

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Eightieth Session
March 5, 2019**

The Committee on Government Affairs was called to order by Chair Edgar Flores at 8:39 a.m. on Tuesday, March 5, 2019, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/80th2019.

COMMITTEE MEMBERS PRESENT:

Assemblyman Edgar Flores, Chair
Assemblyman William McCurdy II, Vice Chair
Assemblyman Alex Assefa
Assemblywoman Shannon Bilbray-Axelrod
Assemblyman Richard Carrillo
Assemblywoman Bea Duran
Assemblyman John Ellison
Assemblywoman Michelle Gorelow
Assemblyman Gregory T. Hafen II
Assemblywoman Melissa Hardy
Assemblyman Glen Leavitt
Assemblywoman Susie Martinez
Assemblywoman Connie Munk

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Jered McDonald, Committee Policy Analyst
Asher Killian, Committee Counsel
Connie Jo Smith, Committee Secretary
Trinity Thom, Committee Assistant

OTHERS PRESENT:

Katherine Miller, U.S. Army Colonel (Ret.), Director, Department of Veterans Services
Fred E. Wagar, Deputy Director of Programs and Services, Department of Veterans Services
Marla McDade Williams, representing Churchill County
Mitch Roach, representing United Veterans Legislative Council
Megan Ortiz, Legal Intern, American Civil Liberties Union of Nevada
Sherrie Scaffidi, representing Transgender Allies Group

Chair Flores:

[Roll was taken. Committee protocol and rules were explained.] We have three bill hearings which we will take in order.

[Assembly Bill 11](#): Revises provisions governing Veterans Services. (BDR 37-194)

Katherine Miller, U.S. Army Colonel (Ret.), Director, Department of Veterans Services:
I am testifying this morning on Assembly Bill 11, which revises provisions governing the duties of the director of the Department of Veterans Services and county coordinators for services for veterans. This bill would change several things. First, there are responsibilities of the director that are not captured in the duty section of *Nevada Revised Statutes* (NRS) Chapter 417, Veterans' Services and Honorary Recognition Related to Military Service, to include operating veterans' cemeteries and veterans' homes. Those duties are referred to in other portions of the NRS, but my preference would be that we capture all the duties in one place. If someone is looking at the duties, they understand clearly what the director is responsible for.

Current statute only discusses the responsibilities of our veterans service officers, who are referred to as VSOs during this testimony. It only talks about the VSOs assisting our veterans with federal claims. Assembly Bill 11 would resolve this problem by adding the responsibility to assist veterans with state benefits. Our VSOs help veterans connect with benefits: federal, state, nonprofit, and private. I think it is important to make that distinction and add that to the NRS. *Nevada Revised Statutes* Chapter 417 does not include domestic partners to persons served by VSOs. This would add domestic partner to the list of those we serve.

The current statute does not address the Department of Veterans Services' authority to certify state veterans service officers, rather it only discusses the federal accreditation authority. Veterans Service Officers are qualified by their ability and experience to present claims, but I have to certify to the federal government that they have that ability and experience. Assembly Bill 11 would specify this authority. What is important to know is that, prior to 2014, the Department of Veterans Services did not have a formal training and certification program. We do now. Every state VSO undertakes a four-part training protocol. They have to successfully pass the Nevada Veterans Advocate course so they understand state-specific benefits. They must then successfully pass the National Veterans Legal Services Program training course, and this in-depth course teaches VSOs to help secure federal benefits. Then they must pass the United States Department of Veterans Affairs' (VA) training responsibility involvement and preparation, or TRIP, training. Finally, we partner each VSO with a senior VSO in a probationary status until they are qualified to participate in the claims appeals process. Only then do we apply to the VA to have these VSOs accredited. This change would talk about the responsibility of the Department of Veterans Services to certify that these VSOs have met all the training requirements prior to seeking accreditation with the federal government. The federal government trusts the states to do the right thing. If you do not certify them, you can just sign something saying this person is trained. This would require the director to have a formal process to make sure they knew what they needed to know to take care of our veterans and their families.

Nevada Revised Statutes Chapter 417 instructs the director of the Department of Veterans Services to pay a portion of our operating costs to a county veterans coordinator if funds are available. This duty was added by statute in 1997. I went back and looked at the 1997 statute, because there was no record of any money ever having been paid to the county for a coordinator, and there were no county coordinators who were currently operating. I found out that the director of veterans services, at the time the commissioner of veterans services, wanted to create a county veterans service officer system similar to the one that operates in California. We in Nevada do not have a county veterans service officer system. We have a centralized state veterans service officer system, and a darn good one. I think it provides the type of rigor and training to our VSOs that our veterans need. This is obsolete language. The county veterans service officer system was never adopted. What this would do is take away that requirement. It would not take away my requirement to support the counties. All of our state veterans service officers have to ensure that wherever a veteran lives, the veteran has access to information and benefits that improve their lives and the lives of their families. In my budget bill, which I will be briefing at the end of the month, we are requesting two new veterans service officers: one for Churchill County and one for Nye County. We have been providing services on the fly; moving service officers who are in Las Vegas and Reno to handle those populations. As those populations grow, we have to take care of that. I mention that because that is a responsibility of the state as it is right now—not the counties to train and operate a VSO program.

Finally, A.B. 11 adds to the director's responsibility that he or she serves as the state of Nevada's primary public advocate for veterans. At times, Nevada state agencies have developed programs or services for veterans. These programs may not be well-synchronized

across the state agencies, causing some confusion. I do not want to represent that we manage all veterans programs. There are amazing veterans programs in the Department of Employment, Training and Rehabilitation. There are amazing veterans programs in the Department of Business and Industry. There are a lot of veterans programs, but veterans will come to our website. There needs to be a port of entry. Our office and our VSOs understand that all the veterans services and programs are out there. I think this clarifies the responsibility of our agency to be the belly button, if you would, for veterans services.

This concludes my testimony on A.B. 11. I stand ready for any questions you may have.

Chair Flores:

Committee members, do you have any questions?

Assemblyman Carrillo:

Will deleting the pay to the counties to provide services result in the counties shutting down their services, and will the services be reduced if that happens?

Kat Miller:

Currently no money is being paid to the counties, so it would have no impact. I can find no record of any payment ever having been paid to the counties. As far as the services that are being provided, they are all being provided through my office, either on a full-time basis or a traveling basis. I have not reduced our commitment to support the counties. In fact, we are looking at ways to increase the commitment to the counties to make sure we have more state veterans service officer hours.

Assemblyman Carrillo:

Will any slack be picked up by the commission with the retention of these funds? Also, what is the reasoning for removing "hospitalization" from sections 5 and 6?

Kat Miller:

I did not understand the first part of that question.

Assemblyman Carrillo:

Will any slack be picked up by the commission with the retention of these funds?

Kat Miller:

May I ask what commission you are referring to?

Chair Flores:

I think you addressed part of that in your first answer. Thank you for that.

Kat Miller:

The second part of the question, hospitalization—our agency does not provide any support in hospitalization. That is provided by the U.S. Department of Veterans Affairs. In the laundry

list of duties, we provide support for all the other things listed but hospitalization. I do not know why that was ever in our duties; we do not do that.

Assemblyman Ellison:

In section 10, page 13, lines 26 and 27, it says: "The Director shall establish, operate and maintain a veterans' cemetery in northern Nevada." That has been removed.

Kat Miller:

Yes, sir, that has been removed in that section and will be moved to the duties section. You will find that as an addition.

Assemblyman Ellison:

It says: "provided in paragraph (m)."

Kat Miller:

Assemblyman, under paragraph (m) it says, "Establish, operate and maintain veterans' cemeteries in this State." Is that what you are referring to?

Assemblyman Ellison:

Right. And I said it showed it in paragraph (m), but I did not know if it still was there because it still does not operate and maintain veterans' cemeteries in the state. Basically, you just moved it out of section 10 to section 5, subsection 1, paragraph (m).

Kat Miller:

Yes. What has happened, as the veterans' cemeteries mission was added in 1990 and the veterans' homes mission was added in 2001, rather than those duties going into the duty section, they were embedded into the new paragraph. I am trying to clean it up to put all the duties in one place.

Assemblyman Ellison:

If you go to paragraph (o), it says, "the board of county commissioners of any county makes the request required." And that is still correct today, right? For instance, Elko is looking at its new cemetery, so that would mean the county commission would help?

Kat Miller:

This is if a county chooses because there is nothing in the statute that says the county could not decide to use its funds and hire a veterans service officer. If they choose to hire one, I would be responsible for providing the training and certification. What I want to ensure is that if a county decides it has this source of revenue and it wants to hire its own person, I want to make sure that there is somebody who is giving them adequate training, so no matter where that veteran lives, he or she is getting great training. Right now, I am not aware of any counties that plan to do that, except for Washoe. Washoe County has two veterans service officers that they have out of a grant, but it is temporary, and we provided the training and certification. The county does not know if that will last. But should a county elect to do that, I want to make sure the county has somebody to provide that training for free.

Chair Flores:

Committee members, are there any additional questions? Seeing none, is there anyone wishing to testify in support of A.B. 11?

Fred E. Wagar, Deputy Director of Programs and Services, Department of Veterans Services:

I am here to answer any questions that Director Miller might direct my way.

Marla McDade Williams, representing Churchill County:

We want to go on record in support of A.B. 11 and the changes it is making, and we are definitely in support of the department's efforts to have the VSO positions added.

Mitch Roach, representing United Veterans Legislative Council:

We are in support of A.B. 11.

Chair Flores:

Is there anyone else wishing to testify in support? [There was no one.] Is there anyone wishing to speak in opposition to A.B. 11? [There was no one.] Is there anyone wishing to speak in the neutral position for A.B. 11? [There was no one.] Would the sponsor like to return to make any closing remarks?

Kat Miller:

I have no closing comments on A.B. 11.

Chair Flores:

With that, I will close the hearing on A.B. 11 and open the hearing on Assembly Bill 12.

Assembly Bill 12: Revises provisions relating to veterans. (BDR 37-195)

Katherine Miller, U.S. Army Colonel (Ret.), Director, Department of Veterans Services:

This bill revises provisions to clarify and update obsolete provisions related to veterans services. *Nevada Revised Statutes* Chapter 417 gives the director regulatory authority, but the more appropriate language is the authority to adopt policies and procedures. This would be a minor change just to straighten up the language.

Nevada Revised Statutes (NRS) Chapter 417 requires the director to report on activities of all Veterans Service Officers (VSOs) operating in Nevada. The Department of Veterans Services only has the ability to gather information from state-employed VSOs. Nonprofit organizations generally will not release this proprietary information, some of which they consider protected under the Health Insurance Portability and Accountability Act regulations. You have the Military Order of the Purple Heart, the Paralyzed Veterans of America, the Disabled American Veterans, and several other veterans service organizations that have accredited VSOs with the U.S. Department of Veterans Affairs (VA) who operate in Nevada. We offer them training for free, and many of them go to our training programs, but they are not employees of the state. I cannot require them to give me information. I have asked, and

some choose not to give me that information. Requiring me to provide information that I do not have the ability to mandate would be something I would like to see taken out.

During the 79th Session, language was added to NRS Chapter 417 that established the qualifications of the Department of Veterans Services Deputy Director for Health and Wellness. I apologize that I have not introduced my staff. To my left is Deputy Director for Health and Wellness, Ms. Wendy Simons. To my right is our Executive Officer, Ms. Amy Garland. In Las Vegas we have our Deputy Director of Programs and Services, Mr. Fred Wagar. As I was saying, during the last session, language was added that established the qualifications for the Deputy Director of Health and Wellness. The intent was that this employee have a minimum of four years of health care management or health care administration. However, instead of "health care administration," the approved language was just "administration." Four years of general administrative experience is not sufficient experience for the executive exercising oversight of Nevada's veterans' homes. That sentence could be read either way. It says health care management and administration, but the way it is worded without the punctuation, it would be cleaner to say health care administration or health care management, that way there is no question that the person hired for this job has to have the qualifications.

The NRS specifies requirements for the locations at which the Veterans Services Commission must be held. In an age of digital communications, this direction is no longer required. The Commissioner of the Veterans Services Commission should be able to hold the commission where he thinks appropriate. I have spoken with the Commissioner. He is good with this change and, in fact, it has not been followed very closely as it is written in the NRS.

Nevada Revised Statutes Chapter 417 discusses the use of volunteers for veterans' cemetery groundskeeper operations. When the cemeteries were established for veterans' cemeteries, there was a concept that perhaps the groundskeeping would be done by volunteers. I do not know if that was done in 1990. It is not being done now, and there would be a great deal of risk having volunteers operate our tractors and other equipment, or having them do interments. This is not something we are doing, and I would like to see it removed from the language.

Finally, in the 79th Session a duty was added requiring the director to assist LGBTQ [lesbian, gay, bisexual, transgender, and questioning] veterans. Portions of the language that discussed the support to LGBTQ veterans are already addressed in the director's duties, so it is a bit repetitive. It also leaves a false sense of, We only have to do these things for that community. Assembly Bill 12 would strengthen the language and direct NDVS to provide assistance without limitation and remove a laundry list of requirements that are already covered in the duties and make it very clear that we have to provide support to this population without limitation.

This concludes my testimony on A.B. 12.

Assemblyman Assefa:

The last section you just touched on, section 4, when it comes to outreach to the LGBTQ community, I understand what you are trying to do. You are trying to make it easier and trying to make sure that services are accessible by that community. I am trying to see what impediments there are currently or what is not clarified for you to need to do this in this section.

Kat Miller:

There are no impediments right now. Under the duties, I am required to address every issue, problem, or concern of every veteran, family member, survivor, or spouse of any veteran. It was already a requirement. The concern last session was there had been a change in the Department of Defense (DOD) policy regarding the LGBTQ community. We had a lot of LGBTQ veterans who were discharged from the military with less than an honorable discharge based solely on sexual orientation or preference. There is a need for us as an agency to reach out to this community, try to locate them, and assist them with their discharge upgrades. As a matter of course in our agency, we help veterans with all kinds of discharge upgrades. We have a very active outreach program. My concern was by saying, You will do just these things for the LGBTQ community, might imply that is all we do. Talking to the Office of the Attorney General, it was suggested saying "without limitation" would make very clear that you do not just have to do those things that were listed, but you have to do everything in your power to support them and to make sure he or she is able to file the claims and get those discharge upgrades that they need.

Assemblyman Assefa:

Thank you for the clarification. When it comes to the discharge upgrades, if someone is discharged less than honorably, what does that mean, since I am not a military guy?

Kat Miller:

There are five discharges: the best is honorable; the worst is dishonorable. The Uniform Code of Military Justice, at one time, did not recognize or would punish you for your sexual orientation. You could be discharged for that with a general discharge. Because that is no longer the case, you can find these veterans who have a general discharge just for that and apply to the Board for Correction of Military Records and get that discharge upgraded. That person would be eligible for benefits that they might not be eligible for right now. It gets really challenging though, because sometimes a person would get discharged. They might be LGBTQ and because he or she was not accepted in that community or their unit, you really have to dig through. The discharge might have just said "unsuitable for military service." The discharge was not clear. There used to be all different sorts of reasons. The Department of Defense, the different services, have been very accepting of pretty much anything, as long as there was not an actual crime: if somebody murdered someone and they happened to be LGBTQ, they are not going to say, We are going to upgrade your discharge. They are going to take a look at that criminal offense. If the offense was related to their being LGBTQ, they can get a discharge upgrade, but it is not easy.

Our veterans service officers understand that what they need to put into that request is absolutely essential. My challenge is, How do I find my LGBTQ veterans? It is not something that is on a discharge database anywhere. We have been very lucky. There have been some leaders in the veterans community, here in the north and in the south, who have helped us figure out ways to access that community, but not everybody is a member of an organization. That may be more information than you asked for, but it is a challenging problem. In my opinion, if we can get these improperly discharged veterans the character of discharge that they deserve because of their service to our nation, then we really need to do that. We are working hard on it. Assembly Bill 12 would not change our commitment to that at all. In fact, it would add the words "without limitation" and take out a laundry list of things to do that are covered elsewhere.

Assemblyman Leavitt:

I want some clarification, because something you said rubbed me the wrong way. An LGBTQ individual is discharged dishonorably simply because of their sexual orientation? Is that correct?

Kat Miller:

Currently he or she would not be. It would probably never be a dishonorable discharge. To receive a dishonorable discharge, a person has to do something heinous to be kicked out of the U.S. Department of Defense (DOD). Certainly, there were veterans whose sexual orientation in the past resulted in their being discharged for unsuitability to military service. That is what it was called. That individual would receive a general discharge. I would like to pass this to my Deputy Director, Fred Wagar, who runs our veteran services office program and worked for the U.S. Department of Veterans Affairs and is very aware of the discharge upgrade. Do you have anything to add to that, Fred? What are some of the other charges that the person might get?

Fred E. Wagar, Deputy Director of Programs and Services, Department of Veterans Services:

The fact is that they would come up with whatever charges they thought were appropriate at the time. As the Director mentioned, generally speaking, this would be a general discharge, but they would use things like fraternization or whatever other things they deemed would help them get rid of that "unsuitable" service member. I have spoken to a number of them. A gentleman here in Las Vegas who was in the service for 14 years decided if anyone asked he was just going to tell the truth. He ended up on an email list. The supervisor asked him if he was gay. He said, Yes, I am. The supervisor said, Well, I am going to have to start paperwork to kick you out. He was removed from service. It took him years to get that discharge upgraded. He got it and is now receiving full benefits from the V.A. that he was not entitled to before.

Kat Miller:

It was official policy at the time that one's sexual orientation was a factor in deciding whether you were suitable for military service. That is currently not the policy.

Assemblyman Leavitt:

The deputy director said "they." Who are they?

Kat Miller:

Congress, the Department of Defense, and those people who make laws. This was not a commander who was operating outside of the norm. That was our national policy until 2010. Even then, going back and forth, DOD's policy, you may have heard that under Colin Powell, when he was chairman of the Joint Chiefs of Staff, the "don't ask, don't tell" policy was overturned and is not a factor in the service right now. At one time, a commander was legally required to take into consideration your sexual orientation as far as suitability for service.

Assemblyman Leavitt:

For my own clarification, this practice is not happening now?

Kat Miller:

Legally, it is not happening. The military is a microcosm of society. You may have individuals who choose to do things, but it is under a pretty tight microscope right now. I am aware of no commander who would do such a thing, who would discriminate against somebody based on sexual orientation, but it certainly was the practice in the past.

Assemblyman Leavitt:

So this legislation is looking to, maybe, look at somebody who was disenfranchised in the past and remedy that? Is that what we are looking at?

Kat Miller:

This legislation is merely housekeeping to make sure it is clear that we are responsible for supporting this unique community in toto, not just for the list of things that are there. Our agency's practice of outreach is that we have an LGBTQ program specifically designed to connect with veterans who might have experience, but the discharge was inappropriate given their service to this nation. That does not have anything to do with this legislation, but this legislation last session reflected the Legislature's commitment to making sure that our department was put on notice that this community needs a call out to do something to make sure they were approached.

Assemblywoman Duran:

With persons who were given less than an honorable discharge and who appealed the system and you were helping, do they get any of their benefits back, or are they reimbursed if they miss any? How does that work?

Kat Miller:

I will have to get back to you on that. The problem is if you get a general discharge, you are still going to be eligible for disability compensation and pension, those types of veterans benefits and medical service—the kinds of things that would prevent one from receiving benefits—let us say you are applying for a job. You submit your discharge document, and it

says a general discharge, not an honorable discharge. An employer and most human resource departments know what that means. How do you know that employer did not hire you because you had a general discharge? Or a security clearance could be affected. It would be very difficult to go back and get that job you missed out on 13 years ago, or get that security clearance you did not get. As far as the VA benefits for compensation and pension, for medical care, et cetera, a general discharge usually does not serve as an impediment for those types of benefits. It is more in the employment area, in my experience, that not having that honorable discharge is an impediment, but there are a few other benefits that say you have to have an honorable discharge.

In our own statute, in order to get the word "veteran" put on your driver's license, you have to have an honorable discharge. It depends on who is offering the benefit. The person offering the benefit gets to define the parameters of that benefit. Some nonprofit, state, or federal benefits say honorable; others say you cannot have a dishonorable. It is a complicated question, and I could do something and send it to you and maybe lay that out a little clearer for you.

Assemblywoman Duran:

That would be appreciated.

Assemblyman McCurdy:

My question is regarding the number of individuals who may be positively impacted by the passage of this legislation. Do you have a number of folks who may have been less than honorably discharged according to their status at that time? Also, how do you plan to do outreach to them once this is passed?

Kat Miller:

The first question is, How many would be impacted by it? Regardless of legislation, we are doing everything we can to reach out to the veterans. It is not an impediment to us right now. It could be to a director in the future, saying I only have to do these things.

As far as the number of veterans, I had to work backwards because I do not know how many veterans are in Nevada, let alone how many LGBTQ veterans there are. But I took a look at the number of LGBTQ veterans that the RAND Corporation said are in the military, took that percentage and applied it to our veterans, so you are talking about a couple of thousand, maybe, in Nevada, and of those it is usually the ones who got out before 1990. After 1990, when you had the "don't ask, don't tell" policy, it just did not happen that often. Half of our veterans are over that age. We think maybe 200 is what we are looking at throughout the state. Again, a mathematician would look at our stuff and say it is a little shaky, because we had to do some inferences. Probably 200 individuals is what I would think, and finding those 200 individuals becomes a marketing technique.

What we have done is reach out to the known LGBTQ communities: the centers in Las Vegas, in northern Nevada, and to leaders in the veterans groups. We have done fliers, news articles, attended LGBTQ events, whether it be the parade in Las Vegas or the event in

northern Nevada, and we set up a table. We have booths, and we put out information. We have created fliers specifically for that population to talk about how we can help them upgrade their discharges. We are doing everything we can think of to get to that community. Funding is not an issue for us right now on this. It really is just a question of word of mouth and getting people out into the community. We have developed an online course on unique veterans, the Nevada Veterans Advocate course, and there is a section in there on LGBTQ veterans and benefits that they might be missing out on and how to do the discharge upgrade. I am pretty happy with our outreach. How many have we actually helped get a discharge? A handful of people we have identified that we have worked through on doing their discharge. There may have been some who have gotten the word because of our outreach efforts that have gone directly to the VA, or gone directly to the Department of Defense to pursue that upgrade that we would not know about.

Assemblywoman Bilbray-Axelrod:

I am curious because I know transgender service members are now in the public spotlight. Obviously, with the current administration, those folks are being forced out. There was about a year when transgender service members were allowed to serve openly in the military, and now it is back to where they are not able to. Is this something that would encompass those folks as well? They were not getting that dishonorable discharge as well, it was a general discharge, is that correct?

Kat Miller:

Our office deals with veterans once they have been discharged from the military. If a person cannot get into the military because they are transgender, then they would not receive a discharge from the military.

Assemblywoman Bilbray-Axelrod:

For about a two-year period, transgender folks could openly serve in the military. I think it was March of last year that the policy was retracted, so I imagine that we do have at least some members, I do not know if we have some in Nevada, but I was just curious if that is how they are being discharged as well with the general discharge, rather than honorable.

Kat Miller:

I do not know. I will research and find out. To make sure I understand: Those who might have been discharged as a result of the change in national policy on transgender service, what has been their characterization of service on their discharge?

Assemblywoman Bilbray-Axelrod:

Correct.

Kat Miller:

We will find that out. As far as the numbers, again, we had to extrapolate them, but we figure about 776, using that percentage who would be transgender in Nevada.

Chair Flores:

Committee members, are there any additional questions? [There were none.] Is there anyone who wishes to speak in support of A.B. 12?

Megan Ortiz, Legal Intern, American Civil Liberties Union of Nevada:

We are in support of A.B. 12, which would ensure rights to limitless assistance for LGBTQ-plus veterans. The American Civil Liberties Union believes that veterans and LGBTQ persons are an important part of our community. Those who identify as both deserve the utmost respect and care. By providing these limitless benefits and assistance to LGBTQ vets, we can take steps towards ensuring that we are eliminating discrimination. For these reasons, we are here in support.

Sherrie Scaffidi, representing Transgender Allies Group:

We are in support of A.B. 12.

Mitch Roach, representing United Veterans Legislative Council:

We are in support of A.B. 12.

Chair Flores:

Is there anyone else wishing to speak in support of A.B. 12? [There was no one.] I would like to move to those wishing to speak in opposition to A.B. 12. [There was no one.] Is there anyone who would like to speak in the neutral position to A.B. 12? [There was no one.] If our presenter would like to return and make any closing remarks?

Kat Miller:

I have no closing remarks on A.B. 12.

Chair Flores:

I would like to close the hearing on A.B. 12 and move to Assembly Bill 13.

Assembly Bill 13: Revises provisions concerning veterans' homes and veterans' Adult Day Health Care facilities. (BDR 37-197)

Katherine Miller, U.S. Army Colonel (Ret.), Director, Department of Veterans Services:

Nevada Revised Statutes (NRS) Chapter 417 allows the director to appoint an administrator for a Nevada veterans' home. In 2017 the Division of Veterans Services was funded by the Legislature and approved by the State Board of Examiners to hire a management company to run the Northern Nevada State Veterans Home. Under the contract the management company has the authority to hire an administrator. That individual is not a state-appointed employee. Assembly Bill 13 would resolve this conflict by authorizing the director to appoint an administrator or to contract with a management company at state veterans' homes.

In 2017, when we testified in order to get the funding for the contract, I was asked which is the better model. I have a state home in southern Nevada with my employees maintaining a 5-star facility. It is an amazing facility, and I am a big fan of running that facility with state

employees. However, it took us 11 years to become General Fund independent. It took several years to become certified and to get the home up and running in southern Nevada, because we did not have the core competency to open and establish a home, not with the experience of having done one. So we hired a contract management company as approved in the budget and as approved by the Board of Examiners. That company manages 76 homes, and I am very confident that they can pass the survey to get us open.

There are 158 items that you have to pass in your initial survey. Failing one of them keeps you from getting certified. If you do not get certified, you start that process again. Without the revenues coming in, we have to come back to the Interim Finance Committee and to the Legislature to get funds to operate this home. I was asked in a previous testimony, would this be the end state? That is a decision for the Legislature and the Governor in future years. Once the home is up and operated, we will have a state system, and we will have a contracted system. Do we keep it hybrid? Do we go with all state? Do we go with contracted? That will be a decision, I think, for the next legislative session and the one after. I will tell you the one we have in southern Nevada is a hybrid in and of itself: housekeeping, dietary, laundry, and many of the medical services, the medical director, recreational therapy, and physical therapy—those things are all contracted out, because we do not have the specialties within the state to be able to manage that.

What this would do is not authorize me to contract out; that was already authorized last session. It just cleans up the language because I do not appoint the administrator. That individual is appointed by the management company.

Secondly, the Department of Veterans Services is not authorized to establish or operate veterans' Adult Day Health Care facilities. However, veterans and their families often request these facilities. These facilities allow a veteran to live at home. If the veteran and spouse both work, right now somebody would have to stay at home with mom or dad, with the veteran. This would allow the family to leave them in a place of safety, a place where they could be with friends, a place where they could get medical care during the day, and go home at night. My concept would be that we would build this on the same campuses of our existing homes so we could use the infrastructure where we already own the property, so they would be fairly low-cost to establish, but I am not going after the authority to build one right now. I want the authority to operate one so I can start pursuing grants, so I can put together some concepts, so I can see if this is a financially viable concept, whether or not we would have the market to support it. I do not know whether we need to get in this business as a state, but I would like the authority to operate one so I can start doing the work and then bring a proposal to the Legislature next session.

Nevada Revised Statutes Chapter 417 requires that a veterans' home be built first in the south and then in the north. Both homes have been constructed, so this language is obsolete and can be removed from this statute.

This concludes my testimony on A.B. 13.

Chair Flores:

Committee members, are there any questions?

Assemblyman Hafen:

You were saying you were not asking for additional funds, and there is no fiscal note attached to this, but in section 8, subsection 2, paragraph (d), we are adding "Appropriations made by the Legislature for veterans' Adult Day Health Care facilities," so are you going to offset your current General Fund allocation for this appropriation, or will this be a new appropriation? I know you said you are going to pursue grants, so I want to clarify on the record that you intend to use the current General Funds that you are receiving and appropriate the funds as needed?

Kat Miller:

Right now we are General Fund independent on our southern Nevada home. We are not General Fund independent for the northern Nevada home because we are not up and running and getting revenues, but our goal is to be General Fund independent. If we were to get authority to build an Adult Day Health Care facility, we would be seeking initial operating funds until we became financially solvent, General Fund independent, next legislative session or the one after, depending on whether we received the grant. This language would just talk about any payments that came from the U.S. Department of Veterans Affairs (VA) or any money received from any source that goes into this account. Whether we received any General Funds or not, it is hard to look into that crystal ball, but if we got the grant from the VA, and the way that works for the grant, the VA pays for two-thirds and the state pays for one-third of the construction. We are talking about a building on our campus. Most of the physical plant, all of that, we would use the same infrastructure that is there. If we wanted to pursue this, we would come back to the Legislature and put in a capital improvement program request for the one-third grant. Then we would need operational funds until such time as it was General Fund independent, but until we have the money it could not be deposited into the gift fund.

Assemblyman Hafen:

Thank you for that clarification.

Chair Flores:

We could have our Committee Counsel add additional clarifying language.

Asher Killian, Committee Counsel:

As the director stated, this is effectively an accounting provision. It is not making an appropriation, but if an appropriation is ever made in the future, this statutory language requires that appropriation to be accounted for in the Veterans Home Account. It does not actually make the appropriation; it just sets the framework if one is ever made.

Chair Flores:

Committee members, are there any additional questions? [There were none.] I would like to invite those forward in support of A.B. 13.

Mitch Roach, representing United Veterans Legislative Council:

We are in support of A.B. 13.

Chair Flores:

Is there anyone else in support of A.B. 13? [There was no one.] Is there anyone wishing to speak in opposition to A.B. 13? [There was no one.] Is there anyone wishing to speak in the neutral position to A.B. 13? [There was no one.] I will invite the presenter to make any closing remarks.

Kat Miller:

Chair Flores and members of the Committee, I would like to thank Committee Counsel for his clarifying remarks. In closing, I would like to say that we have been trying very hard the last couple of legislative sessions to clean up NRS Chapter 417 so it makes sense and it makes it easy to operate. I know these are not big things. These are all pretty minor in here, and we appreciate your taking the time to help us get the language clarified in NRS Chapter 417. I think it will be important for directors in the future to have a clear road map of their responsibilities.

Chair Flores:

I will close the hearing on Assembly Bill 13 and invite anyone who wishes to speak in public comment to come forward. [There was no one.] Members, we will be back here tomorrow morning at 8:30 a.m.

This meeting is adjourned [at 9:30 a.m.].

RESPECTFULLY SUBMITTED:

Connie Jo Smith
Committee Secretary

APPROVED BY:

Assemblyman Edgar Flores, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.