

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eightieth Session
May 21, 2019**

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 8:26 a.m. on Tuesday, May 21, 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.

COMMITTEE MEMBERS PRESENT:

Senator Joyce Woodhouse, Chair
Senator David R. Parks, Vice Chair
Senator Moises Denis
Senator Yvanna D. Cancela
Senator Chris Brooks
Senator James A. Settelmeyer
Senator Ben Kieckhefer
Senator Pete Goicoechea

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
John Kucera, Program Analyst
Jennifer Ouellette, Program Analyst
Michael Keever, Committee Secretary
Barbara Williams, Committee Secretary

OTHERS PRESENT:

Lindsay Anderson, Washoe County School District
Brad Keating, Clark County School District
Paul Moradkhan, Las Vegas Metro Chamber of Commerce
Mary Pierczynski, Nevada Association of School Superintendents
Luis Valera, University of Nevada, Las Vegas
Michael Hackett

Senate Committee on Finance
May 21, 2019
Page 2

Cody Phinney, Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services
Kanani Espinoza, Nevada HAND
Brian McAnallen, National Atomic Testing Museum
Linda Smith, President, Nevada Test Site Historical Foundation
Linda M. Rakow, Secretary, Board of Trustees, National Atomic Testing Museum
Kelly Crompton, City of Las Vegas
Nelson Cochrane, Nevada Test Site Historical Foundation
Peter Ross, Desert Research Institute
Tara Hagan, Chief Deputy Treasurer, Office of the State Treasurer
Nate MacKinnon, Vice Chancellor for Community Colleges, Nevada System of Higher Education
Michael Flores, Chief of Staff, Nevada System of Higher Education
Mariana Kihuen, College of Southern Nevada
Jenni Cartwright, Administrator, Administrative Services Division, Department of Administration
Dominique Etchegoyhen, Deputy Director, State Department of Conservation and Natural Resources
Kelly Williams, Administrative Services Officer IV, State Department of Conservation and Natural Resources
Bailey Bortolin, Coalition of Legal Service Providers
Ross Armstrong, Administrator, Division of Child and Family Services, Department of Health and Human Services

CHAIR WOODHOUSE:

We will begin with a Committee introduction of Bill Draft Request (BDR) S-1275.

BILL DRAFT REQUEST S-1275: Makes an appropriation to the Millennium Scholarship Trust Fund. (Later introduced as [Senate Bill 548](#).)

MARK KRMPOTIC (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

This bill makes an appropriation to the Millennium Scholarship Trust Fund in the amount of \$33 million and is effective upon passage and approval.

SENATOR DENIS MOVED TO INTRODUCE BDR S-1275.

SENATOR PARKS SECONDED THE MOTION.

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

* * * * *

CHAIR WOODHOUSE:

I will now hand the gavel to Vice Chair Parks.

VICE CHAIR PARKS:

I will open the hearing on Senate Bill (S.B.) 314.

SENATE BILL 314 (1st Reprint): Revises provisions relating to education.
(BDR 34-730)

SENATOR JOYCE WOODHOUSE (Senatorial District No. 5):

This bill further supports the work we started in S.B. No. 249 of the 79th Session. The Kenny Guinn Center for Policy Priorities stated that the Great Recession adversely impacted economic and financial security of households in Nevada. Poverty increased, unemployment rose, income fell and housing foreclosure rates were the highest in the region. Nevada is slowly recovering from some of these impacts.

It was also noted that Nevadans have low levels of financial literacy and may not take advantage of existing financial instruments or may use instruments that undermine long-term strategies to build wealth. Other reports have found growing income inequality and racial disparities regarding family financial health.

To counter these concerns, the bill before you expands the reach of related principles and provides for the endorsement and professional development in teaching financial literacy in schools to reach those who are part of the most financially vulnerable residents in our state. It is critical that we provide the foundations in personal financial literacy at the front end—early in life—so Nevada residents will have a sound basis for life after high school when they are confronted with complex financial decisions. Senate Bill 314 addresses many of the issues I have mentioned by expanding the reach of financial literacy principles.

The bill establishes the State Seal of Financial Literacy Program which provides that a special seal denoting financial literacy be affixed to a high school diploma and noted on the transcript of a student who has achieved a high level of proficiency in related coursework.

The bill requires Nevada's Department of Education (NDE) to establish a Financial Literacy Month to include a Student Smart Week and Money Week. The bill also establishes the State Financial Literacy Advisory Council to develop financial literacy curriculum and support the coordination of related outreach.

The Commission on Professional Standards in Education must establish the requirements to obtain a teaching endorsement in financial literacy. Additionally, S.B. 314 requires regional training programs to provide related training and professional development.

Finally, the bill provides for certain requirements for a program offered by the Nevada System of Higher Education (NSHE) to obtain an endorsement to teach financial literacy courses.

Last week, we included the appropriation originally in S.B. 314 in Nevada's budget. That funding provides for the work of this legislation. Therefore, I have Proposed Amendment No. 5896 ([Exhibit C](#)) that removes the appropriations listed in sections 10 and 10.5 and would instead require certain provisions to be carried out as funds are available for such purposes. The provisions that fall under this requirement relate to the following: the Financial Literacy Month and the annual summit administered by NDE in sections 5 and 7, administrative support provided by NDE to the State Financial Literacy Advisory Council in section 5.5, related professional development provided by school districts in section 3 and related training and professional development provided by NDE in section 8.

From college debt repayment options to decisions about pensions, consumers today are faced with a dizzying array of financial options, requirements and decisions forcing citizens to select among a sometimes confusing mix of prices and fees. I urge your support of S.B. 314.

When I presented this bill to the policy committee, additional testimony was provided by Evan Gong who, as a Nevada Youth Legislator, brought this legislative proposal to me. He is now a student at the University of California at

Senate Committee on Finance
May 21, 2019
Page 5

Berkeley, and he shared with the Committee why he feels so strongly about financial literacy. Because he could not be here today, Evan submitted his testimony in writing ([Exhibit D](#)).

SENATOR KIECKHEFER:

Will that amendment be available on the Legislative website?

SENATOR WOODHOUSE:

Yes, it will. Proposed Amendment No. 5896 strips the appropriation from the original bill.

SENATOR SETTELMAYER:

Churchill County School District already has a financial literacy program required in Grades 3 through 12. It notes that language in the bill requires a Career and Technical Education (CTE) business course. Do we require any other CTE courses?

SENATOR WOODHOUSE:

Proposed Amendment No. 5896 ([Exhibit C](#)) deletes that requirement in section 2.

LINDSAY ANDERSON (Washoe County School District):

Washoe County School District is in support of S.B. 314. We have a Business Entrepreneurship CTE program at a couple of high schools in Reno. We have adopted and implemented the new social studies standards for Grades 3 through 12 which are heavy on financial literacy. This is a natural next step.

BRAD KEATING (Clark County School District):

We fully support S.B. 314 and appreciate the funding being put in the State budget. Financial literacy is important for all students.

PAUL MORADKHAN (Las Vegas Metro Chamber of Commerce):

The Chamber is in support of S.B. 314 and the funding in the budget.

MARY PIERCZYNSKI (Nevada Association of School Superintendents):

We are in support of the bill and appreciate the appropriations in the budget.

VICE CHAIR PARKS:

I will close the hearing on S.B. 314 and open the hearing on S.B. 363.

SENATE BILL 363 (1st Reprint): Provides for the creation of the Nevada Stem Cell Center. (BDR 40-1017)

SENATOR JOYCE WOODHOUSE (Senatorial District No. 5):

I present S.B. 363 for your consideration. This bill originally proposed establishing the Nevada Stem Cell Center as an independent, nonprofit corporation to provide stem cell treatments, conduct stem cell research and educate the public about these types of cells. The Center would have been closely associated with the University of Nevada, Las Vegas (UNLV).

However, Proposed Amendment No. 5895 ([Exhibit E](#)) revises the concept to require the Legislative Committee on Health Care, during the 2019–2021 Interim, to study stem cell centers in different states and countries to determine best practices, the services provided by stem cell centers and the value such centers bring to the community, and the best placement and type of organization for a stem cell center in Nevada including whether it should be part of a State agency, a program within NSHE or a public or private nonprofit entity.

In addition, the bill requires the Legislative Committee on Health Care to submit its findings and any recommendations for legislation to the Governor and the 81st Session of the Nevada Legislature.

For those unfamiliar with the science and research behind this type of cell, according to the National Institutes for Health, stem cells

"have the remarkable potential to develop into many different cell types in the body. Serving as a sort of repair system for the body, they can theoretically divide without limit to replenish other cells for as long as the person or animal is still alive. When a stem cell divides, each 'daughter' cell has the potential to either remain a stem cell or become another type of cell with a more specialized function, such as a muscle cell, a red blood cell or a brain cell."

To date, scientists and health professionals have made impressive strides using stem cells to help treat complicated diseases such as leukemia, lymphoma, neuroblastoma and multiple myeloma. Clinical trials involving stem cells are ongoing throughout the United States for numerous other conditions as researchers explore the possibilities of these cells. It is time for Nevada to join

Senate Committee on Finance
May 21, 2019
Page 7

the field, and S.B. 363 allows the existing interim health committee to explore how best to accomplish this goal.

When this bill was heard in the Senate Committee on Health and Human Services, it was rather ambitious. The amendment deletes most of the original bill. My intent was to ensure that Nevada continues conversation on this topic.

VICE CHAIR PARKS:

Was there a previous fiscal note that was reduced to zero?

SENATOR WOODHOUSE:

There was a fiscal note on the original bill when it was set up as a nonprofit housed at UNLV School of Medicine. With the Proposed Amendment No. 5895, the fiscal note is removed.

LUIS VALERA (University of Nevada, Las Vegas):

We are in support of the amendment and look forward to participating at whatever level this Body deems appropriate and revisiting this in the next Session.

MICHAEL HACKETT:

Several years ago my wife underwent orthopedic stem cell therapy. I can speak firsthand to how much this has improved her quality of life. I urge support from this Body to move stem cell therapy into the mainstream.

VICE CHAIR PARKS:

Seeing no further testimony, I will close the hearing on S.B. 363 and return the gavel to the Chair.

CHAIR WOODHOUSE:

I will open the hearing on S.B. 425.

SENATE BILL 425: Requires the Director of the Department of Health and Human Services to amend the State Plan for Medicaid to provide certain additional home and community-based services. (BDR 38-919)

CODY PHINNEY (Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services):

Senate Bill 425 provides for the implementation of an item in our budget closing on May 17. The bill requires the State Plan for Medicaid provide for the support portion of supportive housing. This includes \$9.8 million in total computable for the biennium, \$1.9 million of which is State General Fund. These funds were included in our budget. That would allow us to help about 1,600 people in fiscal year (FY) 2020 and 1,700 in FY 2021. The support part of supportive housing allows us to reimburse providers for the case management and services that allow folks who have various disabilities to stay in their own housing.

KANANI ESPINOZA (Nevada HAND):

Nevada HAND is the State's largest developer and provider of affordable rental housing. It is a nonprofit organization that owns and operates 34 apartment communities with more than 7,300 residents in southern Nevada. We develop, construct and manage the properties. We also provide supportive services to each of our communities to help our residents access resources to help their economic mobility prospects.

Nevada HAND supports S.B. 425 because there is a strong correlation between housing and health. We see firsthand the effect that a stable, high-quality home has on the overall health and wellness of residents. According to the National Low Income Housing Coalition, housing instability leads to increased risks of poor child health and hospitalizations, developmental delays and increased anxiety. With the growing problem of these vulnerable populations not having access to the care they need, this bill serves as an important step forward in addressing those issues.

CHAIR WOODHOUSE:

I will close the hearing on S.B. 425 and open the hearing on S.B. 501.

SENATE BILL 501: Makes an appropriation for the relocation of the National Atomic Testing Museum. (BDR S-1164)

BRIAN MCANALLEN (National Atomic Testing Museum):

The National Atomic Testing Museum (Museum) is an important part of Nevada's history. We have enjoyed significant support from the Nevada Congressional Delegation in the past, and we are here today to ask for some help from the State.

In 2012, Senator Harry Reid was instrumental in getting the museum declared a national museum, the only one in the State. The museum was also the first in the State to partner with the Smithsonian Institution. Although we are not a part of the U.S. Department of Energy (DOE), we enjoy a partnership with it as well. The Museum has a reading room named after Congresswoman Dina Titus who is an expert on and has authored books about the Nevada Test Site. The Nuclear Testing Archives, containing more than 385,000 documents and records, are colocated with the Dina Titus Reading Room and are both a part of DOE. These records are open and available to researchers as well as the public.

For 15 years, the Museum has been located on the campus of the Desert Research Institute (DRI), adjacent to UNLV. They are the Museum's landlord, and the DOE helps subsidize our lease which is set to expire in 2023.

Senate Bill 501 authorizes an appropriation of \$1 million towards the relocation and future sustainability of the Museum. We have maxed out the space we are in, and it is time to revamp some of the exhibits. We are the keepers of an important part of our State history as well as what is going on today. We have partnerships with the Clark County School District and work diligently to educate others. Since its inception, the Museum has had over one million visitors. We are proud to be part of the tourism industry that sustains southern Nevada.

LINDA SMITH (President, Nevada Test Site Historical Foundation):

I am President and a founding member of the Nevada Test Site Historical Foundation which was established in 1998. I am a former Acting Deputy Manager of the Nevada Operations Office of the DOE. I moved to Henderson with my family nearly 70 years ago—in fact, the year the Nevada Proving Ground was opened. It was later renamed the Nevada Test Site.

As one of the founding members, it has been gratifying to see the Foundation and the Museum evolve over the past 15 years. This is a unique piece of Nevada's history, and we play a key role in preserving the record of those events and ensuring the public has access to the artifacts and documents. We educate the public about Nevada's key part in the Cold War nuclear test era as well as how it factors into our Nation's nuclear research, development and testing programs today at the Nevada National Security Site.

Many people who visit the Museum are not aware the Site still exists. They are curious about what happened after our timeline ends in 1992 which was when our last atomic test was done. They ask questions about how our nation assures the safety and reliability of the existing nuclear stockpile. Additional space in the Museum would allow us to extend our permanent exhibition to depict the recent history and current programs and to upgrade the technology which is now 15 years old.

The Museum not only serves as an important chronicle of the atomic testing era in our Nation but as a significant education tool. We have conducted more than 50 school groups for tours in 2019 with more than 1,700 student participants. Annually, we see between 3,000 and 5,000 students in the Museum. We would like to see this number grow, but it will require more space.

The Museum offers classes for teachers to obtain contact units which help them advance their careers. These educators also participate in Science in Community, a professional development program that contributes to the relicensing of teachers. Our programs involving both students and teachers have expanded significantly since we opened. We are considered to be one of the most highly regarded science, math, engineering and technology (STEM) centers in southern Nevada.

The Foundation has recently completed a comprehensive strategic plan including how to expand our offerings. We partnered with a well-known exhibit design firm which provided a blueprint for enhancing the permanent exhibitions and technology upgrades.

We are especially gratified for the outpouring of public support for moving our Museum to a downtown location. In her State of the City address, Mayor Carolyn Goodman expressed her strong support for moving the Museum downtown to be better aligned with the cultural corridor. Congresswoman Titus has included her support. By moving downtown, we have a greater existing cultural infrastructure, conducive foot traffic and other amenities nearby that draw interest, traffic and audiences.

We are excited about the opportunity to strengthen the downtown Las Vegas cultural corridor which is a win-win for all. My written testimony is submitted ([Exhibit F](#)).

LINDA M. RAKOW (Secretary, Board of Trustees, National Atomic Testing Museum):

We have welcomed more than one million visitors since opening our doors in 2005. We have been recognized as one of the best museums in Las Vegas by the *Las Vegas Review-Journal* poll in 2009 and continue to receive national recognition as a must-see attraction. We were recognized in 2018 by *Trip Expert's* Best of Las Vegas Award and in 2019 with its Expert's Choice Award.

Our existing community partnerships are as diverse and dynamic as the Museum and its offerings. From the Journey Through Japan cultural festival that has grown to more than 500 participants annually to ongoing partnerships with the Clark County School District. We participate in the annual Las Vegas Science and Tech Festival and host a Distinguished Lecture Series which has attracted national names on topics ranging from atoms for peace to spy pilot Francis Gary Powers. These programs demonstrate the diversity of issues related to our national defense, energy research and development, and attract attendees from around the Country and the world.

We are affiliated with the Blue Star Museums program, a collaboration between the National Endowment for the Arts, Blue Star Families, the U.S. Department of Defense and more than 2,000 museums nationwide to provide free admission to active duty military personnel and their families.

Our strength as a vibrant and dynamic component of Las Vegas' past, present and future has given us a unique space in not only the educational dialogue in the area, but as part of the national conversation on the ongoing impacts of the U.S. nuclear programs to a number of diverse and interested audiences. We want to see those audiences grow, along with an appreciation for the role Nevada played during the Atomic Era.

To be able to grow the breadth of these partnerships and offerings, we need to expand our footprint. We need to have the flexibility for new exhibits, lectures and ways to engage with audiences. We have exhibits planned that we cannot introduce due to restrictions on space and scope in our current location.

The future of the National Atomic Testing Museum is exciting. We hope to continue to make an important positive economic impact in our State through tourism, STEM education and fostering a more informed public.

SENATOR BROOKS:

I want to thank you guys for preserving the history of Nevada's important contribution to national security. My family came here 70 years ago because of the Nevada Test Site.

CHAIR WOODHOUSE:

Could you please discuss the efforts toward obtaining matching funds for the \$1 million appropriation?

MS. SMITH:

We have sufficient funding to meet a significant part of the match. We have also initiated a capital campaign. With the widespread support we have received, we are confident in our ability to match the \$1 million.

MR. MCANALLEN:

Senate Bill 501 requires reporting on a regular basis to the Interim Finance Committee (IFC). We look forward to sharing our progress with this Body as we move forward.

KELLY CROMPTON (City of Las Vegas):

The City of Las Vegas is excited about the potential for the National Atomic Testing Museum to locate in the downtown area.

MR. MORADKHAN:

The Las Vegas Metro Chamber of Commerce is in support of S.B. 501. The Museum is a good fit for the cultural corridor and complements the education efforts at the Smith Center for the Performing Arts.

NELSON COCHRANE (Nevada Test Site Historical Foundation):

I support S.B. 501. I have lived here for 50 years. I came straight out of college to work at the Nevada Test Site as a test engineer and spent over 38 years involved in the weapons testing program. It is important to preserve the history of what happened and what is happening now so people understand the key role Nevada has played in our national security. Our Distinguished Lecture Series is outstanding and our educational outreach, especially to teachers, is exceptional.

PETER ROSS (Desert Research Institute):

The DRI continues to welcome the Museum as a tenant and partner. We do not have an immediate need for the space the Museum occupies and are not encouraging the Museum to move. We recognize, however, the Museum must look to its future and determine what is best for its future growth. We appreciate the partnership we have had with the Museum, especially in the area of STEM education, and we look forward to continuing that partnership in the future, regardless of their ultimate location.

The DRI is proud of our role in establishing the Museum and helping it grow. We look forward to its continued success whether they are located at DRI or elsewhere in the community.

CHAIR WOODHOUSE:

I will close the hearing on S.B. 501 and open the hearing on S.B. 503.

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

TARA HAGAN (Chief Deputy Treasurer, Office of the State Treasurer):

Pursuant to statute, the Treasurer's Office is the administrator of the Nevada Promise Scholarship Program (Program). The Program is a "last dollar" scholarship, so the Office is reliant on NSHE to determine the appropriate level of funding.

I would note that S.B. 350 reduces the Treasurer's Office responsibility in regards to this scholarship, and we testified in support of that bill. It better aligns statute with current practice.

SENATE BILL 350: Revises provisions relating to Nevada Promise Scholarships. (BDR 34-308)

SENATOR MOISES DENIS (Senatorial District No. 2):

We held a hearing in the Senate Committee on Education regarding the Nevada Promise Scholarship and the wonderful things it is doing. We are making a few changes on the policy side in a different bill. Senate Bill 503 is solely an appropriation bill.

In the rollout of the Program in 2018, 12,000 students applied. This year, 14,000 students have applied. There is a huge interest in and need for this. This funding allows the program to continue. Nevada had been one of the worst in the Nation in terms of filling out the Free Application for Federal Student Aid form, leaving as much as \$82 million on the table. Since the introduction of the Program, we have improved that statistic and receive many more federal dollars.

NATE MACKINNON (Vice Chancellor for Community Colleges, Nevada System of Higher Education):

The Program falls within my office and is administered by the four community colleges in the State. We had tremendous interest in the first year as Senator Denis indicated. When we initially did our budget request, we had no data as to what the need would be. The original appropriation in the 2017-2019 biennium was \$3.5 million. Our fall 2018 class was our first glimpse of what the funding need would be, and was \$938,168 for that semester. If we take a conservative approach and assume no increase or decrease in ongoing cohorts of applicants and with a 4 percent increase in fees, the amount we would need for the upcoming biennium is \$7,961,667. We are able to carry forward from this biennium the amount of \$1,623,000. That brings our funding need to \$6,338,000.

SENATOR KIECKHEFER:

Did NSHE include this in their budget request submitted to the Governor?

MICHAEL FLORES (Chief of Staff, Nevada System of Higher Education):

The original request for \$4.5 million was made before we had appropriate data.

SENATOR KIECKHEFER:

I am not concerned as much about the amount, as that you are requesting a one-time shot for a Program I assume you want to continue long term. I would assume that at some point NSHE wants to get it in their actual budget.

MR. FLORES:

We will work with the Governor's Office in the interim to determine how to proceed.

MARIANA KIHUEN (College of Southern Nevada):

On March 25, during College of Southern Nevada (CSN) Day at the Legislature, our institution brought over 80 students and staff to provide testimony in support of the Nevada Promise Scholarship Program.

We testified that the Program is much more than just financial aid. It does remove financial aid barriers, but it also provides student support systems, managed transition into college, connects students to community mentors and role models, and it gives students an opportunity to serve their community. In the first year, CSN Promise students provided 43,000 hours of community service, engaged 506 mentors and worked with hundreds of community organizations.

Last year, we had more than 9,000 applicants participating in the Program, with 1,788 of those students enrolling at CSN. This year, we have more than 10,400 students who have already applied and 4,765 of those are in the pipeline to becoming CSN students. In addition, we have seen an 85 percent Promise retention rate from fall 2018 to spring 2019 compared to a 75 percent retention rate for the non-Promise new student group for the same period.

We urge you to pass S.B. 503 and continue funding the Nevada Promise Scholarship Program.

MR. MORADKHAN:

The Las Vegas Metro Chamber of Commerce supported the policy changes proposed in the Senate Committee for Education, and we support S.B. 503. We agree with Senator Kieckhefer that the funding should be included in the Executive Budget in future biennia.

CHAIR WOODHOUSE:

I will close the hearing on S.B. 503 and open the hearing on S.B. 507.

SENATE BILL 507: Makes an appropriation to the Office of Finance as a loan for the support of Marlette Lake. (BDR S-1176)

JENNI CARTWRIGHT (Administrator, Administrative Services Division, Department of Administration):

The Administrative Services Division acts as the fiscal agent for the Department of Administration State Public Works Division (SPWD) which operates the

Marlette Lake water system. There have been some operational struggles with the system. Based on updated projections, we anticipate we will have enough funds to operate through FY 2019 so we are withdrawing the request for an appropriation. There is a provision in the Executive Budget to give SPWD the ability to come before IFC and the Board of Examiners to request contingency funds.

CHAIR WOODHOUSE:

I will close the hearing on S.B. 507 and open the hearing on S.B. 508.

SENATE BILL 508: Makes an appropriation to the State Department of Conservation and Natural Resources for the replacement of information technology infrastructure. (BDR S-1178)

DOMINIQUE ETCHEGOYHEN (Deputy Director, State Department of Conservation and Natural Resources):

Senate Bill 508 requests an appropriation for the State Department of Conservation and Natural Resources (DCNR) for the replacement of information technology (IT) infrastructure. The Department has coordinated and consolidated its IT efforts to achieve cost effectiveness and efficiency. In FY 2017, DCNR received funding to help support critical replacement needs for its shared IT infrastructure environment. That request was the first phase of a much larger equipment replacement schedule which was expected to require \$75,000 to \$100,000 for each biennium to maintain. Unfortunately, for FY 2019 DCNR did not receive any funding to continue its replacement schedule which has caused a greater need and larger request now for the 2019-2021 biennium.

The request in S.B. 508 includes hardware needs for DCNR in the Richard H. Bryan Building. These include four physical servers with Microsoft licensing, one backup server with disk storage and an offsite storage tape backup library for disaster recovery. Also, for DCNR's Sagebrush Ecosystem Technical Team, located in a different building, the request covers one physical server with Microsoft licensing, one backup server with disk storage and an offsite storage tape backup library for disaster recovery.

SENATOR KIECKHEFER:

Is this infrastructure that covers all of the agencies within the Department?

Senate Committee on Finance
May 21, 2019
Page 17

MR. ETCHEGOYHEN:

It covers all the agencies within the Bryan Building and the Sagebrush Ecosystem Technical Team in another building.

CHAIR WOODHOUSE:

I will close the hearing on S.B. 508 and open the hearing on S.B. 509.

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

MR. ETCHEGOYHEN:

Senate Bill 509 requests an appropriation for the Division of Water Resources for replacement of computers and vehicles that have exceeded the recommended replacement schedules. The funding is for the replacement of 58 desktop computers and 3 laptop computers that will exceed the 5-year replacement schedule in the upcoming biennium. These computers are running Microsoft Windows 7 which will come to end-of-life in January 2020. After that time, the State's security policy will no longer allow these computers to connect to the SilverNet. The bill also includes replacement of 4 vehicles that are more than 10 years old, have more than 100,000 miles, and have extreme wear and tear from constant field use. The current condition of these vehicles requires costly upkeep and repair and poses a safety risk to employees who travel in remote rural areas throughout the State.

SENATOR DENIS:

Why is this a one-shot appropriation and not on the regular maintenance decision units within the Executive Budget?

KELLY WILLIAMS (Administrative Services Officer IV, State Department of Conservation and Natural Resources):

These replacements did not fit within the Agency's General Fund cap in the Executive Budget.

SENATOR DENIS:

Does this replace all the computers or just part of them?

MR. ETCHEGOYHEN:

This replaces part of the computers.

CHAIR WOODHOUSE:

I will close the hearing on S.B. 509. We will now start a work session with S.B. 130.

SENATE BILL 130 (1st Reprint): Provides for the licensing and regulation of certain persons who administer radiation. (BDR 40-61)

JENNIFER OUELLETTE (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Senate Bill 130 creates the Radiation Therapy and Radiologic Imaging Advisory Committee and includes provisions to license individuals engaging in radiation therapy or radiologic imaging. The bill prescribes the requirements for the issuance and renewal of such a license and requires the State Board of Health to adopt regulations for the licensing of persons, including the ability to charge a fee for administering the program.

In response to requests from the Committee, the Department of Health and Human Services (DHHS) Division of Public and Behavioral Health (DPBH) contacted neighboring states to obtain information regarding the licensure of radiological imaging personnel. In states that have licensure fees, the initial application fee ranges from \$60 to \$228 and the biennial renewal fee ranges from \$60 to \$150.

The bill was introduced by Senator Joyce Woodhouse and heard by this Committee on April 29. Representatives from the American Registry of Radiologic Technologists, Nevada Rural Hospital Partners and the Nevada Hospital Association testified in support of S.B. 130. There was no testimony in opposition and the Nevada Dental Association and Ferrari Public Affairs testified in neutral.

A proposed amendment was brought forth by Senator Woodhouse ([Exhibit G](#)) which clarifies some language and adds to the list of professionals exempt from this act.

A revised fiscal note was submitted by DPBH indicating a fiscal impact of \$176,861 in FY 2020, \$223,358 in FY 2021 and \$441,000 biennial impact in the future. This would fund two full-time equivalent positions that would license and regulate an estimated 2,500 to 3,500 annual licensees. The positions include one radiation control specialist and one management analyst. The bill

requires DPBH to utilize fees collected to administer the provisions of the bill. The Division estimates charging \$100 per initial application and annual renewal fee, resulting in a minimum of \$250,000 or a maximum of \$350,000 annual revenues depending on the number of licensees.

The Department of Public Safety submitted a fiscal note indicating the bill would create a fiscal impact, however, it could not estimate the magnitude of the impact at this time.

The provisions of the bill become effective upon passage and approval for the purpose of adopting regulations and performing any administrative tasks necessary to carry out the provisions of the act and on January 1, 2020, for all other purposes.

SENATOR GOICOECHEA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 130.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR WOODHOUSE:

Our next work session bill is S.B. 293.

SENATE BILL 293 (1st Reprint): Makes various changes relating to children who are victims of commercial sexual exploitation. (BDR 38-517)

JOHN KUCERA (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Senate Bill 293 was introduced by Senator Julia Ratti and last heard in this Committee on May 3. The bill requires the administrator of the DHHS, Division of Child and Family Services (DCFS) to appoint a coordinator of services for commercially sexually exploited children who must assess the anticipated needs of exploited children in Nevada and develop and submit a plan to establish the infrastructure to provide treatment, housing and services for such children.

Representatives from DCFS, Clark and Washoe Counties, the American Civil Liberties Union, the Sierra Sage Academy and Washoe County public defender's office testified in support of the bill. There was no testimony in opposition or neutral for the measure.

The Senate Committee on Health and Human Services approved an amendment and passed the measure on April 10. Senator Ratti, on behalf of the Nevada Coalition of Legal Service Providers submitted a conceptual amendment ([Exhibit H](#)) clarifying components of the plan to be assembled by the coordinator as well as provisions relating to criminal offences committed by an exploited child.

A fiscal note was submitted by DCFS. Subsequently, it submitted a revised unsolicited fiscal note amending the amounts to \$70,861 in FY 2020 and \$88,701 in FY 2021 for an approximately grade 37 equivalent contracted position to carry out the duties and obligations of the coordinator as outlined in S.B. 293.

The bill becomes effective upon passage and approval for provisions relating to the coordinator and the formal proposal and July 1, 2022, for all other provisions.

SENATOR KIECKHEFER:

Have the amendments addressed the fiscal concerns of both Clark and Washoe Counties?

JOHN KUCERA:

According to testimony by Clark County and Washoe County, the amendment incorporated in the first reprint eliminates the fiscal impact for them.

SENATOR KIECKHEFER:

I had concerns over the language regarding whether a minor soliciting prostitution would be immune from arrest or prosecution. I still feel the language presented to us was loose. I know we are trying to protect minors, primarily girls, who are being sexually exploited, but I am nervous we are providing a clear exemption for young men acting as johns. I am told there are other ways to prosecute such individuals even if this exemption were to apply, but I want to make sure the record is clear that we are not trying to protect such individuals.

BAILEY BORTOLIN (Coalition of Legal Service Providers):

What we often see is girls directed to solicit by their pimp. When girls are put in congregate care facilities they can be told to recruit. It is important we had the ability to ease the concerns when that is being done at the direction of someone else. Nothing prohibits the prosecution of buyers or johns.

Assembly Bill 151 works in conjunction with S.B. 293 and will have more mandated reporting requirements than we have had before. That reporting should help us understand where the victims are being recruited and how they fit into our child welfare system.

ASSEMBLY BILL 151: Provides for the protection of children who are victims of commercial sexual exploitation. (BDR 38-457)

ROSS ARMSTRONG (Administrator, Division of Child and Family Services, Department of Health and Human Services):

We agree with Ms. Bortolin. We do not interpret this bill as telling our child welfare agencies to create safe harbors for johns; this is about the victims.

MR. KRMPOTIC:

The DCFS testified S.B. 293 would have a fiscal impact. The impact comes from section 1, subsection 1, directing the appointment of a coordinator of services. The coordinator is an employee of the Division and serves at the pleasure of the Administrator. The Administrator testified about the possibility of using a contractor for this position which may require amending this section. More importantly, the bill has fiscal impact, so if it is not funded, DCFS may have to come back to IFC.

MR. ARMSTRONG:

Our original Fiscal Note No. 7268 was for the cost of a coordinator as a State employee, and was for \$84,480 in FY 2020 and \$109,658 in FY 2021. The sponsor asked for a comparison Fiscal Note No. 11444, which addressed the impact of using a contract employee. That impact was for \$70,861 for FY 2020 and \$88,701 for FY 2021.

CHAIR WOODHOUSE:

We will table this work session pending further discussion on S.B. 293.

MR. KRMPOTIC:

This Committee voted to amend and do pass as amended S.B. 59 on May 16.

SENATE BILL 59: Requires proceeds from fees collected for the use of Stewart Indian School land be credited to the Nevada Indian Commission's Gift Fund. (BDR 18-187)

This bill gave the Nevada Indian Commission the ability to collect or receive money into the Nevada Indian Commission Gift Fund in exchange for events that may be held at the Stewart Indian School or the grounds surrounding the proposed museum. Staff ran into difficulty carrying out the intent of the Committee, given that the grounds are owned by the Buildings and Grounds Section (B&G), SPWD. Any costs associated with such events would be borne by B&G as well as any liability for anything that might happen on those grounds.

These costs do not make it feasible for the Indian Commission to host the event. Staff has drafted a Proposed Amendment No. 5951 ([Exhibit I](#)) as a way forward. This amendment would allow the Indian Commission to receive funds in excess of any cost borne by B&G in lieu of receiving the gross amount for an event. This mockup is the result of discussions between the Legal Division of the Legislative Counsel Bureau (LCB) and attorneys with B&G.

CHAIR WOODHOUSE:

This Committee did pass out S.B. 59, so if we wanted to incorporate this proposed amendment, we need a motion.

SENATOR KIECKHEFER:

I supported this bill originally, but do have concerns over the precedent it might set in carving out a revenue stream for a specific project. These new concerns complicate that matter even more. At this point, the amount of money involved is negligible. This may solve the problem for the time being, and we can see how it goes. The odds are that the costs to B&G will exceed any revenue collected.

SENATOR SETTELMAYER:

What happens if it does go into negative dollars? Would we be asking the Indian Commission to pay the difference?

MR. KRMPOTIC:

That is not a question Staff has explored. The choices for the Committee on S.B. 59 are to go forward with this amendment or rescind its previous action of May 16 and not process the bill. Legal staff has not provided any other options.

SENATOR GOICOECHEA:

The bill language already specifies "proceeds" which I interpret to mean after costs are deducted. The result may indeed be no proceeds if the costs outweigh the revenue.

MR. KRMPOTIC:

I assume B&G sets its rates to cover the cost of an event. The result may be no excess revenues over expenditures to deposit into the Gift Fund.

SENATOR SETTELMAYER:

I would hate to go back on our word. I would not be in favor of processing this amendment.

SENATOR KIECKHEFER:

Legislation and facts change all the time in this building. Those facts need to be considered as legislation moves forward. The Indian Commission will not have any significant amounts to deposit in the Gift Fund.

SENATOR KIECKHEFER MOVED TO RESCIND THE PREVIOUS ACTION
TAKEN ON MAY 16 ON S.B. 59.

THE MOTION FAILED FOR LACK OF A SECOND.

* * * * *

Senate Committee on Finance
May 21, 2019
Page 24

CHAIR WOODHOUSE:

We will table this discussion for another day. This meeting is adjourned at 9:58 a.m.

RESPECTFULLY SUBMITTED:

Barbara Williams,
Committee Secretary

APPROVED BY:

Senator Joyce Woodhouse, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	4		Attendance Roster
S.B. 314	C	14	Senator Joyce Woodhouse	Proposed Amendment No. 5896
S.B. 314	D	2	Senator Joyce Woodhouse	Written Testimony / Evan Gong
S.B. 363	E	5	Senator Joyce Woodhouse	Proposed Amendment No. 5895
S.B. 501	F	2	Linda Smith / Nevada Test Site Historical Foundation	Written Testimony
S.B. 130	G	3	Jennifer Oulette / LCB	Proposed Amendment
S.B. 293	H	5	John Kucera / LCB	Proposed Amendment
S.B. 59	I	2	Mark Krmpotic / LCB	Proposed Amendment No. 5951