

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eightieth Session
June 1, 2019**

The Senate Committee on Finance was called to order by Chair Joyce Woodhouse at 9:14 a.m. on Saturday, June 1, 2019, in Room 2134 of the Legislative Building, Carson City, 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

GUEST LEGISLATORS PRESENT:

Senator Heidi Seevers Gansert, Senatorial District No. 15
Assemblywoman Dina Neal, Assembly District No. 7

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Stephanie Day, Program Analyst
Adam Drost, Senior Program Analyst
Brody Leiser, Senior Program Analyst
Jaimarie Ortega, Program Analyst
Kristina Shea, Program Analyst
Julie Waller, Senior Program Analyst
Christine Miner, Committee Secretary
Tom Weber, Committee Secretary

OTHERS PRESENT:

Peter Long, Administrator, Division of Human Resource Management, Nevada Department of Administration
Jenni Cartwright, Administrator, Administrative Services Division, Nevada Department of Administration
Michael Brown, Director, Nevada Department of Business and Industry
Bruce K. Snyder, Commissioner, Local Government Employee-Management Relations Board, Nevada Department of Business and Industry
Zach Conine, State Treasurer
Sarah Adler, Nevada Coalition to End Domestic and Sexual Violence
Erica Souza Llamas, Central Repository for Nevada Records of Criminal History, Records, Communications and Compliance Division, Nevada Department of Public Safety
Jeanette Belz, Nevada Chapter Associated General Contractors
Kevin Doty, Administrator, Purchasing Division, Nevada Department of Administration
Michael Dietrich, Deputy Director, Director's Office, Nevada Department of Administration
Randy Soltero, Political Director, Sheet Metal Workers Union

CHAIR WOODHOUSE:

The Committee will start by hearing Senate Bill (S.B.) 553.

SENATE BILL 553: Authorizes expenditures by agencies of the State Government for the 2019-2021 biennium. (BDR S-1281)

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

Senate Bill 553 provides funding and authorizes the expenditure of funding other than State General Fund appropriations or State Highway Fund appropriations. Funding sources counted under S.B. 553 include federal funds, self-funded budgets receiving money through fees or other means and outside revenue sources such as licensing fees that might be deposited to support an agency's program. Regarding the General Fund and Highway Fund exceptions, Highway Fund amounts used by the Nevada Department of Transportation are authorized under S.B. 553; this is opposed to being appropriated through the Nevada Appropriations Act. Senate Bill 553 also provides General Fund

appropriations to the Nevada Gaming Control Board and the Nevada Gaming Commission.

Beginning in section 2 of S.B. 553, various measures necessary to implement the budgets regarding the operation of State government over the 2019-2021 biennium are outlined.

SENATOR DENIS MOVED TO DO PASS S.B. 553.

SENATOR KIECKHEFER SECONDED THE MOTION.

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

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CHAIR WOODHOUSE:

The Committee will now hear S.B. 555.

SENATE BILL 555: Ensures sufficient funding for K-12 public education for the 2019-2021 biennium. (BDR 34-1279)

MR. KRMPOTIC:

Senate Bill 555 funds kindergarten through Grade 12 (K-12) education for the 2019-2021 biennium. There were questions regarding S.B. 555 with respect to parallel sections in this bill and sections in Assembly Bill (A.B.) 309.

ASSEMBLY BILL 309 (1st Reprint): Makes various changes relating to state financial administration. (BDR 34-886)

ADAM DROST (Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

There are seven existing grant programs including the Nevada Department of Education's (NDE) Teach Nevada Scholarship Program, the NDE Nevada Ready 21 technology grant, the NDE Great Teaching and Leading Fund, the NDE Peer Assistance and Review program, vocational student organizations, the Local Education Agency (LEA) Library Book Purchasing Grant and the National Council for Geographic Education's State Alliance Membership Program, all of which are mentioned in S.B. 555 and A.B. 309. Currently, these grants total

\$19.3 million and are located within 3 different budget accounts (B/A). Assembly Bill 309 would allow these funds to be used for their existing purposes or for one-time expenditures as a block grant. These NDE grants would be provided to school districts and charter schools through B/A 101-2615.

EDUCATION

K-12 EDUCATION

NDE - School Remediation Trust Fund — Budget Page K-12 EDUCATION-30
(Volume I)
Budget Account 101-2615

The parallel sections between S.B. 555 and A.B. 309 would allow the NDE Great Teaching and Leading Fund and the NDE Peer Assistance and Review program to be transferred to B/A 101-2615 to then be allocated to school districts and charter schools. The parallel sections between S.B. 555 and A.B. 309 would also allow the vocational student organizations, the LEA Library Book Purchasing Grant and the National Council for Geographic Education's State Alliance Membership Program to be transferred to B/A 101-2615 to be allocated to school districts and charter schools. The proposed distribution of funding under A.B. 309 is based on fiscal year (FY) 2018 enrollment figures.

MR. KRMPOTIC:

The parallel sections from A.B. 309 were included in S.B. 555 to allow for implementation of S.B. 555 depending on whether A.B. 309 were to ultimately pass and be signed by Governor Steve Sisolak. If these parallel sections were not included in S.B. 555, there would be unintended consequences as categorical funding is collected in B/A 101-2615. If these parallel sections were unaccounted for in S.B. 555, other funding sources that were not intended to be transferred out of B/A 101-2615 in the form of a block grant would still be transferred. The inclusion of parallel sections in S.B. 555 and A.B. 309 allow for implementation of K-12 funding regardless if A.B. 309 passes.

SENATOR KIECKHEFER:

If A.B. 309 passes, the \$19.3 million would be distributed through a block grant mechanism. If A.B. 309 does not pass, will the \$19.3 million continue to be distributed through existing categorical allocations?

MR. DROST:
Correct.

SENATOR KIECKHEFER:

Assembly Bill 309 also provides a blanket waiver regarding minimum expenditure requirements for text books and other instructional supplies. Is it correct this carve out of funding in the base allocation will not in any way affect the distribution of funding?

MR. DROST:
Correct, this will not affect the distribution of funding.

SENATOR PARKS:

Will the amount of funding provided to each school district be based on enrollment percentages?

MR. DROST:
Correct.

SENATOR DENIS MOVED TO DO PASS S.B. 555.

SENATOR KIECKHEFER SECONDED THE MOTION.

SENATOR KIECKHEFER:

There is a lot that S.B. 555 does for education, but I object to the block grant mechanism. We have worked hard to fund specific education programs for specific reasons. The Nevada Ready 21 technology grant, the Great Teaching and Leading Fund and the NDE Peer Assistance and Review program are investments the Legislature has accounted for in recent years when building B/A 101-2610 to drive outcomes, close achievement gaps and improve the quality of education in Nevada. Administering this funding in block grants enables school districts to use the money for whichever purpose they choose and moves us in the wrong direction. However, I support S.B. 555 overall.

NDE - Distributive School Account — Budget Page K-12 EDUCATION-17
(Volume I)
Budget Account 101-2610

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CHAIR WOODHOUSE:

We still need to see what happens regarding A.B. 309, and I am glad parallel sections from that bill were included in S.B. 555 in case it passes.

SENATOR SETTELMAYER:

I am also concerned with administering education funding through block grants on a county-by-county basis; I prefer the funding to be administered to all schools equally. However, I am glad the funding within B/A 101-2610 is increasing and that 325,005 students will be assisted through the NDE Distributive School Account.

Senator Kieckhefer had mentioned in a previous Nevada Legislature Senate Committee on Finance meeting that Nevada students will be receiving an additional \$204 in assistance through S.B. 555, with Clark County School District receiving \$66 million more than originally anticipated. I support the increase in funding to counties, but I am uncomfortable with administering the funding through block grants.

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

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CHAIR WOODHOUSE:

The Committee will now hear A.B. 541.

ASSEMBLY BILL 541: Authorizes and provides funding for certain projects of capital improvement. (BDR S-1282)

MR. KRMPOTIC:

Assembly Bill 541 provides funding for the Nevada Department of Administration State Public Works Division's Capital Improvement Program (CIP) during the 2019-2021 biennium. Funding for A.B. 541 will come from a combination of General Fund appropriations, general obligation bonds, authorized revenue sources and Highway Fund appropriations. Assembly Bill 541 needs to wait on S.B. 555 passing through the Nevada Assembly before it can pass through the Nevada Senate.

SENATOR KIECKHEFER:

Aside from outlining expenditures and authorizing bonding authority, does A.B. 541 also levy the State's 75-cent property tax abatement?

MR. KRMPOTIC:

Correct. This is shown in section 19 of A.B. 541. The split between the property tax rates applied to the Nevada Department of Conservation and Natural Resources (DCNR) Division of State Lands Conservation Bond Program (Q1 Program) versus the Nevada State Treasurer's general obligation bond program have been adjusted slightly. Section 19, subsection 2 of A.B. 541 shows the ad valorem tax used in the Q1 Program changed from 1.55 cents to 1.25 cents, increasing the portion of the ad valorem tax applied to the CIP.

Regarding Senator Kieckhefer's question from a previous meeting, A.B. 541 includes Highway Fund appropriations to fund a portion of the CIP. The ending-fund balance for the Highway Fund at the end of the 2019-2021 biennium is projected to be \$250 million.

SENATOR DENIS:

Can appropriations included in A.B. 541 come from both the General Fund and the Highway Fund? Section 22 of A.B. 541 states appropriations can come from the General Fund or the Highway Fund.

MR. KRMPOTIC:

Section 3 of A.B. 541 utilizes \$8,841,972 in Highway Fund appropriations to fund the projects outlined in that section. An adjustment was made to Project No. 19-C01 at the Nevada Department of Motor Vehicles (DMV) office in Reno.

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

KRISTINA SHEA (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Section 3 of A.B. 541 appropriates approximately \$8.8 million in Highway Funds to support a portion of the DMV and Nevada Department of Public Safety (DPS) projects contained in this section. Section 8 of A.B. 541 authorizes approximately \$5.3 million in general obligation bonds for Project No. 19-C01. Section 8 of A.B. 541 also establishes the required annual debt service bonds paid from the Highway Fund and B/A 101-4722.

PUBLIC SAFETY

MOTOR VEHICLES

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

SENATOR DENIS:

Section 22 of A.B. 541 states that appropriations can come from the Highway Fund or the General Fund. How does this work?

BRODY LEISER (Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Section 22 of A.B. 541 establishes expenditure authority in B/A 395-1082 from sources other than the General Fund and the Highway Fund. This section identifies the expenditure authority for B/A 395-1082 to pay debt services relating to issued general obligation bonds.

ELECTED OFFICIALS

Treasurer - Bond Interest & Redemption — Budget Page ELECTED-221
(Volume I)
Budget Account 395-1082

CHAIR WOODHOUSE:

The Committee will now hear A.B. 542.

ASSEMBLY BILL 542: Provides for compensation of state employees.
(BDR S-1283)

MR. KRMPOTIC:

Section 1 of A.B. 542 sets the salaries for unclassified positions in State government. Section 2 of A.B. 542 provides instructions for paying these salaries and appropriating the funding necessary to reflect the 3 percent cost-of-living increase over the 2019-2021 biennium. The salaries of State unclassified positions will be funded through a combination of General Fund and Highway Fund appropriations.

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CHAIR WOODHOUSE:
The Committee will now hear S.B. 135.

SENATE BILL 135 (1st Reprint): Provides for collective bargaining by state employees. (BDR 23-650)

Is the fiscal impact of S.B. 135 still high even after Amendment No. 1077?

PETER LONG (Administrator, Division of Human Resource Management, Nevada Department of Administration):
The fiscal impact of S.B. 135 was not decreased by Amendment No. 1077.

SENATOR KIECKHEFER:
Senate Bill 135 will utilize four positions in Las Vegas and four positions in Carson City. Has designated space been set aside for these positions? Are overhead costs accounted for in the fiscal note?

MR. LONG:
We have accommodated for these positions, and the associated office expenses were incorporated into the fiscal note.

CHAIR WOODHOUSE:
How will the eight positions utilized under S.B. 135 be funded going forward? What is the timeline regarding S.B. 135 activities?

MR. LONG:
We are anticipating the 8 positions to start on October 1, 2019. We will start recruiting for these positions before October 1, and the positions will be funded through Nevada Department of Administration Division of Human Resource Management (DHRM) personnel assessment costs charged to agencies.

MR. KRMPOTIC:
Budget account 717-1363 has already been established, with revenue generated from agencies' use of DHRM personnel assessments also going into this account.

FINANCE AND ADMINISTRATION

ADMINISTRATION

Administration - HRM - Human Resource Management — Budget Page ADMIN-
112 (Volume I)
Budget Account 717-1363

How will B/A 717-1363 be adjusted if S.B. 135 is passed? What is the Administration's plan to fund the associated fiscal note through revised assessments, and how will this affect other State agencies? There is insufficient reserve funding in B/A 717-1363 to fund the fiscal note.

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

You are correct in that B/A 717-1363 does not have enough reserve funding to account for the fiscal note. Because B/A 717-1363 is an internal service fund, it is primarily funded by personnel assessments.

SENATOR KIECKHEFER:

When do you plan to increase the personnel assessment cost charged to agencies?

Ms. CARTWRIGHT:

The personnel assessment costs are typically set for one year. Considering the new positions do not start until October 1, we will work with Legislative Counsel Bureau (LCB) Fiscal Analysis Division staff to determine if the personnel costs charged to agencies will need to be increased when a new FY begins on July 1.

SENATOR KIECKHEFER:

Due to the personnel assessments being statutorily set, what is the process to amend them? Is there a process the DHRM uses to adjust the personnel assessments in the middle of a FY?

Ms. CARTWRIGHT:

I will have to defer this question to Fiscal staff.

MR. KRMPOTIC:

I do not think the amount related to personnel assessments can be adjusted midyear. In order to fund the fiscal note, an increase to assessments would need to be established. As presented in S.B. 135, the fiscal note totals approximately \$1.6 million in each FY of the 2019-2021 biennium. Due to

B/A 717-1363 not having enough reserve funding to support the fiscal note, the assessment would need to be increased. This will affect every State agency with DHRM positions in their budget, resulting in the LCB Interim Finance Committee (IFC) considering work programs from agencies requesting funding. This could also result in small agencies currently receiving General Fund appropriations to require allocations from the IFC Contingency Account.

Many agencies experience savings in the salary category of their budgets which may be able to absorb the costs associated with an increase in assessment charges. The DHRM first needs to determine how much the assessments will have to be increased by; this will require an unprecedented midyear adjustment to assessments. The effect on all agencies who pay for the assessments would then need to be evaluated to determine if they have the budgetary resources necessary to pay for the increase or if they would have to seek additional resources.

SENATOR KIECKHEFER:

What are the personnel assessment costs already incorporated into B/A 717-1363?

MS. CARTWRIGHT:

The estimated impact on the personnel assessment would be approximately \$68.58 in FY 2020 and \$72.25 in FY 2021 in order to cover the expenditures noted in the fiscal note and include the \$10 assessment noted in S.B. 135. There are different pieces of the personnel assessment, but the personnel assessment rate incorporated into B/A 717-1363 is approximately \$228 per employee for the core personnel classification and compensation piece of the assessment.

SENATOR PARKS:

How did you calculate the amounts needed to fund the eight positions? Was this process developed or modeled after another organization's system?

MR. LONG:

We briefly looked into the amount of staff used by Washoe and Clark Counties, but we knew that any systems that agencies had in place in these areas would not be completely comparable with the system we are developing for the DHRM. We tried to be conservative regarding our staffing estimates, but we knew we would need a couple of supervisor positions, a couple analyst

positions and an administrative support position to support the activities outlined in S.B. 135.

SENATOR PARKS:

Considering I have not worked in this area for several decades, the number of staff the DHRM is anticipating needing appears fairly liberal.

SENATOR KIECKHEFER:

There are provisions in S.B. 135 that were written in an effort to insulate both the Governor and the Legislature from required appropriations. There are also provisions of S.B. 135 that could result in a fiscal impact not requiring the passage of legislation, such as those found in section 37, subsection 1. There are things within S.B. 135 that can be negotiated which have a fiscal impact without requiring a direct appropriation by the Legislature during the time of negotiation. Have you had these discussions with agencies?

Even though S.B. No. 486 of the 79th Session dealt with different categories of negotiation, it also related to collective bargaining for employees. Mr. Long indicated in neutral testimony for S.B. No. 486 of the 79th Session that based on the 2016 DHRM Compensation Schedule, an additional \$97 million annually would be required to bring employees up-to-date regarding salary averages. Has anything changed in this calculation?

MR. LONG:

The figure used in S.B. No. 486 of the 79th Session was based on job classifications included in the biennial salary survey in order to determine if these classifications met the average salaries of other employers included in the survey. I do not recall how many positions were included in the survey, but there were approximately 28 job classifications included; Nevada has over 1,300 job classifications. The samples included in the survey were small compared to the overall population of the State.

SENATOR KIECKHEFER:

There were 23 job classifications included in the survey. My questions regarding potential fiscal implications to State agencies may be better answered if they are directed to the agencies themselves.

CHAIR WOODHOUSE:

What is the progress on the fiscal note submitted for S.B. 135 by the Nevada Department of Business and Industry's (B&I) Local Government Employee-Management Relations Board (EMRB)?

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

The fiscal note submitted by the EMRB was submitted in the past. With Amendment No. 1077, the B&I anticipates eliminating 2 investigator positions which would bring the fiscal note down by approximately \$150,000.

BRUCE K. SNYDER (Commissioner, Local Government Employee-Management Relations Board, Nevada Department of Business and Industry):

Amendment No. 1077 revises and harmonizes EMRB work activities, reducing the impact of the fiscal note submitted by the EMRB. At the local government level, the EMRB has ascertained the investigator positions are no longer necessary; the investigator positions along with election costs constituted the majority of the impact of the fiscal note. The EMRB is self-funded and currently charges \$6 per employee per year enabling us to eliminate the 2 investigator positions. I do not have exact numbers relating to savings as Amendment No. 1077 has not been formally adopted as of this time. The EMRB can eliminate the fiscal note today and come back in July with a work program. The other option is for the Committee to adopt the fiscal note as it stands, with my word, the EMRB will come back the first week of July with a significantly smaller work program.

MR. BROWN:

The EMRB staffs two employees with a part-time Board consisting of five members and rarely gets much focus.

CHAIR WOODHOUSE:

This Committee is happy to see that the impact of the EMRB fiscal note is decreasing.

MR. KRMPOTIC:

With respect to the impact on the DHRM, the funding issue in the fiscal note that impacts the DHRM would need to be solved by the IFC. There is no longer an opportunity to adjust the Administration's budgets to reflect the increase in the personnel assessment, as the budgets have been closed. Any related items coming before the Committee which may be required by agencies to pay for the

increase in assessment charges can be dealt with as agencies evaluate their budgets in FY 2020. The EMRB would need to go through the same process.

If the EMRB requires funding before the next IFC meetings on June 25, 2019, and in August 2019, the Governor has the ability to statutorily submit an item for expeditious action. This item could be approved in 15 days and reported as information to the IFC during its next meeting, if S.B. 135 passes with Amendment No. 1077, providing an opportunity for the EMRB to further evaluate costs and provide information to the IFC. This information can also be provided to the Governor through an expeditious action item work program.

SENATOR BROOKS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 135 WITH AMENDMENT NO. 1077.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GOICOECHEA, KIECKHEFER AND
SETTELMAYER VOTED NO.)

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CHAIR WOODHOUSE:

The Committee will now hear S.B. 44.

SENATE BILL 44 (1st Reprint): Revises provisions of the Uniform Unclaimed
Property Act. (BDR 10-480)

ZACH CONINE (State Treasurer):

Senate Bill 44 makes technical changes to *Nevada Revised Statutes* (NRS) 120A in an effort to modernize and align Nevada's unclaimed property laws with national best practices and the Uniform Law Commission's 2016 Revised Uniform Unclaimed Property Act (RUUPA). As drafted, S.B. 44 redirects the annual transfer of B/A 101-3815 proceeds to B/A 261-1088.

Treasurer - Unclaimed Property — Budget Page ELECTED-252 (Volume I)
Budget Account 101-3815

Treasurer - Millennium Scholarship Administration — Budget Page ELECTED-245
(Volume I)
Budget Account 261-1088

I have submitted a proposed amendment for S.B. 44 ([Exhibit C](#)) which removes provisions dealing with the Governor Guinn Millennium Scholarship program contained in section 13. The Nevada State Treasurer plans to work with stakeholders over the 2019-2020 Interim period to address the issue regarding the ongoing insolvency of the Millennium Scholarship. With the proposed amendment, S.B. 44 will have no fiscal impact and will deal solely with policy issues related to Nevada's unclaimed property laws. This bill was previously heard by the Senate Committee on Judiciary.

Pursuant to NRS 120A, the Nevada State Treasurer's Office administers Nevada's Uniform Act. In this role, the Treasurer's Office takes custody of lost or abandoned property from individuals or business owners and works to reunite it with its proper owners. If the property cannot be reunited with its owner, it is held in trust in perpetuity. The proposed amendment requests a number of changes to S.B. 44 which deal with the RUUPA and statutory cleanup contained in sections 2, 3, 7 through 12, and 15 of S.B. 44. These sections utilize national trends in the RUUPA to update Nevada's unclaimed property laws.

Section 12 of S.B. 44 incorporates RUUPA language into NRS by clarifying that it is the property holder's responsibility to ensure reports are filed accurately and timely regardless of any third-party contracts. This section also requires that holders file reports electronically. Similarly, section 15 of S.B. 44 incorporates RUUPA language by imposing a fee on holders for failing to utilize the online reporting required in section 12.

Sections 4, 5, 6 and 14 of S.B. 44 help to refine and strengthen NRS relating to unclaimed property in Nevada. Section 4 of S.B. 44 provides a means for data sharing between the Treasurer's Office and other State agencies. Sections 5 and 6 of S.B. 44 add additional means to prosecute those who engage in unclaimed property fraud; unfortunately, this fraud is on the rise. Currently, unclaimed property fraud is broadly prosecuted under the larceny section of NRS 205. Section 14 of S.B. 44 creates a means for third-party governmental agencies to claim unclaimed property in order to pay off child support, civil or criminal fines or any State or local taxes.

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The proposed amendment removes any sections pertaining to section 13 of S.B. 44 and removes any fiscal implications.

MR. KRMPOTIC:

Senate Bill 388 was presented by Senator Denis to the Committee on May 27, 2019.

SENATE BILL 388 (1st Reprint): Revises provisions relating to public records.
(BDR 19-827)

This bill relates to public records and provides for the designation of certain public records and portions of public records as confidential. The bill also requires a governmental entity to grant a request to copy such records under certain circumstances. As introduced, S.B. 388 contains submitted fiscal notes. Notably, the fiscal note submitted by the Nevada Department of Corrections (DOC) reflected a cost impact of approximately \$100,000 in each FY of the 2019-2021 biennium. Based on the first reprint of S.B. 388, the DOC submitted an unsolicited fiscal note reflecting that the fiscal impact had been removed. There were no amendments submitted for the bill.

SENATOR SETTELMEYER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 388.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR KIECKHEFER VOTED NO.)

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CHAIR WOODHOUSE:

The Committee will now hear S.B. 265.

SENATE BILL 265 (1st Reprint): Revises provisions relating to certain information and records concerning public safety. (BDR 14-1042)

SENATOR HEIDI SEEVERS GANSERT (Senatorial District No. 15):

Earlier this Session, the expansion of background checks in Nevada was discussed by the Legislature. I had concerns regarding whether or not all of the information required during a background check was being transmitted from

Nevada courts. As described in the *Las Vegas Review-Journal* article ([Exhibit D](#)), an audit conducted in 2012 showed that only one-third of the 78 courts in Nevada transmitted appropriate background check information. During this time, a backlog existed of approximately 900,000 records that had not been uploaded. This backlog has since been taken care of after the DPS was allowed to hire more staff in June 2018. There has never been an assessment or a process to make sure that all of the records requiring transmission are actually transmitted.

When S.B. 265 was first being formulated, I was concentrating on the transmission of mental health records. After further analysis, I found there were many reasons which would disqualify an individual from purchasing a weapon, such as issues relating to mental health, domestic violence, a temporary restraining order or felonies. We submitted Amendment No. 448 for S.B. 265 to make sure all of the information required to be transmitted from the courts was actually transmitted.

The DPS submitted a proposed amendment ([Exhibit E](#)) to revise language in S.B. 265. Nevada has not previously had a criminal history records repository. The purpose of S.B. 265 is to make sure necessary information is transferred to the DPS, Records, Communications and Compliance Division's Central Repository for Nevada Records of Criminal History and is then uploaded to the FBI's National Instant Criminal Background Check System. This ensures that when background checks are conducted, necessary information is readily available and accurate. In order to reach out to courts to ensure information is transmitted, the DPS has submitted a fiscal note requesting a new program officer position; this fiscal note is \$62,078 in FY 2020 and \$79,464 in FY 2021.

SARAH ADLER (Nevada Coalition to End Domestic and Sexual Violence):

The Nevada Coalition to End Domestic and Sexual Violence is in strong support of S.B. 265. It is very important for the safety of victims who have suffered abuse that their abuser or batterer not have access to firearms. Without keeping Nevada's Criminal History Repository updated, victims continue suffering.

ERICA SOUZA LLAMAS (Central Repository for Nevada Records of Criminal History, Records, Communications and Compliance Division, Nevada Department of Public Safety):

The Criminal History Repository oversees all activities relating to fingerprint identification, criminal history records and civil applicant background checks. The DPS is requesting a program officer position to assist with an increased workload resulting from the passing of S.B. 265. This position will monitor submissions into the Criminal History Repository from DPS's Statewide criminal justice partners.

SENATOR KIECKHEFER:

Will the DPS's proposed amendment relating to the National Child Protection Act of 1993 as amended by the Child Protection Improvements Act have any impact on the fiscal note or workload?

Ms. SOUZA LLAMAS:

No, it will not impact the requested program officer position.

SENATOR SEEVERS GANSERT:

The Legislature has passed substantial amounts of legislation regarding weapons this Session, and if the State is going to run background checks, we need to make sure information is transmitted and accurate. Senate Bill 265 will also help the DPS to meet Fix NICS Act of 2017 requirements to close the gaps regarding transmission of information.

CHAIR WOODHOUSE:

The Committee will now hear A.B. 224.

ASSEMBLY BILL 224 (1st Reprint): Revises provisions governing the NV Grow Program. (BDR S-28)

ASSEMBLYWOMAN DINA NEAL (Assembly District No. 7):

The B&I NV Grow Program was created in 2015. Assembly Bill 224 requests an appropriation to continue funding the NV Grow Program and makes the College of Southern Nevada (CSN) the fiscal agent of the NV Grow Program rather than a small business development center. Section 1.7 of A.B. 224 provides a definition of the Division of Workforce and Economic Development of the CSN. The lead counselor will still be part of the NV Grow Program, but will be

employed by the CSN rather than the U.S. Small Business Administration, as the position will now be completely utilized by the NV Grow Program.

Section 2, subsection 3, paragraphs (e) through (h) of A.B. 224 replace "office" with the Division of Workforce and Economic Development of the CSN. Section 2, subsection 7, paragraph (d) of A.B. 224 adds the Henderson Chamber of Commerce and the Asian Community Development Council to the already existing Urban Chamber of Commerce of Las Vegas and the Las Vegas Latin Chamber of Commerce as business entities who will participate in the NV Grow Program.

There is an appropriation of \$425,000 in A.B. 224; during the 79th Legislative Session, this appropriation was \$350,000. The impact of the NV Grow Program is described on page 3 of the NV Grow Program Report ([Exhibit F](#)). The table on page 4 of [Exhibit F](#) details Clark County businesses who are clients of the NV Grow Program so members of this Committee can see which of these businesses reside in their district. The investment amount the NV Grow Program required and the return on investment per zip code of the Program are described in [Exhibit F](#).

CHAIR WOODHOUSE:

The Committee will now hear S.B. 180.

SENATE BILL 180 (1st Reprint): Revises provisions relating to the awarding of certain state purchasing contracts related to information technology.
(BDR 27-739)

SENATOR JAMES A. SETTELMAYER (Senatorial District No. 17):

Senate Bill 180 has been previously heard this Session. Our objectives regarding S.B. 180 are to ensure that tax dollars are properly spent and that bonding is incorporated into some of the State's larger information technology (IT) projects.

JEANETTE BELZ (Nevada Chapter Associated General Contractors):

Amendment No. 443 for S.B. 180 relates to projects that are over \$10 million which are being procured by the State for IT systems. Amendment No. 443 requires a retainage rate of no less than 10 percent of any amount due under a contract until final acceptance and work begins on an IT system. Amendment No. 443 also requires that before being awarded the contract, a

contractor must furnish to the contracting body a performance bond in an amount to be fixed by the contracting body. The bond cannot be less than 100 percent of the contract amount that is attributable to services and not less than 20 percent of the contract amount that is attributable to hardware or software. There are also conditions establishing contractor benchmarks to improve accountability and requiring reports to the IFC.

CHAIR WOODHOUSE:

Senate Bill 180 contains a fiscal note of \$750,000 submitted by the Office of the Governor's Office of Project Management. Do you have any information pertaining to this fiscal note?

SENATOR SETTELMAYER:

Amendment No. 443 has reduced the fiscal impact of S.B. 180 but has not completely eliminated the fiscal note.

MS. BELZ:

The Office of Project Management was contacted as I was slightly confused regarding the fiscal note. We were originally told that Amendment No. 443 did not reduce the fiscal impact of S.B. 180 but that the amendment related to the performance bond. In the first reprint of S.B. 180 there is an option of either retaining 10 percent or retaining the performance bond. The Office of Project Management told me that even though S.B. 180 now contains more options, the fiscal note will not go away.

KEVIN DOTY (Administrator, Purchasing Division, Nevada Department of Administration):

Regarding the fiscal note, I currently serve as the attorney negotiating the Silver State Modernization Approach for Resources and Technology in the 21st Century (SMART 21) contracts impacted by S.B. 180. The performance bond option of S.B. 180 was estimated to cost \$750,000 with an option of doing a 10 percent retainage rate. This will probably end up costing us more than \$750,000 due to the amount of negotiation involved in the SMART 21 contracts and money being stacked towards the end of the project's timeline. The SMART 21 project and any other projects involving IT system upgrades of \$10 million or more would still experience the same fiscal impact.

MICHAEL DIETRICH (Deputy Director, Director's Office, Nevada Department of Administration):

The fiscal impact of S.B. 180 will still exist. Proper independent validation and verification of projects and project management would be of more value than other proposed mechanisms contained in S.B. 180.

SENATOR DENIS:

I know there have been issues regarding large projects. How typical are these issues as they pertain to IT projects.

MR. DOTY:

We have had to make performance modifications in the past. For example, the DMV's contract involving Tech Mahindra for assisted modification went horribly wrong. As part of its contract, this DMV project had a performance bond. The Nevada Department of Administration's Purchasing Division did not see any of this money, as the contract and project were poorly managed. Project management is the best way to protect the State's interests, and it has been the response we have used regarding these types of projects moving forward.

Performance bonds have not been successful in the IT sector in the same way that these bonds are successful in construction or road contracts, as IT contracts are a different beast. This is due to the fact that it is easier to tell when a construction or road project is actually completed. When dealing with IT contracts, it is much harder to tell how far along a project is. There is another issue dealing with proprietary rights. If a company is hired to come in and install software, it is not easy when dealing with a performance bond to bring someone else in to finish a project. There are fewer proprietary rights involved in construction projects which deal with wood, nails and asphalt. I am not aware of any performance bond actually being delivered upon in an IT contract, as when IT projects go bad, it is very difficult to decide who is to blame. Bonding companies are not willing to pay out unless litigation is involved.

SENATOR DENIS:

When projects are bid on, will S.B. 180 keep anyone from bidding?

MR. DOTY:

Anything we do to increase the costs of projects could potentially keep bidders away. Whenever we require performance bonds or set up retainage fees, these

costs are passed onto the State; bidders increase the amount of money they will bid on a project, and the State foots the bill.

SENATOR SETTELMAYER:

We had originally discussed eliminating performance bonds as the fiscal note involved these bonds, but we concluded this would not work. If S.B. 180 moves forward, I would suggest a conceptual amendment stating benchmarks developed with the DPS and DMV will be used. I request that the agencies who have contracts over \$10 million relating to IT projects report quarterly to the IFC. This will hopefully prevent future problems from occurring.

CHAIR WOODHOUSE:

The Committee will now hear A.B. 501.

ASSEMBLY BILL 501 (1st Reprint): Makes an appropriation to the Fleet Services Division of the Department of Administration for the replacement of vehicles. (BDR S-1171)

MS. CARTWRIGHT:

The Nevada Department of Administration's Administrative Services Division serves as the fiscal agent of the Administration's Fleet Services Division. Section 1 of A.B. 501 requests \$4,783,246 for the replacement of up to 196 vehicles for Fleet Services. These vehicles would meet the age and/or mileage requirements per their replacement schedule in the Administration's State Administrative Manual. The Administrative Manual states that cars with over 100,000 miles and trucks with over 125,000 which are over 10 years old must be replaced.

CHAIR WOODHOUSE:

The Committee will now hear A.B. 519.

ASSEMBLY BILL 519: Makes appropriations to restore the balances in the State Claims Account and the Contingency Account. (BDR S-1240)

MR. KRMPOTIC:

Assembly Bill 519 is seen every two years by the Senate Committee on Finance and the Assembly Committee on Ways and Means (Money Committees) to replenish either the Nevada State Claims Account or the IFC Contingency Account. The State Claims Account under section 1, subsection 1 of A.B. 519

would be replenished by \$2.7 million; the Stale Claims Account is currently entirely depleted. The Reserve for the Statutory Contingency Account in section 1, subsection 2 of A.B. 519 would be replenished by the larger amount of \$12,133,919. This would provide for the anticipated settlement payment in June 2019 of \$10 million for the Little Valley Fire. As allocated, the payment of \$10 million would bring the Statutory Contingency Account to more stable levels.

The IFC Contingency Account in section 1, subsection 3 of A.B. 519 would be increased by \$23,167,598. This is an increase when compared to the typical level for the IFC Account and would provide for additional funding aimed at fire activity within the DCNR Division of Forestry (NDF). The NDF had a significant amount of funding devoted to it this year based on firefighting activities. The \$23.2 million allocation would bring the balance in the IFC Account to approximately \$25 million for the 2019-2020 interim period.

Assembly Bill 519 will become effective upon passage and approval and will use surplus funding in FY 2019.

CHAIR WOODHOUSE:

The Committee will now hear A.B. 540.

ASSEMBLY BILL 540: Revises provisions governing the distribution of the proceeds of certain administrative assessments. (BDR 14-1287)

MR. KRMPOTIC:

Assembly Bill 540 was requested by the Assembly Committee on Ways and Means and is strictly a budget implementation bill.

STEPHANIE DAY (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Assembly Bill 540 revises the percent distribution of administrative assessments between Nevada Judicial Branch budgets for the 2019-2021 biennium in accordance with the closing of respective budgets by the Money Committees. The Judicial Branch budgets were closed with 62 percent of total administrative assessments allocated to the Judicial Branch. Of this total, 37.75 percent is allocated to B/A 101-1494 with 46.75 percent being allocated to the B/A 101-1483, B/A 101-1486 and B/A 101-1487.

LEGISLATIVE/JUDICIAL

JUDICIAL BRANCH

Supreme Court — Budget Page JUDICIAL-11 (Volume I)
Budget Account 101-1494

Administrative Office of the Courts — Budget Page JUDICIAL-38 (Volume I)
Budget Account 101-1483

Uniform System of Judicial Records — Budget Page JUDICIAL-51 (Volume I)
Budget Account 101-1486

Judicial Education — Budget Page JUDICIAL-56 (Volume I)
Budget Account 101-1487

Assembly Bill 540 becomes effective on July 1, 2019, and expires by limitation on June 30, 2021. There are no fiscal notes on the bill.

Ms. DAY:

Senate Bill 245 was presented by Senator Ohrenschall on May 27, 2019, and proposes to increase the cap limit on tort claims from \$100,000 to \$250,000.

SENATE BILL 245 (1st Reprint): Revises provisions relating to civil actions.
(BDR 3-965)

Amendatory provisions contained in section 1 of S.B. 245 apply to a cause of action that accrues on or after July 21, 2019. This bill becomes effective on July 1, 2019.

The fiscal note submitted by the Office of the Attorney General (OAG) states the OAG is unable to determine the fiscal impact at this time and that the increase in tort claim cap limits could result in payments up to 10 times larger than the maximum payout allowable under current law. The fiscal note submitted by the Nevada Department of Wildlife for \$1 million in each FY of the 2019-2021 biennium is dependent on if B/A 715-1348 runs out of funding; this fiscal note does not appear reasonable to Fiscal staff.

AG - Attorney General Tort Claims Fund — Budget Page ELECTED-177
(Volume I)
Budget Account 715-1348

Testimony in support of S.B. 245 was submitted by two individuals. There were two individuals who submitted neutral testimony for S.B. 245 and there was no opposing testimony submitted. Amendment No. 1094 from the Nevada Justice Association would increase the cap limit placed on tort claims to \$150,000 effective July 2020 and \$200,000 effective July 2022.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 245 WITH AMENDMENT NO. 1094.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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

Assembly Bill 530 was presented by Nevada Department of Taxation Executive Director Melanie Young on May 28, 2019.

ASSEMBLY BILL 530: Requires a background investigation of employees, prospective employees, contractors and prospective contractors of the Department of Taxation. (BDR 32-1197)

Assembly Bill 530 requires the Department of Taxation to conduct background investigations on its employees and contractors every five years after an initial investigation and to obtain information on the background or personal history of a prospective employee or contractor. The bill also requires a current contractor to submit information to the Department of Taxation for a background investigation when their contract is being renewed. This bill becomes effective on July 1, 2019, and is a budget implementation bill. There were no amendments or testimony submitted for the bill.

In closing B/A 101-2361, the Money Committees approved General Fund appropriations of \$8,665 over the 2019-2021 biennium to conduct background checks.

FINANCE AND ADMINISTRATION

TAXATION

Department of Taxation — Budget Page TAXATION-6 (Volume I)
Budget Account 101-2361

SENATOR DENIS MOVED TO DO PASS A.B. 530.

SENATOR CANCELA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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

Senate Bill 16 was heard on April 24, 2019, and revises language relating to certain gift accounts for the Nevada Department of Veterans Services (NDVS).

SENATE BILL 16 (1st Reprint): Revises provisions relating to certain gift accounts for veterans services. (BDR 37-196)

The bill revises existing law to authorize the NDVS Director to apply for federal grants and other sources of funding available for both the support of outreach programs and services for veterans and their families. When the NDVS presented S.B. 16, they provided testimony indicating the intent of the bill was to attempt to standardize the language for each of the NDVS's seven gift accounts. As is typical of all gift accounts, the seven NDVS accounts are not included in the Executive Budget, and are not reviewed, considered or monitored by the Money Committees during the budget review process or by the IFC during the 2019-2020 interim period as new grants or proposed expenditures.

Testimony in support of S.B. 16 was provided by individuals representing veterans in the NDVS United Veterans Legislative Council. There was no testimony submitted against or in neutral of S.B. 16. After the bill was originally presented, Fiscal staff indicated concerns regarding the intent of the language in S.B. 16 allowing for the budgeting of federal grants. This budgeting would provide for operating expenditures which could potentially include positions to be accounted for in budgets outside of the Nevada Executive Branch and therefore outside of the purview of the Money Committees. Fiscal staff has reviewed the seven NDVS gift accounts, and currently there are no federal grants being budgeted for in them.

If the Committee has any concerns regarding the budgeting of S.B. 16 as currently presented, this may be an opportunity to amend the bill to exclude language allowing for the budgeting of federal grants. Section 1, subsection 3 of S.B. 16 describes the first NDVS gift account and the budgeting of federal grants; it states that the NDVS may apply for federal grants and other sources of money available to support veterans. If the Committee were to remove this reference to federal grants in terms of how they would be budgeted for, this would not preclude the NDVS from continuing to apply for federal grants; this would just dictate where the federal grants could not be budgeted. In doing so, the federal grants would then be budgeted for in the Executive Budget and the B/As of which the Money Committees subsequently review; this would also require these B/As to be reviewed by the IFC during the 2019-2020 Interim period.

SENATOR CANCELA MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 16.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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MR. HAARTZ:

Senate Bill 44 was presented by the State Treasurer on May 31, 2019, and makes revised provisions of NRS 120A in order to align Nevada's unclaimed property laws with the RUUPA. This bill establishes the definition of a payroll card and a stored value card and revises the definition of a money order and

property. The bill also revises the method for determining whether certain property is considered abandoned and permits the State Treasurer Unclaimed Property Division's Administrator from entering into interagency agreements in order to protect confidential information. Senate Bill 44 also provides a penalty for failing to properly file a report of abandoned property and makes payments through Nevada's Business Portal.

As amended, S.B. 44 becomes effective on July 1, 2019. Amendment No. 1093 removes the proposed transfer of the annual ending fund balance of B/A 101-3815 to B/A 261-1088 as a mechanism to fund the Millennium Scholarship in section 13 of S.B. 44. This amendment reverts the language in S.B. 44 to reflect that, after the first \$7.6 million is transferred from B/A 101-3815 to B/A 261-1088, the balance is transferred to the State General Fund. Amendment No. 1093 also eliminates section 16 of S.B. 44 and removes several definitions related to the transfer of balance funds to B/A 261-1088.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 44.

SENATOR CANCELA SECONDED THE MOTION.

SENATOR SETTELMAYER:

Even through my children go to school out of state and do not use Millennium Scholarship funding, I like the idea of bundling the funding for the Millennium Scholarship, so I will be a "no" vote regarding S.B. 44.

THE MOTION CARRIED. (SENATORS GOICOECHEA, KIECKHEFER AND SETTELMAYER VOTED NO.)

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MR. HAARTZ:

Senate Bill 82 was heard by the Committee on May 29, 2019, and revises provisions relating to education, specifically in regards to the administration of the State Treasurer's Board of Trustees of the College Savings Plans of Nevada and B/A 101-1092; this is a budget implementation bill.

SENATE BILL 82 (1st Reprint): Revises provisions relating to education.
(BDR 31-479)

Treasurer - Nevada College Savings Trust — Budget Page ELECTED-228
(Volume I)
Budget Account 101-1092

As amended, S.B. 82 makes various changes to the Board of Trustees to include revising the membership, to provide that the State Treasurer serves as a voting member and to reduce the number of voting members appointed by the Governor from three to two. This bill eliminates the requirement that employees in the State Treasurer's Office who administer funding from B/A 603-1081 be paid out of the assets of the State Treasurer's Higher Education Prepaid Tuition Trust Fund.

Treasurer - Higher Education Tuition Admin — Budget Page ELECTED-238
(Volume I)
Budget Account 603-1081

Senate Bill 82 requires the Board of Trustees to determine the appropriate accounting method regarding the money held in Nevada College Kick Start Program accounts; the determined method must be in accordance with generally accepted accounting principles. The bill increases the amount of money the State Treasurer is authorized to expend from B/A 101-1094 for marketing costs related to B/A 603-1081 and B/A 101-1092.

Treasurer - Endowment Account — Budget Page ELECTED-234 (Volume I)
Budget Account 101-1094

Senate Bill 82 also authorizes the State Treasurer to expend money from B/A 101-1094 for any other purpose that will help Nevada residents obtain postsecondary education. The bill allows the Board of Trustees to apply for and accept grants and gifts and outlines how these funds are to be accounted for and expended.

Amendment No. 1091 amends section 4 of S.B. 82 and NRS 353B.350 to increase the amount the State Treasurer is allowed to expend for marketing purposes from 3 percent to 10 percent; the 3 percent was added during the 79th Legislative Session. Additionally, Amendment No. 1091 adds a definition regarding marketing for purposes of calculating how the 10 percent is determined and states that the 10 percent must include the proportional share of staff time when they are performing marketing activities.

As proposed, section 6 of S.B. 82 would become effective upon passage and approval. Sections 1 through 5 of S.B. 82 would become effective on July 1, 2019.

SENATOR BROOKS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 82 WITH AMENDMENT NO. 1091.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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MR. HAARTZ:

Senate Bill 171 was presented by Senator Joseph P. Hardy and John Packham from the University of Nevada, Reno (UNR), School of Medicine to this Committee on May 28, 2019.

SENATE BILL 171 (1st Reprint): Provides for the collection of information from certain providers of health care. (BDR 54-73)

As presented, the purpose of S.B. 171 is to attempt to understand when and where healthcare provider specialists are practicing in Nevada in order to create a more complete picture of professional healthcare resources existing in the State. Testimony in support of S.B. 171 was provided by several individuals representing the Nevada Public Health Association, the Nevada Primary Care Association and the Nevada Rural Hospital Partners. There was no testimony in opposition or neutral submitted for the bill.

The professional licensing boards who would be encompassed under the data collection components of S.B. 171 would be the Nevada State Board of Medical Examiners, the Nevada State Board of Dental Examiners, the Nevada State Board of Nursing, the Nevada State Board of Osteopathic Medicine, the Nevada State Board of Pharmacy, the Nevada Board of Psychological Examiners, the Nevada Board of Examiners for Marriage and Family Therapists and Clinical Professional Counselors and the Nevada Board of Examiners for Social Workers.

The Office of Statewide Initiatives at the UNR School of Medicine would become the entity who manages data collection. The bill would establish the

Healthcare Workforce Working Group within the Office of Statewide Initiatives which would be tasked with analyzing the data and making recommendations. Sections of S.B. 171, with purposes of adopting regulations and preparatory administrative tasks, would become effective upon passage and approval. Sections of S.B. 171 pertaining to all other purposes will become effective on October 1, 2019. The Nevada Department of Health and Human Services Aging and Disability Services Division had originally submitted a fiscal note but later submitted another unsolicited fiscal note stating the fiscal impact had been removed.

SENATOR SETTELMAYER MOVED TO DO PASS S.B. 171.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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MR. HAARTZ:

Senate Bill 289 was presented by Senator Hardy, John Packham and Joan Hall on May 28, 2019, and makes an appropriation for healthcare services to the Nevada State Office of Rural Health's Nevada Health Service Corps.

SENATE BILL 289 (1st Reprint): Makes an appropriation for health services in underserved areas. (BDR S-610)

The Nevada Health Service Corps is managed by the UNR School of Medicine's Office of Statewide Initiatives. Testimony submitted during the May 28, 2019, hearing stated that the intent of S.B. 289 was to use \$250,000 in each year of the 2019-2021 biennium to match an equal amount of federal funds. This would enable physicians and dentists to enter into contracts through the Health Service Corps for loan repayment attributed to working in underserved Nevada areas.

The \$250,000 is a new appropriation not included in the Executive Budget nor was it included in any other budgets approved by the Money Committees. Fiscal staff recommends that if the Committee were to approve S.B. 289, the effective date in section 2 set at July 1, 2019, be changed to upon passage and

approval so S.B. 289 is funded out of this year's funds. No amendment has been submitted for the bill.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 289 AND CHANGE THE EFFECTIVE DATE FROM JULY 1, 2019, TO UPON PASSAGE AND APPROVAL.

SENATOR CANCELA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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MR. KRMPOTIC:

Senate Bill 546 is a budget bill relating to fuel taxes and clarifies that the charge by the DMV to counties is a commission.

SENATE BILL 546: Revises provisions governing the collection of certain fuel taxes by the Department of Motor Vehicles. (BDR 32-1212)

This bill clarifies language in NRS 373 regarding commissions the DMV collects for county fuel taxes and how this funding is used in the DMV Motor Carrier Division. This act becomes effective on July 1, 2019.

SENATOR CANCELA MOVED TO DO PASS S.B. 546.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR WOODHOUSE:

The Committee will now hear A.B. 297.

ASSEMBLY BILL 297 (2nd Reprint): Revises provisions governing fire safety equipment. (BDR 42-1051)

RANDY SOLTERO (Political Director, Sheet Metal Workers Union):

Section 2 of A.B. 297 requires any building owner required to have smoke or fire damper systems in their building be inspected upon initial installation for new construction projects and every four years thereafter; this will be done in accordance with the standards set forth in the most current version of the International Code Council's Fire Code. Assembly Bill 297 requires buildings already in existence to have their smoke and fire damper systems be inspected every four years or by the timeframes established by the International Fire Code; the International Fire Code is currently the most accepted fire code.

Section 2, subsection 2 of A.B. 297 requires that building owners or operators maintain and make available for inspection, upon the request of the DPS State Fire Marshall or governing body, the certification of inspection provided by the technician completing the inspection. The technician who performs an inspection of a smoke or fire damper must be a certified inspector who has undergone trainings and testing offered by the National Energy Management Institute.

A fiscal note of over \$1.18 million had been originally submitted for A.B. 297 and included expenditures relating to 3 inspectors and 1 administrative assistant III position. After a meeting with stakeholders, the State Fire Marshall and Assemblywoman Maggie Carlton, it was concluded that only one DPS inspector and one administrative assistant would be needed. No amendments have been submitted for A.B. 297.

CHAIR WOODHOUSE:

Do you know the fiscal impact of the one inspector and one administrative assistant?

MR. SOLTERO:

With these 2 positions, the fiscal impact will be approximately \$270,000 in FY 2020 and \$210,000 in FY 2021; this is much less than the original \$1.18 million for the 2019-2021 biennium.

SENATOR GOICOECHEA:

I support the policies of A.B. 297, but I feel that the fiscal impact of approximately \$500,000 is still too high; therefore, I will be opposing the bill.

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CHAIR WOODHOUSE:

Seeing no further testimony, this meeting is adjourned at 1:18 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
S.B. 44	C	2	State Treasurer Zach Conine	Proposed Amendment
S.B. 265	D	2	Senator Heidi Seevers Gansert	Las Vegas Review-Journal Article
S.B. 265	E	1	Senator Heidi Seevers Gansert	Proposed Amendment
A.B. 224	F	21	Assemblywoman Dina Neal	NV Grow Report