# MINUTES OF THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS

# Seventy-ninth Session April 10, 2017

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 1:17 p.m. on Monday, April 10, 2017, in Room 2135 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. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> 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 Julia Ratti Senator Joseph P. Hardy Senator Pete Goicoechea

# **GUEST LEGISLATORS PRESENT:**

Senator Kelvin D. Atkinson, Senatorial District No. 4 Senator Yvanna D. Cancela, Senatorial District No. 10 Senator Nicole J. Cannizzaro, Senatorial District No. 6

## **STAFF MEMBERS PRESENT:**

Jennifer Ruedy, Policy Analyst Heidi Chlarson, Counsel Suzanne Efford, Committee Secretary

## OTHERS PRESENT:

David Bobzien, Conservation Chair, Backcountry Hunters and Anglers, Nevada Chapter Judy Stokey, NV Energy

Michael Sprinkle

Shaaron Netherton, Executive Director, Friends of Nevada Wilderness

Pam Stuckey, Nevada Conservation League

Kathleen Lauckner, Ph.D.

John Hiatt, Conservation Chair, Red Rock Audubon Society

Pam Harrington, Trout Unlimited

Robert Buntjer, Chair, Board of Directors, Nevada Conservation League

Willie Molini, President, Nevada Waterfowl Association; Director, Coalition for Nevada's Wildlife, Inc.

Karen Boeger, Director, State Chapter, Backcountry Hunters and Anglers; Director, Coalition for Nevada's Wildlife, Inc.

Betty Gallifent, Las Vegas Inspiring Connections Outdoors

**Eric Roberts** 

Mauricia Baca, Executive Director, Outside Las Vegas Foundation

Brian Beffort, Director, Toiyabe Chapter, Sierra Club

Kurt Kuznicki

Will Adler, Pyramid Lake Paiute Tribe

Jeff Fontaine, Executive Director, Nevada Association of Counties

Rusty McAllister, Nevada State AFL-CIO

Michelle Kim, Clark County Education Association

Ron Dreher, Peace Officers Research Association of Nevada; Reno Police Protective Association; Nevada Law Enforcement Coalition; Washoe School Principals' Association

Chris Daly, Nevada State Education Association

Cherie Mancini, President, Service Employees International Union Local 1107 Nevada

Michael Ramirez, Las Vegas Police Protective Association Metro, Inc.; Southern Nevada Conference of Police and Sheriffs; Nevada Law Enforcement Coalition

Rick McCann, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition

Thomas Dunn, Professional Fire Fighters of Nevada

Kent Ervin, Ph.D., Nevada Faculty Alliance

Tray Abney, The Chamber

Wes Henderson, Nevada League of Cities and Municipalities

Nicole Rourke, Clark County School District

Scott Davis, Deputy District Attorney, Office of the District Attorney, Clark County

Peggy Lear Bowen

Patrick Cates, Director, Department of Administration; Chair, Public Employees' Benefit Program Board

Marlene Lockard, Retired Public Employees of Nevada

Priscilla Maloney, American Federation of State, County and Municipal Employees Local 4041 Retirees

Marty Bibb

Damon Haycock, Executive Officer, Board of the Public Employees' Benefits Program

Jeff Haag, Administrator, Purchasing Division, Department of Administration Justin Jones

Cynthia Thompson, President, Urban Seed Inc.

Bryce Krausman

**Emily Brubaker** 

Rachel Wenman

Jodi Tyson, Three Square Food Bank; The Food Bank of Northern Nevada

Tyson K. Falk

Brian Harasha

Jolene Mannina

Jared Fisher

Brian McAnallen, City of Las Vegas

## **CHAIR PARKS:**

We will open the hearing with the work session on Senate Bill S.B. 136.

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

JENNIFER RUEDY (Policy Analyst):

I will present S.B. 136 from the work session document (Exhibit C).

SENATOR MOVED TO DO PASS AND REREFER <u>S.B.136</u> TO THE SENATE COMMITTEE ON FINANCE.

SENATOR HARDY SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## CHAIR PARKS:

The next bill in the work session is S.B. 137.

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

#### Ms. RUEDY:

I will present <u>S.B. 137</u> and its Proposed Amendment 3187 from the work session document (Exhibit D).

Section 3 on page 4 of Proposed Amendment 3187, <u>Exhibit D</u>, page 5, provides more flexibility to the agencies in implementing this act.

## CHAIR PARKS:

My understanding is, even though the fiscal note has been removed, the sponsor of the bill is asking that it be rereferred to the Senate Committee on Finance.

SENATOR MANENDO MOVED TO AMEND AND DO PASS AS AMENDED AND REREFER S.B. 137 TO THE SENATE COMMITTEE ON FINANCE.

SENATOR RATTI SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## CHAIR PARKS:

That concludes our work session. We will open the hearing on S.B. 413.

SENATE BILL 413: Establishes "Public Lands Day" in the State of Nevada. (BDR 19-772)

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

<u>Senate Bill 413</u> declares the last Saturday in September to be "Public Lands Day" in Nevada.

The Nevada Conservation League has submitted a friendly amendment (Exhibit E).

The "whereas" clauses in <u>S.B. 413</u> describe the history of public lands at the national level, which dates back over 20 years. Colorado is the first state to

declare a public lands day. It is fitting that Nevada be the second state to declare a public lands day because it has the highest percentage of public lands in the continental Unites States. It is blessed with an endless array of forests, mountains, deserts and everything in between.

Having grown up in Nevada and having been born and raised in Las Vegas, I am honored to be here today to talk about public lands and our ability to enjoy them. In addition, I spent my college years in northern Nevada and I have relatives who live Yerington. I have had the pleasure of experiencing not only the natural beauty that exists in southern Nevada but also the natural beauty that exists throughout this State. I am a proud born and raised Nevadan. This bill is important for all of those people who are growing up here and want to experience all that the outdoors has to offer.

The amendment notes that public lands in Nevada include a wide variety of designations, including three national conservation areas, three national monuments, three national wildlife refuges, two national recreation areas and Great Basin National Park along with portions of two national forests, wilderness areas and miles and miles of other public lands.

There is something for everyone in that menu, whether you camp, hike, hunt, swim, bike, rock climb, ride horses or off-highway vehicles, bird watch, or simply seek the solace that can only be found outside in a beautiful setting away from the hustle and bustle of everyday life.

The amendment emphasizes what an important role our public lands play in preserving our cultural heritage, be it petroglyphs, the ruins of a mining camp or Basque tree carvings.

From a more practical perspective, it is vital to acknowledge the economic benefits gained from our abundant public lands. This is not just about enjoying the beauty, it is also about what this beauty brings to our State.

People come from all over the Country and the world to experience the wide-open spaces we call home and sometimes take for granted. Further evidence of the importance of our public lands can be found in their visible role in the marketing campaigns of the Division of Tourism, Department of Tourism and Cultural Affairs. This is why so many people decide to visit Nevada. It is an important part of what this State has to offer.

Outdoor recreation translates to nearly \$15 billion in consumer spending, 148,000 direct jobs for Nevadans and \$1 billion in tax revenue. When we discuss public lands, it is not just about enjoying hiking, or bike riding, or experiencing public lands with friends and family. The discussion is also about the economy of this State and what it provides for individuals who want to come here and what they in turn provide to our businesses and industries.

In short, public lands are good for business. This bill firmly rejects any efforts to transfer public lands to State or private control. Instead, we should celebrate and promote this incredible asset that will pay dividends for us, our children and generations to come.

The bill establishes the last Saturday in September as "Public Lands Day" in Nevada Revised Statutes (NRS) 236, and requires the Governor to issue a proclamation every year encouraging the observance of "Public Lands Day." The Governor's proclamation must include a call to organizations, public and private, to promote the day and recognize the value of public lands in Nevada. The proclamation will encourage all Nevadans to get outside and volunteer to keep our public lands beautiful.

One of the reasons it was important for me to present this bill this Session, especially because I was born in and raised in Las Vegas, are statements that the only things in Nevada are casinos and gambling. I have disagreed with those statements for a long time. This bill is an important step in doing public outreach to let people living in cities know that there are beautiful monuments and outdoor areas to enjoy and not just casinos and gaming. I am proud to present this bill because I have been arguing with people about the beautiful State of Nevada my whole life. This is a great way to celebrate that and make it something of which our State can be proud.

DAVID BOBZIEN (Conservation Chair, Backcountry Hunters and Anglers, Nevada Chapter):

I have submitted a letter supporting <u>S.B. 413</u>, explaining what Backcountry Hunters and Anglers (BHA) is all about ( $\underbrace{\text{Exhibit F}}$ ) and a photo presentation ( $\underbrace{\text{Exhibit G}}$ ).

As stated in the preamble of the bill, public lands in Nevada are incredibly diverse, from high alpine lakes to Joshua tree stands in the Mojave Desert and aspen groves of the Great Basin. Often, these lands contain clues to those who

have gone before, whether ancient civilizations or more recent homesteaders who have left traces for us to find.

While BHA supports public lands and their importance to Nevada sportsmen as habitat and open country, America's public lands provide multiple uses and offer many different values to Nevadans. They are economically valuable to the mining and ranching industries and to outdoor recreation as you see in the preamble in the amendment, <a href="Exhibit E">Exhibit E</a>. The source for those numbers is a 2012 report from the Outdoor Industry Association.

National Public Lands Day, Exhibit G, page 4, is an event that many Nevadans celebrate. As Senator Cannizzaro stated, this started in 1994. Nevada has quite a tradition of public lands day projects as you can see. These images are from northern and southern Nevada. The top image is Bitner Ranch in northern Washoe County near the Sheldon National Wildlife Refuge. That country is unique and a part of Nevada that few people get to see. That is an old homesteading cabin that has been restored through many projects by many different organizations.

A number of projects are featured here in southern Nevada. The bottom right and the bottom middle left pictures, <a href="Exhibit G">Exhibit G</a>, page 4, are of a project that I have been involved in through support from the NV Energy Foundation. The Foundation supports returning veterans in the conservation corps to get out on the land and provide stewardship and work with volunteers on public lands day. Public lands day is recognized nationally as the last Saturday in September. These projects are about partnerships, bringing new people onto the land and working together in a volunteer spirit to give back to these public lands that belong to all of us.

The partnerships that are celebrated through public lands day are essential for ensuring that America's treasured landscapes exist for the enjoyment of future generations of our State. Passage of <u>S.B. 413</u> is Nevada's way of honoring the importance of public lands and the partnerships vital to their stewardship, now, and for years to come.

The picture on the right, <u>Exhibit G</u>, page 5, is of a young woman from Las Vegas, involved with the After-School All-Stars, who had a trip out into a special place in the Mojave Desert. These are landscapes that, but for people working together in partnership, no one would ever get a chance to see. These

lands belong to her as much as they do to me, members of this Committee and all of us as Americans. This bill is about that.

#### SENATOR RATTI:

Senator Cannizzaro, did you speak to the amendment, Exhibit E?

#### SENATOR CANNIZZARO:

The amendment discusses some additional clauses that talk about our public lands and why they are so important. That was discussed in the context of my comments about why this is important for our tourism and why this is something that will help us preserve our cultural heritage. That is the substance of this amendment.

There is a summary on the amendment, <code>Exhibit E</code>. It adds the enumerated public lands designations found in Nevada. It adds a passage recognizing the cultural heritage protection afforded by public lands. It adds the economic data that I spoke of earlier. It adds a passage recognizing Nevada's enabling act and constitutional ordinance statements on future state claims to the public lands of the federal estate. It makes small changes for transitory purposes. It changes "may" to "shall" in section 1, subsection 2 of the amendment. Part of the Public Lands Day mission is to ensure that we are not just declaring a day that goes unnoticed. It is part of a proclamation that calls upon organizations and individuals to get out, enjoy the public lands and engage in activities.

# SENATOR HARDY:

The bill says, "may" but the amendment says, "shall." Is that the only substantive difference?

## SENATOR CANNIZZARO:

That is the major substantive change to the bill. It also includes some changes to the "Whereas" clauses in the bill which include the economic benefits and that we are trying to preserve our public lands.

#### SENATOR HARDY:

Because "whereas" does not count, is "shall" the only substantive difference?

## **SENATOR CANNIZZARO:**

Section 1, subsection 2 says, "The proclamation may ....." That changes to "shall." Section 1, subsection 2, paragraph (b) says "Recognize the economic,

scenic, historical ... ." Two words, "scientific" and "aesthetic," are added there. That is the substance of the amendment to the bill with the exception of the "whereas" clauses.

## CHAIR PARKS:

"Whereas" is always helpful in stating a position.

# JUDY STOKEY (NV Energy):

NV Energy supports <u>S.B. 413</u>. One of our core principles is environmental respect. We have worked with the organizations Mr. Bobzien mentioned and many others to better our environment. We do much work with the NV Energy Foundation.

## MICHAEL SPRINKLE:

In 1938, Franklin D. Roosevelt stated that the only real capital of the Nation is its natural resources and its human beings. So long as we take care of and make the most of both of them, we shall survive as a strong and successful Nation.

The establishment of a Public Lands Day will help celebrate the improvements to our Nation. Not only do public lands and wilderness protect the vitality of the natural world, they also help us cultivate the human spirit and bring happiness and life to Nevadans. This will strengthen us as a prosperous community.

As a native Nevadan who has grown up in the hills of Nevada, I suggest we need a day to celebrate the lands and natural treasures we have. Let us celebrate this heritage. As natural scientist, Alexander Von Humboldt—after whom the Humboldt River is named—said the philosophical study of nature endeavors, in the variation of phenomenon, to connect the present with the past.

Shaaron Netherton (Executive Director, Friends of Nevada Wilderness): We support <u>S.B. 413</u> as amended. I have submitted written testimony (<u>Exhibit H</u>) and information on the accomplishments of the Friends of Nevada Wilderness (<u>Exhibit I</u>).

At this moment, students from the University of Nevada, Las Vegas (UNLV), and the College of Southern Nevada (CSN) have given up their spring breaks to volunteer for public lands in southern Nevada. They are spending the entire

week on a project on public lands sponsored by Barrick Gold. We are grateful for its sponsorship to get young people out to enjoy these places and to develop the community spirit of giving back.

Many other groups and organizations have volunteers who give back to public lands in many ways. I would like to ask for a show of hands of who in the audience are supporters of public lands.

#### CHAIR PARKS:

That goes for southern Nevada too. We saw a good show of hands.

## Ms. Netherton:

We are grateful for Nevada's nonpartisan spirit of giving back to our communities and our public lands. We support the Nevada Legislature recognizing the importance of America's public lands in Nevada and our public land volunteers who give so much.

# PAM STUCKEY (Nevada Conservation League):

I support <u>S.B. 413</u>. Public lands have a wide variety of purposes, from contributing to the economy to being an important part of our heritage. They provide a place for all Americans, not just the wealthy few, to play. America's system of public lands is open to everyone no matter how rich or poor. Public lands reflect many of our democratic ideas, such as equality and liberty. They are part of our natural heritage. America boasts 397 national parks, 103 national monuments and 757 wilderness areas. Our public lands are part of our collective memory as a Nation.

## KATHLEEN LAUCKNER, Ph.D.:

As a long-time professor of environmental science at UNLV, the community college and CSN, I ask that you promote <u>S.B. 413</u> and our public lands. Keep public lands closer to the city so students can enjoy them, especially the lands around our valley and in Las Vegas.

Our UNLV and CSN volunteers are out there giving up their spring break. Public Lands Day will give us the opportunity in the classroom to expand what our public lands do for us, and what an educational vista they are for our students. Because I am in education, and education is connected to our environment, I also teach public health, and for the sake of our public health, we love to go out to our public lands. Please support S.B. 413.

JOHN HIATT (Conservation Chair, Red Rock Audubon Society):

One of the reasons I moved to Nevada and Las Vegas more than 40 years ago was because of the public lands. I continue to enjoy and marvel at the amount of public land in Nevada. When I explain to friends in other states how much land we have and that it is all available, mostly at no charge, for hunters, hikers and for others who enjoy the outdoors, they are astounded.

I would like to endorse this bill formally. It is time for the State to express its support publicly for the federal lands that we all enjoy in Nevada.

## PAM HARRINGTON (Trout Unlimited):

How many people have fired a firearm on public lands, caught a fish or have a good friend or family member who makes a living in ranching or mining, all because of our public lands? I mention this because public lands are important. Public lands define Nevada to my little community and me. It is everything. I want to thank you for even considering having a positive message to celebrate our public lands.

We do not even know what kinds of opportunities they are going to provide to future Nevadans. There are things that we have not even thought about yet. I just want to thank you for thinking about that, and I hope you can feel good about passing this bill in the Seventy-ninth Session of the Legislature.

ROBERT BUNTJER (Chair, Board of Directors, Nevada Conservation League):

I have been a part of this State for 54 years, from a little boy in Indian Springs to a grown man here in Reno. I want to share what my 14 grandchildren and 6 children will be able to enjoy in the future by recognizing this scheme. Home means Nevada. The point is for us to recognize Nevada and with what we pride ourselves. Our public lands need our support and your consideration.

I would like to thank the sponsor for bringing this bill forward for us and for the group of people who are behind me who support this bill. Thank you for your time, energy and effort in considering this and remember what this State means to you.

WILLIE MOLINI (President, Nevada Waterfowl Association; Director, Coalition for Nevada's Wildlife, Inc.)

The public lands in Nevada form the foundation for the abundant wildlife populations we enjoy. Public land is critically important as wildlife habitat. The

State has an excellent working relationship with the federal agencies that manage our public lands. I can assure you that the sportsmen of this State are strong supporters of public lands. This bill is right on the mark in terms of recognizing the value of public lands to the people of Nevada.

KAREN BOEGER (Director, State Chapter, Backcountry Hunters and Anglers; Director, Coalition for Nevada's Wildlife, Inc.):

I am so happy and thankful to the sponsors for the possibility to celebrate Nevada's public lands. To me, they are the bedrock of our democracy. For 50 years, I have participated democratically in all of the processes we have to fight as a stakeholder of the public lands for what concerns me. We have plenty of complaints about management and disposals, but we have a legal public process for that.

This will give us an opportunity for one day out of the year to say we are together on this celebration of what we care about, what we are working for, our public lands. I urge you to please pass this bill unanimously to express that Nevadans of all political stripes embrace, value and celebrate this wealth of public lands, our free and open opportunities for multiple use recreation and speaking up on what we care about.

BETTY GALLIFENT (Las Vegas Inspiring Connections Outdoors):

I support <u>S.B. 413</u>, Public Lands Day. Las Vegas Inspiring Connections Outdoors (ICO) is an all-volunteer outreach program of the Sierra Club. Our mission is to provide outdoor adventure and environmental education to urban youth who might not otherwise have these opportunities.

Many young people who go on our trips have never experienced the natural outdoors and neither have their parents. What they know about nature they might have learned from television or online. This nature deficit particularly affects low-income communities and communities of color. Those are our target populations.

The job of ICO is to open access to our public lands to people of all classes, races and abilities. When these young people get out on the trail for the first time, what do they experience? If they are at Red Rock Canyon, they might see water running over a natural waterfall or down a creek bed. At Lake Mead, they might go through a slot canyon that is so narrow that they can touch the walls

with both hands. At Mount Charleston, they can hug a 150-foot-tall ponderosa pine that smells like butterscotch.

What are we hearing from them on these hikes? Here are some quotes: "Today I conquered my fears and it was the best day ever," and "I didn't think I'd get this close to nature, but I did today. I'll definitely be back." One student, referring to the quiet and solitude on the trail, said, "I never heard this before, ever."

Here in our city of 2 million people, we have public lands at our doorstep. However, large portions of our urban dwellers still do not know that. Programs like ICO are opening that door of opportunity for more families that are underrepresented in our public spaces.

We want to join with others who are here today to promote the establishment of Public Lands Day that would collectively raise awareness of all the public spaces in Nevada. The strongest environmental stewardship begins with our youth, because early childhood impressions are imprinted so strongly and so deeply. As young residents of this city, of this State and the West in general, they have the responsibility that their counterparts in eastern states do not have, to learn about these public lands and learn how to work actively to preserve them for the next generation. Raising awareness that public lands are even here is the first step.

## **ERIC ROBERTS:**

I am the vice president of SHR Architecture in Las Vegas. You may wonder what an architect, who has a job of introducing the man-made into the world, would have to do with public lands.

In 2007, a recession began in this Country. I was president of the American Institute of Architects, Las Vegas Chapter, and later served as the president of the American Institute of Architects, Nevada Chapter. During the years of the recession, we experienced nearly 73 percent unemployment in the architectural sector in this State. We lost valued employees to other locations, other lines of work where they could sustain their families.

As we have come out of the recession, the need now is to find employees who work and can do the jobs we need done in architecture, both publicly and privately. One of the concerns we have is fighting against the very successful

marketing campaign by the tourism board in Las Vegas that says "what happens in Vegas stays in Vegas."

That type of marketing leads to the comments mentioned before by Senator Cannizzaro, that there is nothing in Nevada but casinos and adult entertainment. There is nothing for anyone who wants a family, a serious career or a place to grow and call home. I know differently. I know that Nevada is its public lands. It is an American heritage that we are watching over and keeping. By speaking to those things, by celebrating those things, we are able to attract world-class talent that is necessary to the lifeblood and to the sustaining of our communities for proper, smart growth in Nevada. Not just in the cities, but in the rural areas also.

In order to benefit from the planners, architects and engineers who train around the world, we need to attract the best. Nevada deserves that. Our schools cannot produce enough professionals to staff the firms that are here. As our baby boomers retire, there will be a continued deficit unless we can find a way to attract those who are serious about business.

Public lands are fantastic for business. I celebrate public lands when I am speaking to a future employee. We can hike and find the solitude of a bristlecone forest on our doorsteps. We can see something that has grown and has been living since the time of Christ. There are places in our great public spaces where we can see the vestiges of people who came before. We invite all from around the world to come and see them and experience them because we celebrate them and we care for them.

MAURICIA BACA (Executive Director, Outside Las Vegas Foundation):

I echo the sentiments just stated by my colleagues. I would like to add a couple of other elements. First, there is the element of our growing ecotourism industry in terms of what public lands bring to our economy. Public lands and outdoor recreation generate \$14 billion per year and provide 150,000 jobs. It continued growing even during the economic downturn. It can continue to grow for Nevada as long as we support and nurture the outdoor recreation element.

In addition, as Mr. Roberts noted, growing our economy is a quality of life issue also. We can celebrate public land to attract architects and other professionals to come to Nevada and to retain the talented people who are already here. Our public lands are one of Nevada's best least-used assets. Too many people, as

Senator Cannizzaro noted earlier, are unaware of the fact that Nevada has an astounding range of places from mountains to rivers, everything from a basic picnic and little walk in the park all the way to kayaking and climbing. It is time for Nevada to celebrate this.

As was noted earlier, we also need to celebrate public lands for what they can bring to our future. Young people need our public lands. We need to recognize the importance of our public lands, both for what they are as our natural legacy and for the outdoor classrooms they provide. It is a place where you can see science, technology, engineering, mathematics, history and English unfolding in front of you.

Every year, the Outside Las Vegas Foundation brings young people to celebrate public lands. Last year, 3,400 young people worked with us through 107 field trips. These are children from the Clark County School District, the Boys and Girls Clubs, the After-School All-Stars, Big Brothers, Big Sisters and numerous other after-school programs. Many of them have not been able to connect with these places. However, all of them left with inspiration. This is something that can drive them forward into the future.

Because of our ecotourism, our growing outdoor recreation economy, our quality of life and what we can do to continue to build and strengthen our community for the future and the legacy of our young people, I urge you to support <u>S.B. 413</u> and Public Lands Day so Nevada can celebrate our public lands.

#### SENATOR MANENDO:

It is good to see you again. I had a good time cleaning up the Sunrise trailhead on Saturday morning even though we were blown across the desert. It was so windy. It is always worth it. It is so sad to see so many people out there destroying our beautiful wetlands and our trailheads. It is just a shame, but we are going to keep on it. I appreciate what you and Outside Las Vegas do for southern Nevada and the State.

BRIAN BEFFORT (Director, Toivabe Chapter, Sierra Club):

I represent our 5,000 members in Nevada. I speak in support of <u>S.B. 413</u> and the amendment offered by Senator Cannizzaro. I would like to offer a healthy "us too" for all of the comments on recreation, archeology, history, science, getting kids outdoors, and all of that.

I would like to add one other perspective. Every community needs infrastructure. When we use that word, most people think of bridges, buildings, and water and sewer lines, what you might call grey infrastructure. However, this bill gives us the opportunity to think about, celebrate and protect what some people call green infrastructure. For example, Las Vegas exists largely because the Spring Mountains reach up into the sky and grab the snow, which melts and recharges the aquifers that flow down into the community.

Likewise, Reno and Carson City exist because the Sierra Nevada Mountains capture the snow, which in turn flows down to our communities in the form of the Truckee and Carson Rivers. Every other community in this State can thank the same thing. These waters are relatively clean. They are clean as these watersheds are undeveloped and unspoiled. All of these watersheds are largely public lands, which means that our clean water comes from public lands. Additionally, our clean air comes from the forests on our public lands. Our healthy wildlife populations come from largely intact habitat on public lands.

Public Lands Day brings our citizens together to have a chance to get to know each other, work together, and work with our land management and wildlife management agencies on our common ground, facing the challenges in managing those common grounds. All of those are the best forms of local control and management that I can imagine, and the best forms of land management that I can imagine. The investment in green infrastructure is at the very foundation of the health, quality of life and prosperity in our communities.

I have submitted written testimony supporting <u>S.B. 413</u> (<u>Exhibit J</u>).

## KURT KUZNICKI:

I am a local landscape photographer. I want to thank you and I echo the words of Mr. Bobzien. I am here today to represent my grandson, a third-generation Nevadan. He could not be here today because he is in daycare; however, I want him to have a future with public lands. I want him to be able to hunt and fish and hike just like the other generations in our family have been able to do.

Most important, I am here to tell you about the value of the day. I do not know if you have ever been on a public lands day project, but it is magical. People who have never used a shovel, maybe never used a pick, get to go out and do something for America, for the lands we all treasure. It does not matter what side of the aisle you are on, whether you are a Republican or a Democrat. These

lands belong to all of us. I want my grandson to look at public lands as America's public lands, not as Democratic or Republican public lands. They are not about that.

I want him to see the value of hard work and giving back to the community. Public Lands Day is all about that.

WILL ADLER (Pyramid Lake Paiute Tribe):

The Pyramid Lake Paiute Tribe would like to say thank you for acknowledging public lands. They are important to their community. It is not just tribal reservations; it is the public lands surrounding them that make a contiguous route for them to move through because their lands are not always in one solid chunk.

Public lands have historic value, as the amendment stated, not just because of the people here today or the people that were here in the last 200 years. Some of the oldest Native American artifacts in the Country are found in central Nevada. Drawings and carvings on cave walls are thousands of years old.

Thank you for acknowledging our public lands. On a personal note, I did not know how much public lands did for me until I left Nevada. I have been to other states and I missed it. It is incredible to come back to Nevada and be able to go off road or go for a hike and not have to stop and ask someone to open a fence. You miss public lands when you do not have them. I support this bill.

JEFF FONTAINE (Executive Director, Nevada Association of Counties):

We are neutral on <u>S.B. 413</u>. I want to address the language on page 2, line 21 of the bill, which reads, "Whereas, Efforts to transfer the federal public lands in this State from the people of the United States into state or private control are contrary to the democratic values of the United States ... ." I have spoken to the bill's sponsor about that provision and I understand the intent. However, to the extent that the "Whereas" matters, I would just point out that land transfers have occurred in the past have enabled the State and its communities to develop and its economy to grow.

There are numerous examples of that. The Nevada Land Transfer and Authorization Act of 1989 transferred 20,000 acres for the Apex Project in southern Nevada. Recently, the Lyon County Economic Development and Conservation Act transferred 48,000 acres for economic development, and the

Southern Nevada Public Land Management Act of 1998 allows the Bureau of Land Management to sell public land within a specific boundary around Las Vegas. These kinds of transfers were not necessarily intended in that "Whereas," but the way it reads now, it would include all land transfers.

#### CHAIR PARKS:

We have received letters supporting <u>S.B. 413</u> from Carl Erquiaga (<u>Exhibit K</u>), Northern Nevada Safari Club International (<u>Exhibit L</u>), Jocelyn Torres (<u>Exhibit M</u>), Les Smith (<u>Exhibit N</u>) and two petitions submitted by Shevawn Von Tobel, Keep Public Lands in Public Hands (<u>Exhibit O</u>) and Support our Public Lands in Nevada (<u>Exhibit P</u>).

That concludes the hearing on  $\underline{S.B.~413}$  and we will open the hearing on S.B.~356.

SENATE BILL 356: Revises provisions relating to collective bargaining. (BDR 23-1132)

SENATOR KELVIN D. ATKINSON (Senatorial District No. 4):

<u>Senate Bill 356</u> turns back the clock on collective bargaining to the way it was in 2013 before the enactment of S.B. No. 241 of the 78th Session. It is important for the Committee to understand the seriousness of the unintended consequences of S.B. No. 241 of the 78th Session. While there is a long list of negative outcomes, I will only mention a few.

Perhaps one of the worst impacts was the pay freeze that affected over 1,600 county employees simply because their anniversary dates fell between June 1 and August 24. That is nearly one-third of the entire bargaining unit. Another unfair result was the need for the union to take Clark County to court over its decision to freeze or withhold pay increases based on its interpretation of S.B. No. 241 of the 78th Session.

While the union won one case and successfully settled another, victory came at a cost to those employees who received lump sum payments because they were put in a higher tax bracket and to those who would never sue over the County's retroactive calculations or that annual adjustments were done correctly.

The provisions of S.B. No. 241 of the 78th Session that made union leave contingent upon concessions at the bargaining table damaged the ability of union leaders to participate effectively in the ongoing negotiations. It seemed hypocritical, to say the least, since county employees continue to be able to participate while receiving their public salaries.

## RUSTY MCALLISTER (Nevada State AFL-CIO):

I am in a unique position because I worked with Senator Michael Roberson on S.B. No. 241 of the 78th Session to try to salvage some of the things that were already in statute. I supported it. We were led to believe that many of the provisions in the bill would speed up negotiations, make the process timelier and not place us in a situation where we would be delayed in getting a contract completed. Many of these provisions would not really matter because we would be so fast in getting contracts completed. However, the exact opposite has happened. Instead of speeding up, it has slowed down the negotiation process. A certain law firm in the State sent a letter to all local government employers telling them what they should do immediately to their local employee organizations the day after the Governor signed S.B. No. 241 of the 78th Session.

Some of the provisions of <u>S.B. 356</u> address teachers and administrators. I am not an expert on those issues. I will defer to others to discuss them.

Section 1 of <u>S.B. 356</u> says that if a complaint arises due to a violation of the provisions of this bill, the Local Government Employee-Management Relations Board (EMRB) will hear the complaint within 45 days. The EMRB does the best it can do. Unfortunately, it is very busy and that is not taking place.

In section 2, subsection 2, paragraph (e), the language that is deleted would deal with union business leave. There is a provision later in the bill that talks about union business leave or leave provided.

Section 3 is the "evergreen" clause that was in contracts. The contracts said that they would continue until a new contract was agreed upon. This was put in in the hope that it would speed up the negotiation process. The problem was that the employee organizations were not delaying. In many cases, it was the employers. Now that this is taken out of the statute, there is no incentive for local government employers to negotiate. Why would they? For every day that they delay, they are saving money. They do not have to pay raises, longevity or

anything else. They are saving money so they drag it out for an extended period.

People who get a raise or a promotion do not get the raise even though they get the job. If it is delayed a year or more while they still have that promotion, they never see that promotional increase. There is no provision for the increase to be retroactive to the date of the promotion. They are out that pay.

Sections 4 and beyond deal with schoolteachers and administrators, their probationary periods and how much salary they can or cannot make. I spoke with the lobbyist for school administrators. He said that they have another bill that they are working on that has better language than this. The language is not tied to a financial number as much as it is tied to either a specific job duty or job specification, which is clearer than a salary.

The other issue in the bill deals with union business leave. Senator Michael Roberson allowed us to amend that part of S.B. 241 of the 78th Session that said that if you gave up a concession equal to the cost of union leave, then you could have the union leave. However, during the negotiation process, everything has a dollar value. In anything that is negotiated, the local government will say if we do this, this is how much it costs and how much you are willing to give up. Those who already had union leave in their contracts prior to this had already given up a concession. Nobody gets something for nothing. We asked to have that amended into the bill for those who already had negotiated it in their contracts and given up some concession in some form or another.

Since then, many government employers have said no that is not the case. That is not how they interpret that. Nothing indicates that you gave up something. Again, no one gets something for nothing. In the negotiation process, you always have to give up something to get something. Senate Bill 356 would remove that provision and put the union leave ability back into the statute.

#### SENATOR GOICOECHEA:

In section 1, we deleted the 45-day requirement and have rolled back to 180 days. Is that correct? The EMRB may hear and determine any complaint arising.

#### MR. MCALLISTER:

Yes, this would go back to the original language of 180 days. The EMRB is not hearing them in 45 days as it is. A grievance from my local was filed over 6 months ago and it had not been heard yet. It keeps being postponed.

## SENATOR GOICOECHEA:

I remember from the Seventy-eighth Session that we thought it would be a bonus if grievances could be heard and moved quickly. Unfortunately, if the deadline is 45 days, which is moved to 180 days, and then we start talking about postponements, we cannot get there. It looks like it is going to make it longer yet.

## CHAIR PARKS:

I would like to confirm what Mr. McAllister said. During my years with the City of Las Vegas, I served on the negotiating committee. We went through some lengthy discussions about the value of union leave or leave from duties for negotiated purposes. A price tag was determined for having the availability of those hours for handling union business.

## MICHELLE KIM (Clark County Education Association):

The Clark County Education Association (CCEA) represents 18,000 educators and licensed professionals in the Clark County School District (CCSD). I have submitted written testimony and supporting documents regarding <u>S.B. 356</u> (Exhibit Q).

Under NRS 288.155, as amended in S.B. No. 241 of the 78th Session, if a collective bargaining agreement expires, a local government employer is not required to pay any compensation or monetary benefits under the agreement until a successor agreement becomes effective.

The arguments I heard in the Seventy-eighth Session to support the elimination of the "evergreen" clause were around local government employers dragging their feet and delaying the collective bargaining process. There was also another argument about the fiscal cost this would have on employers.

While I understand that there could be something said around that argument, I agree with Mr. McAllister about the experience regarding speed. However, for CCEA and its educators, there is an even bigger issue. In the 2015 collective

bargaining school year, CCSD and CCEA negotiated a new compensation structure called "The Professional Growth Plan," Exhibit Q.

Under the new salary schedule, there are no automatic advancements on columns. Rather, teachers are on either a two-, three- or four-year track. To be eligible for a two-year track, a teacher must work in a Title I, Tier I or Title I, Tier II school, otherwise the teacher is in a three-year track. That means that no educator can move more quickly. He or she has to wait and work at those schools. Not only that, he or she has to acquire 225 contact units. Contact units are approved based on a plan that is collaboratively developed between an educator and his or her supervisor. This also aligns not only with the growth plan, the career pathway, but also with the Nevada Educator Performance Framework (NEPF). In short, these educators are investing much money and time over many years to get a certain salary increase.

Because of the Seventy-eighth Session legislative change, a teacher can invest thousands of dollars, work for multiple years at a Title I, Tier I or a Title I, Tier II school and then when it comes time for his or her advancement, he or she may not get it. This is a serious problem for educators. If they feel that the promise will not happen, there is no incentive to make an investment in lifelong learning ever, to their community or to their students. I hear it all the time from educators who do not believe that they are going to get their advancements.

In that regard, I mimic what Mr. McAllister said regarding there is no incentive for an employer to be motivated to finish the negotiations early. Not if there are about 10,000 educators who are promised, after 2, 3 or 4 years a column advance and employers do not have to give it to them. We have had that problem since 2015 after the Seventy-eighth Session when there was a freeze on all educators. It is important that educators and licensed professionals know that they do not lose what they have earned and invested in, in terms of increases and investments, because a collective bargaining agreement has expired.

I hope that the Legislature encourages educators and licensed professionals to engage in lifelong learning to ensure that all Nevada schools and students can succeed.

#### SENATOR ATKINSON:

You will hear a friendly amendment from Marlene Lockard on behalf of the Public Employees Labor Caucus (Exhibit R). It is acceptable.

RON DREHER (Peace Officers Research Association of Nevada; Reno Police Protective Association; Nevada Law Enforcement Coalition; Washoe School Principals' Association

We are asking you to support <u>S.B. 356</u>. We stand by the comments you heard from Senator Atkinson and thank him for sponsoring this bill as well as Mr. McAllister and the people from CCEA.

This is a situation that I have been a part of for many years, watching the collective bargaining process work. It has not worked since 2015. The process has been slowed down. A certain law firm in this State has made much money. Mr. McAllister has the facts to support that. Initially, the City of Reno paid over \$1 million to that certain law firm. In addition to that, over the past couple of years, the City of Reno has paid over several hundred thousand dollars.

The purpose of collective bargaining is not to bog the system down but to reach an agreement over a period of time that is as short as possible. If you cannot do it within those parameters, then you go through the resolution techniques provided in NRS 288.

With the passage of <u>S.B. 356</u>, we can actually go back to the table and start doing things. People who were denied step increases will probably finally start getting them again as well as the other compensation benefits.

To address the issue that Senator Goicoechea brought up about the EMRB, having gone through the EMRB many times, legislation has been proposed, as you know because you heard <u>S.B. 460</u> Friday, which would expand that board from three to five members. That would help the process. Extending this to 180 days helps the EMRB get the job done that we are asking it to do.

SENATE BILL 460: Revises provisions governing the membership of the Local Government Employee-Management Relations Board. (BDR 23-556)

CHRIS DALY (Nevada State Education Association): I have submitted written testimony (<u>Exhibit S</u>).

CHERIE MANCINI (President, Service Employees International Union Local 1107 Nevada):

Service Employees International Union Local 1107 Nevada (SEIU) represents about 10,000 public sector employees across Las Vegas Valley, making us one of the largest public sector unions in the State. Half of those are Clark County employees who were adversely affected by the unintended consequences of S.B. No. 241 of the 78th Session. Today, we rise together in support of S.B. 356. The intention of the legislation passed in the Seventy-eighth Session was to speed up the process of public sector collective bargaining and save taxpayer dollars. Instead, the opposite occurred.

The bill created a perverse incentive for public sector employers to drag their feet and delay at the bargaining table. For the employer, every day that goes by without a signed agreement means more money they save at the expense of working families. Employees with a hire date falling between the expiration of our contract with the county, about 1,600, had their hard-earned raises and step increases unjustly held due to no fault of their own.

I had to deal with the aftermath of this. There was incessant calling, texting and emailing from people who were so upset that I do not know how they could be productive in their jobs. They were concerned about their raises and what was going to happen.

It was also harmful for the taxpayers. Proponents of that bill would say that the public employer not paying its workers is a boon to the taxpayer; however, they ignore that this was a ripe opportunity for attorneys to make a profit from the exploitation.

Many references were made about a law firm that sent out an email dated June 2, 2015, from Mark Ricciardi (<u>Exhibit T</u>). It breaks down the bill and advises public employers what to do to about current collective bargaining agreements and expired collective bargaining agreements. It states that this is "general advice, please feel free to contact me with specific questions about your situation" if you are coming up for collective bargaining. That letter was a step-by-step how-to guide on undermining public employees' wages and benefits. Mr. Ricciardi concluded this letter by offering his expert legal consultation to any local government wishing to go down that road.

Once our contract with county employees had been signed and our union stood together to ask that those affected working families be made whole, their employers saw fit to hire Mr. Ricciardi and other attorneys to fight their employees. We the taxpayers footed the bill for this lengthy and costly litigation. We submitted a public request to Clark County to obtain the financials on the taxpayers' cost for this litigation. We have not been able to get that information. The SEIU spent close to \$100,000.

We agree and support the notion that labor organizations ought to be held accountable for bargaining in good faith. We also expect employers be held to the same standard.

As taxpayers of this State, we also support and agree with the idea that our tax dollars ought to be spent responsibly. However, we also feel strongly that the primary beneficiaries should be the hard-working men and women who fix our highways, maintain our airports, manage our foster children and provide clean drinking water. It should not benefit high-priced lawyers seeking to profit by helping employers skirt collective bargaining agreements.

Senate Bill No. 241 of the 78th Session created many unintended consequences for Clark County and SEIU members. Clark County and SEIU eventually reached a settlement but not without great and unnecessary expense to both sides.

Calculating retroactive pay for 1,600 employees was a logistical nightmare for the County payroll office and created a financial headache for our members. They finally received their withheld raises in a large lump sum just before tax season.

We urge this Committee and this Body to do the right thing for the working families of this State and pass <u>S.B. 356</u>, which strikes sections from NRS that created this unfair and detrimental condition for collective bargaining.

MICHAEL RAMIREZ (Las Vegas Police Protective Association Metro, Inc.; Southern Nevada Conference of Police and Sheriffs; Nevada Law Enforcement Coalition):

We agree with Mr. McAllister's comments and concerns. We also support the amendment and urge the Committee to support S.B. 356.

RICK McCann (Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition):

We support <u>S.B. 356</u>. The Nevada Association of Public Safety Officers did not support S.B. No. 241 of the 78th Session. I testified in opposition to it.

We are here to support this bill because it is the needed fix. For two years, we observed something happening that was not intended. Now we are going to try to fix it.

The consequences of S.B. No. 241 of the 78th Session resulted in unexpected delays, protracted litigation over the issues, and nonexistent time for our employees to meet and bargain on their contracts. The whole purpose of that bill last Session was to get people to the table. It has had the opposite effect.

You have read S.B. No. 241 of the 78th Session and you know what it is. For example, you and I contract and I am going to give you something. We decide, a little quid pro quo, you give me something; I give you something for the next three years. We have contracted for that. We are going along merrily. Things are great. Then suddenly S.B. No. 241 of the 78th Session came into our lives. You still want what I said I was going to give you; however, you have to give me more. Next year you want what I am going to give you; you have to give me some more. I am making you renegotiate and give concessions and give me more for things for which we have already contracted. Those are the basics of this whole thing—nothing more, nothing less.

That is unfair. You would not be happy about that. All we are trying to do is fix it. Every two years we get a chance to fix stuff that did not go right. That is all this is. We are not trying to repeal or roll back. We are trying to fix something. That is what S.B. 356 does and we support it.

THOMAS DUNN (Professional Fire Fighters of Nevada):

We also support <u>S.B. 356</u>. Sometimes, unintended consequences come out of Legislative Sessions. Senate Bill No. 241 of the 78th Session definitely harmed some of the smaller union locals that we represent, such as Mt. Charleston Fire District. This local has less than 20 people. It is trying to negotiate a collective bargaining agreement; however, on the other side, a \$400-an-hour attorney in a law firm is fighting against them.

Collective bargaining is supposed to level the playing field between the employer and the employee organization. Senate Bill No. 241 of the 78th Session did not do that. We support S.B. 356 and Marlene Lockard's amendment.

KENT ERVIN, Ph.D. (Nevada Faculty Alliance):

I represent the collective bargaining units at three of our community colleges through the American Association of University Professors. This bill does not affect us directly; however, we stand in solidarity and support it.

## TRAY ABNEY (The Chamber):

I want to thank Senator Atkinson for chatting with us last week about this bill. He stated that he knew we would be opposed to it before we walked into the office.

I spent several hours with you on this issue last Friday. I will make my comments brief. We are concerned about three things. First, is the "evergreen" clause. A contract should end. When it does end, it does not mean people stop being paid. They are paid the same amount they had been paid. There is no incentive for labor unions to come to the table if a contract does not have an end date.

I will throw Mr. McAllister and supporters of this bill a bone regarding new position hires. It is something that needs to be discussed. Someone being promoted to a new position could be addressed here.

We are concerned with supervisory unions. The Chamber has always been opposed to allowing people in supervisory rolls to unionize at all.

Finally, paid leave to do union business on taxpayer time has always been a concern. It is a different situation if employees are provided leave or take time off for which the union pays. Then the government does not have to pay for it. The language needs to be clear that taxpayers will not pay employees to do union business on taxpayers' time.

WES HENDERSON (Nevada League of Cities and Municipalities):

I recognize this bill from the Seventy-eighth Session. All of the language that is red now was blue last session. Some changes were needed to the collective bargaining system. Senate Bill No. 241 of the 78th Session might have gone

too far. We do not know. Some parts may need amending this Session. It may be premature to undo totally what was done two short years ago.

NICOLE ROURKE (Clark County School District):

While there are several things in the bill that we support, the return of the "evergreen" clause in section 3 is why we oppose the bill. Defined dates for agreements assist us in the budgeting process. There is always an issue when we pay advances to employees. If something else is negotiated, then we are in a reimbursement situation. For those reasons, we oppose S.B. 356.

SCOTT DAVIS (Deputy District Attorney, Office of the District Attorney, Clark County)

Clark County is opposed to <u>S.B. 356</u> because of a couple of sections in the bill. Section 3 of the bill that would revert to the evergreen provisions where collective bargaining agreements, even those that had expired, would continue in perpetuity while a new one is being negotiated.

When the changes were adopted last Session, they received support from labor as well as management. That is because they were intended to eliminate that those long-running negotiations sessions that do not generate an agreement. It was intended to bring the parties together, get them to roll up their sleeves, get down to business and work out an agreement.

In the experience of Clark County, it actually works. It has generated positive results in negotiations. It has sped up the process and generated higher quality negotiation sessions. The parties have come to the negotiation sessions focused and ready to get down to business. For example, since S.B. No. 241 of the 78th Session was adopted, there have been new negotiations with four bargaining units, the firefighter's battalion chiefs union, the juvenile justice peace officer's association, the firefighter's regular members union and the deputy sheriff's association.

Each one of those negotiations was begun and completed in a timely manner. The proposed agreement was presented to the Clark County Board of Commissioners in June for approval before the start of the new fiscal year. Each one of those units began the new fiscal year with a contract completed, approved and in place.

During the last fiscal year, we have also had six fiscal contract reopeners that had to be negotiated. Each one of those was completed in June and approved by the Clark County Board of Commissioners before the start of the new fiscal year.

In Clark County, those provisions in statute targeted by section 3 of the bill do speed up the process. They generate meaningful results. In Clark County's situation, when there are many unions with which it must negotiate, it is important to be able to have meaningful negotiation sessions and to have those agreements in place at the start of the new fiscal year.

You have heard about the logistics for calculating retroactive salaries. That is avoided if a new agreement is in place. One point to note is that retroactivity is always subject to negotiation. That is guaranteed in NRS 288.150, subsection 2, paragraph (q). Retroactivity is always on the table. Since statutory language results in quality negotiations, it has generated timely agreements. It would not be prudent to retreat from that position.

Clark County is also opposed to section 1 of the bill. That language would target the expedited hearings in front of the EMRB. This is an important provision because it works in tandem with the language in section 3 of the bill to bring the parties together and to provide an incentive for both parties to negotiate the agreement.

It is incorrect to say that there is no incentive for the employer to negotiate. If that is the case, and an employer is negotiating in bad faith, it will come back to bite them. There are provisions in NRS 288.200, NRS 288.215 and NRS 288.217 that bring that into play in the event of fact-finding or arbitration.

One other point to note is that some of the horror stories that you have heard are aberrations. They are one-time events that occurred because of long-running negotiations that had begun before the amendments were adopted. There were many legal issues to be worked out, such as retroactivity of S.B. 241 of the 78th Session. Those have been resolved. They will not be an issue going forward.

Therefore, Clark County is opposed to those two sections of the bill.

## Mr. Fontaine:

The Nevada Association of Counties echoes the comments made regarding section 3 of the bill and the restoration of the evergreen clause that was removed in the Seventy-eighth Session. You heard comments that that should remain to give it more time to be worked out. If there are adjustments that need to be made such as promotions and things of that nature, those are reasonable. However, we should not go back to the way it was in the past. We need more time before we make that judgment and restore that.

#### PEGGY LEAR BOWEN:

I was a member of the Washoe County Teachers Association. I made the motion to that entity that I did not care how long it took to negotiate the contract as long as it went back to the start of the contract date. As a result, we had a contract in a relatively short period where good faith was shown. We were not paid anything on the new contract until it was negotiated. It was not retroactive. Negotiate for however long you want, just have the contract go back to the beginning of the school year. We were basing that on the employee's contract for the school year. The process was faster and was done in good faith.

#### SENATOR ATKINSON:

I have been around for quite some time—15 years to be exact. I know that we sometimes have measures that are good and sometimes they have unintended consequences. We have to come back to the Legislature to either fix them, change them, etc. This is one of those circumstances. There have been unintended consequences when we thought we were fixing some things. Some things did get fixed. However, some things were severely damaged.

People talk about the evergreen clause. They will talk about promises made in the Seventy-eighth Session. Promises made, promises kept. You cannot keep a promise on a bad deal. That was a bad deal and it should be fixed. If we as a body put this in place, and it was imperfect, then we as a body should do something about fixing it.

Clark County school administrators are going to salary arbitration for the first time ever. Their contract expired in July 2015. By the time we leave here it will be close to two years if this matter is not resolved. Do not tell me that it has made it better. It has not made it better. We are talking about two years. If

I am remembering this correctly, SEIU is also at an impasse. These things have not been made better. They have been made significantly worse.

We have an attorney out there who sought to capitalize on this situation. They are acting like trial lawyers, not that trial lawyers are bad. They have a job to do and they serve clients who are injured or need help, etc. Therefore, they do what they have to do to make sure that clients know that they are available. That is what happened in this case.

We have the opportunity as a Body to review this measure. I know that evergreen is an issue. I know that union leave is an issue. What happened to all of those county employees is an issue. I know the damage that occurred. I hope that the Committee will take a serious look at this issue. I will make myself available if we need to have further discussions. We cannot leave this as a status quo while we continue to hemorrhage.

## CHAIR PARKS:

We will close the hearing on <u>S.B. 356</u> and open the hearing on <u>S.B. 502</u>.

SENATE BILL 502: Makes various changes relating to the Public Employees'
Benefits Program and the Public Employees' Deferred Compensation
Program. (BDR 18-979)

PATRICK CATES (Director, Department of Administration; Chair, Public Employees' Benefit Program Board):

I have submitted written testimony explaining the provisions and the intent of S.B. 502 (Exhibit U) and the proposed amendment (Exhibit V).

## SENATOR HARDY:

I picked up on the description of the bill where the Public Employees' Benefit Program (PEBP) Board advises the Executive Officer what to say to the Governor, and the Governor decides what to do subject to the Legislature. Is that done away with in the proposed amendment? How does the Legislature tell the Governor that he or she is or is not going to do it?

# MR. CATES:

The Legislature approves the Governor's budget. Therefore, anything to do with the benefit compensation package would be subject to approval by the Legislature through the budgeting process.

#### SENATOR HARDY:

Would that be every two years? The Governor would make a decision but it would not actually happen for two years.

Mr. Cates:

That is correct.

SENATOR HARDY:

Would the Legislature have the power to veto the Governor?

Mr. Cates:

Generally, yes.

#### CHAIR PARKS:

We are on the way to developing some consensus on some middle ground in <u>S.B. 502</u>. We do not need to go through a lengthy discussion of the initial bill. Updating us would be the best way to go.

MARLENE LOCKARD (Retired Public Employees of Nevada):

We oppose <u>S.B. 502</u> as introduced. As Mr. Cates indicated, we have been working around the clock during the last 48 hours to bridge the differences we have with some important components brought about with the introduction of S.B. 502.

Probably, one of the hardest things for us to see in that bill, aside from it taking away the regulatory and governing piece of the Board and making it advisory, was to reduce the retiree representatives to one.

The retirees from the State worked hard two sessions ago to have an additional representative placed on the Board. We based that on our membership and the proportionality of whom PEBP serves. We felt strongly about that. The Governor agreed and we added a second representative. We support a second representative being added to the Board for the Nevada System of Higher Education (NSHE), which would bring its representation to two. We are pleased that our progress so far would remove the advisory language and make it the status quo regarding the status of the Board members. We have an impasse over the quality control officer.

I have been asked to read into the record the comments of a former member of the PEBP Legislative subcommittee, and of a former chair of the PEBP Board. My first comment is from Jim Richardson, who represented the Nevada Faculty Alliance for many years and participated on one of the original Legislative subcommittees on benefits:

As you may know, I served on the Legislative Subcommittee appointed by Bill Raggio that rewrote the statutes concerning state employee benefits. Bill asked Marty Bibb and me both to serve as consultants, and we did so gladly, participating fully in development of what is the current legislation.

The Subcommittee chaired by Bill worked on a number of issues. [He keeps saying Bill but I am going to say Senator Raggio] Senator Raggio was supportive of placing two private industry representatives on the PEBP Board as a check on the Board doing something that would jeopardize the financial soundness of the plan.

Recall that just prior to this restructuring, the committee on benefits, led by the then Executive Director, had gotten into serious difficulty that required action and significant infusion of funds during the Special Session to bail the program out. Senator Raggio also supported the independence of the quality control officer. I think he thought having such a person reporting directly to the Board, which would have some private industry people on it, would work to the benefit of the program and the State, which ultimately was responsible for the program.

Senator Raggio and the Legislative Subcommittee was fully supportive of this kind of built-in checks and balances, and thus the current statute was strongly supported by both Houses of the Legislature and signed into law by the Governor.

I would strongly urge that this structure remain in place. It has worked effectively in the past and can do so in the future.

Second, I will read a submission by former PEBP Board chair and former Assemblyman Randy Kirner:

Good morning. I am not able to attend the testimony because I am in Arizona with the grandchildren. My view, as one of the 2 non-State employees and a member of the Board for 11 years, including 2 years as chair, is to leave the Board as is.

Perhaps some makeup changes might be in order to better represent constituents, but clearly, the Board must not become advisory. In the early years of PEBP, we were focused on returning the program to financial stability and sustainability. Prior to this Board, the oversight management of the program by a government appointee resulted in a horrendous situation where the program was basically insolvent and employees were being hounded by bill collectors because claims were not being paid in a timely fashion and were often inaccurately adjudicated.

As to the quality control officer, the fact is that the quality control officer's independence is crucial to the transparency of the program. Free access to the Board is necessary, in my belief, and has resulted many times in improved and more sound decision-making. The idea that it should report to the Executive Director is purely political and not in the best interests of the program.

## Dr. ERVIN:

I represent the Nevada Faculty Alliance, the statewide association of faculty at all eight NSHE institutions. As a disclosure, I am also an appointed member of the Nevada Deferred Compensation (NDC) Committee since 2015. However, today I am not representing the NDC Committee, which has not had an opportunity to review <u>S.B. 502</u>, either as introduced or the proposed amendments.

We agree with Marlene Lockard's testimony with a big "me too." We opposed <u>S.B. 502</u> as originally introduced because it made the Board advisory only. We appreciate that Director Cates has withdrawn those provisions and his willingness to have a dialog on other things.

We support a second NSHE representative on the PEBP Board. The NSHE employees represent 36 percent of active members of PEBP but currently only have 1 out of the 10 members on the Board.

There is an amendment (<u>Exhibit W</u>) with me as submitting it only because whenever Ms. Lockard asks me to send an email for her, I am happy to oblige. This was a group effort and part of the dialog of working out the language.

Regarding the request for proposal (RFP) and the procurement process, it is our understanding that one of the motivations of the original bill was that NSHE and PEBP have had difficulties with their RFP processes over the past few years. We agree with the language in the bill that removes the special carveout for PEBP in NRS 333 so that like all State agencies, these public boards should use the State Purchasing Division to oversee the procurements and make sure that things are handled appropriately.

We are proposing some language. There is currently tension in the statutes between the strong Open Meeting Law for public bodies like PEBP and NDC and the necessity for confidential evaluation of RFPs. That is in NRS 333, the State purchasing statute, and in NRS 287 where boards are established to oversee contracts and their fiduciary responsibilities, such as for investments for the NDC Board.

The language we are proposing attempts to clarify what we understood to be current best practice based on the most recent successful RFP process which was approved by the deputy attorneys general of both State Purchasing Division and the NDC program. For disclosure, that was before I was on the committee.

The purchasing process would be guided by NRS 333. Boards cannot circumvent that process.

Board members can be appointed to the confidential RFP evaluation committees without triggering the necessity for an open meeting. The language we are working on will not trigger a quorum when the committee is appointed by the State Purchasing Division as the evaluation committee. That could be to specify that there could be closed meetings for that part of the process. That is important for competitive reasons. Things have gone wrong when boards try to do some of that process in open meetings.

Finally, it makes clear that at the end of the purchasing process evaluation, the winning vendor is chosen. That is it for the process. The board awards the contract, or if there is a problem with the RFP, the board withdraws the RFP and starts over.

PRISCILLA MALONEY (American Federation of State, County and Municipal Employees Local 4041 Retirees):

I have been asked to speak also for active employees of the American Federation of State, County and Municipal Employees (AFSCME) whose lobbyists are engaged in another committee. I am here to go through the technical pieces of AFSCME's position on the bill, the statutes and the two proposed amendments for both active and retired employees.

Mr. Cates is new on the PEBP Board. He has shown willingness to work with us in a respectful, appropriate and easily facilitated manner. Many emails were exchanged and language was discussed. Therefore, "oppose it" is a term of art to a certain extent for S.B. 502. It has many complicated parts.

One thing I want to stress to this Committee is that we have two boards with two different tasks for State service contained within this bill. On the deferred compensation issues, AFSCME, both retired and active employees, is deferring to Dr. Ervin's work on that. He not only serves on that Board but he is more familiar with it. Those issues were not as big a concern to AFSCME.

The No. 1 issue is that the PEBP Board was set up as autonomous, not advisory, for a purpose. That was our main concern when we first saw <u>S.B. 502</u>. All of the fiduciary power was going to be vested on one individual. That situation is ripe for problems. Both Ms. Lockard's presentation and her remarks read from Mr. Kirner go into the history of how we got to where we are in statute today and how the Board is set up.

Mr. Cates mentioned that one of the issues is the Board's composition. The Department of Administration's amendment talks about NRS 287.041, which is the section that sets up the composition of the board. There are provisions for that in both our proposed amendment and Mr. Cates's proposed amendment. The difference between the Department of Administration and our amendment is that we are asking the Committee to consider having each of these categories of members.

In the amendment, <u>Exhibit W</u>, on page 3, beginning on line 32, we are asking that the Legislature have equal say with the Governor. I know that this is a big change. It would tamp down and ameliorate some of the problems in the past. Board members are worried that if they make a decision, they are subject to removal by the Governor. In fact last fall, a large portion of the Board, some

who had been there for years, were removed by the Governor after there were problems with an RFP. That may have been part of the conversation which started this bill down its path.

We are asking that where there are two members, the Governor appoint one and the Legislature appoint the other. Mr. Cates can clarify if that is his main objection. However, my understanding from our conversations, email-wise, over the weekend is that was a big sticking point.

The Board's composition is an issue for AFSCME. In NRS 287.041, subsection 1 is a list of who makes up the 10-member PEBP Board. The list is from paragraph (a) to paragraph (g). The amendment changes the list from paragraph (a) to paragraph (e). The two places where AFSCME members, both retired and active, are pertinent to these potential seats are in paragraphs (b) and (c). In paragraph (c), on behalf of active employees, we inserted the word "classified" service. Ms. Lockard, Dr. Ervin and I talked about the problem for AFSCME active employees. The Board will be top heavy the way it is structured in statute and in both proposed amendments. It is important to have people with learned degrees and managerial background, but it is going to cut out the voice of the average State employee who may not fit into those categories. Putting the word "classified" in our amendment on page 4, line 7, ensures that the classified voices, you heard some of those voices last week, participate more meaningfully in this Board. That was the logic of putting that in there.

The RFP and the quality control officer were not priorities for AFSCME. We were concerned about it, but deferred to Ms. Lockard's and Dr. Ervin's expertise and institutional knowledge about how this Board works.

Senator Hardy commented about the Board having veto power. The Board did not function as a check on the Governor's fiscal responsibility and power. Its structure sets up a dialog so that at the end of the day it is talking about a plan design for health insurance. The plan design is driven by the resources available. The resources available are defined at the beginning of the biennium by the Governor's budget.

If there is something in the plan design that is important, whether it is a vision benefit, lowering a deductible or increasing a deductible, it has to be done in concert with the Governor's budget. It is not so much a veto situation. Its structure encourages dialog. If the Board votes in good conscience to fund

something in the plan design, which then triggers what the rates are going to be for that plan year, then it is up to the Legislature to decide, through the budget process, whether that was a reasonable decision.

I would prefer to look at it that way than as a conflict between the Governor and the Board. The Board is performing its first task, which is to put together a fiscally sound, but also a caring, plan design for the more than 20,000 State employees who are members of the system.

We are all trying to get to the same place, which is what is best for the State's employees and retirees.

#### MARTY BIBB:

I have submitted my written testimony explaining why I oppose <u>S.B. 502</u> (Exhibit X).

On behalf of the Police Officers Research Association of Nevada, Ron Dreher asked me to state his opposition to this bill as originally introduced. We appreciate that there is work being done regarding the amendments.

DAMON HAYCOCK (Executive Officer, Board of the Public Employees' Benefits Program):

The PEBP Board members met and discussed <u>S.B. 502</u> last week. They voted to oppose the bill as introduced. The chief concern was going from a governing board to an advisory board. Some of the Board members supported language about the procurement changes and other parts of the original bill. No single Board member voiced a concern about the quality control officer language being changed.

The Board has not seen or deliberated on the proposed amendments, therefore I cannot discuss any of their positions on those. However, we do have another meeting, unfortunately after Friday. We are willing to work with the sponsor and the members of AFSCME, Retired Public Employees of Nevada (RPEN) and whoever else to develop a good product at the end.

#### Ms. Bowen:

I oppose <u>S.B. 502</u>. During the presentation at the last PEBP Board meeting, it was made clear that this bill was a reaction to the Board's dealing with the last RFP regarding what insurance company would represent the State through this

process. This Board voted based on the information they had. Scores were completed and everyone at this meeting was to be told how the vote came out and what vendor would be selected. During this process, the vendors were asked to make a presentation to the Board.

This Board, with everything online, showed the greatest courage I have seen in years. They were the heroes of the retired and active State employees. During the HMO presentations, the Board realized there would be either a statewide insurance company or an insurance company that would only represent the north or the south. As different ideas were put forward, the HMOs stated they could do that. The fact is that when they gave their answers in the RFP of what they would provide, they did not have the information to say that they could or could not cover north, south and rural jurisdictions.

The insurance we had in place was with Hometown Health and was only within the State. Conversation went on about what information could have been provided in responding to the RFP. The Board took it upon itself because it had new information to go back and rescore what was going on. None of this would have happened if this RFP had not been done in public.

Based on new information, the Board selected a different company rather than the one that officially came out as the high scorer. Some people thought that we should not do any more of this in public. I wonder how many RFPs have gone out that did not have an open public process. The Board maintained the things that were supposed to be kept private. Everything that was done in front of the public was allowed legally. This Board did its job.

Mr. Cates presented his plan to the Board as Chair. It felt uncomfortable, and the Board was apologizing to the Chair. However, when the Board members voted no just last week and said that it needs to remain autonomous, once again they were heroes. Heroes for asking the hard questions and for sticking with what they knew were good for the State and for whom this Board is a voice. It is the active and retired employees' voice.

This is your voice because you have always maintained, at least the financial part, whether you will grant the budget to PEBP for what it is doing. That is your role and your check and balance of what is going on.

Just a few minutes ago, someone asked to maintain the purchasing process with the Purchasing Division. It was said in the PEBP meeting that going through the Purchasing Division cuts down on the Board's ability to negotiate and get a bigger bang for the dollar.

The effect that the former Executive Director, Jim Wells, had on the Board during those meetings that involve the money was like a cloud over what it tried to accomplish and do what was best. Mr. Wells said for the record that if he did not agree with the type of benefits that were going to be reinstituted by the Board, he would simply change the numbers. As you heard, the Board lost five members, including the former chair, after the RFP was awarded to Anthem Blue Cross Blue Shield instead of to Hometown Health. Mr. Wells explained that because he was involved in the budget for the State in his new capacity, he would simply change the numbers for the benefits program the Board was going to recommend to the Governor and to this Legislature. He would because he could, not necessarily because he should. Those comments are important.

I notice here in Mr. Cates's letter of the removal of references to PEBP from NRS 333 and further on removing them from several different places in his bill. This is the Public Employees' Benefits Program. Changing the name makes it harder for people in the future to follow the trail of legislation. Please keep it PEBP. A rose by any other name is still a rose. This program by any other name is still PEBP, the Public Employees' Benefits Program. Please do not delete it from any of the other statutes. If you want to put other things in you can still use PEBP, which also refers to whatever terms they want to use. However, please keep the trail clean and pristine. It is the Public Employees' Benefits Program and so it should remain because that is what we negotiate and work with, with the State of Nevada, the employer. We are not being mean to the State or anything else. We simply want the reality, the history and everything we do preserved in a manner that can be followed years from now.

JEFF HAAG (Administrator, Purchasing Division, Department of Administration): Regarding the RFP process, PEBP is unique in having exceptions within NRS 333 that allows it to disregard the recommendations of the purchasing administrator. It is my opinion that that exception has caused an arbitrary decision-making process around at least one contract awarded for the HMO process.

It is very important as a State to ensure the integrity of the procurement process so that everybody is playing by the same rules. The exception that is

available within the PEBP statute, NRS 333, is causing inconsistencies and arbitrary decisions by the Board that jeopardizes the State in the contracting decisions it makes.

### CHAIR PARKS:

In reviewing proposals, we are dealing with much proprietary information. That often creates an extra layer of difficulty for coming up with an ideal recommendation. Is that the case?

#### Mr. Haag:

I could not agree with you more. We dealt with that situation when the PEBP HMO contract was due for Board approval in December 2015. You are correct in that the procurement process requires a confidential review of those proposals as required by statute. Allowing a public board to review those proposals conflicts with the confidentiality language in statute. The situation I witnessed in December 2015, when the vendors were presenting these proposals to the PEBP Board, was that confidential information was being shared. There was a level of questioning that was allowed to be pursued in a public meeting that went beyond the scope of work to which the vendors proposed. It gave some members a false sense of hope, maybe security, about how the vendors may be able to meet the requirements of the RFP. However, what they failed to recognize was that the State could only hold the vendors to what they actually proposed within the RFP. Allowing a line of questioning to go beyond the scope of work jeopardizes the integrity of the solicitation. Doing so in a public meeting further exacerbates the challenges and the errors we made by sharing confidential information in that setting.

#### Mr. Cates:

I would like to comment about the difference between the two proposed amendments. The amendment I proposed is a modest change to the status quo. We are attempting to address some minor provisions in contracting in human resources that will make the program better. There is a wide difference in some places in the amendments. The amendment put forward by RPEN, although it shares many common features, particularly regarding the Board, is a radical change from the current state of affairs. For a bill that was intended to increase the Governor's authority, the language in that amendment would diminish it. We are opposed to that. We will continue to work with the stakeholders on some common language; however, that is a significant problem.

Mr. Haag addressed the procurement process. I do not wish to say too much about the Quality Control Officer on the State record because there are some human resource issues involved. However, I will point out that that position was sidelined for the better part of a year over what resulted in an ethics complaint. It is a matter of public record that the Quality Control Officer was found guilty of ethics violations by the Commission on Ethics for accepting gifts from vendors. The praise for the position and its importance cuts both ways. Having a Quality Control Officer who the Executive Officer cannot properly supervise without intervention by the Commission on Ethics is problematic.

#### CHAIR PARKS:

The Committee has received opposing testimony to <u>S.B. 502</u> from Shaun Franklin-Sewell, Ph.D., Chair, University of Nevada, Las Vegas, Employee Benefits Advisory Committee (<u>Exhibit Y</u>), and from Chris Daly, Nevada State Education Association (<u>Exhibit Z</u>).

I am sure there will be much more work taking place on the bill in the next four days.

The hearing on S.B. 502 is closed and we will open the hearing on S.B. 429.

SENATE BILL 429: Establishes provisions relating to urban agriculture. (BDR 22-1078)

SENATOR YVANNA D. CANCELA (Senatorial District No. 10): I have submitted my written remarks on S.B. 429 (Exhibit AA).

I want to make it clear that the bill does not mandate local municipalities or counties to take this action. It is merely permissive.

#### **JUSTIN JONES:**

<u>Senate Bill 429</u> will provide our communities with access to affordable, fresh produce. It is a first step for Nevada to enter the world of urban agriculture. It gives local governments the latitude to decide what is best for their localities.

The benefits of urban agriculture are many, and the benefits of locally grown produce are well known. It can put previously underutilized land to a productive use and promote sustainability by limiting the costs and effects of transporting

produce. These efforts can provide more affordable produce to underserved areas.

Section 1 of <u>S.B. 429</u> authorizes a governing body of a city or county to establish urban agricultural zones by ordinance for the purpose of promoting the development and operation of urban agriculture.

Under existing law, a master plan may include certain elements as appropriate. Section 5 provides that a master plan may also include an urban agricultural element. I emphasize, "may." There was a fiscal note on one of elements for this bill that suggested that one of the jurisdictions believed it was required to incorporate urban agriculture into its master plan. This is not a requirement but rather an enabling statute that will allow these things to happen.

This includes a plan to inventory any vacant lands owned by the city or county and blighted lands in the city or county to determine if such lands may be suitable for urban farming or gardening.

Sections 6 and 7 authorize a governing body of a city or county to establish by ordinance the terms and conditions for the use of vacant or blighted land owned by the city or county for the purpose of community gardening.

I want to emphasize that this is an opportunity for Nevada to follow along with the positive work that other states and jurisdictions are doing in urban agriculture. There is a tremendous need.

#### SENATOR MANENDO:

How is this different from Urban Seed that is going on in Las Vegas?

#### Mr. Jones:

We are going to hear from some people from Urban Seed. Urban Seed is working on this with others in our community in Clark County. This will encourage Clark County, the City of Las Vegas and other jurisdictions to incorporate that into their ordinances in order to make clear what is available in urban agriculture.

#### SENATOR MANENDO:

I went to Urban Seed's groundbreaking. What they are doing is very impressive. There was a huge turnout.

#### SENATOR HARDY:

Boulder City has had an urban garden. I wonder if the high school in Moapa Valley is considered an urban garden because they sell fresh produce to different establishments in Las Vegas. I suspect that all the people in my rural district are interested in that anyway. Is that going to allow them opportunities to lease land with water to it and all of the other appropriate things?

#### Mr. Jones:

What it does is enable the jurisdictions to designate zones where they can encourage urban agriculture to take place. It puts a framework on the process to identify parcels that are blighted or have had some damage. It will allow opportunities for creative solutions to use those parcels for urban agriculture or community gardens.

#### SENATOR GOICOECHEA:

My biggest concern, especially in urban Las Vegas, is the consumptive use of water. Since it is dependent on return flow credits, how would that work?

#### Mr. Jones:

I will defer to the experts on this. Generally, companies like Urban Seed are doing urban agriculture that saves water. It is far more aware of our water issues. Urban agriculture conserves water rather than putting it out into a field that is less efficient.

#### **CHAIR PARKS:**

That was a question I had. Who would pay for and have the water service connected?

I watched a news article about a year ago about urban gardens in the middle of a city with severe blighted conditions and even gang violence. The gardens seemed to remain untouched from any form of vandalism. I was curious about why that would happen in that environment.

#### Mr. Jones:

It is fascinating that you reference that. Having read about the subject and seeing what places like Detroit and Baltimore and other jurisdictions have done, there is a unique opportunity for communities, even communities that are suffering from severe issues such as violence and poverty, to come together and get involved in a community garden.

Getting back to your first question about who pays for the water. There are two answers. One is that jurisdictions can designate certain zones for urban agriculture. For example, if a company wants to build a community garden or an urban agricultural type business, it would pay for that.

If Clark County or Washoe County wants to create a community garden on a blighted piece of land owned by the city or county, it is the city or county's responsibility to decide whether to do a public-private partnership to find the money for it or use public monies for it. It is an enabling statute that allows flexibility for those jurisdictions.

CYNTHIA THOMPSON (President, Urban Seed Inc.):

Urban Seed Inc. is a Nevada corporation. Our headquarters and our first farm are located in Clark County. We support this bill and request your support.

Over 95 percent of the fruits and vegetables in Clark County are imported. They do not just come from California. They come from Chile, Holland, Mexico and Argentina. They are sourced from all over the world. They are picked usually when they are not ripe. They are shipped here on a plane, by boat or by truck. Typically the produce is gassed so it appears ripe. It has lost most of its nutritional value. In a State that is dependent upon tourism, four- and five-star restaurants and the quality of food, it is imperative that Nevada finds a solution.

We are passionate about what we do. We would bring a solution to the State regardless of whether there were agricultural zones set up. When the State takes a look at this from the 30,000-foot view, it will see that it will take more than just Urban Seed to solve a problem this large. We welcome our competitors. We welcome other people from the industry.

Regarding the water issue, we use 90 percent less water than traditional farms. One hundred percent of our water is recycled. We envision a day when Nevada is not just known around the world for water conservation but is known around the world for urban farming. It will set the example of what can be done when people come together to try to solve a large problem.

Over \$1 billion leave our community every year for fresh fruits and vegetables. In five years, we believe that we can grow 25 percent of Clark County's needs in Clark County. We believe that Nevada can be a leader in urban agriculture and related technology. We believe that the world will take a close look when

someone is solving the problem of providing food to a local community in the middle of a desert.

#### SENATOR GOICOECHEA:

I look forward to visiting your facility. It sounds interesting. I am interested in your concepts of reusing water and only using 10 percent to produce a product.

#### BRYCE KRAUSMAN:

I am the owner of DW Bistro in Las Vegas. I support <u>S.B. 429</u>. As a restaurant owner and a businessperson, I am going to be one of the recipients of the first crops from Urban Seed. It is exciting for us on the blueprint of how it gets to our restaurant.

We are more excited about the learning and educational aspect this creates. Our restaurant has been involved with local organizations, particularly elementary and middle schools that are installing gardens and teaching kids how to cultivate produce properly.

I was born and raised in Las Vegas. My parents have a 1,000-square-foot garden that I was responsible for taking care of in my early days; taking care of tomatoes, picking apples and helping my parents can. Not many kids know how to do that. I have seen local organizations, such as Create A Change Now, teaching kids how to cultivate produce. We go to a few local farmers' markets in town. Most products come from either Pahrump, Sandy Valley or California. We order most of our food from California, but there are times when I get it from other places. Restaurants in Las Vegas cater to people who want food at different times of the year.

Being more self-sufficient as a State is one of those things as a restaurant owner and as someone who lives in southern Nevada to which I look forward. I lived in Seattle, Washington, for three years. That is a city, and a state, that is self-sufficient overall. Therefore, this will help our State become that and more if we educate and teach kids how to cultivate produce.

#### Dr. Lauckner:

I am a member of the UNLV community. I was here for the public lands hearing and I met new friends for the urban agricultural program. I support <u>S.B. 429</u> because, as in most things, we are all connected. I am voicing my opinion today

because I have followed the construction of agricultural zones and community gardens in both Detroit and New York.

My involvement came about because I have a vested interest in making sure the soil is clean from contaminants such as lead. I deal with lead-poisoned children. That is my research at UNLV.

The concept of agritopias, or inner city agricultural areas, is not new. It is an exciting concept because they create a remarkable improvement to our food system. Edible gardens with easily accessible, affordable produce for families have serviced over 2,000 households within a 2-mile radius and serviced local markets, restaurants and food pantries in some of these New York and Detroit areas.

These gardens develop community projects, and they provide research in areas of nutrition, health and wellness at our universities and colleges. In addition, hearing today about the technologically advanced greenhouse, I see a wealth of educational programs that could be built from this program. I have asked my new friends if there are educational programs with which the colleges could get more involved, especially the technology in the advancement of greenhouses. This is another area for renewable energy and jobs. Therefore, with all of that connection to our agricultural gardens within our cities, I ask you to support S.B. 429.

#### **EMILY BRUBAKER:**

I am a former chef from the Las Vegas Strip. I am originally from California. I grew up with fresh produce at my doorstep. I am now a mother of two small children. Seeing how much produce from the restaurants and the grocery store goes to waste because it has to travel far distances for us to be able to call it fresh is upsetting.

When I was in the restaurant, 20 percent to 30 percent of produce was lost. With companies like Urban Seed, we will eliminate that loss and bring fresh produce to our community.

This bill will bring fresh produce and how it is grown to our children who do not get to see that. They do not see fresh produce growing anywhere in the city unless you have a small garden yourself. I support this bill.

#### RACHEL WENMAN:

I am a native Nevadan and more specifically a Las Vegan. I have worked in the hotel and culinary industries, community organizing and philanthropy. I have gotten to know this community well.

Over the past couple of years in my research on urban agriculture, I have seen that we have an opportunity in Nevada to provide a global solution that does not just provide sustainable access to fresh food but also gives us the opportunity to unify.

There is a very good reason why that garden in the city was not vandalized. Food is a raw human need. It is not a privilege. Technology and solutions such as urban agriculture allow us to grow nutrient-dense food locally. Urban Seed does that with 98 percent less water. The typical lettuce head takes 13 to 15 gallons of water to produce. Much of the technology that has been built, not just with Urban Seed, but also in urban agriculture in general, allows for 90 percent savings. Urban Seed grows a lettuce head with 22 ounces of water through its whole plant cycle.

We will have fresh local food less than 3 miles away from the Las Vegas Strip that will feed over 40 million people a year. We will feed them in a sustainable fashion and do that by leading the world in this technology.

We have an opportunity to lead the world in this technology at Urban Seed and with all the other urban agricultural companies that we welcome to Nevada. Not many states have laws like this in place or provisions in law for establishing urban agriculture. This will make Nevada competitive and give us one of the greatest solutions in our generation.

JODI TYSON (Three Square Food Bank; The Food Bank of Northern Nevada): Prior to city governments taking up opportunities to convene groups to talk about urban farming opportunities, the food bank received many requests for letters of support on where should rooftop gardens be put or where should farmers' markets go in low-income neighborhoods. We are not business people. We are not farmers. We are procurers of food for the community. They came to the food bank because there was a lack of opportunity to have these convened meetings.

I appreciate that the City of Henderson has adopted the strategy of convening groups. Urban Seed, the food banks and many of us came to the table to talk and create a plan called Local Foods, Local Places. It is in that kind of structure where we can create a strategic plan and talk about activities and policies that need to happen in order to implement these strategies—not just to revitalize areas in our community, but to help feed people, not just through community gardens, but by engaging people in creating economic development opportunities. When we do that in low-income areas, we not only provide access to foods, we also provide access to potential jobs. That is a great opportunity for our communities. On behalf of the food banks, I encourage your vote on S.B. 429.

#### TYSON K. FALK:

I am very excited about this bill. I have some experience in this area in that I helped organize and plan a few of the first iterations of what is called Indoor Ag-Con. It is now in its fifth iteration in Las Vegas. This brought together some of the world's technology leaders, researchers, businessmen, entrepreneurs and others all geared around what is called indoor agriculture.

The bill is specifically related to urban agriculture. There is a subtle difference. Many people think of urban agriculture as an empty lot between some high-rise buildings where people can go and make a traditional garden. However, controlled environment agriculture is something that is exploding because of the available technology. All across the world, we are seeing these types of applications. In Japan, old microchip processing factories and warehouses are being used to grow food. They do not have much land in Japan. All across the world where arable land is a challenge these technologies are growing. It is advantageous for Nevada to be able to bring this type of technology and foster innovation.

A few of the speakers talked about how far our food travels. A variable used to do an economic analysis is called food miles. How many miles does it take food to get to consumption? In Nevada, the average is often hundreds of miles.

These agriculture technologies, greenhouses, aeroponics, aquaponics, hydroponics and other new ones, are 95 percent water-efficient. Many of them only take a garden hose. They only need a few gallons a day, not acre-feet of water. Relocating closer to the cities and to consumption is a huge thing. Most

of our traditional agriculture is antiquated. It has not changed for a long time. I like this bill.

In 2012, Clark County had a deficit of \$579.4 million in agriculture production. Clark County imported that much more in agriculture products, which includes both produce and livestock. Washoe County had \$87.2 million import versus export deficit relative to agriculture production. The rest of our counties are actually net exporters when it comes to agriculture. You can probably see why. I cannot overstate the importance of urban agriculture.

#### BRIAN HARASHA:

I live in Carson City. I represent the urban agriculture industry. I have established my own company in Carson City. I am growing food in my house and in my garage using some of these new technologies. Aeroponics and hydroponics use less water than traditional agriculture. Food should be grown where people live. People live in the cities. Now we have the technology, the resources and the intelligence to grow food where people live and do it sustainably.

Let us think about what we had for lunch today. Most of us probably do not know where it was grown, how it was grown, who touched it or how far it came. However, with urban agriculture, the chefs and the restaurants are going to know where their food is coming from. It is coming from down the street. For example, on the Las Vegas Strip, it is coming from three miles away. It was harvested today or the day before as opposed to coming from California or Mexico or other places.

I am growing food in my home and I am working with Charlie and Karen Abowd with the Carson City Greenhouse Project, which is a nonprofit to produce food for members of our community. I see urban agriculture and this new technology, not using the soil but using hydroponics and aeroponics to produce food, as a gateway into education and to teach the next generation of farmers. If you ask a ten-year old what he or she is going to do when they grow up, it is not farming. We all have to eat, so in 30 years from now, when those 10-year-olds are in the prime of their careers, we need to have farmers. Urban agriculture is not an appealing career for these kids to have.

With urban agriculture, we are creating a new industry for the State. We are going to create new jobs, and empty spaces are going to be filled with

community gardens. Empty warehouses are going to be filled with indoor agriculture establishments. It is bringing a whole new industry to the State, creating new jobs, using less water and producing better, higher-quality food year-round. In Nevada, that is tough given 115 degrees in Las Vegas in the summer or up in northern Nevada where it is snowing and freezing and flooding.

I am bringing a hydroponic container farm to Carson City. It is going to be the first one of its kind here with hopefully more to come. I am also seeking building space to establish a larger-scale aeroponics farm in northern Nevada. However, I am running into difficulties with zoning and permitting because it is not written into the government structure to allow these things in an urban interface. I am forced to go to more rural communities to grow food, which defeats the idea of what we are doing with urban agriculture.

That is what I am doing, and I am looking for people to adopt bills like this that will help future entrepreneurs, business people and farmers who need a new avenue as well as to keep money in Nevada instead of sending that money to California and Mexico and other places around the world.

#### JOLENE MANNINA:

I support <u>S.B. 429</u>. I am the owner of Relish. I have an event management company. I have done catering. I have been in the culinary industry for 20 years, 17 years in Las Vegas. I am also working with Urban Seed with their culinary partnerships. There are many benefits to urban agriculture and having food grown locally.

I have many relationships with chefs in Las Vegas. Through this time of building my partnerships and relationships with them, I have gone further and deeper. I am working with the purchasers for the casinos. I am working with sustainability departments and I see that there is initiative. Everyone wants to be the green hotel or the green casino. The reason is everyone wants to have the best produce. They want to supply the best to their guests. The companies that are coming to town for conventions are asking for locally grown produce and want to know from where the produce comes. They are trying to determine how to grow their own produce. We are doing so much in Las Vegas. Now we can see the world wants the same things we are promoting.

#### JARED FISHER:

I come from a little community called Blue Diamond, which is just outside of Las Vegas. Just this year I have seen something I have never seen before. The schoolteachers have brought in a huge garden, and I have watched children interacting, putting their fingers in the dirt, connecting themselves to nature and understanding how that food is connected to them. It is an incredible thing to see. Urban agriculture is an easy way for our children to come out on a field trip and learn about those things that are so vital to the planet, so vital to their education.

We need to start growing our cities up, not out. If we want to talk about water, let us talk about fewer golf courses. Let us put some of that water into building local, sustainable gardens where produce does not have to travel across the Country to get to our plates. Fifty percent of it will be thrown out anyway. This is a great thing. This is something we all need to look at. Look at the educational value of this.

I cannot think of a better thing to bring our community together. The Mormon settlers in the mid-1800s started Las Vegas from an orchard. Let us come back to these gardens and bring it back sustainably and locally.

## BRIAN McANALLEN (City of Las Vegas):

We are not opposed to community gardens or urban agricultural areas. The objectives of this bill are well intended, and we support those notions. However, we have a fiscal note of about \$80,000 to \$90,000 each year. The calculation is based on what we would consider three-fourths of a planner plus some administrative staff. It is our interpretation of this bill that we would have to go through and amend all of the City's master plans that have taken three years to complete and adjust to the new section that has an urban agricultural element as part of those plans.

In talking with the sponsors, even though this bill is permissive, there were still concerns we had about that part of the process. We will continue to work with them and try to address those issues. However, since the fiscal note was referred to, I wanted to provide you with an analysis as to where that came from and why there would be a fiscal impact.

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## CHAIR PARKS:

I will close the hearing on <u>S.B. 429</u>. Having no further business before the Senate Committee on Government Affairs, we are adjourned at 4:54 p.m.

	RESPECTFULLY SUBMITTED:	
	Suzanne Efford, Committee Secretary	
APPROVED BY:		
Senator David R. Parks, Chair		
DATE:		

EXHIBIT SUMMARY				
Bill	Bill Exhibit / # of pages		Witness / Entity	Description
	Α	2		Agenda
	В	16		Attendance Roster
S.B. 136	С	3	Jennifer Ruedy	Work Session Document
S.B. 137	D	6	Jennifer Ruedy	Work Session Document
S.B. 413	Е	2	Senator Nicole J. Cannizzaro	Nevada Conservation League, Proposed Amendment
S.B. 413	F	1	David Bobzien / Backcountry Hunters and Anglers	Letter of Support
S.B. 413	G	6	David Bobzien / Backcountry Hunters and Anglers	Public Lands Day Presentation
S.B. 413	Н	2	Shaaron Netherton / Friends of Nevada Wilderness	Written Testimony
S.B. 413	ı	14	Shaaron Netherton / Friends of Nevada Wilderness	Stewardship Report
S.B. 413	J	1	Brian Beffort / Sierra Club	Written Testimony
S.B. 413	K	1	Senator David R. Parks	Carl Erquiaga, Theodore Roosevelt Conservation Partnership, Letter of Support
S.B. 413	L	1	Senator David R. Parks	Northern Nevada Safari Club International, Letter of Support
S.B. 413	М	1	Senator David R. Parks	Jocelyn Torres, Conservation Lands Foundation, Letter of Support
S.B. 413	N	1	Senator David R. Parks	Les Smith, Rocky Mountain Elk Foundation, Letter of Support
S.B. 413	0	4	Senator David R. Parks	Shevawn Von Tobel, Keep Public Lands in Public Hands Petition

S.B. 413	Р	22	Senator David R. Parks	Shevawn Von Tobel, Support Our Public Lands in Nevada Petition
S.B. 356	Q	34	Michelle Kim / Clark County Education Association	Written Testimony and Report
S.B. 356	R	1	Senator Kelvin D. Atkinson	Marlene Lockard, Retired Public Employees of Nevada, Proposed Amendment on behalf of the Public Employees Labor Caucus
S.B. 356	S	1	Chris Daly / Nevada State Education Association	Support and Seek Amendment
S.B. 356	Т	3	Cherie Mancini / Service Employees International Union Local 1107 Nevada	Email from Mark Ricciardi
S.B. 502	U	3	Patrick Cates / Department of Administration	Written Testimony
S.B. 502	V	7	Patrick Cates / Department of Administration	Proposed Amendment
S.B. 502	W	14	Kent Ervin / Nevada Faculty Alliance	Proposed Conceptual Amendment
S.B 502	Х	2	Marty Bibb	Written Testimony
S.B. 502	Υ	1	Senator David R. Parks	Shaun Franklin-Sewell, Ph.D., University of Nevada, Las Vegas, Employee Benefits Advisory Committee, Letter of Opposition
S.B. 502	Z	1	Senator David R. Parks	Chris Daly, Nevada State Education Association, Letter of Opposition
S.B. 429	AA	1	Senator Yvanna D. Cancela	Written Testimony