

**MINUTES OF THE  
SENATE COMMITTEE ON FINANCE**

**Seventy-ninth Session  
May 30, 2017**

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 8:07 a.m. on Tuesday, May 30, 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

**STAFF MEMBERS PRESENT:**

Mark Krmpotic, Senate Fiscal Analyst  
Alex Haartz, Principal Deputy Fiscal Analyst  
Leannandra Copeland, Program Analyst  
Joi Davis, Program Analyst  
Mandi Davis, Program Analyst  
Adam Drost, Program Analyst  
Jennifer Gamroth, Program Analyst  
Kristen Kolbe, Program Analyst  
Edgar Cervantes, Committee Secretary  
Colby Nichols, Committee Secretary

**OTHERS PRESENT:**

Steve Fisher, Administrator, Division of Welfare and Supportive Services,  
Department of Health and Human Services

Brett Barley, Deputy Superintendent for Student Achievement, Nevada  
Department of Education

Ruben Murillo, President, Nevada State Education Association

Nicole Rourke, Clark County School District

Mary Pierczynski, Nevada Association of School Superintendents; Nevada  
Association of School Administrators

Lindsay Anderson, Washoe County School District

Ed Gonzalez, Clark County Education Association

CHAIR WOODHOUSE:

I call this meeting of the Senate Committee on Finance to order as of 8:07 a.m. We will begin today's meeting with a work session on some bills, then we will have bill hearings afterwards while some of our legislators testify in other committees. Upon their return, we will enter back into a work session.

We will begin with Senate Bill (S.B.) 392.

**SENATE BILL 392 (1st Reprint)**: Revises provisions relating to energy.  
(BDR 58-663)

ALEX HAARTZ (Principal Deputy Fiscal Analyst):

This bill was heard in Committee on May 22. It provides for participation in community solar gardens. It proposes the financing of these to be provided by third-party developers and nonprofits that would build and own the solar power system. They would sell subscriptions to participants.

There was testimony presented to the Committee by the Solar Energy Industries Association. There was testimony against this bill presented by the International Brotherhood of Electrical Workers, NV Energy and the American Federation of Labor and Congress of Industrial Organizations. The Public Utilities Commission of Nevada (PUCN) provided testimony concerning its fiscal note. It indicated that the majority of the costs, which included four full-time equivalent positions, would be removed based upon a conceptual amendment ([Exhibit C](#)) that was presented on May 22. The PUCN did not anticipate needing new positions given

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[Exhibit C](#), but it is not entirely clear to Fiscal staff as to whether the PUCN's fiscal note was removed in its entirety.

[Exhibit C](#), which was presented by Senator Denis and Mr. Justin Wilson, has been provided to the Committee today for consideration. If the Committee is interested in passing S.B. 392, the proper action would be to amend and do pass as amended.

CHAIR WOODHOUSE:

My understanding is that, with [Exhibit C](#), the fiscal note is removed.

SENATOR HARRIS:

While I support renewable and clean energy, I am still working with one of the bill's proponents to better understand the numbers and how this will work out. I am trying to get them to articulate to me how we are going to be able to make this work fiscally. While I am leaning towards supporting this legislation, I am going to vote no here and reserve the right to change my vote on the Floor.

SENATOR FORD MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 392.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR HARRIS VOTED NO.)

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CHAIR WOODHOUSE:

The Committee will now conduct a work session on S.B. 478.

**SENATE BILL 478**: Revises provisions relating to certain disciplinary action against state employees. (BDR 23-1043)

MR. HAARTZ:

This bill was heard in Committee on May 22. It was presented by Mr. Kevin Ramp of the American Federation of State, County and Municipal Employees (AFSCME) as well as Mr. Carter Bundy of AFSCME International. Testimony in support was provided by Rick McCann. There was no testimony against the bill. Testimony in neutral was provided by the Department of Health

and Human Services Director's Office regarding a proposed amendment ([Exhibit D](#)).

There had been a fiscal note originally placed on the bill. It is unclear to Staff whether that note has been removed. Staff has not received any communication from the Department of Health and Human Services (DHHS) or any of the various agencies under DHHS. [Exhibit D](#) makes various changes to the bill. Again, it is unclear to Staff whether the fiscal note has been removed due to these changes.

STEVE FISHER (Administrator, Division of Welfare and Supportive Services,  
Department of Health and Human Services):  
From the Department's perspective, the fiscal note has been removed.

MARK KRMPOTIC (Senate Fiscal Analyst):  
I wanted to note that testimony was provided by Deborah Harris from DHHS indicating that [Exhibit D](#) removed their fiscal note.

SENATOR FORD MOVED TO AMEND AND DO PASS AS AMENDED  
S.B. 478.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:  
The Committee will now move on to S.B. 528.

**SENATE BILL 528**: Makes an appropriation to the Fund for Aviation for the enlargement, improvement or maintenance of rural airports, landing areas or air navigation facilities in Nevada. (BDR S-1174)

MR. KRMPOTIC:  
I am going to ask Mr. Adam Drost to present this bill. I would just note for the Committee's information that this bill is an appropriation submitted by the administration subsequent to the submittal of the *Executive Budget*. This is why the bill mentions an appropriation not included in the *Executive Budget*.

ADAM DROST (Program Analyst):

This bill was heard by the Committee on May 13. It would provide General Fund appropriations of \$100,000 in each year of the 2017-2019 biennium to the State's Fund for Aviation. Per the bill, these funds must be used to match money that is available from the Federal Aviation Administration for the enlargement, improvement or maintenance of rural airports, landing areas or air navigation facilities in the State.

As indicated by Mr. Krmpotic, the fiscal impact of this legislation is because the appropriations from the General Fund are not included in the *Executive Budget*. The bill was presented by the airport manager of the Minden-Tahoe Airport, Bobby Thompson. There were no amendments presented. Testimony in support of the bill was provided by the Nevada Airports Association. There was no testimony either in opposition to or in neutral to this bill.

The effective date of the bill would be July 1. If the Committee wishes to approve the bill, the proper action would be do pass.

SENATOR GOICOECHEA MOVED TO DO PASS S.B. 528.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will continue on to S.B. 529.

**SENATE BILL 529**: Makes an appropriation to the Division of Emergency Management of the Department of Public Safety for the costs associated with emergency responses to flood events that occurred in 2017. (BDR S-1183)

KRISTEN KOLBE (Program Analyst):

This bill was heard by the Committee on May 12. Senate Bill 529 would appropriate \$1.68 million from the State General Fund to the Division of Emergency Management for the costs associated with emergency responses to flood events that occurred in 2017.

As introduced, this bill would make an appropriation available through fiscal year (FY) 2018-2019. Any remaining funds would be reverted to the General Fund on or before September 20, 2019. On April 11, the Division of Emergency Management presented a request to the Governor's Office of Finance, to legislative leadership and to the Fiscal Analysis Division that requested the \$1.68 million. The need stems from two Presidential declarations for severe winter storms, flooding and mudslides that occurred in January and February of this calendar year.

On May 12, 2017, Chief Cage of the Division of Emergency Management testified that the Division continued to coordinate with local jurisdictions being threatened by the potential impact of the spring runoff and that the costs continue to change.

Additionally, due to increased costs largely attributable to the emergency protective flood control measures in Churchill and Lyon Counties, the unprecedented weather occurrences and the unpredictability of the additional costs that may be incurred, Chief Cage testified that additional funding may be warranted and requested an increase in the amount of \$2,441,115.

Subsequent to the May 12 hearing, the Division of Emergency Management indicated that actual costs incurred and the projected costs as of May 24 totaled \$2,440,124, an amount just shy of what Chief Cage testified to. In response to Fiscal staff questions regarding the need for the funding through June 30, 2019, the Division indicated that the majority of the funding would be used immediately, however, some expenditures may carry over into FY 2017-2018 and allowing the funding to be available through the end of FY 2018-2019 would provide the Division with flexibility to address any unanticipated delays in receiving and processing payments.

As indicated earlier, Chief Cage testified and presented this bill. There was no other testimony in support, in opposition or in neutral to this bill. The bill would become effective upon passage and approval. At the end of the May 12, 2017 hearing, Chief Cage verbally presented the conceptual amendment that increased the appropriation to \$2,441,115.

SENATOR GOICOECHEA MOVED TO AMEND AND DO PASS AS  
AMENDED S.B. 529.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now consider S.B. 530.

**SENATE BILL 530**: Makes an appropriation to the Division of Health Care Financing and Policy of the Department of Health and Human Services for the completion of the Medicaid Management Information System modernization project and authorizes the expenditure of certain money for such a purpose. (BDR S-1196)

MANDI DAVIS (Program Analyst):

This bill was heard by the Committee on May 13. It appropriates \$3,259,902 from the State General Fund and authorizes \$20,558,384 not appropriated from the General Fund or the Highway Fund to complete the third and final phase of the Medicaid Management Information System (MMIS) project over the 2017-2019 biennium.

The original timeline for the completion of the MMIS projected a go-live date for the new MMIS system in April 2018. According to the Division, expanding to four managed care organizations up from the current two has caused the need for additional programming changes. This delayed the projected go-live date by 60 days to 90 days. The Division provided updated figures due to the projected delay. The updated figures include \$3,683,512 in General Fund appropriations and \$24,370,876 not appropriated from the General Fund or the Highway Fund.

This bill would become effective July 1, 2017. If the Committee wishes to approve the bill with the updated totals, the proper action would be amend and do pass.

MR. KRMPOTIC:

I believe Staff is recommending that this bill become effective upon passage and approval as opposed to the July 1 date.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 530 AND TO CHANGE THE BILL TO BECOME EFFECTIVE UPON PASSAGE AND APPROVAL.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We will now move on to S.B. 531.

**SENATE BILL 531**: Makes appropriations to the Aging and Disability Services Division of the Department of Health and Human Services for deferred maintenance projects at the Desert Regional Center and for changing the information system platform for early intervention services. (BDR S-1195)

MS. DAVIS:

This bill was heard in Committee on May 13. Section 1 of S.B. 531 appropriates \$453,533 for deferred maintenance projects at the Desert Regional Center, including carpet cleaning, painting, flooring replacement and the remodel of two buildings on the campus. One remodel would add a wall and add a new kitchen to divide a building into two separate four-bedroom housing units. The second remodel would include the remodeling of kitchens to create office space for additional staff.

Section 2 of the bill appropriates \$454,915 from the General Fund and \$221,825 from sources other than the General and Highway Funds to move the early intervention services program to a case management and fiscal system that is currently used by the Developmental Services programs in DHHS. This would replace the manual, paper-based processes currently used in the Early Intervention Services program.

There are no recommended updates to the dollar amounts included in this bill. However, the Agency proposed a conceptual amendment to the bill at the May 13 Committee hearing that would remove the vendor name of Harmony Information System from Section 2 of the bill and only reference an information system instead.



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Senate Bill 531 would become effective on July 1. If the Committee wishes to remove the vendor name by amending the bill, the proper action would be amend and do pass.

MR. KRMPOTIC:

Once again, Staff is recommending that this bill be made effective upon passage and approval instead of upon July 1.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 531 AND TO AMEND THE BILL TO BECOME EFFECTIVE UPON PASSAGE AND APPROVAL.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will continue 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)

MS. DAVIS:

This bill was heard by the Committee on May 25. It appropriates \$5,800,224 from the General Fund and authorizes \$124,074,692 not appropriated from either the General or Highway Fund. This is for a projected shortfall resulting from an increase in the Medicaid caseload.

This bill was amended in the Assembly to reduce the amount of the appropriation to the current levels. No other adjustments are recommended to this supplemental appropriation amount. This bill would become effective upon passage and approval. If the Committee wishes to approve this bill, the proper action would be do pass as amended.

SENATOR FORD MOVED TO DO PASS AS AMENDED A.B. 494.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now move on to S.B. 532.

**SENATE BILL 532**: Makes appropriations to the Division of Public and Behavioral Health of the Department of Health and Human Services for a laboratory information system and integrated medication management system. (BDR S-1197)

MR. KRMPOTIC:

This bill was heard by the Committee on May 13. Section 1 includes an appropriation for \$293,774 for a laboratory information system. Section 2 provides for an appropriation of \$1,653,039 for an integrated medication management system. There are no changes to the amounts in this bill.

Staff would recommend the effective date of the bill be modified in Section 4 from July 1, 2017, to become effective upon passage and approval.

SENATOR FORD MOVED TO AMEND AND DO PASS AS AMENDED S.B. 532, AND TO CHANGE THE EFFECTIVE DATE OF THE BILL TO BE UPON PASSAGE AND APPROVAL.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We will now move on to S.B. 533.

**SENATE BILL 533**: Makes appropriations to the Division of Welfare and Supportive Services of the Department of Health and Human Services for certain information system projects and authorizes the expenditure of certain money for such purposes. (BDR S-1198)

LEANN DRA COPELAND (Program Analyst):

This bill was heard by the Committee on May 13. The appropriations are for four information projects.

Section 1 appropriates from the General Fund an amount of \$127,500 and authorizes federal funds of \$1,147,500 for a master client index to develop a cross index of all databases of the DHHS.

Section 2 appropriates from the General Fund \$1 million and authorizes federal funds of \$9 million to modernize Access Nevada to provide clients of the Division of Welfare and Supportive Services with the opportunity to submit electronic applications for Medicaid, the Supplemental Nutrition Assistance Program and the Temporary Assistance for Needy Families program.

Section 3 appropriates from the General Fund \$407,673 and authorizes expenditures of \$3,458,225 not appropriated from the General Fund or the Highway Fund for a case management system to allow for the "no wrong door" approach to serving clients throughout DHHS.

Section 4 appropriates from the General Fund \$9,304,699 and authorizes expenditures of \$20,120,886 not appropriated from the General Fund or the Highway Fund for the second phase of the modernization of the automated processing system for the Child Support Enforcement Program.

This bill would become effective upon July 1, 2017. If the Committee wishes to approve the bill, the proper action would be to pass.

SENATOR FORD MOVED TO DO PASS S.B. 533.

SENATOR GOICOCHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now enter into a bill hearing on S.B. 390.

**SENATE BILL 390 (1st Reprint)**: Extending and revising the Zoom schools program for the 2017-2019 biennium. (BDR S-788)

SENATOR MOISES DENIS (Senatorial District No. 2):

I have provided for the record a copy of my written remarks introducing S.B. 390 ([Exhibit E](#)). I will now read from [Exhibit E](#).

SENATOR KIECKHEFER:

I see there is a 5 percent limiter on certain expenditures for certain categories. Is that a combined 5 percent limit on all 3 of those categories? Alternatively, is it a limit of up to 15 percent total, with each category receiving a 5 percent limit?

SENATOR DENIS:

It is a limit on the combined total of those categories. What we were worried about was that if we left those categories unlimited, schools could just use more money for incentives. There would not be enough money left to do the other things this bill accomplishes. I believe the limit was set at 3 percent previously, so this is an increase. That will hopefully allow for some additional things there.

SENATOR KIECKHEFER:

What would be the first year that incoming kindergarteners could have started school at a Zoom school? Was it FY 2013-2014?

SENATOR DENIS:

We passed the legislation creating the program in 2013. The program was implemented two months later.

SENATOR KIECKHEFER:

Would those children be in third grade by now?

SENATOR DENIS:

That is correct.

SENATOR KIECKHEFER:

I like that there is a focus in this legislation on accountability and measuring outputs. It is not just a question of how many kids were served. It is also the success of those kids. We evaluate how those kids perform compared to other students in their cohort.

SENATOR DENIS:

That is correct. What we have now is several years of data regarding this program. We can actually track some of the kids who have been in this program since kindergarten or since pre-kindergarten.

CHAIR WOODHOUSE:

I will now open the hearing up to those who wish to testify in support of S.B. 390.

BRETT BARLEY (Deputy Superintendent for Student Achievement, Nevada Department of Education):

I am here in support of this bill. In 2013, the Legislature allocated, and the Governor approved, \$50 million for the establishment of Zoom schools. In 2015, that amount increased to \$100 million. All told, we have 109 Zoom schools across the State. There are 38 schools in Clark County, 24 schools in Washoe County and 47 schools across the rest of the State.

One out of every six students in Nevada is an English learner (EL). Having a program like Zoom that is demonstrating the kind of results that it has is really critical for both our students' and our State's success. The external evaluator who was included as a part of the funding of the program recommended to continue funding Zoom. We are excited to see that we are doing so.

One of the other recommendations dealt with common Interim assessment measures. We continue to monitor outcomes of the program to make sure this program is delivering good results for our kids. Provisions to establish these assessment measures are included in the amendments to this bill as well. We want to thank Senator Denis for his continued championing of this program.

RUBEN MURILLO (President, Nevada State Education Association):

I remember in 2013 when we were having the preliminary discussions about this program. Back then, there were even conversations about what to name

what is now known as the Zoom program. There was a lot of skepticism in terms of how this program would work.

I believe that in the preliminary data we have shown a marked improvement for students who are benefitting from Zoom schools. There are a lot of pieces involved in making great, strong public education and public schools. This is clearly one of the main pieces of that puzzle. We would want to make sure that Zoom schools are maintained, expanded and that they are included in the weighted funding formula conversation. We need additional funding and resources to make sure that these programs, which have been established and proven to be working, continue onwards.

NICOLE ROURKE (Clark County School District):

As said earlier, there are currently 38 Zoom schools in the Clark County School District. Thirty-one schools are elementary, and seven schools are middle or high schools. We have seen a tremendous amount of success with this program. We believe that this program really shows a return on investment.

To answer Senator Kieckhefer's question from earlier, we provided a 52-slide presentation for this bill when it was on the policy side. I thought I would offer to provide that information to this Committee as well. I would be happy to send it to you. That presentation is filled with data from every level.

We knew from the very beginning of the program that we would have to measure all of our progress along the way. We have measured our Pre-K, kindergarten and grade school students through reading centers. When we say that this program is a success, that is a statement based on this data. I am delighted to talk about the success, but am also happy to offer you the numbers as well.

We think this is a program that shows that an investment in public education can really work. Thank you for your consideration.

SENATOR KIECKHEFER:

We have that presentation available to us online, so we can review it.

MARY PIERCZYNSKI (Nevada Association of School Superintendents; Nevada Association of School Administrators):

The Zoom program money has helped rural schools as well. There has been tutoring and also a few preschools have been established. We appreciate that this bill includes noncompetitive grants. That is a big improvement for some of our rural districts who may not have grant writers.

LINDSAY ANDERSON (Washoe County School District):

We have 20 elementary schools in the Washoe County School District that are now Zoom schools. There are four middle schools that are Zoom schools. We do not have any high schools in the program yet.

The flexibility of the bill has allowed us to do things a little bit differently. We operate our reading centers in our District a little differently. We are still seeing really encouraging results.

To Senator Kieckhefer's statements in terms of tracking students, we have two or three cohorts. The first year of the program we only had seven schools. The second year of the 2013-2015 biennium, we had added a couple more because the appropriation was bigger. We added a lot of schools following the 2015 Session.

We are tracking and learning from the schools that started the program originally as we are adding additional schools. I think it is going to be hard to compare results because we do not necessarily have a control group. That is because at this point, all of the schools with high concentrations of EL students have been converted to Zoom schools. They are all Zoom schools, which I think is really great. I am hoping we can compare these students with non-EL students and still see great results and a narrowing of the student achievement gap. We look forward to coming forward with that data in the next biennium.

SENATOR KIECKHEFER:

Are there any EL students who are not in Zoom schools?

MS. ANDERSON:

Yes. In fact, two-thirds of our EL students across the district are not in Zoom schools. However, in terms of our high-concentration areas, where at least 35 percent of students are ELs, those are all now Zoom schools.

ED GONZALEZ (Clark County Education Association):

We supported this bill in the policy committee, and continue to do so now. We support other programs like this, such as the Victory program and the weighted funding formula which will help some of the EL students who are not at Zoom schools. We are in full support of this bill.

CHAIR WOODHOUSE:

Seeing no one else wishing to testify in support of the bill, and no one wishing to testify in either opposition or in neutral to it, I will invite Senator Denis to offer closing comments.

I want to say that the data regarding this program is incredibly exciting. The growth that these students are making is incredible. I have visited Zoom classrooms from Pre-K all the way up to fifth grade. As a former educator, what I see going on in these schools is exactly what we want to see. I am thrilled with the success of this program.

SENATOR DENIS:

I too have visited these classrooms. I have seen a kindergartener doing first grade writing. It is exciting. As to Senator Kieckhefer's questions about the EL students who are not in Zoom schools, that is a part of the discussion surrounding the weighted funding formula. That formula will allow us to reach those students. There are currently around 40,000 EL students in Zoom schools that are getting help.

The Zoom program does not just aid the EL students at the Zoom schools. There are non-EL students who need help with reading standards and the like, and they are able to participate. We are reaching all kinds of students who need help. I appreciate the support of this program. I am hoping for a little bit of an expansion in some of the schools. We will have some services akin to what Zoom does available at a lot of other schools through the funding formula.

The cohort who were present for the inception of the program just took a standardized test. Hopefully, we will get some great results on those kids who started in the program and have been with it all the way through. The results look promising. Thank you for your consideration.



CHAIR WOODHOUSE:

That will close our hearing on S.B. 390. The Committee will be adding S.B. 390 to our work session today as well. The Committee will now stand in recess until the call of the Chair as of 8:51 a.m.

I call the Committee back to order as of 10:50 a.m. We will go back into a work session. We will return to S.B. 533 for a clarification.

MR. KRMPOTIC:

When S.B. 533 was presented earlier today, it was unclear if the Committee intended to do pass or to amend and do pass in order to change the effective date from July 1, 2017, to becoming effective upon passage and approval.

The analyst who presented the bill indicated that the if the Committee wished to make the bill effective upon passage and approval, which was Staff's recommendation, the action would need to be to amend and do pass. If you wish to make this change, the Committee can take a motion to rescind the previous action and then re-vote to amend and do pass with the change to the effective date.

SENATOR DENIS MOVED TO RESCIND THE PREVIOUS ACTION TAKEN ON S.B. 533.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

Now we need to entertain a motion for the new action on S.B. 533. The motion should be to amend and do pass with the change in effective date to make this legislation effective upon passage and approval.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 533 TO CHANGE THE EFFECTIVE DATE OF THE BILL FROM JULY 1, 2017, TO BECOME EFFECTIVE UPON PASSAGE AND APPROVAL.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now move on to S.B. 534.

**SENATE BILL 534**: Makes appropriations to the Division of Child and Family Services of the Department of Health and Human Services for deferred maintenance projects essential for the security and operation of certain facilities. (BDR S-1199)

MR. KRMPOTIC:

The appropriations include the following: under Section 1, \$152,000 to the Summit View Youth Center, \$900,256 to the Caliente Youth Center, \$1,429,662 to the Nevada Youth Training Center, \$70,927 to the Northern Nevada Child and Adolescent Services and \$286,865 to the Southern Nevada Child and Adolescent Services.

Staff has no recommended changes to these amounts. Staff would suggest changing the effective date from July 1, 2017 to effective upon passage and approval.

SENATOR GOICOECHEA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 534 TO CHANGE THE EFFECTIVE DATE FROM JULY 1, 2017, TO EFFECTIVE UPON PASSAGE AND APPROVAL.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We will now move on to S.B. 535.

**SENATE BILL 535**: Makes an appropriation to the State Department of Conservation and Natural Resources for the Sagebrush Ecosystem Conservation Credit System program. (BDR S-1204)

JENNIFER GAMROTH (Program Analyst):

This bill was heard by the Committee on May 13. The money committees approved language to both the Appropriations Act and the Authorizations Act that would allow the Department to balance forward any remaining funds at the end of FY 2016-2017 to FY 2017-2018 in the account for the Sagebrush Ecosystem program.

In addition, those funds would not revert. The action by the Committee eliminated the need for the \$1,690,718 one-shot appropriation as recommended by the Governor in S.B. 535.

MR. KRMPOTIC:

Staff just wanted to update the Committee on this bill. The bill does not need to be processed. It was previously heard and was also withdrawn by the Department. Staff was just confirming this for the Committee. No action is required on S.B. 535.

CHAIR WOODHOUSE:

We appreciate that. We will move on to S.B. 536.

**SENATE BILL 536**: Makes appropriations to the Division of State Parks of the State Department of Conservation and Natural Resources for projects at certain parks and recreation areas. (BDR S-1205)

MS. GAMROTH:

This bill was heard by the Committee on May 13. Section 1, subsection 1 of the bill includes an appropriation of \$1.2 million for the stabilization and restoration of the ruins at the Fort Churchill State Historic Park. Section 1, subsection 2 includes an appropriation of \$550,000 from the General Fund for the construction of cabins and the associated utilities at the new Walker River State Recreation Area. Section 1, subsection 3 includes an appropriation of \$1,420,000 in General Fund money. Also, in subsection 3, there is federal funding from the Land and Water Conservation Fund totaling \$1,200,000 for a total project cost of \$2,620,000 for the construction of a 30-unit campground with full hookups, restrooms and showers. There is also recreational vehicle dumping stations, utilities, a parking area and funding for a ranger station with restrooms at the Walker River State Recreation Area.

The General Fund appropriation in section 1, subsection 3 should be reduced by \$670,000, which would reduce the total to \$750,000. The reduction was approved by the money committees and would partially fund the items that were omitted and other modifications identified in the various decision units that are associated with the Explore Your Nevada Initiative in the *Executive Budget*.

Section 1, subsection 5 includes an appropriation of \$168,000 for the construction of 48 pull-through campsites at ten State park campgrounds. Subsection 6 includes \$159,000 from the General Fund for the construction of 3 cabins with restrooms, including the costs of the associated utilities at Wild Horse State Recreation Area.

This bill would become effective on July 1, 2017. If the Committee wishes to approve this bill with the noted \$670,000 reduction in subsection 3, the correct motion would be to amend and do pass as amended.

MR. KRMPOTIC:

Staff would also suggest to change the effective date of this bill from July 1, 2017 to upon passage and approval.

SENATOR GOICOECHEA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 536 WITH THE NOTED \$670,000 REDUCTION IN GENERAL FUND APPROPRIATIONS IN SECTION 1, SUBSECTION 3 AND TO CHANGE THE EFFECTIVE DATE FROM JULY 1, 2017, TO UPON PASSAGE AND APPROVAL.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR WOODHOUSE:

We will now work on S.B. 537.

**SENATE BILL 537**: Makes appropriations to the Division of Forestry of the State Department of Conservation and Natural Resources for certain equipment, a vehicle and certain deferred maintenance projects. (BDR S-1206)

Ms. GAMROTH:

This bill was heard by the Committee on May 13. Section 1, subsection 1 of the bill includes General Fund appropriations for rescue hoist for the Division's air operation programs. Updated quotes provided by the Division require an increase to the amount identified in Section 1 by \$728. This would increase the appropriation in that section from \$313,280 to \$314,008.

Section 1, subsection 2 includes a General Fund appropriation totaling \$1,152,932 for three wildland fire engines and one helitack mechanics truck. Fiscal staff recommends funding the three wildland fire engines from reserves, which encompass county participation funds instead of a General Fund appropriation as recommended by the Governor in this bill.

The wildland fire protection budget is estimated to have cash reserves totaling \$2.9 million by the end of FY 2018-2019. Using these reserves to fund the three fire engines would reduce reserves to \$1.9 million, which exceeds the FY 2018-2019 budget for personnel and associated operating costs totaling \$1.8 million.

Staff would note that the assessments received by the Division from the entities currently participating in the wildland fire protection program total \$1.8 million annually, which is sufficient to fund 100 percent of the program's expenses as approved by the money committees for both FY 2017-2018 and FY 2018-2019.

In addition, Staff would note that testimony provided by the Division during the 77th Session, when this program was established, indicated that the excess reserves could be used to fund wildland fire equipment for the program.

Section 1, subsection 3 of the bill appropriates General Fund monies of \$472,650 to fund the Division of Forestry's deferred maintenance projects that are focused on life and safety issues. Section 1, subsection 4 appropriates funding to the forestry conservation camps for deferred maintenance projects focused on life and safety issues. This amounts to General Fund appropriations totaling \$348,004 in this section.

This bill would be effective on July 1, 2017. If the Committee wishes to approve this bill with the Fiscal recommendations, the motion would be to amend and do pass.

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CHAIR WOODHOUSE:

Do we want to change this bill to become effective upon passage and approval?

MR. KRMPOTIC:

Yes.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 537 WITH THE CHANGES NOTED BY FISCAL STAFF AND TO CHANGE THE EFFECTIVE DATE OF THE BILL FROM JULY 1, 2017, TO BECOME EFFECTIVE UPON PASSAGE AND APPROVAL.

SENATOR GOICOECHEA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR WOODHOUSE:

The Committee will now move on to A.B. 267.

**ASSEMBLY BILL 267 (2nd Reprint)**: Revises provisions governing industrial insurance. (BDR 53-650)

MR. KRMPOTIC:

This bill was heard by the Committee on May 24. It revises provisions governing prohibitions on the payment of compensation for disability caused by certain occupational diseases and, under certain circumstances, restricts the dissemination and use of results of certain physical examinations required by firefighters, arson investigators and police officers for insurance coverage of cancer, lung disease and heart disease.

The bill was presented by Assemblyman Araujo and Rusty McAllister. There was a conceptual amendment ([Exhibit F](#)) presented on the bill from Rusty McAllister. One of the concerns with respect to the bill was the fiscal impact on the Department of Administration's Risk Management Division.

Testimony on [Exhibit F](#) provided on May 24 indicated that [Exhibit F](#) would remove that fiscal impact. The Committee has ([Exhibit G](#)), which is a memo from Patrick Cates, Director of the Department of Administration, to

Assemblyman Araujo indicating that the fiscal impact would be removed if [Exhibit F](#) were incorporated into the bill.

SENATOR HARRIS:

I will be supporting this measure today; however, I want to put on record that I really have concerns about the last sentence of section 5, subsection 15. I think that, under subrogation clauses, those who are insured may be at risk of paying back copays and other expenses that they would not expect. However, since the stakeholders seem to not share this concern, I will defer to them.

SENATOR KIECKHEFER:

I think this bill is trying to address a very real problem. We need to find a way to decrease the timeframe for resolutions. I think the fiscal impact to local governments as presented in their fiscal notes is very real, so I am going to be opposing the measure today. I would love to find a way to solve the root of this problem, which is that these just keep getting drawn out and extended.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED A.B. 267 TO INCORPORATE [EXHIBIT F](#) INTO THE BILL.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR KIECKHEFER VOTED NO.)

\* \* \* \* \*

CHAIR WOODHOUSE:

This morning, we had a bill hearing on S.B. 390. We are now going to put that bill into our work session today.

MR. KRMPOTIC:

As previously mentioned, S.B. 390 was heard earlier this morning. The bill essentially implements the Zoom program for EL students for the next two years. Monies are included in the budget to fund ELs as approved by the money committees in the closings of the budgets over the last few weeks.

I would note that section 3 of the bill includes language making this bill effective as of July 1, 2017, and expires by limitation on June 30, 2019. The

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Legislature will be reinstating an implementation provision again in the 2019 Session.

SENATOR PARKS MOVED TO DO PASS AS AMENDED S.B. 390.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR WOODHOUSE:

We are going to move on to S.B. 120, which is Senator Cancela's bill on problem gambling.

**SENATE BILL 120**: Revises provisions relating to problem gambling.  
(BDR 40-810)

MR. KRMPOTIC:

I have asked Staff to hand out ([Exhibit H](#)) to the Committee. [Exhibit H](#) is a proposed amendment to this bill.

JOI DAVIS (Program Analyst):

This bill was heard by this Committee on March 20. It was presented by Senators Cancela and Segerblom. [Exhibit H](#) eliminates section 4 from the bill due to the concern Fiscal staff had about the fiscal impact to the State. There were no fiscal notes submitted on the bill.

In addition to eliminating section 4, [Exhibit H](#) also revises the provisions that set forth the membership for the Advisory Committee on Problem Gambling. The bill as originally introduced revised those provisions and [Exhibit H](#) simply changes the regular members who would be certified as problem gaming counselors. It requires one of those members to be a qualified mental health professional pursuant *Nevada Revised Statutes* 458A. The remaining portions of the bill, sections 2 and 3, change some of the duties of the Advisory Committee. [Exhibit H](#) does not change those sections.



SENATOR KIECKHEFER:

I know that part of the aim of this bill was to try to get revenues for the program up to where they would have been had slot tax revenues continued to grow. Is the funding component of this removed through [Exhibit H](#)?

Ms. DAVIS:

Yes. Section 4 would be eliminated through [Exhibit H](#). The program would use the existing funding mechanism that is in place through existing law. That is \$2 from the slot tax. That would remain in effect. The proposed change to that funding mechanism that was originally in this bill would be removed through [Exhibit H](#).

The action if the Committee wishes to adopt [Exhibit H](#) would be to amend and do pass.

SENATOR FORD MOVED TO AMEND AND DO PASS AS AMENDED  
[S.B. 120](#).

SENATOR DENIS SECONDED THE BILL.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR WOODHOUSE:

Our last order of business this morning is the introduction of a bill draft. This is Bill Draft Request (BDR) S-1235.

**BILL DRAFT REQUEST S-1235:** Makes an appropriation from the State General Fund to the Lou Ruvo Center for Brain Health. (Later introduced as [Senate Bill 543](#).)

This BDR contains an appropriation not included in the *Executive Budget* in the amount of \$2 million.

SENATOR PARKS MOVED TO INTRODUCE [BDR S-1235](#).

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

CHAIR WOODHOUSE:

Before we recess, I will open the meeting up for public comment. Seeing no one who wishes to make a public comment, I will recess this meeting as of 11:13 a.m. until the call of the Chair in case of any further action needed.

I call the Senate Committee on Finance back to order on the Senate Floor at 6:34 p.m. Seeing no other business before the Committee today, I will entertain a motion to adjourn this meeting.

SENATOR DENIS MOVED TO ADJOURN THE MEETING OF THE SENATE COMMITTEE ON FINANCE.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

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

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CHAIR WOODHOUSE:

With that motion, I adjourn this meeting of the Senate Committee on Finance as of 6:35 p.m.

RESPECTFULLY SUBMITTED:

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Colby Nichols,  
Committee Secretary

APPROVED BY:

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Senator Joyce Woodhouse, Chair

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

<b>EXHIBIT SUMMARY</b>				
<b>Bill</b>	<b>Exhibit / # of pages</b>		<b>Witness / Entity</b>	<b>Description</b>
	A	2		Agenda
	B	1		Attendance Roster
S.B. 392	C	3	Senator Moises (Mo) Denis	Conceptual Amendment
S.B. 478	D	5	Alex Haartz / LCB Fiscal Analysis Division	Proposed Amendment
S.B. 390	E	5	Senator Moises (Mo) Denis	Introductory Remarks
A.B. 267	F	2	Rusty McAllister / Nevada State AFL-CIO	Conceptual Amendment
A.B. 267	G	1	Patrick Cates / Department of Administration	Memorandum Removing Fiscal Note
S.B. 120	H	7	Mark Krmpotic / LCB Fiscal Analysis Division	Proposed Amendment