

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

**Eightieth Session
May 8, 2019**

The Senate Committee on Commerce and Labor was called to order by Chair Pat Spearman at 1:35 p.m. on Wednesday, May 8, 2019, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [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:

Assemblywoman Bea Duran, Assembly District No. 11
Assemblywoman Selena Torres, Assembly District No. 3
Assemblyman Jim Wheeler, Assembly District No. 39

STAFF MEMBERS PRESENT:

Cesar Melgarejo, Committee Policy Analyst
Bryan Fernley, Committee Counsel
Jennifer Richardson, Committee Secretary

OTHERS PRESENT:

Rebecca Gasca, American Kratom Association

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Mac Haddow, American Kratom Association
Kelly Dunn, Urban Ice Inc.
Tom Pilkington, Urban Ice Inc.
Kim Demott
Kimberly Surratt
Sarah Paige
Tom Clark, Nevada Association of Health Plans
Steve Lencioni, Nevada State Medical Association
Jennifer Jeans, Washoe Legal Service; Legal Aid Center of Southern Nevada
Peter Goatz, Legal Aid Center of Southern Nevada
Shane Piccinini, Food Bank of Northern Nevada; Human Services Network
Patricia Messenger, J&J Realty
Roger Lloyd, Executive Vice President, United Finance Company
Danielle Fagre Arlowe, Senior Vice President, American Financial Services
Association
Andrew MacKay, Nevada Franchised Auto Dealers Association
John Sande IV, Nevada Franchised Auto Dealers Association
Mayra Salinas-Menjivar, University of Nevada, Las Vegas, Immigration Clinic
Michael Kegan, University of Nevada, Las Vegas, Immigration Clinic
Sylvia Lazos, Nevada Immigrant Coalition
Miranda Hoover, Board of Examiners for Social Workers
Laura Nowlan, Nevada Hispanic Business Group
Caleb Green, University of Nevada, Las Vegas, Immigration Clinic
Linda Jones, Clark County Education Association
Maria Rodriguez, Mexico City Federation
Ronnie Najarro, Deputy State Director, The LIBRE Initiative, Nevada
Jacquelyn Nader, Fingerprinting Express
Maria Davis
Ruben Murillo, Nevada State Education Association
Marcos Lopez, Americans for Prosperity, Nevada
Mariana Sarmiento
Kathia Sotelo, Make the Road Nevada
Elias Barajas
Cyrus Hojjaty
Scott Anderson, Chief Deputy, Office of the Secretary of State

CHAIR SPEARMAN:

We will open the hearing on Assembly Bill (A.B.) 303.

ASSEMBLY BILL 303 (1st Reprint): Revises provisions relating to kratom products. (BDR 52-1055)

ASSEMBLYMAN JIM WHEELER (Assembly District No. 39):

I am presenting A.B. 303. This bill defines kratom and allows people to access it. Americans spend billions of dollars on prescription drugs every year. Many of those drugs, especially opioids, are abused by people. Over the last few decades, this problem has been growing at an alarming rate. Drug abuse is responsible for 140 deaths per day.

Kratom is a cousin of the coffee plant. It is used by many people as an alternative to addictive opioids. Kratom is a way to escape addiction. We need to improve access to alternative options. We need to study the effects and find solutions to our opioid problem. Kratom attaches to the same receptors in the brain that opioids attach to; however, in its raw form it is not addictive.

We have seen problems with kratom being imported by people who are adulterating the product. We would like to label the product, make sure that people know what they are buying and provide the public a pure and safe product.

REBECCA GASCA (American Kratom Association):

I am presenting A.B. 303. This is a simple bill that seeks to mandate appropriate labeling on the sale of kratom. In addition to labeling, the bill mandates that kratom be sold in unadulterated forms and prohibits sales to minors under the age of 18. Violations of this bill will result in civil penalties.

Kratom is a tropical evergreen grown in southeast Asia. This bill is important because it enables consumers to have access to unadulterated kratom. Several years ago, problems arose with kratom. Those problems resulted from manufactured and imported adulterated kratom. Deaths occurred as a result.

At the time of those deaths, the U.S. had not conducted any studies on kratom. There was a lot of misinformation on the substance. Since then, clarifications have been made. The National Institute on Drug Abuse (NIDA) funded research at the University of Florida in order to study the plant. This is a stop-gap measure to ensure the safe purchase of kratom.

Utah and Georgia recently signed similar bills into law. There is bipartisan support on this issue. States are trending to correct the erroneous information released over the past ten years. Similar measures are being considered in Arkansas, Rhode Island, Wisconsin, Ohio, Michigan, Missouri, Kansas, Oregon, Idaho and Arizona.

SENATOR HARDY:

Are the Centers for Disease Control and Prevention (CDC) incorrect when it states that 59.9 percent of the 102 kratom positive decedents were caused by kratom?

MAC HADDOW (American Kratom Association):

The CDC report supports why this legislation is so important. That data determined that most kratom deaths were the result of adulterated kratom products being consumed or the possibility of polydrug use in conjunction with the consumption of a kratom product. Polydrug use is the use of two or more psychoactive drugs.

In the CDC report, 60 percent of deaths involved fentanyl, morphine or other drug adulterations. The information available to a coroner or medical examiner is determined by the sophistication of technology. In deaths where kratom was detected, we found the technology sometimes gives a false positive.

The CDC cited a January 2019 *New England Journal of Medicine* report from the state of Colorado where there were 15 related kratom deaths. Four of those kratom deaths were with kratom alone. When those four deaths were subjected to a complete analysis, it was found that three of the four deaths involved polydrug use. One test was not complete due to the lack of a sufficient blood sample.

The CDC requested a more sophisticated analysis. We are attempting to find the autopsy reports and medical records for every reported kratom involved death. In an independent analysis, we determined polydrug use or adulterated products contributed to each of those deaths.

Our findings were confirmed by the NIDA in a 2018 published review by the Food and Drug Administration (FDA) on deaths associated with kratom. It was confirmed that all but one of the deaths reported by the FDA involved polydrug use or adulterated kratom products. The CDC report supports the premise that

the American Kratom Association uses to promote this legislation protecting consumers.

SENATOR HARDY:

You folks have looked into the seven deaths where only kratom was found. The CDC has identified kratom as the cause of death. Did you find those deaths to be reputed? Are they disputed as to the cause of death?

MR. HADDOW:

We requested all the medical records. We are not certain that there are crossovers for those seven. We will determine that when we receive the reports. The CDC analysts made a point in their report regarding medical examiners and coroners. Many coroners and medical examiners do not have sophisticated equipment to detect other substances. When those blood samples are subjected to a more sophisticated analysis, the results may change.

We will examine those seven deaths when we obtain the medical records. We try to accumulate every record from around the Country where kratom deaths are reported. We are confident we will prove that these deaths are a result of adulterated products. This is an epidemic that we wish the FDA would address.

SENATOR HARDY:

It is wishful thinking to assume a plant product cannot be poisonous in and of itself. If you take too much of any substance, whether it is caffeine, aspirin, foxglove, or any of those kinds of medicines, there are risks. It would not surprise me that kratom is a plant product that can kill if too much of it is consumed.

MR. HADDOW:

That is a good point. With the exception of individuals who have an addictive personality, it would be difficult to take too much resulting in death. The kratom plant used in its natural form tastes so bad that it is self-limiting in terms of being able to ingest it. If used in a capsule, the product upsets your stomach.

The NIDA funded two studies on animals where they researched the addiction liability of kratom and the potential health impacts. The study found no addiction liability, meaning that one could have a dependency to it but not an opioid addiction. In a dependency, one could wean off the substance; in this

case, kratom is a caffeine related dependency. Opioid addiction requires sophisticated intervention and medically assisted treatment.

The study found a reduced craving for morphine in rats where morphine was used as the control drug. The study was completed and published in July 2018. It determined there was no addiction liability and discounted the threat to public safety from kratom alone. A \$3.5 million grant was issued in December 2018 for the purpose of studying the potential benefits.

You are correct. If an individual is determined to use any substance in excess, there is a potential for harm. Kratom does not have opioid properties. A relatively small amount will not kill you. You would have to ingest so much kratom that it probably would not happen.

SENATOR DONDERO LOOP:

I am not a doctor. I am a mother and an educator. I read a study from the FDA that kratom was not safe or effective for any medical use. I read several articles from Senator Bramble of Utah. He did not want the substance banned, but instead wanted regulatory restrictions added to it. The regulations involved the sale of kratom. It was to make sure that it was not mixed or sold under certain circumstances.

I read another article related to the Utah legislation. While salmonella is not specific to this type of product, there was an outbreak of salmonella in Utah associated with the kratom product.

My concern is whether or not we are putting one more thing on the market that somebody can mix, use or sell for illegal purposes.

MS. GASCA:

I hear your concerns. This bill would prohibit the sale of kratom to minors. It requires responsible labeling so that people know what they are consuming. This product is on the market. The problem is with adulterated products being sold. Consumers do not know whether the kratom they purchase is adulterated or not.

This bill intends to require this type of labeling, because this product is coming from China. We prefer manufacturers to be of good standing and adhere to FDA guidelines with good manufacturing practices like those who will testify. This

piece of legislation would prohibit sales to minors, prohibit altering the product and require that vendors be held accountable.

SENATOR DONDERO LOOP:

What does that mean? The FDA states there is no evidence to indicate that this is a safe or effective product for any medical use, yet it can be bought on Amazon. Saying you cannot sell it to minors does not prevent minors from purchasing it.

MR. HADDOW:

The FDA is required by the Controlled Substances Act to meet criteria set forth in that statute to declare that kratom does not have any approved medical use. The substance is marketed as a dietary ingredient or an herbal supplement.

There are thousands of products that do not meet FDA criteria and do not have an approved medical use. It is not a drug. Therefore, it is not subject to a new drug application. The FDA takes that stance in order to submit an application to the Drug Enforcement Administration (DEA). The DEA determines if the substance is schedulable under Schedule I, which is the only designation available.

The FDA rejected the first application for kratom in 2015. While that was being adjudicated, its second application was submitted in October 2018. Normally, those applications are approved in 30 to 60 days with some outliers being approved as late as 120 days. When you have what the FDA has described as a critical problem with people dying, the DEA will evaluate the application in the context of a schedule recommendation.

However, they have not done so, because the FDA has to prove there is an addiction liability. The alkaloids in kratom are similar to other plant-based products that become new drugs. The alkaloids impact the mu opioid receptor in the brain. It is a partial agonist. A classic opioid impacts the mu opioid receptor then travels to the respiratory system. Overdose deaths cause people to suffocate because the drug is suppressing the respiratory system.

Kratom alkaloids do not do that. They are similar to St. John's wort and naloxone. Naloxone and cheese affect the same mu opioid receptor. When I testified before the Wisconsin legislature, they were amused that cheese has

this effect. Affecting that receptor is not the criteria for scheduling or enacting regulation.

Dietary ingredients or herbal supplements need to have good manufacturing processes in place to prevent the salmonella issue. Kratom is sold throughout the U.S. except in the seven states that banned kratom. Since 2016, there were a dozen proposed bans that were defeated.

This year, Utah and Georgia passed kratom regulations. We are trying to protect consumers while it is on the market. The requirements of this bill will provide accurate labeling, restrict the adulteration and prohibit elevating or synthesizing the alkaloids. The regulation is to ensure the sale of the pure product.

The DEA is waiting for the pending resolution from ongoing studies, which will investigate the therapeutic effects and the reduction of cravings for the opioids. We think kratom offers great promise to develop a future synthesized drug from this plant.

As a dietary ingredient or herbal supplement, kratom is a mood booster, a minor pain reliever and provides people with a natural product for their health and well-being. Salmonella can be cleaned up. Salmonella does not occur in the natural plant, but contaminates it during transport, packaging or during the drying process. Lettuce has outbreaks of salmonella.

Senator Bramble of Utah was concerned about identifying flaws in the manufacturing process and preventing contamination.

SENATOR DONDERO LOOP:

You named states that passed regulation. I can name more states that banned the substance.

MR. HADDOW:

In 2009, there was a cluster of nine deaths in Sweden attributed to a kratom powder product called krypton. Those deaths resulted in a public review. In 2012, the FDA took regulatory action. They ignored a peer reviewed published article about those nine deaths which led to six states banning the substance. The deaths were attributed to adulterated kratom powder with o-desmethyltramadol, which is the chemical used to produce tramadol.

The subsequent information provided to Arkansas, Alabama, Rhode Island, Tennessee, Wisconsin and Vermont was based on those nine deaths. Wisconsin is about to file the Kratom Consumer Protection Act. We met with officials in Arkansas; they are considering legislative action to rescind the ban. We are working in Alabama to do the same. Rhode Island has a bill filed. This is an appropriate way for us to protect consumers against those adulterated products until the FDA resolves its arguments.

The NIDA has confirmed all the deaths they reviewed, with the exception of one, were the result of polydrug use or adulterated kratom products. It is not U.S. policy to ban a substance because it is adulterated with a dangerous substance. This bill seeks good regulation.

CHAIR SPEARMAN:

The intent of the bill is to keep kratom from being sold to minors or people under the age of 18. I am looking at a website where you can order this in several forms. There is no language prohibiting the sale of kratom over the internet. If you are trying to prohibit the sale to minors and prohibit the sale of adulterated kratom, is there a way to put that language in the bill? I share my colleagues' concerns. If we cannot stop online sales, how do we make sure that it is not sold to minors?

BRYAN FERNLEY (Committee Counsel):

The bill does not prohibit sales over the internet. Under this bill, sales could be made over the internet. The bill prohibits knowingly selling or offering to sell to a minor. The question would be how does a person selling over the internet know whether a person purchasing over the internet is 18 years of age or older? The language specifies that the seller cannot knowingly sell to a minor, so potentially the person over the internet could claim that they did not knowingly sell to a minor. There is an issue over how this regulation is enforced.

MR. HADDOW:

We represent millions of consumers. We welcome adding language to protect minors. In addition to banning sales to minors, this bill requires strict guidelines for labeling. Whether the product is sold in a store, a retail location or over the internet, the label has to describe the contents of the product and ensure they are not enhanced or synthesized.

Those are important protections for consumers. We attempted to strengthen the Utah legislation. One objection to our bill was that kratom should not be regulated at all. I thought that was strange. We want to enhance safety. Until the issue is resolved at the federal level, we need to protect people.

SENATOR HARDY:

Was there discussion about striking the word "knowingly?" We do not sell cigarettes or alcohol to minors. We do not use the word "knowingly" for the sale of those products.

Ms. GASCA:

That would be appropriate.

MR. HADDOW:

We support strengthening the bill as much as we can.

SENATOR SETTELMAYER:

If you strike the word "knowingly," you allow it to be sold accidentally. The minors are at the store where they grab the wrong thing. They have an innocent clerk who made a mistake by selling it. Now, that clerk committed a crime.

Ms. GASCA:

This is not a criminal offense. This is a civil offense. Theoretically, if we struck the language "knowingly" and someone sold kratom to a minor, they would be subject to a civil fine.

MR. HADDOW:

The FDA regulates internet sales when they can determine that an internet supplier, organization or manufacturer selling in the U.S. makes a claim that is impermissible. They can address the issue further if the sale occurs in a state where the sale violates state statutes. The FDA is shutting down kratom manufacturers who are making impermissible claims. The Georgia legislation will help the FDA to enforce these matters.

CHAIR SPEARMAN:

I have a concern over selling the product. Seeing that it is sold in so many different outlets over the internet means that we cannot plug every hole. Striking the word "knowingly" strengthens that language, because we cannot

police every internet outlet. I want to make sure this bill is a disincentive to people selling a dangerous substance.

KELLY DUNN (Urban Ice Inc.):

We support A.B. 303. Kratom is sold everywhere. Its popularity is growing. We see more people requesting the product. Lately, we noticed a money grab within the industry. People realize it is a worthwhile business and they are jumping in to try to make enhanced products. They are not going through the proper procedures.

We have been concerned about that for a long time. We produced a documentary, "A Leaf of Faith" that gives the latest science and information on kratom. It is important for us to get information out to the public. Part of the problem with people in a money grab is that they are cutting corners in order to profit from the popularity of kratom. Consumers need protection.

As a company owner, we carry product liability insurance. We follow all the rules. We have an audit once per year. Everything we do is about education and support. We want to do the right things here.

I use kratom. I have a 21-year-old son who also uses kratom. This is something I am comfortable giving to my child.

SENATOR HARDY:

How will this bill decrease the bad actors you described?

MR. DUNN:

Part of the problem is that people are not testing the product, and they are selling the product labeled "not for human consumption." They are not making claims or testing the product in order to avoid liability. That is currently occurring. For us, that is a problem. People are buying products that are designated "not for human consumption."

SENATOR HARDY:

Does this bill help?

MR. DUNN:

Yes, this bill will eliminate that from happening. It will eliminate the bad actors that do not follow procedures. All products should be manufactured under the

current Good Manufacturing Practice (CGMP) regulations and carry liability insurance. That is what we want.

TOM PILKINGTON (Urban Ice Inc.):

We support A.B. 303. We are a company selling kratom in North Las Vegas. We are firm supporters of the Kratom Consumer Protection Act. We put the health and safety of Nevadans first. At Urban Ice, we manufacture and sell kratom products all over the Country. We are industry leaders in safety and compliance.

Our products are made in a certified facility that meets or exceeds all requirements under CGMP. This includes double verification to ensure everything we produce is consistent, safe and effective. Our products are tested multiple times for impurities, adulterants and contaminants by an independent third-party certified lab. We use and follow strict standards, because the safety of our customers is our first priority.

We follow strict federal labeling guidelines that include listing contents, directions for safe and effective use, lot numbers for traceability and contact information for questions, comments or concerns. Our products are packaged and sold with tamperproof seals.

At our distribution center in North Las Vegas, our employees are trained in all relevant aspects of safety for warehousing and distribution. Our management team holds a variety of certifications for CGMP.

We have an opportunity to protect consumers in Nevada. This legislation is proactive and responsible. We consider it our responsibility as a company to provide safe products to our customers. Please support A.B. 303.

KIM DEMOTT:

I support A.B. 303. I am a kratom consumer. I am a 33-year-old stay at home mother of 2 children. Over the last several years, I have been diagnosed with several chronic illnesses and conditions including: lupus, fibromyalgia, Sjogren's syndrome, osteoarthritis, osteoporosis, carpal tunnel syndrome, migraines, endometriosis, interstitial cystitis chronic fatigue, chronic pain, anxiety and depression.

I was prescribed 28 different medications per day, including powerful opioids like oxycodone, hydrocodone, morphine, Ativan, Xanax and Klonopin. Even

though I was taking all these different medications, I was in pain and I had no quality of life. I was houseridden and bedridden from when I was 28 until I was 31 years of age. In the fall of 2014, my doctors labeled me permanently disabled. I was 29 years old.

I would tell my kids that I was in too much pain and too tired to be involved in their activities. This caused me to miss out on precious time and memories we cannot get back. I could not cook, clean, drive, go to the store or go for a quick walk. My children would hear me hiding in the bedroom or bathroom crying from the pain. I could not take a shower, brush my teeth or get dressed in under an hour, because I would have to rest with every task I did.

I became isolated and depressed. The medications that the doctors put me on made me feel like a zombie and damaged my self-esteem. The side effects led to prescribing more medications, which meant more pills to add to the huge amount I took daily. I was so depressed and helpless that I attempted suicide a few times.

I have enjoyed drinking my kratom tea for the last two years. It improves my mood and energy like a cup of coffee would. It supports my joint and muscle comfort, which helps to aid me with my discomforts and my chronic fatigue. It makes my pain more bearable. I am not cured. My pain is not completely gone. It never will be. The discomfort I have is brought to a level where I can live and function.

My bad days are not as frequent or severe as they used to be. It has improved my quality of life and dramatically changed it for the better. I am not spending every day on the couch or in bed. My kids have their mom back. They are happy that we are able to do so many things together.

Ms. GASCA:

Regarding Senator Hardy's question to a previous testifier about labeling for human consumption; it is a salient point. Some vendors are putting products on their shelves that are labeled "not for human consumption," but people know that it is kratom and that they can consume it anyway. This bill seeks to prohibit that.

Section 2 states that kratom is not able to be sold regardless of its labeling for human consumption. This important aspect of the bill prevents bad actors from skirting the intent of this legislation.

We wish we could plug the holes on internet sales. If there is anything we can do to address that issue, we are in favor of exploring those ideas. This bill will help in ways that Mr. Haddow testified in respect to sales in the future.

CHAIR SPEARMAN:

We will close the hearing on A.B. 303 and open the hearing on A.B. 472.

ASSEMBLY BILL 472 (1st Reprint): Revises provisions relating to insurance coverage of maternity care. (BDR 57-812)

ASSEMBLYWOMAN BEA DURAN (Assembly District No. 11):

I am presenting A.B. 472 which requires certain health insurance providers to cover maternity care for a gestational carrier.

KIMBERLY SURRATT:

I am presenting A.B. 472. Assemblyman Frierson and I remodeled all the assisted reproductive statutes to modernize the State. There was a need for this bill in 2013. We continue to see problems with insurance companies. Other states are modeling similar statutes after Nevada.

This past year, every insurance policy in the State excluded surrogates from maternity care. There are states that have taken a look at this issue. Wisconsin has taken a deep look into the matter. In our opinion this is a form of discrimination, because it excludes some women from coverage based on how they conceived.

Inquiring from women how they conceived is a personal and private matter. These inquiries open the door to further invasive questions, such as whether or not the child is up for adoption or whether insurers should deny medical care based on the woman's intent.

As a family law attorney, I find this disturbing and upsetting, because people do not go about these decisions lightly. We need to protect these women and protect their interest. The intent of this bill is to prohibit an insurer from

excluding maternity services that are generally covered under specific subgroups of insurers based solely on the reason the woman became pregnant.

Through negotiations and discussions with Health Plan of Nevada and other various entities, we arrived at the language that is currently in the bill. The multiple subsections of the bill are to cover all the different forms of insurance throughout the *Nevada Revised Statutes* (NRS).

Nevada has policies such as: health insurance, group health insurance, health benefit plans, benefit contracts, contracts for hospital or medical services, health maintenance organizations that issue healthcare plans and managed care organizations. We repeat the language in the bill in order to cover every category of insurance.

At this time, we do not have opposition. We worked with the opposition to come to an agreement with the current bill. There was a request from the Department of Insurance (DOI) for language that defines a gestational carrier differently than what we define in family law.

In family law statutes, we define gestational carrier as one who is not genetically related to the child. That is what is allowed under NRS. We consider a genetic surrogate or a traditional surrogate to be a woman who is using her own egg. A woman using her own egg cannot be considered a gestational carrier. That is not permitted under the NRS, because it would require the woman to relinquish her parental rights with an adoption as opposed to being covered under the NRS chapter that defines surrogacy.

We believe this was sufficient language until the DOI pointed it out. The exclusions for the policies uses the word "surrogate," not "genetic surrogate" or "traditional surrogate" like the family law industry uses. I am not sure how to address this issue besides stating "gestational carrier or surrogate" to give the DOI the ability to know exactly how they will enforce this. When this amendment is ready, we will not have any issues with it.

SARAH PAIGE:

I am presenting A.B. 472. I have been working in assisted reproductive technology for nine years. I work in all 50 states. We have found over the past couple of years that insurance carriers in Nevada have pulled out of the State

and have pulled coverage for gestational carriers. Nevada does not have a single carrier that covers gestational carriers.

Anthem offers a catastrophic policy to women under the age of 30. The average age of a gestational carrier is 32. Rarely do women fall under those guidelines to be able to access that type of insurance policy. We are in a situation where we have gestational carriers within the State who do not have access to potential maternity coverage.

CHAIR SPEARMAN:

You stated that the language is inconsistent with what is used in insurance statute. You stated there was an amendment. Do you have the amendment with you today?

Ms. SURRETT:

It was brought forth by the DOI to change the language to "gestational carrier or surrogate." That would cover them in the language they see within policies. I would like to keep gestational carrier in the bill, because that is what is used in family law statutes. This way we are all using the same language.

CHAIR SPEARMAN:

I recommend you get with the Legal Division to figure out how to address this issue with the language.

Ms. SURRETT:

Yes, we will do that.

SENATOR HARDY:

I agree with your desire to keep the gestational carrier language. Section 3, subsection 2 states "deemed to be a child of the intended parent." Sometimes the surrogate parent does not want to let the child go even though there is a contract. If you deem this to be a child of the intended parent, you may get in trouble when the surrogate parent is able to keep the child regardless of the contract.

Ms. SURRETT:

I agree. That is my concern. I do not want to mix up the language, because these issues do arise. We determine parentage in family law differently than what a contract for insurance does. When the language states "gestational

carrier or surrogate," it does not create any family law parentage problems. The language will be cleaner this way.

TOM CLARK (Nevada Association of Health Plans):

We support A.B. 472. We worked with the sponsors of this bill. There may be some fiscal impact with the changes.

STEVE LENCIONI (Nevada State Medical Association):

We support A.B. 472. Prenatal care is important for the baby and for the health of the woman. Rates of mortality and morbidity are on the rise. Prenatal care is critical for improving the health of a woman regardless of how or why she became pregnant.

CHAIR SPEARMAN:

We will close the hearing on A.B. 472 and open the hearing on A.B. 477.

ASSEMBLY BILL 477 (1st Reprint): Enacts provisions governing the accrual of interest in certain consumer form contracts. (BDR 8-935)

JENNIFER JEANS (Washoe Legal Service; Legal Aid Center of Southern Nevada):

I am presenting A.B. 477 with Peter Goatz in Las Vegas. This bill addresses form contracts providing for high attorney fees and interest rates which continue to accrue for years after a consumer has defaulted on a loan, trapping them in a cycle of debt.

Form contracts are contracts of adhesion meaning that the consumer has little to no say in the negotiation of the terms of the contract. They are presented on a take it or leave it basis. They are the most common means by which vehicle sales are financed, and they can be used for the purchase of furniture or other services.

We met with stakeholders and addressed the concerns of the opposition presented at the hearing in the Assembly. We recently became aware of additional opposition. We are in discussions with them to try to reach a compromise.

PETER GOATZ (Legal Aid Center of Southern Nevada):

I am presenting A.B. 477. My practice is focused on providing legal advice and direct representation to low-income consumers in our community. In Nevada,

the interest rates stated in a consumer form contract apply throughout and beyond the date of performance set forth in the contract. The interest rate applies after default, before a judgment is entered and after a judgment is entered until paid. This is often after many years.

Since interest rates are not capped in Nevada. A consumer form contract can set any rate of interest that the consumer and the business agree to. This interest rate may include compound interest. If there is no interest rate set forth in the contract, then the default legal rate of prime rate plus 2 percent applies. This document ([Exhibit C](#)) shows a history of prime interest rates. The default legal rate is calculated using simple interest.

Consumers understand what they are signing up for in these consumer form contracts. When they agree to purchase a car and pay 29 percent interest over 3 years, they do not understand or do not foresee the typical scenario we see at the Legal Aid Center of Southern Nevada.

In a typical scenario, the car breaks down, and the consumer cannot afford the loan payments plus the repair bills, so they default. The vehicle is repossessed and later sold. The post-repossession sale results in a deficiency between the contract price and the value of the vehicle. The loan during this time continues to accrue compounding interest at 29 percent. The consumer does not have the car anymore, but must continue to make payments. At this point, the consumer cannot get the vehicle back even if they pay the loan.

A lawsuit is filed against the consumer for the deficiency. Once the judgment is entered, the amount owed by the consumer is charged interest at the contract rate in the original contract loan. While the judgment is being collected, that judgment continues to accrue interest at 29 percent. That accrual may continue for years, because a judgment may be renewed every six years.

This effectively places the consumers into a debt treadmill with little opportunity to extricate from it. Assembly Bill 477 seeks to protect consumers from this debt cycle by limiting the accrual of interest to prime rate plus 2 percent from the date of default as defined in the consumer form contract. This bill sets the interest rate to be simple not compounding interest.

This bill does not apply to banks, credit unions, credit cards issued by banks or high interest loans that are otherwise regulated by NRS 604A. This bill adds

Nevada to the number of states that limit the interest rate after a default on contracts. The majority of states have judgment limits set to a reasonable rate set in statute, notwithstanding the rate that is provided for in the contract.

We submitted the *Jurisdictions Comparative Chart* ([Exhibit D](#) contains copyrighted material. Original is available on request of the Research Library.) This publication was compiled by Cozen O'Connor. Assembly Bill 477 limits other provisions frequently added to these adhesion contracts where normally the consumer has no opportunity to negotiate with the other party.

This bill ensures that Nevada law applies versus another state law. Nevada courts will hear disputes over contracts that are entered into between consumers and businesses within the State. The bill prohibits any clause in a contract that holds the business harmless for damages. It would prevent the business from taking a confession of judgment or requiring the consumer to waive a jury trial unless the business offers an alternative dispute forum.

Assembly Bill 477 would prohibit a confidentiality clause and an assignment of wages. It prevents consumers from being forced to waive their defense for statutory protections. It provides that the contract would be void if the business or the other party fails to be licensed under another provision of law. It would limit the collection of attorney fees to a maximum of 15 percent of the principle debt.

That is our overview. Please pass A.B. 477. I submitted to the Committee my written statement ([Exhibit E](#)) which has more detail on my testimony.

CHAIR SPEARMAN:

Can you explain the difference between simple and compounding interest?

MR. GOATZ:

I am an attorney, not an accountant, so I will try my best. Compounding interest means that as interest accrues, it is combined to the principle and the next cycle of interest is applied to that combined amount, compounding the total interest charged.

If you borrow \$100 at simple interest of 12 percent per year, you pay 1 percent per month. After 1 year at 12 percent interest you would owe \$112. Compounded interest is much higher. It works like a credit card. Your interest

rate applies to your balance and you have a new balance. The next month you have a new balance and the interest rate is applied to the new balance compounding the interest. If it is \$100 at 24 percent compounding interest, the closing statement would be \$124 then interest would accrue at 24 percent on that \$124.

MS. JEANS:

This bill intends to address issues that happen to consumers after they default on a debt. There are significant delays between the time of default and when legal action is taken on the debt. During that delay, these interest rates are continuing to accrue. That perpetuates the debt treadmill.

CHAIR SPEARMAN:

So when someone defaults on \$10,000 at 12 percent, even if their contract says they pay 12 percent interest, are you saying the percentage rate they pay is arbitrarily raised?

MS. JEANS:

No, that is not the case. When the consumer enters into a contract, they anticipate being in the contract for a term of three or four years. In some cases, such as in the example Mr. Goatz presented, the consumer needs to make repairs on the car but is unable to pay the loan and the repair bill. The car is repossessed and sold at a deficiency.

The deficiency is sold to a third-party debt collector. The third-party debt collector will hold that note for a period of time before they sue the consumer. While they are sitting on the note, they accrue attorney fees and interest on that note. This period of time can take years. It extends far outside the time the consumer anticipated when they signed the original contract. In many cases the debt doubles or triples. We are trying to bring Nevada in line with other states that put limits on those contractual interest rates after default.

SHANE PICCININI (Food Bank of Northern Nevada; Human Services Network):

We support A.B. 477. Our organization sees clients when they have these problems. A lot of times the default on the car loan or furniture are not the only problems that our clients are dealing with. Oftentimes, there are extenuating circumstances for which these families fall into this situation that are beyond their control. This was apparent from 2009 through 2014 during the Great

Recession. Any backstop we can place to help consumers hang on and to manage their debts would be something we support.

PATRICIA MESSENGER (J&J Realty):

I support A.B. 477. I had a client who lost their car in 2009. In 2014, they went to purchase a home and all of a sudden my client is hit on their credit rating. I agree with this bill. The client did not realize they had this debt looming over them. It was not on their credit score until they were ready to go buy a house. Please support A.B. 477. We need to stop the third-party debt collectors from holding us hostage for three or four years after the deal.

ROGER LLOYD (Executive Vice President, United Finance Company):
We oppose A.B. 477. I will read a prepared statement ([Exhibit F](#)).

CHAIR SPEARMAN:

Can you summarize the three points that you have an issue with?

MR. LLOYD:

Yes. Assembly Bill 477 would lead to disparate treatment of consumers, unfair competition among lenders in Nevada and it is unclear and complex, leaving lenders unable to comply with the bill.

CHAIR SPEARMAN:

Who would be at a disadvantage? How would the unfair competition among lenders impact the different lenders?

MR. LLOYD:

Any lender not exempted would be at a competitive disadvantage, because they would not be subject to the interest rate limitations.

DANIELLE FAGRE ARLOWE (Senior Vice President, American Financial Services Association):

We oppose A.B. 477. I will read a prepared statement ([Exhibit G](#)). To answer your question to another testifier, half of the retail installment sales contract purchases for new cars would not be exempt. All captive vehicle finance companies would not be exempt. That would impact over half of new car sales and slightly less than half of used car sales.

I called a collections attorney to ask him about this issue and he confirmed that no other state legislature had passed a law eliminating post-default interest.

CHAIR SPEARMAN:

There are two things that you oppose. The definition of default and what day a default begins. Is that correct?

MS. FAGRE ARLOWE:

Without knowing when default occurs, we cannot calculate it. There are inconsistencies in Nevada law. Form contract law says 30 days post-default. The section of statute that Mr. Lloyd cited has a different definition. Traditionally, default is the day after you miss a payment. Vehicle finance companies will not repossess a car the day after a payment is missed because they do not want to repossess cars: they want to finance cars.

Eliminating post-default interest is an incentive to go into default. The person who entered into a contract is paying a contract rate for interest, and the person who entered into default is paying no rate of interest.

ANDREW MACKAY (Nevada Franchised Auto Dealers Association):

We are neutral toward A.B. 477. We opposed the bill when it was in the Assembly. Our issues with section 10 were addressed. The intent of the bill was not clear. We arrange financing on behalf of the vehicle buyer and reassign that note to a vendor. Based on section 10, the language does not appear to make financial institutions exempt. The Legal Division stated that they would not apply our provisions until the next reprint of the bill.

CHAIR SPEARMAN:

Are you opposed to section 10?

MR. MACKAY:

Yes. This section states the provisions of this chapter do not apply to the lists of trust companies, savings banks, etc. We are not one of those entities, but we reassign our paperwork to one of those entities.

JOHN SANDE IV (Nevada Franchised Auto Dealers Association):

We are neutral toward A.B. 477. I would like to give an example of compounding interest. The difference between simple and compounding interest is that simple interest is determined at the time of the contract, and it does not

change throughout the term of the loan. If you agree to pay 10 percent on \$100, every month or year, you agree to pay that \$10 in interest.

Compounding interest is slightly different in that in the end of that term, the interest is added to the principle. You would recalculate the interest after every term to include that rate. That is how it compounds on itself.

CHAIR SPEARMAN:

Ms. Jeans, could you define default and point out the definition in the bill?

MS. JEANS:

The definition of default is referenced in the bill as being defined by NRS 97.

Any institution that is specifically excluded from the bill under section 10 is exempted from this chapter altogether no matter how they come to hold the note.

MR. GOATZ:

Default is not defined in this bill, because it is defined in NRS 97. The definition of default is defined and outlined in the contract. That is what controls the terms of the loan in regard to defaults. In a retail sales contract for the sale of a vehicle on credit, that date of default is 30 days after a missed payment.

It is not defined in the bill because the default is defined in the contract itself.

CHAIR SPEARMAN:

The opposition states there is no definition of default. You state that default is defined in the contract. If the contract states you are in default after two days of a missed payment, then that is the definition of default for that contract. Is that correct?

MR. GOATZ:

Yes, that is correct. Statute covers a lot of consumer form contracts, including vehicle sales and rent-a-center sales where consumers buy a TV or furniture on credit.

We are not upsetting any language in another statute that defines default relating to the form contracts. This bill states that once default happens,

interest is adjusted to what is set forth within this bill, which is prime plus 2 percent.

CHAIR SPEARMAN:

There was another concern that this bill would create incentives for a person to default on a loan. Their original loan was 15 percent. They default and they are given a new interest rate of prime plus 2 percent for a total of 10 percent interest. If there is a chance for the interest to go lower, it sounds like an incentive. If the original interest rate is 15 percent, does it need to go lower or would it be better to remain at that rate?

MR. GOATZ:

From our perspective, our client who seeks our services has bought a car on credit. It is their only car for their family. They do not want to default. There is no incentive under this bill to default, because they need that vehicle to get to work and to manage their family.

When they default, they lose their vehicle. There is no incentive for a consumer to default, lose a vehicle and continue to pay the loan for a vehicle they do not have in order to get a lower interest rate on the loan. The consumers would prefer to keep their vehicles.

This interest rate applies after the car is repossessed and sold at a deficiency. There is no collateral for the consumer to recapture by curing the loan. This bill is trying to stop the excess interest that doubles, triples or quadruples the debt after the consumer has lost the vehicle, TV or furniture under these contracts.

Defaulting for a lower interest rate would not be an incentive for our clients. They do not want to default; they want to keep their items. This bill addresses the debt cycle that results after defaulting.

MS. JEANS:

We do not feel that the definition of default is ambiguous, because it is also the same definition that gives the holder of the note the right to repossess the vehicle. The holders of the note are aware of when they have the right to repossess. That is the definition of default. There is no incentive to default to get a lower interest rate because the customer loses the property.

There are a few other issues raised that I would like to address. Regarding the disparate treatment of Nevada consumers, the law already treats consumers differently based on different points in time. The consumer is going to be treated differently after they default. They lose the value of the collateral. With respect to treating lenders differently, lenders that operate under different sets of regulations based on the interest that they charge have always been treated differently.

This bill does not address banks, as defined under section 10, because those are not the institutions that are lending at these higher interest rates at certain used car dealerships. The interest rate at default is tied to the prime rate rather than a set rate, because nearly all states that provide for a statutory post-default or post-judgment interest rate are tied to prime or another determination of interest that fluctuates. That rate is based on the market and what is appropriate and reasonable.

CHAIR SPEARMAN:

We will close the hearing on A.B. 477 and open the hearing on A.B. 275.

ASSEMBLY BILL 275 (2nd Reprint): Makes various changes relating to professional and occupational licensing. (BDR 54-676)

ASSEMBLYWOMAN SELENA TORRES (Assembly District No. 3):

I am presenting A.B. 275. I have a summary ([Exhibit H](#)) of the bill that outlines what this bill does and what it does not do. We have submitted a proposed amendment ([Exhibit I](#)) to the Committee.

The amendment makes it clear that nothing in this legislation violates 8 U.S.C. 1324(a) ([Exhibit J](#) contains copyrighted material; original is available on request of the Research Library). That is used to determine who is eligible to be employed. This bill does not issue work visas. It allows our occupational licensing boards to test competency for a working profession. The purpose of these boards is not to test whether an individual is eligible to work.

Section 1 of the bill cites 8 U.S.C. 1621 ([Exhibit K](#) contains copyrighted material; original is available on request of the Research Library). That states individuals may have an occupational license and that individual states have the ability to issue occupational licenses regardless of the applicant obtaining a social security number.

This bill eliminates the social security requirement from our State occupational licensing boards. It does not change employment requirements that are already mandated by the federal government. We are required to ensure that our State statutes are in line with federal code.

If you have known someone who has completed immigration processing paperwork, you know that the process is long. Sometimes that process can take months or years to complete. This bill allows individuals in this circumstance to start applying for their occupational licenses, so when they receive their social security number, they can begin to work right away.

This would allow individuals who have obtained work authorization cards to begin working. For example, we allow Deferred Action for Childhood Arrivals (DACA) recipients to become teachers. We do not allow Temporary Protection Status holders to work. We do not allow for other forms of work authorizations to become educators. This bill would impact a variety of professions in allowing individuals who are already eligible to work to obtain an occupational license.

We need to recognize that this bill will improve the prosperity of our community. It allows individuals to seek gainful employment. When they do receive their eligibility to work in this Country, they are not relying on government assistance. It allows them to contribute to our economy.

These individuals are taxpayers. They have an Individual Taxpayer Identification Number (ITIN). We know they are completing background checks when they receive them. I spoke with a variety of offices in Nevada and they confirmed they can complete a background check for these individuals. The fingerprinting background waiver ([Exhibit L](#)) and the fingerprinting application ([Exhibit M](#)) were submitted to the Committee.

A social security number is not required for a background check. The background check is to determine if an individual has committed a crime. If they have not committed a crime, they can get their license.

MAYRA SALINAS-MENJIVAR (University of Nevada, Las Vegas, Immigration Clinic): I am presenting A.B. 275. We want to make it clear that this bill is not in violation of 8 U.S.C. 1324(a) which specifies what employment is unlawful by federal law. This bill is in compliance with federal statutes.

MICHAEL KEGAN (University of Nevada, Las Vegas, Immigration Clinic):

I am presenting A.B. 275. This bill does not legalize anyone to work. This body could not do that even if they wanted to. This bill is about additional barriers that are preventing people who want to work when they are already allowed to work by the federal government.

Because we have a DACA renewal program at our clinic, our students do most of the work. Through this process, I have gotten the sense of the process and the people affected by it. These people are subject to barriers and struggle to maintain their status here. Recipients of DACA are required to file a renewal every two years and pay an expensive fee.

These DACA recipients work in the building trades, in restaurants, as teachers, social workers and engineers. I met with a person at the medical school at Loyola University Chicago which was the first in the Country to admit DACA students to the medical school. Those students have now completed medical school and are completing their residencies.

These are hard-working people who are doing everything correctly under the law in terms of what the federal government allows them to apply for. There is no purpose served by additional obstacles being put in their way to delay them from working in fields where we need their talent. This bill would remove handicaps to our own homegrown talent.

SENATOR BROOKS:

I am not familiar with an ITIN. What is that?

ASSEMBLYWOMAN TORRES:

An ITIN is an individual taxpayer identification number used for tax processing and is issued by the Internal Revenue Service. It is an alternative number of identification that is issued by our federal government.

SENATOR DONDERO LOOP:

We want everyone to get jobs. We want to help them get jobs and to contribute to our community. How do these people in need know how to get these services? How do we help them, and what happens if they cannot secure what they need?

ASSEMBLYWOMAN TORRES:

Governor Steve Sisolak has brought legislation forth to create the Office of New Americans. This is a way to push an initiative like this. An individual is not able to be employed without meeting employment requirements. If they obtain a job in a fast food restaurant, they will need a social security number. They would need to provide that on being employed.

The same thing would apply here; they would provide their résumé, fill out the application and provide them with a license. When the employer asks for a social security number, the applicant would not be hired if they do not have one.

Resources like the University of Nevada, Las Vegas, Immigration Clinic is important because it helps individuals when there is an opportunity toward legalization.

CHAIR SPEARMAN:

When we start to talk about immigration, it brings out individuals who do not read a lot. They are not informed properly. To be clear, there are more immigrants in the U.S. from Canada and Germany than there are from countries to our south. This bill addresses all individuals immigrating to the U.S., not just those of Latin heritage.

SYLVIA LAZOS (Nevada Immigrant Coalition):

We support A.B. 275. I will read a prepared statement ([Exhibit N](#)).

MIRANDA HOOVER (Board of Examiners for Social Workers):

We support A.B. 275.

LAURA NOWLAN (Nevada Hispanic Business Group):

We support A.B. 275. We are a community-based nonprofit organization. We focus on bringing the Hispanic and non-Hispanic communities together through education, volunteering and advocacy. We work with many entrepreneurs and small business owners. This bill will unlock opportunities for citizens and non-citizens, particularly for those with work permits under the DACA program.

With many DACA recipients studying in ambitious fields such as medicine or law, keeping the doors shut on the licensed professionals for those degrees will

jeopardize their career plans. It prevents the State from fully benefiting from its return on its investment after educating those students.

California, Nebraska and Indiana choose to fully benefit from DACA recipient contributions by enabling them to obtain licenses. Nevada can follow suit as well.

CALEB GREEN (University of Nevada, Las Vegas, Immigration Clinic):

We support A.B. 275 for the same reasons mentioned by others in support. This bill addresses the ranges and issues that our clients see when seeking legal employment in Nevada. This bill allows us to benefit from the education we have invested in our DACA students. They are willing workers who are able to assist us; they should be able to work here in Nevada.

LINDA JONES (Clark County Education Association):

We support A.B. 275. I will read a statement of support ([Exhibit O](#)) from Angie Sullivan who is one of our members.

MARIA RODRIGUEZ (Mexico City Federation):

We support A.B. 275. When I lived in San Diego, California, I was able to obtain my cosmetology license. That allowed me to have financial stability and helped me to invest in the future of my family. Once we moved to Nevada, I was not able to obtain the same license even though I am qualified to do the work.

RONNIE NAJARRO (Deputy State Director, The LIBRE Initiative, Nevada):

We support A.B. 275. I will read a prepared statement ([Exhibit P](#)).

JACQUELYN NADER (Fingerprinting Express):

We support A.B. 275. Fingerprinting Express has stores all across Nevada. We have been around since 2003, and we were the first fingerprinting industry with multiple stores throughout the State. We use live scan fingerprints. We got into this business because the owners firmly believed that they could help people of all backgrounds to get to work quickly. The fingerprinting process was quite cumbersome.

Over the years, we have worked with people who do and do not have social security numbers. Since we use biometric data for fingerprint background checks instead of name and birth certificate background checks, there is no

need for a social security card or a number. This is something that is recognized by the Department of Public Safety.

MARIA DAVIS:

I support A.B. 275. I am an interpreter in the State. I travel to different areas of our community. By allowing our DACA recipients to obtain occupational licensing, we will be able to help our educators especially in the rural areas. This helps special needs students.

There is a great need for these specialists to perform home visits for special needs children. By allowing this, we are gaining professionals and diversity. We would provide bilingual individuals who are able to break the language barrier and provide great services.

CHAIR SPEARMAN:

Will those who support A.B. 275 please stand? I see that the majority of the room in Carson City is standing and nearly all of the room in Las Vegas is standing.

RUBEN MURILLO (Nevada State Education Association):

We support A.B. 275. We submitted our letter of support ([Exhibit Q](#)) to the Committee.

MARCOS LOPEZ (Americans for Prosperity, Nevada):

We support A.B. 275.

MARIANA SARMIENTO:

I support A.B. 275.

KATHIA SOTELO (Make the Road Nevada):

I support A.B. 275. I have a prepared statement ([Exhibit R](#)).

ELIAS BARAJAS:

I support A.B. 275.

CYRUS HOJJATY:

I oppose A.B. 275. This bill brings an incentive to offer lawlessness. The Ninth Circuit Court of Appeals is not an accountable source. The Committee took the

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oath of office to respect the Constitution and to respect federal law. Federal law does not deliver an opportunity for unlawful arrivals to obtain employers.

This Committee is defending people who came into our Country illegally.

CHAIR SPEARMAN:

I ask that you confine your comments to the subject contained within the bill. We are not discussing federal immigration. This bill is about State occupational licensing boards. If you are going to testify in opposition, your testimony is to remain within the confines of the bill.

MR. HOJJATY:

The bill delivers incentives for people to come here unlawfully and get a pass. People who come here from the caravans with no identity can get licensing or get a pass. This is unfair to American citizens like myself and like my parents who came here lawfully.

According to the Supreme Court of the United States, the DACA program will be declared unconstitutional. This law will be void. The Committee should be spending its time to promote E-Verify laws.

I spoke to the sponsor of the bill when I met her in Carson City. She is not telling me how massive immigration is a net benefit to our State. Why should I pay taxes if you do not represent me? I feel like this bill and the Committee represent more non-citizens than citizens like me. How is this fair to the people who legalized the right way? Why become a citizen?

This is what the Committee is offering to the American people. I am disappointed that this bill was brought to the Senate Floor within a few days of the next hearing. The Committee should be more transparent. This is part of a global immigration plan. The people present who are from Make the Road are paid agitators.

CHAIR SPEARMAN:

This Committee will not address issues not related to the bills we are hearing. This bill is not about immigration. We are not attacking any ethnicity. This is about jobs.

MS. MESSENGER:

I oppose A.B. 275. Federal law states that you must have a social security number in order to have a business license. What this Committee is doing is deviating from that. This bill allows people to go to complete licensing. I have friends who are law abiding citizens.

I know what it takes to become naturalized. I am a second generation Polish immigrant. I understand what it takes to become a citizen of this Country. This bill sidesteps the law.

CHAIR SPEARMAN:

I assure you. This bill does not misrepresent anything in federal law. This bill addresses State law.

SCOTT ANDERSON (Chief Deputy, Office of the Secretary of State):

We are neutral toward A.B. 275. I discussed sections 114 and 115 with the sponsor. Those sections have provisions regarding notaries public. Our notary law allows for the provisions that this statute intends. We do not require social security numbers or tax ID numbers when certifying a notary. The language in this section would make it more difficult for us to register people as notaries. We will address this in more detail with the sponsor.

CHAIR SPEARMAN:

I would like to recommend an author, Paulo Freire. I recommend everyone look up this author and read his books.

ASSEMBLYWOMAN TORRES:

I would like to make it clear that our professional occupational licensing boards test for competency. They do not determine whether or not a person is eligible to work. The ability to work is determined by 8 U.S.C. 1324(a). This bill follows every federal statute.

This bill is not about business licenses. This bill is about occupational licensing. I did not meet or speak with Mr. Hojjaty. I encourage him to reach out to my office.

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CHAIR SPEARMAN:

Because of time constraints, the following written testimony ([Exhibit S](#) and [Exhibit T](#)) were submitted. We will close the hearing on A.B. 275. We ask that any public comment be submitted in writing to the Committee as we are pressed for time. The meeting is adjourned at 4:00 p.m.

RESPECTFULLY SUBMITTED:

Jennifer Richardson,
Committee Secretary

APPROVED BY:

Senator Pat Spearman, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	9		Attendance Roster
A.B. 477	C	1	Peter Goatz / Legal Aid Center of Southern Nevada	Interest Rate Chart
A.B. 477	D	19	Peter Goatz / Legal Aid Center of Southern Nevada	Jurisdictions Comparative Chart
A.B. 477	E	5	Peter Goatz / Legal Aid Center of Southern Nevada	Written Testimony
A.B. 477	F	3	Roger Lloyd / United Finance Company	Letter of Opposition
A.B. 477	G	2	Danielle Fagre Arlowe / American Financial Services Association	Written Testimony
A.B. 275	H	1	Assemblywoman Selena Torres	Bill Summary
A.B. 275	I	1	Assemblywoman Selena Torres	Proposed Amendment
A.B. 275	J	15	Assemblywoman Selena Torres	8 U.S.C. 1324(a), Cornell University
A.B. 275	K	3	Assemblywoman Selena Torres	8 U.S.C. 1621, Cornell University
A.B. 275	L	2	Assemblywoman Selena Torres	Fingerprinting Background Waiver, Nevada Department of Public Safety
A.B. 275	M	2	Assemblywoman Selena Torres	Fingerprinting Application
A.B. 275	N	1	Sylvia Lazos / Nevada Immigrant Coalition	Letter of Support
A.B. 275	O	1	Linda Jones / Clark County Education Association	Letter of Support, Angie Sullivan
A.B. 275	P	1	Ronnie Najarro / The LIBRE Initiative, Nevada	Letter of Support

A.B. 275	Q	1	Ruben Murillo / Nevada State Education Association	Letter of Support
A.B. 275	R	1	Kathia Sotelo / Make the Road Nevada	Letter of Support
A.B. 275	S	1	Senator Pat Spearman	Written Testimony, Zulma Rico, Make the Road Nevada
A.B. 275	T	1	Senator Pat Spearman	Written Testimony, Jose Rivera Nevada Hispanic Legislative Caucus