# MINUTES OF THE SENATE COMMITTEE ON FINANCE

# Seventy-ninth Session May 1, 2017

The Senate Committee Finance called on was to order Chair Joyce Woodhouse at 8:03 a.m. on Monday, May 1, 2017, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting videoconferenced to Room 4404B 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 Joi Davis, Senior Program Analyst Lona Domenici, Committee Manager Felicia Archer, Committee Secretary

## **OTHERS PRESENT:**

Ken Evans, President, Urban Chamber of Commerce Shaundell Newsome, Vice Chair, Urban Chamber of Commerce

Peter Guzman, President and Chief Executive Officer, Latin Chamber of Commerce Nevada, Inc.

Paul Moradkhan, Las Vegas Metro Chamber of Commerce

Tray Abney, Director of Government Relations, The Chamber, Reno-Sparks-Northern Nevada

George Ross, Nevada Banker's Association

John Wagner, Carson City Vice Chair, Nevada Independent American Party Brett Kandt, Chief Deputy Attorney General, Office of the Attorney General Cody L. Phinney, MPH, Administrator, Division of Public and Behavioral Health, Nevada Department of Health and Human Services

Danette Kluever, Deputy Administrator of Administrative Services, Division of Child and Family Services, Nevada Department of Health and Human Services

Cadence Matijevich, Deputy Secretary for Operations, Office of the Secretary of State

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

Nicole Rourke, Interim Associate Superintendent, Clark County School District Lindsay Anderson, Director, Government Affairs, Washoe County School District Jessica Ferrato, Nevada Association of School Boards; Nevada Builders Alliance Manny Lamarre, Executive Director, Governor's Office of Workforce Innovation Tom McCoy, Nevada Government Relations Director, Cancer Action Network Veneta Lepera, Market Supervisor, Palliative Care Department, Dignity Health, St. Rose Dominican Siena Campus

Cari Herington, Executive Director, Nevada Cancer Coalition

Mike Dyer, Director, Nevada Catholic Conference

Barry Gold, Government Relations Director, AARP

Jill Bernston, Deputy Administrator, Aging and Disability Services Division,
Department of Health and Human Services

Brian Evans, Nevada Health Care Association

Vic Redding (Vice Chancellor for Finance and Administration, Nevada System of Higher Education

Patricia Charlton, Senior Vice President, Strategic Initiatives and Administrative Services, College of Southern Nevada

#### CHAIR WOODHOUSE:

We will take bills out of order and have a work session at the end. We begin with <u>Senate Bill (S.B.) 126</u>.

<u>SENATE BILL 126 (1st Reprint)</u>: 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)

SENATOR AARON D. FORD (Senatorial District No. 11):

I will speak from my prepared statement (<u>Exhibit C</u>) in support of <u>Senate Bill 126</u>. It proposes creation of a loan program to help small businesses and minority or women-owned businesses in our State.

KEN EVANS (President, Urban Chamber of Commerce):

I support <u>S.B. 126</u>. The loan program this bill brings forth will provide much needed capital for our Nevada-based small businesses to grow. This is a concern brought to me often from small businesses. It is great to see this move forward. We especially appreciate that the loan program will take into consideration what the business does, and how it will create jobs and other economic opportunities, as opposed to traditional underwriting to review the loan packages and move them forward. Traditional underwriting can be a barrier and challenge for our businesses. We know programs like this will help the business community and the overall community in terms of creating economic development opportunities and jobs. Building businesses that build our communities allows them to create jobs, put resources into the community and participate in the political process as we are doing today.

SHAUNDELL NEWSOME (Vice Chair, Urban Chamber of Commerce):

I have owned a small business for 11 years. I am a partner in a business with my wife, my niece and my daughter. We were Nevada's Small Business Administration family-owned business of the year for 2015. We were hit very hard during the recession. There was no loan fund like this to help. We lost 9 of our 11 employees. We have gone back up to seven employees. We have come back strong because an opportunity to get a small business loan gave us the capital to hire people and continue our work.

Peter Guzman (President and Chief Executive Officer, Latin Chamber of Commerce Nevada, Inc.):

I have been a small business owner for more than 20 years. There is no greater impact to a small business than access to capital. It is the greatest tool you can give a small business. It is hard for a small business to walk into a traditional bank now and get a traditional loan. Finding ways to get access to funding for the engine that runs this Country, the real job creators, is the greatest thing you could do for us. I commend you and Senator Ford for bringing this forward. Other states are paying attention. The more we can sell Nevada as small-business friendly, the better off we will all be.

#### SENATOR HARRIS:

What would a loan under this program look like? Why would a loan be made? What might the amounts be?

### Mr. Newsome:

It might be for technology. It might be \$10,000 or \$50,000. A Website with business commerce capabilities and special powerful features could be \$50,000. It could return \$250,000 within a year.

#### Mr. Guzman:

We had a company seeking a \$500,000 account. It needed an upgrade and an HD camera. We were able to secure some funding that allowed them to go from 2 people to 14 people and the company is booming now. The business was turned down by other banks. Today, it is thriving.

# Mr. Evans:

When I started my business 16 years ago, the first thing I was doing was real estate development. I received a micro loan for \$5,000. That may not seem like much, but when you are just getting started, just knowing you have that little bit of money in the bank, in case you need it, was very helpful.

One printing company needed to upgrade its printing equipment. We provided the necessary capital so the company is now able to better serve its clients because it is in a position to hire more people and continue to grow.

#### SENATOR HARRIS:

Is the idea around the bill to provide a number of micro loans, as opposed to \$500,000 to one business, so we help a variety of small businesses in Nevada?

#### Mr. Evans:

We need the ability to do both. We have several business owners who need larger amounts to scale their business. There will be a need for micro loans and loans of \$50,000 to \$250,000 to grow in Nevada.

# PAUL MORADKHAN (Las Vegas Metro Chamber of Commerce):

Our chamber was supporting this bill in the Senate Committee on Commerce and Labor. We support allocating \$2 million to help address funding options for small businesses. The Chamber also supports the guidelines and parameters in

this bill. It is the appropriate structure, with the role of the Governor's Office of Economic Development (GOED).

TRAY ABNEY (Director of Government Relations, The Chamber, Reno-Sparks- Northern Nevada):

We strongly support <u>S.B. 126</u>. One of the main things we hear about from our small business members is the need for capital. Business owners of every race, creed, color and gender need this money. Just a little bit of money helps get them started and allows them to flourish.

# GEORGE Ross (Nevada Banker's Association):

We strongly support <u>S.B. 126</u>. It fills a very important need in our State. It is a niche that can lead to many successful businesses. It is also an area traditional banking cannot address.

JOHN WAGNER (Carson City Vice Chair, Nevada Independent American Party): I represent Nevada's third-largest political party. We oppose this, as it is discriminatory against white-owned businesses, which employ minorities and women. They are left out. I heard great stories, and I am not opposing giving money to other groups, other than if it discriminates against white males. I do not support discrimination in any form. Discrimination has no place anywhere in the United States.

#### SENATOR FORD:

I will address the fiscal note. The bill requests a \$2 million appropriation. That is an amount determined appropriate, in consultation with Steve Hill of GOED, for seed funding. This also allows for the receipt of gifts from other entities. We are contemplating that as well.

#### CHAIR WOODHOUSE:

The fiscal note from GOED indicates a total of \$216,921 in fiscal year (FY) 2017-2018 and more in FY 2018-2019. Do you have more information?

#### SENATOR FORD:

That is the amount GOED has placed before us as necessary to administer the program. I have no reason to disagree with them.

#### CHAIR WOODHOUSE:

Do we have anyone here from GOED? I suspect they are at some other meeting.

## SENATOR GOICOECHEA:

Are they assuming the \$216,000 would come out of the \$2 million, or will it be funded in GOED's budget?

## CHAIR WOODHOUSE:

Since this is the initial hearing on it, we will look into that. Senator Ford, can you talk to GOED and give us some updated information? It is not clear in the language we have in the fiscal note.

# **SENATOR FORD:**

I will.

Today happens to be the Diverse Chambers Day at the Legislature. It was not by design, but I do not believe in fortuitousness either. It was necessary for them to be here to testify as to the import of this bill. To the gentleman who testified in opposition, the bill does not discriminate on the basis of race, as small businesses can be owned by anyone. It looks to focus economic development on local small and other minority-owned businesses. I seek this Committee's support.

#### MARK KRMPOTIC (Senate Fiscal Analyst):

The last page of the bill, section 3, subsection 9, indicates after deducting the costs directly related to administering the program, payments of principal and interest on loans made to small business enterprises, minority business enterprises, women-owned business enterprises and disadvantaged business enterprises must be deposited into the General Fund. Fiscal staff will explore this a bit further to see if that covers the cost of administration on the part of GOED, as identified in the fiscal note.

#### SENATOR KIECKHEFER:

I took note of that section as well. To me, it reads that it refers to repayments of loans that are put out, and the principal and interest, but not the initial startup.

#### CHAIR WOODHOUSE:

The hearing on S.B. 126 is closed. We move to S.B. 25.

<u>SENATE BILL 25 (1st Reprint)</u>: Revises provisions governing the organization and functions of the Office of the Attorney General relating to domestic violence and the fictitious address program. (BDR 18-385)

BRETT KANDT (Chief Deputy Attorney General, Office of the Attorney General): I am here to provide a brief overview of <u>S.B. 25</u> and address the fiscal impact of this bill. I also have an abbreviated written statement to submit (Exhibit D).

The core purpose of S.B. 25 is to consolidate four existing statutory Boards that perform important and overlapping functions in responding to the problem of domestic violence in Nevada. We propose to consolidate the four Boards into a single entity that will operate more efficiently and better effectuate the goal of reducing domestic violence in the State. The Boards are administered by the Office of the Attorney General (AG). They include the Victim Information and Notification Everyday (VINE) Governance Committee, which was created under Nevada Revised Statutes (NRS) 228.205 that oversees the VINE system of Statewide automated victim notification. Victims of crimes can use VINE anonymously to be informed of any change in the custody status of the offender who committed the crime against them. Custody status means someone is in a jail, detention facility or the State corrections system, or monitored under parole and probation. In that case, crime victims can use this real-time system to be informed of the offender's status. Victims can then take steps they deem necessary to protect themselves and their families.

The second Board included is the Committee on Domestic Violence (CDV), which was created under NRS 228.470. The CDV was the first of the four Boards, created during the 69th Session in 1997, under the leadership of former Attorney General Frankie Sue Del Papa. It followed the landmark passage of the U.S. Violence Against Women Act of 1994.

The CDV is responsible for certifying and regulating batterers' treatment programs essential to holding domestic violence offenders accountable. When offenders are convicted of domestic violence, they must attend a certified batterers' treatment program to help them change their behavior. The CDV also has some additional responsibilities in this regard.

The third statutory Board that would be a part of this consolidation is the Council for the Prevention of Domestic Violence, codified in NRS 228.480 and create in the 73rd Session in 2005 under the leadership of

Governor Brian Sandoval when he was Attorney General. The Council is responsible for increasing the awareness of the existence of domestic violence in the State, making recommendations for statutory changes to address the problem, providing financial support for programs, and reviewing the administration of the criminal justice system and its response to domestic violence, especially in rural areas.

The fourth statutory entity we are proposing to be part of this consolidation is the Domestic Violence Fatality Review Statewide Teams. Authority for the teams was granted to the AG by the 76th Session in 2011, under the leadership of Attorney General Catherine Cortez Masto. The teams comprehensively and forensically look at the history of a case that unfortunately resulted in a domestic violence fatality. The teams examine what went wrong and where the system failed, and make recommendations for system improvement. When we asked for the authority to convene these fatality review teams, we were focused mainly on rural communities. Washoe and Clark Counties already have the authority to convene fatality review teams. Our goal was to look at the rest of the State and work in conjunction with existing teams.

The VINE Governance Committee was created during the 77th Session in 2013. The four Boards serve critical functions. Their efforts are coordinated in the Office by the domestic violence ombudsman, Arlene Rivera, who does an incredible job in that role.

We are proposing to consolidate these boards because their responsibilities overlap. In many cases, it poses a significant challenge to coordinate their efforts and make sure they complement each other rather than duplicate or become counterproductive to each other. By consolidating them into one entity, they can better focus on a comprehensive response to domestic violence in Nevada. One change is proposed from the current functions. We propose moving the responsibility for the certification and regulation of batterer's treatment programs be performed by behavioral health professionals. They are in a better position to ensure treatment programs are as effective as possible.

The bill is lengthy. Consolidation is accomplished through sections 1, 5, 6, 7, and 29 of <u>S.B. 25</u>. Section 22.5 would transfer the certification and regulation of batterers' treatment programs to the Department of Health and Human Services (DHHS), Division of Public and Behavioral Health. They have the subject matter expertise. The Division has indicated they can do the work

effectively. The Division has also indicated they can take on the function with minimal fiscal impact.

Sections 14 through 18 would transfer administration of the State's confidential address program established pursuant to NRS 217.462 through NRS 217.471 to the DHHS Division of Child and Family Services (DCFS). This program authorizes the issuance of a fictitious address to victims of domestic violence, human trafficking and stalking to further victim safety. The program was transferred to the AG in 2015. After examination, we have reached agreement with DCFS that this could be more appropriately and effectively administered by them.

There is some fiscal impact. We are trying to identify how to address that. We could use settlement funds that come into the AG, if necessary, as a one-time transfer to assist the DCFS with administration of the program. The DCFS has indicated an intent to use grant funding to sustain the program.

The remaining sections of the bill contain no substantive proposals, but make conforming amendments.

# **SENATOR HARRIS:**

You are taking four Boards that had distinct responsibilities. Three were created rather recently, within the last decade. It appears there was some kind of a need for those committees to come into being and not be folded into the existing committees. I want to make sure one board is able to adequately provide the resources, knowledge and reputation to make sure we are adequately addressing domestic violence in the rurals and getting them the resources they need. I am looking for you to give me some confidence one committee will be able to do the work of four and still address the needs.

## MR. KANDT:

We consulted with the Boards and the other stakeholders. There is universal agreement this would actually make these efforts more effective and make a difference where it matters, which is in those communities that suffer from the problem of domestic violence.

I can tell you personally, I have served on three of these entities. I served on the Council for a decade. I served on the VINE Governance Subcommittee for seven years from the time it was launched. We have convened six teams to

conduct fatality review since we gained the authority. Of those six fatality reviews, I sat on three and chaired the last one, last fall. In my own professional judgement, this will be most effective in addressing the problem and using these resources.

### CHAIR WOODHOUSE:

For the record, there is a fiscal note for \$156,000 in each year of the 2017-2019 biennium from the Board of Examiners for Marriage and Family Therapists. There is also a fiscal note from the Secretary of State for \$112,000 in the first year and \$104,000 in the second year of the biennium.

### Mr. Kandt:

Both of those fiscal notes have been removed. The bill, in its original prefiled form, considered having the Board of Marriage and Family Therapists take the batterers' treatment program. After consultation, we understood the Board has its own resource challenges, so that component is now within the Department of Public and Behavioral Health (DPBH). They have the professional expertise in behavioral health, but they also have the resources to take on this function. The Board informed me they will remove their fiscal note as a result of the bill's amendment.

The fiscal note from the Secretary of State is due to language in the prefiled bill that proposed to transfer the confidential address program back to the Secretary of State, where it originally resided, until we took it in 2015. The DCFS will now take on that role instead. It has the appropriate resources to take that function. The Secretary of State's Office has notified me they will remove their fiscal note as a result.

### CHAIR WOODHOUSE:

Would you please contact them to get that in writing for us?

Mr. Kandt:

Yes.

#### SENATOR KIECKHEFER:

Is there someone here from DPBH who might be able to address that?

CODY L. PHINNEY, MPH, (Administrator, Division of Public and Behavioral Health, Nevada Department of Health and Human Services):

We are aware of the intent to have the certification portion of this bill come to DPBH. We have worked with the AG to develop plans that would embed that in some processes we already have in certifying other programs. We do not have a fiscal note on this bill.

SENATOR KIECKHEFER:

Will there be a cost to you?

Ms. Phinney:

The development of the regulations is again something we can embed with our current activities. We do not expect to have a fiscal note on this item.

CHAIR WOODHOUSE:

That is good news.

DANETTE KLUEVER (Deputy Administrator of Administrative Services, Division of Child and Family Services, Nevada Department of Health and Human Services):

Transferring the fictitious address program to DCFS will have a fiscal impact. We cannot absorb that. The fiscal note submitted by the AG looks like it is reasonable to support the costs to DCFS. We are not fully vetted in all the pieces of the bill. We will use fiscal information from the period when the Secretary of State had the program.

CHAIR WOODHOUSE:

Could you give us something in writing about that fiscal impact on your Department?

Ms. Kluever:

Yes.

CADENCE MATIJEVICH (Deputy Secretary for Operations, Office of the Secretary of State):

I confirm the earlier statements that indicate the Secretary of State's fiscal note submitted for the original draft no longer stands with the amendment to the bill removing the Secretary from the provisions of the bill.

CHAIR WOODHOUSE:

I will close the hearing on S.B. 25 and open the hearing on S.B. 66.

**SENATE BILL 66 (1st Reprint)**: Revises provisions relating to work-based learning programs. (BDR 34-254)

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

I will present <u>S.B. 66</u> in its first reprint edition with Manny Lamarre, who is in Las Vegas. This bill fits into a number of K-12 postsecondary transition bills moving through the Legislature this Session. We hear from employers consistently across the State students are not adequately prepared with career skills necessary to thrive in the new Nevada economy. The work-based learning initiative included in this bill will improve students' career readiness skills. Students similarly report they do not have opportunities to access work-based learning.

We modeled <u>S.B. 66</u> off a successful program in Georgia. We use the broader term "work-based" instead of internships and apprenticeships to be more inclusive. The program is entirely voluntary and does not require districts to apply. The first biennium involves a group of districts willing to explore work-based learning and allow the State to learn from that pilot.

The Department expects \$600,000 over the biennium would support the pilot. Money would come from the College and Career Readiness Grant, including a \$2 million increase in the grant, thanks to the "fiscal year 2016-2017 times two rule." The cost would have little impact on existing programs and would expand the State's experience offering work-based learning as a formal way to expose students and employers to real-world learning and career preparation.

The pilot would be established through a competitive grant process beginning with a request for proposals and concluding with selection of grant recipients. The evaluation process will use the New Skills for Youth core team that applied for a grant from the Council of Chief State School Officers and J.P. Morgan Chase. We were one of 10 states that won \$2 million for the work. Up to three recipients could be selected for the two-year grant to establish pilot programs in three areas of the State that reflect Nevada's geographic and regional differences. The number of students impacted

will depend on the applications, but we expect about 100 students to participate.

Eligible uses of funding could include expenses related to a pilot coordinator, facilitation between educators and employers, or part-time staff to carefully structure and sequence the work-based learning activities. This may include summer contract time; supervision of student participants; designing, screening and selecting candidates; expenses related to student participants; dual enrollment; uniforms or specialized wear for students in poverty; and travel.

Existing law allows 11th and 12th graders to receive one elective credit by internship for graduation. The bill would establish a grant-making program and criteria to expand work-based learning across the State. It would be an incubator, with a goal of tapping into the entrepreneurial spirit of our districts, charters, nonprofits and business communities to more fully appreciate what work-based experiences are and how to scale them.

Any available money would go to districts, charter schools and nonprofits. The State Board of Education (BOE) would receive input from Nevada's Office of Workforce Innovation (OWINN) and GOED before prescribing the fields, trades and opportunities the pilot would support.

Section 2 of the bill expands the number of credits and eliminates the limitation on the number of credits a student can earn through work-based learning. It would also remove the age and grade restrictions, because we know work-based learning can happen earlier than in Grade 11. It would prescribe that districts could not make overly-demanding requirements to students. It includes an approval process through the State BOE. It reiterates the intent of the pilot is to inform future policy and budget decisions.

There was no testimony in opposition in the Senate Committee on Education.

#### CHAIR WOODHOUSE:

Since this is a pilot, I think we might be interested in having you come back to the Legislature and the Governor's Office in the 2019 Legislative Session. It would be appreciated if you put together an amendment for that.

#### SENATOR KIECKHEEER:

On page 3, section 2, subsection 3, I see it indicates a district or charter school shall designate an employee to serve as the work-based learning coordinator. Do you expect them to take administrative costs out of the grant? Is that person what the grant is for?

#### MR. BARLEY:

It could be. The \$600,000 could be used to staff up or bring on a new employee. If a district decided not to pursue the work-based pilot, they could designate someone within the district who is already working on internships and such to play that role. It is not a necessary new cost. A designee could fulfill the role. If a district wanted to expand these opportunities, grant funding would be available.

## SENATOR KIECKHEFER:

Is the \$600,000 from the College and Career Readiness Grant?

Mr. Barley:

Yes.

## CHAIR WOODHOUSE:

I would like to call on your supporters.

NICOLE ROURKE (Interim Associate Superintendent, Clark County School District): We are in strong support of this bill. We have worked on internships and work-based learning with our teachers. We look forward to expanding those opportunities for students. Our fiscal note is based on what the costs would be. If we were to do it in every school, we would look at preparation period buyout for coordination at the school level with students. They would be working with students and with businesses, and then tracking program participation.

LINDSAY ANDERSON (Director, Government Affairs, Washoe County School District):

We support <u>S.B. 66</u>. I am happy to have the private sector sitting here with me because one of the challenges we find the most in internship programs is getting the private sector to take high school students. Sometimes there is hesitation from businesses. It will have to be a collaboration to expand this type of program to many more students.

Mr. Moradkhan:

The Las Vegas Metro Chamber of Commerce supports S.B. 66.

SENATOR KIECKHEFER:

What are the federal requirements for the payment of interns?

Mr. Moradkhan:

I believe there are different standards. I would need to get you the exact breakdown.

SENATOR KIECKHEFER:

Please provide that information.

CHAIR WOODHOUSE:

It would be appreciated if you could provide that to our staff.

JESSICA FERRATO (Nevada Association of School Boards;
Nevada Builders Alliance):

Nevada Association of School Boards supports <u>S.B. 66</u>. We appreciate the work done up to this point. It is moving in a good direction.

I am also here on behalf of the Nevada Builders Alliance. From an industry perspective, we are very supportive of this bill. The construction industry looks hard for interns when trying to bring people into the field. Having a segue between high school and an apprenticeship program or others is a great start.

Mr. Guzman:

The Latin Chamber of Commerce supports S.B. 66.

MANNY LAMARRE (Executive Director, Governor's Office of Workforce Innovation):

I worked with the Nevada Department of Education on this bill. I want to highlight that we have an aging workforce. By 2055, we will go from 14.8 percent to 21.3 percent of people who are age 65 and older.

There is a significant cost to young adults who are unemployed. It costs us roughly \$4,100 per young adult. That is mostly due to loss of tax revenue. At OWINN, we work with the Energy Sector Council, a convening of industry employer representatives, including education and labor, to discuss needs of

young adults. One of the biggest takeaways from those discussions is they are concerned about the issues they see with young adults entering the workforce, whether they are out of high school or have a four-year degree.

The Office did a Statewide survey on barriers young adults face in training and employment. They expressed concern that the lack of job function skills they had was strongly attributed to their inability to access training or gain important work experience. One of the consistent quotes we heard from young adults aged 16-29 across Nevada, representing 15 of the 17 counties, was they cannot get experience if every job they apply to requires experience. They want internships and jobs. Senate Bill 66 is aligned to the workforce and economic development initiatives and we strongly support it.

## CHAIR WOODHOUSE:

I will close the hearing on S.B. 66 and move to the work session.

Mr. Krmpotic:

Alex Haartz will cover S.B. 3 and S.B. 37.

ALEX HAARTZ (Principal Deputy Fiscal Analyst):

<u>Senate Bill 3</u> was heard in the Committee on February 21, 2017. It revises provisions governing the Breakfast After the Bell Program.

<u>SENATE BILL 3</u>: Revises provisions governing the Breakfast After the Bell Program that provides breakfast to certain pupils at public schools. (BDR 34-135)

Section 2 of the bill existing requirement removes the the Department of Agriculture must provide written notice to a school that does increase participation by 10 percent. Instead, it requires Department to notify a school if the school has not maintained or increased the provision of breakfast to eligible pupils. Section 3 adds the requirement a school that receives such a notice must submit to the Department a statement identifying the reasons the school did not maintain or increase provision of breakfasts to eligible pupils and provide a plan to increase such participation.

There were no fiscal notes submitted and no budgetary impact was identified by the Department, which is charged with implementing the program. There was testimony provided on the bill. It was presented by Jim Barbee, Department of

Agriculture Director and Donnell Barton, Food and Nutrition Education Division Administrator. Testimony was provided in support of the bill by the Washoe County School District, the Food Bank of Northern Nevada, Clark County School District and the Nevada Association of School Superintendents. There was no neutral testimony nor was there testimony in opposition. The bill was effective July 1, 2017.

SENATOR FORD MOVED TO DO PASS S.B. 3.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We will move to S.B. 37.

Mr. Haartz:

<u>Senate Bill 37</u> makes changes relating to the issuance and renewal of license plates that commemorate the 150th anniversary of Nevada's admission to the Union.

SENATE BILL 37: Makes various changes relating to the issuance and renewal of license plates, which commemorate the 150th anniversary of Nevada's admission into the Union. (BDR 43-232)

The bill was heard on March 17, 2017. There is no fiscal impact on local government. There was a noted fiscal impact on the State. The bill prohibits the new issuance of Nevada 150th anniversary license plates. It also proposes to eliminate the sunset on charging the otherwise established \$20 renewable fee of these license plates after October 31, 2016.

In eliminating the sunset on the \$20 fee, any fee revenue received for the renewal of these license plates is divided equally between the Nevada Department of Tourism and Cultural Affairs, Division of Museums and History, and the Nevada Department of Conservation and Natural Resources, Division of State Parks. The authorized use of the funds, as contained in the bill, is for educational projects and initiatives relating to the history of the

State of Nevada and other projects relating to preserving, promoting and protecting the heritage of the State.

Staff would note this is a budget implementation bill. Revenues are contained in Division of Museums History's and budget Division of State Parks' budget. The amount in the Executive Budget was was reduced slightly overstated and through the budget The Senate Committee on Finance General Government Subcommittee closed the Division of Museums and History's administrative budget April 21, 2017, with \$423,300 in revenue over the 2017-2019 biennium expected to be their 50 percent share of the renewal revenues from the \$20 license fee. The Division of State Parks budget will be heard May 11. Testimony on this bill was provided by Pam Robinson, of the Office of the Governor, and Terri Albertson, Department of Motor Vehicles Director. Testimony in support of the bill was provided by Peter Barton, Division of Museums and History Administrator, and Robert Mergell, Division of State Parks Deputy Administrator. There was no neutral testimony nor was there opposition. The bill is effective July 1, 2017.

SENATOR KIECKHEFER MOVED TO DO PASS S.B. 37.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

We will move to S.B. 38.

**SENATE BILL 38**: Revises provisions governing the State's Central Mailing Room. (BDR 33-129)

Mr. Krmpotic:

Senate Bill 38 authorizes local government and other governmental entities to services of the Central Mailroom use the operated bν the Department of Administration, Division of State Library, **Archives** and Public Records (SLAPR). A fiscal note was submitted bv the Department of Administration indicating the fiscal impact could not be

determined. Separately, the Department indicates higher mail volumes could reduce the per unit costs of all users.

Jeff Kintop of the Division testified on the bill, along with Sue Conn, who supervises the State Mailroom. They indicated the intent was to make State mail services available to local governments. Some services that could be provided include presorting mail, folding and stuffing envelopes. The intent of the bill was to mirror the State Printing Office and its provision of services to outside entities. There was no neutral or opposing testimony on the bill.

# SENATOR KIECKHEFER:

They said they expected revenue generation from this operation. Has that been refined? What is the revenue used for?

#### MR. KRMPOTIC:

Staff has not received any additional information regarding anticipated revenue. Since this is an enterprise account, revenues collected would go into their reserves, and the Division would be required to approach the Interim Finance Committee or the Legislature for expenditure of any of those revenues.

SENATOR GOICOECHEA MOVED TO DO PASS S.B. 38.

SENATOR PARKS SECONDED THE MOTION.

# SENATOR KIECKHEFER:

I will vote no on this bill. It sets up government to compete with the private sector. I do not understand why we are doing that.

THE MOTION CARRIED. (SENATOR KIECKHEFER VOTED NO.)

\* \* \* \* \*

#### Mr. Krmpotic:

Senate Bill 72 was heard in Committee on March 17, 2017.

**SENATE BILL 72**: Revises provisions governing the Merit Award Board. (BDR 23-239)

Peter Long, Division Administrator, Department of Administration, Division of Human Resources Management, testified on the bill. It makes changes to increase the amount of money that can be spent for the operation of the Merit Award Board. Under section 2 of the bill, the limitation for operation of the Board is increased from \$1,000 to \$5,000. The bill was related to budget implementation in that the budget submitted by the Governor for the Board's support exceeded the \$1,000 limitation in statute.

The Committee's General Government Subcommittee approved the Merit Award Board budget at approximately \$1,400 on April 28. The bill is required to implement that budget approval made by the Subcommittee. It also makes some changes and clarifies the awarding of monies under the Merit Award Program. There was supporting testimony from Tyre Gray, representing the Las Vegas Metro Chamber.

SENATOR KIECKHEFER MOVED TO DO PASS S.B. 72.

SENATOR FORD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

\* \* \* \* \*

#### CHAIR WOODHOUSE:

That concludes the work session. We will return to bills starting with <u>S.B. 136</u>. I will turn the chair over to Vice Chair Parks.

VICE CHAIR PARKS:

We will discuss S.B. 136.

SENATE BILL 136: Makes various changes concerning health care. (BDR 18-143)

SENATOR JOYCE WOODHOUSE (Senate District No. 5):

I have prepared a written statement (<u>Exhibit E</u>) regarding palliative care, which is specialized medical care for people facing serious or chronic illness. The bill creates the Advisory Council on Palliative Care and Quality of Life within DHHS.

Tom McCoy (Nevada Government Relations Director, American Cancer Society Cancer Action Network):

The American Cancer Society Cancer Action Network (ACSCAN) provides advocacy and support of the mission of the American Cancer Society. I have provided a fact sheet (Exhibit F) with frequently asked questions about S.B. 136. The goal is to improve the quality of life for any Nevadan of any age who is dealing with any chronic illness, such as cancer. Advances in cancer research continue to provide patients with new and more effective treatments. Therapies do not meet all their needs. If the focus is solely on the disease, the full spectrum of issues that come with cancer are not addressed. Those are issues like emotional distress and physical symptoms, such as pain, fatigue and nausea.

Treating the person and not just the disease is the benchmark of palliative care. While palliative care is in the best interest of the patient, barriers remain to the widespread adoption of such care. We still have providers, and not just patients, who fail to realize palliative care does not equal end of life care. One study indicates 70 percent of respondents and about half of health care providers are not knowledgeable about palliative care.

It is often assumed adding these services leads to increased costs. A study last year showed giving cancer patients a palliative care consultation within two days of hospital admission reduced costs 22 percent to 32 percent. In New York, when palliative care was made available to Medicaid patients, that state saved an average of \$6,500 per patient.

The Nevada Palliative Care and Quality of Life Council will improve quality of life for Nevada's chronically ill and will save healthcare costs for the patient and the payers.

VENETA LEPERA (Market Supervisor, Palliative Care Department, Dignity Health, St. Rose Dominican Siena Campus):

I support of <u>S.B. 136</u>. I am aware this is a fiscal committee, but I want to give some background on palliative care. It is a clinical specialty, an approach to people with serious illness, that focuses on their quality of life. The care makes sure those patients living with serious illnesses have relief from pain and distressing symptoms, and their families get the support they need. It is also rekindling the roots of the healing professions, placing the patient and family,

and what matters to them, at the center of all we do. Palliative care sees the person beyond the disease, representing a paradigm shift in health care delivery.

We have unprecedented growth of an aging population, the failure of standard medicine to recognize and aggressively treat distressing symptoms experienced by seriously ill people, and a widening gap between advanced medical technology's ability to extend life and the quality of life acceptable to the patient and the family. These issues form the context for rapid growth in palliative care and the necessity for education of clinicians and the public to fully understand what we do.

I will move on to the fiscal portion of my testimony. Based on my letter of April 10 (Exhibit G) to the Senate Government Affairs Committee, it would be my honor to provide professional assistance to the State of Nevada Advisory Council on Palliative Care and Quality of Life. That assistance will include the development of a palliative care and quality of life consumer and professional education and information program, and all educational materials. I will work with DHHS's information technology (IT) staff to make sure all information and materials will be posted to the Website. I will also provide administrative assistance to make sure the council and the program function to meet the goal of bringing awareness to this very important clinical specialty.

Nevada clinicians deserve access to quality education and training in palliative care. Coupled with a greater understanding of the services at no cost to the taxpayers, the training is a huge opportunity for the State.

#### **SENATOR WOODHOUSE:**

After our hearing in the Senate Committee on Government Affairs, we talked about how this Council could work. One of the fiscal notes is smaller than originally reported, in part because we were able to take advantage of video conferencing so we do not have travel expenses.

#### SENATOR KIECKHEFER:

Ms. Lepera, is there a certain amount of money you are willing to commit to the effort?

#### Ms. Lepera:

We did not have a specific dollar amount. Dignity Health is willing to invest what is necessary to make this Council successful and meet the goals of the Council. I am willing to put in the time and effort to make it succeed.

### SENATOR KIECKHEFER:

Chair Woodhouse, is the vision to create a new Website or will it be attached to an existing site?

## SENATOR WOODHOUSE:

I understand it would be in addition to the Department's Website. That is why Ms. Lepera will provide the services directly to their IT person.

CARI HERINGTON (Executive Director, Nevada Cancer Coalition):

We concur with the comments made today on this very important bill. We support the bill.

# MIKE DYER (Nevada Catholic Conference):

The Nevada Catholic Conference is the manner in which bishops of the dioceses of Reno and Las Vegas speak on matters of Statewide impact. We very strongly support this bill.

# BARRY GOLD (Government Relations Director, AARP):

You have heard about the importance of palliative care and about how all too often people suffer greatly and needlessly from the seriously illnesses they may have, and not just at the end of life. The fiscal note did not address that the complications, stress and suffering people have without this care can frequently and easily cause them to have readmissions to hospitals, leading to far more costs than that fiscal note may be. Having this Council will reduce readmissions and save money for individuals, insurance companies and the State, by avoiding some hospitalizations. For those reasons and so many more, AARP strongly supports this bill.

JILL BERNSTON (Deputy Administrator, Aging and Disability Services Division, Department of Health and Human Services):

When this bill was first introduced, the DHHS Aging and Disability Services Division put a fiscal note on it. Since then, we received information from Dignity Health about their intentions to support the Council. We have received

clarification about the State's role. We are withdrawing our fiscal note and are prepared to support the Council with existing resources.

BRIAN EVANS (Nevada Health Care Association):

We brought forth the clarifying amendment (<u>Exhibit H</u>) to make sure it does not apply to nonclinical support staff, and clinical staff in touch with patients would be getting the education. We came in neutral and would be in support with inclusion of the amendment.

# VICE CHAIR PARKS:

I will close the hearing on S.B. 136 and open the hearing on S.B. 496.

# SENATOR WOODHOUSE:

I am presenting <u>S.B. 496</u>, which authorizes the Nevada System of Higher Education (NSHE) Board of Regents to issue revenue bonds and other securities for key construction projects on five different NSHE campuses.

<u>SENATE BILL 496</u>: Revises provisions governing the issuance of revenue bonds and other securities by the Nevada System of Higher Education. (BDR S-1083)

I will read from my written testimony (<u>Exhibit I</u>). A representative from NSHE is here and can discuss specifics about the bill's impact.

VIC REDDING (Vice Chancellor for Finance and Administration, Nevada System of Higher Education):

We thank Senator Woodhouse for her assistance in getting us here with this bill. <u>Senate Bill 496</u> increases the ceiling on the principal amount of revenue bonds that may be issued by the Board of Regents to finance self-supporting capital projects, or in the case of the University of Nevada, Reno (UNR), the campus portion of the CIP No.17-06 New Engineering Building (UNR).

Project No. C17-06 — New Engineering Building (UNR)

This revenue bond authorization bill is a relatively standard NSHE request made periodically to the Legislature as campus capital projects that may be good candidates for this type of funding are identified. The bill contains only the authorization for the Board to issue this type of debt in the future, which they may do after fully vetting the project, source of repayment and other funding

options. These bonds are not a general obligation of the State, and therefore not repaid with any appropriated funds. They are serviced by the specific incremental revenues identified by the campus with each project, including special student fees. In the case of dormitories, residence life operations would apply.

The summary sheet on page 1 of the Reference Material from the Nevada System of Higher Education (<u>Exhibit J</u>) lists the NSHE campuses that have or are requesting revenue bond authority and the term of that existing authorization. The shaded column summarizes NSHE's request included in <u>S.B. 496</u>.

Before this Session, the institutions reviewed projects in the pipeline against existing revenue bond authority and other financing options. The College of Southern Nevada, Truckee Meadows Community College and UNR brought requests for more or new authorization.

PATRICIA CHARLTON (Senior Vice President, Strategic Initiatives and Administrative Services, College of Southern Nevada):

Thank you to Senator Woodhouse for introducing this bill on behalf of our students for support of their student union that has been long under development.

#### VICE CHAIR PARKS:

I see no further comment and will close the bill hearing on <u>S.B. 496</u>. I will return the gavel to Chair Woodhouse.

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

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CHAIR WOODHOUSE: Seeing no further business, this meeting is adjourned at 9:38 a.m.			
	RESPECTFULLY SUBMITTED:		
	Felicia Archer, Committee Secretary		
APPROVED BY:			
Senator Joyce Woodhouse, Chair	_		
DATE:	_		

Senate Committee on Finance

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	Α	2		Agenda
	В	7		Attendance Roster
S.B.126	С	6	Senator Aaron D. Ford	Presentation
S.B. 25	D	3	Brett Kandt, Nevada Office of the Attorney General	Presentation
S.B. 136	Е	3	Senator Joyce Woodhouse	Presentation
S.B. 136	F	2	Tom McCoy, American Cancer Society Cancer Action Network	Testimony in Support
S.B. 136	G	2	Veneta Lepera, Dignity Health	Testimony in Support
S.B. 136	Н	1	Brian Evans, Nevada Healthcare Association	Proposed Amendment
S.B. 496	I	1	Senator Joyce Woodhouse	Presentation
S.B. 496	J	8	Vic Redding, Nevada System of Higher Education	Reference Material