

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Eightieth Session
May 23, 2019**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 8:11 a.m. on Thursday, May 23, 2019, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4404B 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:

Assemblywoman Maggie Carlton, Chair
Assemblywoman Teresa Benitez-Thompson, Vice Chair
Assemblyman Jason Frierson
Assemblywoman Sandra Jauregui
Assemblyman Al Kramer
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Dina Neal
Assemblywoman Ellen B. Spiegel
Assemblywoman Heidi Swank
Assemblywoman Robin L. Titus
Assemblyman Jim Wheeler

COMMITTEE MEMBERS EXCUSED:

Assemblyman John Hambrick

GUEST LEGISLATORS PRESENT:

Assemblywoman Selena Torres, Assembly District No. 3
Assemblywoman Susie Martinez, Assembly District No. 12
Assemblyman Steve Yeager, Assembly District No. 9

STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Sarah Coffman, Principal Deputy Fiscal Analyst
Russell J. Guindon, Senior Deputy Fiscal Analyst

Minutes ID: 1294



Nancy Morris, Committee Secretary
Lisa McAlister, Committee Assistant

After staff called roll, Chair Carlton covered meeting protocol. She stated that Assembly Bill 84 would be first on the agenda and invited those presenting to the testimony table. The Chair explained to Committee members that they had received duplicate copies of the one amendment for this bill.

Assembly Bill 84: Provides for the issuance of state general obligation bonds to protect, preserve and obtain the benefits of the property and natural and cultural resources of the State of Nevada. (BDR S-326)

Bradley Crowell, Director, State Department of Conservation and Natural Resources (DCNR), presented an overview of Assembly Bill (A.B.) 84 and read the following statement into the record:

A.B. 84 is a continuation and renewal of Nevada's extremely successful Conservation Bond Program that was first passed by the Legislature in 2001 and approved by the voters in 2002. The bond program was the first question on the ballot for the 2002 general election, and thus the program is commonly referred to as the "Question One" [Q1] program ever since. However, now that we are in 2019, the new proposed program is gaining traction as the "Conservation Bond program 2.0."

The original Q1 bond program in 2002 authorized \$200 million in bonds to carry out a variety of conservation and recreation projects. The success of the program has helped establish bond sales as a successful program for supplementing conservation projects throughout Nevada without the need to raise new revenue. The Q1 program supported bond sales for the Las Vegas Springs Preserve, the Las Vegas Wash, the State Museum at the Springs Preserve, numerous wildlife projects carried out by the Nevada Department of Wildlife, critical improvements to Nevada's State Parks, as well as the needed restoration of the Truckee and Carson Rivers and the new Lake Tahoe Bike Path, which is set to open the first section from Incline Village to Sand Harbor next month.

While the Q1 program was essential for completing many of these high profile projects, it is the multitude of smaller projects that truly defined the success of the Q1 program. These smaller scale efforts included countless recreational trail improvements, river enhancement projects, open-space acquisitions and wildlife habitat improvements that not only enhanced and protected our natural environment but also improved the quality of life for Nevadans and improved the visitor experience.

To date, the Q1 program has supported over 115 projects throughout the state resulting in over 100 miles of new recreational trails, over 17,000 acres conserved for open space, and improvements at all of Nevada's State Parks.

Now, as the Q1 program comes to an end, you will hear today from stakeholders representing every corner of Nevada that now is the time to re-up our commitment to protecting Nevada's natural landscapes with a new Conservation Bond program. Assembly Bill 84 is essentially the same program as Q1, with many of the same eligible projects, but expanded further to meet the needs and challenges we face today to protect and enhance Nevada's unique and abundant natural resources.

A conceptual amendment has been submitted today to increase the authorization level in A.B. 84 from \$200 million to \$217.5 million, by rolling in the remaining \$17.5 million from the current Q1 program. This authorization level and the eligible projects represents a broad stakeholder consensus that will help ensure this new Conservation Bond program will be an even greater success.

Before his colleagues presented more detail on the bill, Mr. Crowell played a video for the Committee that illustrated the benefits of Nevada's Conservation Bond program.

James R. Lawrence, Deputy Director, DCNR, presented Exhibit C, the conceptual amendment to A.B. 84. He began with section 1 and explained that when the bill started, the intent was to be identical to the original Question 1 (Q1) amount of \$200 million, but \$17.5 million authority remained in the current program. After conversations with the State Treasurer's Office, it was determined the most efficient way forward was to sunset the Q1 program and combine the remaining Q1 authority with A.B. 84. The effect on debt capacity and property tax, among other potential problems, was considered, and the combination had no debt difference and would provide program efficiencies for tracking bond sales and administering the program.

Mr. Lawrence stated that section 2 of the bill outlined the different allocations and eligible projects.

- Subsection 1 authorized \$30 million for improvements to Nevada State Parks.
- Subsection 2 authorized \$30 million to the Department of Wildlife for habitat and facility improvements.
- Subsection 3 authorized \$30 million to the Las Vegas Springs Preserve.
- Subsection 4 authorized \$10 million for the Clark County Wetlands Park and Lower Las Vegas Wash.

- Subsection 5 authorized \$30 million to the Division of Museums and History, Department of Tourism and Cultural Affairs, for the Nevada State Railroad Museum in Boulder City, the East Ely Depot Museum, and other improvements in state museums.

All of the allocations above were largely identical to the original Q1 program, and A.B. 84 would allow work to continue and programs to move forward.

Mr. Lawrence explained that section 2, subsection 6 was not in the original Q1 program and was mostly a continuation of Assembly Bill 371 of the 79th Session (2017), which authorized the State Land Registrar to enter into private-public partnerships to save, preserve, and restore historic buildings on the National Register of Historic Places. Section 2, subsection 6 of Exhibit C allocated \$5 million to the Division of State Lands, DCNR, to carry out those provisions. The next three subsections in section 2 detailed by Mr. Lawrence were originally part of the larger statewide grant category, but conversations with stakeholders identified three very important projects to all stakeholders, and there was a desire to have a special carve-out and set-aside for them.

- Section 2, subsection 7 allocated \$10 million to Clark County for the planning, design, and construction of the Las Vegas Rim Trail.
- Section 2, subsection 8 allocated \$10 million to DCNR to be distributed through grants for enhancement and restoration projects in the Truckee and Carson River watersheds.
- Section 2, subsection 9 allocated \$5 million to DCNR for the continuation of the Lake Tahoe Bike Path.

Section 2, subsection 10 of Exhibit C was the large competitive statewide grant program for \$57.5 million to be administered by DCNR through competitive grants. There were many eligible categories as follows, some of which were in the Q1 program and some were new and reflected 2019 conditions:

- Subsection 10, paragraph (a), subparagraph (1) was for grants for the construction of recreational trails and facilities. Trail projects from Henderson to West Wendover to the Carson Range in Douglas County had been completed with Q1 funds.
- Subsection 10, paragraph (a), subparagraph (2) was for grants to counties and municipalities for sensitive land acquisition.
- Subsection 10, paragraph (a), subparagraph (3) was for grants for the purpose of improving greater sage grouse habitat. Grants in this category needed to use the State's Conservation Credit System to quantify the habitat benefit.

- Subsection 10, paragraph (a), subparagraph (4) was for grants to improve watershed conditions, conduct necessary fuel reduction work, and carry out restoration activities.
- Subsection 10, paragraph (a), subparagraph (5) was necessary inventory, enhancement, and restoration of wetlands throughout the state. It was important to protect the state's limited, critical wetlands.
- Subsection 10, paragraph (b) was contracts and agreements with nonprofit organizations for acquisitions of environmentally sensitive land or interests in such land, such as conservation easements.

Mr. Lawrence stated that throughout the conceptual amendment, match requirements were struck through. The bill and original Q1 program had strict match requirements, and when attempts were made to execute Q1 programs, the match requirement hindered project launches. While some entities were able to provide matches, many smaller groups were unable to match. Larger land acquisitions were often dependent on federal sources, which tended to be ephemeral. When bonds were sold, the agency was obligated to ensure the projects were completed and the money was spent in a three-year timeframe, or the agency could face arbitrage penalties. If bonds were sold and the acquisition of matching funds delayed the project, the agency could be at risk. Mr. Lawrence clarified that the match was important and the conceptual amendment included language that the Department had to institute regulations, as were done in the original Q1 program. He surmised there might be ways to incentivize matches by awarding higher scores to applicants bringing more match or leverage funds.

Section 3 of A.B. 84 was largely administrative and predominately carryover language from the original Q1 program. Mr. Lawrence pointed out that section 3, subsection 9 of Exhibit C allowed for the reallocation of the bill amounts with approval from the Interim Finance Committee (IFC). The agency had found from the original Q1 program that sometimes money needed to shift, and once everyone in the agency agreed, the request would be brought to IFC for approval.

Section 3, subsection 13 of Exhibit C added a reporting requirement. Mr. Lawrence stated that DCNR would prepare annual reports for the Legislative Counsel Bureau and Governor's Office for visibility of the program and its associated projects. Sections 4, 5, 6, and 7 contained the necessary administrative language and were mostly identical to that in the original Q1 regarding how the bonds would be sold, the debt capacity, and language provided by the Treasurer's Office regarding the mechanics of the bond sales. Section 8 was the final section, which basically repealed the existing Q1 program. In the 2017 Legislative Session, a bill was passed to extend the Q1 program an additional five years from 2019 to 2024. Because the remaining \$17.5 million in Q1 would be rolled into the new program, the old program needed to sunset. Section 8 repealed the 2017 legislation that was passed, meaning Q1 would sunset June 30, 2019, if A.B. 84 were to pass.

Mr. Lawrence paused for questions from the Committee.

Assemblywoman Titus, referring to page 3, line 25 of [Exhibit C](#), noted there was a dramatic difference in allocations, most notably among the rural counties, and asked why it was all struck from the bill.

Mr. Crowell stated that removing the wording made the rural counties eligible for more money because the amounts in the bill were arbitrary. The population density did not necessarily relate to where the needs were for conservation projects. The agency tried to balance where grants went under the large grants program, and the language was removed to create an open pool across the state for all eligible projects to apply and compete for grants.

Assemblywoman Titus felt there were many very specific uses designated in the bill, and the spending of millions of dollars was very clearly defined to certain entities, but putting money into a pool caused her to feel there was no guarantee that funding would go to the rural counties.

Mr. Crowell asked Mr. Lawrence to address Assemblywoman Titus's question and stated that Mr. Tony Wasley, Director, Department of Wildlife, would provide more detail in his testimony about rural area focuses. In addition, he stated that the state parks' funding would be spread across all of the state parks, many of which were in the rural areas. He felt it was a more equal and fair distribution that would benefit the rural counties and the state as a whole.

Mr. Lawrence stated that the original bill allocated \$10 million to the rural areas and many rural stakeholders were not in favor of the allocation. The original Q1 statewide grant pool was close to the same size as the pool in [A.B. 84](#), and much more than \$10 million was spent in rural Nevada from Q1's pool. Stakeholders felt the \$10 million cap in [A.B. 84](#) was too limiting. The agency felt it was important to fund the best projects for the state, and stakeholders felt the \$10 million allocation was too limiting, which was why it was removed from the conceptual amendment.

Mr. Wasley stated that he was also pleased to speak in favor of [A.B. 84](#), and the conceptual amendment would provide \$30 million for the Department of Wildlife (NDOW). There were two key parts to conservation bond funding for NDOW. The first was the matching portion, because half of NDOW's budget was federal funds, which required a nonfederal fund match. The federal funds could be a 3-to-1 match, allowing NDOW to leverage the conservation bond funds to the benefit of the State by attracting federal funds for the projects. The historical use of Q1 bonds by NDOW had been spread throughout the state, and to answer Assemblywoman Titus's questions, NDOW had been able to spend a significant amount of the funds on fire rehabilitation efforts. He mentioned that Elko County was one of the areas that had benefited from the Q1 funds going toward postfire rehabilitation. Another area that benefited from the funds was fish recovery and fish production, as was done at the Virgin River, Muddy River, and the Lake Mead Hatchery. The flannelmouth sucker, razorback sucker, and bonytail chub were three fish species that required mitigation efforts, and NDOW

was able to carry out recovery efforts for the three species. Hatchery refurbishments had also been made with the Q1 funds.

Mr. Wasley noted that conservation needs did not tie directly to population centers, and NDOW's 150,000 customers were scattered across the state and did not always recreate where they lived. It was better to base funding on project needs than on populations. The \$5 million in Q1 funds for fish hatchery improvements, which addressed threatened and endangered species, as well as fish production needs, was matched to result in \$18 million in funding. There were more than 56 different habitat projects all around the state, using more than 33 percent of the funding available through Q1, and were matched at over 2 to 1 by federal funds. The bond program with federal match allowed NDOW to be more responsive to emerging conservation challenges. This was especially important with the unpredictability of fire seasons and related recovery efforts. The conservation bond program was used to get work done on the ground and improve conservation for all the citizens of Nevada.

Assemblywoman Titus thanked Mr. Wasley, Mr. Lawrence, and Mr. Crowell and said they probably would have been disappointed in her if she had not pointed out a half page of rural designations that had been struck in a bill, and she appreciated their explanation.

Chair Carlton stated that as a resident of an urban area of Nevada, she knew urbanites in Nevada also liked to have nearby recreation areas.

Mr. Crowell summarized that the total funding amounts, presuming all bonds were sold, meant \$80 million would go to specific projects in southern Nevada, \$15 million to specific projects in northern Nevada, and \$122 million would be available for eligible projects throughout the state. He felt this segmentation struck the right balance from the conservation management perspective.

Chair Carlton invited meeting attendees in overflow rooms to make their way to the video rooms if they wished to speak on A.B. 84.

Peter D. Barton, Administrator, Division of Museums and History, Department of Tourism and Cultural Affairs, stated that Nevada sat in the top tier of states with respect to how it protected heritage assets. With six state museums and the Nevada Historical Society under state management, Nevada held high the importance of its unique history. However, Nevada state museums struggled to compete and remain relevant in the fast-paced world where change accelerated and demand for services increased. In the last fiscal year, the museums saw a 17 percent increase in service delivery. Question 1 enabled the museums to step forward and meet the expectations of today's visitors. The act brought \$35 million to design and construct the newest museum at the Las Vegas Springs Preserve, making a significant change. Attendance at the new museum, despite reduced hours of service, had more than tripled and was expected to hit 65,000 this year.

Section 5 of A.B. 84 would authorize the Division to spend up to \$30 million to further improve the state's heritage infrastructure. Of that amount, the Division proposed

earmarking \$25 million in Clark County for phase 1 and phase 2 expansion of the Nevada State Railroad Museum in Boulder City. This museum, first opened in 2001, had seen the fastest growth of any Nevada museum, going from 2,000 visitors initially to 40,000 by 2012 and currently reached 55,000. Year-over-year growth had been double-digit, and virtually every event sold out.

Three years ago, the Division began a dialogue with the Boulder City Chamber of Commerce, the City of Boulder City, and the Economic Vitality Commission, and began a master plan effort to look at how the Division might better use the assets at the Boulder City location. That resulted in the publication of the hard copy brochure titled "More Than Just a Train Ride" ([Exhibit D](#)). Page 15 of [Exhibit D](#) illustrated the three phases of the plan. If available, [A.B. 84](#) bond proceeds would fund phases 1 and 2.

Mr. Barton stated that phase 1 of the plan would create a new gateway to Boulder City through the development of new visitor access parking, arrival area, orientation plaza, and a visitor center where guests could wait for a train, learn about the railroad and its crucial role, shop, or sit comfortably away from the heat of summer or the chill of winter winds. New high-level train boarding platforms would provide improved and safer access and expedited boarding and detraining. This phase of the project was estimated at \$15 million. Mr. Barton noted that the City of Boulder City and the Regional Transportation Commission (RTC) had already invested in this project. The city provided a crucial land parcel needed for the visitor center development, and the RTC had made available and pledged funding to improve access to the site along the improved Boulder City Parkway, a Complete Streets project. The Department of Transportation also invested nearly \$2 million to reconnect the rail line over Interstate 11, restoring rail service to Henderson and Las Vegas, which enabled the museum to extend its ride offerings.

Phase 2 would develop a linear park along the railroad yard, running roughly from Yucca Street to the new visitor center. Many diverse railroad-themed activities for children and families, bike paths, small-gauge operating trains, picnic facilities, interpretation, and a water feature would provide a place for community and visitors to recreate. This phase had an estimated cost of \$10 million.

Mr. Barton moved to phase 3 as shown in [Exhibit D](#) and explained it would expand and extend the existing River Mountains Loop Trail to and through the railroad museum property. This would enable a continuous trail system extending from the Green Valley area of Henderson to the museum and beyond. This phase of the project, estimated at between \$8 million and \$10 million, would be enabled through private fundraising and grants set aside for trail projects. Additionally, section 5 of [A.B. 84](#) allowed for other improvements to Division properties. It was anticipated that the Division would reserve \$5 million for these purposes. One project identified was the East Ely Railroad Depot Museum, where improvements to the passenger depot and freight building would include window replacement, upgraded heating, and life-safety improvements. Additional portions of the authorization would be used to help relocate the Nevada Historical Society from its present location on the campus of the University of Nevada, Reno, to a more visitor-centric location

in downtown Reno. The funding would also be used for modest improvements to exhibits and infrastructure in other state museums to ensure vibrancy and relevance to the public. This would allow the Division to strengthen its share in the market competing for leisure time activities.

Chair Carlton recalled recent conversations about empty museums and was pleased to hear the museum was full and had many visitors.

Assemblyman Kramer asked whether there was substantial enough coverage for the 17 cents property tax that he believed would be used to repay the bond.

Mr. Lawrence stated the bond was part of the 17 cents, and A.B. 84 was an authorization bill. The bonds would be sold under the 17 cents, which was called the affordability cap. There were multiple programs that fit under the cap, including the state Capital Improvement Program, some of the Tahoe Environmental Improvement Program work, water infrastructure programs, and historic cultural resource grants. When budgets were built, the Treasurer's Office informed the Office of Finance, Office of the Governor, and the Department what the upcoming biennium's debt capacity would be, and bonds sold would fit within the 17-cent cap. That budget was then approved by the Legislature. The bonds did not increase the 17 cents in property taxes and fit within the 17 cents.

Chair Carlton shared her understanding that A.B. 84 was the framework to be prepared for future bond sales.

Mr. Crowell clarified that bond sales would not happen immediately. It was anticipated the upcoming biennium would be used to establish the regulations to guide the grant program and expenditure of funds. He anticipated that bond sales would start in the 2021-2023 biennium.

Chair Carlton asked whether the submitted fiscal note, which included the administration of the bond program and a new position, was still needed because the bonds would not be sold until the following biennium.

Mr. Lawrence confirmed the position was still needed, because the position would manage reports and work with stakeholders. The position was needed in the second year of the biennium to work with stakeholders to put regulations in place so the program and bond sales were ready to go when the following biennium started.

Chair Carlton opened the hearing for those in support of Assembly Bill (A.B.) 84. Because of the large crowd size, she asked the public to keep their comments brief.

Lisa LaPlante, Communications Manager, City of Boulder City, shared the City's support for A.B. 84. She provided more details about one of the projects that would be funded through the bond reauthorization. This project was identified in section 2, subsection 5, paragraph (a) of the bill and was for the expansion of the Nevada State Railroad Museum in Boulder City.

More than \$3 million had been spent toward museum efforts, including preliminary plans for expansion. The City viewed this investment in the state's history as a unique opportunity for education and tourism. In addition to the funding of \$16 million for the Boulder City Parkway Project, the RTC had also earmarked \$5.5 million for construction of a road to the City's Linear Park and museum. The funding would support the 9,700-square-foot center, and the City was equally thrilled about the construction of the City's Linear Park. The themed grounds through the rail yard would provide opportunities for recreation and further exploration about the railroad and the role that it played in the building of Hoover Dam. The museum hosted thousands of children from throughout Clark County each year, and she noted many of these children came from households that could not necessarily afford to make the trip and learn more about the history of the great community. Boulder City would also like to see Linear Park link the regional projects, such as the 34-mile River Mountains Loop Trail and the Boulder City Complete Streets project currently underway. The City believed state investment would go far to strengthen other nearby communities including the city of Henderson. The City asked for the Committee's support and thanked the Committee for its hard work on behalf of the great residents of Nevada.

Chaunsey Chau-Duong, on behalf of the Las Vegas Valley Water District and Springs Preserve, stated they were in support of the bill. The Springs Preserve was a 180-acre cultural institution designed to commemorate Las Vegas' dynamic history and featured museums, galleries, outdoor events, and a botanical garden and was home to some of the Mojave Desert's most threatened species. Without conservation bonds, the Springs Preserve would not be where it was today. Since it opened 12 years ago, the Springs Preserve had helped educate approximately 300,000 residents and tourists annually about desert living, sustainability, and scientific principles. The funding in A.B. 84 would allow the Springs Preserve to design and construct a new science and sustainability center to educate more of the Las Vegas Valley's citizens. The bill had been in the works for nearly two years, and much hard work had been put into it. He thanked those from the Governor's office, DCNR, NDOW, Division of Museums, and other stakeholders who put together this bill that benefited the state as a whole. They appreciated the opportunity to be part of the process and believed this bill benefited all Nevadans.

Kyle Davis, Davis Strategies, representing the Nevada Conservation League, stated that the Nevada Conservation League supported A.B. 84, which continued an incredibly successful program. The extension of the bond program was a priority of the Nevada Conservation Network, which was a coalition of 22 conservation groups from across the state. He stated that the diversity was reflected in the letters of support on Nevada Electronic Legislative Information System. Of the 1,418 Nevadans who commented on the Nevada Legislature's website for this bill, only 3 were against, and 2 of those thought they were commenting on a different bill. This bill was the opportunity for Nevada to invest in conservation. The bill presenters had done an excellent job highlighting the good work that previous efforts had accomplished with this program. With climate change, invasive species, wildfire, and drought, it was even more important to protect Nevada's land, water, and wildlife for future generations. This legislation was the opportunity for the state to invest in its public lands and waters.

Jaina Moan, External Affairs Director, Nevada Chapter of The Nature Conservancy (TNC), stated that the mission of TNC was to preserve the lands and waters on which all life depended. Because of this, the TNC fully supported A.B. 84. As heard, the conservation bond program had provided many benefits to Nevada. One important benefit was that funding from the bond program could be leveraged to bring additional revenue to support larger conservation and restoration projects. An example of this was TNC's restoration work along the lower Truckee River. The Nature Conservancy was the recipient of approximately \$4.5 million of the original Q1 funding, which was matched with over \$25 million in federal, local, state, and nonprofit grants to ultimately complete a \$30 million restoration project with benefits for fish and wildlife, flood control, water quality, and recreation. A conservation needs assessment commissioned by TNC in 2016 calculated the median annual funding needed to support existing conservation programs at \$66.4 million. This need was likely to grow with increased frequency of wildfires and droughts. The bill would benefit all parts of Nevada, and the TNC urged Committee members to vote in favor of the proposed conceptual amendment for A.B. 84.

Helen Foley, President, Faiss Foley Warren, spoke on behalf of herself. She was a fourth-generation Nevadan, and all four sides of her parents' families came from rural Nevada. Her mother's family came from Elgin, Nevada, in Lincoln County. In 1923 the Caliente train depot was built. It was one of the most magnificent buildings in the state of Nevada. At that time, it was the halfway point on the railroad between Salt Lake City and Los Angeles, and with steam engines, it was expected to become a mecca. It did not. The train station was still there, but with the diesel engines, the Union Pacific Railroad moved its hub to Las Vegas. The Kershaw-Ryan State Park with its soon-to-be-opened Elgin Schoolhouse park was close to, but not in, the town. About \$2 million was needed to renovate the train depot in the center of town with its solid oak interiors and crumbling mission revival edifice. Section 2, subsection 6 of A.B. 84 appropriated \$2 million to preserve and restore the building, which was on the National Register of Historic Places, and she supported this.

Laura Richards, Executive Committee, Toiyabe Chapter, Sierra Club, spoke on behalf of the more than 30,000 Sierra Club members and supporters in Nevada who were grateful for the Committee's leadership in introducing and considering A.B. 84, which the Sierra Club strongly supported. By reauthorizing the program, stable funding would be ensured for important conservation projects for years to come. With this additional funding, more could be done to conserve Nevada's iconic landscapes, and she urged the Committee to support the bill.

Tim Rubald, Rubald and Associates, representing the Nevada Association of Conservation Districts, which represented all 28 conservation districts throughout the state, stated the Association supported A.B. 84 and the amendment and hoped the Committee would pass it. The bonds had allowed many conservation districts' projects to be completed in the past, and the Association anticipated future success with A.B. 84 and locally elected conservation district officials.

Mike Cathcart, Business Operations Manager, City of Henderson, stated that Henderson supported the conservation bond program and anticipated the program continuing the regionalization of outdoor activities by linking Henderson's trail systems with other entities in the valley, particularly Boulder City.

Danny L. Thompson, Community Strategies, Inc., spoke representing Operating Engineers Locals 12 and 3, United Steelworkers District 12, the International Brotherhood of Electrical Workers, Locals 1245 and 396, and the Teamsters Local 14. In his former job [Nevada AFL-CIO official], he traveled the state extensively, and A.B. 84 had many opportunities for everyone in the state and was the best bill of the 2019 Legislative Session. It included funding for the Ice Age Museum at Tule Springs. As an avid recreational vehicle enthusiast, he looked forward to visiting some of the places that would be remodeled.

Dylan Shaver, Director of Policy and Strategy, City of Reno, stated that conservation and programs such as those in A.B. 84 were a big part of the City of Reno's sustainability plan. There were set-asides in the bill for the Truckee River corridor and the Lake Tahoe Bike Path; they were appreciated and reflected the city's priorities and values, and the City appreciated the Committee's time to hear the bill.

David Dazlich, Director, Government Affairs, Las Vegas Metro Chamber of Commerce, stated the Chamber of Commerce was in support of A.B. 84.

Brian McAnallen, Vice President of Government Affairs, Porter Group, spoke on behalf of the Southern Nevada Forum that adopted this matter last year through the Transportation and Infrastructure Committee. The Forum appreciated the effort that had gone into this bond rollover. He was also representing the City of North Las Vegas, which appreciated the investment in the Ice Age Park. The investments to provide parking, trails, and infrastructure at the park would be greatly appreciated.

Andy MacKay, representing Nevada Bighorns Unlimited, was also a proud fourth-generation Nevadan and was in support of this bill, particularly the conservation efforts from NDOW. The large population of bighorn sheep in Nevada was due to the tremendous work by NDOW, and the bill would allow the work to continue.

Kathy Clewett, Legislative Liaison, City of Sparks, stated the City was also in support of A.B. 84, and the city had benefited from Q1 and looked forward to further improvements to the Truckee River.

Janet Phillips, President and Founder, Tahoe-Pyramid Trail, stated the organization's goal was to build a hiking and biking path along the 114-mile length of the Truckee River from Lake Tahoe to Pyramid Lake. It was a bistate project, and the California portion was just finishing, thanks in large part to \$2 million in funding from the State of California. East-bound from Reno and Sparks to Fernley was the next area of focus, which would need funding from the State of Nevada at an estimated cost of \$5 million.

Joseph Guild, Reno, Nevada, representing himself, stated he had not planned on testifying, but after listening to other testimony, he felt compelled. He recalled sitting with his grandfather in front of a legislative money committee 60 years ago when his grandfather was requesting \$25,000 for the State Museum, which he founded over 75 years ago. His grandfather's great-great-grandchildren benefited from Q1 and would benefit from A.B. 84. He urged the Committee to join him and the other Nevadans in the room in supporting this bill.

Les Lee Shell, Chief Administrative Officer, Office of the County Manager, Clark County, stated the County was also in favor of the amended version of A.B. 84 and looked forward to expanding opportunities for recreation and education in the urban corridor.

Thomas Morley, representing Laborers' International Union of North America 872, stated his support for the bill.

Karen Mullen, consultant for the Lake Tahoe Transportation District, was in favor of A.B. 84 and the benefits it would provide to the Lake Tahoe Bike Path. The goal was to connect residents, communities, and visitors to beaches, trails, and historic places along the shores of Lake Tahoe. Over 100,000 people visited the path at Stateline, Nevada, annually. The bike path was a project of 13 partnering agencies that came together to address a number of environmental and safety issues on Tahoe's national scenic corridor, such as easing road congestion and reducing shoulder parking, which was unsafe and created erosion that damaged the lake's water quality and clarity. The partnership continued and would expand to include more partners and matching funds. The partnership obtained over \$25 million in matching funds to the \$5 million it received from Q1 funding. This bill would help continue to unlock the federal dollars necessary to extend the path. The partnership looked forward to continuing its efforts to provide a family-friendly trail with safe access to Lake Tahoe to provide sustainable recreation and to improve environmental conditions.

Colleen Wallace Barnum, Park Operations Superintendent, Washoe County Regional Parks and Open Space, spoke in support of A.B. 84. Several successful projects in Washoe County were the result of Q1. Washoe County received \$10 million from Q1 and \$13 million in matching funds for projects along the Truckee River relating to acquisition, restoration, and recreation. Some of the projects were the Whitewater Park in downtown Reno, the Lockwood Trailhead with Truckee River access, and the Verdi Pond restoration at Crystal Peak Park, all of which preserved the watershed of the Truckee River while providing recreational opportunities at trailheads and regional parks. The conservation projects were vital to sustain the health and wellness of citizens and visitors to the region. Passage of A.B. 84 would allow local municipalities and nonprofit partners to continue working collaboratively to identify open space and sensitive lands for acquisition and garner additional support for special projects, such as the historic V&T Trail. The Truckee River watershed and pristine shores of Lake Tahoe would be preserved, enhancing the quality of life for all Nevadans.

Alicia Reban, Executive Director, Nevada Land Trust (NLT), spoke in favor of A.B. 84. As the state's first Nevada-born, independent, nationally credited conservation land trust, NLT partnered with landowners, other conservation organizations, and communities across the state to protect important lands and associated water for wildlife and recreation through outright acquisition, conservation easements, postfire emergency watershed restoration, and community-based conservation initiatives. Most Nevada Land Trust partner projects had multiple natural and cultural resource benefits, ranging from habitat protection for wildlife, such as bats, mule deer, and sage grouse, to preserving important parts of the state's history, from ancient rock art and large grinding rocks to massive 160-year-old barns built by Mormon settlers. Other projects sought to safeguard permanent access to public lands for hikers, bikers, and horseback riders through securing trailheads and trail connections and to appropriately expand well-loved and heavily used regional and state parks. Nevada Land Trust had used Q1 funding to match federal grants to purchase conservation easements on working ranches in Churchill and Washoe Counties and facilitated multiple individual acquisitions along the Carson and Truckee Rivers. Along with Keep Truckee Meadows Beautiful, NLT was a cofounder of One Truckee River, a multijurisdictional, multisector initiative whose phase 1 management plan for the Truckee, including water quality, recreation, public safety, education, arts and culture, and social issues objectives unanimously adopted by Washoe County and the cities of Sparks and Reno, was partly funded through Q1 dollars. Having the conservation bond program available across the state had provided NLT and its partners the opportunity to bring millions in additional funds to Nevada for conservation. Ms. Reban stated there was a need for A.B. 84 because NLT had emerging projects in both urban and rural areas across the state whose successful conservation outcome depended on the NLT's ability to match private philanthropic investments and other government grants. The funding would allow NLT to continue this important work.

Jill Rowland-Lagan, CEO, Boulder City Chamber of Commerce, representing the business community of Boulder City, supported A.B. 84.

Mauricia M.M. Baca, Executive Director, Get Outdoors Nevada, spoke in support of A.B. 84 for the conservation investment and investment in connecting all Nevadans to close-to-home, outdoor recreation opportunities.

Chair Carlton asked those in support of the bill in the audience to stand up, and the majority of the room stood up. Chair Carlton invited anyone in opposition to A.B. 84 to testify, and seeing no one, she invited anyone in neutral to testify.

Scott Morgan, Director, Community Services Department, Douglas County, spoke in neutral on A.B. 84. He began by mentioning a letter submitted by Carson City ([Exhibit E](#)), which shared many of the same concerns with Douglas County. While Douglas County supported many aspects of the bill, such as the callouts for various projects, it was concerned about the lack of callouts for rural Nevada. The removal of callouts for rural money would be detrimental to the smaller counties that found it difficult to compete against large counties with larger jurisdictions and larger nonprofits. In Douglas County, Mr. Morgan served as the

project manager, construction manager, and grant writer, and noted that even evaluating projects and submitting grant applications was difficult because of the organization's size and resources. Success came in partnering with other rural counties to pool resources and submit applications. A callout in the bill for rural Nevada would go a long way in assisting in rural conservation and recreation efforts. He recalled that the Tahoe Bike Path was a last-minute entry for Q1 money and received \$5 million. It had since completed phase 3 and was starting on phase 4, using millions of dollars in funding from outside Nevada. This "Hail Mary" project had been successful, and he called the Committee's attention to his version of a "Hail Mary," the Pony Express Trail, as detailed in his handout titled "Pony Express National Historic Trail, Upper Kingsbury Toll Road" ([Exhibit F](#)).

When Chair Carlton pointed out that Mr. Morgan would have to change his position to opposition if he wished to change the bill to include the Pony Express Trail in [Exhibit F](#), Mr. Morgan stated he could not be in opposition because of all the good A.B. 84 would provide. He continued with detail on the Pony Express Trail, which was of national interest, and he desired money to jumpstart the trail in Nevada much like the money for the Tahoe Bike Path and the V&T multiuse trail.

Chair Carlton reminded Mr. Morgan of the discussion when Assemblywoman Titus raised a similar concern about the struck rural Nevada callouts and that \$122 million would be available statewide, and the Pony Express Trail was a statewide project.

Mr. Morgan thanked Chair Carlton and concluded his testimony.

Seeing no others to testify in neutral on the bill, Chair Carlton consulted with Cindy Jones, Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, and stated that the fiscal note for the added position needed to be addressed. She asked for a motion to amend and do pass A.B. 84 with the adjustment for the position in the second year.

ASSEMBLYWOMAN JAUREGUI MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 84 WITH THE ADJUSTMENT FOR THE POSITION IN
THE SECOND YEAR.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Benitez-Thompson, Frierson,
Hambrick, and Swank were not present for the vote.)

Before proceeding to the next bill, Chair Carlton paused to allow the meeting room to clear.

**Assembly Bill 168 (1st Reprint): Revises provisions governing the discipline of pupils.
(BDR 34-539)**

Assembly Bill (A.B.) 168 (1st Reprint), stated Assemblywoman Selena Torres, Assembly District No. 3, required schools to provide a plan of action based on restorative justice

principles before suspending or expelling a pupil with certain exceptions. It also prohibited the suspension or expulsion of a pupil who was not criminally liable under most circumstances. Additionally, A.B. 168 (R1) prohibited a pupil from being suspended or expelled solely for offenses relating to attendance. It also required each school district to adopt a progressive discipline plan and make those plans available on the Internet. The bill required a school to develop a plan of behavior for a pupil who had been suspended. She noted that of the two fiscal notes submitted, the note from the State Public Charter School Authority, Department of Education, had been withdrawn. Rural school districts had also submitted a fiscal note, and she believed this note would also be removed with the new amendments.

Chair Carlton sought confirmation that the amendment proposed by Assemblywoman Torres ([Exhibit G](#)) would remove the fiscal notes, and Assemblywoman Torres agreed.

Chair Carlton asked Assemblywoman Torres to explain the amendment.

Assemblywoman Torres stated that the proposed amendment ([Exhibit G](#)):

- Removed the requirement that a plan of action based on restorative justice be provided before suspending a student.
- Allowed a principal of a school to designate another person to participate in a conference related to a plan of action based on restorative justice.
- Required the plan for progressive discipline of pupils, including an onsite review of disciplinary decisions, to be developed with the input and participation of school administrators.
- Provided parents and students with the opportunity to make recommendations.
- Allowed parents or legal guardians the ability to opt out of a plan of behavior for the pupil, therefore forfeiting the pupil's right to enter into such a plan.
- Specified that in the event of a pupil who committed battery that resulted in the bodily injury of an employee when the pupil was participating in a program of special education, the employee might appeal the plan of action.
- Removed the requirement that a pupil placed at another school be placed in a school of the same kind.
- Removed the prohibition of suspension from subsection 9.
- Specified that school discipline should not proceed for pupils facing charges in the juvenile justice system until the school could conduct an investigation and give the pupil notice of the charges against him or her.

- Inserted a new section to require the reporting of discipline data by subgroup and offense for each school to the supervisor of the school each month.

Chair Carlton noted that this bill had been sponsored by the late Assemblyman Thompson, and Assemblywoman Torres was now shepherding the bill.

Assemblywoman Torres also acknowledged that Assemblyman Thompson had been working on the bill, and the amendments were the result of a work group he had been leading.

While reviewing the submitted fiscal notes for A.B. 168 (R1), Chair Carlton noted that Assemblywoman Torres stated the amendment ([Exhibit G](#)) would remove fiscal notes. Chair Carlton asked whether the interested parties had seen the amendment.

Assemblywoman Torres confirmed that the parties had seen the amendment and were in the meeting room to confirm that with the acceptance of the amendment, the fiscal notes would be removed.

Chair Carlton invited those in the audience who had submitted fiscal notes to come to the testimony table.

Mary Pierczynski, Foster Consulting, representing the Nevada Association of School Superintendents, noted that representatives from Washoe and Clark Counties were also in the room. She stated that when the bill originally came out, rural counties believed they would have to hire counselors and others to help with the restorative justice process. In reviewing the amendment presented by Assemblywoman Torres, [Exhibit G](#), it was found that the concerning items were no longer relevant. She was confident the fiscal notes could be removed.

Chair Carlton requested that Ms. Pierczynski provide documentation to Assemblywoman Torres.

Lindsay E. Anderson, Director of Government Affairs, Washoe County School District, stated the School District did not submit a fiscal note on the original bill, but was part of Assemblyman Thompson's working group to make some of the policy modifications that allowed the District to remain in support of the legislation. No financial impact was estimated for the original, reprinted, or amended version of the bill.

Bradley Keating, Director of Government Relations, Clark County School District, stated Clark County School District had no fiscal note on the original bill or the reprint. He expressed gratitude to Assemblywoman Torres for carrying on with the bill and ensuring Assemblyman Thompson's legacy lived on.

Chair Carlton opened the hearing on A.B. 168 (R1) and invited anyone in support to testify.

Chris Daly, Deputy Executive Director of Government Relations, Nevada State Education Association (NSEA), stated that NSEA had been seeking amendments and had testified in the neutral position on Assembly Bill 168 in the Assembly Committee on Education hearing. The amendments made since that testimony adequately addressed NSEA's concerns, and it was now in support of A.B. 168 (R1). Every day, educators made students feel welcome in classrooms and school sites. Many used learning circles, conflict resolution, and mediation to deal with challenges and resolve conflict. The NSEA had been involved in student discipline issues for decades and anticipated continued focus on the issue. Restorative justice systems worked best in areas with focus, attention, and proper resourcing, and he felt A.B. 168 (R1) set a good map for the future.

Jennifer Jeans, Legal Aid Center of Southern Nevada and Washoe Legal Services, stated that these organizations represented children with disabilities who were seeking to have their educational needs met and also children in foster care. These organizations were also participants in the Clark County School Justice Partnership that worked on the legislation. The groups represented by her organizations struggled disproportionately academically and with school discipline. Because of that, the organizations were in support of A.B. 168 (R1).

Lalo Montoya, Political Director, Make the Road Nevada, stated that his organization was pleased to support A.B. 168 (R1) because he was representing more than 90 youth who participated in the Make the Road Nevada leadership program. The students had been discussing the topic of school discipline regarding how punitive discipline affected what school felt like. He experienced zero tolerance policies growing up in Denver, Colorado, and was part of bringing restorative justice to his high school. Since then, graduation rates increased 10 percent each year. He knew it worked and created a welcoming school environment where students learned from their mistakes without being pushed out of school. These discussions and programs were essential to keeping kids in school and learning. He recalled discussions with Assemblyman Thompson about his vision for this, and he was excited to continue pushing Assemblyman Thompson's legacy and hoped the Committee would pass the bill.

Steven Augspurger, representing the Clark County Association of School Administrators and Professional-Technical Employees, expressed the organization's gratitude to Assemblywoman Torres for moving the bill forward and her presentation of the amendment. He felt the amendment provided the needed changes to make the bill great for students and school employees, and the organization was in strong support of the bill.

Sarah Adler, Silver State Government Relations, representing the Charter School Association of Nevada, testified in support of A.B. 168 (R1).

Hearing no further testimony in support of the bill, Chair Carlton invited those in opposition to or neutral on the bill to testify. Seeing none, Chair Carlton closed the hearing on Assembly Bill 168 (1st Reprint). Chair Carlton stated the next item to be discussed was Assembly Bill 297 (1st Reprint).

**Assembly Bill 297 (1st Reprint): Revises provisions governing fire safety equipment.
(BDR 42-1051)**

Assemblywoman Susie Martinez, Assembly District No. 12, presented Assembly Bill (A.B.) 297 (1st Reprint). She stated the bill was a public safety measure designed to protect the public in the event of a fire. The bill in its first reprint required the owner or operator of a building equipped with a fire or smoke damper or a combination of the two to have the unit inspected by a certified technician as often as was required by the most recently adopted version of the International Fire Code. The bill also required the owner or operator of a building to make the certification of inspection available upon request of the State Fire Marshal. Furthermore, the bill required a technician to report malfunctions or defects discovered during the inspection of the building to the owner or operator, the State Fire Marshal, and the governing body of the city or county where the building was located. Finally, the bill required technicians to provide a certification of inspection to the building owner or operator containing the location of the device, the date of the inspection, the inspection results, and the name and certification number of the technician. Instead of reviewing the entire bill, Assemblywoman Martinez stated she would provide a brief overview of the proposed amendment 5876, [Exhibit H](#).

The mock-up ([Exhibit H](#)) removed certain provisions related to duties afforded to the State Fire Marshal. The bill as introduced triggered a fiscal note of \$1.18 million for staff and other expenses in the 2019-2021 biennium. The mock-up removed language authorizing the State Fire Marshal to issue a license to maintain, install, or inspect fire dampers, smoke dampers, or combination smoke and fire dampers, and maintain, install, or inspect smoke control systems. The amendment deleted section 6.5, which created the license program, and removed other provisions throughout the bill that referenced the licensing program. While the amendment removed the licensing program from the purview of the State Fire Marshal, it did not absolve inspectors from receiving a certification from a program accredited by the American National Standards Institute.

Chair Carlton noted there was a fiscal impact, part of which was addressed by the amendment, but the State Fire Marshal needed resources to do his job protecting the public, and Chair Carlton invited him to the testimony table to address the fiscal note.

Bart J. Chambers, Chief, State Fire Marshal Division, Department of Public Safety (DPS), stated that the Division had been affected by many mandates that reduced its ability to provide fire and life-safety matters for the state. The positions in the fiscal note would help the Division carry out the duties in the bill and ensure systems were in place, with enforcement.

Chair Carlton asked whether she was correct that the fiscal note indicated an impact of \$693,753 in fiscal year 2020 and \$488,191 in fiscal year 2021 to fund three DPS officer 2 positions and one accounting assistant position for this legislation.

Mr. Chambers stated that Chair Carlton was correct, but the Division would reduce the positions to one DPS Officer 2 for the Las Vegas area because of the volume of smoke dampers and systems in Clark County. In addition, the assistant would be located in Carson City to help with the administrative responsibilities, tracking the systems, and regulatory enforcement.

Chair Carlton questioned whether the fiscal note would change from three DPS officers to one DPS officer, and Mr. Chambers agreed. When asked by Chair Carlton for the impact of just one DPS officer, Mr. Chambers stated he lacked the information and would provide it.

Chair Carlton summarized that the proposed amendment would be for one DPS officer 2 and one accounting assistant 3.

Assemblyman Kramer noted that the Carson City Fire Department performed regular inspections on all licensed Carson City businesses and asked how A.B. 297 (R1) improved the current inspection process.

Mr. Chambers responded that the Division had a statutory requirement to certain facilities and businesses in the state. In "pop cap" counties, the majority of the buildings the Division interacted with were daycares and state facilities, and the Division supported and mandated regulatory enforcement. A State Fire Marshal Division officer inspected and carried the case of a compromised system until it ended, ensuring the systems were properly inspected and maintained, and handling any issues. In Carson City, it was Carson City's fire department that was responsible for all facilities in its jurisdiction, aside from state facilities that the State Fire Marshal Division handled. The two would work together to ensure compliance at facilities such as resorts.

Assemblyman Kramer understood the State Fire Marshal being in charge of state facilities and did not think it had changed from the past. His question was specific to this bill and how it changed what had been done in the past. He suspected that Washoe and Clark Counties already had their own inspections and asked what extra steps would be provided by this bill.

Mr. Chambers explained that the Division's investigator and inspector head count was far below where it was in 2008, causing the Division to be behind in inspections. In 2008 the Division had 54 staff, 10 of whom were investigators/inspectors, plus 4 inspectors. The Division currently had 2 inspectors and 3 certified investigators in the state. The additional staff would help reduce the backlog and maintain regulatory enforcement.

Assemblyman Kramer surmised that the Division had a backlog of state buildings that had not been inspected and needed staff to catch up and get current. He then asked what the assistant would do.

Mr. Chambers responded that the administrative assistant would assist with documentation and follow-up for the state facilities, as well as the other statutory facilities in the Division's purview, such as child-care facilities, medical facilities, hotels and motels in the rural

counties, and large places of occupancy that in some instances had not been inspected in many years.

Chair Carlton invited those in support of A.B. 297 (R1) to testify.

Alfonso Lopez, Organizer, Compliance Officer/Public Works, Sheet Metal Worker's International Association Local Union No. 88, and Arroyo Transportation, testified in support of A.B. 297 (R1).

Hearing no other testimony in favor of the bill, Chair Carlton asked for testimony in opposition to or neutral on A.B. 297 (R1). Hearing none, Chair Carlton closed the hearing on Assembly Bill 297 (1st Reprint).

Assembly Bill 345 (1st Reprint): Makes various changes relating to elections. (BDR 24-873)

Assemblyman Jason Frierson, Assembly District No. 8, presented Assembly Bill (A.B.) 345 (1st Reprint), which proposed to revise a number of election provisions in *Nevada Revised Statutes* (NRS). This bill reflected Assemblyman Frierson's efforts to encourage as many people as possible to participate in the electoral process. He felt voting should be convenient, safe, and easy. It should be secure, but accessible for all. He proposed using technology to modernize the election system and enhance security and integrity. The bill included provisions to locate polling places in convenient areas and at convenient times, enable voters to register as easily as possible, and assist voters requesting absentee ballots. The revisions made to A.B. 345 (R1) applied to county election officials in Chapter 293 of NRS, as well as city elections in NRS Chapter 293C. He stated he would be brief in his summary of the bill's provisions, and he also had a proposed amendment to address some issues that had been raised.

The first topic addressed by Assemblyman Frierson was vote centers, authorized, but not required, by A.B. 345 (R1). The vote centers were polling places located anywhere in a county where a person was entitled to vote by personal appearance on the day of a primary or general election. The centers already existed in many places, but this bill established them in statute so related provisions could also be revised. The centers had proven to be effective and the change would put them in statute in a permissive, not mandatory, way.

Assemblyman Frierson then moved on to voter registration. He stated that existing statutory provisions established voter registration closing dates for registering by mail, in person, and by computer. To extend the opportunity to register to vote, A.B. 345 (R1) provided that after voter registration closed and until the Thursday preceding an election, an eligible individual could register to vote by computer using the system provided by the Office of the Secretary of State. This registered voter could vote in person at a polling place during early voting or on Election Day. An elector could also register to vote in person during the early voting period and vote on the same day as registration. Same-day voter registration would require the individual to complete an application and provide proof of identity and residence. The

elector would be named to be conditionally registered and, under those circumstances, must cast a provisional ballot. He pointed out that this important factor ensured the integrity and security of the voting process because verification of an individual's identity and voting status would occur. The amendment proposed by Assemblyman Frierson ([Exhibit I](#)) allowed registered voters to update information online or by using a paper form, which he felt was important to provide flexibility and cost minimization to counties. The county or city clerk could require the voter to vote a provisional ballot if more time was required to verify the voter's information. The bill also required clerks to prescribe a procedure to verify that voters had not already voted in that county in the current election.

According to Assemblyman Frierson, A.B. 345 (R1) also provided a process that permitted a person to register to vote or not through the Department of Motor Vehicles (DMV) that correlated with the Automatic Voter Registration Initiative approved as 2018 Ballot Question No. 5. A person wishing to register would complete a form while doing business at the DMV, then deposit the form in a secure container provided by the DMV. If the person who had not declined to register did not deposit the form in the container, the person would be deemed to have consented to the transmission of voter registration information to the Secretary of State. A process would then be initiated that required the clerk to receive the transmittal form, determine whether the person was eligible to register, and accept or reject the application. The amendment ([Exhibit I](#)) provided that the person could use the online system established by the Secretary of State to update registration information, including name, address, and party affiliation.

Assemblyman Frierson explained that A.B. 345 (R1) also made changes to the operations of polls. Existing law provided the polls be open from 7 a.m. to 7 p.m. on Election Day. This bill required that the polling places must allow any person waiting in line at the time of closing to vote or register to vote, and voting must continue until all persons had voted. Assemblyman Frierson stated that from his experience, this had been the practice in Clark County for years. Before being elected, he volunteered as a poll worker in Clark County, and if a person there was in line before the close of the polls, the person was allowed to vote. The bill also provided that after early voting hours had been published, the clerk was granted the discretion to extend hours for early voting. This provided clerks with the flexibility to meet residents' needs.

Assembly Bill 345 (1st Reprint) also made changes to accommodate a voter who requested to vote by absentee ballot. Existing statutes required an absentee ballot to be delivered to county election officials by the close of polls on Election Day. Assemblyman Frierson's amendment, [Exhibit I](#), provided that for absentee ballots to be counted, they must be postmarked on or before Election Day and received by the clerk within seven days after the election, the period for counting absentee ballots. This was designed to be convenient without overly burdening clerks or the public by having to wait too long to get results. The current time to count absentee ballots would be protected, and this would ensure that by including the date of the postmark. The bill also changed the date by which a voter must request an absentee ballot. Currently, voters had until the seventh calendar day preceding an election to request an absentee ballot. This would change to the 14th day preceding an

election with A.B. 345 (R1). Because the United States Postal Service could not guarantee the delivery of absentee ballots when requested only 7 days before an election, the earlier deadline was provided to ensure ballots could be received in time.

Assemblyman Frierson stated that A.B. 345 (R1) included requirements related to technology. To expand online registration, the Secretary of State would be required to establish a system for voter registration on its website by January 1, 2020. Assemblyman Frierson acknowledged this discussion was policy-related, but the ability to fund the actions from the bill had been discussed as a continuing concern and focus of the effort. Also by January 1, 2020, the DMV would need to have a database capable of processing information relating to applications to vote.

The bill also affected city elections by amending NRS Chapter 293C with similar proposals. In addition, relevant city charters would be amended by A.B. 345 (R1). Assemblyman Frierson's amendment ([Exhibit I](#)) also proposed that state law superseded and preempted any provision or city charter that conflicted with the changes governing voter registration during early voting and on Election Day to ensure consistency.

Continuing with his presentation of A.B. 345 (R1), Assemblyman Frierson noted that the proposed amendment ([Exhibit I](#)) also deleted some provisions of the bill. The provision that allowed voting by 17-year-olds who would be 18 by the time of a November election was removed by this amendment. Even though Assemblyman Frierson was excited about the potential to engage young people in the voting process, if an election were determined in a primary election, people not yet eligible to vote would have cast votes. The amendment also proposed retaining an existing law that allowed certain candidates for nonpartisan offices to be declared elected at a primary election when they received the majority of the votes cast.

Assemblyman Frierson stated that he had worked with all parties and all stakeholders to make this as seamless, but inclusive, as possible. He felt these were common sense compromises to be removed. This would put less of a burden on the clerks, the DMV, and the Secretary of State who would have to execute the bill, but still expand the accessibility of voting for all eligible voters. He summarized that A.B. 345 (R1) would modernize the elections process. Clerks and registrars were involved in creating the bill, involving a significant amount of work and input. The provisions fit within the current bottom-up structure of voting registration and ensured the integrity of the voting process.

Chair Carlton thanked Assemblyman Frierson for walking through the bill. She stated that fiscal notes needed to be discussed. She referenced the fiscal note submitted by the DMV for \$337,703 in fiscal year (FY) 2020 and \$406,007 in FY 2021 for programming needed. She understood the fiscal note had not changed with the bill reprint and asked Assemblyman Frierson if that was also his understanding.

Assemblyman Frierson stated there had been some work to reduce all the fiscal notes for the bill but he would leave it to the DMV to address the details.

Chair Carlton stated the Office of the Secretary of State also submitted a fiscal note as the bill was introduced and had indicated to Fiscal Analysis Division staff that the note remained the same after amendments 532 and 583 were approved by the Assembly Committee on Legislative Operations and Elections. Chair Carlton asked whether the fiscal note for \$8.6 million in FY 2020 and \$4.3 million in FY 2021 to fund the system of an online voter registration that could accommodate same-day registration and voting was still in effect.

Assemblyman Frierson stated he disagreed with the premise behind the Secretary of State's fiscal note and was continuing to work with the Office about how to execute the bill. He believed the fiscal note was based on a top-down interpretation instead of bottom-up.

Chair Carlton asked whether Committee members had any questions on the conceptual amendment ([Exhibit I](#)) to A.B. 345 (R1). Seeing none, she invited the Secretary of State's Office to the testimony table to address the fiscal note.

Wayne Thorley, Deputy of Elections, Office of the Secretary of State, indicated the original fiscal note covered the development and operation of a top-down, or centralized, statewide voter registration system. The current system was bottom-up. The original fiscal note considered two scenarios. One was a vendor-supported Commercial Off-The-Shelf product and the other was a product built in-house. While the Office still believed the best approach to accomplishing the goals of A.B. 345 (R1) was a top-down system, the amendment eliminated the necessity of going to a top-down system. The first reprint of the bill contained provisions that would have a fiscal impact on the Office, such as enhancements to online voter registration and the development of a technology solution to ensure those using same-day registration to vote did not vote more than once in the state. The Office's amended fiscal note was now around \$275,000 in each fiscal year of the biennium.

Assemblywoman Titus asked what the cost would be to clerks and municipalities because the fiscal note from the Secretary of State's Office was only for the cost to the Office.

Mr. Thorley lacked that information but knew at least one registrar was in the meeting and could provide detail. The \$550,000 over the biennium was just for the Secretary of State's Office.

Chair Carlton noted the cost to the clerks and municipalities would not impact the State General Fund and was not in the purview of the Committee, but it was good to be aware of the impact.

April Sanborn, DMV Services Manager 3, Department of Motor Vehicles (DMV), stated the DMV's original fiscal note included additional staff members, but after discussions with Assemblyman Frierson, the fiscal note was being reduced to \$137,413 in FY 2020 and zero in FY 2021 or future biennia. The new amount would provide contract programmer costs and equipment costs for secure containers in each location.

Chair Carlton asked Ms. Sanborn and Mr. Thorley to submit the revised fiscal notes for documentation.

With no questions from the Committee, Chair Carlton asked for testimony in favor of A.B. 345 (R1).

April Sanborn, DMV Services Manager 3, Department of Motor Vehicles (DMV), testified in support of A.B. 345 (R1). She thanked Assemblyman Frierson for including the DMV in conversations about the bill.

Seeing no others to testify in support of A.B. 345 (R1), Chair Carlton invited those in opposition to testify.

Janine Hansen, State President, Nevada Families for Freedom, shared her concerns with A.B. 345 (R1). The first was in section 45 of the bill, regarding absentee ballots. She stated that allowing an absentee voter to mail the ballot on Election Day put a strain on local clerks because the time to count the absentee ballots could delay election results. The other concern she raised was the idea that same-day registrants would be casting provisional ballots, which could delay election results up to ten days.

Chair Carlton encouraged Ms. Hansen to keep her comments strictly to the fiscal side of the bill and not the policy side of it.

Ms. Hansen acknowledged Chair Carlton's warning and continued that because the proposed system changed from top-down to bottom-up, provisional ballots would extend into the future and could delay election results. She cited instances where other states had delayed election results because of same-day voter registration and was also concerned about the possibility of voter fraud with the delayed results. She stated most concerns about the fiscal note were resolved with the revisions in the bill.

Seeing no others to testify in opposition, Chair Carlton invited those in neutral on A.B. 345 (R1) to testify.

Aubrey Rowlatt, Clerk-Recorder, Carson City, testified in neutral and stated a fiscal note was submitted. She thanked Assemblyman Frierson for reaching out to county clerks to help with the bill.

Dena Dawson, Assistant Clerk/Election Administrator, Douglas County, stated that Douglas County had submitted a fiscal note and the changes proposed by the bill were significant to the counties and would require additional technology, programming, staff, outreach, and training, and requested funds to assist the counties in executing A.B. 345 (R1).

Chair Carlton reminded Ms. Dawson that the 2017 Legislative Session appropriated significant funds to the counties to ensure they all had new voting machines.

Deanna Spikula, Registrar of Voters, Washoe County, testified that the fiscal note submitted by Washoe County had increased because of the implementation of automatic voter registration and same-day registration occurring in the same fiscal year. The impact in FY 2020 would be \$1.4 million and \$770,000 in each year after that.

Assemblyman Frierson thanked involved parties for keeping lines of communication open about ways the counties could enact the bill, much of which had been approved by the voters. Some of the increased impacts he heard today surprised him because the bill was designed to decrease the fiscal impact. He was conscious of the impact to governments statewide and would continue to work on the problem.

Chair Carlton closed the hearing on Assembly Bill 345 (1st Reprint) and stated that Assembly Bill 176 (1st Reprint) would be heard next.

Assembly Bill 176 (1st Reprint): Enacts the Sexual Assault Survivors' Bill of Rights.
(BDR 14-87)

Assembly Bill (A.B.) 176 (1st Reprint) was presented by Assemblyman Steve Yeager, Assembly District No. 9. He stated the bill enacted the Sexual Assault Survivors' Bill of Rights. The first reprint of the bill had called for two appropriations, and he had submitted an amendment to the bill ([Exhibit J](#)). The bill initially sought a \$250,000 appropriation to the Office of the Attorney General to implement the bill of rights. The appropriation would create the bill of rights and support the advisory committee envisioned in the bill. The Attorney General's Office had since confirmed these actions could be done without the appropriation. The second appropriation in the first reprint of the bill was for \$750,000 in each fiscal year of the biennium for a grant program to the Attorney General's Office to recruit and train victim advocates. One of the provisions of the bill stated that any victim was allowed to have a victim advocate present throughout the process, and after speaking with stakeholders, it became apparent there were not enough victim advocates in the state for this provision to work. Assemblyman Yeager's proposed amendment ([Exhibit J](#)) reduced the appropriation to \$150,000 per year of the biennium. These funds would be leveraged to draw federal funds to help with recruitment and training of victim advocates. The other changes from the amendment were technical changes. Washoe County had submitted a fiscal note, and Assemblyman Yeager stated a representative was in the meeting and could confirm the fiscal note would be rescinded based on the first reprint of the bill. The first version of the bill included penalties and fines for noncompliance, and that provision was removed with the reprint.

Seeing no questions from the Committee, Chair Carlton invited a representative from Washoe County to testify about the fiscal note.

Jamie Rodriguez, Government Affairs Manager, Washoe County, confirmed that with the reprint and amendment, its fiscal note had been removed. The fiscal note included both civil penalties as well as the cost of evidence storage. As one of two crime labs in the state, the

County had been concerned with the required storage of large amounts of evidence. The revisions eliminated that concern.

Chair Carlton invited those in support of Assembly Bill (A.B.) 176 (1st Reprint) to testify.

Susan Meuschke, Executive Director, Nevada Coalition to End Domestic and Sexual Violence, testified in support of A.B. 176 (R1). She thanked Assemblyman Yeager for his work on the funding. Even though it was less than hoped for, it would help build the infrastructure necessary to implement a Sexual Assault Survivors' Bill of Rights in Nevada. This would be the first and only state funding specifically for sexual assault services, and the lack of investment had resulted in an inability to provide the services identified as rights in the bill. Many rural communities had no sexual assault services, and even in metropolitan areas, existing services would have difficulty providing the required services in the bill. The funding would be used to attract federal funds, which required a 25 percent nonfederal match. The \$150,000 would garner an additional \$450,000 in federal funds to hire advocates, train volunteers, and eventually provide the services envisioned in the bill. She asked for the Committee's support for the bill to ensure survivors of sexual assault would no longer suffer in silence.

Daniele Staple, Executive Director, The Rape Crisis Center, Las Vegas, also thanked Assemblyman Yeager for his efforts and acknowledgment that the services needed by sexual assault survivors required additional state resources. She could not think of a problem that affected more Nevadans and received no state funding than sexual assault. According to the Rape, Abuse & Incest National Network (RAINN), it was estimated that 1 in 6 women and 1 in 33 men had been victims of sexual assault, which meant this topic affected over 275,000 Nevadans. She expounded on the lack of services in rural areas and stated that small communities made it even more difficult to provide services to victims, and expanding the pool of advocates, using technology and training services available through national resources such as RAINN, would help establish an infrastructure for future expansion and growth of services. She stated that in 2018, The Rape Crisis Center helped over 700 victims, which took over 3,500 hours of volunteer time and 3,900 hours of paid advocate time. Expanding the resources and creating hotlines was a significant task, but her organization was willing to assist the rural areas to help build the capacity with the initial seed money provided by A.B. 176 (R1).

Kay C. Landwehr, Ordained Pastor, Founder and President, House of the Rising Sun, testified in support of A.B. 176 (R1). She noted she worked with various programs and groups related to sexual assault concerns. Both she and her son were raped and now that technology existed to use deoxyribonucleic acid, it should be used. She was grateful to Assemblyman Yeager for bringing this bill forward to help with the rape epidemic.

Seeing no further testimony in support, Chair Carlton asked for testimony in opposition to or neutral on A.B. 176 (R1).

Assemblywoman Benitez-Thompson noted that Ms. Meuschke was retiring soon and acknowledged the funding in the bill was not as much as hoped for, but felt it was meaningful for the state to make an appropriation and hoped Ms. Meuschke would consider this as part of the change she had made in the state on behalf of victims' advocacy.

Hearing no other testimony, Chair Carlton closed the hearing on Assembly Bill (A.B.) 176 (1st Reprint).

Chair Carlton announced she would be presenting Assembly Bill 486 (1st Reprint), and Vice Chair Benitez-Thompson would assume the duties of the Chair.

Assembly Bill 486 (1st Reprint): Creates the Division of Outdoor Recreation within the State Department of Conservation and Natural Resources. (BDR 18-840)

Assemblywoman Maggie Carlton, Assembly District No. 14, began by thanking the advocates who had worked diligently on Assembly Bill (A.B.) 486 (1st Reprint). She stated that as the state grew, more Nevadans were interested in outdoor recreation, which had an economic effect on the state. She stated that A.B. 486 (R1) created a Division of Outdoor Recreation within the Department of Conservation and Natural Resources. The bill had been heard in the Assembly Committee on Government affairs and a fiscal note was attached. Assemblywoman Carlton felt the note and personnel for the Division warranted further discussion, and she asked her fellow testifiers to provide more detail.

Kyle Davis, Davis Strategies, representing the Nevada Conservation League (NCL), stated that A.B. 486 (R1) was a priority for the Nevada Conservation Network, a coalition of 22 conservation organizations from across the state. The NCL was pleased to support this bill, which recognized the value of the state's public lands and the recreational opportunities available to Nevadans. Mr. Davis cited a study by the Outdoor Industry Association, which stated that outdoor recreation in Nevada generated \$12.6 billion in consumer spending annually, and supported 87,000 direct jobs and generated \$1.1 billion in state and local tax revenue. Recognizing the growing size and importance of this sector of the national economy, Congress passed the Outdoor Recreation Jobs and Economic Impact Act in 2016 that required the outdoor recreation economy to be separately identified in the country's Gross Domestic Product (GDP) calculation. The bureau's first analysis, released in 2018, found the outdoor recreation economy accounted for 2 percent of GDP and grew at a rate of 3.8 percent in 2016 compared to 2.8 percent for the overall economy. To capitalize on this economic potential, many states had recently established offices of outdoor recreation. Utah was the first to create an office of outdoor recreation within the Governor's Office of Economic Development in 2013. Colorado and Washington created similar offices in 2015, Montana, North Carolina, Oregon, and Wyoming followed in 2017, and New Mexico created an office of outdoor recreation in 2019. Mr. Davis offered to go through each section of the bill.

Vice Chair Benitez-Thompson stated that in the interest of time, they should skip to the fiscal note.

Bradley Crowell, Director, State Department of Conservation and Natural Resources (DCNR), stated that the new Division fit in very well with the current mission and function of DCNR. He felt it would be seamless once it was staffed and running. The Division would be established with three positions: one division administrator and two deputies. Most of the funding impact was for staff, with some funding for support of the advisory board.

Vice Chair Benitez-Thompson noted there were some revisions after the original fiscal note. The original fiscal note had two administrators and two deputy administrators, and she questioned whether the Division would have just three positions.

Mr. Crowell stated that Vice Chair Benitez-Thompson's understanding was correct. The structure would align with the traditional model of the Divisions within DCNR having one division administrator. One deputy administrator would be in the south and one in the north to provide coverage for the entire state.

Vice Chair Benitez-Thompson asked whether there would be staff beyond the three identified.

Mr. Crowell stated the original fiscal note, as the bill was introduced, was for \$1.388 million for the biennium for four positions. The revised amount would be \$1.388 million minus the cost of one position.

Vice Chair Benitez-Thompson then asked about the two trips per person that were also in the fiscal note. She surmised that with one deputy director based in the north and one in the south, the trips would still occur. The note also included \$80 per day for the advisory board.

Mr. Crowell stated the new fiscal note amount would be for \$1.087 million.

Vice Chair Benitez-Thompson asked why the positions were deputy administrators instead of program managers or other similar positions and why no support staff was included.

Mr. Crowell stated that having two deputy administrators was not unique, even though not always appropriate for every division. The Department felt having two deputy administrators would provide the adequate level of senior representation for the positions, one of which would also be the executive director, or manager, of the advisory board that would be established from A.B. 486 (R1). He felt one administrator and two deputy administrators was a good starting point—program managers could be added as the Division grew—and could run the programs and ensure the Division was operating cooperatively across other agencies that had interests in the new Division.

Assemblywoman Titus asked why there was no rural representation on the advisory board because most of the activities involved the entire state.

Mr. Davis stated there was discussion about the advisory board makeup and whether it was better to have specific geographic representation or representation by skill/expertise. It was

determined that the focus should be on the expertise of the members. While there was no specified rural representation on the board, there was also no specified urban representation. He reasoned that some of the board members might come from rural areas, but that was not specified in the bill.

Vice Chair Benitez-Thompson stated that it was not uncommon to see a Division made up of an administrator and some program officers. She was looking for justification of the pay grade of having one administrator and two deputy administrators with no program officers or program managers or other staff to handle day-to-day work. She suggested the conversation could continue offline.

Assemblywoman Carlton stated she would continue to work with the bill's advocates on the Division's staff, and she shared Vice Chair Benitez-Thompson's concerns.

Vice Chair Benitez-Thompson invited those in support of A.B. 486 (R1) to testify.

Tom Clark, Tom Clark Solutions, representing the Nevada Outdoor Business Coalition, stated the coalition had been working closely with other stakeholders. A Confluence of States had been formed by states with offices of outdoor recreation, and the Confluence had a membership parameter. This bill met the parameters so Nevada could be sponsored to join the Confluence. He stated that Colorado had a very strong interest in sponsoring Nevada to become a member, which would then allow Nevada to share ideas with others in the Confluence. Mr. Clark acknowledged the difference between northern and southern Nevada and the two deputy administrators and noted the bill also included a bifurcation between the duties of the two. One deputy administrator was responsible for economic development and tourism-related issues. The other deputy administrator was the liaison between the Division and other agencies, such as DCNR, the Division of State Parks, and the Department of Wildlife. This position would be responsible for gathering information and learnings from the other agencies to understand how they could be applied at the new Division. He stated this Division would help establish and develop related businesses throughout the state while promoting the opportunities for recreation and conservation.

David Dazlich, Director, Government Affairs, Las Vegas Metro Chamber of Commerce, testified in support of A.B. 486 (R1). The outdoor recreation industry was important to Nevada's economy both for residents and tourists. Similar offices in neighboring states had yielded great economic results, and the Chamber believed the new agency would pay dividends far into the future.

Brian Beffort, Director, Toiyabe Chapter, Sierra Club, testified on behalf of the 30,000 Sierra Club members in support of A.B. 486 (R1). The Sierra Club's mission was to "Explore, Enjoy, and Protect the Planet," and he appreciated the inclusion of both recreation and conservation in the bill. He thanked the Committee for considering this important step.

Mauricia M.M. Baca, Executive Director, Get Outdoors Nevada, testified in support of A.B. 486 (R1). She reiterated the financial effect of outdoor recreation and the need to

safeguard natural resources while providing access to all Nevadans. Opportunities existed statewide for economic development, conservation, education, and connection with the outdoors. The state needed a unifying body to help support, connect, and coordinate agencies and the growing outdoor business community. For all of these reasons, Get Outdoors Nevada supported the establishment of a Division of Outdoor Recreation and A.B. 486 (R1).

Seeing no further testimony in support, Vice Chair Benitez-Thompson asked for testimony in opposition to or neutral on A.B. 486 (R1). Hearing none, Vice Chair Benitez-Thompson invited the bill sponsor to make closing remarks.

Assemblywoman Carlton reiterated her commitment to continue to work on the bill so it would be ready for the Assembly Chambers.

Vice Chair Benitez-Thompson closed the hearing on Assembly Bill (A.B.) 486 (1st Reprint).

Assemblywoman Carlton resumed her duties as Chair of the Committee.

Chair Carlton stated the next topic to be addressed was Assembly Bill 420 (1st Reprint) and invited the bill sponsor to the testimony table.

Assembly Bill 420 (1st Reprint): Revises provisions governing the criminal forfeiture of property. (BDR 14-717)

Assemblyman Steve Yeager, Assembly District No. 9, presented an overview of Assembly Bill (A.B.) 420 (1st Reprint). The bill made reforms to the civil forfeiture process and moved the civil forfeiture process into the underlying criminal case instead of requiring a separate civil filing. Often property was seized at the time of arrest in a criminal case and someone was prosecuted in the criminal case, but there was actually a forfeiture action filed separately in a civil case. This separation created a disconnect, especially when an involved person was incarcerated and could not have due process. The bill moved everything into the criminal case so the person was aware of what was happening and could have representation. The bill sought to include more due process before property was forfeited. The \$100,000 fiscal note from the Office of the State Treasurer was related to storage and maintenance costs, derived from section 26 of the bill. He noted there were also some local government fiscal notes on the bill. Assemblyman Yeager offered to provide more detail on the financial effect of the bill or answer questions.

Chair Carlton asked the representative from the State Treasurer's Office to discuss the fiscal impact of the bill.

Tara Hagan, Chief Deputy Treasurer, Office of the State Treasurer, stated that the Office currently did some safekeeping of unclaimed property, which was generally smaller items from bank safe deposit boxes, and lacked any knowledge about the storage and maintenance of larger items such as vehicles. The fiscal note was based on the Office's research of local

municipalities' expenditures. She cautioned that it was an estimate for the storage and maintenance of large items such as boats and vehicles.

Assemblyman Kramer surmised that it seemed like the concern was not just the quantity of items to be stored but also keeping items segregated. He suggested that perhaps different size storage containers would be needed to properly segregate items. He referenced evidence lockers at local sheriff's offices and the process of logging the evidence, which was almost a full-time position. He questioned whether the time, effort, and computer system to keep track of everything had also been considered.

Ms. Hagan stated that the Office had looked at current expenditures for cities and counties and used that to calculate its estimate. The Office already logged and tracked the small items it stored.

Assemblyman Kramer asked how the transportation and movement of items to and from the State Treasurer's Office would be handled.

Ms. Hagan responded that the Office would look to its partners in the counties and the Las Vegas Metropolitan Police Department and others who currently handled such items.

Chair Carlton stated nothing would prohibit the State Treasurer's Office from requesting funding from the Interim Finance Committee via a work program if an expense occurred that the Office could not fund.

Chair Carlton invited those in support of Assembly Bill 420 (1st Reprint) to testify.

Lisa Rasmussen, representing Nevada Attorneys for Criminal Justice (NACJ), stated that NACJ was in support of this bill and had worked with partners to develop the bill. She noted that the Las Vegas Metropolitan Police Department put an unsolicited fiscal note on the bill. She stressed that forfeitures and related storage fees were already happening, and this bill moved them to the criminal case. Because A.B. 420 (R1) did not allow some of the local law enforcement communities to take a portion of the funds as they did in the current civil forfeiture process, more money would go to the State Permanent School Fund. Ms. Rasmussen noted that the State Permanent School Fund was the beneficiary of proceeds from both criminal and civil forfeitures.

Seeing no others in support of the bill, Chair Carlton invited those in opposition to testify.

Mike Cathcart, Business Operations Manager, City of Henderson, stated that the City was in opposition to A.B. 420 (R1) in its current form. The City wished to continue to work on the policy in the bill. The City had filed a "cannot be determined" fiscal note, but since then had calculated that to date, the figure was at \$160,000 in its forfeiture fund, but it would continue to work with Ms. Rasmussen and Assemblyman Yeager to come to an agreement.

Corey Solferino, Lieutenant, Legislative Liaison, Washoe County Sheriff's Office, testified in opposition to A.B. 420 (R1). He thanked Assemblyman Yeager and Ms. Rasmussen for working with his office and listening to its concerns. The fiscal note on the bill was a "cannot be determined," but after researching the last five years, because of section 27, subsection 1, paragraph (b), subparagraph (3), the Washoe County Sheriff's Office believed the bill hindered its ability to enter into agreements with High Intensity Drug Trafficking Area (HIDTA) and its memorandum of understanding. The Washoe County Sheriff's Office received hundreds of thousands of dollars from HIDTA annually. The proceeds were from the illegal sale, transportation, and distribution of narcotics. Mr. Solferino expressed the Washoe County Sheriff's Office's concern that the bill would end its federal partnership with HIDTA and the monies received from it. He stated that the agency still wanted to work with stakeholders to move the bill forward.

A.J. Delap, Government Liaison, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department, shared Mr. Solferino's concerns. Mr. Delap stated his agency could potentially lose \$750,000 per year from its forfeiture seizure program if this bill passed in its current format. Based on the policy changes A.B. 420 (R1) would create, the function of the agency's forfeiture seizure program would change, and the agency was unsure of the effect of those changes.

Seeing no others in opposition to the bill, Chair Carlton invited those in neutral on A.B. 420 (R1) to testify. Seeing no one, Chair Carlton invited Assemblyman Yeager to the testimony table.

Chair Carlton asked whether the current forfeiture law allowed money to stay with the entity selling the property and only outside money went to the State Permanent School Fund. She asked Assemblyman Yeager to explain the bill's effect on the money from the forfeiture and how the current process contributed to the State Permanent School Fund.

Ms. Rasmussen explained that the current process allowed local law enforcement agencies to recoup their civil litigation costs, including personnel, legal, and filing fees, for money that was forfeited or went through forfeiture proceedings after seizure. In addition, local agencies were allowed to keep a small portion of the money per statute with the rest going to the State Permanent School Fund. The new law would add an additional allegation to the criminal complaint, and there would be no civil proceedings and associated costs. This would save local agencies the time and expense of a civil case, and they would not keep a percentage of the proceeds. She surmised that the fiscal impact of the bill truly was unknown. Ms. Rasmussen stated that in fiscal year 2018, the Las Vegas Metropolitan Police Department had about 400 cases and seized or received forfeitures of around \$2.5 million from them. She estimated each case cost the agency a few thousand dollars in personnel costs, so the agency would be saving hundreds of thousands of dollars with the bill's elimination of the civil cases. While it was unknown what the overall fiscal impact would be, there would be a savings in personnel costs and more money would go to the State Permanent School Fund.

Seeing no questions from the Committee, Chair Carlton closed the hearing on Assembly Bill 420 (1st Reprint).

Chair Carlton stated that Assembly Bill 526 and Assembly Bill 528 would not be heard in this meeting and would be added to the following day's agenda.

Assembly Bill 446 (1st Reprint): Revises the Nevada New Markets Jobs Act. (BDR 18-1100)

Assemblywoman Dina Neal, Assembly District No. 7, began her presentation of Assembly Bill (A.B.) 446 (1st Reprint) by stating she had asked Russell Guindon, Senior Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, to join her at the testimony table. Assemblywoman Neal clarified some of the terms in A.B. 446 (R1) and stated that a qualified community development entity (CDE) was basically an investor allowed to use and take tax credits. Section 1, subsection 1 allowed partnerships among CDEs to work together and merge credits. She noted that the New Markets Tax Credits (NMTC) required that the equity investments be in poor communities. She moved on to section 2, subsection 3 of the bill, which listed the types of businesses excluded from participating in this program. She stated that it was generally a small business that received the investment, and a provision remained in the bill that disallowed the use of credits for real estate. The real estate exclusion was in the program when it started in 2013 and remained, even though the federal NMTC program allowed it.

Assemblywoman Neal then moved on to section 2.5 of A.B. 446 (R1). Qualified equity investments were still \$200 million as in the previous program, with \$8 million as the minimum investment. Similar to the original program, this program was for seven years and the tax credits did not start until the third year. Assemblywoman Neal explained this delay allowed time for a CDE to find and invest in businesses and spread the tax credits out so more CDEs could invest in businesses.

Moving on to section 2.7, subsection 3, Assemblywoman Neal explained this was a new provision that allowed the investee business to apply for refinancing on the loan for a potentially lower interest rate. This would occur four years after the initial investment and would help the business keep and maintain its profits.

Assemblywoman Neal concluded that the bill used the same definition of CDE as in federal statute but included a two-year delay. She stated that Mr. Guindon would discuss the insurance premium tax and its effect on the budget.

Mr. Guindon stated that the insurance premium tax was forecasted to be about \$493 million in fiscal year (FY) 2021, based on the Economic Forum's May 1, 2019, forecast. The yield on the tax was 3.5 percent of the premiums. Based on the information from the original program in the 2013 bill, the final credits to reach the total \$116 million would be taken in FY 2020. He explained that the insurance premium tax was on a calendar year basis, even though the state was on a fiscal year period. The credits from the 2013 NMTC program

averaged around \$22 million to \$25 million per fiscal year, and it would take about six fiscal years to take the credits. Using this methodology, if the new bill was passed, as Assemblywoman Neal cautioned about the two-year delay, no credits could be eligibly taken by the insurance company until FY 2023. Once the credits started, it would take five or six fiscal years more at \$22 million to \$25 million per year to use up the entire \$116 million available.

Chair Carlton recalled working on the 2013 bill and found it very interesting, and she was pleased Assemblywoman Neal had taken on the new bill because it did a lot of good for the state.

Assemblywoman Neal shared the following statistics from the Department of Business and Industry in relation to the 2013 program:

- It invested in 22 companies, affecting 1,500 full-time jobs.
- 1,029 new jobs were created.
- Average pay was \$21.71 per hour.

She continued that there were increases in both Clark County and rural counties. The businesses that benefited were very unique.

Assemblywoman Benitez-Thompson asked for detail about the timeframe for pulling in the transferable tax credits and awarding them out.

Mr. Guindon explained that for the new program, the tax credits would begin in FY 2023 at 12 percent each year through FY 2025 and then 11 percent each year in FY 2026 in FY 2027. This added up to 58 percent of the credits of the \$200 million for \$116 million total. As with any other revenue source, the amount of tax credits to be taken was forecasted. Tax credits were taken under the original program in FY 2015, FY 2016, FY 2017, and FY 2018, and FY 2019 and FY 2020 amounts were forecasted. As Assemblywoman Neal pointed out, FY 2020 would be the end of credits from the original program, and if A.B. 446 (R1) passed, credits for the new program would start being taken in FY 2023 and end in FY 2027.

Chair Carlton invited those in support of A.B. 446 (R1) to testify.

Randi Thompson, paid lobbyist representing herself, testified in support of A.B. 446 (R1) and stated she was part of a group trying to purchase the former First Church of Christ, Scientist in Reno, now called the Lear Theater. The group was planning to restore the historic building to be a state-of-the-art performing arts theater and events center to serve the Reno area, helping rejuvenate Reno's west river downtown area. Federal and state New Markets Tax Credits could be used to fund nearly 65 percent of the \$16 million projected renovation cost. The group had hired an NMTC consultant who had been successful in securing NMTC for Northern Nevada HOPES, a Federally Qualified Health Center in downtown Reno. Many NMTC investors and CDEs were very interested in Ms. Thompson's

project and had made preliminary commitments to fund the project. She stated that passage of the bill would help the project, and she urged the Committee's support.

David Dazlich, Director, Government Affairs, Las Vegas Metro Chamber of Commerce, stated that the Chamber had historically supported NMTCs and continued with support of A.B. 446 (R1). He stated that NMTCs had been a useful tool for economic development in Las Vegas, Clark County, and throughout Nevada.

Mark Scheffel, Senior Vice President, Advantage Capital, stated that Advantage Capital was one of the CDEs that had worked with the Department of Business and Industry and made investments in the state of Nevada. He expressed his support for A.B. 446 (R1) and stated he had a number of letters from investee companies that he would submit along with his written testimony ([Exhibit K](#)).

Seeing no others in support, Chair Carlton invited those in opposition to testify. Seeing no one, she invited those in neutral on A.B. 446 (R1) to testify.

Terry Reynolds, Deputy Director of Administration, Department of Business and Industry, noted that in line 13 of the bill's Legislative Counsel Digest, an error was made and it should state "minimum" instead of "maximum," and he had spoken to the Legislative Counsel Bureau (LCB) about the error. He stated that for every dollar of tax credit taken, an economic impact of \$11 was achieved. He also stated that 22 businesses were operating, as Assemblywoman Neal mentioned, and 4 additional businesses had come about in the last 2 years from reinvestment. He explained that when a CDE profited from a project, the CDE could reinvest the profit up to 150 percent of the tax credit taken, which added the four businesses. The two-year hiatus for tax credits would give the Department the opportunity to make necessary adjustments to regulations and certify CDEs.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, noted that the Legal Division, LCB, stated an amendment was not needed to make the change highlighted by Mr. Reynolds. The change could be corrected as an errata afterward.

Karen Schnog, Management Analyst, Department of Business and Industry, stated she was available to support the Department of Business and Industry.

Seeing no others to testify, Chair Carlton closed the hearing on Assembly Bill (A.B.) 446 (1st Reprint). She stated that because of time constraints, the Committee would move some of the bills heard in the meeting.

**Assembly Bill 168 (1st Reprint): Revises provisions governing the discipline of pupils.
(BDR 34-539)**

Chair Carlton stated that this bill was heard in the meeting, and Assemblywoman Selena Torres, Assembly District No. 3, had walked the Committee through the proposed amendment ([Exhibit G](#)), which addressed the fiscal notes.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that the proposed amendment ([Exhibit G](#)) caused the removal of the fiscal notes from the bill.

Seeing no questions or comments from the Committee, Chair Carlton asked for a motion to amend and do pass Assembly Bill 168 (1st Reprint).

ASSEMBLYWOMAN SPIEGEL MOVED TO AMEND AND DO PASS AS
AMENDED ASSEMBLY BILL 168 (1ST REPRINT).

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Hambrick and Wheeler were not present for the vote.)

Chair Carlton stated that Assemblywoman Torres would do the floor statement.

**Assembly Bill 176 (1st Reprint): Enacts the Sexual Assault Survivors' Bill of Rights.
(BDR 14-87)**

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated the proposed amendment to the bill, [Exhibit J](#), removed section 40 of the bill, the appropriation for \$250,000 to the Office of the Attorney General. The amendment also revised section 40.5 to reduce the appropriation from \$750,000 in each year of the biennium to \$150,000 in each year of the biennium. The amendment also made some technical changes to other parts of the bill as noted in [Exhibit J](#) on page 4 in lines 17, 23, 29; page 5, lines 37 and 43; and page 6, lines 13 and 18. The amendment removed references to the defense attorney and deleted section 18, subsection 1 and section 18, subsection 4, paragraph (b) because they were in conflict with other pieces of statute. Legal counsel would determine whether other parts of those sections would need to be removed. The fiscal note would be decreased to \$150,000 in each year of the biennium to support the program.

Seeing no questions or comments from the Committee, Chair Carlton stated that Assemblywoman Monroe-Moreno asked that her name be added as a sponsor of the bill as part of the amendment process.

Ms. Jones asked Chair Carlton whether she planned on adding an appropriation to the bill for \$150,000 each year of the biennium, and the Chair stated she would.

Ms. Jones clarified that the appropriation for \$150,000 each year of the biennium to the Attorney General's Office and Assemblywoman Monroe-Moreno's name should be included in the amendment.

ASSEMBLYWOMAN SPIEGEL MOVED TO AMEND AND DO PASS AS AMENDED ASSEMBLY BILL 176 (1ST REPRINT).

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Hambrick and Wheeler were not present for the vote.)

Chair Carlton assigned the floor statement to Assemblyman Yeager, with support from Assemblywoman Monroe-Moreno.

Assembly Bill 297 (1st Reprint): Revises provisions governing fire safety equipment. (BDR 42-1051)

Chair Carlton stated she had found the information provided by Bart J. Chambers, Chief, State Fire Marshal Division, Department of Public Safety, regarding the cost of one officer and one administrative assistant 3.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assemblywoman Susie Martinez, Assembly District No. 12, had provided mock-ups to Committee members that made various adjustments. Mr. Chambers had indicated that rather than adding three officers and one administrative assistant, they would request one officer and one administrative assistant at an approximate cost of \$276,098 in FY 2020 and \$210,856 in FY 2021. Fiscal staff would work to reconcile the amounts during the amendment process.

Assemblyman Kramer stated he reserved the right to change his vote on the Assembly floor.

Assemblywoman Titus stated she would not be supporting the bill.

Chair Carlton asked for a motion.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO AMEND AND DO PASS AS AMENDED ASSEMBLY BILL 297 (1ST REPRINT).

ASSEMBLYWOMAN SPIEGEL SECONDED THE MOTION.

THE MOTION PASSED. (Assemblywoman Titus voted no. Assemblymen Hambrick and Wheeler were not present for the vote.)

Chair Carlton stated Assemblywoman Martinez would handle the floor statement.

Assembly Bill 345 (1st Reprint): Makes various changes relating to elections. (BDR 24-873)

Chair Carlton asked Assemblyman Frierson whether he was comfortable moving Assembly Bill (A.B.) 345 (1st Reprint), and he stated he was. Chair Carlton stated she wanted to provide enough time for the Legal Division, Legislative Counsel Bureau (LCB), to address the extensive amendment included and allow the bill to make it to the Assembly floor in the right timeframe.

Chair Carlton asked Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, to address the fiscal note.

Ms. Jones stated that the Department of Motor Vehicles (DMV) reduced its fiscal note to \$225,000 each year and asked Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB, to confirm the amount.

Chair Carlton stated her notes showed that the DMV changed its fiscal note to \$137,000 in the first year and nothing after that. She stated the Secretary of State's Office changed its fiscal note to \$275,000 per year.

Ms. Jones confirmed that Ms. Coffman agreed with Chair Carlton's notes.

Assemblyman Frierson stated he thought the DMV note was for \$137,000 for the first year only, and the Secretary of State's Office fiscal note was for \$275,000 per year. Chair Carlton confirmed those were the amounts, and an appropriation would be added to the amendment.

Ms. Jones stated no State Highway Funds could be appropriated to this bill, even though the DMV was involved. Because elections were involved, the money must come from the State General Fund.

Assemblywoman Titus expressed her appreciation for the effort and time Assemblyman Frierson put into A.B. 345 (R1), and she agreed that election reforms were needed, but she would not be supporting the bill. She was concerned about the fiscal impact of including same-day voter registration and automatic voter registration and allowing absentee ballots to be delayed. Even though it would not affect the State's General Fund and the funding had been addressed, she was concerned about the impact to the counties. She was also concerned that the delays and lines caused by the new voting machines in the last election would be exacerbated by the significant changes included in this bill.

Chair Carlton stated that the state paid for the new voting machines, and the initial difficulties encountered in the rural counties were mostly attributable to user error and not the machines themselves. Once users became familiar with the machines, the equipment helped move people through the process more quickly, and the Chair did not share Assemblywoman Titus's concerns.

Seeing no other discussion, Chair Carlton asked for a motion.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO AMEND AND DO PASS AS AMENDED ASSEMBLY BILL 345 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Kramer and Titus voted no. Assemblymen Hambrick and Wheeler were not present for the vote.)

The floor statement was assigned to Assemblywoman Jauregui.

Assembly Bill 420 (1st Reprint): Revises provisions governing the criminal forfeiture of property. (BDR 14-717)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill (A.B.) 420 (1st Reprint) related to seizure, forfeiture, and disposition of property and proceeds with a new statutory scheme. Property would be stored by the State Treasurer's Office, which did not currently have storage capability for these items and which estimated a fiscal impact of about \$100,000 over the biennium based on its research with other states. Ms. Jones noted this was still an unknown, and the Chair might consider not adding an appropriation but instead allow the agency to approach the Interim Finance Committee should it have costs it could not absorb in its current budget.

Chair Carlton agreed with the suggestion because of the unknowns involved. She clarified that there were no proposed amendments to the bill.

Ms. Jones agreed that there were no proposed amendments to the bill.

Chair Carlton stated that she was pleased to hear this bill would increase the amount of money going to the State Permanent School Fund. Seeing no other comments, she asked for a motion.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 420 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED. (Assemblymen Hambrick and Wheeler were not present for the vote.)

Assemblyman Yeager was assigned the floor statement.

Assembly Bill 446 (1st Reprint): Revises the Nevada New Markets Jobs Act. (BDR 18-1100)

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated that Assembly Bill 446 (1st Reprint) revised and continued the Nevada New Markets Jobs Act. There was a potential impact in the future, based on certification of \$200 million in qualified equity investments, and the insurance premium tax credit might be taken, not to exceed \$116 million. It could be several years until the credits were actually realized. This would not have an impact on the current biennium but would affect future state revenues. As noted by the Deputy Director of the Department of Business and Industry, there was a small technical issue in the digest of the bill, but it did not affect the actual language of the bill. Legal Division staff, Legislative Counsel Bureau, indicated it could correct the language when reconciling technical issues before codification.

Assemblywoman Titus stated she would not be supporting this bill and had been consistently against abatements and tax credits.

Chair Carlton shared her admiration that \$1 of tax credits taken generated \$11 in economic impact and wished all state agencies had such strong returns on investment.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO DO PASS AS
AMENDED ASSEMBLY BILL 446 (1ST REPRINT).

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

THE MOTION PASSED. (Assemblywoman Titus voted no. Assemblymen Hambrick and Wheeler were not present for the vote.)

The floor statement was assigned to Assemblywoman Neal.

Chair Carlton stated that adjustments still needed to be made to Assembly Bill (A.B.) 486 (1st Reprint). She also reiterated that the last two bills (Assembly Bill 526 and Assembly Bill 528) on the agenda would be on the top of the next day's agenda.

Chair Carlton opened the meeting for public comment. Seeing none, Chair Carlton closed public comment and adjourned the meeting at 11:59 a.m.

RESPECTFULLY SUBMITTED:

Nancy Morris
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a conceptual amendment to [Assembly Bill 84](#) presented by James R. Lawrence, Deputy Director, State Department of Conservation and Natural Resources.

[Exhibit D](#) is a brochure titled "More Than Just a Train Ride," submitted by Peter D. Barton, Administrator, Division of Museums and History, Department of Tourism and Cultural Affairs.

[Exhibit E](#) is a letter dated May 22, 2019, to the Assembly Committee on Ways and Means, authored by Jennifer Budge, Parks and Recreation Director, Carson City Parks, Recreation, and Open Space, and mentioned by Scott Morgan, Director, Community Services Department, Douglas County, in neutral on [Assembly Bill 84](#).

[Exhibit F](#) is a copy of a PowerPoint presentation titled "Pony Express National Historic Trail, Upper Kingsbury Toll Road," presented by Scott Morgan, Director, Community Services Department, Douglas County.

[Exhibit G](#) is a proposed amendment to [Assembly Bill 168 \(1st Reprint\)](#) presented by Assemblywoman Selena Torres, Assembly District No. 3.

[Exhibit H](#) is proposed amendment 5876 to [Assembly Bill 297 \(1st Reprint\)](#) presented by Assemblywoman Susie Martinez, Assembly District No. 12.

[Exhibit I](#) is a proposed amendment to [Assembly Bill 345 \(1st Reprint\)](#) presented by Assemblyman Jason Frierson, Assembly District No. 8.

[Exhibit J](#) is a proposed amendment to [Assembly Bill 176 \(1st Reprint\)](#) presented by Assemblyman Steve Yeager, Assembly District No. 9.

[Exhibit K](#) is written testimony submitted by Mark Scheffel, Senior Vice President, Advantage Capital, dated May 23, 2019, in support of [Assembly Bill 446 \(1st Reprint\)](#), including letters of support from Yurelis Castro, employee, T.I. Foods; Nazila Danesh, General Counsel, Western Group Packaging; Debra L. DeVay, Interim CFO, Nevada HOPES; Gus Gutierrez, Owner, T.I. Foods; Robert Hunter, President, Wa She Shu Travel Plaza; Baze Melamed, President, Western Group Packaging; and Hillary L. Schieve, Mayor, Reno, Nevada.