

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

**Eightieth Session  
June 2, 2019**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 10:28 a.m. on Sunday, June 2, 2019, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/80th2019](http://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  
Assemblyman John Hambrick  
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

**GUEST LEGISLATORS PRESENT:**

Senator James Ohrenschall, Senate District No. 21  
Senator Pat Spearman, Senate District No. 1  
Senator Melanie Scheible, Senate District No. 9  
Senator Dallas Harris, Senate District No. 11  
Senator Marilyn Dondero Loop, Senate District No. 8

**STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst  
Sarah Coffman, Principal Deputy Fiscal Analyst  
Anne Bowen, Committee Secretary  
Lisa McAlister, Committee Assistant

Minutes ID: 1462



Chair Carlton asked the committee assistant to call the roll. The Chair then reminded Committee members, testifiers, and members of the audience about Committee rules and protocol.

Chair Carlton opened the hearing on Senate Bill (S.B.) 174 (1st Reprint).

**Senate Bill 174 (1st Reprint): Provides for an audit of certain services provided to persons with autism spectrum disorders. (BDR S-680)**

Bailey Bortolin, Statewide Advocacy, Outreach and Policy Director, Nevada Coalition of Legal Service Providers, presented testimony in support of Senate Bill (S.B.) 174 (1st Reprint). Ms. Bortolin stated that a performance audit was being sought for all of the provider systems that went into services for children with autism in Nevada. She believed that many legislators had heard from families in the interim as well as in past sessions about the difficulty of being connected with appropriate resources to get an autistic child services to which they were legally entitled. Ms. Bortolin was hoping to undertake this audit to get some clear answers as to why so many children were unable to access services. Funding did not appear to be the main problem at this time, which might be a unique statement in this Committee. Governor Sandoval allocated \$42 million in the last biennium for Medicaid to serve this population and \$2.3 million was spent, while many children went without services. That estimate was based upon an assumption provided by the Board of Education that 30 percent of the 6,000 autistic children in Nevada were eligible for Medicaid autism services. Ms. Bortolin stated the number of children with autism in the state had grown to 8,500, but the number of children actually being served was very low. Medicaid served 271 children in the last year as of December 2018. The state Autism Treatment Assistance Program (ATAP), a pathway beyond Medicaid for services, was serving 668 as of April 2019.

There were many children who struggled to get services. Ms. Bortolin said there was an Autism Specialty Court in Clark County, specific to children who had a diagnosis or needed a diagnosis and had been unable to access those services. Some autistic children were being charged with juvenile delinquency crimes, and the Autism Specialty Court tried to determine how to get those children health-care services through the legal system. There were clearly some problems, and Ms. Bortolin believed an audit would ascertain what the state could do better to move forward to serve those children.

Senator James Ohrenschall, Senate District No. 21, presented Senate Bill (S.B.) 174 (1st Reprint) and stated that what Ms. Bortolin said was correct. He said he had the privilege of practicing in the Autism Specialty Court, and while a juvenile being arrested was unfortunate, for a lot of the children in the Autism Specialty Court it was the first chance they had to acquire services. Senator Ohrenschall said that if the Committee saw fit to move forward with this audit, there would be answers about what was being done correctly and where improvement was needed try to ensure that families were getting the services they needed.

Chair Carlton commented that, typically, when someone requested an audit they believed there was something that had not been done correctly. She asked what the criticism was of the autism program and why the audit was being requested.

Senator Ohrenschall said the original version of S.B. 174 (R1) had another section that also looked at a funding increase to try to help with more providers. That section was deleted because of fiscal constraints, but Senator Ohrenschall believed the audit would help to clear up why many of the families and children that needed those services were not getting them. He noted that great strides had been made in the last two decades, but a lot more needed to be done.

Ms. Bortolin stated that a lot of the conversation in the past had revolved around the Medicaid rate that was paid to the providers, which was the same as the ATAP rate, and whether that rate was competitive enough to be able to have providers in Nevada. Many providers in Nevada did not take Medicaid because of the low rate, and as a result, there were very long waitlists. Some of the waitlists for services to which children were legally entitled could extend beyond a year to access services. With something like autism, the sooner a child could be helped, the sooner their outcomes could be changed, so they were not ending up in the juvenile delinquency system or as adults in the criminal justice system. The clearest piece of evidence in Ms. Bortolin's opinion was with Medicaid, which by the most conservative estimate should be serving 2,550 children, while only 271 children were being served. That was a huge disparity, and it was not because of inadequate funding but because children remained on a one-year long waitlist.

One of the most common hurdles Ms. Bortolin had seen in Autism Specialty Court was for a child to just receive the diagnosis needed to access the healthcare services. We might all know and understand that this child had autism, but he or she had not been able to access the formal evaluation by the medical system to proceed with getting treatment. Families of children with autism often gave up and moved to a new state where they could find a provider, because they were unable to do that in Nevada.

Chair Carlton asked whether the audit would basically be an evaluation of the previous administration regarding some of the issues.

Senator Ohrenschall noted that Ms. Bortolin had put some excellent points on the record. He had talked to some families that said they were thinking about moving to Iowa because Iowa had much better services. He agreed with all those points and believed that examining what had been done incorrectly in the past could help to not repeat those mistakes in the future, and he hoped the audit would also aid in fixing some of the problems.

Chair Carlton asked what biennium the unspent dollars were from, and Ms. Bortolin replied that it was the 2015-2017 biennium. She continued that most of the money appropriated to the Division of Health Care Financing and Policy by that legislative session went unspent on the Applied Behavioral Analysis (ABA) services that were set aside. She stated that \$2.3 million of the appropriated \$14 million was spent by Fee-For-Service Medicaid.

Assemblywoman Titus stated it was her impression that the process for an audit was subject to regulations and timetables.

Rocky Cooper, Legislative Auditor, Audit Division, Legislative Counsel Bureau (LCB), said all of the Audit Division's work was approved by the Legislature either through a bill such as this or through a request to the Legislative Commission for a two-year biennial audit plan. The Division assessed all state agencies, and every two years a biennial audit plan was submitted to the Legislative Commission, which was approved, and if this audit was approved, it would go to the top of the list. Mr. Cooper said that would simply delay the completion or start of another audit. On the record, the proposed audit would not appear to disrupt the Division's resources.

Assemblywoman Titus thanked Mr. Cooper for being here because that was exactly what she wanted on the record—how the process worked.

Assemblywoman Neal said that Ms. Bortolin stated that the allocated Medicaid money was unspent and there was a large caseload; she wondered whether the money reverted.

Ms. Bortolin said it was her understanding the funding stayed with Medicaid; it was not specifically used on autism services as assigned.

Assemblywoman Neal noted Ms. Bortolin maintained that ATAP had spent a portion of the appropriation, but did not request the entire amount, and Assemblywoman Neal wondered what Ms. Bortolin was trying to say with that statement.

Ms. Bortolin said she focused a bit on Medicaid in her testimony, but there were two different providers, and there were multiple ways to get services in Nevada. She believed the one that showed the need the most was the Medicaid caseload, and that was what she was focusing on. This also encompassed the ATAP program, a state-funded program that bridged the gap for families that did not quite qualify for Medicaid. Through that program there was also a waitlist and there remained a waitlist, but the reserves that were set aside, should there be a need to serve more children, were not used even though there was a waitlist. Ms. Bortolin believed more children that were on the ATAP waitlist could have been helped had the ATAP reserves been used in the last biennium.

Assemblywoman Neal said she needed clarification on what exactly the barrier was to serving more children, because if it was that the money was not spent correctly, to her that was a separate statement, and there were things they could have done better to provide services.

Ms. Bortolin said it was unclear why appropriating more money did not lead to serving more of the children on the waitlist. The point of the audit was to ascertain why more children were not served despite available funding. It had been heard from families many times that it was the Medicaid reimbursement rate paid to registered behavior technicians, which led to not having enough providers in the state, so even with adequate funding, there was no one to

give it to because there were no providers willing to provide the services. Ms. Bortolin said that was likely one of the large barriers that should be explored, but again that was somewhat anecdotal from the experience of working with the families.

Assemblywoman Neal said what she was hearing was that Ms. Bortolin received anecdotal information, all of this was theory, and she wanted an audit to determine whether her theory was correct.

Ms. Bortolin replied that from the numbers of the children not being served, there appeared to be evidence that there was a problem, but she could not articulate every reason those children were not being served. If the system could be examined to consider the coordination between the different providers, the coordination of the different state players, and how that interacted with rates paid to those providers and access to those providers, a clear path could be determined to ensure that children were getting the services to which they were legally entitled.

Chair Carlton opened the hearing for testimony in support of S.B. 174 (R1).

Julie Ostrovsky, Commissioner, Nevada Commission on Autism Spectrum Disorders, testified in support of S.B. 174 (R1) and read the following statement into the record:

The entire Commission for Autism Spectrum Disorders is in support of this bill as amended. As a Commissioner on the Nevada Commission on Autism Spectrum Disorders, we hear every single meeting that there are children in our state who do not have access to autism services. We hear from parents, we hear from providers, we hear from friends, and we hear from teachers. This cannot continue. This bill will give the Legislature and the Commission the important information we need to improve access and services to the neediest in our state. This audit of Medicaid Managed Care Programs, the Autism Assistance Treatment Program, and other programs and services provided through the Department of Health and Human Services concerning the delivery of evidence-based services for children with autism spectrum disorders will be a vital part of our strategic plan for next session. We must determine where we are going wrong and how we can capitalize on our success. Thank you for hearing this important bill.

Steven Cohen, private citizen, Las Vegas, testified in support of S.B. 174 (R1).

Chair Carlton called for further testimony in support of, in opposition to, or neutral on the bill and, hearing none, asked Mr. Cooper what audits were up this cycle.

Mr. Cooper stated he had not brought the list with him, but the Division had a very robust list which would be starting with Medicaid in the future, and he knew the Department of Corrections was on the audit list as well. The Division had many significant audits, but with that said, Mr. Cooper said while he was neutral on S.B. 174 (R1), he believed an audit could be done with existing resources.

Chair Carlton noted that Mr. Cooper was retiring and thanked him for his 30-some years of service to the state.

Chair Carlton said she believed all the bases had been covered on S.B. 174 (R1). The bill would be set aside, and at the appropriate time, it would be addressed again. She opened the hearing on Senate Bill (S.B.) 421 (R1).

**Senate Bill 421 (1st Reprint): Requires the establishment and carrying out of a program relating to certain unmanned aircraft systems. (BDR 18-31)**

Senator James Ohrenschall, Senate District No. 21, presented Senate Bill (S.B.) 421 (R1). Senator Ohrenschall said this bill was a big ask of the Committee, but he believed it had already paid dividends to Nevada and would continue to pay dividends to the state in technological advancement, enterprise, and business. Last year, Senator Ohrenschall said he had the privilege of meeting Dr. Chris Walach, who was currently in Las Vegas, and Brian McAnallen was there as well. Dr. Walach was head of a nonprofit called the Nevada Institute on Autonomous Systems (NIAS). Nevada was selected as one of the seven Unmanned Aerial System (UAS) test sites for testing of unmanned aerial vehicles, which were usually referred to as drones. That selection had put Nevada at the forefront, and NIAS had continued to do that work. The NIAS had partnerships with the Canadian government and with companies in Canada that were working together, and the Senator believed the president of Poland was traveling to Nevada later this month to view the testing being done in Reno. Great strides were being made in this emerging technology, and the stage was being set for Nevada to be a leader in the industry.

Brian McAnallen, Vice President Government Affairs, Porter Group, testified in support of S.B. 421 (R1). Mr. McAnallen began by thanking Senator Ohrenschall for taking this bill under his wing and being a champion and voice for the state as it moved forward with the opportunities presented after former Senator Harry Reid had been able to secure one of the six test sites.

Chris Walach, Executive Director, Nevada Institute on Autonomous Systems (NIAS), read the following statement into the record:

Good morning, Madame Chair and Committee members. Thank you for taking the time to hear this bill this morning. I also want to say thank you as well to Senator Ohrenschall for sponsoring this important industry bill. I also want to thank the many Nevada businesses across the state and airport

authorities for their support of NIAS and the state of Nevada unmanned aircraft system test site.

For those that may not know, the Federal Aviation Administration (FAA) Unmanned Aircraft System Test Site designation for the state of Nevada is a federal contract called the Other Transaction Agreement (OTA) with the state of Nevada. This contract was recently extended to five years with 100 percent support of our federal Congressional delegation, and specifically, Senator [Catherine] Cortez-Masto and Congresswoman [Dina] Titus.

This FAA designation is more than a symbol for the state and national leadership. It provides an industry leadership position and an outlet to grow the new business and create new jobs and technology innovation for Nevada. We are viewed as a major stakeholder to grow the drone industry across the U.S. and to set the conditions for new drone policy and procedures before it becomes law with the FAA.

In 2014, when the state of Nevada won this federal designation, the state in turn created NIAS. We are a nonprofit as everybody said, created by the state of Nevada to run and manage the state of Nevada contract for the FAA designated Nevada UAS Test Site. We are one of seven in the nation designated by Congress and the FAA, specifically to help the FAA to conduct research, testing, and help standardize drone safety technology, communication, navigational and drone surveillance technology advancement procedures, and ultimately to safely integrate drones into the commercial air traffic system. In addition, for the state of Nevada, NIAS acts as the clearing house for autonomous systems in Nevada and to help create smart ecosystems. However, without state capital investment in drone infrastructure and in the Nevada UAS Test Site, Nevada will continue to fall further and further behind other states with FAA-designated UAS test sites.

We are also charged to help the state of Nevada grow the Nevada drone industry. Our current board of directors include representatives from the Governor's Office of Economic Development (GOED), University of Nevada, Reno (UNR), University of Nevada, Las Vegas (UNLV), Desert Research Institute (DRI), Switch, Southern Nevada Regional Transportation Commission, Scott Bensing from SB Strategic Consulting, Inc., and Jay Barrett from the Jay Barrett Company. NIAS does represent a cross-section of the business industry for Nevada.

What will this money be used for? NIAS and the Nevada UAS Test Site work to help advance Nevada-based commercial drone companies and public safety entities. We satisfy the state of Nevada FAA contract requirements as the prime for the state of Nevada, and we also help bring in major drone operations to the state of Nevada as we have done on the past nine major

NASA and FAA operations of the past several years. This leadership position is a national and global one and has put the state of Nevada on the industry map in a big way. We also leverage other competitive contracts to bring those contracts to the state of Nevada and Nevada drone businesses. This appropriation in S.B. 421 (R1) will help us continue to allow Nevada to lead nationally and globally. Specifically, this bill will allow us to continue to promote Nevada, help facilitate job creation, and direct jobs kept at NIAS at the national and international Nevada promotion level. We helped develop the state of Nevada proposals for economic development, and these include federal contracts from NASA, the FAA, and other federal entities that we have begun to leverage just in the past several months. We also conduct infrastructure maintenance; these contracts that we brought into the state of Nevada allow us to purchase this technology for drone infrastructure, which is attractive to bringing in new businesses to the state of Nevada.

We also partner on higher education and research projects. We conduct testing for small to medium-sized Nevada-based businesses to help them commercialize their business model and help them grow here in Nevada and at the national level. We also help develop air space in a big way. We were the first in the nation to get the first Beyond Visual Line of Sight (BVLOS) airspace authorization of its kind, just recently with the NASA operation in the city of Reno.

For the Committee's information, recently NIAS was the first in the nation to conduct large-scale drone operations under BVLOS conditions in downtown Reno in partnership with the Mayor and the city of Reno, and for the first time we are expanding these major operations throughout Nevada to include Las Vegas, Henderson, and Searchlight. This first in the nation was highlighted by every state television network, and there was an exclusive done on Nevada by CNBC two weeks ago, on just what the state of Nevada UAS Test Site and Nevada businesses are doing to dominate innovation across the drone industry both here in Nevada and at the national and global level. The major operations we have successfully won for the state of Nevada bring in revenue, and we pass on this economic development to cities, communities, and to our Nevada small businesses to help them grow.

In addition, for the Committee's information, last year the Nevada drone industry was rated number two in the nation, with nearly zero capital investment in the Nevada drone industry, compared to the other UAS Test Sites funded in the tens of millions each year. We do this by collectively working to safely integrate drones into the commercial air traffic system, and with our Nevada businesses, we do what other states cannot do and that is rapidly grow innovation and work to make Nevada number one. It is a big leap from number two to number one, however.



We are also working with the FAA to tackle the nation's number one drone problem, and that is to mitigate drone incursions in places where drones should not be flying. Right now there is a drone incursion happening in the commercial air traffic system every seven hours, and by 2022 this is going to increase to one drone incursion every two hours. If the FAA and stakeholders like NIAS do something about this, that can be reduced. Last year NIAS and the Nevada UAS Test Site opened a Safety Center of Excellence focused solely on tackling this problem and bringing awareness across the state and nationally for mitigating drones flying dangerously close to manned aviation and near towered airports like McCarran and Reno-Tahoe International Airport. We are working collectively with the airports to mitigate this growing issue.

We are also involved internationally to bring in new business, both in Alberta, Canada, and Poland, as the two countries that we are most active in right now. In the future I look forward to working with Committee members across the state Legislature to build high technology drone infrastructure, as this is the highest attraction toward bringing in new companies to set up shop in Nevada and hiring local talent.

Making this investment in the FAA designated UAS Test Site will allow us to leverage federal dollars for the state of Nevada, which we will further elaborate on in a minute. In the 2018 FAA reauthorization bill, the seven UAS Test Sites through the FAA contract vehicle are now given the means to go after federal contracts, not specifically targeted for UAS Test Sites and bring this economic impact to Nevada.

Lastly, NIAS and the Nevada UAS Test Site also bring an extremely positive plus to the state of Nevada on these major operations at the state, national, and international levels through setting first in industry drone records to advancing safe, urban drone operations. As the Senator said, for the first time, the president of Poland is visiting the state of Nevada NASA drone operations in the next two weeks as a result of our business leadership across the state to lead nationally and internationally.

Chair Carlton said that while the information was appreciated, it was a bit too much for Ways and Means on a Sunday morning. She asked for an explanation of what the \$1 million request would actually do for the program.

Mr. McAnallen explained that in February of this year, the United States Congress passed a transportation, housing, and urban development appropriations bill, and within that bill a significant amount of money was set aside through the FAA to be matched, with contributions or appropriations from other sources to draw down those federal dollars. That was the reason NIAS was seeking the \$1 million appropriation through the state of Nevada, which would come through GOED and allow the application for those federal dollars from

the FAA. As was mentioned earlier, United States Senator Catherine Cortez-Masto was one of the architects of providing funding in that bill. Congresswoman Dina Titus also sat on the U. S. House of Representatives Transportation Committee and worked to make that happen on the other side. Mr. McAnallen said this was one of those places where the state was really in line with what was happening in Washington D.C. and with our delegation. The \$1 million was being sought to match the federal money.

Chair Carlton asked how the match would work, and Mr. McAnallen said NIAS was looking for a dollar-to-dollar match at the very least, which would result in \$2 million for the program.

Chair Carlton noted that for the 2019-2021 biennium, GOED had already received \$100,000 in fiscal year (FY) 2020, and \$75,000 in FY 2021 for this program. She said this match would be a totally separate pot of money to leverage federal dollars down at a minimum of a one-to-one match.

Assemblywoman Neal questioned whether the \$1 million appropriation from the state and the additional \$1 million match expected from the federal government would sustain existing jobs or create new jobs.

Mr. Walach maintained it would sustain the approximately 200 jobs that had been created up to the present, and the appropriation would also go toward creating new additional jobs with the contracts that could be leveraged in Nevada.

Assemblywoman Neal said Mr. Walach had also mentioned that the bill allowed for new companies to come here, and he had talked a little about commercialization of the business model. She wanted to know how those new companies would fit under the current aviation abatement or whether he expected that some of those new companies would fit under the aviation abatement that was currently in place.

Mr. Walach said when a new company brought in manufacturing of their products that would fit under the abatement, they could receive it. Those companies that wanted to manufacture or assemble here in Nevada would also take advantage of the abatement.

Assemblywoman Benitez-Thompson said that within Chapter 231 of the *Nevada Revised Statutes* (NRS) and within GOED, there seemed to be many tools to leverage different kinds of programs, dollars, or tax credits and abatements for different things. She asked why the existing resources were not sufficient.

Mr. Walach replied that NIAS tried to leverage everything that applied to aviation. He said he was aware that abatements specifically applied to aviation, and from a general perspective, NIAS was working with all of the different economic development entities across Nevada.

Assemblywoman Benitez-Thompson noted that the aviation abatements applied to the NIAS program as well as property tax, sales tax for 10 years, and an additional \$1 million was being requested.

Mr. Walach said those abatements applied to new companies that manufactured products or performed final assembly in Nevada. Abatements were offered directly to businesses as an incentive to relocate to Nevada or to establish operations here.

Mr. McAnallen said to be clear, the \$1 million being requested in federal money was not going to businesses, it was going to be used for the operational aspects related to the FAA contract that NIAS was created to run on behalf of the state. That money was not cascading down to individual businesses.

Assemblywoman Titus referred to the \$1 million appropriation from the state that would possibly bring a one-to-one match in federal dollars. She said she was a little surprised because so much of the aviation world, especially regarding rural airport monies, provided a 15-to-1 match. She wondered whether Mr. McAnallen could explain why there was such a limited amount of matching federal dollars for this program.

Mr. McAnallen said he understood where Assemblywoman Titus was coming from concerning federal dollars for the rural airports. The way this program, or this particular appropriation was created, and the money that was set aside in the Transportation, Housing and Urban Development (THUD) budget, was a smaller bucket, but the caveat to getting that was a match. This one just happened to be one-to-one out of that pot of money. Over the course of the last few years, there had been money appropriated through FAA, for instance, to do some of those tests, but those had to be applied for directly. Mr. McAnallen said one of the key points that might not be considered was that this was a new arena for the FAA. Traditionally, the FAA had just worked on manned aircraft and managing the overall air space. While there were seven test sites, what was unique to Nevada was that it was a statewide test site, but as the rules and procedures and safety regulations for all of the drone operations were being developed, it was being kept small. Mr. McAnallen was convinced that with the opportunities and advantages Nevada had, it would continue to be a leader in that arena.

Assemblywoman Neal commented that it was her understanding that there was no wage requirement in the aviation language, and she asked what the current wage was if the companies were using the abatements under the drone program.

Mr. Walach responded that the few companies that performed original equipment manufacturing here in Nevada in the past had taken advantage of those abatements and they continued to do so. Nevada's state wages for drone pilots and technicians resembled the national average.

Senator Ohrenschall commented that the data he looked at said that of the small number of states that were selected as UAS Test Sites, Nevada might be the leanest of the seven in

investment in the program. Even with that small investment, Senator Ohrenschall was of the opinion that the program had great results with different businesses that had come to Nevada. He believed that was the result of Dr. Walach's work at the NIAS.

Mr. McAnallen remarked that Nevada was at the bottom in investment of the states that operated test sites, which was led by New York that had spent \$300 million. He reiterated that in the other states, the test site was a small geographic area, while in Nevada the entire state was a test site. North Dakota had a small jurisdictional test site, and it just appropriated another \$30 million for it with \$6 million on a regular basis. Nevada's commitment to the test site was \$100,000 in the GOED budget for this year and \$75,000 for next year. Those were the operational dollars that came directly from the state compared to the other states. Mr. McAnallen added that there were also a number of other states that were not designated test sites where state funds had been appropriated, and they were actually in a consortium and operating in states that were designated test sites. He said it was interesting to see how some states were trying to move into that space, but again, NIAS was trying to access and leverage federal dollars rather than just relying only on a state appropriation. The only amount NIAS was receiving was \$175,000 as approved by the Legislature in GOED's budget.

Chair Carlton called for testimony in support of, in opposition to, or neutral on the bill and, hearing none, closed the hearing on S.B. 421 (R1).

Chair Carlton recessed the meeting at 11:21 a.m.

Chair Carlton called the meeting back to order behind the bar of the Assembly Chambers at 3:01 p.m. The Chair explained that Senate Bill 555 needed to be passed out of the Committee on Ways and Means and said she would entertain a motion.

**Senate Bill 555: Ensures sufficient funding for K-12 public education for the 2019-2021 biennium. (BDR 34-1279)**

ASSEMBLYMAN FRIERSON MOVED TO DO PASS SENATE BILL 555.

ASSEMBLYMAN WHEELER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chair Carlton called for public comment in support of, in opposition to, or neutral on the bill and, hearing none, closed the hearing on S.B. 555 and recessed the meeting at 3:03 p.m.

Chair Carlton reconvened the meeting at 3:43 p.m.

Chair Carlton announced that Senate Bill 555, the Distributive School Account (DSA), had been moved out of Committee, so now everything else could be done. Because there were so many bills that were in the "parking lot" what the Chair intended to do was take a "mass motion" as all the bills were do pass. She requested that Cindy Jones go through the bills and in the interest of full public disclosure, Chair Carlton said she shared this list with Assemblyman Kramer earlier yesterday to ensure that there was a chance to review all of the bills. Rather than taking different motions on each bill, they would be moved all in one motion.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, provided explanations regarding the following bills.

**Senate Bill 102: Makes an appropriation for funding the participation of certain students who participate through the Western Regional Education Compact. (BDR S-98)**

Ms. Jones said the first bill was Senate Bill (S.B.) 102 regarding the Western Regional Education Compact for ten additional advanced practice registered nurse slots focused on the needs of elderly patients. The bill contained state General Fund appropriations of \$77,000 in fiscal year (FY) 2020 and \$77,000 in FY 2021. This bill would be effective on July 1, 2019.

**Senate Bill 485 (2nd Reprint): Revises provisions relating to the education of certain children from Nevada who are patients or residents of certain hospitals or facilities. (BDR 34-397)**

Ms. Jones said Senate Bill (S.B.) 485 (2nd Reprint) concerned the Department of Education, which was to conduct audits where children were housed at out-of-state facilities or medical facilities to audit the educational services being provided. The bill included General Fund appropriations \$40,000 for virtual auditing and \$72,000 for in-person auditing effective July 1, 2019.

**Senate Bill 503: Makes an appropriation for the continuation of the Nevada Promise Scholarship Program. (BDR S-1169)**

Ms. Jones said Senate Bill (S.B.) 503 concerned the Nevada Promise Scholarship Program to continue the scholarship program in the amount of \$4,500,000 in FY 2019. Those funds would be able to be used through the next biennium upon passage and approval.

**Senate Bill 504: Makes an appropriation to the Office of Finance for outreach and educational activities for the 2020 federal decennial census. (BDR S-1170)**

Ms. Jones stated that Senate Bill 504 recommended a General Fund appropriation to the Office of Finance to fund activities related to census outreach and education in the amount of \$5 million.

**Senate Bill 506: Makes an appropriation to the Division of State Library, Archives and Public Records for the replacement of a large book scanner. (BDR S-1175)**

Ms. Jones said Senate Bill 506 requested a General Fund appropriation of \$85,250 for a large book scanner for the Division of State Library, Archives and Public Records.

**Senate Bill 508 (1st Reprint): Makes appropriations to the State Department of Conservation and Natural Resources for the replacement of information technology infrastructure and to the Interim Finance Committee for allocation to the Department for wildfire prevention, restoration and long-term planning. (BDR S-1178)**

Ms. Jones explained that the Department of Conservation and Natural Resources was receiving funds under S.B. 508 (1st Reprint), a budget implementation bill, for information technology systems in the amount of \$205,183.

**Senate Bill 509: Makes appropriations to the Division of Water Resources for the replacement of vehicles and computer software and hardware. (BDR S-1181)**

Ms. Jones stated Senate Bill 509 made General Fund appropriations totaling \$275,465 to the Division of Water Resources for the replacement of vehicles and computers upon passage and approval. This was a budget implementation bill.

**Senate Bill 510 (1st Reprint): Makes an appropriation to the Department of Employment, Training and Rehabilitation for a new business management system. (BDR S-1186)**

Ms. Jones said Senate Bill 510 (1st Reprint) made a General Fund appropriation of \$352,000 to the Department of Employment, Training and Rehabilitation for a new information technology (IT) system for fiscal year (FY) 2019. This was a one-shot appropriation upon passage and approval.

**Senate Bill 511: Makes appropriations to the Department of Corrections for the replacement of roof hatches and a sewer pump and the repair of flooring, plumbing and a sewer grinder at various correctional centers. (BDR S-1184)**

Ms. Jones said Senate Bill 511 recommended General Fund appropriations to the Department of Corrections for building maintenance totaling \$243,345 upon passage and approval in this budget implementation bill.

**Senate Bill 512 (1st Reprint): Makes appropriations to the Nevada Gaming Control Board for modernization of the technology system and replacement of security system equipment and extends the reversion date of a previous appropriation made to the Board for certain costs related to the Alpha Migration Project. (BDR S-1188)**

Ms. Jones explained that Senate Bill 512 (1st Reprint) made General Fund appropriations totaling \$7,361,909 to the Nevada Gaming Control Board for the continuation of the Alpha Migration Project, changing that system from COBOL.

**Senate Bill 513: Makes appropriations to the Division of Welfare and Supportive Services for the Child Support Enforcement Modernization system and the replacement of computer hardware and software and office equipment and authorizes the expenditure of money for these purposes. (BDR S-1189)**

Ms. Jones remarked that Senate Bill 513 was related to child welfare systems and included General Fund appropriations totaling \$17,633,704 upon passage and approval of the budget implementation bill.

**Senate Bill 514 (1st Reprint): Makes an appropriation to the Interim Finance Committee for allocation to the Central Repository for Nevada Records of Criminal History for replacement of the Nevada Criminal Justice Information System. (BDR S-1192)**

Ms. Jones stated Senate Bill 514 (1st Reprint) would provide additional funding for information technology (IT) systems in the amount of \$6,994,026 for the Criminal History Repository. This was a one-shot appropriation for fiscal year (FY) 2019.

**Senate Bill 515: Makes an appropriation to the Division of Parole and Probation for the replacement of computer equipment and the Offender Tracking Information System. (BDR S-1193)**

Ms. Jones explained that Senate Bill 515 made General Fund appropriations to the Division of Parole and Probation in the Department of Public Safety for information technology (IT) systems totaling \$3,182,196 upon passage and approval. Ms. Jones said this was a budget implementation bill.

**Senate Bill 516 (1st Reprint): Makes appropriations to the State Board of Parole Commissioners for the replacement of certain equipment. (BDR S-1195)**

Ms. Jones said Senate Bill 516 (1st Reprint) made General Fund appropriations to the Board of Parole Commissioners, for computers, video conferencing, and chairs, totaling \$166,610 upon passage and approval.

**Senate Bill 517 (1st Reprint): Makes appropriations to the Nevada Highway Patrol for replacement of computer hardware and software and mobile data computers and for portable and mobile radio equipment. (BDR S-1224)**

Ms. Jones explained Senate Bill 517 (1st Reprint) made Highway Fund appropriations totaling \$980,814 to the Nevada Highway Patrol for radio software and portable computers in fiscal year (FY) 2019.

**Senate Bill 518: Makes an appropriation to the Department of Taxation for the needs assessment for the modernization of the Unified Tax System. (BDR S-1226)**

Ms. Jones said Senate Bill 518 provided a General Fund appropriation of \$1,700,373 to the Department of Taxation for a needs assessment to replace the Unified Tax System.

**Senate Bill 519 (1st Reprint): Makes an appropriation to the Office of Finance for a Snowcat vehicle for winter access to the pump house and dam at Marlette Lake. (BDR S-1228)**

According to Ms. Jones, Senate Bill 519 (1st Reprint) appropriated \$190,500 from the State General Fund to the Governor's Office of Finance, for a Snowcat at Marlette Lake, upon passage and approval of this budget implementation bill.

**Senate Bill 525 (1st Reprint): Makes appropriations to the Division of Forestry for equipment and maintenance. (BDR S-1179)**

Ms. Jones said Senate Bill 525 (1st Reprint) provided General Fund appropriations to the Division of Forestry for equipment and maintenance items totaling \$9,447,081 upon passage and approval of this budget implementation bill.

**Senate Bill 526 (1st Reprint): Makes appropriations to the Nevada Highway Patrol for the replacement of patrol vehicles and motorcycles. (BDR S-1223)**

Ms. Jones noted Highway Fund appropriations in Senate Bill 526 (1st Reprint) totaling \$13,538,954 to the Nevada Highway Patrol for vehicles in fiscal year (FY) 2019, upon passage and approval.

**Senate Bill 527: Makes appropriations to the Division of Child and Family Services for deferred maintenance projects and security camera system upgrades at various facilities. (BDR S-1245)**

Ms. Jones said Senate Bill 527 contained General Fund appropriations to the Division of Child and Family Services for deferred maintenance projects and camera upgrades at various facilities totaling \$1,748,423, upon passage and approval, and was a budget implementation bill.

**Senate Bill 533 (1st Reprint): Makes an appropriation to the Interim Finance Committee for allocation to Nevada Museum of Art, Inc. for the statewide expansion plan for the Northern and Southern Museum of Arts. (BDR S-1167)**

Ms. Jones indicated that Senate Bill 533 (1st Reprint), a budget implementation bill, contained a General Fund appropriation of \$5 million to the Interim Finance Committee for allocation to the Nevada Museum of Art, Inc. upon documentation of receiving matching dollars.



**Senate Bill 534 (1st Reprint): Makes an appropriation from the State General Fund to the Department of Transportation for the replacement of the Nevada State Radio System. (BDR S-1168)**

Ms. Jones explained that Senate Bill 534 (1st Reprint) made a General Fund appropriation of \$3,645,989 to the Department of Transportation for a radio system replacement upon passage and approval. This was a budget implementation bill.

**Senate Bill 550: Establishes for the 2019-2021 biennium the subsidies to be paid to the Public Employees' Benefits Program for insurance for certain active and retired public officers and employees. (BDR S-1268)**

Ms. Jones said that Senate Bill 550 was a Public Employees' Benefits Program budget implementation bill that had been previously reviewed and was one of the big budget implementation bills.

**Senate Bill 505 (1st Reprint): Makes an appropriation to the Office of Finance for an adjustment to school districts affected by the district of residence issue. (BDR S-1173)**

Ms. Jones said Senate Bill 505 (1st Reprint) contained General Fund appropriations for Washoe County and Carson City to resolve an issue from the last biennium regarding the district of residence for certain virtual charter school students. The total appropriation was \$8,184,670 for FY 2019 upon passage and approval.

**Senate Bill 507 (1st Reprint): Makes an appropriation to the State Public Works Division of the Department of Administration for the support of the Marlette Lake Water System. (BDR S-1176)**

Ms. Jones said the Department of Administration was receiving a \$200,000 General Fund loan through Senate Bill 507 (1st Reprint) for Marlette Lake operations in FY 2019.

Ms. Jones said the appropriations contained in the group of bills to be included in the "mass motion" totaled about \$76.2 million from the General Fund and \$14.5 million from the Highway Fund.

Sarah Coffman, Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, clarified that the appropriation for the Museum of Arts was in Senate Bill 533 (1st Reprint) not Senate Bill 553.

Assemblyman Kramer said he believed that when S.B. 507 (1st Reprint) was presented and he reviewed the language, it was not a loan for Marlette Lake operations, it was an appropriation.

Ms. Jones replied that it was truly a loan: it was an appropriation that would eventually be paid back by the ratepayers for the water system. The agency found themselves a bit upside down this current fiscal year.

Assemblyman Kramer stated the language of the bill did not indicate that.

Ms. Jones replied that Assemblyman Kramer was correct; however, the testimony by the agency before the Committees was that the agency would pay back the loan.

Chair Carlton stated Senate Bill 507 (1st Reprint) would be removed from the list pending further investigation, and all other bills on the list would be considered a do pass. She asked whether there were any questions from Committee members on any of the bills that had been reviewed.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO DO PASS SENATE BILL 102; SENATE BILL 485 (2ND REPRINT); SENATE BILL 503; SENATE BILL 504; SENATE BILL 506; SENATE BILL 508 (1ST REPRINT); SENATE BILL 509; SENATE BILL 510 (1ST REPRINT); SENATE BILL 511; SENATE BILL 512 (1ST REPRINT); SENATE BILL 513; SENATE BILL 514 (1ST REPRINT); SENATE BILL 515; SENATE BILL 516 (1ST REPRINT); SENATE BILL 517 (1ST REPRINT); SENATE BILL 518; SENATE BILL 519 (1ST REPRINT); SENATE BILL 525 (1ST REPRINT); SENATE BILL 526 (1ST REPRINT); SENATE BILL 527; SENATE BILL 533 (1ST REPRINT); SENATE BILL 534 (1ST REPRINT); SENATE BILL 550; AND SENATE BILL 505 (1ST REPRINT).

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

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

Chair Carlton stated she would distribute the floor statements to the appropriate legislators.

Chair Carlton opened the hearing on Senate Bill 90 (2nd Reprint).

**Senate Bill 90 (2nd Reprint): Makes various changes relating to the health of children. (BDR 40-448)**

Senator Pat Spearman, Senate District No. 1, testified in support of Senate Bill (S.B.) 90 (2nd Reprint). She said she was here as Chair of the Interim Legislative Committee on Health Care for the 2017-2018 interim to present S.B. 90 (R2) for the Committee's consideration. This bill was substantially amended from the first reprint. Everything regarding hearing aids had been removed, and the only things remaining in this bill related to lead testing and diapers. The measure covered a variety of topics, but it was in response to pressing issues brought to the attention of the Legislative Committee on Health Care (LCHC)

during the interim. As background, Senator Spearman said the LCHC heard from representatives of the Children's Advocacy Alliance, the Nevada Institute for Children's Research and Policy at the University of Nevada, Las Vegas (UNLV), and the results of the 2018 Nevada Children's Report Card on which Nevada received an overall grade of D. The report card was divided into four categories and the state received a C in children's safety, a D in children's health and economic well-being, and an F in school readiness. Based on the results of the report card, Children's Advocacy Alliance presented some priorities for the 2019 Legislative Session.

The LCHC supported the vast majority of the recommendations, and many were in the second reprint of S.B. 90. Senator Spearman informed the Committee that the first reprint contained several fiscal notes; however, those notes were removed because it had been arranged with the Department of Health and Human Services (DHHS) to provide for grant funding and other funding to take care of the diapering and the lead testing. That was the summary of the bill, and there were testifiers from DHHS that could review more specific areas regarding the funding.

Assemblywoman Benitez-Thompson said that while she approved of the establishment of the diaper resource account, she wondered when the program would be operational.

Senator Spearman replied that was one of those technical issues that she would rather defer to DHHS because it was the agency that was actually putting the program together. The gist of this bill gave DHHS the authority to go after grants and to establish the program.

Assemblywoman Titus stated her question was related to lead testing and the bill had been amended significantly and sections 1 through 22 were deleted by the amendment. She asked whether the amendments had altered the mandate for lead testing.

Senator Spearman said the requirement for lead testing had not been altered.

Assemblywoman Titus understood that the provisions related to lead testing had been retained, but wondered whether the change in section 23, subsection 2 was to establish consistency with the testing standard by referring to an entity.

Beth Handler, MPH, Deputy Administrator, Community Health Services, Division of Public and Behavioral Health, Department of Health and Human Services, responded that Assemblywoman Titus was correct.

Assemblywoman Jauregui noted that Senator Spearman had mentioned that this bill would give the DHHS authority to apply for grants. She asked whether the Department could currently seek grants. Assemblywoman Jauregui said she was supportive of this idea and was happy it had been brought forward.

Senator Spearman stated that grant funding would be critical to this program, and that was one of the reasons the fiscal notes were removed from the bill.

Ms. Handler said the program would be able to use some existing funding sources as they were identified over time, just as the Advisory Board on Maternal and Child Health and the Division of Welfare and Supportive Services had done, as well as looking at donations. In the past year there was a collaboration with the Honest Company, and it provided an opportunity to access diapers that had been mislabeled, and the program was able to take advantage of the additional inventory. Ms. Handler said that was another example of how resources could be accessed.

Assemblywoman Jauregui asked whether DHHS needed the Legislature's authorization to apply for grants for diapers.

Ms. Handler said she believed it was just a part of the formality; as she understood the legislation allowed the Department to work with the State Board of Health to submit regulation criteria for who qualified for diapers as well as the distribution. She believed that was formalizing how diapers were distributed when applying for grants and applying the criteria established through a public process.

Senator Spearman explained that in 2017, legislation was established that would allow the Division to go after grants. Senate Bill (S.B.) 400 of the 79th Session (2017) was now codified in Chapter 232 of the *Nevada Revised Statutes* and it was titled "success contract." Senator Spearman said that was really a matter of trying to ensure that when the Department began to perform this service, everyone knew the rules.

Assemblywoman Benitez-Thompson asked what this program would end up looking like in a year from now. Regulations would have been adopted, criteria established, and the Department would be looking at those who qualified for public assistance, and additionally, the bill said "other low-income families in the state." Assemblywoman Benitez-Thompson said it was somewhat clear what the criteria was for public assistance, but for other low-income families; she wondered whether there was a certain population targeted by the legislative intent.

Ms. Handler said access to diapers was a challenge for persons involved in many of DHHS's programs and those who were stuck in gaps outside of DHHS programs. She said, of course, there would be an assessment while working with the Diapering Committee and using data, locating gaps, and working with partners in the community, such as the Children's Advocacy Alliance, to ensure that those populations were also included.

Assemblywoman Benitez-Thompson said it appeared that the Department would be looking at other criteria for other types of existing programs and then referencing those findings, but it would not be a new type of benefit.

Ms. Handler said she believed there would be an overlap between programs. She did not want to close doors where there might be an opportunity to serve a community that was not included. For instance, a family could be identified that was outside Special Supplemental Nutrition Program for Women, Infants & Children (WIC) eligibility, but was in a safety net

situation or perhaps a domestic violence situation, where the WIC program was not able to provide resources.

Senator Spearman referred to page 3, line 40, of S.B. 90 (R2), where it stated "the Diapering Resources Account is hereby created in the State General Fund." She said that to make sure there were resources for this program, the Division of Public and Behavioral Health would access that particular fund.

Chair Carlton remarked that she had some concerns about how this program would be complementary to all the other diaper banks. She was aware that a number of different nonprofits had them, and she believed they also went through the grant process. Chair Carlton asked whether the state would now be competing with other nonprofits applying for those grants.

Ms. Handler said she believed the intent of the Diapering Committee was to help the Division ensure that it was not duplicating efforts or competing for a small amount of resources. The intent, and what the Division wanted to uphold, was to be complementary and also to strategize on how to pursue either funding opportunities or other opportunities where, for example, the state could not maintain an inventory of diapers, but the diapering banks could. There was going to a lot of moving parts, but Ms. Handler believed that the Diapering Committee, which held its meetings under the open meeting law, would be able to address that concern.

Chair Carlton commented that she had worked with a lot of fundraising around this subject, and she was aware that diapers had an expiration date, which had to be considered. Chair Carlton called for testimony in support of S.B. 90 (R2).

Jared Busker, Associate Director/Government Affairs Manager, Children's Advocacy Alliance, testified in support of S.B. 90 (R2).

Joanna Jacob, Executive Vice President, Ferrari Public Affairs, on behalf Dignity Health-St. Rose Dominican Hospitals, stated the hospital had been supportive of the diapering bills throughout the years and had been supporting S.B. 90 (R2) through the policy committees. Mr. Jacob appreciated the work of the Children's Advocacy Alliance.

Chair Carlton called for further testimony in support of, in opposition to, or neutral on the bill and, hearing none, closed the hearing on S.B. 90 (R2) and opened the hearing on Senate Bill (S.B.) 198 (2nd Reprint).

**Senate Bill 198 (2nd Reprint): Requires analysis and reporting concerning the eligibility of children for Medicaid. (BDR S-744)**

Senator Melanie Scheible, Senate District No. 9, testified in support of Senate Bill (S.B.) 198 (2nd Reprint) and said she appreciated the Committee on Ways and Means taking the time to hear the bill. The bill had a small appropriation attached to it, because it was a Medicaid bill

that would be matched 90 percent by federal Medicaid funds. Currently, there were a number of children being removed from Medicaid after their parents qualified but within their first year of eligibility. Senator Scheible said other states had adopted policies that allowed every child to be covered for an entire year on Medicaid once the parents qualified. She explained that someone might qualify for Medicaid in September and receive a bonus for the holidays that bumped their income over the income threshold level, or perhaps for a while they had another person living in the home who provided additional income, but that person moved out. When children were removed from Medicaid because the family income increased too much, it was difficult for them to get back on, which left the children uninsured.

According to Senator Scheible, uninsured children were more expensive to treat, and it was wrong to leave children without insurance. In the course of trying to address this policy concern, it started with a bill that would require children to be covered for a full year under Medicaid. She had learned that the sponsors did not have adequate data to understand the breadth of the problem or even the character of the problem. It was common knowledge that children were being removed from Medicaid, but there was no adequate data on why, when, and how.

Senator Scheible said this bill, in its amended form, directed the Division of Welfare and Supportive Services, Department of Health and Human Services, to implement a systems change. The change would require a computer program that allowed for the Department to keep more thorough records regarding when children were removed from Medicaid and for what reason. The question could not be answered concerning how many children were removed from Medicaid in the past twelve months because of an increase in family income, leaving the state, or being moved to the Children's Health Insurance Program (CHIP). Those were the kinds of questions Senator Scheible said were being posed to better understand why there were children in Nevada who were uninsured and to arrive at policy recommendations to try to expand insurance coverage through Medicaid. The bill had two parts, with the first part directing DHHS to perform a systems upgrade allowing the collection of data, and the second part requiring DHHS to collect the data and report back to the Legislative Counsel Bureau.

Assemblywoman Benitez-Thompson questioned section 4 and section 5 of the bill concerning the funding.

Steve H. Fisher, Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services, explained that \$42,600 in section 4 would be appropriated from the General Fund covering 10 percent, and in section 5, the federal government would cover 90 percent of the funding, which would be in the amount \$383,400.

Chair Carlton restated her understanding of the appropriations in the bill: the appropriation noted in section 4 was money coming out of the General Fund of \$42,600, which was the 10 cents on the dollar that the state had to put up to receive the 90 cents on the dollar from the federal government, which amounted to \$383,400.

Mr. Fisher stated that was correct.

Chair Carlton remarked that the bill read somewhat differently, because it stated the expenditure "not appropriated from the State General Fund or the State Highway Fund is hereby authorized." She said if it was not General Fund or Highway Fund, it was probably federal funds.

Assemblywoman Neal stated she was not clear on the redetermination required every twelve months for Medicaid eligibility.

Mr. Fisher reiterated that every twelve months there was a redetermination on a Medicaid case, but in the current instance, a child could be taken off the program within that first 12 months before the redetermination. For example, if a child was removed from Medicaid in month two—Medicaid wanted to know why that child was removed from Medicaid in month two of twelve months, which was before the 12-month redetermination.

Senator Scheible said that something she learned in the course of working on the bill was that the Supplemental Nutrition Assistance Program (SNAP) benefit database was connected to the Medicaid database, and individuals were applying for SNAP benefits on a different schedule. If applicants' income was reported to SNAP, that information was being transmitted to Medicaid, and that was the reason they were being removed from Medicaid without ever interfacing with Medicaid. Medicaid was acquiring that number for recipients' income and automatically removing children from the rolls based on what was reported to SNAP.

Assemblywoman Benitez-Thompson noted that the application was the same for SNAP or Medicaid. While there were different qualifications, there was one form and an applicant would take it into the Welfare Office. Assemblywoman Benitez-Thompson said she was trying to understand what Senator Scheible was saying, which she believed was that if applicants were already eligible for Medicaid and then they applied for SNAP and their income was different, they were exited out of Medicaid.

Mr. Fisher said that was correct.

Senator Scheible said she also understood SNAP was on a 6-month schedule instead of a 12-month schedule, so people could be reporting to SNAP more often than to Medicaid.

Mr. Fisher said that was also correct and further stated he had a slight amendment to the bill.

Chair Carlton asked whether she had been provided with a copy of the amendment.

Mr. Fisher said he did not think so as he had just worked with Senator Scheible today.

Chair Carlton asked Mr. Fisher to verbally outline the requested amendment to the bill.

Mr. Fisher stated that in section 3, subsection 1, starting on line 8, there was a sentence that currently read "during the period beginning July 1, 2019 and ending September 1, 2020, and, to the extent the information is available, before July 1, 2019." He said the reason he was requesting the amendment was that DHHS had to perform a system change to start tracking this information so it could be reported, and that system change would not be completed by July 1, 2019. He said he was requesting to strike the language starting with "during the period beginning July 1, 2019 to the end of that sentence and replace it with "to the extent the information is available before October 1, 2020." Mr. Fisher said that way DHHS would have time to do the system changes and gather the data to submit the report. The report was due to the Legislature on October 1, 2020.

Chair Carlton said it was her understanding that line 8 of page 1 of the bill showed the window of time the Department was supposed to review.

Mr. Fisher said that was correct. He wanted to provide data to the extent the information was available before October 1, 2020, so all of the data collected prior to October 1, 2020, would be on the report.

Chair Carlton said she did not want data from 1964, so if there was no start date on the window, it would actually be saying all data before that date.

Mr. Fisher explained that the Department could not go back prior to when it actually began collecting the data, so as soon as the system changes were made, the data would begin being collected.

Cindy Jones, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, noted that the language already says "to the extent information is available." She asked whether it would be an easier amendment to indicate the period by changing July 1, 2019, to October 1, 2020, so that there was a period through which the data could be captured. She said that was a question for the writers of the bill.

Chair Carlton said that was a question the sponsors of the bill needed to address, and they could mock something up for the Committee.

Senator Scheible requested permission to work on a conceptual draft and bring it to the Committee before work session within the next hour.

Chair Carlton said emailing the draft to Fiscal Analysis Division staff would be fine, and the Committee would go from there.

Chair Carlton called for testimony in support of, in opposition to, or neutral on the bill and, hearing none, closed the hearing on S.B. 198 (R2) and opened the hearing on Senate Bill 344 (1st Reprint).

**[Senate Bill 344 \(1st Reprint\)](#): Revises requirements relating to Medicaid. (BDR 38-743)**



Senator Melanie Scheible, Senate District No. 9, presented Senate Bill (S.B.) 344 (1st Reprint). The Senator said it was her pleasure to introduce this bill, which had no appropriations attached. It had come to the Committee on Ways and Means because there was initially a fiscal note and an appropriation, but that had been removed. The bill started out as a Medicaid reimbursement bill and had since been amended to do three different functions. The first function would allow community health clinics to use grant funding to pay for the upfront costs of long-acting reversible contraceptives, such as IUDs and implants that they did not have the money to purchase upfront using grant funding to stock inventory and dispense to women who needed them. The second thing it did was prevent any medical professional or insurance plan from charging a copay or deductible to someone on Medicaid. Third, it defined or created the designation of a community health worker, who were individuals who practiced under the supervision of a physician, physician's assistant, or registered nurse. Senator Scheible said a community health worker was what it sounded like—they performed outreach to the community, educated persons on healthcare needs and opportunities, and tried to encourage them to come to local clinics to take care of whatever issues they might have. Community health workers were currently not covered because of the language of the Medicaid plan. Senate Bill 344 (R1) directed the Medicaid plan to update the language to allow for federal funding to assist with community health workers.

Chair Carlton noted this would be a state plan amendment, and Senator Scheible said that was correct.

Chair Carlton said the bill was basically saying that a state plan amendment had to be submitted, and she asked whether Senator Scheible was familiar with the timeframe.

Senator Scheible said she was not, but there was someone available who knew the timeframe.

DuAne Young, Deputy Administrator, Division of Health Care Finance and Policy, Department of Health and Human Services, said a state plan amendment typically took about three to six months for approval. The Centers for Medicare and Medicaid Services (CMS) had 90 days, once a state plan amendment was submitted, and they could stop the clock once in that 90-day period. Mr. Young said typically, the Division tended to vet these ideas with CMS beforehand and received them back a little earlier than the six-months mark.

Chair Carlton asked whether there were any adverse actions when the Legislature mandated a state plan amendment, because typically it was requested through a letter of intent.

Mr. Young explained that the Department received either legislative authority through the budget process or through a letter of intent. Putting it into the state plan just simply means that because it was in statute it would have to be taken out by this body if we chose to no longer offer the service through Medicaid. However, the Department would still have the authority to design the policy within the state plan amendment because that was not mandated through statute.

Chair Carlton said that if the plan amendment was approved, it would then be picked up by Medicaid, and she wondered whether Mr. Young had any idea what the fiscal impact to Medicaid would be in the last half of the biennium because it would be incorporated into the base.

Mr. Young replied that the amendment was actually a budget-neutral service. What was happening with community health workers was that it was not a reimbursable service, and it would become a new provider type. These services were either not being performed, or they were being performed by APRNs or physicians at a much higher rate than reimbursed to community health workers. The amendment would have a positive net benefit, and Mr. Young believed it would be budget-neutral.

Chair Carlton commented that this would actually be a waiver if it was budget neutral.

Mr. Young replied that it would not be waiver, it would be a state plan amendment, but he used the term budget neutrality for the purposes of this body. He said the state plan amendment was actually budget-neutral in the sense that it would not have an immediate cost within this biennium or a cost in a future biennium.

Chair Carlton referred to the intent and policy statement in section 3 of S.B. 344 (R1) and said she thought the requirement that Medicaid recipients were not to be charged a copay was well established and asked about the purpose behind that language.

Mr. Young said that language was actually not in statute. Medicaid currently did not, as a practice, charge copays, and the authority would still lie with Medicaid to charge copays for other services. This particular bill was addressing copays for family planning because Medicaid served a very vulnerable population. The Department had worked with the sponsor and believed this language would direct Medicaid not to charge copays for this particular set of services, but would not take away the authority to ever use copays for any other services.

Chair Carlton asked whether there were services for which Medicaid currently charged copays, because she was not aware of any.

Mr. Young said that while the state had the authority granted by CMS, it did not currently charge any copays.

Senator Scheible commented that in the current political climate and for those of us who were concerned about women's health, she believed it was important for Nevada to be very forward looking. She appreciated all the work that Medicaid professionals do and that they did not charge copays. It was important to the Senator that no copays was put in statute so that in the future women would have access to these services, and our state Medicaid plan would never install any kind of copay or coinsurance for this service.

In response to a question from Assemblywoman Benitez-Thompson, Mr. Young said the particular language in this bill allowed any clinics that were serving this community to use

grant funding to get long-acting reversible contraceptives (LARCs). One of the major complaints against the Medicaid organization had been that many providers could not serve the women because Medicaid only reimbursed for the insertion visit. Medicaid did not reimburse to actually buy the product upfront, and that prevented service providers from stocking those products. Women would have to reschedule, return for the appointment, and the women were often not able to do that, so the service was not performed.

Assemblywoman Benitez-Thompson said if she remembered correctly that was exactly how some of those dollars were used—to buy the actual product so there would not be the cost for that, and Medicaid was covering the cost for insertion. She asked whether the providers could now purchase the devices.

Mr. Young said he could not speak to the language cleanup that occurred in this session, but previously the clinics that were covered under this bill were not able to receive those funds to purchase those devices upfront, but received the Medicaid reimbursement on the backend. Beth Handler, MPH, Deputy Administrator, Community Health Services, Division of Public and Behavioral Health, Department of Health and Human Services, said the Division was able to assist some of the recipient agencies with an inventory of LARCs. The Division would go through a process to support that and the communities. She believed the bill would be complementary to this process in allowing the agencies that were interested in community health workers to put forth that option in their applications for the specific state General Fund dollars.

Chair Carlton referred to section 4 of the bill stating "and the State shall pay" and asked whether that was under the standard Federal Medical Assistance Percentage (FMAP) rate of about 65 cents on the dollar or whether this applied to the newly eligible FMAP rate, because it was not included before. She asked whether this was the 90 cent rate, which would be applied in the future, so it would have some state impact.

Mr. Young said the rate would be determined by who was receiving the services and the Medicaid recipient that was being billed. For recipients who were newly eligible, the state would receive an approximately 90 percent match, but if they were in the traditional Medicaid categories, it would be a 65 percent match.

Chair Carlton said she really questioned how this was revenue-neutral, because it was not known which FMAP rate would be used, and as these women received services, they were going to build into the base going forward into the next biennium, and become part of the Medicaid budget.

Mr. Young explained that when the projections were compiled, they were based on the current use of services and who would be eligible based on diagnosis codes for community health workers services. Then the Division considered how those current recipients fell out by FMAP, and those projections were based on the current FMAP. It was fairly on target year to year, but if there were a lot of newly eligible participants, the higher FMAP would

apply. Mr. Young said the more traditional services stayed stagnant year after year based on caseload projections.

Chair Carlton asked whether community health workers projections were incorporated in that caseload projection, and Mr. Young replied that they were not, but caseload projections were used to come up with the budget-neutral amount.

Mr. Young said the figure that was determined was approximately \$100,000, and then when considering the offset of the actual billing and those with diagnosis codes who were not being treated for other services that would benefit from this program, it was determined that \$100,000 would not necessarily be savings, but would be negated and therefore budget-neutral.

Chair Carlton said she had concerns whenever she heard budget-neutral in a new provider type.

Assemblywoman Titus said that everyone was concerned about women's health in this building and community health workers could help everyone. It was very similar to the home paramedic program that had been discussed for several sessions, where a paramedic could go into a house to identify what was needed. Assemblywoman Titus said she liked the concept of the community health worker who, under the supervision of a licensed provider, could check on how a patient was doing. That was the kind of investment she believed would save money in the long run when taking care of patients. However, she wanted to get back to a couple of other things in the bill that needed clarifying. She believed the main tenet of the bill, as she was hearing it as a provider, was that, under section 2, recipients were not limited to federally qualified health centers, and a provider like her, in a community health center, would also be part of the plan.

Mr. Young said that was correct.

Assemblywoman Titus said one of the problems she saw was when she treated a Medicaid patient, she may have performed several different procedures, including a physical, a pelvic examination, a pap test, and perhaps might consider inserting an IUD. However, because that IUD was a piece of equipment, a durable good, and if she was going to use that piece of durable good, she might not do it because the product cost \$500, and she could only bill for that visit no matter what she, the doctor, did for that patient. No matter the service, no matter how long a doctor stayed with that patient or what the doctor did, Medicaid only reimbursed \$50. So, the doctor did not perform the full scope of what could be done at that time because he or she would lose money. Assemblywoman Titus said what this bill seemed to allow her to do as a medical provider was bill for the visit, and, in addition, if there was an opportunity to apply for grants and access a LARC that was in the medical office, then she would not need to worry about losing money by seeing this patient.

Mr. Young replied that was correct.

Assemblywoman Neal said she was confused about the community health worker, who was supposed to save money because Medicaid would be paying the community health worker less than what the APRN was paid, although they might be doing a similar service. But it was also stated that services could be limited. She said what was not clear was the limitation and what the community health worker would be doing. Assemblywoman Neal said her other thought was, in the effort to save costs, whether adequate care was really being provided or whether it was alright to substitute the community health worker because the patients were Medicaid recipients and were poor.

Mr. Young said he thought of the community health worker as an extension of that care provider. Many providers had gone to the community health worker model used in other states, where that community health worker could be sent out, similar to the community paramedicine program, to check up on the patient, check their vitals, and discuss the doctor's orders between doctor visits. Mr. Young said the savings happened because that person was not necessarily going to the emergency room, was not necessarily seeking other medical services, and their condition had not gotten worse, because the care had been extended in the interim period between physician visits. Mr. Young maintained the community health worker would provide a higher level of care and service to the patient.

Assemblywoman Neal said her problem with the premise was that in the Medicaid population, the assumption was that recipients might see the community health care worker, but they might not see anyone else. While Assemblywoman Neal appreciated Mr. Young's example, many Medicaid recipients believed the community health care visit was actual true care because often that population might not be educated about their bodies and the conversation was then being navigated with someone of lesser skill, who could not treat or deal with some of the things they may be telling the community health care worker. She said she saw that all the time, especially within the black female community where, if they were poor, they did not really know about proper medical service, because the first time they ever had care was under Medicaid. While Assemblywoman Neal appreciated what Senator Scheible was trying to do, there was another dynamic being played out with Medicaid trying to get cost savings. There was also the access problem, because the patients did not really know what care they were entitled to or should receive.

Mr. Young stated that proper access to healthcare and well-informed access to healthcare was cost control. An average clinician, or average agency, could not just hang up a shingle and say they were a community health worker. The function had to be connected to primary care through either an APRN or a physician's assistant or a doctor. The point was to get these individuals to the community health workers who could reach the underserved populations in the communities that had not had traditional access. That would allow patients greater access to a primary care office while controlling costs within the system.

Chair Carlton said she was trying to remember in what other area community health workers were used, and Mr. Young said, currently, there were none reimbursable through Medicaid.

Chair Carlton asked whether there were any community health workers that provided service in the state outside of Medicaid.

Mr. Young replied there were some that were grant-based or sponsored by agencies.

Chair Carlton asked whether those community health workers were under supervision by a physician or APRN, and Mr. Young said currently they were not, but what was being proposed in S.B. 344 (R1) was that it be reimbursed by Medicaid.

Chair Carlton noted that the Department was creating a whole new scope of practice in one paragraph in a bill, and Mr. Young said that was true.

Assemblywoman Benitez-Thompson said the Legislature over the last couple of sessions kind of established the category of the community health worker when looking at what could be done to expand access to medical services. She believed this was taking the community health worker in a new direction and did not share the same level of concern as some others. If expansion of care was the main objective, that was probably the direction Nevada needed to move.

Senator Scheible commented that Mr. Young had adequately explained how this was supposed to be an expansion of care, and she believed at this point when there were many women in the state who were struggling with adequate care, and anything that would give them another chance to see somebody who was a medical professional at any level was at least worth trying.

Chair Carlton commented that a provider in Medicaid had to have credentials, and Mr. Young acknowledged that was correct.

Chair Carlton asked how someone who was not licensed could be credentialed because the community health worker did not have a license.

Mr. Young said the bill mentioned that community health workers received a certificate under NRS and, during the provider enrollment process, would present that to show they were a community health worker, but they would need to be linked to a primary care office to be enrolled in Medicaid.

Chair Carlton said as far as liability for medical malpractice or something along those lines, community care workers were not licensed but they could give advice, they could work outside their scope, they were working in a team, and every member of that team carried some type of liability insurance. Because they were not licensed and just certified, she asked whether Medicaid required them to carry medical malpractice insurance because they would be giving medical advice.

Mr. Young said he would need to confer with the Attorney General's Office on that question.

Chair Carlton opened the meeting for public comment and called for testimony in support of S.B. 344 (R1).

Elisa Cafferata, owner and principal, Cafferata.Co, testified on behalf of Planned Parenthood Votes Nevada, in support of S.B. 344 (R1). Ms. Cafferata commented that LARCs were the most effective form of birth control available for women who were eligible, and this would get around some barriers that have been in place for a lot of health providers who provided family planning.

Ms. Cafferata said the reason that Planned Parenthood supported the community health workers concept was that there were communities that did not necessarily have experience with the health care system. The importance of community health workers was they came from the communities: they were not necessarily the doctor or the nurse, but they were a trained person from the community who knew where to have the conversation and how to present this information to people in the community. Ms. Cafferata emphasized that it was not lesser care in any way, but it was a different type of activity. The program was trying to link people to preventive and timely care so they could receive the care they needed in a timely manner.

Joan Hall, R.N., President, Nevada Rural Hospital Partners, testified in support of S.B. 344 (R1). Ms. Hall said she had been part of a working group for about five years when it began looking at community health workers in Nevada. There were certificate programs through the College of Southern Nevada and Truckee Meadows Community College as well as online. In reply to some previous comments that were made, Ms. Hall said community health workers were culturally competent, came from the community, and understood the issues of that culture. They were not giving medical advice, but direction to patients.

Michael Hackett, Principal, Alrus Consulting, on behalf of the Nevada Primary Care Association, testified in support of S.B. 344 (R1). Mr. Hackett stated the Nevada Primary Care Association was in support of this legislation for all of the reasons that had been stated. He had also been asked by the Nevada Community Health Worker Association to put their support for the bill on the record.

Joanna Jacob, Executive Vice President, Ferrari Public Affairs, on behalf Dignity Health-St. Rose Dominican Hospitals, testified in support of S.B. 344 (R1). Ms. Jacob concurred with the comments of Elisa Cafferata and Joan Hall about what services a community health worker performed, but she wanted to inform the Committee that at Dignity-St. Rose they were also using community health workers or "promotores" in wellness programs and they were valuable members of the healthcare teams. They were trusted voices because they came from the community in which they served. She noted that NRS 449.0027 stated that the community health worker had to live in the community that they were serving or have a connection to that community. At Dignity-St. Rose, community health workers enrolled people in Medicaid and SNAP or helped them navigate through the health insurance exchange.

Jared Busker, Associate Director/Government Affairs Manager, Children's Advocacy Alliance, testified in support of S.B. 344 (R1).

Sarah Adler, President, Healthy Communities Coalition of Lyon County, testified in support of S.B. 344 (R1). She said the agency she represented had employed community health workers for many years with great success. Silver Springs, Nevada was a low-income community not far from here, and Ms. Adler believed what was important about community health workers, like community paramedicine, was the community piece.

Chair Carlton called for further testimony in support of, in opposition to, or neutral on the bill and, hearing none, closed the hearing on S.B. 344 (R1) and opened the hearing on Senate Bill 483 (First Reprint).

**Senate Bill 483 (1st Reprint): Revises provisions governing the Statewide Program for Suicide Prevention. (BDR 40-1163)**

Senator Dallas Harris, Senate District No. 11, presented Senate Bill (S.B.) 483 (1st Reprint). Senator Harris introduced her colleague, Senator Patricia Spearman, as well as Stephanie Woodard, from the Department of Health and Human Services, who would be available to answer any questions.

Senator Harris said she would keep it simple as the policy behind this bill was relatively easy to grasp. The Department of Health and Human Services was already providing a statewide program for suicide prevention, and this bill aimed to expand the group of persons who might be eligible to receive such training to those who were family members of veterans, members of the military, and other persons at risk of suicide. This bill no longer contained a fiscal note.

Chair Carlton said she would like to understand how the different sections would work together, and referred to section 1, subsection 3, paragraph (c) and asked whether she was reading correctly that it was for an initial training program.

Senator Harris stated that was correct. The initial training program that was already in statute was expanding the groups of persons eligible for that program.

Chair Carlton referred to page 2, line 32 of the bill which stated "the coordinator shall provide educational activities to the general public relating to suicide prevention." She wondered whether this would bump certain persons to the top of the list to receive the training. She said she was trying to figure out how the various subsections worked together.

Stephanie Woodard, Psy.D., Medical Epidemiologist, Division of Public and Behavioral Health, Department of Health and Human Services, stated this was already being done by the program. The program received a generous grant from the Department of Veterans Services to cover training for service members and veterans and their family members for suicide



prevention. Ms. Woodard believed the intent of this legislation was to codify that in statute and to identify them as an additional priority population.

Chair Carlton asked the amount of the grant.

Ms. Woodard informed the Committee that the grant was \$10,000 over the biennium. The agency had received that grant previously for the past two years and had word from the Department of Veterans Services that they intended to award the grant again in the next biennium.

Assemblywoman Titus referred to section 1, subsection (1), paragraph (c), lines 8-9 that states "and other persons who have contact with persons at risk of suicide." She said one of her concerns with that sentence was that everybody in this room should recognize that somebody we know had a risk of suicide. She asked whether the bill was trying to make awareness of those particular groups that were at higher risk or whether the agency would not be better off to coordinate a statewide effort in suicide awareness to make it available to all citizens in Nevada. She was concerned that everybody was at risk of suicide at some point and asked for clarification of the goal of the bill.

Senator Harris said Assemblywoman Titus had hit on an important point. She did not know whether it was the case that in every state, every person might know someone at risk of suicide, but it might be the case in Nevada. This bill was an attempt to change that fact. Senator Harris maintained that if every Nevadan who knew someone who might be at risk was trained to help prevent a suicide, it would be an important step forward, and that was the goal. That pool of people was fairly large in this state, which was part of the problem.

Senator Pat Spearman, Senate District No. 1, said she was glad this subject came up, because she hoped there would be another bill presented, Senate Bill (S.B.) 266, which was based on the Born This Way Foundation that Lady Gaga and her mother founded, that dealt with mental health first-aid. Senator Spearman knew that every time there was a suicide, the first statement those who knew that person said was, "I didn't see it coming."

She noted that one of the groups that had not really been talked about as being vulnerable to suicide were family members of veterans. At the 82nd Airborne Division in Fort Bragg in North Carolina and also at the 101st Airborne Division at Fort Campbell, Kentucky, they had put programs in place like the one proposed, because it was recognized that when service members came back and had experienced trauma, many times there was a form of transference. It was also known that when service members were killed or maimed in war, the spouses and children were vulnerable. Senator Spearman said there had been a lot of talk about helping veterans and that had been done, but what had not been focused on was the families of veterans. This bill would begin to focus on the families. In 2017, there were almost 630 Nevadans that took their own life. Senator Spearman was not sure what the number of suicides was for 2018, but experts said the number was growing, not decreasing. She believed it was important to do everything possible to make sure that everyone was covered.

Assemblywoman Benitez-Thompson commented that bills of this type keep moving the state in the right direction.

Ms. Woodard said she wanted to get on the record and to clarify that the Office of Suicide Prevention was committed to ensuring that anyone and everyone who wanted this training had access. The Office also tried to provide the training at no cost whenever possible. Of course, there were special populations that might have a higher risk, and the office was doing as much as possible to identify those populations. The Office was also launching a zero suicide training and initiative statewide this year, which was also primarily funded through grant funds.

Senator Spearman commented that within the National Guard in Nevada over the last two years, there had been more than 12 suicides. The National Guard was different from active duty because until they were mobilized, they were basically citizens who lived among us. Once they were activated, mobilized, and deployed and then came back to resume their lives, they did not have a safety net for the most part.

Chair Carlton called for testimony in support of, in opposition to, or neutral on the bill and, hearing none, closed the hearing on S.B. 483 (R1) and opened the hearing on Senate Bill 493 (2nd Reprint).

**Senate Bill 493 (2nd Reprint): Revises provisions relating to misclassification of employees. (BDR 53-1087)**

Senator Marilyn Dondero Loop, Senate District No. 8, presented Senate Bill (S.B.) 493 (2nd Reprint). She stated that Senate Bill 493 (R2) sought to adopt many of the recommendations made by the Legislative Commission's Subcommittee to Study Employee Misclassification from the 2009-2010 interim. Specifically, this bill included the recommendations to impose an administrative penalty against an employer who misclassified an employee as an independent contractor and created the Task Force on Employee Misclassification.

Senator Dondero Loop summarized the provisions of the bill.

Section 2 defined the term "employee misclassification."

Section 7 required the offices of the Labor Commissioner, the Division of Industrial Relations of the Department of Business and Industry, the Employment Security Division of the Department of Employment, Training and Rehabilitation, the Department of Taxation, and the Attorney General to share amongst their respective offices certain information related to suspected employee misclassifications.

Sections 11, 12, and 13 made conforming changes to account for section 7.

Sections 8 through 10 established the Taskforce on Employee Misclassification. Specifically, section 8 provided that all members of the Taskforce must be appointed by the Governor. This Taskforce must consist of a minimum of seven members and a maximum of nine members. Seven members of the Taskforce must represent large employers, small employers, trade or business organizations, independent contractors, organized labor, and government agencies administering laws governing employee misclassification. The Governor may appoint up to two additional members as the Governor deems appropriate.

Section 9 set forth the duties of the Taskforce.

Section 10.3 amended NRS Chapter 608 to authorize the Labor Commissioner to impose an administrative penalty against an employer who misclassifies a person as an independent contractor or otherwise fails to properly classify an employee.

Section 10.4 authorized a person who had been misclassified as an independent contractor to file a complaint against his or her employer with the Labor Commissioner to seek an administrative penalty.

Section 10.5 adds a new provision relating to the construction industry. Specifically, this section provides that a natural person who is a licensed contractor or a subcontractor or who provides certain labor for a licensed contractor or a subcontractor and meets the three-part ABC test is conclusively presumed to be an independent contractor. This presumption applies to Chapter 608 of NRS which governs compensation, wages, hours, and certain other benefits relating to private employment. Section 11.7 requires employers to post a notice on their premises of relevant definitions of "employee" and "independent contractor."

Senator Dondero Loop said this bill represented the result of numerous meetings with the affected stakeholders, and she was pleased to say that it was a product of collaboration and compromise with those stakeholders.

Michael Brown, Director, Department of Business and Industry (B&I), commented that the Labor Commissioner, who had to leave because of a significant family appointment that evening, had worked very closely with all the interested parties on this bill. The Governor prioritized public policies that assisted working class families in the age of disruption by the digital revolution that was going on. Mr. Brown said this was a constantly moving target, and he thought this Task Force would be quite helpful, as some federal activity was expected in this area, and he looked forward to working on this within the Department. He noted that the Division of Industrial Relations had removed its fiscal note today. The fiscal note presented by the Labor Commissioner was the most accurate at this time.

Chair Carlton asked whether this would be a working task force, and Mr. Brown replied that it would.

Assemblywoman Titus referred to section 10.3 in the bill where it talked about "through means of coercion, misrepresentation, or fraud" and asked whether there was a definition of coercion and where would she would find it.

Senator Dondero Loop explained that the term "coercion" was used multiple times throughout the NRS without definition. As a general rule of statutory construction, if a term used in a statute was not defined, the courts looked to the plain and ordinary meaning of the term. In the dictionary coercion was the action or practice of persuading someone to do something by using force or threats.

Assemblywoman Titus asked for an explanation of the problem that the bill was attempting to fix. When talking about misclassification and not being able to say somebody was an independent contractor, Assemblywoman Titus asked whether that meant an employer would employ somebody and not have to provide any benefits or report taxes, making it a fiscal matter.

Senator Dondero Loop said part of the fiscal note, of course, was the Task Force, but there were different ways of hiring people, and much of the support testimony would confirm that happened. But, clearly, the ABC test [three factors that had to be met to be deemed an independent contractor] was put into place, and following that test, which had been law, classified whether someone was an independent contractor.

Assemblywoman Jauregui said she appreciated what the bill was are trying to do. This was an issue that the Assemblywoman tried to tackle in 2017, and one of the challenges she faced was in Chapter 608 of NRS, stating that the Labor Commissioner already had the authority to impose fines on employers who misclassify in an amount up to \$5,000. She was not sure this was addressed in the bill, but one of the things she struggled with was that there was no enforcement behind it, so if an employer did not pay that fine, there was no other mechanism with which to collect it.

Senator Dondero Loop said there was policy that addressed that on page 4, section 10.3.

Chair Carlton referred to page 5, subsection 3, which read "Before the Labor Commissioner may enforce an administrative penalty against an employer for misclassifying or otherwise failing to properly classify an employee of the employer pursuant to this section, the Labor Commissioner must provide the employer with notice and an opportunity for a hearing as set forth in NRS 607.207. The Labor Commissioner may impose an administrative penalty." She believed there was due process built in.

Senator Dondero Loop said that was also some of what the Task Force would be discussing.

Assemblyman Kramer wondered how far this really went. For example, he knew a handyman who had a handyman's license. He takes trash out, he sweeps sidewalks, and does minor repairs for a motel, and he works for a couple of motels, but they were all owned

by the same person, so the question was whether he was an employee or did he continue to be an independent contractor.

Senator Dondero Loop said he would be considered an independent contractor unless he had a contract with a company. If he did not have a business that he contracted with, he would not be anything more than an independent contractor.

Chair Carlton said this had been a topic of discussion for a long time, and it was nice to see that the problem was being worked on. She believed that employers' intentionally misclassifying employees to avoid paying Workers' Compensation, unemployment insurance, employee tax, and all the things that go along with employees was ultimately what the bill was trying to correct.

Chair Carlton called for testimony in support of S.B. 493 (R2).

Fran Almaraz, Teamsters Local No. 631, testified in support of S.B. 493 (R2). She stated there had been a lot of work done on this bill for the entire session. Ms. Almaraz represented the Teamsters, and she said there was a significant problem with misclassification in the construction industry and she was hoping that the bill might fix the problem.

Nick Vassiliadis, representing Southwest Regional Council of Carpenters, testified in support of S.B. 493 (R2). Mr. Vassiliadis said for all the reasons previously stated and to keep it brief, he supported this bill.

Paul J. Enos, CEO, Nevada Trucking Association, testified in support of S.B. 493 (R2). Mr. Enos stated misclassification was a problem across multiple industries. There was an issue in California based on the Dynamex Decision before the California Supreme Court, where a trucking company fired all of their employees and the next day hired them back as independent contractors. While this happened in a lot of industries, what they did in the Dynamex case was illegal. Mr. Enos believed what S.B. 493 (R2) accomplished protected those valid independent contractor relationships and did not blow up the model that the trucking industry and many other industries used. It also provided the Labor Commissioner and the Task Force with the ability to control those bad actors who were paying workers like they were independent contractors but directing them like employees.

Misty Grimmer, representing the Nevada Resort Association, testified in support of S.B. 493 (R2). Ms. Grimmer stated support for this bill and referenced the question about the ultimate enforcement of the Labor Commissioner. She believed the answer to the question was in NRS. 608.180, which clarified that the Labor Commissioner could refer a case to the district attorney or the Attorney General.

Alfredo Alonso, Principal, Lewis Roca Law Firm, testified in support of S.B. 493 (R2).

Alfonso Lopez, Organizer, Sheet Metal Worker's International Association, Local Union No. 88, testified in support of S.B. 493 (R2).

Chair Carlton called for further testimony in support of S.B. 493 (R2) and, hearing none, called for any testimony in opposition and, hearing none, called for testimony in neutral.

Helen Foley, President, Public Affairs, Faiss Foley Warren, representing the Nevada Business Owners Education Association, testified as neutral on S.B. 493 (R2). Ms. Foley said the Association was made up of restaurants, bars, entertainment, financial services, consulting services, shows, and many others. She wanted to thank Senator Dondero Loop, who had been amazing through all of the conversations and negotiations without hurting any of the independent contractors who made their living working for several different organizations.

Paul J. Moradkhan, Vice President, Las Vegas Metro Chamber of Commerce, testified as neutral on S.B. 493 (R2). He appreciated Senator Dondero Loop and the proponents of the bill for working with the business community to achieve the policy outcome.

Bryan Wachter, Senior Vice President, Retail Association of Nevada, testified as neutral on S.B. 493 (R2).

Steven Conger, Consultant, representing the Associated Builders and Contractors, testified as neutral on S.B. 493 (R2).

Chair Carlton called for further testimony neutral on S.B. 493 (R2) and, hearing none, closed the hearing.

Chair Carlton informed the Committee members that to revise the agenda, the Committee would be in recess, and a number of bills received earlier would be placed on the agenda.

Chair Carlton wanted to make it clear to everyone that just because a bill was on the agenda did not necessarily mean the Committee would get to it. Bills were placed on the agenda so that if and when an opportunity arose, it could be accessed.

Chair Carlton recessed the meeting at 5:38 p.m. and reconvened the meeting at 10:43 p.m.

**Senate Bill 501 (1st Reprint): Makes an appropriation for the relocation of the National Atomic Testing Museum. (BDR S-1164)**

Chair Carlton announced that Senate Bill 501 (1st Reprint) would not be heard this evening and would be placed on the agenda for tomorrow.

Chair Carlton opened the hearing on Assembly Bill (A.B.) 529.

**Assembly Bill 529: Revises provisions governing the Nevada Athletic Commission.  
(BDR 41-1207)**

Susan Brown, Director, Office of Finance, Office of the Governor, presented Assembly Bill (A.B.) 529. Ms. Brown stated that A.B. 529 was a budget implementation bill, and it transferred the Nevada Athletic Commission from the Department of Business and Industry to the Office of the Governor. The budget was approved by the money committees under the auspices of the Office of the Governor.

Assemblywoman Benitez-Thompson inquired about the effective change that would be seen a year from today after everything had taken effect and the changes had been made.

Michael Brown, Director, Department of Business and Industry (B&I), said that as southern Nevada had developed new sports marketing programs, the belief was that the role of the Athletic Commission should be elevated. He said some people had commented that boxing was actually Las Vegas' first sport, and the sports should all be brought together so they could collectively help brand Las Vegas as a sports capital.

Assemblywoman Benitez-Thompson asked when the Athletic Commission was moved from B&I to the Office of the Governor would that be an actual physical move or a relocation of budgets.

Ms. Brown replied that it was a reporting structure, and the Athletic Commission would report directly to the Governor's Office staff.

Assemblyman Kramer stated it was his understanding that the Athletic Commission was currently under B&I and it had an executive director and a staff. He said by moving the Athletic Commission to the Office of the Governor, the funding authorization that was with B&I would go with it to the Office of the Governor thereby eliminating any fiscal effect.

Ms. Brown stated that was correct: there was no fiscal effect.

Chair Carlton called for testimony in support of, in opposition to, or neutral on A.B. 529 and, hearing none, closed the hearing on the bill and opened the hearing on Senate Bill 540 (1st Reprint).

**Senate Bill 540 (1st Reprint): Revises provisions relating to vulnerable persons.  
(BDR 14-1201)**

Dena Schmidt, Administrator, Aging and Disability Services Division, Department of Health and Human Services, presented Senate Bill (S.B.) 540 (1st Reprint). Ms. Schmidt stated that this bill authorized the Aging and Disability Services Division to receive and investigate reports of abuse, neglect, and exploitation and to ensure that all vulnerable individuals had access to services and support to alleviate their situations of abuse, neglect, and exploitation. Funding for this effort had been approved in the agency's budget. Ms. Schmidt explained

that protective services investigated reports of abandonment, abuse, neglect, exploitation, isolation, and self-neglect, and provided interventions and ancillary services to help remedy the situations of abuse or neglect. Currently, those services were only available to seniors 60 years of age and over and children under 16 years of age. Ms. Schmidt said this bill expanded that service to vulnerable individuals between the ages of 18 years of age and 59 years of age. Nevada was one of only three states currently not providing adult protective services, and everyone deserved to be free from abuse at every stage of their life.

Carrie Embree, Governor's Consumer Health Advocate, Department of Health and Human Services, read the following statement into the record:

The Aging and Disability Services Division has been working on several efforts to begin the expansion of protective services from elderly individuals, currently defined as 60 years of age and older to all vulnerable adults over the age of 18. We are utilizing our 2016 administration for community living grant funds to hire a team of expert consultants through the National Adult Protective Services Association. This consulting team is assisting Aging and Disability Services Division in planning the expansion of elder protective services to a full Adult Protective Services program. As part of this consultation, the National Adult Protective Services Association has created a blueprint for implementation, which includes milestones and checkpoints to ensure progress.

We have applied for and received Victims of Crime Assistance funds through our sister agency, Division of Child and Family Services, to fund additional positions that provide direct services. We have adjusted our cost-allocation plan to include Medicaid administrative claiming for certain activities related to Medicaid-eligible individuals, allowing us to drive down additional federal funds in the current protective service program.

Additionally, Aging and Disability Services Division applied for and was awarded the 2018 Administration for Community Living grant to enhance the state's Adult Protective Services. This is a three-year grant also designed to strengthen Adult Protective Services programs. With these funds we are looking to enhance our current data-reporting abilities in a manner that is consistent with a national adult maltreatment reporting system. This will allow us to report on the expanded population should the Legislature approve the expansion of our statutory authority to provide protective services to all vulnerable adults.

Homa Woodrum, Chief Advocacy Attorney, Aging and Disability Services Division, Department of Health and Human Services, stated that, generally, all the statutory changes in this bill were taking what was one or the other path. For vulnerable persons the only path was a law enforcement referral, whereas if a person was over 60 years of age, there was a law enforcement referral or a contact with Aging and Disability Services Division Protective



Services. The changes throughout the bill were related to merging the language to allow protective services for vulnerable adults 18 to 59 and persons with disabilities, while continuing to provide the same services for individuals over 60 years of age.

Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27, said she wanted to thank Ms. Schmidt and the other presenters for allowing the accommodation of this language. [Exhibit C](#), a document titled "Proposed amendment 6107 to Senate Bill No. 540, First Reprint," referred to a power of attorney on page 10 of the exhibit. Assemblywoman Benitez-Thompson said there were two different pieces, a financial power of attorney and a healthcare power of attorney. The powers of attorney provided a vehicle to state desires for the future, and when an individual had lost the capacity to state their desires, loved ones would know.

Assemblywoman Benitez-Thompson said on the elder protective service side they tended to see a lot of cases in which people had run rampant with their oversight of an individual and had not handled with due diligence and care their responsibility, and that senior citizen could end up in such facilities against their will.

According to Assemblywoman Benitez-Thompson, the bill was attempting provide an avenue for an individual to determine how he or she wanted to age, where they wanted to age, and what type of arrangements would be comfortable and also to give fair warning to those individuals that if they did not make those decisions then their loved ones might be left with the only option to petition guardianship and go through a judicial process. She wanted to ensure that families had a full understanding of that possibility.

Assemblywoman Titus commented that the expansion and powers of attorney would make a difference when discussing future care with patients.

Chair Carlton called for testimony in support of S.B. 540 (R1).

Bailey Bortolin, representing the Coalition of Legal Service Providers, testified in support of S.B. 540 (R1). Ms. Bortolin wanted to put support on the record for both the bill and the work that the Aging and Disability Services Division was doing.

Chair Carlton called for further testimony in support of, in opposition to, or neutral on the bill and, hearing none, closed the hearing on S.B. 540 (R1).

Chair Carlton stated the Committee would move a few bills.

**Assembly Bill 529: Revises provisions governing the Nevada Athletic Commission. (BDR 41-1207)**

Chair Carlton called for questions or comment regarding Assembly Bill 529 and, hearing none, called for a motion.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO DO PASS  
ASSEMBLY BILL 529.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Frierson was not present for the vote.)

Chair Carlton called for a motion on Senate Bill 90 (2nd Reprint).

**Senate Bill 90 (2nd Reprint): Makes various changes relating to the health of children.  
(BDR 40-448)**

ASSEMBLYWOMAN JAUREGUI MOVED TO DO PASS  
SENATE BILL 90 (2ND REPRINT).

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE  
MOTION.

THE MOTION PASSED. (Assemblyman Frierson was not present for the vote.)

Chair Carlton called for a motion on Senate Bill 174 (1st Reprint).

**Senate Bill 174 (1st Reprint): Provides for an audit of certain services provided to  
persons with autism spectrum disorders. (BDR S-680)**

Assemblywoman Titus said she could not see that this bill would have any direct effect and would rather see any monies actually spent on treating autism and therefore could not support S.B. 174 (R1).

Chair Carlton commented that funding came out of the Audit Division's budget and had no effect on any funding that went to autism treatment.

ASSEMBLYWOMAN SWANK MOVED TO DO PASS SENATE BILL 174  
(1ST REPRINT).

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE  
MOTION.

THE MOTION PASSED. (Assemblywoman Titus voted no. Assemblyman Frierson was not present for the vote.)

Chair Carlton called for a motion on Senate Bill 483 (1st Reprint).

**Senate Bill 483 (1st Reprint): Revises provisions governing the Statewide Program for Suicide Prevention. (BDR 40-1163)**

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED TO DO PASS  
SENATE BILL 483 (1ST REPRINT).

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Frierson was not present for the vote.)

Chair Carlton called for a motion on Senate Bill 493 (2nd Reprint).

**Senate Bill 493 (2nd Reprint): Revises provisions relating to misclassification of employees. (BDR 53-1087)**

ASSEMBLYWOMAN JAUREGUI MOVED TO DO PASS  
SENATE BILL 493 (2ND REPRINT).

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Frierson was not present for the vote.)

Chair Carlton called for a motion on Senate Bill 540 (1st Reprint) which had a proposed amendment.

**Senate Bill 540 (1st Reprint): Revises provisions relating to vulnerable persons. (BDR 14-1201)**

ASSEMBLYWOMAN SPIEGEL MOVED TO AMEND AND DO PASS  
SENATE BILL 540 (1ST REPRINT).

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

THE MOTION PASSED. (Assemblyman Frierson was not present for the vote.)

Chair Carlton called for public testimony.

Peggy Lear Bowen, private citizen, thanked the Committee for their service to the state.

The meeting adjourned at 11:16 p.m.

RESPECTFULLY SUBMITTED:

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Anne Bowen  
Committee Secretary

APPROVED BY:

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Assemblywoman Maggie Carlton, Chair

DATE: \_\_\_\_\_

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a proposed amendment to Senate Bill 540 (1st Reprint), presented by Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27.