

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-ninth Session
May 24, 2017**

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 2:10 p.m. on Wednesday, May 24, 2017, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was 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 David R. Parks, Chair
Senator Mark A. Manendo, Vice Chair
Senator Joseph P. Hardy
Senator Pete Goicoechea

COMMITTEE MEMBERS ABSENT:

Senator Julia Ratti (Excused)

GUEST LEGISLATORS PRESENT:

Assemblyman Tyrone Thompson, Assembly District No. 17

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Policy Analyst
Heidi Chlarson, Counsel
Daniel Putney, Committee Secretary

OTHERS PRESENT:

Dena Schmidt, Deputy Director, Programs, Office of the Director, Department of Health and Human Services
Janise Wiggins, Governor's Consumer Health Advocate, Office for Consumer Health Assistance, Department of Health and Human Services

Senate Committee on Government Affairs
May 24, 2017
Page 2

Eli Thompson, Service Learning Initiatives for Community Engagement in Sociology, Department of Sociology, University of Nevada, Las Vegas; Minority Health and Equity Coalition

José L. Melendrez, School of Community Health Sciences, University of Nevada, Las Vegas; Minority Health and Equity Coalition

Octavio Posada, Minority Health and Equity Coalition

Susan L. Fisher, Aetna, Inc.; American Cancer Society Cancer Action Network; Nevada Orthopaedic Society; Young Men's Christian Association of Southern Nevada

Tom McCoy, American Cancer Society Cancer Action Network; Minority Health and Equity Coalition

Jeff Haag, Administrator, Purchasing Division, Department of Administration

CHAIR PARKS:

I will open the hearing on Assembly Bill (A.B.) 141.

ASSEMBLY BILL 141: Revises the organizational structure and purposes of the Office of Minority Health. (BDR 18-214)

ASSEMBLYMAN TYRONE THOMPSON (Assembly District No. 17):

This bill is a collaborative effort of the Department of Health and Human Services (DHHS), the University of Nevada, Las Vegas, the Minority Health and Equity Coalition, and fellow Legislators. The Legislature approved A.B. No. 580 of the 73rd Session to create the Office of Minority Health with the mission to improve the quality of health care services for members of minority groups, increase access to health care services for members of minority groups, and disseminate information to and educate the public concerning health issues of members of minority groups.

The Office has had difficulties throughout the years and is unfortunately in a standstill due to the loss of a major federal grant, which serves as the Office's primary funding source. Members of the Black Legislative Caucus and the Hispanic Legislative Caucus had meetings with DHHS in the Interim to discuss how to get the Office back on track and, most important, how to sustain it. Richard Whitley and Dena Schmidt, Director and Deputy Director of Programs of DHHS, respectively, were able to identify funding to establish the Minority Health and Equity Coalition to bring stakeholders to the table to give solid recommendations regarding the needs of the Office.

There have been developments since this bill's first hearing in the Assembly. The Manager position in A.B. 141 is critical to the Office and has been deemed an unclassified position. The Assembly Committee on Ways and Means vetted the Manager position aspect of A.B. 141.

Section 1 expands the definition of "minority group" to include racial and ethnic groups. The definition adds groups with disabilities. There are some major needs for our deaf and hard-of-hearing group. The definition also adds the lesbian, gay, bisexual, transgender and questioning community.

Section 3 changes the name of the Office to the Office of Minority Health and Equity. This change aligns Nevada with other states that have offices for minority health. This change makes the Office more inclusive.

Section 5 shows that the Manager position serves at the pleasure of the Director. The Manager position was originally a few levels lower, but now the Manager reports directly to the Director.

Section 7 outlines the composition of the Advisory Committee. We are trying to get a good balance of everyone in the State. We want different stakeholders to add different perspectives to the Advisory Committee.

SENATOR GOICOECHEA:

It looks like there is no funding mechanism in place at this time.

ASSEMBLYMAN THOMPSON:

There actually is a funding mechanism. The appropriate term would be appropriation. After our discussions with DHHS in the Interim, DHHS decided to include funding for the Office of Minority Health and Equity in its budget. We have been strategic with this bill. The Manager position was originally classified, but we wanted it to be unclassified, so we worked that out.

SENATOR GOICOECHEA:

I saw the unclassified part, but there was language regarding the extent to which money was available. Are you telling me funding for the Office is in the DHHS budget?

DENA SCHMIDT (Deputy Director, Programs, Office of the Director, Department of Health and Human Services):

We built the Office into our budget. The Office is funded through our tobacco dollars.

JANISE WIGGINS (Governor's Consumer Health Advocate, Office for Consumer Health Assistance, Department of Health and Human Services):

I supervise the Office of Minority Health. I have members of the Minority Health and Equity Coalition who support this bill.

ELI THOMPSON (Service Learning Initiatives for Community Engagement in Sociology, Department of Sociology, University of Nevada, Las Vegas; Minority Health and Equity Coalition):

I will read from my written testimony in support of this bill ([Exhibit C](#)).

JOSÉ L. MELENDREZ (School of Community Health Sciences, University of Nevada, Las Vegas; Minority Health and Equity Coalition):

We have been working to identify priority areas in regard to bringing the Office back into existence, providing the services it is able to provide and reaching communities that are at risk. The opportunity to serve the diverse population in Nevada is critical. We want to address the issue of access to quality health care. We know the Office can positively impact Nevada's diverse population.

OCTAVIO POSADA (Minority Health and Equity Coalition):

I fully support this bill and urge the Committee to pass it.

SUSAN L. FISHER (Aetna, Inc.; American Cancer Society Cancer Action Network; Nevada Orthopaedic Society; Young Men's Christian Association of Southern Nevada):

We support this bill. The osteopathic physicians look forward to working with the Office however they can.

The Young Men's Christian Association (YMCA) of Southern Nevada has centers in diverse areas of southern Nevada. There are significant health issues in these areas. Preventative medicine is the best medicine, so the YMCA of Southern Nevada supports this bill.

TOM MCCOY (American Cancer Society Cancer Action Network; Minority Health and Equity Coalition):

This has been a health-oriented Session. Some bills will pass, and some will not, but this has been a compassionate Session. Assembly Bill 141 focuses this compassion on an area that needs it. There are population groups in Nevada that are not screened at the rate they should be screened in terms of preventative care. These groups have higher incidence and mortality rates from a cancer perspective. Part of the problem is not having an emphasis on these groups. This bill would add an extra layer of focus on these groups. Each of us would benefit in the long run from the passage of A.B. 141.

MS. SCHMIDT:

Having the Manager be more of a liaison would allow DHHS to ensure we are looking at health equity across all of our policies and programs. The Manager position has been reliant on grant funding. Our State has not invested in minority health. We see funding this position as an investment in minority health, and this would make us more competitive going forward.

ASSEMBLYMAN THOMPSON:

Because the Office has been at a standstill, we are eager to move forward with this bill. More than 40 diverse organizations are a part of the Minority Health and Equity Coalition.

In closing, I would like to acknowledge the late Larry Gamell Sr. He was the first Manager for the Office of Minority Health in 2005. He sat at the table with us a year and a half ago. This bill is a big part of his legacy.

CHAIR PARKS:

I will close the hearing on A.B. 141 and open the hearing on A.B. 480.

ASSEMBLY BILL 480: Authorizes the assessment of an administrative fee on certain public purchases. (BDR 27-899)

JEFF HAAG (Administrator, Purchasing Division, Department of Administration):
I will read from my written testimony in support of this bill ([Exhibit D](#)).

SENATOR GOICOECHEA:

This bill says the fee would not exceed 4 percent, but you are anticipating a 1 percent fee. Would the fee vary between vendors?

MR. HAAG:

The fee would not fluctuate. It would only be assessed on good-of-the-State contracts. Assembly Bill 480 allows us to develop regulations around this. We want the ability to negotiate the fee to determine if it should be assessed on a particular contract.

CHAIR PARKS:

Is the charge on a vendor or a potential vendor?

MR. HAAG:

The fee would be assessed on an awarded vendor. All of the contracts the fee would be assessed to would be available for statewide use. Although the contracts would be procured on behalf of State agencies, we would engage with local governments across the State through the solicitation process to understand their needs and interests. Upon award, they would have access to all of the benefits—goods, commodities and services—that are available as a result of the award.

CHAIR PARKS:

I bought two vehicles from a Reno vendor that had been procured by the State. If another government entity came along and wanted to use this bid, would the vendor pay the 1 percent fee? Would the fee go to the Purchasing Division?

MR. HAAG:

Yes. If the 1 percent fee were assessed to the vehicle contracts you referenced, which are good-of-the-State contracts, the dealerships that facilitated the buys from the contracts would be responsible to provide back to the State a 1 percent fee on the total spend.

CHAIR PARKS:

Did you indicate this is being done in roughly 30 other states?

MR. HAAG:

Yes. Currently, more than 30 states have implemented these fees. They range anywhere from 0.5 percent to 2 percent.

CHAIR PARKS:

Have there been any challenges to the legality of these fees?

Senate Committee on Government Affairs
May 24, 2017
Page 7

MR. HAAG:

There are none I am aware of.

SENATOR GOICOECHEA:

Why are you asking for 4 percent if you intend to assess a 1 percent fee?

MR. HAAG:

We are using language that already exists in statute. The ceiling may be perceived as a little high. I intend to never move beyond 1 percent. Assembly Bill 483 actually moves the Program to Encourage and Facilitate Purchases by Agencies of Commodities and Services From Organizations over to the Purchasing Division.

ASSEMBLY BILL 483: Revises provisions governing the Program to Encourage and Facilitate Purchases by Agencies of Commodities and Services From Organizations. (BDR 27-911)

We wanted to provide continuity between the two bills. If the Committee objected to the 4 percent ceiling, I would entertain lowering it.

SENATOR GOICOECHEA:

Where is the 4 percent in statute?

MR. HAAG:

Nevada Revised Statutes 334.025 allows the Department of Employment, Training and Rehabilitation to assess a fee of up to 4 percent on vendors that award contracts as a result of the Program to Encourage and Facilitate Purchases by Agencies of Commodities and Services From Organizations. The Department of Employment, Training and Rehabilitation is currently assessing a 1 percent fee.

CHAIR PARKS:

I will close the hearing on A.B. 480.

Senate Committee on Government Affairs
May 24, 2017
Page 8

CHAIR PARKS:
I adjourn the meeting at 2:43 p.m.

RESPECTFULLY SUBMITTED:

Daniel Putney,
Committee Secretary

APPROVED BY:

Senator David R. Parks, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	4		Attendance Roster
A.B. 141	C	2	Eli Thompson / Service Learning Initiatives for Community Engagement in Sociology, Department of Sociology, University of Nevada, Las Vegas; Minority Health and Equity Coalition	Written Testimony
A.B. 480	D	2	Jeff Haag / Purchasing Division, Department of Administration	Written Testimony