscal note.

With respect to the remainder of the bill, we have made some changes to ensure that we are employing Nevada-based businesses. Part of those changes includes the requirement that businesses bidding on a public works project submit an affidavit attesting to their status as a Nevada-based business. In the conceptual amendment, the language has been changed from "completion" to "substantial completion" in all sections of the mock-up. The affidavit is only required if they receive the work as the result of a preference.

The definition of a Nevada-based business can be found in NRS 338.0117, which states that 50 percent of all workers employed as part of a project must hold a Nevada driver's license or identification card. Additionally, it requires that all vehicles used for the contract will be either registered or partially apportioned in the State.

The affidavit requirement has changed from a quarterly requirement to submission of an affidavit when applying for preference and then upon "substantial completion" of the work. This simply helps ensure accurate data and compliance.

The mock-up includes a 10 percent bidding preference, compared to the 5 percent currently in statute. The conceptual amendment would change this to a 7 percent bidding preference and would place a sunset on it. The reason for the sunset is that we want to ensure that putting these preferences in statute does not cause any sort of unintended harm. We will see how the data comes in, how the bidding preferences may be awarded, how the contracts are completed and how all the provisions of the bill are working. This change has made stakeholders more comfortable.

Finally, the conceptual amendment adds language concerning the ramifications of failure to comply with the requirements of the bidding preference. We are adding the words "willful and intentional failure to file" in order to not penalize unintentional neglect or omission.

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SENATOR GOICOECHEA:

The penalty for the willful and intentional failure to file is a bar from receiving the preference, not from bidding on a contract, is that correct?

SENATOR CANIZZARO:

That is correct.

SENATOR KIECKHEFER:

The parts of the bill that I liked the most are the parts you have stricken out. In our service-based economy, it seems that more out-of-state businesses are being awarded contracts.

Do you know what the bidding preferences are in our neighboring states?

SENATOR CANIZZARO:

I do not have a precise answer, but none are above 5 percent. I believe S.B. 317 is forward thinking in that regard.

SENATOR KIECKHEFER:

I worry about having other states retaliate against us. I know that in northern Nevada, especially, many companies also do business in Utah and California.

CHAIR WOODHOUSE:

Is there anyone wishing to testify in support?

FRAN ALMARAZ (Teamsters Locals 631 and 986):

I represent over 50,000 Teamsters who work in Nevada. In the south, the construction industry is not back to prerecession levels. There are many members still out of work. We feel S.B. 317 will give Nevada workers a better chance, and we are in favor of this bill.

DANNY THOMPSON (Laborers International Union Local 872; International Union of Operating Engineers Local 3):

We are in favor of S.B. 317 for the same reasons stated by Fran Almaraz. We want to put Nevadans back to work.

JOANNA JACOB (Nevada Contractors Association):

We have been working with Senator Cannizzaro throughout the process, and are here in support of S.B. 317.

CHAIR WOODHOUSE:

Is there anyone wishing to testify in opposition to the bill? Seeing no one, does anyone wish to testify in neutral?

JEFF HAAG (Administrator, Purchasing Division, Department of Administration):
I have had the opportunity to review the mock-up, which removes sections 1 through 10 of the bill as it pertains to NRS 333. This amendment, if approved, will remove the fiscal note.

As regards Senator Kieckhefer's remark about the stricken language, Assembly Bill (A.B.) 280, which is moving through the process now and is sponsored by Speaker Frierson, addresses a thoughtful beginning to a local preference for goods and services in contracts awarded by the State.

ASSEMBLY BILL 280 (1st Reprint): Revises provisions relating to preferences in bidding for certain contracts for businesses based in this State. (BDR 27-1060)

JEANETTE BELZ (Nevada Chapter Associated General Contractors):

We are here in neutral. Our group continues to work with Senator Cannizzaro. This is a complicated issue. When we were in the recession, there was not a lot of public work in Nevada. Contractors had to go out of the State to find work and keep their employees employed. The concern is that adjusting the bidders preference may work against the companies that still do business out of the State.

CHAIR WOODHOUSE:

We will close the hearing on S.B. 317 and return to the work session on S.B. 88.

SENATE BILL 88: Revises provisions relating to the Contingency Account in the State General Fund. (BDR 23-105)

MARK KRMPOTIC (Senate Fiscal Analyst):

Senate Bill 88 was presented by Senator Kieckhefer and heard by the Committee on April 17. The bill provides that a city or county law enforcement agency in a county whose population is less than 100,000, which currently is all counties other than Clark and Washoe, is required to mandate that uniformed peace officers employed by the agency wear a portable event-recording device

while on duty. The law enforcement agency may request an allocation from the Contingency Account in the State General Fund to cover the cost of devices and additional expenses occurred.

Generally speaking, access to the Contingency Account is limited to State agencies that are funded in whole or in part by the General Fund. Under the measure, "local law enforcement agency" means the sheriff's office of a county, a metropolitan police department or a police department of an incorporated city.

It is important to note that S.B. 176 was recently signed by the Governor, and requires, rather than authorizes, peace officers to wear a portable event-recording device while on duty. The measure also expands the list of law enforcement agencies whose uniformed peace officers must wear such a device. Until now, that requirement was limited to the Nevada Highway Patrol (NHP).

SENATE BILL 176 (1st Reprint): Revises provisions relating to public safety.
(BDR 23-666)

Senate Bill 176 authorizes the county commissioners of counties whose population is less than 700,000 to impose a surcharge to be used for the enhancement of the telephone system for reporting an emergency in that county, commonly known as the 911 surcharge. The bill also provides that the surcharge may be used for the purchase of portable event recording devices and vehicular event recording devices.

With respect to S.B. 88, there was neutral testimony provided by Janet Murphy of the Governor's office, who cited some expenditure experience with respect to the NHP in terms of implementing the body cameras. Based on a contract approved by the Board of Examiners, the costs were \$1,415 per camera, \$1,980 per docking station, \$15,000 for training and \$79 per month per camera for storage.

As a side note, the Contingency Account for use by the Interim Finance Committee has funding of just over \$9.3 million. There is a bill currently in the Assembly that replenishes that with \$5 million included in the *Executive Budget*.

SENATOR DENIS MOVED TO DO PASS S.B. 88.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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MR. KRMPOTIC:

Senate Bill 126 was presented by Senator Ford and heard by the Committee on May 1. It is sponsored by Senator Ford. The bill requires the Governor's Office of Economic Development (GOED) to develop and carry out a program under which small business enterprises, minority-owned business enterprises, women-owned business enterprises and disadvantaged business enterprises may obtain loans to finance the expansion of their businesses in the State.

SENATE BILL 126 (1st Reprint): Establishes a program to provide loans to small business enterprises, minority-owned business enterprises, women-owned business enterprises and disadvantaged business enterprises. (BDR 18-21)

The bill establishes the Small Business Enterprise Loan Account as a revolving loan account to be administered by GOED, and provides for General Fund appropriations of \$2 million to be deposited to the account for purposes of providing the loans pursuant to the bill. The GOED is required to establish the criteria a business must meet to qualify for a loan under the program and the criteria that must be used by the program to develop a loan process. Finally, the bill authorizes GOED to enter into an agreement with a person or entity that operates these types of loan programs to allow the person or entity to provide the loans. The bill become effective July 1, 2017.

There was supporting testimony from a number of individuals. There were two fiscal notes submitted on the as-introduced version of the bill from GOED and the Department of Business and Industry (B&I). Both agencies have submitted revised fiscal notes based on the first reprint of the bill, removing their fiscal notes.

SENATOR FORD:

In order to free up funds for other projects, I would like to offer a conceptual amendment to adjust the allocation from \$2 million to \$1 million.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 126 WITH THE GENERAL FUND APPROPRIATION AMENDED TO \$1 MILLION.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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ADAM DROST (Program Analyst):

Senate Bill 249 would require instruction in financial literacy and economics in public schools. The bill was heard by the Committee on May 11 and would require instruction in financial literacy for certain pupils enrolled in public schools. This instruction would include understanding interest rates, loans, securities, insurance, taxes and debt. The bill would require a public high school student to enroll in one-half unit of credit in economics. Additionally, the bill would create the Account for Instruction in Financial Literacy in the State General Fund that would be administered by the Superintendent of Public Instruction to accept gifts and grants of money to provide instruction in financial literacy.

SENATE BILL 249 (1st Reprint): Requires instruction in financial literacy and economics in public schools. (BDR 34-62)

The bill would require the board of trustees of school districts and the governing bodies of charter schools to encourage 1) persons to donate money to the Account for Instruction in Financial Literacy, 2) persons to volunteer time and expertise to assist in the instruction of financial literacy and 3) partnerships between schools and businesses to provide instruction in financial literacy.

Finally, the bill would require the Council to Establish Academic Standards for Public Schools to establish standards of content for instruction in financial literacy on or before August 1, 2017.

Senate Bill 249, as amended, includes a General Fund appropriation of \$1.5 million in each year of the 2017-2019 biennium to carry out the provisions of the act. The appropriation would be divided in this manner: \$1 million to Clark County School District (CCSD), \$300,000 to Washoe County School District (WCSD) and \$200,000 to the Nevada Department of Education (NDE). This funding would be utilized to provide professional development to educators that would provide instruction in financial literacy or economics.

The bill was presented by Senator Woodhouse and Nicole Rourke from CCSD. Testimony in support of the bill included representatives from Toyota Financial Services, the Nevada State Education Association, WCSD, Nevada Bankers Association, Nevada Credit Union League and Clark County Education Association. There was no testimony in opposition or neutral.

The sections of the bill associated with the requirement that high schools students enroll in one-half unit of credit in economics are effective July 1, 2022. The sections of the bill making General Fund appropriations are effective July 1, 2017. All other sections of the bill are effective upon passage and approval.

Senator Woodhouse has submitted a conceptual amendment that would revise the effective date for the Council to Establish Academic Standards to establish the standards for financial literacy to December 1, 2017. In addition, the conceptual amendment would reduce the General Fund appropriations to \$1 million in fiscal year 2017-2018 only. The breakdown would be \$700,000 for CCSD, \$200,000 for WCSD and \$100,000 for NDE. If the Committee wishes to approve the conceptual amendment, the proper action would be amend and do pass as amended.

CHAIR WOODHOUSE:

We changed the date for the standards to be completed because the Council needed additional time to work on them. Because the standards will not be in place for the entire school year, we reduced the appropriation for the first fiscal year.

SENATOR HARRIS:

I support the life skills that are contemplated by this bill. Financial literacy is an important skill that all of Nevada's children should acquire to help them be successful and productive. My concern is that other critical classes will be

sacrificed, especially as it regards students in advanced placement classes. I am not comfortable that we are accomplishing what we are trying to accomplish in getting financial literacy curriculum to those particular students. We have had several bills this Session that affect the social studies curriculum, and I am concerned that, at some point, social studies will no longer be social studies.

I am going to vote yes today, but I reserve the right to change my vote on the floor, and I would like to have continued discussion about how we can make this work for every type of Nevada student.

SENATOR KIECKHEFER:

I share Senator Harris' concerns. I have reservations about reducing by half the amount of study we require of American government. We are at a time when our young people really need to understand the history of our government—why it exists as it does and how to actively engage. I am going to vote yes for now, but I am uncomfortable.

SENATOR FORD:

I want to remind everyone that we have bills in the process that create the opportunity for teaching government and civics.

SENATOR DENIS:

As I thought about this bill, and as we heard it in the Committee on Education, what concerns me is that we have children growing up who do not know how to balance a checkbook. I think basic skills like this should be taught all the way through school. However, this is a start.

CHAIR WOODHOUSE:

When we were working on this bill in the interim, we found that the standards of financial literacy were across the curriculum. They were found in social studies, economics and math. Last Session, a similar bill focused on teaching the standards in math, but that was not the right approach.

SENATOR FORD:

I failed to mention a bill Senator Segerblom passed to allow ethnic studies as well. We are looking to create a more robust curriculum that will address many issues, including those that are integral to manage life. This bill will do that.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 249 WITH THE GENERAL FUND APPROPRIATION AMENDED TO \$1 MILLION AND THE CURRICULUM STANDARDS DATE CHANGED TO DECEMBER 1, 2017.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We will continue the work session with S.B. 306.

SENATE BILL 306 (1st Reprint): Revises provisions relating to offenders.
(BDR 16-298)

MR. KRMPOTIC:

Senate Bill 306 was heard by the Committee on May 8. The bill declares that it is the interest of the State to enhance educational and vocational programs for offenders who will soon be released from prison. It directs the Board of State Prison Commissioners, in consultation with the College of Southern Nevada (CSN) to create and administer a pilot program for a select group of 50 male and 50 female inmates who meet certain criteria. The bill includes a General Fund appropriation of \$300,000 to carry out the pilot program. The bill allows the director of the DOC to expand the circumstances under which offenders can make use of a computer, cell phone or other approved device to communicate with family, friends and others, such as prospective employers. The expanded use of telecommunication devices is limited to offenders who are assigned to transitional housing, restitution centers or specific educational or vocational programs.

The bill included a fiscal note from the DOC. Director Dzurenda removed the fiscal note based on an amendment to the bill.

SENATOR FORD:

I want to emphasize that this bill is really an education bill. It facilitates reintegration for individuals who are currently incarcerated and looking towards reintegration into society. It has been erroneously looked at as a

communications bill that allows prisoners to have electronic devices. That was an addition that the DOC requested. The purpose of the bill was prison education for reintegration purposes.

JAMES DZURENDA (Director, Department of Corrections):

The inmates that are in our transitional centers go out into the community and look for jobs. They are gone all day and return at night. The only way to apply for jobs today is online. Most employers do not accept paper applications. In order for an inmate to get interviews, they must have access to a cell phone to set up appointments. In today's world, access to telecommunication devices is the only way those offenders can be successful.

The other aspect to the bill is continuing education for inmates provided by CSN. Federal grants pay for almost all of that education. Having access to tablet devices is critical for their success as well. It is important to note that tablets in prison are different from those in the community. Tablets in prison are controlled by the DOC. Each device is authorized for particular points of exit. We can authorize a device to communicate with only one Website. The device used by an inmate who is participating in continuing education will be authorized to communicate with CSN only. This allows the inmate to study and research in his or her own cell. There is no fiscal impact to the DOC.

SENATOR HARRIS:

I really support the idea of inmates being able to use electronic communications to further their education. I understand that you can control what the device can communicate with. They would certainly need the ability to email their instructor. Are you able to limit email communication to certain email addresses, or would inmates have access to email from anywhere?

MR. DZURENDA:

We determine what the communication devices can and cannot do. Email addresses are authorized on an individual basis, much the same as phone numbers are authorized on telephones within the prison. The communication devices also allow us to put inmates directly in touch with mental health providers. Technology is being used in prisons elsewhere. Colorado and Oregon are doing this with all inmates.

Technology enhances the education and safety of offenders in the system. If there are gangs who might threaten an inmate's safety in the school, their ability to attend electronically from their cell is important.

SENATOR DENIS:

Do inmates have access to devices now?

MR. DZURENDA:

In our school system, the inmate can use a computer in the school that accesses only the internal network. When they take the high school equivalency test, which must be done online, it is downloaded to a thumb drive and given to the teacher. They are not currently allowed any communication devices in their cell.

In our transitional centers, they are allowed a cell phone and laptop if they want one. We monitor all activity that takes place on those devices to detect any illegal activity.

SENATOR DENIS:

When you talk about the DOC ability to control access on devices, are you talking about some type of firewall?

MR. DZURENDA:

It is similar. We do it already with our telephone system, which goes through a private branch exchange (PBX) room. Our PBX room has a database in it that allows us to program numbers that a phone is allowed to connect with. It is the same system that will allow us to program email addresses and Websites for authorization.

SENATOR DENIS:

If an inmate decides to take a particular class and provides you with the contact information, would you program authorized Websites and email contact information for his devices?

MR. DZURENDA:

Yes. What is also important to note is that all communications are saved and can be monitored for illegal activity. The Federal Bureau of Prisons has been doing this for some time.

MICHAEL FLORES (Director, President's Office, College of Southern Nevada):
Our internal communication system is directly between the student and the professor already. We can tailor our software so that inmates can only study and do research on specific sites within our network. We will work closely with the DOC on this. Making sure students have appropriate access to the information they are studying is really important. We are ready and willing to tailor this education program to whatever the Legislature sees fit.

SENATOR PARKS:

I am supportive of this bill. I cosponsored Senate Bill No. 294 of the 78th Legislative Session, and this bill is a natural extension of what we put in place two years ago.

SENATOR GOICOECHEA:

Is this program going to be labor intensive? Will you have to manually program the Websites, emails and phone numbers that inmates can access?

MR. DZURENDA:

We do that already with every inmate that wants to make a phone call or receive a visitor. We need to make sure they are not communicating with victims or codefendants. To integrate this with the staff that does this already costs us nothing.

MR. BORROWMAN:

The current language of the bill only gives authority to the director to provide the educational opportunities being provided by CSN to the transitional centers. If we wanted to have this opportunity to all facilities Statewide, the language would have to be amended.

SENATOR FORD:

This bill was about prison education and reintegration. Some individuals, including some reporters, have turned this into a telecommunications bill about inmates having access to iPads and communicating with the public. I would not have taken the DOC amendment if I had known how this would be hijacked. These devices will only be used to help people further their education and reintegrate into society. That should be the narrative.

SENATOR DENIS MOVED TO DO PASS AS AMENDED S.B. 306.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

This meeting will now stand in recess.

I call this meeting back to order at 10:42 a.m. We will continue the work session and begin with S.B. 373.

SENATE BILL 373: Requires the appointment of a Minority Affairs Management Analyst in the Office of the Director of the Department of Business and Industry. (BDR 18-1108)

JAIMARIE DAGDAGAN (Program Analyst):

Senate Bill 373 was heard by the Committee on May 15 and was presented by Senator Ford. The bill creates a minority affairs management analyst position within the B&I Administration budget. The position would be responsible for collecting data and performing statistical analysis to support the Nevada Commission on Minority Affairs. It would also be responsible for performing such investigation, data collection and statistical analysis as is necessary to determine whether discrimination based on race is occurring in State or local purchasing, public works or other areas.

A fiscal note was submitted by B&I for \$71,306 in fiscal year (FY) 2017-2018 and \$87,828 in FY 2018-2019 for personnel and operating costs for one full-time position with an effective start date of October 1, 2017. In follow-up communications by Fiscal staff, the Department confirmed that additional General Fund appropriations will be required in the B&I Administration budget to fund the new position.

There was no testimony in support or opposition to the bill. Testimony in neutral was provided by Bruce Breslow, Director, Department of Business and Industry. There are no amendments, and the bill becomes effective July 1, 2017.

If the Committee approves the position, Fiscal staff would note an amendment to the bill is required to add General Fund appropriations of \$71,306 in FY 2017-2018 and \$87,828 in FY 2018-2019.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 373 WITH THE ADDITION OF A GENERAL FUND APPROPRIATION OF \$71,306 IN FY 2017-2018 AND \$87,828 IN FY 2018-2019.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We are going to move to S.B. 451.

SENATE BILL 451 (1st Reprint): Makes various changes relating to criminal justice. (BDR 14-1007)

ALEX HAARTZ (Principal Deputy Fiscal Analyst):

Senate Bill 451 was heard by the Committee on May 26. The intent of this bill is to repeal certain duties of the Advisory Commission on the Administration of Justice and create a new Nevada Sentencing Commission (NSC). The new Commission would consist of 22 members, and the bill provides for its membership and duties. The bill also provides that the NSC has the ability to request for each regular session of the Legislature the drafting of not more than one legislative measure relating to the matters within the scope of the NSC.

The bill was presented by Nevada Supreme Court Justice James Hardesty. Testimony was also provided by Holly Welborn of the ACLU of Nevada. There was no testimony in opposition to the bill. Rick Combs, Director, Legislative Counsel Bureau discussed the fiscal note, which indicated that \$4,168 per year would reflect the cost of the four Legislator members participating on the NSC for four meetings per year.

Fiscal staff would suggest, if the Committee wants to provide funding for this particular measure, placing the entire biennial cost, or \$8,336, in the first year and allow for the funds to be expended in either year as needed by the NSC.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 451 WITH THE ADDITION OF A GENERAL FUND APPROPRIATION OF \$8,336 IN FY 2017-2018 WITH AUTHORITY FOR THE NEVADA SENTENCING COMMISSION TO EXPEND THE FUNDS IN EITHER YEAR OF THE BIENNIUM.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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MR. KRMPOTIC:

Senate Bill 527 is a supplemental appropriation for \$5,000 for a projected shortfall related to judicial selection processes. Currently, the judicial selection account has a balance of approximately \$300. There have been four selections funded this fiscal year. It is Staff's understanding that the judicial branch is planning to meet again later in June to conduct a selection for one vacancy of a judge's seat. Funding would be required for the anticipated costs associated with the selection process.

SENATE BILL 527: Makes a supplemental appropriation to the Nevada Supreme Court for a projected shortfall related to judicial selection processes. (BDR S-1170)

SENATOR DENIS MOVED TO DO PASS S.B. 527.

SENATOR KIECKHEFER SECONDED THE MOTION.

SENATOR FORD:

I will abstain from this vote as my wife has been an applicant during the process.

THE MOTION CARRIED. (SENATOR FORD ABSTAINED FROM THE VOTE.)

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CATHY CROCKET (Program Analyst):

Senate Bill 438 was heard by the Committee on May 22. It was presented by Senator Farley, who was accompanied by Mike Draper representing Paramount Marketing Consultants.

SENATE BILL 438 (1st Reprint): Revises provisions relating to time shares.
(BDR 10-992)

The bill, as amended, allows for a representative of a time-share developer to associate with one or more developers. The bill requires an applicant for registration as a representative to supply the administrator of the Real Estate Division of B&I with the names of any developers for which the applicant works, proof that the applicant works from a fixed location and a completed fingerprint card for a background check.

The bill specifies that a time-share representative shall not make any material misrepresentations; make any false promises likely to induce someone to attend a promotional event; engage in any fraudulent, misleading or oppressive techniques or tactics to induce or solicit other persons to attend a promotional meeting; or fail to disclose the representative's purpose to induce a person to attend a promotional event.

The Real Estate Division submitted a fiscal note indicating that three positions and information system changes would be needed to implement the provisions of the bill as amended. This would require approximately \$186,000 in FY 2017-2018 and \$349,000 in FY 2018-2019.

There was no testimony in support of the bill. There were three representatives of Starpoint Resort Group presenting testimony in opposition to the bill ([Exhibit H](#) and [Exhibit I](#)). A representative of the Las Vegas Metropolitan Police Department supported the intent of the bill in neutral testimony.

Senator Farley presented mock-up Proposed Amendment 4754 ([Exhibit J](#)) which would propose to eliminate section 2, subsection 1, paragraphs (d) and (e), as well as section 2, subsections 3 and 4, which would remove the requirement that an applicant for registration as a representative provide the name of the developers for which an applicant works along with the requirement for a fingerprint background check. The amendment would remove the fiscal note on the bill. The bill would be effective on July 1, 2017.

Staff has just received an additional mock-up ([Exhibit K](#)) from Danny Thompson of Starpoint Resort Group. It appears that amendment would allow sales representatives to work on behalf of one developer and would establish a fine or suspension of representatives. Staff has not had time to review the amendment or consult with the Division with regard to the fiscal impact of the amendment.

SENATOR FORD:

Is there any other financial impact of the bill that this Committee needs to concern itself with?

Ms. CROCKET:

With regard to Proposed Amendment 4754 from Senator Farley, the fiscal note is removed. Fiscal staff has not had time to assess the additional proposed amendment we just received.

SENATOR FORD:

In that case, I do not feel we are in a position to vote on this bill. Maybe we should roll it to another work session while Fiscal staff evaluates it.

SENATOR KIECKHEFER:

The amendment we just received came in very late. If the bill is going to have a chance, maybe we should move it forward with Senator Farley's amendment and let the Assembly deal with this late proposal from Mr. Thompson. I am not aware whether this late amendment was discussed with the bill sponsor.

SENATOR FORD:

If we have no fiscal impact with Senator Farley's amendment, this Committee has no jurisdiction, and we can pass it on. I agree with Senator Kieckhefer.

SENATOR DENIS:

I agree that without Senator Farley having had an opportunity to see this late amendment, we should move it forward because of the time frame and let them work this out in the Assembly.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 438 WITH PROPOSED AMENDMENT 4754.

SENATOR GOICOECHEA SECONDED THE MOTION.

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THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

Is there anyone wishing to make public comment? Seeing none, this meeting is adjourned at 11:00 a.m.

RESPECTFULLY SUBMITTED:

Barbara Williams,
Committee Secretary

APPROVED BY:

Senator Joyce Woodhouse, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	4		Attendance Roster
S.B. 402	C	5	Senator Pat Spearman	Proposed Amendment 4935 First Reprint
S.B. 402	D	1	Department of Corrections	Proposed Clarification Amendment of Potential Fiscal Impact
S.B. 402	E	1	Holly Welborn / ACLU	Conceptual Amendment
S.B. 317	F	22	Senator Nicole Cannizzaro	Proposed Amendment 5023 First Reprint
S.B. 317	G	1	Senator Nicole Canizzaro	Conceptual Amendment
S.B. 438	H	5	Allen Lichtenstein / Starpoint Resorts Group	Testimony in Opposition
S.B. 438	I	1	Myles Timmins	Testimony in Opposition
S.B. 438	J	3	Senator Patricia Farley	Proposed Amendment 4754
S.B. 438	K	2	Danny Thompson	Conceptual Amendment