

**MINUTES OF THE  
SENATE COMMITTEE ON COMMERCE AND LABOR**

**Eightieth Session  
May 29, 2019**

The Senate Committee on Commerce and Labor was called to order by Chair Pat Spearman at 4:54 p.m. on Wednesday, May 29, 2019, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Pat Spearman, Chair  
Senator Marilyn Dondero Loop, Vice Chair  
Senator Chris Brooks  
Senator Joseph P. Hardy  
Senator James A. Settelmeyer  
Senator Heidi Seevers Gansert

**COMMITTEE MEMBERS ABSENT:**

Senator Nicole J. Cannizzaro (Excused)

**GUEST LEGISLATORS PRESENT:**

Assemblyman Jason Frierson, Assembly District No. 8  
Assemblywoman Sarah Peters, Assembly District No. 24

**STAFF MEMBERS PRESENT:**

Cesar Melgarejo, Committee Policy Analyst  
Bryan Fernley, Committee Counsel  
Kim Cadra-Nixon, Committee Secretary

**OTHERS PRESENT:**

Christine Saunders, Progressive Leadership Alliance of Nevada  
Annette Magnus-Marquart, Executive Director, Battle Born Progress

Natha Anderson, Washoe Education Association; Nevada State Education Association  
Ralph E. Williamson, Pastor, Faith Organizing Alliance  
Marlene Lockard, Nevada Women's Lobby; Service Employees International Union Local 1107  
Jim Sullivan, Culinary Workers Union Local 226  
LaLo Montoya, Political Director, Make the Road Nevada  
Greg Ferraro, Nevada Resort Association  
Eric Jeng, Asian Community Development Council  
Carter Bundy, American Federation of State, County and Municipal Employees  
Daniel Honchariw, Senior Policy Analyst, Nevada Policy Research Institute  
Paul Moradkhan, Las Vegas Metro Chamber of Commerce  
Bryan Wachter, Retail Association of Nevada  
Sean Higgins, Golden Entertainment  
Randi Thompson, State Director, National Federation of Independent Business  
Amber Stidham, Henderson Chamber of Commerce  
Miranda Hoover, Reno + Sparks Chamber of Commerce  
Warren Hardy, Nevada Restaurant Association  
Jim Wadhams, National Restaurant Association; Nevada Restaurant Association  
Susan Fisher, C&S Waste Solutions  
Izzy Youngs, Nevada Women's Lobby; Service Employees International Union Local 1107  
Lance Gotchy  
Elliot Malin  
John Piro, County Public Defender's Office  
Kendra Bertschy, Washoe County Public Defender's Office  
Nick Shepack, American Civil Liberties Union of Nevada  
Rick McCann, Nevada Association of Public Safety Officers-Communications Workers of America Local 9110; Nevada Law Enforcement Coalition  
Patti Jesinoski  
Omar Saucedo, AT&T  
Mendy Elliott, Reno + Sparks Chamber of Commerce  
Craig von Collenberg, Executive Director, Office of Workforce Innovation, Office of the Governor  
Bill Stanley, Executive Secretary-Treasurer, Southern Nevada Building Trades Union  
Paul McKenzie, Executive Secretary-Treasurer, Building & Construction Trades Council of Northern Nevada

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 3

Dan Musgrove, Mechanical Contractors Association of Las Vegas; Sheet Metal and Air Conditioning Contractors' National Association of Southern Nevada; Southern Nevada Chapter of the National Association of Electrical Contractors

John Wiles, Director, Unified Construction Industry Council

Caren Jenkins, Executive Director, Nevada State Board of Optometry

Mariah Smith, O.D., Vice President, Nevada State Board of Optometry

Michael Hillerby, Nevada Optometric Association

Jeanette Belz, Nevada Academy of Ophthalmology; American Academy of Ophthalmology; Nevada Retina Associates

CHAIR SPEARMAN:

I will open the hearing on Assembly Bill (A.B.) 456.

**ASSEMBLY BILL 456 (1st Reprint)**: Increases the minimum wage required to be paid to employees in private employment in this State. (BDR 53-1104)

ASSEMBLYMAN JASON FRIERSON (Assembly District No. 8):

I am here today to present A.B. 456. I would also like to share background on this bill and why I believe it is important.

More people than ever are working in jobs that pay too little and offer too few benefits. This Session we are committed to increasing the minimum wage in Nevada. The minimum is just that, a floor for hourly wages, not a ceiling. Our continued delay in taking action to raise the minimum wage is eroding the real value and purchasing power of our working Nevadans.

The minimum wage was originally passed with the intent of providing full-time workers the capacity to support themselves and their families. As a State, we have not made any significant changes to our minimum wage rates in over a decade.

In 2006, a minimum wage amendment to the State Constitution was passed. It required rates to be recalculated based on increases in the federal minimum wage and the cost of living.

Currently, the minimum is \$8.25 per hour or \$7.25 per hour if the employer offers qualified health benefits. The minimum wage has failed to keep up with inflation and has also failed to keep up with average wages. As a result,

low-wage workers are not benefiting from economic growth and productivity increases.

In 2018, the Bureau of Labor Statistics reported there were over 1.3 million workers in Nevada. Of that total, 944,000 workers are paid hourly rates. Of those, 13,000 are at or below minimum wage. This represents 1.2 percent of the total workforce. Approximately 4,000 workers earn the prevailing federal minimum wage of \$7.25 per hour and 8,000 workers earn less than that amount.

Using this data we can estimate 10 percent of our workforce, or 134,713 people, earn \$9.18 or less per hour; 15 percent of the workforce, or 202,070, earn between \$9.18 and \$11.81 per hour; and 25 percent of the workforce, or 336,783 people, earn between \$11.81 and \$17.09 per hour.

In my opinion, these statistics are unacceptable. Opponents have argued that raising the minimum wage would hurt low-skilled workers. I have also heard the minimum wage was never supposed to be a living wage and would have little effect on reducing poverty.

Opponents of this measure also state that increasing minimum wage makes it more difficult for businesses in Nevada to remain competitive and hire new employees. I will take this opportunity to debunk at least a few of these myths about minimum wage.

Historically, many of the most fervent opponents of raising the minimum wage couch their opposition in concerns for the welfare of low-wage workers. Minimum wage jobs are a chance for entry level workers to prove themselves before earning a promotion or moving on to better paying jobs.

The demographics of low-wage workers have also changed. Low-wage workers are not always teenagers working part-time jobs just for spending money.

A study by the Economic Policy Institute confirms the national average age of low-wage workers is 35 years old. More than half of all affected workers are at least 30; and more than a third of affected workers are at least 40 years old.

The Economic Policy Institute created estimates of the number of workers who would be affected by increasing the federal minimum wage to \$12 per hour by

July 2020. For Nevada, 298,000 workers would be directly affected by increasing the federal minimum wage to \$12 per hour.

I want to share a personal story with the Committee. I recently heard from a constituent who called me in support of increasing Nevada's minimum wage. She is about my age. This woman has worked at a low-wage job as a bank teller for over a decade. She has some college experience and thought she would work her way up at her job. However, her only raises have been the ones required by State law.

She currently earns \$8.25 per hour. My constituent is not an isolated example. I continue to hear similar stories and read newspaper articles about those who are struggling to pay for rent, food and other necessities. An increase in the minimum wage would make a tremendous difference to her.

Recently, I read an article about Franklin D. Roosevelt's Fair Labor Standards Act of 1938. It passed as part of the New Deal legislation. It set the minimum wage at 25 cents. Franklin D. Roosevelt was quoted that this rate was to be "more than a bare subsistence level." Further, he explained, "No business, which depends for existence on paying less than living wages to its workers, has any right to continue in this country."

Over 70 years later this sentiment holds true. Minimum wages are not living wages. A minimum wage is the least amount an employer is obligated to pay his employees.

The living wage is a measure of basic needs. A living wage includes a wide variety of factors, like geographic specific data related to a person's likely minimum expenses for food, health insurance, housing, transportation and other basic necessities. A living wage is generally set as the wage a full-time worker would need to support a family of four and be above the federal poverty line.

A recent report by the Massachusetts Institute of Technology put a living wage for 1 adult in Las Vegas at \$11.32 per hour and \$11.20 per hour in Reno. These wage estimates are based on full-time work in Nevada's urban areas.

Let me remind the Committee members the current minimum wage in Nevada is \$8.25 per hour, if the employer offers health insurance. Right now, a single parent of two working a minimum wage job does not even meet the federal

government's own measure of the poverty line. The poverty line is \$21,330. How can a person who makes \$17,160 annually hope to escape poverty?

Too many of Nevada's working families rely on low-wage work to make ends meet. The Economic Policy Institute ranks Nevada thirty-second among the 50 states and the District of Columbia based on the concentration of workers earning under \$12 an hour. The more workers earning low wages, the higher the rank. In Nevada, 30.3 percent of all workers earn less than \$12 per hour.

This is not a Democratic or Republican issue. Low-wage working families reside throughout Nevada. These hardworking families are from both sides of the aisle; they are Democrats and Republicans. An increase in their incomes will help our State economy.

Nevadans deserve an economy where a hard day's work earns a decent day's pay. In 2016, a majority of citizens in Arizona, Colorado, Maine and Washington voted in favor of a gradual minimum wage increase until 2020. After 2020, the wage will be modified in accordance with the cost of living.

Similarly, in 2014, Alaska, Arkansas, Nebraska and South Dakota voted to increase their minimum wage. While it is not unusual that voters in these states approved these increases, it may surprise you that small business owners were also in favor of a higher minimum wage.

Small Business Majority's scientific polling found that 60 percent of small business owners Nationwide favor a \$12 federal minimum wage by 2020. They also favor cost of living increases after that. Half of these business owners stated they paid their lowest wage employees less than or equal to \$12 per hour.

The restaurant and retail industries rely heavily on hourly labor and 56 percent of small businesses in those combined sectors supported a \$12 minimum wage.

According to the Center on Budget and Policy Priorities, "Beyond simple supply-and-demand theory, increasing the minimum wage may also spur businesses to operate more efficiently and employees to work harder." Paying a higher wage to employees can help employers cut costs in other ways.

I understand that businesses need predictability, and for this reason, we propose a gradual minimum wage increase. The benefits of a minimum wage increase are an opportunity to reduce employee turnover, increase worker productivity and offer employees the incentive of feeling wanted and needed. These benefits can offset some payroll cost increases.

I would like to highlight the key provision in A.B. 456.

Through Legislation, the Labor Commissioner must ensure the minimum wage for employees in private employment is increased by 75 cents each year for 5 years. This increase will occur each year until the minimum wage is \$12 or more. If the employer offers health insurance the minimum rate would reach \$11 per hour.

An increase in the minimum wage will help the recovery of our State economy. It will stimulate consumer demand and help drive economic growth for the working families in Nevada who need it most.

We must recognize that it is not only teenagers who rely on minimum wage. Nevada is now competing with other states, like Arizona, who have recently raised the minimum wage.

If Nevada wants to have a competitive economy we must keep up with the times. No one can live or even provide basic needs at \$8.25 per hour. We acknowledge this is not a living wage; this is a minimum wage.

I believe it is time for Nevada to catch up with other states in our region.

CHRISTINE SAUNDERS (Progressive Leadership Alliance of Nevada):

I am here on behalf of the Progressive Leadership Alliance of Nevada and we are in support of A.B. 456.

On January 1, 2019, 18 states raised the minimum wage. This action was based on policy changes or the cost of living index. This lifted pay for 5.2 million workers across the Country.

Four more states will have increases in 2019 and at least three states have taken legislative action to raise the minimum wage since the beginning of the year. Nevada has not had a minimum wage increase in about a decade.

For our communities and economy to thrive, jobs need to pay at least enough to get by with the basics. When people cannot afford to go to the doctor or to make basic home repairs, all of us are hurt. Additionally, the economy slows down when people cannot afford even the basics.

An increase will boost not only individual households, but the communities workers live in and spend in. We cannot raise up Nevadans when a high cost of living and low wages are dragging them down.

Nevadans needed a raise yesterday. It is time to take a step forward by raising the minimum wage floor and passing A.B. 456.

ANNETTE MAGNUS-MARQUART (Executive Director, Battle Born Progress):  
I am here today as a supporter of Nevada workers and represent over 20,000 subscribers to our Statewide Battle Born Progress network. We rise in strong support of A.B. 456.

Those interested in business will tell you that the sky will fall with the passing of this bill. You will also be told the anti-business apocalypse will begin; people will lose their jobs and businesses will shut down.

They must not read *Forbes*, a noted business magazine which published a piece titled *The Minimum Wage Hike Is Good for Business*. This article was written by Bill Phelps, CEO of Wetzel's Pretzels. He wrote this because he knows a higher wage equals a better life for his workers.

Recently, Target and Bank of America have raised the wages of their employees. These companies know people across the Country overwhelmingly support raising wages for all workers. Raising wages increases workers' consumer buying power, helps eliminate food and housing insecurity and ensures we can help people move out of poverty.

According to the Federal Reserve Bank of Chicago, raising the minimum wage by even \$1 boosts consumer spending per household by an average of \$2,080 per year. This extra income adds up to cover groceries, rent, transportation, health insurance and other basic necessities of a modern living standard. This money is also going to businesses. All people, regardless of age, have a right to a living wage.



I would like to add that I also run a business. We do advocacy work, but technically our small non-profit is a business. I have seven employees. I have made it a priority that even our part-time employees make \$15 an hour or more.

If I can do this as a non-profit, so can others. This is not hard. Do not believe the rhetoric. This bill is good for working people and good for business.

We thank Speaker Frierson for his leadership on this bill and ask the Committee to support A.B. 456.

NATHA ANDERSON (Washoe Education Association; Nevada State Education Association):  
We are testifying in support of A.B. 456.

I have been a teacher for 20 years and usually my students live in poverty. My students struggle. They struggle because their parents are working two or three jobs, not because of the work they are doing. If the parents could be home with a livable wage, it would be a much more powerful and much more effective way to help students succeed.

I ask for your support on behalf of the members of Washoe Education Association and Nevada State Education Association.

RALPH E. WILLIAMSON (Pastor, Faith Organizing Alliance):  
I am the Sr. Pastor of the First African Methodist Episcopal Church in North Las Vegas, Nevada. I am here to speak about A.B. 456 from a social perspective.

My church opens its doors every Thursday to serve as a food bank. Each Thursday we serve 280 families. Volunteers run the food bank and pray for the families and all those struggling to put food on their table.

Every Thursday I see faces of senior citizens, parents, children and adults with food insecurities. If our food bank is not open, individuals may not have a meal for two or three days.

Each day these individuals work long, hard hours to survive. These individuals show up at our church because their income is not enough to provide for themselves or their families.

I have a moral obligation to be here. As a faith leader, I cannot continue to see our communities suffer due to low wages. I cannot continue to see our neighborhood and our brothers and sisters preyed upon by greedy corporations and businesses.

Some businesses take advantage of their workers by paying low wages. Businesses make a profit while overburdened and overworked employees are paid the bare minimum.

Regardless of the jobs they do, I believe in the inherent value and dignity of work and believe those who work should be able to support themselves and their families.

Workers should be able to provide for basic needs like food. I am here because our families deserve better; our communities deserve better.

I am here in support of A.B. 456 and I also ask for your support.

MARLENE LOCKARD (Nevada Women's Lobby; Service Employees International Union Local 1107):

I represent Nevada Women's Lobby and the 20,000 members of the Service Employees International Union Local 1107.

We are in support of raising the minimum wage. The statistics and personal stories of need have been cited today. I represent men and women who are in low-paying jobs and living with multiple people to try to survive.

The minimum wage increase is needed in this State. I urge your support of this bill.

JIM SULLIVAN (Culinary Workers Union Local 226):

We are in support of this bill. As Assemblyman Frierson stated, it is almost impossible to live on the minimum wage of \$8.25 per hour. Giving Nevada workers a raise is long overdue.

LALO MONTROYA (Political Director, Make the Road Nevada):

We are here in support of A.B. 456.

Unfortunately, wages remain low in our State and this is pushing hundreds of thousands of Nevadans further into poverty and housing insecurity. This is especially true for marginalized and underrepresented communities. This is unacceptable.

We will keep working until families can be economically secure and start to save for the future.

I ask for your support of A.B. 456.

GREG FERRARO (Nevada Resort Association):

We started working on this bill with the Speaker the first day of the Session. When the bill was introduced in the Assembly, we took a neutral position. The Speaker listened to our concerns and addressed them. The revised bill reflects our concerns.

Our Association is now in support of this bill.

ERIC JENG (Asian Community Development Council):

We are a non-profit, community-based organization and we promote the welfare of Asian, Pacific Islander and other ethnic communities in Nevada.

We testify in support of A.B. 456.

The Asian-Pacific Islander (API) community in Nevada is often inaccurately portrayed as self-sufficient, well-educated and upwardly mobile. This is a false depiction of success. The model minority myth has led to the raiser of real and serious issues.

Unemployment, poverty and a lack of affordable housing affect the API community. The poverty rate in some Pacific Islander communities is 15 percent to 22 percent.

The Asian Community Development Council advocates for the 14,000 Asian-Americans in the Las Vegas metropolitan area who are living in poverty. Additionally, over 41,000 of the API population are low-income. The low-wage crisis also disproportionately affects API women.

For these reasons, we are in support of A.B. 456.

CARTER BUNDY (American Federation of State, County and Municipal Employees):  
We testify in support of this bill.

Raising the minimum wage changes lives for people. Higher wages will make some people less dependent on government programs. Raising the minimum wage will help Nevadans become self-sufficient and better able to take care of their families.

This important piece of Legislation will benefit working people. We thank the Speaker and hope this Committee will support A.B. 456.

DANIEL HONCHARIW (Senior Policy Analyst, Nevada Policy Research Institute):  
I testify in opposition of A.B. 456 and I have submitted written testimony ([Exhibit C](#)).

PAUL MORADKHAN (Las Vegas Metro Chamber of Commerce):  
We have had thoughtful discussions with the Speaker and appreciate the time he has given us on this issue.

The Chamber is concerned about the potential adverse impacts A.B. 456 may have on Nevada employers, employees and the overall job climate in our State.

According to Nevada employment information, the mean wage per hour for all compensation is \$21.65 per hour. We do recognize this represents a range, as well as broad categories of employment sectors.

As we examined A.B. 456 we sought feedback from the Chamber's membership. The Chamber represents over 30 different industry sectors.

In answer to our survey of members, 60 percent would consider slowing down the hiring of new employees and 61 percent would consider increasing the price of goods and services.

Employee hours would be reduced by 57 percent, 40 percent would consider not replacing employees who leave their positions, 21 percent would consider laying off employees and 50 percent would consider automation of services.

Any wage increase also means additional costs for employers. These additional costs include increases in modified business tax, unemployment insurance and workers' compensation.

There is a direct correlation between wages and the costs tied to them. It is important for lawmakers to look at this issue holistically. Additional costs incurred by an increase in the minimum wage were a concern of 57 percent of respondents.

Health benefits, meal credits, overtime, inflation, tip credits and training wages should also be taken into consideration when evaluating increases in the minimum wage.

Our members are not able to support this bill.

BRYAN WACHTER (Retail Association of Nevada):

We have seen a decrease in teen employment over the last decade. In 2018, only 34 percent of our teens were even looking for a job. Teens represent 16 percent of the total employment in the retail industry.

According to recent studies, the earlier people engage in employment the greater their income over their lifetime. As a result of the decrease in teen employment we have seen an increase in employment of people over the age of 55.

There is a correlation between the artificial cost of labor and employers' allocation of labor dollars. Employers will choose a more experienced applicant over someone new to the job market.

By increasing the artificial layer of employment, you are actively encouraging more seasoned, experienced workers to apply for jobs. Those trying to get their first job will be discouraged. More experienced workers are encouraged to apply for jobs when the artificial layer of employment is increased.

It is important to look at the employment figures of the future. Where will the children who are graduating now fit into the employment landscape?  
For these reasons, we oppose this bill.

SEAN HIGGINS (Golden Entertainment):

Golden Entertainment does not oppose this bill. We agree with the Speaker that the minimum wage should be increased for minimum wage earners.

The Speaker reviewed the statistics of the states that have raised the minimum wage. I will now focus on the statistics from Arizona.

Arizona has a tip credit policy. In Arizona, tipped employees can be paid \$8 per hour. Most of the other states mentioned also have a tip credit policy.

Waiters, waitresses, bartenders and other tipped employees make very good money in Nevada. They earn up to \$100 an hour in tips. I am referring to employees that earn \$40,000 to \$80,000 a year. These are not employees making minimum wage.

However, A.B. 456 does not allow an earner who receives tips to take a tip credit. The Internal Revenue Service includes wages and tips in an employee's income tax return.

I appreciate the Speaker's time in speaking to the tip credit policy; however, more constructive conversations are needed.

If the increase in the minimum wage law passes without a provision for tipped employees, thousands of workers in Nevada will lose their jobs.

RANDI THOMPSON (State Director, National Federation of Independent Business):

The National Federation of Independent Business is the Nation's largest and longest serving small business association. For the past 75 years we have fought for small business.

Unfortunately, we testify in opposition to this bill. I have submitted written testimony ([Exhibit D](#)).

AMBER STIDHAM (Henderson Chamber of Commerce):

The Henderson Chamber of Commerce represents over 1,800 businesses in southern Nevada.

I also appreciate the time the Speaker spent with us to discuss this bill. However, we share the same sentiments as our colleagues with the Las Vegas

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 15

Metro Chamber of Commerce and the National Federation of Independent Business.

We are in opposition to this bill.

MIRANDA HOOVER (Reno + Sparks Chamber of Commerce):  
We echo the sentiments expressed by the opposition.

WARREN HARDY (Nevada Restaurant Association):  
I also appreciate the Speaker's time in discussing this bill with us. However, we prefer a holistic approach to minimum wage and want to consider other factors associated with a potential increase. Some of these factors are unique to Nevada.

Even though this is a reasoned and measured approach to the increase in the minimum wage, we are opposed to this measure. Other factors need to be considered.

JIM WADHAMS (National Restaurant Association; Nevada Restaurant Association):  
I echo the comments of Mr. Hardy with the Nevada Restaurant Association.

SUSAN FISHER (C&S Waste Solutions):  
We are testifying in a neutral position on this bill. While our testimony may sound like opposition, it is not.

We are not opposed to a higher minimum wage. At this time all of our employees receive above minimum wage salaries.

Our issue is the piling on effect of this bill. If we have an extension of the modified business tax, paid leave and other items, there will be added costs for our business.

If the minimum wage goes to \$12 per hour now, what will we need to pay our workers who are currently making \$12 per hour?

Our company is conducting a study of the long-term impact of this bill and how to move forward.

While we are not opposed to raising the minimum wage, we oppose the piling on effect. We are concerned about the impact to employees who are currently making higher wages.

ASSEMBLYMAN FRIERSON:

In closing, I wish to remind the Committee and those in opposition that Arizona will set the minimum wage at \$12 per hour next year. The sky is falling sentiment has not occurred in Arizona and the economy of that state has improved.

Most of the concerns addressed to me were that we should never increase the minimum wage. If the position is that we should never raise the minimum wage, then we will have to disagree until the sun goes down. The argument that the minimum wage should never go up does not keep pace with our surrounding states.

SENATOR SETTELMAYER:

I voted for an increase in the minimum wage in 2015. At that time there was a trade-off in the way we calculated overtime. Are you open to any discussions on this issue? I have supported an increase in the minimum wage in the past and would support one again.

ASSEMBLYMAN FRIERSON:

I guess the short answer is no. We have six days left in this Session and we have had this bill out for the entirety of this Session. I believe any good faith conversations about this bill would be to derail the conversation. I have appreciated the stakeholders who have come forward with significant discussions and compromises were made.

Last Session the conversation started with the minimum wage at \$15 per hour. What you have before you is not only \$12 per hour; the wage increase is over a ramp-up of 5 years.

With only six days left, I believe we have compromised as much as possible. The compromises included extending the ramp-up to minimize the impact on small businesses. We recognize we will be four years behind our surrounding states.



Senate Committee on Commerce and Labor  
May 29, 2019  
Page 17

SENATOR SETTELMAYER:

I am interested in a bipartisan agreement. In 2015, I had this issue in my Committee. We were going to give everyone a 75 cents per hour increase.

ASSEMBLYMAN FRIERSON:

Unfortunately, I was on sabbatical in 2015.

CHAIR SPEARMAN:

I am reviewing the history of the bill. It was first introduced on March 25?

ASSEMBLYMAN FRIERSON:

Yes, and we have had conversations on this since the first day of Session.

SENATOR DONDERO LOOP:

An article in the *Nevada Independent* discussed the tax incentive available to businesses if they hire people on Medicaid. Would you address this issue?

ASSEMBLYMAN FRIERSON:

I am aware of the article; however, it was not a calculation in the advancement of this bill.

SENATOR DONDERO LOOP:

As it relates to the bill, do you have any statistics associated with this article?

ASSEMBLYMAN FRIERSON:

No Senator, I do not. I will be happy to get that information to you.

SENATOR DONDERO LOOP:

That is not necessary with only a few days remaining in this Session.

CHAIR SPEARMAN:

What is the income level required to qualify for Medicaid? Does anyone testifying today have that information?

ASSEMBLYMAN FRIERSON:

I will follow-up on this issue.

CHAIR SPEARMAN:

We will close the hearing on A.B. 456 and open the hearing on Assembly Joint Resolution (A.J.R.) 10.

**ASSEMBLY JOINT RESOLUTION 10 (1st Reprint)**: Proposes to amend the State Constitution to prospectively increase the required minimum wage paid to employees. (BDR C-1273)

ASSEMBLYMAN FRIERSON:

I would like to highlight the key provisions in A.J.R. 10.

The resolution proposes to amend the State Constitution to set the minimum wage at \$12 per hour. This will begin on July 1, 2024, regardless of whether the employer provides health benefits to employees.

July 1, 2024, was intentionally selected to give businesses time to prepare.

In addition, A.J.R. 10 removes the annual adjustment to the minimum wage. Instead it provides that if at any time the federal minimum wage is greater than \$12 per hour worked, the minimum wage will be increased to the amount established for the federal minimum wage.

This joint resolution allows the Legislature to establish a minimum wage that is greater than the hourly rate set forth in the State Constitution.

Additionally, I believe Nevada is the only State allowing businesses that offer health benefits to offer two different wage scales to its employees. This is an issue that needs clarity.

MS. MAGNUS-MARQUART:

I am here as a supporter of Nevada workers and represent over 20,000 subscribers to our Statewide Battle Born Progress network. We are in support of A.J.R. 10.

Nevadans are depending on their Legislators to bring economic relief and A.J.R. 10 does just that. This resolution puts the Legislature in a position to improve the lives of Nevadans by ensuring the minimum wage is raised.

It also provides a measure to meet increased costs of living instead of going through an intense modification process. This resolution will also remove the health insurance provision. This is necessary because this provision has been abused.

This measure will bring the issue before the voters and allow the voters to make the decision. The business community continues to resist any attempts to enact a raise to the minimum wage. They claim raising the minimum wage will lead to mass layoffs and will crush small businesses.

As a small business owner, I can manage my business and ensure my staff is compensated properly. If I can do this, other businesses can too. If you prioritize the life and health of your employees, you find a way to pay them enough to afford food, housing, transportation and medical care.

Many of us have been fighting to raise the minimum wage for years. Now it is time for us to do something about it. Nevada is a place of second chances for many workers. Nevada is also a land of opportunity where hard work pays off for many.

Hard work does not pay off for workers making minimum wage. We need to do the right thing by them and pass A.J.R. 10.

MS. SAUNDERS:

On behalf of the Progressive Leadership Alliance of Nevada, I testify in support of A.J.R. 10.

Women, people of color, immigrants and families are hardworking Nevadans who make minimum wage. They simply do not earn enough to make ends meet.

We have been asking thousands of Nevadans to do more with less. This is unacceptable. When we address the minimum wage issue, we need to do it correctly. This resolution would solidify the statutory changes of A.B. 456 and address the healthcare carveout. The healthcare carveout has been taken advantage of by employers.

Nevada needs an updated process to ensure the Legislature can take action on the minimum wage laws and not leave employees behind.

We ask for your support of A.J.R. 10.

PASTOR WILLIAMSON:

I am testifying today to ensure that A.J.R. 10 will be passed. This is a much needed resolution to the State Constitution. This resolution will ensure an increase in the minimum wage in our State.

MR. SULLIVAN:

I represent the Culinary Workers Union Local 226 and we support this resolution for all the reasons previously stated.

MR. BUNDY:

For the reasons stated in testimony for both A.B. 456 and A.J.R. 10, we stand in support of this resolution.

IZZY YOUNGS (Nevada Women's Lobby; Service Employees International Union Local 1107):

We are in support of this resolution.

MR. MORADKHAN:

Our comments on this resolution are similar to those stated in testimony for A.B. 456. The Las Vegas Metro Chamber of Commerce is in opposition to this resolution.

MR. WACHTER:

On behalf of the Retail Association of Nevada, we echo comments from our testimony on A.B. 456.

In addition to that testimony, I would add that Nevada has experienced an increase in unemployment in the last two months. I think it is safe to say we are headed toward a recession in the next 18 to 24 months. We ask that you take this into consideration.

We testify in opposition to A.J.R. 10.

MR. HIGGINS:

Article 15, section 4 of the State Constitution does not allow tips or gratuities to be credited as being any part of, or offset against, the minimum wage rate.

We are concerned the Legislature can raise the minimum wage for tipped employees who are actually not minimum wage earners.

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 21

Ms. THOMPSON:

I agree with the others who testified in opposition to A.J.R. 10. I am also concerned about the policy implications of changing the State Constitution.

Ms. HOOVER:

I agree with the others who testified in opposition to A.J.R. 10.

LANCE GOTCHY:

The top 10 wealthiest people in the Country have the same amount of money as the bottom 50 percent. I propose 20 billionaires volunteer to subsidize minimum wage employees. I am requesting the billionaires put money in a fund and subsidize workers in the form of vouchers.

CHAIR SPEARMAN:

Mr. Gotchy, are you in support or opposition of this bill?

MR. GOTCHY:

I am in opposition to this bill.

ASSEMBLYMAN FRIERSON:

I will point out that A.J.R. 10 is different in that we are making our case to the people of Nevada.

If we do not make our case to the people that this measure is worthwhile, then the measure will not advance. We should be willing to put this resolution before the people and let them make the decision. We will live with the result of the vote.

I think this is a worthy measure to present to our voters.

CHAIR SPEARMAN:

To confirm, should this measure pass, it will go to the voters? The voters will ultimately decide.

ASSEMBLYMAN FRIERSON:

Yes that is correct.

CHAIR SPEARMAN:

We will close the hearing on A.J.R. 10 and open the hearing on A.B. 319.

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 22

**ASSEMBLY BILL 319 (2nd Reprint)**: Revises provisions governing professional licensing. (BDR 54-314)

ELLIOT MALIN:

I will be speaking today on behalf of Assemblywoman Jill Tolles and Assemblyman Steve Yeager.

I have submitted remarks on behalf of Assemblywoman Tolles ([Exhibit E](#)), as well as my written testimony ([Exhibit F](#)).

JOHN PIRO (Clark County Public Defender's Office):

Normally, you would find us here speaking about crime; however, part of our work deals with the re-entry of clients back into society.

It is our goal never to meet a client in the same way again. We hope to see our clients out doing better on the other side of prison. This bill will help people get to the other side.

We ask for your support in passing A.B. 319.

KENDRA BERTSCHY (Washoe County Public Defender's Office):

We also ask for your support.

If this bill is adopted, those who have been convicted of a crime will know if they can acquire an occupational license.

This bill will allow them to know the path ahead of them. It provides them with hope. A career is vital to someone's future success.

Ms. SAUNDERS:

According to the Institute for Justice, one out of every five Americans needs a license to work. One in three American adults has a criminal record.

Since 2015, 19 states have reformed their occupational licensing laws to make it easier for people with past convictions to find work in state licensed fields.

Ten of the states have policies similar to A.B. 319. These policies allow petitions to regulatory bodies to ask if their record is disqualifying.

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 23

Last Session, the State made a step forward to help Nevadans with criminal histories. Those with criminal records were given a fair chance at employment with Ban The Box legislation.

This bill is a logical next step. It will continue to reduce recidivism, develop qualified employees and increase economic investment in the State.

We ask for your support of this bill.

NICK SHEPACK (American Civil Liberties Union of Nevada):

I am a policy intern with the American Civil Liberties Union of Nevada. We wish to thank Assemblywoman Tolles for bringing forth this important legislation.

We believe this legislation will provide second chances and opportunities for many individuals in Nevada. These opportunities lead to more productive citizens and safer communities.

We ask for your support of this bill.

MR. MALIN:

I have worked for four years on this legislation and it will restore opportunities and allow many individuals to succeed.

I thank Assemblywoman Torres and all those who have worked on this bill.

CHAIR SPEARMAN:

We will close the hearing on S.B. 319 and open the hearing on A.B. 271.

**ASSEMBLY BILL 271 (2nd Reprint)**: Revises provisions relating to call centers.  
(BDR 53-900)

ASSEMBLYWOMAN SARAH PETERS (Assembly District No. 24):

I am presenting A.B. 271 today. This bill protects jobs and resources in Nevada.

Section 3 and section 4 concern the definitions of a call center and an employer.

Section 6 defines who is captured under this legislation. Section 6, subsection 1 captures employers who relocate jobs overseas. This section only captures call center jobs moved outside the U.S.

We want to collect data on the dates and locations of employer relocation. We also wish to know how many employees are displaced due to that relocation.

If an employer moves jobs out of the Country, they are ineligible for incentives for five years.

We need to ensure companies that move here and receive the incentive stay in Nevada. However, the five-year waiting period can be waived if an employer can benefit our community.

Section 7 defines failure of an employer to provide relocation notice to the Labor Commissioner. Civil penalties are defined in section 7, subsection 1.

Section 7, subsection 2 may defer civil penalties based on the employer's study of the financial impact of the failure to give required notice.

I have covered the substance of the bill and now want to discuss the Worker Adjustment and Retraining Notification Act of 1988, which is also known as the WARN Act. The WARN Act is a U.S. labor law which protects employees, their families and communities by requiring most employers with 100 or more employees to provide a 60-day advance notification of plant closings and mass layoffs of employees.

This bill enhances the provisions of the WARN Act to protect the citizens of Nevada.

We are presenting a conceptual amendment ([Exhibit G](#)). A revision to section 6 provides an exemption for employers who have not received economic incentives. The employers must submit their WARN Act report to our Labor Commissioner or be subject to fines by the State.

The amendment further defines employers as those who have received economic incentives in the last ten years.



Senate Committee on Commerce and Labor  
May 29, 2019  
Page 25

SENATOR SEEVERS GANSERT:

You have answered my question in your last statement regarding perpetuity.

CHAIR SPEARMAN:

The WARN Act covers employers with 100 or more employees. Is this the same in the bill?

ASSEMBLYWOMAN PETERS:

The amendment would port to the definitions in the WARN Act.

Employers would be required to be in compliance with this legislation if they have a base of 50 employees and move 30 percent of their call center volume.

SENATOR SEEVERS GANSERT:

Is the call center volume defined in a single call center or call centers across the U.S.?

ASSEMBLYWOMAN PETERS:

Call center volume is defined as within a singular call center. Please refer to section 6, subsection 1. The call center volume is based on the average volume of the last 12 months. This bill also only applies to jobs moved from Nevada to another country.

RICK McCANN (Nevada Association of Public Safety Officers-Communications Workers of America Local 9110; Nevada Law Enforcement Coalition):

I also represent the International Communications Workers of America Local 9110. This is not an anti-employer bill; this is a worker protection bill.

I appreciate the work Assemblywoman Peters has done. The bill contains many compromises with some very big companies

Big business has the opportunity to sit down at the corporate table and decide if they will outsource jobs to foreign countries. Nevada families need the same opportunities to have that same board meeting. The difference is Nevada families will sit down at their kitchen table with their families. In this meeting Nevada families will decide what they will do in the next 90 days to take care of their families.

A 90-day notice to outsource jobs is only fair. The WARN Act provides a 60-day notice and this bill requires a 90-day notice.

PATTI JESINOSKI:

I testify in support of A.B. 271. Since the Bush administration, the Department of Labor has given millions of dollars per year to train people in foreign countries to be call center staff.

My identity was compromised when trying to pay a bill by phone. The call centers were staffed from the Philippines and Paraguay. Another company I called was staffed in yet another country.

Companies are taking advantage of jobs that could be here in the U.S. This is because our government has paid for workers in foreign countries to learn English. We could have higher minimum wage jobs by keeping call center jobs in the U.S.

MR. WACHTER:

We thank Assemblywoman Peters for her work on this bill and for her ability to compromise. For this reason, we are withdrawing our objection to the bill and testify neutral on A.B. 271.

I also wish to have this bill concurred in the Assembly because we are amending it at the last minute.

MR. MORADKHAN:

We also appreciate the work Assemblywoman Peters has done to balance concerns regarding this bill. We testify neutral on A.B. 271.

We also commit to concurrent efforts with the Assembly.

OMAR SAUCEDO (AT&T):

I also wish to extend my thanks to everyone who has worked on this bill.

AT&T is one of the largest private companies who employs union labor. We have more union workers than all three large automobile companies.

We testify neutral on A.B. 271 and are committed to working on this bill in the Assembly.

MENDY ELLIOTT (Reno + Sparks Chamber of Commerce):

We testify neutral on A.B. 271.

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 27

CHAIR SPEARMAN:

We will now close the hearing on A.B. 271 and open the hearing on A.B. 68.

**ASSEMBLY BILL 68 (1st Reprint)**: Revises provisions governing apprenticeships.  
(BDR 53-181)

CRAIG VON COLLENBERG (Executive Director, Office of Workforce Innovation,  
Office of the Governor):

I am here to present A.B. 68. This bill will amend the relevant statutes to incorporate federally mandated equal opportunity and anti-discrimination language.

The bill also revises membership requirements of the State Apprenticeship Council and it requires the Executive Director of the Office of Workforce Innovation (OWIN) to make recommendations to the Governor regarding members of the State Apprenticeship Council.

Pursuant to *Nevada Revised Statutes* n (NRS) 223.800, OWIN has the responsibility and accountability for apprenticeship within the State.

BILL STANLEY (Executive Secretary-Treasurer, Southern Nevada Building Trades Union):

We are in support of this bill.

PAUL MCKENZIE (Executive Secretary-Treasurer, Building & Construction Trades Council of Northern Nevada):

The Legislature did a lot of work last Session to revise the administration of the apprenticeship program in the State. Some of the people appointed to the State Apprenticeship Council did not have in-depth knowledge of apprenticeships. This led to issues that were not in accordance with federal standards.

This bill will ensure the Council is knowledgeable of apprenticeships. It will also help us meet federal requirements and improve standards throughout the State.

DAN MUSGROVE (Mechanical Contractors Association of Las Vegas; Sheet Metal and Air Conditioning Contractors' National Association of Southern Nevada; Southern Nevada Chapter of the National Association of Electrical Contractors):

I represent three subcontractor groups and we are in support of A.B. 68.

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 28

JOHN WILES (Director, Unified Construction Industry Council):  
We are in full support of this bill.

CHAIR SPEARMAN:  
We will now close the hearing on A.B. 68 and open the hearing on A.B.77.

**ASSEMBLY BILL 77 (2nd Reprint)**: Makes various changes to provisions governing the practice of optometry. (BDR 54-366)

CAREN JENKINS (Executive Director, Nevada State Board of Optometry):  
I have three members of the Nevada State Board of Optometry here with me today, Dr. Mariah Smith, Vice President; Dr. Chen Young, President and Dr. Jeffery Austin.

This bill is a measure which requires a two-thirds majority vote because we are proposing to double our licensing fees. We are also proposing a two-year rather than an annual renewal.

This measure has had three hearings in the Assembly and has been revised twice. The bill gained unanimous approval in the Assembly.

All stakeholder issues have been heard and addressed. I have submitted a section by section overview of A.B. 77 ([Exhibit H](#)).

Please note that Chapter 636 of NRS has not been revised for over 30 years.

MARIAH SMITH, O.D. (Vice President, Nevada State Board of Optometry):  
We have been working to create an end-product that updates NRS 636. This statute governs the Board and our licensees. We want to modernize the practice of optometry and ensure optometry is beneficial to the residents of Nevada.

The current statute allows optometrists to prescribe opioids but not safer alternatives. The opioid prescribing allowance is removed in section 2 and allows safer, less addictive medications to be prescribed.

The use of assistants in patient care is clarified in section 3.

Section 4 allows mobile optometry as a mode of practice. This practice will serve patients with mobility issues and those in underserved areas.

Section 4.5 allows the Board to issue a certification by endorsement to allow well-trained optometrists to treat persons diagnosed with glaucoma. This provision will increase access to care.

The bill revises the license renewal process to two years, allows on-line licensing examinations and allows the Board to communicate with licensees by email.

CHAIR SPEARMAN:

What are the safer alternatives to opioids covered in this bill?

DR. SMITH:

Currently, optometrists do not have access to prescription pain medications, such as Tylenol. There are few conditions we would be treating that would require codeine. In our current statute, we have access to codeine but we do not have access to prescription strength ibuprofen.

CHAIR SPEARMAN:

Is medical cannabis covered under the conditions covered in this bill?

DR. SMITH:

I am unaware of the bill you mentioned, but I believe it would be rare for an optometrist to prescribe medical cannabis for glaucoma.

MS. JENKINS:

Under the provisions of this bill, optometrists are able to prescribe schedule III, schedule IV and schedule V drugs. An optometrist would be available to prescribe medical cannabis if it is listed in these schedules.

MICHAEL HILLERBY (Nevada Optometric Association):

We support this bill.

JEANETTE BELZ (Nevada Academy of Ophthalmology; American Academy of Ophthalmology; Nevada Retina Associates);

We support this legislation and have submitted written testimony ([Exhibit I](#)).

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 30

CHAIR SPEARMAN:

We will close the hearing on A.B. 77 and open up for public comment.

Ms. STIDHAM:

With regard to A.J.R. 10, I wish to have our opposition on the record. Those in southern Nevada did not have an opportunity to testify.

Remainder of page intentionally left blank; signature page to follow.

Senate Committee on Commerce and Labor  
May 29, 2019  
Page 31

CHAIR SPEARMAN:

I apologize for the oversight. We will adjourn the hearing at 6:34 p.m.

RESPECTFULLY SUBMITTED:

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Kim Cadra-Nixon,  
Committee Secretary

APPROVED BY:

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Senator Pat Spearman, Chair

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

<b>EXHIBIT SUMMARY</b>				
<b>Bill</b>	<b>Exhibit / # of pages</b>		<b>Witness / Entity</b>	<b>Description</b>
	A	2		Agenda
	B	7		Attendance Roster
A.B. 456	C	1	Daniel Honchariw / Nevada Policy Research Institute	Opposition Testimony
A.B. 456	D	7	Randi Thompson / National Federation of Independent Business	Opposition Testimony
A.B. 319	E	5	Elliot Malin	Introductory Remarks Assemblywoman Jill Tolles
A.B. 319	F	2	Elliot Malin	Written Testimony
A.B. 271	G	1	Assemblywoman Sarah Peters	Conceptual Amendment
A.B. 77	H	4	Caren Jenkins / Nevada State Board of Optometry	Bill Overview
A.B. 77	I	1	Jeanette Belz / Nevada Academy of Ophthalmology; American Academy of Ophthalmology; Nevada Retina Associates	Support Testimony