

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eightieth Session
May 22, 2019**

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 8:39 a.m. on Wednesday, May 22, 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
Michael Keever, Committee Secretary
Tom Weber, Committee Secretary

OTHERS PRESENT:

Jhone Ebert, Superintendent of Public Instruction, Nevada Department of Education
Christy McGill, Director, Office for a Safe and Respectful Learning Environment, Nevada Department of Education
Chris Daly, Deputy Executive Director, Government Relations, Nevada State Education Association
Lindsay Anderson, Director, Government Affairs, Washoe County School District
Mary Perczynski, Nevada Association of School Superintendents

Senate Committee on Finance
May 22, 2019
Page 2

Carlos Fernandez, Las Vegas Metropolitan Chamber of Commerce
Dr. Jesus F. Jara, Superintendent, Clark County School District
Andrea Osborne, Director, Fiscal Support, Nevada Department of Education
Damon Haycock, Executive Officer, Nevada Public Employees' Benefits Program
Todd Myler, Budget Manager, Administrative Office of the Courts, Nevada
Supreme Court
Melissa Laufer Lewis, Administrative Services Officer, Aging and Disability
Services Division, Nevada Department of Health and Human Services
Dr. Rory Reid
Susan Brown, Director, Nevada Governor's Office of Finance
Denise Quirk, Chair, Advisory Committee on Problem Gambling, Nevada
Department of Health and Human Services
Michael Brown, Director, Nevada Department of Business and Industry
Terry J. Reynolds, Deputy Director, Nevada Department of Business and
Industry
Scott Whittemore, Administrator, Taxicab Authority, Nevada Department of
Business and Industry
Kimberly Rushton, Executive Director, Livery Operators Association

CHAIR WOODHOUSE:

The Committee will start by hearing Senate Bill (S.B.) 89.

SENATE BILL 89 (1st Reprint): Makes various changes relating to education.
(BDR 34-331)

JHONE EBERT (Superintendent of Public Instruction, Nevada Department of Education):

Senate Bill 89 is a Statewide collaboration from students, education leaders, legislators and many subject-matter experts to create the safest environments for our teachers and students. I am grateful for the Nevada Department of Education's (DOE) Statewide School Safety Task Force and its 11 members, who represent school psychologists, emergency management, the Nevada Department of Public Safety (DPS), the DPS State Fire Marshal, a licensed mental health professional, the Nevada Department of Health and Human Services (DHHS), principals, students and teachers. All of these people have put forward their recommendations in the School Safety Task Force Final Report and have advocated on behalf of our State.

The collective work of the Task Force informed both S.B. 89 and the school safety provisions recommended in the Executive Budget. I thank the Nevada Legislature for truly recognizing the importance of school safety by hearing S.B. 89 and honoring the DOE's budgetary requests to fund student safety in our schools. The DOE's requests regarding social workers, school resource officers, physical safety improvements and support for teachers and principals has been heard by the Nevada Legislature, Senate Committee on Finance and Assembly Committee on Ways and Means, also known as the "Money Committees." Thank you for honoring our students and teachers.

CHRISTY MCGILL (Director, Office for a Safe and Respectful Learning Environment, Nevada Department of Education):

The Task Force and its many partners were bold in their school safety approach in utilizing an ecological model geared around public health. The Task Force model uses multiple strategies across multiple sectors, valuing the role of mental health providers, school police officers, infrastructure and safety, prevention, intervention and treatment practices. The Task Force made five recommendations to further improve school safety which are embedded into the policies of S.B. 89.

Recommendation 1 from the Task Force Final Report is to adopt an omnibus school safety planning bill. This would include amendments to the *Nevada Revised Statutes* (NRS) 388 providing for the establishment of school safety teams, committees to develop crisis plans and the content and requirements of crisis plans. Senate Bill 89 made progress regarding these measures and clarifies what a school safety team should be comprised of. Senate Bill 89 deals with school crisis plans that are inclusive of mental and behavioral health and recovery services before and after a traumatic school event. Senate Bill 89 also expands the DOE's Crisis and Emergency Response Model Plan to include threat assessment, annual drills and behavioral health services for recovery.

Recommendation 2 from the Task Force Final Report makes a significant investment in school-based mental health professionals and services. Regarding progress towards Recommendation 2, there is currently a DOE Social Work Block Grant providing funding for school district social workers and other mental health professionals at \$11 million per year. Statewide, the Block Grant has resulted in funding 210 social workers and other mental health professionals in

Nevada schools while enabling 11 school districts and 7 charter academies to employ social workers.

In addition to maintaining Block Grant funding, projected enhancement decision units would add an additional \$3.5 million in fiscal year (FY) 2020 and \$7 million for FY 2021 and would result in hiring approximately 86 new mental health professionals in Nevada's schools by 2021. Along with our key stakeholders, the DOE recommends these definitions remain flexible to accommodate the needs of our schools and the availability of our workforce.

The DOE's Social Work Program is beginning to push indicators regarding school climate in the right direction. Nevada students have been reporting on the DOE's Nevada School Climate/Social Emotional Learning Survey (NV-SCSEL) an increasing positive perception of their school climate across all domains. The NV-SCSEL measures cultural and linguistic competence, relationships, emotional safety and physical safety. The index scores from the NV-SCSEL align with the national benchmarks developed for the U.S. Department of Education.

The NV-SCSEL's Statewide average shows students feel their school's climate is favorable, scoring between 300 and 400 in this area. As students feel more positive about the physical safety of their school environment, the NV-SCSEL shows that Nevada still has work to do. The physical safety of school environments scoring of the NV-SCSEL had an average score of 378, while the emotional safety component of the NV-SCSEL had an average score of 338; the discipline rates in some school districts are still trending upwards.

Additional progress regarding recommendation 2 from the Task Force Final Report shows that the DOE's partners in the DHHS, Division of Health Care Financing and Policy (DHCFP) are in the process of changing the Nevada Medicaid State Plan to take away the special education requirements for school-based health services regarding Medicaid Provider Type 60. This will result in additional funds coming to school districts to expand and enhance services to children. The DOE is trying to bring more team members into schools in order to help teachers and has received a U.S. Department of Justice (DOJ) mental health training grant of \$500,000 over a 3-year period to assist in school district trainings. The DOE is requesting funding to support specialized instructional support personnel and other behavioral health professionals within schools.

Recommendation 3 from the Task Force Final Report makes a commitment ensuring the availability of additional trained school resource officers and school police personnel. The DOE's progress towards this recommendation involves projected enhancements of \$1.5 million in FY 2020 and \$3 million in FY 2021 resulting in supporting 30 new positions in FY 2020 and 40 new positions in FY 2021.

Recommendation 4 from the Task Force Final Report provides funding to ensure safe learning environments. To meet this recommendation, the DOE is working on facility enhancements to include a one-time fund of \$7.5 million from budget account (B/A) 101-1301 for all school districts outside of Washoe County and Clark County in order to enhance the safety of school buildings.

ELECTED OFFICIALS

Governor's Ofc of Finance - Special Appropriations — Budget Page ELECTED-69
(Volume I)

Budget Account 101-1301

The DOE has also received a DOJ grant of \$500,000 over a 3-year period for threat assessment trainings. The DOE is requesting funding for the DOE Safe Voice Nevada program to add a full-time equivalent position.

Recommendation 5 from the Task Force Final Report is aimed to support prevention regarding social and emotional learning by providing legislation and budgetary authority that would grant school districts funding to ensure students and school staff have the prevention skills necessary to help all students be successful and safe in school. To meet this recommendation, the DOE has utilized \$400,000 aimed at providing Statewide support for students, principals and administering the NV-SCSEL. To help in this front, S.B. 89 encourages the proactive engagement of schools using integrated multi-tiered systems of support while Assembly Bill (A.B.) 168 focuses on providing a plan of action regarding restorative justice practices.

ASSEMBLY BILL 168 (1st Reprint): Revises provisions governing the discipline of pupils. (BDR 34-539)

Recommendation 6 from the Task Force Final Report makes necessary statutory and regulatory changes regarding disproportionality of school discipline. The

DOE's progress towards this recommendation includes supporting S.B. 89 to make changes to NRS 385A.240 as well as supporting A.B. 459 and A.B. 490.

ASSEMBLY BILL 459: Expands certain reporting requirements relating to the performance and achievement of pupils. (BDR 34-795)

ASSEMBLY BILL 490: Revises provisions relating to the discipline of pupils. (BDR 34-390)

The DOE is grateful for the thoughtful and comprehensive approach of all the key stakeholders who have created, advocated and funded school safety in Nevada.

SENATOR DENIS:

The Nevada Legislature Senate Committee on Education heard information regarding school safety in a past hearing during the 2019-2020 interim period. I appreciate all of the work that the DOE and stakeholders have conducted to ensure our children are safe. The results from Education Committee discussions have been great, especially as we continue to move forward in this regard.

SENATOR KIECKHEFER:

I am a fan of the first reprint of S.B. 89. Regarding the original draft of S.B. 89 and the fiscal note provided by the DPS Division of Emergency Management Homeland Security (DEM), were the changes involving emergency-management concerns addressed in the first reprint of S.B. 89?

Ms. MCGILL:

The DOE has been working with the DEM regarding their concerns resulting in a new fiscal note.

CHAIR WOODHOUSE:

The Committee has not received anything in writing showing that the DEM concerns were addressed. We will have to follow up with the DOE regarding this.

CHRIS DALY (Deputy Executive Director, Government Relations, Nevada State Education Association):

The Nevada State Education Association (NSEA) supports S.B. 89 and has continued to do so since speaking on the bill's behalf during an Education

Committee meeting; the bill will provide safe and respectful learning and working environments. The NSEA appreciates the work of Nevada Governor Brian Sandoval's Task Force which studied numerous safety impacts on the learning environments of students. The NSEA believes the Task Force made thoughtful recommendations, particularly regarding addressing the ratio of pupils-to-specialized instructor personnel. This personnel includes counselors, nurses, speech-language pathologists, library media specialists, social workers and numerous Other Licensed Educational Personnel. The NSEA realizes there will be costs associated with S.B. 89, which we believe are warranted. Senate Bill 89 will help continue creating safe learning environments for all Nevada children.

LINDSAY ANDERSON (Director, Government Affairs, Washoe County School District):

The Washoe County School District (WCSD) supports S.B. 89. The DOE Superintendent Traci Davis and other members of our team were members of the Task Force and supported S.B. 89 during a previous Education Committee meeting. The WCSD is one of only two school districts within Nevada who has school police officers on its campuses. Section 40 of S.B. 89 requires school police officers to be Nevada Commission on Peace Officer Standards and Training, Category 1 certified and impacts several areas.

Section 37 of S.B. 89 requires school police officers to wear body cameras; Clark County School District (CCSD) enforces this regulation while WCSD does not. Section 37 of S.B. 89 also makes WCSD eligible to receive a portion of Nevada's 911 Surcharge, but I am not sure if this charge is mandatory at this time. With the removal of CCSD and WCSD from the physical infrastructure safety appropriation (B/A) 101-1301, WCSD did not have funding to provide body cameras to school police officers. I want to ensure a viable source so WCSD police officers have a way to acquire body cameras, so I do not have to submit a fiscal note.

MARY PERCZYNSKI (Nevada Association of School Superintendents):

The Nevada Association of School Superintendents (NASS) supports S.B. 89 and the Task Force recommendations. The NASS would like to submit an amendment ([Exhibit C](#)) for section 7.5, subsection 1 of S.B. 89 which currently reads that the superintendent of schools of each school district shall designate an administrative employee to serve as the school safety specialist. Section 7.5, subsection 4, paragraph (a) of S.B.89 defines an administrative employee as

someone who holds a license as an administrator such as a vice principal or dean.

The NASS would like more flexibility to allow a school district-level employee to become eligible as a school safety specialist appointed by the superintendent. Within several of Nevada's school districts there are people acting as school safety specialists who are competent in their positions; some of them are former military and know a lot about safety. However, these school district-level employees do not always have an administrator license, and the NASS would like for them to be able to continue conducting the work they are completing.

CARLOS FERNANDEZ (Las Vegas Metropolitan Chamber of Commerce):

The Las Vegas Metropolitan Chamber of Commerce supports S.B. 89 and its policies and appropriations which will ensure mental health and school safety reporting is accountable.

DR. JESUS F. JARA (Superintendent, Clark County School District):

The CCSD is in support of S.B. 89. To comply with Task Force recommendations, CCSD has created a safety task force to address safety issues within the school system. In 2019, CCSD made 17 gun-related arrests on school campuses, and any additional appropriations to help us in this regard are welcome. We also added four canine officers to assist our school police officers regarding gun-safety activities, as CCSD has experienced issues with gun safety for quite some time, ensuring safety is a top priority for CCSD.

Regarding the CCSD Focus 2024 plan, 20 percent of children reported that they did not feel safe at school. The CCSD welcomes any appropriations that can help us ensure the safety of children and staff within Nevada's school districts. The CCSD is moving quickly to ensure that we can control violent acts occurring within our schools, and we will continue working with the Nevada Legislature to ensure safety requirements are met.

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

The Legislative Counsel Bureau (LCB) Fiscal Analysis Division received an email from the DOE indicating that the DEM is removing its fiscal note for S.B. 89 due to conversations with the DOE's Office for a Safe and Respectful Learning Environment. Section 6 of S.B. 89 places a new responsibility on the DEM regarding safety, and Fiscal staff will work with the DEM to clarify any

potential fiscal impact. Furthermore, Fiscal staff was notified by the State Fire Marshall of additional safety concerns, which we are looking into.

MS. EBERT:

The DOE is very grateful for all of the efforts surrounding S.B. 89 and is working with NASS and WCSD to align all of our work in order to meet objectives.

CHAIR WOODHOUSE:

The Committee will now hear S.B. 523.

SENATE BILL 523: Makes a supplemental appropriation to the Department of Education for an unanticipated shortfall in personnel services expenditures for literacy programs. (BDR S-1248)

ANDREA OSBORNE (Director, Fiscal Support, Nevada Department of Education):

Within S.B. 523, the DOE is requesting \$11,344 in General Fund appropriations to cover a shortfall in expenditures relating to personnel services for the DOE Read by Grade 3 Program. This appropriation is supplemental to that made by section 15, page 2635 of Chapter 396, Statutes of Nevada 2017. The prior education program professional (EEP) in Read by Grade 3 left in September 2017, being a Nevada Department of Administration Human Resource Management pay grade 39, step 6. When the DOE hired a new professional to fill this vacancy, the best candidate during the interview process was a current Nevada State Public Charter School Authority employee at pay grade 39, step 10. The EEP has over 20 years of educational experience, serving as both a CCSD school principal as well as a CCSD reading specialist. Within the first year of the EEP being hired, there was enough money to continue paying this position at pay grade 39, step 10 due to vacancy-cost savings.

SENATOR KIECKHEFER:

Does B/A 101-2699 provide enough funding for Read by Grade 3?

EDUCATION

K-12 EDUCATION

Senate Committee on Finance
May 22, 2019
Page 10

NDE - Other State Education Programs — Budget Page K-12 EDUCATION-22
(Volume I)
Budget Account 101-2699

MS. OSBORNE:
Yes, it does.

CHAIR WOODHOUSE:
The Committee will now hear S.B. 524.

SENATE BILL 524: Makes a supplemental appropriation to the Non-State Retiree Rate Mitigation Account for a projected shortfall related to payment of supplemental subsidies for coverage of non-state, non-Medicare retirees under the Public Employees' Benefits Program. (BDR S-1249)

DAMON HAYCOCK (Executive Officer, Nevada Public Employees' Benefits Program):
Senate Bill No. 552 of the 79th Session provides the Nevada Public Employees' Benefits Program (PEBP) with a General Fund appropriation and new B/A 101-1369 to fund supplemental subsidies for non-State retirees.

SPECIAL PURPOSE AGENCIES

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

PEBP - Non-State Retiree Rate Mitigation — Budget Page PEBP-16 (Volume III)
Budget Account 101-1369

The PEBP experienced a shortfall in FY 2018; a work program was approved for \$177,482 transferring authority from FY 2019 to FY 2018 to cover the shortfall. The PEBP is now projecting a new shortfall for FY 2019. We are requesting a supplemental appropriation for \$127,819 to fund the shortfall in FY 2019. When S.B. No. 552 of the 79th Session was approved, we projected a number of retiring non-State, non-Centers for Medicare and Medicaid Services (CMS) employees out of the PEBP into other services for 3 main reasons.

The first reason we are projecting retiring employees leaving the PEBP deals with retiring employees moving onto Medicare. The second reason is that

retiring employees are seeking other forms of retirement coverage such as joining a spouse's coverage plan. The third reason is that the employees have died. The PEBP thought it would have less retirees at the end of FY 2018, but we had 195 more retirees enrolled than anticipated creating the initial shortfall in FY 2018. Any supplemental appropriation funding not spent by the PEBP in FY 2019 will be reverted back into the General Fund.

CHAIR WOODHOUSE:

The Committee will now hear S.B. 530.

SENATE BILL 530: Makes a supplemental appropriation to the Nevada Supreme Court for a projected shortfall related to judicial selection processes. (BDR S-1250)

TODD MYLER (Budget Manager, Administrative Office of the Courts, Nevada Supreme Court):

Nevada Supreme Court judicial selection processes have to occur when there are judicial vacancies regarding Supreme Court justices, Nevada Court of Appeals judges and district judges. In any budget-related scenario, it is difficult to project how many judicial vacancies will occur within a FY. The Supreme Court has received several supplemental appropriations over the last few legislative sessions to augment B/A 101-1498. The Supreme Court has also received appropriations from the Nevada Legislature Interim Finance Committee (IFC) Contingency Account to help with judicial vacancies; this is not the first time we have asked for an appropriation.

LEGISLATIVE-JUDICIAL

JUDICIAL BRANCH

Judicial Selection — Budget Page JUDICIAL-30 (Volume I) Budget Account 101-1498

Our initial request projected a shortfall of \$10,500 based on judicial selections we thought would be needed through June 30, 2019. One of these selections has been pushed into July 2019, and we are prepared to amend the amount requested to \$6,000.

CHAIR WOODHOUSE:

The Committee will now hear S.B. 532.

SENATE BILL 532: Makes a supplemental appropriation to the Division of Health Care Financing and Policy for an increase in the Medicaid cost-per-eligible participant and decrease in intergovernmental transfer revenue for Fiscal Years 2017-2018 and 2018-2019. (BDR S-1232)

MELISSA LAUFER LEWIS (Administrative Services Officer, Aging and Disability Services Division, Nevada Department of Health and Human Services):

The purpose of S.B. 532 is to provide a supplemental appropriation to fund a projected shortfall in FY 2019 regarding the DHHS DHCFP Nevada Medicaid program. This shortfall is a result of increased costs per eligible Medicaid participant and a decrease in intergovernmental transfer revenue. As written, S.B. 532 will provide \$14,493,387 in General Fund appropriations and authorize \$115,587,508 in federal funding. The DHCFP would like to amend S.B. 532, as current projections indicate a revised shortfall of \$16,189,275 in General Fund appropriations and \$23,490,331 in federal funds. Additionally, B/A 101-3178 is projected to have a shortfall of \$33,695 in General Fund appropriations due to a lower U.S. Department of Health and Human Services Federal Medical Assistance Percentage (FMAP) rate than originally legislatively approved.

HEALTH AND HUMAN SERVICES

AGING AND DISABILITY SERVICES

HHS-HCF&P - Nevada Check Up Program — Budget Page DHHS-DHCFP-30
(Volume II)

Budget Account 101-3178

SENATOR KIECKHEFER:

I see a large drop off regarding federal fund authorization. If the DHCFP is increasing General Fund appropriations, why is there such a precipitous drop in federal fund authorizations?

MS. LAUFER LEWIS:

The largest decrease in federal fund authorizations is due to the amount of CMS Category 13 funding the newly eligible population is needing in supplemental appropriations, in addition to the allocation amongst federal

in-State dollars regarding drug rebate general ledgers the DHCFP is processing. The DHCFP provides drug rebates based on the FMAP of the eligible population, and we had to provide a larger amount of drug rebates attributed to the newly eligible population causing a skew in the federal dollars.

SENATOR KIECKHEFER:

If there is a larger amount of drug rebates attributed to the newly eligible population, should there be a higher FMAP, as the DHCFP is still receiving more than 90 percent of the FMAP?

Ms. LAUFER LEWIS:

You are correct, but drug rebates result in an offset of expenditures. While the DHCFP was anticipating receiving more General Fund appropriations due to the increased amount of drug rebates, this actually results in additional federal funding.

SENATOR KIECKHEFER:

Were these numbers expected?

Ms. LAUFER LEWIS:

Yes they were.

MR. KRMPOTIC:

The amounts indicated by the DHCFP identify the shortfall regarding B/A 101-3243.

HEALTH CARE FINANCING AND POLICY

HHS-HCF&P - Nevada Medicaid Title XIX — Budget Page DHHS-DHCFP-33
(Volume II)

Budget Account 101-3243

Analysis conducted by Fiscal staff supports the amount provided by the DHCFP regarding the shortfall, and we may present a suggestion to increase the amount for contingency during a work session on S.B. 532 if the cost-per-eligible participant does not come in as projected. Considering there is no ability to transfer funding between biennia to address a shortfall, the increased contingency amount will cover the DHCFP through the fiscal year. A 10 percent contingency amount would result in a supplemental appropriation of

\$17.8 million as opposed to \$16.2 million and any unused amount will be reverted back into the State General Fund at the end of the year.

CHAIR WOODHOUSE:
The Committee will now hear S.B. 535.

SENATE BILL 535: Revises provisions governing the financial support for programs for the prevention and treatment of problem gambling. (BDR 41-1200)

DR. RORY REID:
I received a grant through the DHHS from B/A 101-3200, and I support S.B. 535.

HEALTH AND HUMAN SERVICES

PUBLIC AND BEHAVIORAL HEALTH

HHS-DPBH - Problem Gambling — Budget Page DHHS-DPBH-136 (Volume II)
Budget Account 101-3200

Funds from B/A 101-3200 are used to help individuals struggling with gambling addiction. I support the actions taken by S.B. 535 which increases funding available to individuals impacted by a gambling addiction. The problem gambling funds help to mediate and attenuate gambling addiction symptoms to increase the chances of recovery. I know there have been discussions regarding a shift in gambling addiction funding from the dedicated B/A 101-3200 to the State General Fund, but I worry this movement will reallocate gambling addiction funds elsewhere and make them less impactful.

SUSAN BROWN (Director, Nevada Governor's Office of Finance):
Senate Bill 535 is a budget-implementation bill. The Money Committees approved B/A 101-3200 differently than how S.B. 535 was written, and the bill needs to be amended to reconcile the differences.

DENISE QUIRK (Vice Chair, Advisory Committee on Problem Gambling, Nevada Department of Health and Human Services):
Testimony from the DHHS Advisory Committee on Problem Gambling regarding S.B. 535 is shown in ([Exhibit D](#)).

CHAIR WOODHOUSE:

The Committee will now hear S.B. 537.

SENATE BILL 537: Extends the prospective expiration of the Consumer Affairs Unit of the Department of Business and Industry. (BDR 18-1206)

MICHAEL BROWN (Director, Nevada Department of Business and Industry):

Senate Bill 537 deals with a recommendation from the Nevada Department of Business and Industry's (B&I) Consumer Affairs Division (CAD). The CAD is based in Las Vegas, Nevada, but conducts work Statewide.

TERRY J. REYNOLDS (Deputy Director, Nevada Department of Business and Industry):

Senate Bill 537 extends into the 2019-2021 biennium and will be funded out of General Fund appropriations. For the past several years, the CAD received funding from National and Nevada Specific Bank of America Mortgage Settlements. Changing the CAD funding to General Fund appropriations does not increase the number of CAD employees, and the CAD currently employs six staff plus one part-time equivalent employee.

SENATOR DENIS:

The CAD has been piecemealed funding for the past several years. Does S.B. 537 plan to require the CAD to approach the Nevada Legislature to request funding every 2 years?

MR. REYNOLDS:

Yes, this is what we are hoping to achieve. The CAD previously expired and was then extended, and S.B. 537 requires us to approach the Nevada Legislature every 2 years to request funding. After the 2019-2021 biennium, we would like to come back to the Legislature to look at funding options that can help stabilize the CAD. We have looked at how other western states are receiving funding for their consumer affairs units, and I think S.B. 537 presents the best option regarding the CAD's current situation and keeping things moving forward.

The CAD provides a valuable service, and we work with the Nevada Attorney General's Office as well as the 11 divisions within the B&I to ensure our valuable services continue to resolve consumer complaints. Utah has a very successful consumer affairs unit which utilizes a fee-based program

supplemented by general funds; pressure is relieved when these units are funded by a general fund.

SENATOR DENIS:

I appreciate your answer. I was unhappy when the CAD originally expired; consumers in many areas were left without options to address their concerns. I look forward to making the CAD more robust and better able to serve Nevadans.

SENATOR KIECKHEFER:

If the CAD is funded with General Fund appropriations during the 2019-2021 biennium, will the CAD positions be located in the base budget of B/A 101-4681 for B&I's next budget request?

COMMERCE AND INDUSTRY

BUSINESS AND INDUSTRY

B&I - Business and Industry Administration — Budget Page B & I-12 (Volume II)
Budget Account 101-4681

MR. REYNOLDS:

Correct. However, S.B. 537 sunsets at the end of the 2019-2021 biennium requiring affirmative action to be taken for the CAD to continue receiving funding; CAD funding will expire again with the way S.B. 537 is written.

SENATOR GOICOECHEA:

How much in General Fund appropriations will the CAD be funded with?

MR. REYNOLDS:

The CAD will receive \$689,263 in FY 2020 and \$708,424 in FY 2021.

CHAIR WOODHOUSE:

The Committee will now hear S.B. 539.

SENATE BILL 539: Revises provisions governing financial support of the Taxicab Authority. (BDR 58-1208)

MR. BROWN:

Negotiations were had between Nevada's taxi industry and Governor Sandoval, being reaffirmed under Governor Sisolak. There are challenges and disruptions occurring within the taxi industry, and S.B. 539 presents a long-term solution to address these issues. I have had personal discussions with leaders in Nevada's taxi industry, and we have prioritized looking into how the B&I Taxicab Authority (TA) is funded among the disruptions that are occurring. Nevada is not alone in the problems it is experiencing, as Washington, D.C., New York City and other cities dependent on taxicabs are also experiencing issues. We will continue looking into this issue between legislative sessions.

SCOTT WHITEMORE (Administrator, Nevada Taxicab Authority, Nevada Department of Business and Industry):

Senate Bill 539 section 1, subsection 3, paragraph (a) changes NRS 706.8826 from a fee of \$100 to \$300. The TA is 100 percent funded from licensee fees and receives no General Fund or State Highway Fund appropriations. The fee used by the TA has not been changed since 1971 and accounting for inflation, this fee would be over \$600 by today's standards. The licensee fee raises the TA's revenue by \$706,000 in each year of the 2019-2021 biennium and helps broaden the TA's revenue stream. We are looking at every way to make the TA solvent. The Money Committees closed B/A 245-4130 on May 10, 2019, taking the fee increase into account.

B&I - Taxicab Authority — Budget Page B & I-162 (Volume II)
Budget Account 245-4130

SENATOR SETTELMAYER:

I appreciate that the TA is 100 percent funded by fees. Due to the changes regarding how taxicabs are utilized, I understand how S.B. 539 is necessary. Realizing the taxicab industry is experiencing a decline, what is the total amount of funding that will be generated by increasing the licensee fee from \$100 to \$300? I feel responsible for the decline in taxicab use.

MR. WHITEMORE:

There are 3,530 medallions currently allocated to authorize taxicabs. If you multiply 3,530 by \$300, it shows the TA will receive an additional \$706,000 in revenue in each year of the 2019-2021 biennium.

KIMBERLY RUSHTON (Executive Director, Livery Operators Association):

The Livery Operators Association (LOA) represents approximately 80 percent of the taxi industry in southern Nevada, and we support the TA and S.B. 539. The southern Nevada taxi industry has experienced multiple changes over the past several years, including the advancement and development of technology, the increase in tourism in southern Nevada and the influx of new transportation providers. This has resulted in additional responsibilities for the TA, and the LOA believes the increase in the medallion fee will supplement and continue to support the ongoing regulatory scheme the TA is currently responsible for.

CHAIR WOODHOUSE:

The Committee will now hear S.B. 541.

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

MS. BROWN:

Senate Bill 541 will implement B/A 201-4735 and continue the transfer of 25 percent of the basic Governmental Services Tax (GSA) to the State General Fund with the balance going to the State Highway Fund.

PUBLIC SAFETY

MOTOR VEHICLES

DMV - Field Services — Budget Page DMV-108 (Volume III)
Budget Account 201-4735

MR. KRMPOTIC:

Senate Bill 541 removes the sunset period regarding the transfer of the GSA. The Executive Budget indicates the intent was to extend the sunset deadline to June 30, 2021.

SENATOR KIECKHEFER:

Does the Governor's Office of Finance (GFO) intend to permanently remove the sunset deadline resulting in an ongoing transfer of the GSA? Is this meant to be a two-year extension?

Senate Committee on Finance
May 22, 2019
Page 19

MS. BROWN:

The GFO intends to have the transfer of the GSA become permanent.

CHAIR WOODHOUSE:

The Committee will now move onto a work session starting with S.B. 102.

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

MR. KRMPOTIC:

Senate Bill 102 is a recommendation from the Legislative Commission's Committee to Study the Needs Related to the Behavioral and Cognitive Care of Older Persons and makes an appropriation of \$77,000 in each year of the 2019-2021 biennium into B/A 101-2681.

W.I.C.H.E. Loans & Stipends — Budget Page ELECTED-83 (Volume I)
Budget Account 101-2681

This funding is used to help 10 advanced-practice registered nurse students to participate in the Western Regional Higher Education Compact. There have not been any amendments submitted for S.B. 102, and the bill was recommended by the Committee due to a lack of trained health workers assisting individuals with behavioral and cognitive issues.

SENATOR DENIS MOVED TO DO PASS S.B. 102.

SENATOR PARKS SECONDED THE MOTION.

SENATOR KIECKHEFER:

We are at the point in the 80th Legislative Session where we are balancing out appropriations that may not be included in the Executive Budget. There is \$100,000,000 waiting to be appropriated in the Executive Budget leaving us money to play with. I approve of S.B. 102.

CHAIR WOODHOUSE:

We are trying to move bills forward coming from study committees.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now hear S.B. 314.

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

MR. KRMPOTIC:

Senate Bill 314 relates to education and was heard by the Committee on May 21, 2019. This bill requires a school district's board of trustees to provide a career and technical education program aimed at business marketing. Senate Bill 314 establishes a State Seal of Financial Literacy, requires the DOE to establish a financial literacy month, establishes the State Financial Literacy Advisory Council, establishes provisions relating to obtaining an endorsement to teach courses relating to financial literacy and makes appropriations.

Proposed Amendment No. 5896 (Exhibit E) would eliminate section 2 of S.B. 314 and add new language to section 3, subsection 5; section 5, subsection 2 and section 5.5, subsection 12. Proposed Amendment No. 5896 would remove the appropriations under section 10 and section 10.5 of S.B. 314. The Money Committees previously approved General Fund appropriations of \$750,000 in each year of the 2019-2021 biennium to be included in B/A 101-2620. Other DOE budgets would include the appropriations shown in section 10.5 of S.B. 314 to implement various provisions.

NDE - Instruction In Financial Literacy — Budget Page K-12 EDUCATION-15
(Volume I)

Budget Account 101-2620

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 314 WITH PROPOSED AMENDMENT NO. 5896.

SENATOR KIECKHEFER SECONDED THE MOTION.

Senate Committee on Finance
May 22, 2019
Page 21

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:
The Committee will now hear S.B. 363.

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

ALEX HAARTZ (Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):
Senate Bill 363 was heard by this Committee on May, 21, 2019. Proposed Amendment No. 5895 ([Exhibit F](#)) will remove the \$100,000 in General Fund appropriations included in the original language. This bill requires the Legislative Committee on Health Care to conduct a study on stem cell centers in different states and countries, study the services provided by stem cell centers and the value such centers bring to the community, study the best placement and type of organization for a stem cell center in Nevada and propose appropriate legislation during the 81st Legislative Session.

SENATOR CANCELA MOVED TO AMEND AND DO PASS AS AMENDED S.B. 363 WITH PROPOSED AMENDMENT NO. 5895.

SENATOR PARKS SECONDED THE MOTION.

SENATOR KIECKHEFER:
We are directing an interim committee to take action regarding S.B. 363. I support giving authority to chairs of committees to set their own agendas so I will be voting "no" regarding S.B. 363.

THE MOTION CARRIED. (SENATOR KIECKHEFER VOTED NO.)

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CHAIR WOODHOUSE:
There will now be a Committee introduction of Bill Draft Request (BDR) 34-1276.

BILL DRAFT REQUEST 34-1276: Revises provisions relating to certain pupil assessments and independent school service evaluations. (Later introduced as S.B. 549.)

MR. KRMPOTIC:

Bill Draft Request 34-1276 is a budget implementation BDR requested a few days ago by the Committee. This BDR implements decisions regarding the DOE New Nevada Education Funding Plan and related assessments. The language in BDR 34-1276 states the DOE can decide which assessments will be used instead of a DOE End of Course examination and provides for evaluation in each odd-numbered year.

SENATOR CANCELA MOVED TO INTRODUCE BDR 34-1276.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Senate Committee on Finance
May 22, 2019
Page 23

CHAIR WOODHOUSE:

Seeing no further business, this meeting is adjourned at 9:45 a.m.

RESPECTFULLY SUBMITTED:

Tom Weber,
Committee Secretary

APPROVED BY:

Senator Joyce Woodhouse, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	2		Agenda
	B	5		Attendance Roster
SB89	C	1	Mary Perczynski / Nevada Association of School Superintendents	Proposed Bill Amendment
SB535	D	2	Denise Quirk / Advisory Committee on Problem Gambling	Testimony
SB314	E	14	Fiscal Analysis Division / Legislative Counsel Bureau	Proposed Bill Amendment
SB363	F	5	Fiscal Analysis Division / Legislative Counsel Bureau	Proposed Bill Amendment