

**MINUTES OF THE MEETING OF THE
SENATE COMMITTEE ON FINANCE
AND
ASSEMBLY COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEES ON PUBLIC SAFETY, NATURAL RESOURCES AND
TRANSPORTATION**

**Eightieth Session
May 14, 2019**

The joint meeting of the Subcommittees on Public Safety, Natural Resources and Transportation of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair David R. Parks at 8:15 a.m. on Tuesday, May 14, 2019, in Room 2134 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.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator David R. Parks, Chair
Senator Yvanna D. Cancela
Senator Pete Goicoechea

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Dina Neal, Chair
Assemblywoman Sandra Jauregui, Vice Chair
Assemblyman Al Kramer
Assemblywoman Daniele Monroe-Moreno
Assemblywoman Robin L. Titus

STAFF MEMBERS PRESENT:

Cindy Jones, Assembly Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Leannandra Copeland, Program Analyst
Jaimarie Ortega, Program Analyst
Sally Ravenelle, Program Analyst
Michael Keever, Committee Secretary

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Vicki Kemp, Committee Secretary

OTHERS PRESENT:

Anne L. Davis, Ph.D., U.S. Army Colonel (Ret.), Chair, Women Veterans
Advisory Committee, Department of Veterans Services
Tony Yarbrough, Senior Vice Commander, Veterans of Foreign Wars of Nevada;
Chair, United Veterans Legislative Council
Felicia Denney, Chief, Financial Management Division, Nevada Department of
Transportation
Julie Butler, Director, Department of Motor Vehicles
Dawn Lietz, Administrator, Motor Carrier Division, Department of Motor
Vehicles

CHAIR PARKS:

We will be hearing budget closings for the Office of the Military, Department of
Veterans Services (NDVS), Nevada Department of Transportation and
Department of Motor Vehicles.

We will begin the meeting with public comment.

ANNE L. DAVIS, Ph.D., (U.S. Army Colonel Retired, Chair, Women Veterans
Advisory Committee, Department of Veterans Services):

The Women Veterans Advisory Committee (WVAC) has a mission to identify
women veterans, educate women veterans about the benefits they have earned
and to advocate for women veterans. The WVAC is composed of five
volunteers who work closely with the NDVS, particularly with the Women
Veteran Coordinator (WVC), to accomplish our mission.

Since the inception of the WVAC in 2014, there have been 6 different WVCs.
There have been significant gaps between the services of each WVC as NDVS
went through the rehiring process. Upgrading the WVC position to a higher
grade with a higher salary should entice someone to stay in the position for a
longer period of time. This would allow us to better serve our women veterans
in the State. Outreach would be increased and programs more consistent. The
coordinator would become an expert in the areas which are most important to
our women veterans.

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Women veterans are the fastest growing segment of the veteran population. Women veterans have some unique health care issues. Many women veterans have reported experiencing military sexual trauma during their service. It is important to have someone within the NDVS who could become the expert in these areas in order for us to better serve our women veterans. To that end, I support upgrading the WVC position to also serve as a veterans services officer (VSO).

TONY YARBROUGH (Senior Vice Commander, Veterans of Foreign Wars of Nevada; Chair, United Veterans Legislative Council):

I represent approximately 9,000 Veterans of Foreign Wars members in Nevada. As the chair of the United Veterans Legislative Council (UVLC), I also represent the approximately 500,000 military members, veterans, families and advocates in the State.

We have had an interesting journey watching NDVS grow and make a difference in the lives of veterans and members of the military. By our constitution, one of the missions of the UVLC is to partner directly with NDVS to make all these things come true. We have seen interesting and critical programs grow to become much more meaningful. Outreach efforts in areas such as suicide prevention and women's issues as well as different types of training that have been provided over the last few years have been outstanding. We ask for the Subcommittees' support to continue this journey.

CHAIR PARKS:

We will proceed with the Office of the Military budget account (B/A) 101-3650.

SPECIAL PURPOSE AGENCIES

MILITARY

Military — Budget Page MILITARY-6 (Volume III)
Budget Account 101-3650

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JAIMARIE ORTEGA (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

There are seven major closing issues for this budget which can be seen in Closing List 9 ([Exhibit C](#)). Beginning on page 4, [Exhibit C](#), the first major closing issue is the Governor's recommendation of General Fund appropriations of \$500,000 in each year of the 2019-2021 biennium for a new Nevada National Guard Youth ChalleNGe (NNGYC) program as seen in decision unit E-351.

E-351 Safe and Livable Communities — Page MILITARY-12

Based on the Office's testimony during the Legislative Commission's Budget Subcommittee hearing on January 30, 2019, the original intent of the Governor's recommendation was to send eligible students out of State. This practice would be similar to the Project Challenge Program which was eliminated in fiscal year (FY) 2011. The Project Challenge Program was designed to provide youth who had dropped out of high school the opportunity to receive a high school diploma or GED by immersing them in a structured, military-style education environment. Youth from Nevada were sent to programs in California and Arizona.

During the budget hearing on March 20, 2019, the Office testified the National Guard Bureau is considering Nevada as one of the 2 top states in which to establish a new Youth ChalleNGe Program. The Office indicates the program can receive a 75 percent federal match contingent upon State funding of 25 percent to establish and maintain the Program. The Office further testified it could utilize the Governor's recommendation of \$500,000 in FY 2020 for building renovations at the Nevada Army National Guard facility in Carlin to create the new NNGYC program. The Office can further utilize the Governor's recommendation of \$500,000 in FY 2021 as part of the required State match.

Senate Bill (S.B.) 295, as amended, creates the NNGYC Program to be administered by the Office. However, Fiscal staff notes we have not received an official budget amendment or form of communication from the Governor's Office of Finance (GFO) to modify the intent of funding levels for the new NNGYC program.

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SENATE BILL 295 (1st Reprint): Creates the Nevada National Guard Youth Challenge Program. (BDR 34-566)

Do the Subcommittees wish to approve the Governor's recommendation to utilize General Fund appropriations of \$500,000 in each year of the 2019-2021 biennium to send students to a National Guard youth program out of State as included in the Executive Budget with authority for Fiscal staff to make technical adjustments?

CHAIR PARKS:

Since we did not receive an official budget amendment from the GFO, we will hold this item until the full joint hearing of the Assembly Committee on Ways and Means and the Senate Committee on Finance.

MS. ORTEGA:

Beginning on page 5 of Exhibit C, the second major closing item is the Governor's recommendation of operation and maintenance expenditures for the new Las Vegas Speedway Readiness Center as seen in decision unit E-350. The Readiness Center was approved by the 2017 Legislature and is projected to begin operations in January 2020.

E-350 Safe and Livable Communities — Page MILITARY-12

Some positions were inadvertently excluded from this decision unit in the Executive Budget. Budget Amendment No. A192773650 (Exhibit D) was submitted by the GFO on March 11, 2019, to add 4 new positions for the Readiness Center. These positions include one maintenance repair specialist position, one grounds maintenance worker position, one custodial worker position and one administrative assistant position. According to the Office, if the positions are not approved, it would be unable to commence operations or utilize the facility.

The table on page 5 of Exhibit C compares the Governor's recommendation and the budget amendment in each year of the 2019-2021 biennium. On page 6, Fiscal staff has provided information on the duties of each position included in the amendment.

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Do the Subcommittees wish to approve the Governor's recommendation as amended by Budget Amendment No. A192773650, [Exhibit D](#), with the positions previously explained and operating expenditures for the new Las Vegas Speedway Readiness Center resulting in total General Fund appropriations of \$355,640 and federal funds of \$355,641 over the 2019-2021 biennium?

CHAIR PARKS:

I will accept a motion to approve the Governor's recommendation with the amendment for these 4 positions with an appropriation of \$355,640 and federal funding of \$355,641 over the biennium.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-350 IN B/A 101-3650 WITH BUDGET AMENDMENT NO. A192773650.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN TITUS WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. ORTEGA:

The third major closing issue begins on page 6 of [Exhibit C](#). The Governor recommends various Statewide maintenance projects with emphasis on life and safety issues that are not included as part of the Governor recommended Capital Improvement Program (CIP) at a total cost of \$3.5 million as seen in decision units E-352, E-372, E-730 and E-732.

E-352 Safe and Livable Communities — Page MILITARY-13
E-372 Safe and Livable Communities — Page MILITARY-13
E-730 Maintenance of Buildings and Grounds — Page MILITARY-15
E-732 Maintenance of Buildings and Grounds — Page MILITARY-16

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Budget Amendment No. A192773650, [Exhibit D](#), was submitted by the GFO to eliminate decision unit E-372, which the Office testified was inadvertently copied in error in the Executive Budget. The budget amendment also includes a new decision unit, E-731, which recommends total General Fund appropriations of \$307,987 and federal funds of \$438,963 over the 2019-2021 biennium for new facilities maintenance projects which the Office indicates were inadvertently omitted in the Governor's recommended budget.

The table at the top of page 7, [Exhibit C](#), provides the facilities maintenance projects included in the Governor's recommended budget as well as the facilities maintenance projects included in Budget Amendment No. A192773650.

The Office has requested to transfer General Fund appropriations for facilities maintenance between fiscal years in the 2019-2021 biennium in the event the various phases of the projects take longer or move faster than anticipated.

Do the Subcommittees wish to approve the Governor's recommendation as amended by Budget Amendment No. A192773650 for various facilities maintenance Statewide resulting in total General Fund appropriations of \$870,606 and federal funds of \$2.4 million over the 2019-2021 biennium? If so, do the Subcommittees also wish to recommend including back language in the 2019 Appropriations Act to allow the Office of the Military to transfer General Fund appropriations for facilities maintenance between fiscal years in the 2019-2021 biennium with Interim Finance Committee (IFC) approval?

CHAIR PARKS:

I will accept a motion to approve the Governor's recommendation as amended for appropriations of \$870,606 from the General Fund and federal funding of approximately \$2.4 million over the biennium. I will also accept a motion to recommend including back language in the Appropriations Act to allow the Office of the Military to transfer General Fund appropriations between fiscal years of the biennium with IFC approval.

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 101-3650 WITH BUDGET AMENDMENT NO. A192773650 AND TO INCLUDE BACK LANGUAGE IN THE APPROPRIATIONS ACT TO ALLOW

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THE OFFICE OF THE MILITARY TO TRANSFER GENERAL FUND
APPROPRIATIONS BETWEEN FISCAL YEARS IN THE 2019-2021
BIENNIUM WITH IFC APPROVAL.

ASSEMBLYWOMAN NEAL SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN TITUS WAS
ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. ORTEGA:

Beginning on page 7 of [Exhibit C](#), the fourth major closing issue for
B/A 101-3650 is the Governor's recommendation for travel and training
expenditures totaling \$89,165 over the 2019-2021 biennium as shown at the
top of page 8 and in decision units E-233, E-234 and E-720.

E-233 Efficient and Responsive State Government — Page MILITARY-11

E-234 Efficient and Responsive State Government — Page MILITARY-11

E-720 New Equipment — Page MILITARY-14

The Governor's recommendation includes in-State travel expenditures for the
facility manager and administrative staff to perform site visits in Las Vegas, Elko
and Carlin. The Governor's recommendation represents a 68.6 percent increase
when compared to the legislatively approved \$69,151 in-State travel
expenditures for the 2017-2019 biennium. The Office indicates the site visits
performed by the facility manager include safety and facility compliance checks
to ensure compliance with federal and State facility safety regulations. The
Office further indicates the facility manager is often asked to attend a project
walkthrough prior to the finalization of projects Statewide due to the manager's
expertise and ability to detect project issues.

The Office anticipates major projects in the upcoming biennium such as the new
Speedway Readiness Center, at least three projects in Las Vegas and the
NNGYC program. If approved, these projects would require the inspection

expertise of the facility manager. Accordingly, if the Subcommittees approve the travel for the facility manager, the Subcommittees may wish to recommend the Office remove these travel expenditures from the base budget in the 2021-2023 biennium due to the limited duration of the projects. If needed, the Office may seek authority to continue these travel expenditures in an enhancement decision unit in the Executive Budget for the 2021-2023 biennium.

The vehicle lease associated with travel expenditures for the facility manager position is a 100 percent State-funded position. Accordingly, Fiscal staff recommends a technical adjustment which has been included in [Exhibit C](#) to eliminate the federal funding and increase General Fund appropriations by \$3,226 over the 2019-2021 biennium.

Do the Subcommittees wish to approve General Fund appropriations totaling \$89,165, including the noted technical adjustment for the following travel expenditures: in-State travel expenditures for the facility manager and administrative staff to perform site visits in Las Vegas, Elko and Carlin totaling \$47,446 over the 2019-2021 biennium; facility-related training expenditures totaling \$37,453 over the 2019-2021 biennium; and out-of-State travel expenditures for the Adjutant General to attend the Adjutants General Association of the United States meeting totaling \$4,266 over the 2019-2021 biennium? If the Subcommittees approve the facility manager position travel, do the Subcommittees also wish to recommend the Office remove these travel expenditures from the base budget in the 2021-2023 biennium due to the limited duration of the projects?

CHAIR PARKS:

I will accept a motion to approve General Fund appropriations totaling \$89,165 inclusive of technical adjustments as identified by Ms. Ortega. I will further accept a motion to remove these travel expenditures from the base budget in the 2021-2023 biennium because of the duration of the projects.

ASSEMBLYMAN KRAMER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 101-3650 GENERAL FUND APPROPRIATIONS TOTALING \$89,165 FOR TRAVEL AND TRAINING EXPENDITURES INCLUSIVE OF THE NOTED TECHNICAL ADJUSTMENTS

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AND TO REMOVE THOSE TRAVEL EXPENDITURES FROM THE BASE BUDGET IN THE 2021-2023 BIENNIUM DUE TO THE LIMITED DURATION OF THE PROJECTS.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. ORTEGA:

Major closing issue 5 begins on page 9, [Exhibit C](#). The Governor recommends federal funds for 3 new firefighter/driver operator positions at the Nevada Air National Guard facility in Reno as seen in decision unit E-230.

E-230 Efficient and Responsive State Government — Page MILITARY-10

The Office indicates the recommendation is for compliance with Department of Defense Instruction 6055.06 which requires a minimum of 4 personnel for incidents involving structural fires; hazardous materials operations; chemical, biological, radiological, nuclear and explosives operations; and technical rescues. The recommendation for three new positions would increase staffing levels to four personnel per shift and would allow the Office to comply with the two-in, two-out rule, whereby two firefighters enter a structure fire and two firefighters remain outside for safety.

Do the Subcommittees wish to approve the Governor's recommendation for three new firefighter/driver operator positions at the Nevada Air National Guard facility in Reno funded with federal funds of \$423,755 over the 2019-2021 biennium?

CHAIR PARKS:

This is funded completely through federal funds in the amount of \$423,755.

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SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-320 IN B/A 101-3650 FOR 3 NEW FIREFIGHTER/DRIVER OPERATOR POSITIONS AT THE NEVADA AIR NATIONAL GUARD FACILITY IN RENO TO BE FULLY FUNDED WITH FEDERAL FUNDS OF \$423,755 OVER THE 2019-2021 BIENNIUM.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. ORTEGA:

Major closing issue 6 is on page 10 of [Exhibit C](#). As seen in decision unit E-231, the Governor recommends federal funds for one new project manager position for the Construction Facilities Management Office at the Nevada National Guard located in Carson City. The Office indicates having its own project manager would increase efficiency and response time to engineering-related questions.

E-231 Efficient and Responsive State Government — Page MILITARY-10

Do the Subcommittees wish to approve the Governor's recommendation for 1 new project manager position at the Construction Facilities Management Office at the Nevada National Guard located in Carson City with federal funds of \$234,278 over the 2019-2021 biennium?

CHAIR PARKS:

I will accept a motion to approve the Governor's recommendation for 1 new project manager funded with federal funds of \$234,278 over the biennium.

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-231 IN B/A 101-3650 FOR 1 NEW PROJECT MANAGER POSITION IN THE CONSTRUCTION FACILITIES

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MANAGEMENT OFFICE AT THE NEVADA NATIONAL GUARD IN CARSON CITY FUNDED WITH FEDERAL FUNDS OF \$234,278 OVER THE 2019-2021 BIENNIUM.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. ORTEGA:

Major closing issue 7 is found on page 11 of [Exhibit C](#). As seen in decision unit E-229, the Governor recommends federal funds for one new information technology (IT) technician position that would provide IT services at the Distributive Learning classroom at the Harry Reid Training Center in Stead. The Office indicates the Distributive Learning classroom is a newly authorized classroom to promote education of the Nevada Army National Guard soldiers and would be completed by January 2020. The Office further indicates the federal government approves additional personnel to support the new classroom.

E-229 Efficient and Responsive State Government — Page MILITARY-9

Do the Subcommittees wish to approve the Governor's recommendation for 1 new IT technician position funded with federal funds of \$152,500 over the 2019-2021 biennium?

CHAIR PARKS:

I will accept a motion to approve the Governor's recommendation for one new IT technician position funded with federal funds of \$152,500.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-229 IN B/A 101-3650 FOR ONE NEW IT TECHNICIAL

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POSITION FUNDED WITH FEDERAL FUNDS OF \$152,500 OVER THE 2019-2021 BIENNIUM.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. ORTEGA:

There are 7 other closing items for B/A 101-3650 which appear reasonable to Fiscal staff. Fiscal staff would note technical adjustments to other closing items 3 and 4, page 12, [Exhibit C](#). The appropriate adjustments are included on page 3, [Exhibit C](#).

The technical adjustment to other closing item 3 corrects the funding split between the State and federal governments from 4 percent General Fund monies and 96 percent federal funds to 18 percent General Fund monies and 82 percent federal funds. The adjustment also reduces annual membership dues for the National Guard Association of the United States by \$1,091 resulting in additional General Fund appropriations of \$822 and federal fund reductions of \$3,004 over the 2019-2021 biennium.

The technical adjustment to other closing item 4 corrects the funding split for agency vehicles between the State and federal governments resulting in General Fund reductions of \$18,934 and an increase in federal funds of \$18,934 over the 2019-2021 biennium.

Fiscal staff recommends this budget be closed as recommended by the Governor with the technical adjustments noted in other closing items 3 and 4 with authority for Fiscal staff to make technical adjustments as necessary.

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CHAIR PARKS:

I will accept a motion to close the other closing items as recommended by the Governor with technical adjustments as noted for other closing items 3 and 4 as well as any other technical adjustments that may be required.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATIONS IN B/A 101-3650 FOR OTHER CLOSING ITEMS 1, 2, 5, 6 AND 7; TO APPROVE OTHER CLOSING ITEMS 3 AND 4 WITH THE NOTED TECHNICAL ADJUSTMENTS; TO CLOSE B/A 101-3650 WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will now go to the budget closing for B/A 101-3655

Military Emergency Operations Center — Budget Page MILITARY-18 (Volume III)
Budget Account 101-3655

Ms. ORTEGA:

The Emergency Operation Center (EOC) B/A 101-3655 begins on page 15, [Exhibit C](#). The Governor recommends increasing rent revenue by \$100,000 in FY 2020 for facilities maintenance for tenant safety at the EOC building. This can be seen in decision unit E-225. Information regarding the various facilities maintenance projects is provided at the bottom of page 15, [Exhibit C](#).

E-225 Efficient and Responsive State Government — Page MILITARY-19

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The Office indicates the monthly rent charge for the 2019-2021 biennium will be \$.92 per square foot which would generate \$393,120 per year and generally aligns with the total expenditures included in the Governor's recommended budget for the paying agencies. However, the Governor's recommended budget reflects rent revenue of \$348,086 in FY 2020 and \$349,086 in FY 2021 due to adjustments made in the base budget which were inadvertently not included in the Governor's recommended budget. Fiscal staff recommends a technical adjustment which is shown on page 15, [Exhibit C](#), to align the revenue in this budget with the total expenditures included in the paying agency budgets resulting in an increase in reserve of \$89,068 over the 2019-2021 biennium.

The aforementioned technical adjustments would result in an increase of \$89,086 in reserves over the 2019-2021 biennium which would result in a 225-day reserve at the end of FY 2021. During the budget hearing on March 20, 2019, the Subcommittees expressed concerns regarding the level of reserves and the recommended increase in building rent revenue. The Office testified it plans to utilize reserves totaling \$138,200 for existing projects described on page 16, [Exhibit C](#).

Do the Subcommittees wish to approve the Governor's recommendations for facility maintenance expenditures totaling \$100,000 in FY 2020 and the noted technical adjustment for building rent revenue entered by Fiscal staff?

CHAIR PARKS:

I will accept a motion to approve the Governor's recommendations for facility maintenance expenditures totaling \$100,000 in FY 2020 with the noted technical adjustment for building rent revenue entered by Fiscal staff.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 101-3655 FOR FACILITY MAINTENANCE EXPEDITURES TOTALING \$100,000 IN FY 2020 AND TO APPROVE THE NOTED TECHNICAL ADJUSTMENT FOR BUILDING RENT REVENUE ENTERED BY FISCAL STAFF.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. ORTEGA:

There are no other closing items for B/A 101-3655. Fiscal staff recommends this budget be closed as recommended by the Governor with authority for Fiscal staff to make other technical adjustments as necessary.

CHAIR PARKS:

I will accept a motion to close this budget as recommended by the Governor with technical adjustments as necessary.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 101-3655 AND TO CLOSE B/A 101-3655 WITH AUTHORITY GIVEN TO FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will now consider B/A 101-3658.

Military - State Active Duty — Budget Page MILITARY-21 (Volume III)
Budget Account 101-3658

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MS. ORTEGA:

The State Active Duty budget begins on page 19, [Exhibit C](#). There are no major closing issues for B/A 101-3658. There is only one other closing item. Fiscal staff recommends this budget be closed as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

CHAIR PARKS:

I will accept a motion to close B/A 101-3658 as recommended by the Governor with authority for Fiscal staff to make necessary technical adjustments.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATIONS IN B/A 101-3658 AND TO CLOSE B/A 101-3658 WITH AUTHORITY GIVEN TO FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will now consider B/A 101-3652.

Military - Adjutant General's Special Armory Acct — Budget Page MILITARY-22
(Volume III)

Budget Account 101-3652

MS. ORTEGA:

The Adjutant General's Special Armory Account B/A 101-3652 begins on page 21, [Exhibit C](#). There are no major closing issues or other closing items for this budget. Fiscal staff recommends this budget be closed as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

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CHAIR PARKS:

I will accept a motion to close B/A 101-3652 as recommended by the Governor with authority for Fiscal staff to make necessary technical adjustments.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATIONS IN B/A 101-3652 AND CLOSE B/A 101-3652 WITH AUTHORITY GIVEN TO FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will now consider B/A 101-3653.

Military National Guard Benefits — Budget Page MILITARY-23 (Volume III)
Budget Account 101-3653

MS. ORTEGA:

The National Guard Benefits B/A 101-3653 begins on page 23, [Exhibit C](#). There are no major closing issues and one other closing items for this budget. Fiscal staff recommends this budget be closed as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

CHAIR PARKS:

I will accept a motion to close B/A 101-3653 as recommended by the Governor with authority for technical adjustments.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATIONS IN B/A 101-3653 AND CLOSE B/A 101-3653 WITH AUTHORITY GIVEN TO

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FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR PARKS:
We will now consider B/A 101-3654.

Military Patriot Relief Fund — Budget Page MILITARY-24 (Volume III)
Budget Account 101-3654

MS. ORTEGA:
The Military Patriot Relief Fund B/A 101-3654 begins on page 25, [Exhibit C](#). There are no major closing issues for this budget. There is one other closing item described on page 26 which provides information on how funds were utilized over the last 5 years. Fiscal staff recommends this budget be closed as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

CHAIR PARKS:
I will accept a motion to close B/A 101-3654 as recommended by the Governor with authority for Fiscal staff to make technical adjustments as necessary.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 101-3654 AND CLOSE B/A 101-3654 WITH AUTHORITY GIVEN TO FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIES UNANIMOUSLY.

SENATE: THE MOTION CARRIES UNANIMOUSLY.

* * * * *

CHAIR PARKS:

We will now consider budgets for the NDVS beginning with B/A 101-2560 on page 27 of [Exhibit C](#).

VETERANS SERVICES

Ndvs - Office of Veterans Services — Budget Page VETERANS-7 (Volume III)
Budget Account 101-2560

LEANN DRA COPELAND (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

There are three major closing issues for B/A 101-2560. Beginning on page 28 of [Exhibit C](#), the first major closing issue is seen in decision units E-225 and E-806. To increase services provided by VSOs, the Executive Budget recommends 2 new VSO positions and the reclassification of an administrative assistant position to a VSO funded with \$287,966 over the 2019-2021 biennium.

E-225 Efficient and Responsive State Government — Page VETERANS-9

E-806 Classified Position Changes — Page VETERANS-11

The Department currently has 14 VSO positions. The NDVS indicates there are an additional 13.75 full-time equivalent (FTE) non-State accredited VSOs in nonprofit veterans' service organizations for a Statewide total of 27.75 FTE VSOs.

One new VSO would be located in Fallon, and one would be located in Pahrump. Neither of these towns currently have full-time VSO support. The Las Vegas, Pahrump and Reno offices which currently have no wait times would be impacted by these new positions. The NDVS indicates if it were to receive

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these positions, the VSOs would be able to travel to homebound, incarcerated and rural veterans, and the NDVS could increase its rural outreach events.

If the new Fallon VSO is approved, veterans in Fallon will be able to receive same-day service excluding the one day a week when the VSO will be at the Fallon Naval Air Station.

Pahrump veterans are currently served by a VSO who works three days per week in Pahrump and two days per week in Las Vegas. If a full-time position is created in Pahrump, the current VSO will be able to resume full-time work in Las Vegas.

Do the Subcommittees wish to approve \$119,104 of which \$59,659 would come from the General Fund in FY 2020 and \$151,601 of which \$75,936 would come from the General Fund in FY 2021 for 2 new VSO positions and related operating costs?

CHAIR PARKS:

Do the Subcommittees wish to approve the two new VSOs with a combination of General Fund and federal funding?

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-225 IN B/A 101-2560 IN THE AMOUNT OF \$119,104 OF WHICH \$59,659 WILL COME FROM THE GENERAL FUND IN FY 2020 AND \$151,601 OF WHICH \$75,936 WILL COME FROM THE GENERAL FUND IN FY 2021 FOR 2 NEW VSO POSITIONS AND RELATED OPERATING COSTS.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

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MS. COPELAND:

The reclassification of an administrative assistant position to a VSO will allow the position holder to submit claims on behalf of women veterans for women-related issues such as obstetrics, gynecology and child care resources. The administrative assistant currently serves as the WVC.

The NDVS indicates the position has proven to be valuable because women veterans reach out to this employee to seek information and support, and the interactions often result in the need to contact a VSO to apply for benefits. Often, the WVC makes an appointment for a veteran to submit a claim for benefits, and the appointment is missed. The NDVS indicates it would be more efficient if the administrative assistant were a VSO and could begin a claim when the need arises.

Do the Subcommittees wish to approve \$7,218 of which \$3,615 would be from the General Fund in FY 2020 and \$10,043 of which \$5,031 would be from the General Fund in FY 2021 for the reclassification of the administrative assistant position to a VSO position?

CHAIR PARKS:

I will accept a motion to approve the reclassification of the administrative assistant to a VSO with a 50/50 funding combination for the increased cost.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-806 IN B/A 101-2560 IN THE AMOUNT OF \$7,218 OF WHICH \$3,615 WILL BE FROM THE GENERAL FUND IN FY 2020 AND \$10,043 OF WHICH \$5,031 WILL BE FROM THE GENERAL FUND IN FY 2021 FOR THE RECLASSIFICATION OF AN ADMINISTRATIVE ASSISTANT POSITION TO A VSO POSITION.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. COPELAND:

Major closing issue 2 begins on page 30 of [Exhibit C](#). A new management analyst position and associated operating costs are recommended to provide improved administration and oversight of financial functions and staff within NDVS at a total cost of \$173,430 over the 2019-2021 biennium as seen in decision unit E-226.

E-226 Efficient and Responsive State Government — Page VETERANS-10

The additional position would allow the existing administrative services officer to focus on proactive fiscal strategic planning. Fiscal staff asked the NDVS to provide a list of new responsibilities placed on the administrative services officer as a result of the Department's growth. The Department replied with new duties resulting from growth including developing a biannual budget for the Northern Nevada State Veterans Home (NNSVH), developing a cost report for the NNSVH to be submitted to the U.S. Department of Veterans Affairs, financial tracking and oversight of the NNSVH's management company, validating statistics used for grants and assessing new performance measures.

The NDVS indicates that it currently is aware of approximately \$10 million in grant funding that it is unable to apply for due to existing time constraints with existing staffing levels. If the position were approved, the management analyst could spend more time pursuing grants.

Do the Subcommittees wish to approve \$74,309 of which \$37,221 will be from the General Fund in FY 2020 and \$99,121 of which \$49,649 will be from the General Fund in FY 2021 for 1 new management analyst position and associated operating costs?

CHAIR PARKS:

I will accept a motion for approval of one new management analyst position with associated costs on a 50/50 funding formula.

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SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNIT E-226 IN B/A 101-2560 IN THE AMOUNT OF \$74,309 OF WHICH \$37,221 WILL BE FROM THE GENERAL FUND IN FY 2020 AND \$99,121 OF WHICH \$49,649 WILL BE FROM THE GENERAL FUND IN FY 2021 FOR 1 NEW MANAGEMENT ANALYST POSITION AND ASSOCIATED COSTS.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. COPELAND:

Three other closing items are described on page 31 of [Exhibit C](#). Fiscal staff recommends approval of other closing items 1 and 2 as recommended by the Governor and approval of the NDVS revenue reprojections outlined in other closing item 3. Fiscal staff requests authority to make technical adjustments as necessary.

CHAIR PARKS:

I will accept a motion to approve other closing items 1 and 2 as recommended by the Governor with the NDVS revenue reprojections and allowance for technical adjustments.

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE OTHER CLOSING ITEMS 1 AND 2 AS RECOMMENDED BY THE GOVERNOR IN B/A 101-2560; APPROVE THE NDVS REVENUE REPROJECTIONS AS OUTLINED IN OTHER CLOSING ITEM 3; CLOSE B/A 101-2560 AND AUTHORIZE FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR PARKS:

We will now consider B/A 101-2561.

Ndvs - Southern Nevada Veterans Home Account — Budget Page VETERANS-
14 (Volume III)
Budget Account 101-2561

Ms. COPELAND:

The Southern Nevada Veterans Home Account B/A 101-2561 begins on page 33, [Exhibit C](#). There are 2 major closing issues in B/A 101-2561. The first major closing issue involves new positions included in decision units E-225 and E-226. Two new administrative assistant positions and associated operating costs are recommended to provide administrative support funded with federal reimbursements and fees at a total cost of \$205,734 over the biennium.

E-225 Efficient and Responsive State Government — Page VETERANS-17

E-226 Efficient and Responsive State Government — Page VETERANS-17

One position authorized in decision unit E-225 would provide clerical and office management support for the admissions office at the Southern Nevada State Veterans Home (SNSVH). The position holder would assist in processing paperwork associated with resident admissions. The NDVS indicates the admission process is extensive with some applications taking 20 hours or more to process.

If this position is approved, the average number of occupied beds at the facility will increase, and the nurse currently responsible for processing applications will be able to increase his or her focus on referrals from hospitals and other assisted living facilities.

To test the impact of additional clerical support for admissions, the NDVS conducted a pilot study from August through December 2018. Over that time,

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the Veterans Home averaged six beds higher than the two-year average prior to the study.

Do the Subcommittees wish to approve federal reimbursements and fees totaling \$45,562 in FY 2020 and \$57,305 in FY 2021 for a new administrative assistant position to provide clerical and office management support for the admissions office?

CHAIR PARKS:

I will accept a motion to approve federal reimbursements for the position of a new administrative assistant position for office management support as indicated.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE FEDERAL REIMBURSEMENTS AND FEES TOTALLING \$45,562 IN FY 2020 AND \$57,305 IN FY 2021 FOR A NEW ADMINISTRATIVE ASSISTANT POSITION AS INDICATED IN DECISION UNIT E-225 IN B/A 101-2561.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR CANCELA WAS ABSENT FOR THE VOTE.)

* * * * *

Ms. COPELAND:

Decision unit E-226 creates a new administrative assistant position to support nursing staff. This administrative assistant would perform administrative duties currently absorbed by nursing staff. Some changes to the Centers for Medicare and Medicaid Services requirements mandate additional clerical work to be performed. The nurses are spending a lot of time doing clerical duties. If this position is approved, nurses can get back to nursing, and the administrative assistant can perform the administrative duties.

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Do the Subcommittees wish to approve federal reimbursements and fees totaling \$45,562 in FY 2020 and \$57,305 in FY 2021 for a new administrative assistant position to support the Director of Nursing and 3 registered nurses?

CHAIR PARKS:

I will accept a motion to approve a new administrative assistant position with the funding as indicated by Ms. Copeland to support the Director of Nursing and the other registered nurses.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE FEDERAL REIMBURSEMENTS AND FEES TOTALLING \$45,562 IN FY 2020 AND \$57,305 IN FY 2021 FOR A NEW ADMINISTRATIVE ASSISTANT POSITION AS INDICATED IN DECISION UNIT E-226 IN B/A 101-2561.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR CANCELA WAS ABSENT FOR THE VOTE.)

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MS. COPELAND:

Beginning on page 35 of [Exhibit C](#), major closing item 2 covers the reserve funds for the SNSVH. Fiscal staff identified \$350,704 that was not properly carried forward from FY 2019 to FY 2020, so the reserves in the Executive Budget were understated by the same amount. Fiscal staff notes the NDVS has 3 CIP maintenance projects recommended in the Executive Budget for the SNSVH funded with State funds as shown in the table on page 36, [Exhibit C](#). During the budget hearing, NDVS testified that the \$350,000 could partially be used to replace the State funds for those projects. The Department indicated \$226,668 could be used to fund the replacement of magnetic door controls, and the remaining reserves of \$123,332 could be applied toward the domestic hot water storage tank replacement project which is approximately \$194,000.

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Do the Subcommittees wish to approve the allocation of reserve funding totaling \$350,000 to offset the cost of maintenance projects at the SNSVH that are currently budgeted with State funds under the CIP?

CHAIR PARKS:

This facility is approaching 20 years of use, and certain systems are beginning to break down. I will accept a motion to approve the allocation of reserve funding totaling \$350,000 to offset the cost of major maintenance projects currently budgeted with State funds under the CIP.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 101-2561 THE ALLOCATION OF RESERVE FUNDING TOTALING \$350,000 TO OFFSET THE COST OF MAINTENANCE PROJECTS AT THE SNSVH THAT ARE CURRENTLY BUDGETED WITH STATE FUNDS UNDER THE CIP.

SENATOR GOICOECHEA SECONDED THE MOTION.

SENATOR GOICOECHEA:

Some of these numbers such as the cost of approximately \$225,000 for some magnetic switch controls seem quite large. I am curious as to who verifies the numbers.

SENATOR PARKS:

There are 194 beds in this facility.

MS. COPELAND:

These costs are under the CIP budget, so I did not review the cost of that project. However, the facility has three wings and many doors which drives up the cost of the project.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. COPELAND:

Decision units E-710, E-711, E-712, E-713, E-714, E-720, E-721, E-722, E-724, E-730, E-731, E-732 and E-733 are included in the other closing items on pages 36 and 37, [Exhibit C](#). With the exception of decision unit E-720, Fiscal staff recommends approval of the other closing items as recommended by the Governor with the technical adjustments noted by Fiscal staff. Fiscal staff recommends decision unit E-720 not be approved due to lack of documentation. Fiscal staff requests authority to make other technical adjustments as needed.

E-710 Equipment Replacement — Page VETERANS-18
E-711 Equipment Replacement — Page VETERANS-18
E-712 Equipment Replacement — Page VETERANS-19
E-713 Equipment Replacement — Page VETERANS-20
E-714 Equipment Replacement — Page VETERANS-20
E-720 New Equipment — Page VETERANS-21
E-721 New Equipment — Page VETERANS-21
E-722 New Equipment — Page VETERANS-22
E-724 New Equipment — Page VETERANS-22
E-730 Maintenance of Buildings and Grounds — Page VETERANS-23
E-731 Maintenance of Buildings and Grounds — Page VETERANS-23
E-732 Maintenance of Buildings and Grounds — Page VETERANS-24
E-733 Maintenance of Buildings and Grounds — Page VETERANS-24

CHAIR PARKS:

I will accept a motion to approve the other closing items as recommended by the Governor with the exception of decision unit E-720. As part of that motion, I will accept the Fiscal staff request for authority to make other technical adjustments as necessary.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-710, E-711, E-712, E-713, E-714 E-721, E-722, E-724, E-730, E-731, E-732 AND E-733 AS RECOMMENDED BY THE GOVERNOR IN B/A 101-2561 WITH TECHNICAL ADJUSTMENTS NOTED BY FISCAL STAFF, TO CLOSE B/A 101-2561 AND GRANT AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NEEDED.

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ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR PARKS:

The next budget is for the NNSVH account, B/A 101-2569 on page 39 of [Exhibit C](#).

Ndvs - Northern Nevada Veterans Home Account — Budget Page VETERANS-27
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Budget Account 101-2569

MS. COPELAND:

The major closing issue for B/A 101-2569 is the operation and funding of the NNSVH. The 2017 Legislature approved State funding of \$36 million for the construction of the NNSVH. The 2017 Legislature approved the creation of the NNSVH budget. The NDVS was appropriated General Funds totaling \$7.6 million over the 2017-2019 biennium for the NNSVH of which \$2.1 million was appropriated to the IFC Contingency Account. At the December 11, 2018, IFC meeting, the NDVS was granted an allocation of \$909,984 for the purchase of equipment for the NNSVH.

At the time of the budget hearing, the NDVS had yet to receive the Certificate of Occupancy for the NNSVH. The Certificate was received on May 9, 2019, and the NNSVH can now begin the certification and licensing processes to be able to admit residents. The NDVS believes it can meet its goal of 30 residents by July 2019. At the time of the budget hearing, the interested list contained the names of 175 people. The vendor has hired an admissions person who has been visiting local hospitals and assisting interested persons fill out admission applications.

For the support of the home, the Governor recommends federal reimbursement revenues and other program fees totaling \$7.2 million in FY 2020 and

\$6.7 million in FY 2021 along with General Fund appropriations of \$335,320 in FY 2020 and \$344,979 in FY 2021.

A number of assumptions are included in the NDVS's projections of becoming self-sufficient. Those assumptions are included on page 41, [Exhibit C](#).

Based on the revenue and expenditure projections, the NNSVH projects \$2.4 million in reserves at the end of FY 2021. If the funds do not come in as anticipated, the NDVS indicates it would request an allocation from the IFC Contingency Account or request to transfer reserves from the SNSVH.

Fiscal staff notes the recommended General Fund appropriation of \$335,320 in FY 2020 would support 20 days of operational costs. This amount may not be sufficient to provide cash flow as the home begins operations. The 2017 Legislature appropriated General Funds of \$2.1 million to the Contingency Account. The NDVS has already requested \$909,984 of the \$2.1 million, leaving a balance of \$1.2 million. To provide cash flow during the first year of operations, the Subcommittees may wish to consider recommending the remaining \$1.2 million appropriation be redirected from the Contingency Account to this budget and extending the reversion of the funds to FY 2020 which would increase total FY 2020 appropriations in this budget to \$1.5 million and provide funding for 90 days of operational costs.

The Subcommittees may also wish to consider recommending language be included in the 2019 Appropriations Act authorizing a temporary advance from the General Fund in the event the Agency experiences delays in federal reimbursement for services provided for the NNSVH.

Do the Subcommittees wish to recommend that the remaining \$1.2 million appropriated in section 50 of Assembly Bill (A.B.) No. 518 of the 79th Session be redirected from the Contingency Account to this budget and extend the reversion of the funds to FY 2020 to provide cash flow during the NNSVH's first year of operations contingent upon passage and approval of enabling legislation?

Do the Subcommittees wish to recommend approval of language in the Appropriations Act authorizing a temporary General Fund advance in the event

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that the Agency experiences delays in federal reimbursement upon approval of the GFO with any advance to be repaid in the same fiscal year?

CHAIR PARKS:

We have two decisions before us. Do the Subcommittees wish to recommend the remaining \$1.2 million be redirected from the Contingency Account? I will also accept a motion as to whether the Subcommittees wish to approve the language in this year's Appropriations Act authorizing a temporary General Fund advance in the event the NDVS experiences delays in federal reimbursement.

SENATOR GOICOECHEA:

Why is it not an option to hold the money in the IFC Contingency Account and award it that way?

MS. COPELAND:

That could be an option if the Subcommittees so desire.

SENATOR GOICOECHEA:

The IFC meets every two months, and if a delay in federal funding does arise, we can move the earmarked money accordingly. However, I will defer to what Fiscal staff thinks is best.

CINDY JONES (Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The intent of a General Fund advance would be for the NDVS to repay the General Funds when the revenues are sufficient to support the ongoing operations of the facility. A General Fund advance would basically be a start-up loan. The IFC Contingency Account is typically used for unexpected expenditures.

ALEX HAARTZ (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The Subcommittees have several options. Fiscal staff's recommendation with regard to the \$1.2 million would provide the NDVS with more timely access to the funds in the event they were needed sooner than when the IFC was next scheduled to meet.

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SENATOR GOICOECHEA:

Would these funds be repaid when the federal dollars became available?

MR. HAARTZ:

If there was a temporary advance or a loan, then yes. The Subcommittees could condition the \$1.2 million from the Contingency Account and make it a loan as well if cash flow was sufficient to repay that amount. A loan from the Contingency Account was not the original intent when those monies were approved in A.B. No. 518 of the 79th Session.

SENATOR GOICOECHA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE RECOMMENDATION THAT THE APPROXIMATELY \$1.2 MILLION REMAINING FROM THE APPROPRIATION IN A.B. NO. 518 OF THE 79TH SESSION BE REDIRECTED FROM THE IFC CONTINGENCY ACCOUNT TO B/A 101-2569; TO EXTEND THE REVERSION OF THE FUNDS TO FY 2020 TO PROVIDE CASH FLOW DURING THE NNSVH'S FIRST YEAR OF OPERATIONS CONTINGENT UPON PASSAGE AND APPROVAL OF ENABLING LEGISLATION; RECOMMEND APPROVAL OF LANGUAGE IN THE APPROPRIATIONS ACT AUTHORIZING A TEMPORARY GENERAL FUND ADVANCE IN THE EVENT THAT THE AGENCY EXPERIENCES DELAYS IN FEDERAL REIMBURSEMENT UPON APPROVAL OF THE GFO WITH ANY ADVANCE TO BE REPAID IN THE SAME FISCAL YEAR.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MS. COPELAND:

Fiscal staff recommends B/A 101-2569 be closed as recommended by the Governor and requests authority to make technical adjustments as necessary.

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ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND TO THE FULL COMMITTEES TO CLOSE B/A 101-2569 AS RECOMMENDED BY THE GOVERNOR AND GRANT AUTHORITY TO FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will now consider budget items for the Nevada Department of Transportation (NDOT). The first item for consideration is B/A 201-4663, the Bond Construction budget which begins on page 43 of [Exhibit C](#).

INFRASTRUCTURE

TRANSPORTATION

NDOT - Bond Construction — Budget Page NDOT-14 (Volume III)
Budget Account 201-4663

SALLY RAVENELLE (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The only major closing issue for B/A 201-4663 is the bond funding for the Spaghetti Bowl Xpress and Centennial Bowl projects as seen in decision unit E-225.

E-225 Efficient and Responsive State Government — Page NDOT-14

The Governor recommends the sale of highway revenue bonds and related interest earnings totaling \$161.6 million in each year of the upcoming biennium for Phase 1 of the Reno/Sparks Spaghetti Bowl Xpress Project and Phase 3D of the Centennial Bowl Project in Clark County.

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The Governor also recommends the sale of highway revenue bonds of \$100 million in each year of the 2019-2021 biennium for Phase 1 of the Reno/Sparks Spaghetti Bowl Project. These highway revenue bonds have been pledged for repayment with gasoline and special fuel tax proceeds. According to the NDOT, this project would improve traffic flow at Interstate 80 and Interstate 580/U.S. Highway 395. The NDOT indicates this project would cost \$164 million. In April 2019, the Regional Transportation Commission of Washoe County voted to provide a \$30 million contribution of county fuel tax revenues for the project.

The proposed Spaghetti Bowl Xpress Project is estimated to cost NDOT approximately \$134 million. The Department has asked for \$100 million in bonds in each year of the biennium. The Department indicates the bond funding remaining from the \$200 million total may be utilized for projects listed on page 44, [Exhibit C](#).

The Governor recommends the sale of highway revenue bonds pledged for repayment with Clark County fuel revenue indexing proceeds generated for the State Highway Fund. These highway revenue bonds will equate to \$60 million in each year of the 2019-2021 biennium and will be used for Phase 3D of the Centennial Bowl Project in northwest Las Vegas.

Do the Subcommittees wish to approve the Governor's recommendation for the sale of highway revenue bonds of \$161.6 million in each year of the 2019-2021 biennium for Phase 1 of the Reno/Sparks Spaghetti Bowl Xpress Project and Phase 3D of the Centennial Bowl Project in Clark County and provide Fiscal staff with authority to enter technical adjustments to reflect these bond issuances in separate expenditure categories?

There are no other closing items in B/A 201-4663.

CHAIR PARKS:

I will accept a motion to approve highway revenue bonds of \$161.6 million in each year of the 2019-2021 as well as to make technical adjustments to reflect bond issuance in separate expenditure categories.

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ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 201-4663 FOR THE SALE OF HIGHWAY REVENUE BONDS OF \$161.6 MILLION IN EACH YEAR OF THE 2019-2021 BIENNIUM FOR PHASE 1 OF THE RENO/SPARKS SPAGHETTI BOWL XPRESS PROJECT AND PHASE 3D OF THE CENTENNIAL BOWL PROJECT IN CLARK COUNTY, TO PROVIDE FISCAL STAFF WITH AUTHORITY TO ENTER TECHNICAL ADJUSTMENTS TO REFLECT THESE BOND ISSUANCES IN SEPARATE EXPENDITURE CATEGORIES AND TO CLOSE B/A 201-4663.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

The next budget to be considered is B/A 201-4660 the NDOT Administration budget which begins on page 47 of [Exhibit C](#). There are 7 major closing issues in B/A 201-4660.

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Major closing issue 1 is the Highway Fund Balance and Capital Expenditures.

The *Nevada Revised Statutes* 482.182 currently requires 75 percent of Governmental Services Tax (GST) revenue to be deposited in the State Highway Fund and 25 percent of GST revenue to be deposited in the General Fund in the 2017-2019 biennium and entirely in the State Highway Fund beginning in FY 2020. However, the Governor recommends that 25 percent of the GST revenue continue to be redirected to the General Fund in each year of the 2019-2021 biennium. Senate Bill 541 has been submitted to continue that redirection.

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SENATE BILL 541: Revises provisions governing state financial administration.
(BDR 43-1213)

State Highway Fund revenue is projected by the DMV to increase by 2.7 percent in FY 2020 and 0.3 percent in FY 2021 as illustrated in the table on page 48, [Exhibit C](#).

The Executive Budget recommends funding for highway construction totaling \$560 million in each year of the 2019-2021 biennium. Page 50, [Exhibit C](#), lists some of the other major projects the NDOT will be working on during the 2019-2021 biennium funded with a mix of State Highway Fund money and federal revenue.

Do the Subcommittees wish to approve the Governor's recommendation of \$560 million in capital expenditures for each year of the 2019-2021 biennium?

ASSEMBLYWOMAN NEAL:

The projects in the queue for the \$560 million include Project Neon. Are we going to have an update on Project Neon during the June IFC meeting?

MS. RAVENELLE:

Project Neon could be discussed in the June IFC meeting.

MS. JONES

The June IFC is only 15 days after the end of the Session. If it is acceptable to the Subcommittees, we could request some information from the NDOT and have it sent to the IFC instead of writing a letter of intent for a one-time request. If particular areas of concern need to be addressed, those could be communicated as well.

ASSEMBLYWOMAN NEAL:

Yes. I will bring up certain points of concern.

CHAIR PARKS:

Some discussion of Project Neon was held with the NDOT at a previous Subcommittee hearing. Some cooperative efforts have been made with the City of Las Vegas relative to the Bonanza Road and Martin Luther King Drive area.

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I see leaders of the NDOT nodding their heads in affirmation. We will request they provide the necessary information to the members of the Subcommittees.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 201-4660 OF \$560 MILLION IN CAPITAL EXPENDITURES FOR EACH YEAR OF THE 2019-2021 BIENNIUM.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

Major closing issue 2 in B/A 201-4660 on page 51 of [Exhibit C](#) is the replacement of 2 airplanes and pay increases for 3 unclassified pilot positions as seen in decision units E-712 and E-815.

E-712 Equipment Replacement — Page NDOT-20
E-815 Unclassified Position Changes — Page NDOT-21

The Executive Budget recommends expenditures of \$17 million over the 2019-2021 biennium for 2 new airplanes, a Pilatus PC-24 Jet and a Beechcraft King Air 350ER airplane and pay increases for 3 unclassified pilot positions. To fund this request, the Governor recommends State Highway Fund authorizations of \$13.9 million over the 2019-2021 biennium, Sales of Equipment revenue of \$650,000 from the sale of the existing airplanes and net reductions of \$2.5 million due to maintenance cost savings, fuel efficiencies, training savings and modern avionics for the replacement of the 2 NDOT airplanes.

The NDOT currently owns and operates 2 aircraft, a 9-seat Cessna Citation that is 31 years old and a 5-seat Aero Commander 840 that is 37 years old. Both aircraft are used to transport passengers. The Commander is also used for aerial photography, mapping and providing Geographic Information Systems data for

the State. During the NDOT budget hearing, the NDOT indicated the Citation and Commander airplanes are projected to experience a 40 percent downtime due to maintenance in FY 2019.

The table on page 52, [Exhibit C](#), indicates the Pilatus aircraft is projected to save \$655,535, and the King Air is projected to save \$143,126 in operating costs per year based on a maximum of 450 hours of flying time.

The Executive Budget recommends State Highway Fund authorizations of \$73,630 over the biennium to increase the salaries of 2 unclassified pilot positions and 1 unclassified chief pilot position. The current and recommended salaries for these positions are indicated on page 53, [Exhibit C](#).

The NDOT indicates there are 4 pilot positions that require salary increases; however, the fourth pilot position was not included in decision unit E-815. Fiscal staff requests authority to enter a technical adjustment to include the fourth pilot position in this decision unit.

Do the Subcommittees wish to approve the Governor's recommendation for the replacement of two NDOT airplanes funded with State Highway Fund authorizations of \$13.9 million, Sales of Equipment revenue of \$650,000 from the sale of the existing airplanes and net reductions of \$2.5 million due to maintenance cost savings, fuel efficiencies, training savings and modern avionics over the 2019-2021 biennium? Fiscal staff also requests authority to add the fourth pilot position as a technical adjustment to decision unit E-815 for consideration of a pay increase and make any other technical adjustments as necessary.

MR. HAARTZ:

For clarification, the motion does not include the unclassified pay increases. The pay increases will be considered in an upcoming bill for employee payment.

ASSEMBLYWOMAN TITUS:

Is the fuel efficiency and maintenance cost savings of \$2.5 million projected to continue beyond the 2019-2021 biennium? As a pilot, I know how high maintenance costs can rise. I support this purchase. The current situation has

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become a safety issue, and it is time for new planes. I assume we will continue to see a continued financial benefit because of this purchase.

MS. RAVENELLE:

The NDOT list of projected maintenance savings is included on page 52, [Exhibit C](#). The NDOT believes there will a reduction in maintenance costs and savings moving forward. I do not have specific numbers for future biennia.

ASSEMBLYWOMAN TITUS:

There will be some continual savings associated with this purchase.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-712 IN B/A 201-4660 FOR THE REPLACEMENT OF 2 NDOT AIRPLANES FUNDED WITH STATE HIGHWAY FUND AUTHORIZATIONS OF \$13.9 MILLION, SALES OF EQUIPMENT REVENUE OF \$650,000 FROM THE SALE OF THE EXISTING AIRPLANES AND NET REDUCTIONS OF \$2.5 MILLION DUE TO VARIOUS COST SAVINGS OVER THE 2019-2021 BIENNIUM; TO ADD A FOURTH PILOT POSITION AS A TECHNICAL ADJUSTMENT TO DECISION UNIT E-815 FOR CONSIDERATION OF A PAY INCREASE; AND TO GRANT FISCAL STAFF AUTHORITY TO MAKE ANY OTHER TECHNICAL ADJUSTMENT AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

SENATOR GOICOECHEA:

I anticipate we will see significant cost savings with this purchase. Our current planes are only worth \$650,000, so the difference versus planes worth \$13 million is significant.

CHAIR PARKS:

Is \$13 million the proposed price for both aircraft?

SENATOR GOICOECHEA:

Yes.

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ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

Major closing issue 3 on page 53 of [Exhibit C](#) is the Nevada Shared Radio System (NSRS) replacement seen in decision unit E-377.

E-377 Safe and Livable Communities — Page NDOT-19

The Governor recommends State Highway Fund authorizations totaling \$25.6 million over the 2019-2021 biennium and a one-time General Fund appropriation of \$4.1 million in [S.B. 534](#) to continue the replacement of the NDOT portion of the NSRS. The NSRS is a radio system that covers the entire State. Washoe County crews maintain the radio system within the urban areas of the County; NV Energy crews perform the same role in urban Clark County. Crews from the NDOT maintain the radio system in all other areas of the State.

[SENATE BILL 534](#): Makes an appropriation from the State General Fund to the Department of Transportation for the replacement of the Nevada State Radio System. (BDR S-1168)

The IFC approved work programs in FY 2019 to begin the replacement of the NSRS utilizing a cost allocation that largely distributes costs between budgets funded through the State Highway Fund and budgets not funded by the State Highway Fund based on the number of radio minutes used by these budgets.

Fiscal staff would note the [Executive Budget](#) does not reflect revenue transfers from all associated fee-funded budgets to the NDOT for this project. Accordingly, Fiscal staff requests authority to make technical adjustments to reflect the revenue from those fee-funded budgets in this budget.

Do the Subcommittees wish to approve the Governor's recommendation to continue the replacement of NDOT's portion of the NSRS funded with State Highway Fund authorizations totaling \$25.6 million over the 2019-2021

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biennium and provide Fiscal staff authority to make any necessary technical adjustments?

ASSEMBLYWOMAN NEAL:

I assume Clark County and other entities pay a fee to participate in the NSRS. Do you know what the fee is?

I have seen the NSRS mentioned in other budgets such as those for police departments. I am trying to understand which cities are under the Clark County portion and what they pay.

FELICIA DENNEY (Chief, Financial Management Division, Nevada Department of Transportation):

This budget item is for an upgrade to the entire NSRS system. Entities can participate as users of the NSRS. Some Las Vegas, State and other local entities participate in the NSRS. The entities are charged a fee per radio that they use. As it is a State-owned system, participating entities do not pay into the ownership portion of the NSRS.

ASSEMBLYWOMAN NEAL:

Do any of the cities donate radios to the program? You say they participate, but how large could a fee be? Could a user participation fee go as high as \$286,000?

MS. DENNEY:

The cost increases with the number of radios the entity has. The fee is around \$700 per radio. The number of radios the entity has each year and their usage will determine what the entity pays for operations. Participating entities purchase their own subscriber equipment such as radios, so it is possible that an entity could place in its budget a cost to purchase radios to operate on this system.

The budget item we are discussing now is the cost of infrastructure upgrades such as radio towers and buildings. Also included in this project are upgrades of those radios needed in order to participate in the upgraded system.

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ASSEMBLYWOMAN TITUS:

We are going to upgrade the entire system. Electronics and radio communications change constantly, so an upgrade is understandable. Will the entities which are participating but which might not have new radios in their budgets still be able to use the old system to communicate?

Ms. DENNEY:

We have specialized radio staff and technicians who have taken an inventory of all the equipment and are working with all of the users. The radio technicians are working on anything that needs to be replaced before it can be on the new system. They are coordinating how the system rolls out. The system is being rolled out region by region, so it can work efficiently. No one will be left behind. As long as they are coordinating with our radio staff, we are not going to leave anyone with a radio that does not work.

ASSEMBLYWOMAN TITUS:

My concern is with ensuring the old radios will still communicate with this new system, particularly for those municipalities or other agencies which perhaps cannot afford to purchase all new radios.

Ms. DENNEY:

Our radio folks will reach out to the Subcommittees' members to address any specific questions or concerns. This project has been discussed for many years. Some knowledge of what is to come has been available as entities have upgraded their systems. The NDOT itself even replaced some radios to be compliant with the new system in anticipation of the project being approved.

ASSEMBLYWOMAN TITUS:

We have heard testimony from agencies such as the Department of Wildlife which have groups that use the same systems. We want to make sure those agencies are able to keep up with this change.

Ms. JONES:

Fiscal staff notes that radio requests intended to comply with the replacement of the NSRS have been included in other budgets.

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ASSEMBLYWOMAN TITUS:
Communication is key.

MS. DENNEY:
The radio staff negotiated some very substantial savings in the contract for this replacement. Entities could utilize these savings to cover the replacement costs. We hope that will make this transition much easier for all users.

SENATOR GOICOECHEA:
If we do not approve this funding, we will not have anything for the system to move to.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-377 IN B/A 201-4660 TO CONTINUE THE REPLACEMENT OF THE NDOT PORTION OF THE NEVADA SHARED RADIO SYSTEM FUNDED WITH STATE HIGHWAY FUND AUTHORIZATIONS TOTALING \$25.6 MILLION OVER THE 2019-2021 BIENNIUM AND PROVIDE FISCAL STAFF AUTHORITY TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION WAS UNANIMOUS.

SENATE: THE MOTION WAS UNANIMOUS.

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MS. RAVENELLE:
Beginning on page 54 of [Exhibit C](#), major closing issue 4 concerns application maintenance enhancements seen in decision unit E-550.

E-550 Technology Investment Request — Page NDOT-19

The Governor recommends a technology investment notification for maintenance and approved enhancements to existing NDOT IT systems funded

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with State Highway Fund authorizations of \$7.5 million over the biennium. The NDOT's computer applications are not cloud ready, and many systems will need to be rewritten for cloud optimization to keep costs low and minimize impacts to the NDOT. A table on page 55, [Exhibit C](#), presents approximate budgetary amounts for existing systems that need to be upgraded.

Do the Subcommittees wish to approve State Highway Fund authorizations of \$3.5 million in FY 2020 and \$4 million in FY 2021 for application maintenance enhancements to existing NDOT IT systems as recommended by the Governor? Fiscal staff requests authority to make necessary technical adjustments.

CHAIR PARKS:

I will approve a motion to approve State Highway Fund authorizations of approximately \$7.5 million for application maintenance enhancements and necessary technical adjustments.

ASSEMBLYWOMAN JAUREGUI MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-550 IN B/A 201-4660 FOR STATE HIGHWAY FUND AUTHORIZATIONS OF \$3.5 MILLION IN FY 2020 AND \$4 MILLION IN FY 2021 FOR APPLICATION MAINTENANCE ENHANCEMENTS TO EXISTING NDOT IT SYSTEMS AND TO GRANT FISCAL STAFF AUTHORITY TO MAKE NECESSARY TECHNICAL ADJUSTMENTS.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

Major closing issue 5 on page 55 of [Exhibit C](#) is for rest facility improvements as seen in decision unit E-125.

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The Governor recommends State Highway Fund authorizations totaling \$2.3 million over the 2019-2021 biennium to design in conjunction with the Department of Tourism and Cultural Affairs (DTCA) improvements at existing rest facilities at Trinity, Millers and Beowawe. A table on page 55, [Exhibit C](#), indicates the deficiencies which need to be addressed in the areas recommended for reconstruction. The rest area activity levels seen on page 56, [Exhibit C](#), are based on data from automated traffic counting devices.

If this decision unit is approved, the NDOT estimates the cost of construction at these 3 locations would begin in the 2021-2023 biennium at a total cost of \$19.5 million to \$24 million. The federal Fixing America's Surface Transportation Act may provide federal funding to support improvements for freight including truck parking facilities. Once the design of these rest area facilities has been finalized, federal funding is planned to cover eligible improvements during the construction of the facilities beginning with the 2021-2023 biennium.

Do the Subcommittees wish to approve State Highway Fund authorizations totaling \$2.3 million over the 2019-2021 biennium to design improvements at 3 existing rest facilities at Trinity, Millers and Beowawe as recommended by the Governor? Fiscal staff requests authority to make any necessary technical adjustments.

SENATOR GOICOECHEA:

I voted against funding this project last Session because we did not have enough money to cover the cost, but I will approve it this time.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-125 IN B/A 201-4660 FOR STATE HIGHWAY FUND AUTHORIZATIONS TOTALING \$2.3 MILLION OVER THE 2019-2021 BIENNIUM TO DESIGN IMPROVEMENTS AT 3 EXISTING REST FACILITIES AT TRINITY, MILLERS AND BEOWAWE AND GRANT FISCAL STAFF AUTHORITY TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

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ASSEMBLYWOMAN TITUS:
These upgrades are long overdue.

CHAIR PARKS:
I would like better signage for these facilities. Perhaps it could be placed a little further out so people can know they are coming up on the rest areas. Since the DTCA is helping with the project, perhaps upcoming exit signage could be a little more creative.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:
Major closing issue 6 on page 56 of [Exhibit C](#) is for new positions needed to establish two new construction crews. This item was not included in the Executive Budget.

The GFO submitted Budget Amendment No. A192884660 ([Exhibit E](#)) on March 19, 2019. Budget Amendment No. A192884660 recommends State Highway Fund authorizations net of savings of \$1.6 million in FY 2020 and reductions in State Highway Fund authorizations inclusive of savings of \$1.6 million in FY 2021 for 24 new classified positions and operating costs to provide the NDOT with 2 construction crews. One crew would be located in southern Nevada and the other in northwest Nevada.

The NDOT construction crews administer one to ten projects at a time when the crew workload is maximized. Construction crews are required to efficiently administer the NDOT construction program. When construction crews are needed but unavailable, the NDOT currently utilizes private consultant firms to perform the necessary duties. The NDOT indicates the addition of these 2 crews would generate projected savings of approximately \$2 million in FY 2020 and \$4 million in FY 2021.

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Do the Subcommittees wish to approve the Governor's recommendation in Budget Amendment No. A192884660, [Exhibit E](#), for 24 new classified positions needed to establish 2 new construction crews? Do the Subcommittees wish to approve associated operating costs funded with State Highway Fund authorizations net of savings of \$1.6 million in FY 2020 and reductions in State Highway Fund authorizations inclusive of savings of \$1.6 million in FY 2021? Fiscal staff requests authority to enter any necessary technical adjustments.

CHAIR PARKS:

I will accept a motion to approve the recommendation based on Budget Amendment No. A192884660, [Exhibit E](#), for 2 new construction crews and give Fiscal staff authority to make necessary technical adjustments.

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN BUDGET AMENDMENT NO. A192884660 TO B/A 201-4660 FOR 24 NEW CLASSIFIED POSITIONS NECESSARY TO ESTABLISH 2 NEW CONSTRUCTION CREWS AND ASSOCIATED OPERATING COSTS FUNDED WITH STATE HIGHWAY FUND AUTHORIZATIONS NET OF SAVINGS OF \$1.6 MILLION IN FY 2020 AND REDUCTIONS IN STATE HIGHWAY FUND AUTHORIZATIONS INCLUSIVE OF SAVINGS OF \$1.6 MILLION IN FY 2021 WITH AUTHORITY FOR FISCAL STAFF TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

Major closing issue 7 for B/A 201-4660 is the reclassification in decision unit E-811 of right-of-way survey positions as seen on page 57 of [Exhibit C](#).

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The Governor recommends the reclassification of 7 engineering technician IV positions to supervisor II associate engineer positions and 2 supervisor right-of-way survey services positions to supervisor III associate engineer positions funded with State Highway Fund authorizations of \$192,612 over the biennium.

Subsequent to the hearing, the NDOT indicated that the decision unit was no longer needed as it is not supported by the Department of Administration Division of Human Resource Management (DHRM). Accordingly, Fiscal staff recommends this decision unit not be approved by the Subcommittees. Do the Subcommittees wish to not approve the Governor's recommendation for the reclassification of 7 engineering technician IV positions to supervisor II associate engineer positions and 2 supervisor right-of-way survey services positions to supervisor III associate engineer positions funded with State Highway Fund authorizations of \$94,594 in FY 2020 and \$98,018 in FY 2021? Fiscal staff requests authority to enter any necessary technical adjustments.

CHAIR PARKS:

I will accept a motion to not approve the Governor's recommendation for the reclassification of nine positions with authorization for Fiscal staff to make necessary technical adjustments.

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO NOT APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-811 IN B/A 201-4660 FOR THE RECLASSIFICATION OF 7 ENGINEERING TECHNICIAN IV POSITIONS AND 2 SUPERVISOR RIGHT-OF-WAY SURVEY SERVICES POSITIONS AND TO GRANT FISCAL STAFF AUTHORITY TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

There are 4 other closing items for the NDOT in B/A 201-4660 beginning on page 58 of [Exhibit C](#). Fiscal staff recommends a technical adjustment in other closing item 1 on page 58, [Exhibit C](#). Fiscal staff needs to match the cost allocation amount for the NDOT with the amount budgeted for the Office of the Attorney General in the Executive Budget as the numbers do not currently match. The other three other closing items appear reasonable to Fiscal staff.

CHAIR PARKS:

I will accept a motion to close the other closing items with noted adjustments on other closing item 1 and with authority for Fiscal staff to make other adjustments as necessary.

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4660 OTHER CLOSING ITEM 1 WITH THE NOTED TECHNICAL ADJUSTMENTS; APPROVE OTHER CLOSING ITEMS 2 THROUGH 4 AS RECOMMENDED BY THE GOVERNOR; PROVIDE FISCAL STAFF WITH AUTHORITY TO MAKE COST ALLOCATION ADJUSTMENTS AND OTHER TECHNICAL ADJUSTMENTS AS NECESSARY AND CLOSE B/A 201-4660.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

We will now consider closing budgets for the Department of Motor Vehicles (DMV).

Ms. RAVENELLE:

The first DMV budget for consideration is B/A 201-4744 beginning on page 61 of [Exhibit C](#). There are two major closing issues for this budget.

PUBLIC SAFETY

MOTOR VEHICLES

DMV - Director's Office — Budget Page DMV-26 (Volume III) Budget Account 201-4744

The first major closing issue is increased training and travel. The Executive Budget includes multiple enhancement decision units to expand the DMV's expenditure authority for travel and training-related expenditures with total funding on a department-wide basis increasing by \$125,129 over the 2019-2021 biennium. Fiscal staff would note that most travel and training expenditures reflected in the table on page 64, [Exhibit C](#), appear to be reasonable. However, Fiscal staff notes the two training-related enhancement areas in the Director's Office budget—Human Resources (HR) related training and IT Security Training—warrant further consideration.

The Governor recommends State Highway Fund appropriations totaling \$18,978 over the 2019-2021 biennium to fund an increase in training for DMV HR staff. The DMV indicates if the trainings were not approved, DMV may not have the most current information to make appropriate informed decisions regarding HR issues. Fiscal staff notes the DHRM offers numerous classes on HR management topics and issues; therefore, it is unclear as to the need for these external trainings.

The Subcommittees may wish to consider the following options.

The Subcommittees may choose to approve the Governor's recommendation for State Highway Fund appropriations totaling \$18,978 over the 2019-2021 biennium for DMV HR staff to attend 3 trainings per year in each year of the 2019-2021 biennium.

The Subcommittees may choose to approve DMV HR staff to attend 1 training in each year of the 2019-2021 biennium totaling \$9,489 in State Highway Fund appropriations. This option would reduce total State Highway Fund appropriations by \$9,489 over the 2019-2021 biennium.

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The Subcommittees may choose to not approve the Governor's recommendation for DMV HR staff to attend 3 trainings per year in each year of the 2019-2021 biennium.

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DMV HUMAN RESOURCES STAFF TO ATTEND 1 TRAINING IN EACH YEAR OF THE 2019-2021 BIENNIUM TOTALING \$9,489 IN STATE HIGHWAY FUND APPROPRIATIONS.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLYWOMAN NEAL:

I recommend we go with this option because other HR trainings are happening within the State. The DMV needs to take advantage of these and mix and match its training options.

CHAIR PARKS:

The DHRM offers certain programs in addition to what the DMV has for its own HR staff. I presume there is not a significant difference between one type of training and another. I support the motion.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

The next training-related enhancement which warrants further discussion relates to IT Security training.

The Governor recommends State Highway Fund appropriations of \$25,490 including \$19,750 in registration fees over the 2019-2021 biennium to fund security training for the IT Professional who serves as the DMV Information Security Officer (ISO). This funding would allow the ISO to attend the Black Hat security training in Las Vegas at a projected cost of \$8,779 in each year of the biennium and the Black Hat security conference at a projected cost of \$3,966 in

each year of the biennium. The DMV indicates this training is necessary because the Division of Enterprise IT Services cannot manage every agency's networks, applications and programs.

Subsequent to the Department's budget hearing, the DMV indicated the training and conference are held consecutively; however, the Executive Budget inadvertently included two round-trip airfare amounts. The DMV indicates airfare can be reduced by \$488 each year which would result in an equal reduction of State Highway Fund appropriations. If this training is approved, Fiscal staff requests to enter this technical adjustment when this budget is closed by the Subcommittees.

The Subcommittees may wish to consider the following options.

The Subcommittees may choose to approve the Governor's recommendation for the ISO to attend 1 training and 1 conference in each year of the biennium funded with State Highway Fund appropriations totaling \$26,910 over the 2019-2021 biennium.

The Subcommittees may choose to approve the ISO to attend the Black Hat security training for \$8,779 in FY 2020 and the Black Hat security conference for \$3,966 in FY 2021. This option would reduce total State Highway Fund appropriations to \$13,455 over the 2019-2021 biennium.

The Subcommittees may choose to not approve the Governor's recommendation for the ISO to attend the Black Hat security training.

ASSEMBLYWOMAN NEAL:

Based on the information provided, the conference is going to be in Las Vegas. I would make the motion to approve the second option because the conference is in this State.

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ISO TO ATTEND THE BLACK HAT SECURITY TRAINING FOR \$8,779 IN FY 2020 AND THE BLACK HAT SECURITY CONFERENCE FOR \$3,966 IN FY 2021.

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SENATOR CANCELA SECONDED THE MOTION.

CHAIR PARKS:

Black Hat is based in Las Vegas. I have not heard anything about it potentially leaving.

My concern is that departments of motor vehicles across the Country are targeted by hackers to put a feather in their cap.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

The remaining trainings included in the table on page 64, [Exhibit C](#), were discussed in other budgets of the DMV and appear to be reasonable.

However, subsequent to the DMV budget hearing, the DMV indicated there was a change in the planned American Association of Motor Vehicle Administrators regional conference that was slated to be held at Lake Tahoe in FY 2021. The conference is now anticipated to be held in Park City, Utah. Fiscal staff requests authority to enter the necessary technical adjustments on a departmentwide basis to reflect this revised location.

Do the Subcommittees recommend approval of the training indicated table on page 64, [Exhibit C](#), with the noted technical adjustments? Fiscal staff requests authority to make technical adjustments in the respective budgets related to these decision units.

CHAIR PARKS:

I will accept a motion to approve training indicated within the table on page 64, [Exhibit C](#), with noted technical adjustments and to allow Fiscal staff to make any other adjustments as necessary.

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE TRAINING INDICATED IN THE TABLE ON PAGE 64, [EXHIBIT C](#), WITH THE NOTED TECHNICAL ADJUSTMENTS AND TO GRANT FISCAL STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS IN THE RESPECTIVE BUDGETS RELATED TO THE CORRESPONDING DECISION UNITS.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN TITUS WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MS. RAVENELLE:

The next major closing issue is increased marketing services and social media archiving as seen in decision units E-225 and E-229.

E-225 Efficient and Responsive State Government — Page DMV-28

E-229 Efficient and Responsive State Government — Page DMV-29

In decision unit E-225, the Governor recommends the funding of a projected increase in professional services for the DMV's existing marketing contract that expires in FY 2019. This increase will be funded with State Highway Fund appropriations of \$8,111 in each year of the 2019-2021 biennium.

In decision unit E-229, the Governor recommends the purchase of social media archiving services funded with State Highway Fund appropriations of \$4,788 in each year of the 2019-2021 biennium. The DMV has a draft social media policy and is working on establishing a comprehensive social media strategy and plan. The DMV indicates its final social media policy will define the uses and restrictions of social media and clarify the DMV's authority to remove vulgar, inappropriate or discriminatory speech. Once finalized, the DMV would notify the public of its final policy by posting the full policy online.

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Do the Subcommittees wish to approve the Governor's recommendation for increased marketing services and social media archiving funded with State Highway Fund appropriations of \$12,899 in each year of the biennium?

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNITS E-225 AND E-229 OF B/A 201-4744 FOR INCREASED MARKETING SERVICES AND SOCIAL MEDIA ARCHIVING FUNDED WITH STATE HIGHWAY FUND APPROPRIATIONS OF \$12,899 IN EACH YEAR OF THE BIENNIUM.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

There are 7 other closing items in B/A 201-4744, beginning on page 65 of [Exhibit C](#). All appear to be reasonable. However, Fiscal staff asks for a technical adjustment to other closing item 2 to eliminate decision unit E-227 since the conference will no longer be held at Lake Tahoe. Fiscal staff also requests a technical adjustment to other closing item 5 to add 2 laptops to the technology equipment request in decision unit E-715.

E-227 Efficient and Responsive State Government — Page DMV-29
E-715 Equipment Replacement — Page DMV-32

Fiscal staff recommends other closing items 3, 4, 6 and 7 be closed as recommended by the Governor and other closing items 1, 2 and 5 be closed with the technical adjustments noted on page 65, [Exhibit C](#). Fiscal staff requests authority to make other technical adjustments as necessary.

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CHAIR PARKS:

I will accept a motion to close as recommended by the Governor with necessary technical adjustments by Fiscal staff.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4744 THE GOVERNOR'S RECOMMENDATIONS ON OTHER CLOSING ITEMS 3, 4, 6 AND 7; TO APPROVE OTHER CLOSING ITEMS 1, 2 AND 5 WITH THE NOTED TECHNICAL ADJUSTMENTS; TO GRANT FISCAL STAFF AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY; AND TO CLOSE B/A 201-4744.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

The next budget for consideration is B/A 201-4715, beginning on page 69 of [Exhibit C](#). This budget has two major closing issues.

DMV - Automation — Budget Page DMV-40 (Volume III)
Budget Account 201-4715

The first major closing issue for B/A 201-4715 on page 70, [Exhibit C](#), is the transfer of 8 positions for desktop support, application support and framework and control in decision unit E-901. The Governor recommends the transfer of 4 IT technicians, 3 DMV services technicians and 1 IT professional position from the System Technology Application Redesign (STAR) project in B/A 201-4716 to B/A 201-4715. These positions are to be funded with State Highway Fund appropriations of approximately \$1.2 million over the biennium.

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DMV - System Technology Application Redesign — Budget Page DMV-15
(Volume III)
Budget Account 201-4716

E-901 Trnsfr of Support Pcn's From BA 4716 To BA 4715 — Page DMV-48

Four IT Technician positions, one located in southern Nevada and three in northern Nevada, would be integrated into the desktop support group and serve as desktop technicians. The desktop support function is responsible for supporting 1,271 users within the DMV as well as the county assessor and American Automobile Association (AAA) offices that perform transactions for DMV customers.

Three DMV services technicians located in southern Nevada would be integrated into the application support staff. Application support staff are responsible for testing more than 40 separate DMV programs on 4 different platforms.

An existing IT technician professional III would be transferred from the STAR project to perform the daily tasks, projects, and system administration assigned to the framework and control group of the DMV.

Fiscal staff notes these current State positions were created for the STAR project, and the Legislature maintained the ability to determine whether these positions should be eliminated once the project was completed. The DMV indicates that once the STAR modernization project is restarted and implemented, these positions would continue to be part of the automation team to provide maintenance, perform support and implement enhancements.

Do the Subcommittees wish to approve the Governor's recommendation to transfer 8 previously noted positions from the STAR budget, B/A 201-4716, to the Automation budget, B/A 201-4715, funded with State Highway Fund appropriations of \$600,595 in FY 2020 and \$626,948 in FY 2021? Fiscal staff requests authority to make any necessary technical adjustments.

SENATOR CANCELA MOVED TO RECOMMEND TO THE FULL
COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN
DECISION UNIT E-901 OF B/A 201-4715 TO TRANSFER 8 POSITIONS

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FROM B/A 201-4716 TO FUND THE TRANSFER WITH STATE HIGHWAY FUND APPROPRIATIONS OF \$600,595 IN FY 2020 AND \$626,948 IN FY 2021 AND TO GRANT FISCAL STAFF AUTHORITY TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN JAUREGUI SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN MONROE-MORENO WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

Major closing issue 2 on page 71 of [Exhibit C](#) is decision unit E-902, the transfer of 4 positions for network infrastructure support.

E-902 Trnsfr IT Pcn's From BA 4716 To BA 4715 — Page DMV-49

The Governor recommends the transfer of 4 IT professional positions from the STAR budget, B/A 201-4716, to the Automation budget, B/A 201-4715, funded with State Highway Fund appropriations of \$811,389 over the biennium. These IT professionals would upgrade and maintain the DMV's security and infrastructure. Fiscal staff notes all of these positions are currently filled.

Do the Subcommittees wish to approve the Governor's recommendation to transfer 4 IT professional positions from the STAR budget to the Automation budget funded with State Highway Fund appropriations of \$396,615 in FY 2020 and \$414,774 in FY 2021 to upgrade and maintain the DMV's security and infrastructure? Fiscal staff requests authority to make any necessary technical adjustments.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-902 OF B/A 201-4715 TO TRANSFER 8 POSITIONS

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FROM B/A 201-4716 TO FUND THE TRANSFER WITH STATE HIGHWAY FUND APPROPRIATIONS OF \$396,615 IN FY 2020 AND \$414,774 IN FY 2021 AND TO GRANT FISCAL STAFF AUTHORITY TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN MONROE-MORENO WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

There are 11 other closing items in B/A 201-4715 beginning on page 72 of [Exhibit C](#). In other closing item 1, decision unit E-233, Fiscal staff suggests a technical adjustment to add Duo secure access software licenses. In other closing items 2, 4 and 5, Fiscal staff recommends technical adjustments to adjust the training costs that were made by these Subcommittees in B/A 201-4744.

E-233 Efficient and Responsive State Government — Page DMV-44

Fiscal staff recommends other closing item 1 be closed with the technical adjustment and other closing items 3 and 6 through 11 be closed as recommended by the Governor. Fiscal staff requests authority to make technical adjustments for other closing items 2, 4 and 5 based on the Subcommittees' decision regarding travel in the DMV Director's Office budget closing, B/A 201-4744. Fiscal staff also requests authority to make other technical adjustments as necessary.

CHAIR PARKS:

I will accept a motion to close the other closing items as indicated with technical adjustments and authority for Fiscal staff to make additional adjustments as necessary.

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ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4715 OTHER CLOSING ITEM 1 WITH THE NOTED TECHNICAL ADJUSTMENT; TO APPROVE OTHER CLOSING ITEMS 3 AND 6 THROUGH 11 AS RECOMMENDED BY THE GOVERNOR; TO GRANT FISCAL STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS FOR OTHER CLOSING ITEMS 2, 4 AND 5 BASED ON THE SUBCOMMITTEES' DECISION REGARDING DEPARTMENT TRAVEL IN THE DMV DIRECTOR'S OFFICE BUDGET CLOSING, B/A 201-4744; TO GRANT FISCAL STAFF AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY; AND TO CLOSE B/A 201-4715.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN MONROE-MORENO WAS ABSENT FOR THE VOTE.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

The STAR modernization project budget, B/A 201-4716, begins on page 77 of [Exhibit C](#).

The Executive Budget recommends the continued implementation of the STAR project funded with total State Highway Fund appropriations of \$43.9 million and Technology Fee revenue of \$14 million over the 2019-2021 biennium. However, on April 1, 2019, the Governor's Office of Finance (GFO) submitted Budget Amendment No. A193424716 ([Exhibit F](#)) which reflects realigned spending in the 2019-2021 biennium funded with a State Highway Fund appropriation of \$200,000 and Technology Fee revenue of \$14 million over the biennium.

Due to recent developments, the DMV indicates it will be taking a revised approach to the modernization project by conducting a baseline study of the DMV's existing system and needs over the 2019-2021 biennium. The GFO

submitted Budget Amendment No. A193424716, [Exhibit F](#), because the revised approach differs from the recommendations originally included in the Executive Budget.

The first revised recommendation is the elimination of five positions which leaves the STAR budget with eight positions. In addition to the recommended positions for the STAR Project, the DMV requests the services of a part-time master services agreement (MSA) contractor funded with reserves at a cost of \$60,000 in each year of the biennium. The DMV indicates this MSA contractor would serve as a project manager on a part-time, as-needed basis to assist with project management documentation, project plans, request for proposals, service level agreements and technology investment notifications.

The Governor's revised recommendation includes the reclassification of a vacant IT professional position to an IT manager position. This change is reflected in the table on page 79, [Exhibit C](#), and would result in a total reduction to reserves of \$59,132 over the 2019-2021 biennium. However, in Study #591-19 the DHRM indicates the vacant IT professional should be reclassified as a master IT professional. This recommendation from DHRM would result in an increase of \$10,265 over the 2019-2021 biennium. If this reclassification is approved by the Subcommittees, Fiscal staff requests authority to make this technical adjustment.

The second revised recommendation is for the replacement of a technology solution. The Governor now recommends hiring a contractor with specific expertise in legacy system modernizations to conduct a baseline assessment and assist with the request for proposal for the ultimate solution to be implemented by the DMV. This would result in a total decrease in reserves of \$550,000 over the 2019-2021 biennium. The schedule for timeline and baseline assessments are indicated on page 79, [Exhibit C](#).

The third revised recommendation is for customer-facing website improvements. The DMV indicates it would utilize the services of Granicus GovAccess to perform the initial design and deployment of a new website. Granicus GovAccess is a subscription-based content management system and service plan that provides the technology, expertise, training and insights to keep

websites relevant. The DMV indicates its current website is cluttered and difficult for the public to use.

The DMV's projected expenditures for the website are outlined in the table on page 80, [Exhibit C](#).

The fourth revised recommendation is for seven new MSA contractors to provide data cleansing services as well as software and software training to export data. The new positions and software would be funded with a total decrease in reserves of \$2.8 million over the 2019-2021 biennium. The DMV indicates its goal is to have one complete and accurate record for every individual in its database.

The fifth recommendation is for the continuation of Technology Fee revenue and modification of the budget funding structure. Historically, this budget has received both State Highway Fund appropriations and Technology Fee revenue to fund its expenditures. However, the Technology Fee is set to expire on June 30, 2020, when the modernization project was originally anticipated to be completed. The Governor recommends extending the collection of the Technology Fee which would generate revenue of \$7 million in FY 2021. The DMV indicates Bill Draft Request (BDR) 43-1210 has been submitted to support this request.

BILL DRAFT REQUEST 43-1210: Extends the imposition of a technology fee on certain transactions by the Department of Motor Vehicles. (Later introduced as [Senate Bill 542](#).)

In Budget Amendment No. A193424716, [Exhibit F](#), the Governor recommends a revision to decision unit E-235 to establish a reserve in this budget funded with \$7 million in Technology Fee revenues. The Governor recommends allowing the funds to balance forward into future fiscal years. This would allow the DMV to build a reserve that can be utilized in future years.

E-235 Efficient and Responsive State Government — Page DMV-19

Since the budget would not receive Technology Fee funding until approximately a month into FY 2020 due to the State's accounting procedures,

Budget Amendment No. A193424716, [Exhibit F](#), recommends a State Highway Fund appropriation of \$200,000 in FY 2020 to cover expenditures for that month. This State Highway Fund appropriation would serve as a loan which the Governor recommends be paid back at the end of FY 2020. However, as indicated earlier, the Subcommittees could consider balancing forward remaining funding from FY 2019 into the 2019-2021 biennium. The money which is rolled forward could be used by the DMV for cash flow thereby eliminating the need for this State Highway Fund appropriation and pay back.

The budget amendment also eliminates expenditures which were originally included in the Executive Budget of \$332,000 in each year of the 2019-2021 biennium for Independent Verification and Validation (IV&V). The DMV indicates IV&V is a critical component of any large-scale IT project and involves an independent third-party organization evaluating the status of the project on an ongoing basis to ensure the Agency is receiving what it contracted to receive. However, the IV&V will not be needed until a new solution is identified which the DMV anticipates will be in FY 2021. According to the DMV, the IV&V line item was identified after the budget amendment had been transmitted by the GFO. Therefore, the Subcommittees may wish to consider the DMV's request for an IV&V contract at a cost of \$400,000 funded with a reduction in reserves for FY 2021.

The leased space that currently houses STAR project staff will be shared in the 2019-2021 biennium by the Silver State Modernization Approach for Resources and Technology in the 21st Century and the Nevada Criminal Justice Information System modernization projects. Accordingly, Fiscal staff requests authority to make technical adjustments to reflect the reduced rental expenditures in the STAR budget.

To monitor the status of the STAR project throughout the 2019-2021 biennium, the Subcommittees may wish to consider issuing a letter of intent to the DMV for the recommendations listed on page 82, [Exhibit C](#).

Do the Subcommittees wish to approve the continuation of the STAR budget in the 2019-2021 biennium while reflecting changes in Budget Amendment No. A193424716, [Exhibit F](#), that realign spending in the 2019-2021 biennium funded with Technology Fee revenue of \$14 million over the 2019-2021

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biennium including the technical adjustment for a position reclassification? The Technology Fee revenue would be contingent upon passage of BDR 43-1210.

Do the Subcommittees wish to recommend that the STAR budget balance forward remaining funds from Technology Fee revenue from FY 2019 into the 2019-2021 biennium? Fiscal staff notes that if the Subcommittees approve this balance forward, the need for a loan from State Highway Fund monies would be eliminated.

Do the Subcommittees wish to approve a technical adjustment for a \$400,000 reduction in reserves for FY 2021 to support IV&V services for the STAR project?

Do the Subcommittees wish to reduce the rental expenditures in the STAR budget to reflect the reduction in leased space?

Do the Subcommittees wish to eliminate funding for the server that is no longer needed which was included in new decision unit E-228 in the amount of \$20,312?

Do the Subcommittees wish to recommend a letter of intent instructing the DMV to report semiannually to the Interim Finance Committee (IFC) on its operations and the status of the STAR project?

Fiscal staff requests authority to make any necessary technical adjustments.

CHAIR PARKS:

We have six items plus technical adjustments before us. These include the continuation of the STAR budget, the STAR budget balance forward, technical adjustments for \$400,000 in IV&V, reduced rental rate, elimination of the server that was planned and a letter of intent for semiannual DMV reports.

ASSEMBLYWOMAN TITUS:

I do not like this. I am very frustrated that the DMV has spent \$30.8 million, mostly in fees from Nevadans, and then the DMV has indicated a "sunk cost" of \$12.2 million from its equipment purchases. What is a "sunk cost"? I want the definition on the record.

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CHAIR PARKS:

As an accountant, I can define the term. It is an expense incurred that cannot be recouped in any manner. It is money that is gone. You may still have an asset with some value, but the money is gone.

ASSEMBLYWOMAN TITUS:

I am concerned with the accountability of the DMV in spending these fees in such a manner. This project has already cost us \$30.8 million, to no avail, much of which we cannot regain. It is important that the DMV be accountable for this issue. It is important that monitoring be established for the future. The new system is needed, but we cannot afford to keep moving forward in such a reckless manner.

ASSEMBLYWOMAN NEAL:

I have similar concerns about accountability. The new Director of the DMV is taking a different approach which is why we see a reduction in the requested funding.

Certain individuals who were involved in the project previously may still be part of the project now. I want to make sure that certain guardrails are in place as the project and decision making processes move forward. It is possible that notes were taken concerning things that could have been done differently. Hindsight is 20/20. We can look back at what we could have done differently. I want to know how the DMV will protect future decisions knowing that certain individuals are still involved in the modernization project.

JULIE BUTLER (Director, Department of Motor Vehicles):

I intend to keep control of the project through constant communication. I cannot afford to take a hands-off approach with this project and leave it just to the office and the contractors we solicit to help us with this effort. I plan to be heavily involved in monitoring this project on a daily basis. Assuming this body approves our request for \$400,000 for IV&V, I plan to use the services of whichever vendor we select to make sure they are keeping a bead not only on whichever contractor or solution we end up using to replace our existing systems but also on DMV staff. We cannot afford to get complacent. We cannot afford to do things like we have always done them.

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ASSEMBLYWOMAN TITUS:

Citizens are paying the Technology Fee because of mistakes made outside their control. I understand that happens, but I have a hard time with extending the Fee. I am not convinced this has been resolved. I appreciate the Director's commitment to this project, and I do believe she is sincere, but I just cannot support it.

SENATOR GOICOECHEA:

We are all struggling with this, looking at it and hoping it will get better. But if we do not approve the recommendations before us, where will we go? We do not like it, but we need something.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4716 THE CONTINUATION OF THE STAR BUDGET IN THE 2019-2021 BIENNIUM WITH BUDGET AMENDMENT NO. A193424716 INCLUDING A REALIGNMENT OF SPENDING IN THE 2019-2021 BIENNIUM FUNDED WITH TECHNOLOGY FEE REVENUE OF \$14 MILLION OVER THE 2019-2021 BIENNIUM CONTINGENT UPON PASSAGE OF BDR 43-1210 INCLUDING THE TECHNICAL ADJUSTMENT FOR A POSITION RECLASSIFICATION; RECOMMEND THAT THE STAR BUDGET BALANCE FORWARD REMAINING FUNDS FROM TECHNOLOGY FEE REVENUE FROM FY 2019 INTO THE 2019-2021 BIENNIUM; APPROVE A TECHNICAL ADJUSTMENT FOR A \$400,000 REDUCTION IN RESERVES FOR FY 2021 TO SUPPORT IV&V SERVICES FOR THE STAR PROJECT; REDUCE THE RENTAL EXPENDITURES IN THE STAR BUDGET TO REFLECT THE REDUCTION IN LEASED SPACE; ELIMINATE THE SERVER WHICH IS NO LONGER NEEDED THAT WAS INCLUDED IN NEW DECISION UNIT E-228 IN THE AMOUNT OF \$20,312; RECOMMEND A LETTER OF INTENT INSTRUCTING THE DMV TO REPORT SEMIANNUALLY TO THE IFC ON ITS OPERATIONS AND THE STATUS OF THE STAR PROJECT; AND GRANT FISCAL STAFF AUTHORITY TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN NEAL SECONDED THE MOTION.

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ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN TITUS VOTED NO.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

Seven other closing items in B/A 201-4716 are described beginning on page 83 of [Exhibit C](#). All appear reasonable, but Fiscal staff requests technical adjustments to several items as seen on pages 83 and 84, [Exhibit C](#).

Fiscal staff recommends other closing items 1 through 4 be closed as recommended by the Governor and requests authority to make technical adjustments for other closing items 5, 6 and 7 based on the Subcommittees' decisions in the DMV Automation budget closing. Fiscal staff also requests authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE OTHER CLOSING ITEMS IN B/A 201-4716, TO GRANT FISCAL STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS TO OTHER CLOSING ITEMS 5, 6 AND 7 AS WELL AS ANY OTHER TECHNICAL ADJUSTMENTS AS NECESSARY AND TO CLOSE B/A 201-4716.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Ms. RAVENELLE:

Beginning on page 85 of [Exhibit C](#), the next budget for consideration is B/A 201-4745; the budget account for the Administrative Services Division of

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the DMV. There are two major closing issues in this budget. They are described on pages 86 and 87 of [Exhibit C](#).

DMV - Administrative Services Division — Budget Page DMV-51 (Volume III)
Budget Account 201-4745

Major closing issue 1 is the request for a new auditor position in decision unit E-225. The Executive Budget recommends State Highway Fund appropriations of \$178,709 over the biennium. The recommended new auditor position would act as an internal auditor and primarily ensure internal accounting controls are followed by AAA and county assessor offices that perform transactions for DMV customers.

E-225 Efficient and Responsive State Government — Page DMV-53

Do the Subcommittees wish to approve the Governor's recommendation for 1 new auditor position and associated operating costs funded with State Highway Fund appropriations of \$80,057 in FY 2020 and \$98,652 in FY 2021 and provide Fiscal staff with authority to enter any necessary technical adjustments?

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-225 OF B/A 201-4745 FOR 1 NEW AUDITOR POSITION AS WELL AS ASSOCIATED OPERATING COSTS FUNDED WITH STATE HIGHWAY FUND APPROPRIATIONS OF \$80,057 IN FY 2020 AND \$98,652 IN FY 2021 AND PROVIDE FISCAL STAFF WITH AUTHORITY TO ENTER ANY NECESSARY TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

Major closing issue 2 addresses credit card merchant fees. The DMV incurs fees for transactions paid by credit card, debit card and e-check. In April 2019, the DMV provided updated credit card fee projections for FY 2019 and the 2019-2021 biennium using credit/debit card transaction data through March 2019.

Based on the DMV's revised projections, credit card fees are estimated to increase from \$7.1 million in FY 2018 to \$7.8 million in FY 2019, to \$8.8 million in FY 2020 and to \$9.8 million in FY 2021. This represents an increase of \$2.9 million over the 2019-2021 biennium compared to the amounts included in the Executive Budget. The DMV's updated projections are presented in the table on page 87, [Exhibit C](#).

The updated fees would be funded with State Highway Fund appropriations of \$3.4 million in FY 2020 and \$4.3 million in FY 2021 with the remaining amount funded with vehicle report of sale or title processing fee revenue and cost allocation revenues in this budget.

The updated expenditure projections provided by the DMV reflect increases of \$1.1 million in FY 2020 and \$1.8 million in FY 2021 over the Governor's recommended budget. The DMV requests additional State Highway Fund appropriations to fund the additional costs. The largest factor contributing to this increase is a change in the assessment fee, which is a pass-through fee set and charged by the card brands as the merchant's contribution to the cost of the payment networks. The DMV indicates these fees are non-negotiable and controlled by the card brands. Merchants, including State agencies, cannot control or negotiate these fees.

Once card brands set their fees, the amounts are then established across the industry. Assessment fees also vary depending on the type of card and the benefits and awards for the individual consumer who owns and uses the card. Credit card companies are now increasing assessment fees twice a year. This process is outside the parameters of the State's credit card processing contract with Wells Fargo. The DMV based its updated projections for the 2019-2021 biennium using a combination of transaction count increases and per transaction fee increases.

The Governor recommends the DMV maintain the ability to transfer State Highway Fund appropriations between fiscal years of the 2019-2021 biennium to fund credit card merchant fees with approval of the IFC. Similar to action taken by the 2017 Legislature, the Subcommittees may consider approving the DMV's revised projected credit card expenditures of \$8.8 million in FY 2020 in each year of the 2019-2021 biennium. The Subcommittees could then provide the DMV the ability to transfer State Highway Fund appropriations to fund credit card fees between the fiscal years in the 2019-2021 biennium with the approval of the IFC.

The Subcommittees could choose to approve the Governor's recommendation for credit card fees and provide Fiscal staff with authority to make technical adjustments to increase State Highway Fund appropriations by \$8.8 million in FY 2020 and \$9.8 million in FY 2021 to fund these costs based on the DMV's updated projections.

Alternatively, the Subcommittees could approve the DMV's revised FY 2020 credit card fee projections of \$8.8 million in both FY 2020 and FY 2021 and provide the DMV with authority to transfer State Highway Fund appropriations of up to \$3 million between each fiscal year in the 2019-2021 biennium to fund credit card fees. When compared to the amounts in the Executive Budget, this option would result in an increase in State Highway Fund appropriations of \$1.8 million over the 2019-2021 biennium.

ASSEMBLYWOMAN NEAL:

I do not know which option to pick. In general, I am concerned that the banks are now charging the fee twice a year. Although it is a fixed thing we cannot change, I feel like they are raking us over the coals. If we were to calculate how many fees are being paid per agency, I wonder how much of a fiscal hit we are taking. Perhaps as a State we need to have a conversation with the banks and say they need to negotiate with us.

ASSEMBLYMAN KRAMER:

It is important to recognize that many of these are kiosk transactions and web transactions which means the customer is not going into the DMV to make their payment. Theoretically, that means our staffing demands at DMV are less, and people are getting service on their own time. People are able to do their

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business in the middle of the night or on weekends without having to schedule time to go to the DMV.

These numbers account for several million transactions per year. With \$8 million in fees over the biennium, that is a couple dollars per transaction. A couple dollars per transaction to keep someone from having to come in to the DMV is a good tradeoff. I do not like the fees, but they serve a purpose. I do not know how many people go through the DMV each day or how many service people the DMV has, but I am sure we could get that information to assess the tradeoff and see how many more staff members we would need in order to take care of these 2 million transactions per year if they were done in person.

ASSEMBLYWOMAN TITUS:

We have been discussing these credit card fees for as long as I have been in the Legislature. I am okay with being charged a fee for the convenience of using a credit or debit card. I do not generally like fees, especially mandatory fees, but it is standard practice to charge a consumer an optional fee for a privilege or convenience. That is something we need to consider. The State should not be absorbing the cost of this practice. I would happily pay the fee instead of going to the DMV. I have not seen any discussion about passing the processing fee to the consumer.

CHAIR PARKS:

I recommend the second option. It is the most prudent alternative.

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4745 THE DMV'S REVISED FY 2020 CREDIT CARD FEE PROJECTIONS OF \$8.8 MILLION IN BOTH FY 2020 AND FY 2021 AND PROVIDE THE DMV WITH AUTHORITY TO TRANSFER STATE HIGHWAY FUND APPROPRIATIONS UP TO \$3 MILLION BETWEEN EACH FISCAL YEAR IN THE 2019-2021 BIENNIUM TO FUND CREDIT CARD FEES.

SENATOR CANCELA SECONDED THE MOTION.

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SENATOR GOICOECHEA:

The second option, the one just moved, will increase the State Highway Fund appropriation by almost \$2 million for the biennium.

CHAIR PARKS:

You are correct. However, it also gives the DMV authority to transfer up to \$3 million between each fiscal year to fund the processing fees. I presume this will allow the DMV to do what it needs to do without having to come back to the IFC to pursue further approval.

SENATOR GOICOECHEA:

In my mind, it is a new program, and I am leaning more toward the first option. I am not really concerned about having the DMV come before the IFC, even though I usually have that concern. Option A with the requirement to come before the IFC will help us keep a better handle on the fiscal situation.

MS. JONES:

In the second option, the DMV would still have to come to IFC for approval of the transfer for fiscal years. The second option would just allow the ability to transfer funds without having to go to Contingency Account funds for the additional funding. Any unused funds appropriated for this purpose would revert to the fund of origin.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

Ten other closing items in B/A 201-4745 are detailed on pages 90 and 91 of [Exhibit C](#). Fiscal staff asks for the elimination of other closing item 4, decision unit E-711, because the vendor will pay for the replacement check scanners. Fiscal staff also asks for adjustments to other closing items 1 and 7.

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Fiscal staff recommends other closing items 2, 3, 5, 6, 8, 9 and 10 be closed as recommended by the Governor and other closing items 1 and 7 be closed with technical adjustments as noted. Fiscal staff also recommends other closing item 4 not be approved and requests authority for Fiscal staff to make additional technical adjustments as necessary.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4745 OTHER CLOSING ITEMS 2, 3, 5, 6 AND 8 THROUGH 10 AS RECOMMENDED BY THE GOVERNOR AND OTHER CLOSING ITEMS 1 AND 7 WITH TECHNICAL ADJUSTMENTS NOTED BY FISCAL STAFF; TO NOT APPROVE OTHER CLOSING ITEM 4 IN B/A 201-4745; TO CLOSE B/A 201-4745; AND TO GRANT FISCAL STAFF AUTHORITY TO MAKE ADDITIONAL TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

The next budget to be considered beginning on page 93 of [Exhibit C](#) is for the Compliance Enforcement Division (CED), B/A 201-4740.

DMV - Compliance Enforcement — Budget Page DMV-59 (Volume III)
Budget Account 201-4740

The only major closing issue for B/A 201-4740 is the elimination of a deputy administrator position in decision unit E-227. The Governor recommends the elimination of a vacant unclassified DMV deputy administrator position resulting in State Highway Fund reductions of \$278,177 over the 2019-2021 biennium.

E-227 Efficient and Responsive State Government — Page DMV-61

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Fiscal staff notes this position has been vacant since February 2018. The DMV indicates this position is no longer needed due to a restructuring of the CED. The CED Administrator and remaining deputy administrator provide management for the entire CED Statewide.

Do the Subcommittees wish to approve the Governor's recommendation for the elimination of an unclassified deputy administrator position and associated operating costs resulting in State Highway Fund reductions of \$278,177 over the 2019-2021 biennium and provide Fiscal staff authority to make technical adjustments as necessary?

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN DECISION UNIT E-227 OF B/A 201-4740 FOR THE ELIMINATION OF AN UNCLASSIFIED DEPUTY ADMINISTRATOR POSITION AND ASSOCIATED OPERATING COSTS RESULTING IN STATE HIGHWAY FUND REDUCTIONS OF \$278,177 OVER THE 2019-2021 BIENNIUM AND TO PROVIDE FISCAL STAFF AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR CANCELA WAS ABSENT FOR THE VOTE.)

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Ms. RAVENELLE:

Twelve other closing items for B/A 201-4740 are described on page 94 through 96 of [Exhibit C](#). Fiscal staff recommends a technical adjustment to other closing items 7 and 12 and the elimination of other closing item 11, decision unit E-800.

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Fiscal staff recommends other closing items 1 through 6, 8, 9 and 10 be closed as recommended by the Governor, other closing items 7 and 12 be closed with the technical adjustments noted and other closing item 11 not be approved. Fiscal staff requests authority to make other technical adjustments as necessary.

ASSEMBLYMAN KRAMER MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION IN B/A 201-4740 OF OTHER CLOSING ITEMS 1 THROUGH 6, 8, 9 AND 10 AND OTHER CLOSING ITEMS 7 AND 12 WITH NOTED TECHNICAL ADJUSTMENTS; TO NOT APPROVE OTHER CLOSING ITEM 11; TO CLOSE B/A 201-4740; TO GRANT FISCAL STAFF AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR CANCELA WAS ABSENT FOR THE VOTE.)

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MS. RAVENELLE:

The next budget for consideration beginning on page 103 of [Exhibit C](#) is B/A 101-4722.

DMV - Motor Vehicle Pollution Control — Budget Page DMV-69 (Volume III)
Budget Account 101-4722

The major closing issues for B/A 101-4722 are the budget amendments for debt service payments and furniture, fixtures and equipment (FF&E) for the South Reno DMV facility.

The Governor recommends moving costs and specialty equipment for a new Reno emissions lab that would be located at the new DMV field office in south Reno. These moving and equipment costs would be funded with reserve

reductions of \$198,455 in FY 2020 and \$1,152 in FY 2021. The Reno emissions lab provides on-site customer service by answering emission-related questions, analyzing vehicle emission components, visually inspecting vehicles that have received a smoking vehicle complaint for validity and providing the necessary training courses for emission inspectors to obtain or renew their license.

The Governor's recommended 2019 Capital Improvement Program (CIP) allocates State Highway Fund appropriations of \$8.7 million in the 2019-2021 biennium to complete construction items that were deferred due to unanticipated construction costs for the DMV facility in south Reno. This appropriation is seen in CIP Project No. 19-C01. During the CIP budget hearing on March 14, 2019, the State Public Works Division indicated CIP Project No. 19-C01 should be funded with general obligation bonds with debt service payments funded by the State Highway Fund and the Motor Vehicle Pollution Control budget.

Project No. 19-C01: Completion of South Reno DMV

Budget Amendment No. A193434722 ([Exhibit G](#)), received from the GFO on March 28, 2019, recommends reserve reductions in the Motor Vehicle Pollution Control budget of \$58,002 in FY 2020 and \$58,500 in FY 2021 for 12 percent of the debt service payments for the 20-year general obligation bonds. Budget Amendment No. A193334722 ([Exhibit H](#)), received from the GFO on April 3, 2019, recommends a reserve reduction of \$397,878 in FY 2020 for 12 percent of the FF&E.

Do the Subcommittees wish to approve moving costs and specialty equipment for the new Reno emissions lab funded with reserve reductions of \$198,455 in FY 2020 and \$1,152 in FY 2021?

Do the Subcommittees wish to approve Budget Amendment No. A193434722, [Exhibit G](#), for reserve reductions of \$58,002 in FY 2020 and \$58,500 in FY 2021 for additional bond service payments associated with the Motor Vehicle Pollution Control budget's share to complete construction at the new Reno DMV field office facility?

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Do the Subcommittees wish to approve Budget Amendment No. A193334722, [Exhibit H](#), for reserve reductions of \$397,878 in FY 2020 for the Motor Vehicle Pollution Control budget's share of the FF&E costs at the new Reno DMV field office facility?

Fiscal staff requests authority to make any necessary technical adjustments.

CHAIR PARKS:

We have three components before us. The components are distinct; we do not have to make an either/or decision. We can select whether to fund any one of the components or any combination we decide. My recommendation would be to approve all three as outlined by Fiscal staff and allow authority for necessary technical adjustments.

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 101-4722 MOVING COSTS AND SPECIALTY EQUIPMENT FOR THE NEW RENO EMISSIONS LAB TO BE LOCATED AT THE NEW DMV FIELD OFFICE IN SOUTH RENO FUNDED WITH RESERVE REDUCTIONS OF \$198,455 IN FY 2020 AND \$1,152 IN FY 2021; APPROVE BUDGET AMENDMENT NO. A193434722 FOR RESERVE REDUCTIONS OF \$58,002 IN FY 2020 AND \$58,500 IN FY 2021 FOR ADDITIONAL BOND SERVICE PAYMENTS ASSOCIATED WITH THE MOTOR VEHICLE POLLUTION CONTROL BUDGET'S SHARE TO COMPLETE CONSTRUCTION AT THE NEW RENO DMV FIELD OFFICE FACILITY; APPROVE BUDGET AMENDMENT NO. A193334722 FOR RESERVE REDUCTIONS OF \$397,878 IN FY 2020 FOR THE MOTOR VEHICLE POLLUTION CONTROL BUDGET'S SHARE OF THE FF&E COSTS AT THE NEW RENO DMV FIELD OFFICE FACILITY; AND GRANT FISCAL STAFF AUTHORITY TO MAKE ANY NECESSARY TECHNICAL ADJUSTMENTS.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

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SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

There are 19 other closing items in this budget described on pages 99 through 101 of [Exhibit C](#). Most of these items appear reasonable. Other closing items 2, 5 and 9 are related to training adjustments which were approved by these Subcommittees in the DMV Director's Office Budget, B/A 201-4744. Other closing item 17 is not needed because replacement radios for motor vehicle pollution control are included in the NDOT cost allocation; Fiscal staff does not recommend approval of the corresponding decision unit.

Fiscal staff recommends other closing items 1, 4, 6, 7, 8, 10 through 16, 18 and 19 be closed as recommended by the Governor. Fiscal staff requests authority to make technical adjustments for other closing items 2, 5 and 9 based on the Subcommittees' decision regarding DMV travel in the DMV Director's Office budget closing. Fiscal staff also recommends other closing items 3 and 17 not be approved. Fiscal staff requests authority to make other technical adjustments as necessary.

ASSEMBLYWOMAN NEAL MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 101-4722 OTHER CLOSING ITEMS 1, 4, 6, 7, 8, 10 THROUGH 16, 18 AND 19 AS RECOMMENDED BY THE GOVERNOR; APPROVE OTHER CLOSING ITEMS 2, 5 AND 9 WITH TECHNICAL ADJUSTMENTS BASED ON THE SUBCOMMITTEES' DECISION REGARDING DMV TRAVEL IN THE DMV DIRECTOR'S OFFICE BUDGET CLOSING; NOT APPROVE OTHER CLOSING ITEMS 3 AND 17; CLOSE B/A 101-4722; AND GRANT FISCAL STAFF AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR CANCELA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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MS. RAVENELLE:

The final budget for consideration is B/A 201-4717 beginning on page 103 of [Exhibit C](#).

DMV - Motor Carrier Division — Budget Page DMV-118 (Volume III)
Budget Account 201-4717

The first major closing issue addresses county administrative fees for the collection of motor fuel and special fuel taxes. The Governor recommends increases to the administrative fees charged to county governments for the collection of fuel taxes. This increase will generate State Highway Fund savings of \$1.8 million in FY 2020 and \$1.9 million in FY 2021. The Motor Carrier Division is responsible for the collection of fuel taxes for the State and county governments.

For the 2017-2019 biennium, the Executive Budget recommended the Motor Carrier Division collect a flat percentage rate from the county governments for the collection of fuel taxes. Fiscal staff consulted the Legislative Counsel Bureau (LCB) Legal Division about this approach and was advised it was not allowable under *Nevada Revised Statutes* (NRS) 373.080.

For the 2019-2021 biennium, the Executive Budget again recommends the DMV collect a 1 percent administrative fee for the collection of county taxes related to fuel revenue indexing and a 0.5 percent administrative fee for the collection of county optional fuel taxes. Bill Draft Request (BDR) 32-1212 was submitted to support this recommendation which the DMV indicates would clarify its authority to retain commissions received through contracts with counties for the services provided for the collection and distribution of county fuel taxes.

Bill Draft Request 32-1212: Revises provisions governing the collection of certain fuel taxes by the Department of Motor Vehicles. (Later introduced as [Senate Bill 546](#).)

During the budget hearing on February 27, 2019, the Subcommittees inquired if the DMV only planned to collect the contracted flat rate up to the amount of funding needed in the Motor Carrier Division budget; however, the DMV indicates it plans to collect the full amount. If this new administrative fee methodology is approved, the DMV projects revenue will exceed the total Motor Carrier Division budget beginning in FY 2022. Once that occurs, the DMV indicates it would amend the contracts with the counties to allow the remaining funds to remain in the State Highway Fund for use in the individual counties for which the excess funds were collected.

As an alternative to the flat rate collection, the Subcommittees could consider directing the DMV to further study its cost allocation over the 2019-2021 biennium to determine if the costs not currently included in the cost allocation could be determined. The DMV could then incorporate its findings into the Governor's recommended budget for the 2021-2023 biennium for consideration by the 2021 Legislature.

Two options are available for consideration by the Subcommittees:

Contingent on approval of BDR 32-1212 or other enabling legislation, the Subcommittees may choose to approve the Governor's recommendation to allow the DMV to collect 0.5 percent for county fuel tax collections and 1 percent for indexed fuel tax collections. This option would generate State Highway Fund savings of \$1.8 million in FY 2020 and \$1.9 million in FY 2021.

Alternatively, the Subcommittees may choose to not approve the Governor's recommendation to partially fund B/A 201-4717 through a cost allocation that charges 0.5 percent for county fuel tax collection revenues and 1 percent indexed fuel tax collection revenues. The Subcommittees may instead direct the DMV to further study its cost allocation over the 2019-2021 biennium to determine the additional costs that should be included. Approval of this option would continue State Highway Fund Appropriations of \$1.8 million in FY 2020 and \$1.9 million in FY 2021.

Fiscal staff requests authority to make any necessary technical adjustments.

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ASSEMBLYWOMAN NEAL:

What is the cost difference between the county reimbursement model and the fee collection model?

What is the history of not allowing flat rate collection under NRS 373.080? I have read the reasons for switching which have been provided, but I do not agree with the reasoning.

On page 104, [Exhibit C](#), Fiscal staff notes the Attorney General Cost Allocation Plan (AGCAP) is intended to collect for the cost of providing services. The DMV is going beyond just the cost of providing services. It is trying to pick up other fees, other revenue. Is that necessary? Why does the DMV need the additional fee revenue?

I am also concerned with the following sentence on page 104, [Exhibit C](#). "The DMV indicates it has communicated this plan to county governments and an area of contention appears to be the administrative fee associated with county taxes related to fuel revenue indexing." I would like clarification as to the meaning of that statement.

MR. HAARTZ:

It is not unusual in some instances for agencies to take actions based upon their interpretation of the law or advice from the Attorney General's office. This advice or interpretation can sometimes conflict with the LCB Legal and Fiscal Divisions' interpretation of the law.

Part of the debate stems from questions and mechanics of how revenues are collected, what should go into a fee, whether costs are already being funded through another allocation plan and whether it is reasonable to collect a fee on top of that cost. In this case, the Statewide Cost Allocation Plan and the AGCAP are assessed to all departments already.

Fiscal staff would defer to the DMV for an in-depth explanation or interpretation of the DMV's rationale for choosing the route it chose. However, Fiscal staff notes it appears the Executive Branch recognizes that the methodology utilized to date is not allowed in statute. The BDR has been submitted to allow the DMV's preferred process to become compliant with statute.

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ASSEMBLYWOMAN NEAL:

I understand the DMV wants BDR 32-1212 in order to shift the law to reflect what has been happening, but the question is whether the current statute is actually the most fair. The DMV should be okay with being reimbursed on the cost; it should not be tacking on all these fees. I have an issue with taking from the fuel indexing money. I have a problem with wanting more than what is provided for in the regulations. To me, this just seems greedy. I do not understand why the reimbursement for the cost is not sufficient. This is basically just an administrative task.

SENATOR GOICOECHEA:

The existing contract allows the 0.5 percent or the 1 percent collection fees. Support for BDR 32-1212 exists in the 2 counties which have fuel indexing. If there are excess revenues in 2022, and it looks like there will be excess revenues, those revenues can be returned to the county jurisdiction for use in that jurisdiction. The DMV indicated Washoe County may request excess funds be returned to its Regional Transportation Commission (RTC).

We have talked about this in the past. Other bills such as the roadside rest truck parking bill facilitate a similar practice. Even though the DMV might overcharge, this practice will simplify collection of the taxes. When the Motor Carrier Division budget is satisfied, this practice will ultimately return the revenues to the jurisdiction in which they were imposed.

ASSEMBLYWOMAN TITUS:

The fees are already in place, this is just a new methodology for collecting the fees or how the fees are assessed. Will this increase the fee rates? If so, by how much will the rates rise?

MS. RAVENELLE:

This is not a new fee; the change is to the collection language. In the last biennium, the language for the collection of county fuel taxes was incorrectly interpreted. In BDR 32-1212, the DMV is proposing to change the language so it can collect the flat fee.

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ASSEMBLYWOMAN TITUS:

Does fuel indexing currently only exist in two counties, or is it throughout the State?

CHAIR PARKS:

Only Clark and Washoe counties are indexed. Another bill may be coming forward to expand indexing to all counties.

Ms. JONES:

The original concern was with the DMV practice of collecting a 0.5 percent fee when statute indicated the DMV should only be collecting the cost to reimburse the DMV for the cost of its services.

Some discussion was held about the AGCAP and other costs as the DMV indicated some costs are not captured in the cost calculations. However, Fiscal staff would note, those are already funded separately. To collect those costs as part of this 0.5 percent fee would be to double fund those same tiny pieces.

The Subcommittees can choose to recommend the DMV continue with the cost allocation process currently in statute, as reflected in the second option presented by Ms. Ravenelle. Alternatively, the Subcommittees can choose to allow the DMV to collect the 0.5 percent and direct any excess back to the RTCs to fund parking improvements, as seen in the first option presented by Ms. Ravenelle and further clarified in other bills as mentioned by Senator Goicoechea. A disconnect will be created if the Subcommittees approve both the second option and BDR 32-1212 or vice versa.

Ms. HAARTZ:

Ms. Jones is correct, with the distinction that, the second option before the Subcommittees does not approve the Governor's recommendation and instructs the DMV study the issue over the biennium. Once the issue is resolved, the DMV could potentially come to the IFC to request the additional revenue being brought in. The first option is contingent upon passage of enabling legislation.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4717 THE GOVERNOR'S RECOMMENDATION TO ALLOW THE DMV TO COLLECT 0.5 PERCENT

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FOR COUNTY FUEL TAX COLLECTIONS AND 1 PERCENT FOR INDEXED
FUEL TAX COLLECTIONS CONTINGENT ON APPROVAL OF
BDR 32-1212 OR OTHER ENABLING LEGISLATION.

ASSEMBLYMAN KRAMER SECONDED THE MOTION.

ASSEMBLYWOMAN MONROE-MORENO:

Would a representative of the Motor Carrier Division address some of
Assemblywoman Neal's concerns?

DAWN LIETZ (Administrator, Motor Carrier Division, Department of Motor
Vehicles):

Fuel revenue indexing became law in 2005. Prior to the 2005 Legislative
Session, the law specifically stated the DMV was reimbursed up to the cost of
administering the fuel tax programs. The DMV worked with the Clark County
RTC on the language to create the indexing and included the provision to limit
the maximum contracted collection fee to 1 percent.

The DMV was already exceeding the costs for administering the motor fuel
program, so the intent was to remove the barrier stating that the collectable fee
was just a reimbursement. The different opinions on the meaning of the current
law come about because of the subheading of NRS 373.080 which states, in
part, "reimbursement for costs." The language in the body of NRS 373.080
does not state "reimbursement for costs" but rather that the DMV shall collect
in accordance with the contracts. The DMV has been collecting in accordance
with the contracts since 2005.

In 2017, the budget was held up for approval by the GFO and the Department
of Administration. The reviewers questioned whether the DMV had the authority
to collect the fee as the subheading for NRS 373.080 still says "reimbursement
for costs." The reviewers instructed the DMV to evaluate the cost allocation
methods which had been used.

The DMV determined there is no easy way to perform the cost allocation
method. The DMV spent three to four weeks gathering the information trying to
come up with the cost and breaking it out by county. After all this work, the
result is still not an even cost.

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The DMV has contracts with all the counties. The contracts make clear the counties understand it would cost them more to do the programs themselves than to have the State do it. The counties are okay with the DMV collecting the commission. In 2017, the DMV went back to the cost allocation method instead of the flat collection of the contracts with the intent of bringing a recommended change before the Legislature in 2019. That recommended change is before the Subcommittees now.

ASSEMBLYWOMAN MONROE-MORENO:

Do you feel the contracts you have in place supersede current law?

MS. LIETZ:

We do not feel the contracts override the law. However, because of current language which directs us to collect in accordance with the contract, we think the contract is the law. We believe that was the intent at the time those provisions were put in place. Each time fuel indexing has been put in place, language has been added granting the DMV authority to receive up to 1 percent. We felt we had the authority in the law to collect in accordance with the contracts.

ASSEMBLYWOMAN MONROE-MORENO:

What would be the impact to the Motor Carrier Division and its work in the counties where the fuel index is present if the Legislature were to not approve the Governor's recommendation for the partial funding?

MS. LIETZ:

A vote to not approve the Governor's recommendation will not have a negative impact on the DMV; it will have a negative impact on the State Highway Fund. The \$1.8 million in FY 2020 and the \$1.9 million in FY 2021 would have to come from State Highway Fund appropriations instead of commissions which the counties have contracted to pay in exchange for the collection of the indexing.

ASSEMBLYWOMAN NEAL:

I have heard the explanation, but the contracts should have been for the reimbursement for costs from the beginning. That is why I am confused. It sounds like a contract was created which was not in accordance with the law.

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You are saying the way NRS 373.080 is mislabeled, that "Transmittal to counties of taxes collected by the Department; reimbursement for cost" is somehow a misnomer. You are saying the header for that particular statute is wrong.

Your contract should have been for reimbursement of costs not "other." You could have agreed with the statute and been collecting for something else the whole time. Your choice to do something else does not mean the statute was incorrect. Perhaps the law was misunderstood in your contract. It sounds like the terms of the contract were wrong.

MS. LIETZ:

The term in the subheading of NRS 373.080 was already there before the context in the body was changed. That subheading existed prior to the changes made in 2005. Perhaps the subheading was not corrected when the law was changed. The intent of the changes in 2005 matches our actions. Each bill that has affected NRS 373.080 has been accompanied with testimony that the change was never for just a reimbursement of cost, it was to enter into a contract to retain a percentage of the fee.

Fuel suppliers have a similar practice. They retain 2 percent of the fuel for their costs, regardless of what the rates become. At the time the legislation was created, it was intended and understood that the State would receive a commission for taking on the responsibility, including the legal responsibility, of making the fuel tax collections. The same understanding, that we would retain 1 percent, is also held in S.B. 48. The Motor Carrier Division testified in support of S.B. 48.

SENATE BILL 48 (1st Reprint): Authorizes certain local governments to increase diesel taxes under certain circumstances. (BDR 32-481)

ASSEMBLYWOMAN TITUS:

I want to make sure the State's costs are covered, but I do not appreciate or support the DMV benefiting or receiving more than it needs for this service. Once the State's costs are covered, any excess fee monies should be returned to the counties. Neither of the options presented to the Subcommittees direct

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the excess money to the counties; BDR 32-1212 will insert the necessary clarification.

Ms. JONES:

Could a motion be made in which the Subcommittees approve either the first or second option dependent upon the results of the passage of BDR 32-1212? Would it be possible to let the outcome of BDR 32-1212 determine the outcome of this budget decision?

MR. HAARTZ:

The issue before the Subcommittees deals with how the Governor's budget is funded. As has been pointed out, option B on page 105 of [Exhibit C](#) creates an additional cost to the State Highway Fund. Option A on page 105 represents savings to the State Highway Fund—\$1.8 million in the first year and \$1.9 million in the second year.

Since Fiscal staff has not seen the language of BDR 32-1212, it is difficult to comment on its effect on the budget. A motion has been made for the Subcommittees to approve option A. If, despite the motion, the Subcommittees are unable to make a decision at this time, the budget will be closed in the full Committees later this week. The choice could be deferred until the full Committee meeting if the Subcommittees would like Fiscal staff to try to obtain additional clarification.

ASSEMBLY: THE MOTION FAILED. (ASSEMBLYWOMEN JAUREGUI, MONROE-MORENO AND NEAL VOTED NAY.)

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. JONES:

Because the vote for approval was split, by default, B/A 201-4717 will go back to the full Committees.

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MS. RAVENELLE:

Major closing issue 2 beginning on page 105 of [Exhibit C](#) is for the new international registration plan (IRP) system. The Governor recommends a technology investment notification to implement and maintain a new IRP system for the Motor Carrier Division. The new IRP system will be funded with State Highway Fund appropriations of \$1.3 million in FY 2020 and \$175,200 in FY 2021. The IRP provides a single point of registration for commercial vehicles which travel across multiple states and Canada. Registration fees are paid to the base jurisdiction and distributed on an apportioned basis to the jurisdictions in which travel occurred.

The DMV indicates the new IRP system would allow the DMV to comply with federal mandates associated with the Performance and Registration Information System (PRISM). The PRISM mandates require the DMV to identify, collect and maintain U.S. Department of Transportation numbers and tax identification numbers at the vehicle level. Once the new system is implemented, the DMV expects wait times to be reduced, because 25 percent of users are projected to move to online services through the new system.

The Governor's budget recommends the IRP upgrade to be funded entirely with State Highway Fund appropriations. However, during the February 27, 2019, budget hearing, the DMV indicated the Department of Public Safety's Highway Patrol Division was recently awarded a federal Motor Carrier Safety Assistance Program (MCSAP) grant totaling approximately \$800,000. Budget Amendment No. A192684717 ([Exhibit I](#)) was subsequently received from the GFO on March 6, 2019.

Budget Amendment No. A192684717, [Exhibit I](#), recommends a reduction in State Highway Fund appropriations of \$800,000 in FY 2020 due to Highway Patrol Division funding \$800,000 of the cost of the new system with MCSAP grant funding. The Highway Patrol Division will pay the \$800,000 directly to the IRP system vendor. The DMV indicates the Governor's recommendation for this IT project will bring the State into compliance with PRISM by the mandated date of October 1, 2020.

Do the Subcommittees wish to approve the Governor's recommendation as amended by Budget Amendment No. A192684717, [Exhibit I](#), to fund the new

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IRP system with State Highway Fund appropriations of \$487,600 in FY 2020 and \$175,200 in FY 2021 contingent upon the Highway Patrol Division providing grant funding of \$800,000?

ASSEMBLYWOMAN TITUS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4717 THE GOVERNOR'S RECOMMENDATION AS AMENDED BY BUDGET AMENDMENT NO. A192684717 TO FUND THE NEW IRP SYSTEM WITH STATE HIGHWAY FUND APPROPRIATIONS OF \$487,600 IN FY 2020 AND \$175,200 IN FY 2021 CONTINGENT UPON THE HIGHWAY PATROL DIVISION PROVIDING GRANT FUNDING OF \$800,000.

SENATOR GOICOECHEA SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MS. RAVENELLE:

Six other closing items are described on pages 106 and 107 of [Exhibit C](#) for B/A 201-4717. Other closing item 2 needs a technical adjustment based on the Subcommittees' decision on training costs in the Director's Office budget, B/A 201-4744. All additional other closing items appear reasonable.

Fiscal staff recommends approval of other closing items 3 through 6 as recommended by the Governor. Fiscal staff recommends other closing item 1 be closed with the technical adjustment noted on page 106, [Exhibit C](#), and requests authority to adjust other closing item 2 based on decisions made by the Subcommittees in B/A 201-4744. Fiscal staff requests authority to make other technical adjustments as necessary.

SENATOR GOICOECHEA MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE IN B/A 201-4717 OTHER CLOSING ITEMS 3 THROUGH 6 AS RECOMMENDED BY THE GOVERNOR; APPROVE OTHER CLOSING ITEM 1 WITH THE TECHNICAL ADJUSTMENT NOTED BY

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FISCAL STAFF; APPROVE OTHER CLOSING ITEM 2 WITH
ADJUSTMENTS BASED ON THE DECISIONS MADE BY THE
SUBCOMMITTEES IN B/A 201-4744; AND GRANT FISCAL STAFF
AUTHORITY TO MAKE OTHER TECHNICAL ADJUSTMENTS AS
NECESSARY.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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CHAIR PARKS:

Seeing no public comment, the meeting is adjourned at 11:30 a.m.

RESPECTFULLY SUBMITTED:

Vicki Kemp,
Committee Secretary

APPROVED BY:

Senator David R. Parks, Chair

DATE: _____

Assemblywoman Dina Neal, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	6		Attendance Roster
	C	107	Fiscal Analysis Division	Closing List No. 9
	D	3	Fiscal Analysis Division	Budget Amendment No. A192773650
	E	3	Fiscal Analysis Division	Budget Amendment No. A192884660
	F	3	Fiscal Analysis Division	Budget Amendment No. A193424716
	G	3	Fiscal Analysis Division	Budget Amendment No. A193434722
	H	3	Fiscal Analysis Division	Budget Amendment No. A193334722
	I	3	Fiscal Analysis Division	Budget Amendment No. A192684717