

**MINUTES OF THE  
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES**

**Eightieth Session  
February 27, 2019**

The Senate Committee on Health and Human Services was called to order by Chair Julia Ratti at 4:07 p.m. on Wednesday, February 27, 2019, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E 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 Julia Ratti, Chair  
Senator Pat Spearman, Vice Chair  
Senator Joyce Woodhouse  
Senator Joseph P. Hardy  
Senator Scott Hammond

**STAFF MEMBERS PRESENT:**

Megan Comlossy, Policy Analyst  
Eric Robbins, Committee Counsel  
Michelle Hamilton, Committee Secretary

**OTHERS PRESENT:**

Nova Murray, Deputy Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services  
Jeanette Belz, American Property Casualty Insurance Association  
John Jones, Nevada District Attorneys Association  
Jeff Witthun, Director, Family Support Division, Clark County District Attorney  
Andy MacKay, Nevada Franchised Auto Dealers Association  
Jaron Hildebrand, Nevada Trucking Association  
Mark Wenzel, Nevada Justice Association  
Steve Fisher, Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services  
Erik Jimenez, Senior Deputy Treasurer, Office of the State Treasurer  
Cecelia Colling, Nevada Women's Lobby

Marlene Lockard, Nevada Women's Lobby  
Alex Ortiz, Clark County  
Barbara Paulsen, Nevadans for the Common Good  
Kimberly Mull, Kimberly Mull Advocacy and Consulting  
Conner Cain, Nevada Bankers Association  
Kelly Crompton, City of Las Vegas  
André Wade, State Director, Silver State Equality  
Susan Meuschke, Executive Director, Nevada Coalition to END Domestic and Sexual Violence  
Julia Peek, Deputy Director, Programs, Department of Health and Human Services  
Michael Flores, Nevada System of Higher Education  
Tom Wellman, Nevada State Education Association-Retired  
Steven Horner, Nevada State Education Association-Retired

CHAIR RATTI:

I will call this meeting to order and open the hearing for Senate Bill (S.B.) 33.

**SENATE BILL 33**: Revises provisions governing enforcement of child support obligations. (BDR 38-199)

NOVA MURRAY (Deputy Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services):

The Division of Welfare and Supportive Services (DWSS) currently serves 89,000 child support cases, of those, 50,000 are in arrears. Last year, DWSS collected \$221 million for Nevada's families. We provide five basic services: locate parents, establish paternity, establish financial and medical support, provide enforcement, and collect and distribute payments. This bill is part of a collaborative effort through strategic planning of State staff and nine participating counties. They have been working towards the passage of this legislation for the past three years. It will help provide support for families in Nevada to achieve safe, stable and healthy lives. These efforts have moved the child support program from 52nd in the Nation to 13th in the Nation.

The DWSS has the authority to withhold child support payments from insurance settlements. This authority has existed in *Nevada Revised Statutes* (NRS) 31A since 1997. The DWSS currently receives pending bodily injury and workers compensation claim data from approximately 70 percent of the insurance carriers through voluntary agreements; however, the other insurers do not

participate. This leaves Nevada's families without the court-ordered support they are due. To strengthen the efficiency and efficacy of our program, S.B. 33 seeks to require insurers doing business in Nevada to provide the DWSS claimant information prior to issuing a payment for a tort liability, workers compensation or life insurance benefit. Existing State and federal law authorizes the DWSS to attach certain insurance settlements and benefits due to claimants who owe court-ordered child support arrearages.

The bill requires insurers to withhold past-due child support from an insurance payment upon notification from the child support program that would come in the form a lien. A child support lien gives priority to attorney fees, medical expenses and property damage and it exempts claims made under first party coverage. The lien provides an upfront process for claimants to understand that their claims may be attached if child support arrears exist. It gets the attention of the nonpayer and it may help encourage regular payments. This should increase child support collections for Nevada's families, and reduce the dependency on public assistance programs. It will improve opportunities for the child support program to compete for federal financial incentives. The State gets incentives Nationwide by its performance and can spend them on innovative ways to improve its child support collection process.

The process is fairly simple. Most of the major insurance companies already participate with child support programs and there are ten states that mandate participation. Most of those states use what is called the Insurance Services Office (ISO). The ISO provides statistical, actuarial and underwriting services for the insurance industry. The insurance claims are part of that database. The DWSS would sign an agreement to see the data that has already been submitted. The DWSS would do a data-match with the child support side of the program. If there was a match, the DWSS would look at whether or not it would be eligible to take that money. If eligible, DWSS would send a lien to that insurer and let them know DWSS has some rights to that money. It really is seamless.

The DWSS has a proposed amendment ([Exhibit C](#)) making some language changes to S.B. 33. We took out the self-insured language. There are very few self-insured groups in Nevada and we did not want to delay the bill. Even though they are exempt, most self-insured companies have come forward and asked to voluntarily participate.

The Nevada Justice Association (NJA) requested some additional changes to S.B. 33 that are included in the proposed amendment [Exhibit C](#). I will go over these changes. In section 1 changes "not less than five days" to "within five days" of opening a claim. The intent of the change was to avoid any potential delay in claims payments. Additionally, the minimum claim amount was eliminated. The insurer's obligation language was added with the intent to make sure the insurance carriers understand that their obligation is met when they submit their claimant data to the ISO.

In section 2 we added NRS language to repeat existing statutory rights regarding the right to contest the arrearage for persons affected.

In section 3 we added language to notify the claimant's attorney when the insurer first receives a child support lien rather than at the time of settlement. The increased transparency of informing claimants will help prevent settlement delays. Seriously injured claimants might need to have their child support adjusted because they no longer can pay it. This might be an opportunity for the attorney to get together with that person and have their child support payments adjusted to a new amount. This way they would not have a big arrearage at the end of this process. Additionally, the attorney should be notified of any money withheld from a settlement to confirm that all funds are accounted for in the process.

In section 4 we added language pointing back to section 1. It reiterates these allowable expenses are specific to the provisions in section 1. As of yesterday, I did receive some additional information NJA wants to include in that section. We will work with them.

In section 6 we added cleanup language. Originally it was written if an initial payment was made, the obligation was fulfilled; however, in some cases there is more than one payment. If there are additional payments to follow and you received a child support lien before the payments are made, there is an expectation that you would take that money and pay the child support arrearage.

In section 9 we removed the definition of "self-insurer" and all the references.

CHAIR RATTI:

Do we have any questions? Seeing none, let us open the meeting for those who wish to testify in support of S.B. 33.

JEANETTE BELZ (American Property Casualty Insurance Association):

I am here representing the American Property Casualty Insurance Association. We are in support of S.B. 33.

JOHN JONES (Nevada District Attorneys Association):

I am here on behalf of the Nevada District Attorneys Association. We are in support of S.B. 33. I believe we are close to a good resolution.

JEFF WITTHUN (Director, Family Support Division, Clark County District Attorney):

I am the Director of the District Attorney Family Support Division. This is something we have talked about for at least three years. I support S.B. 33 as it was presented today. I would like to remind the Committee, Clark County has approximately 60 percent of the child support caseload. Currently, insurance companies are self-reporting and insurance collections have raised \$1.4 million in child support. With mandatory reporting, we feel confident that we may be able to double that amount. The purpose of our program is to get child support into the homes of what are mostly low to medium income children and families. This is a tool, and this bill will strengthen this tool and help us fulfill that mission.

ANDY MACKAY (Nevada Franchised Auto Dealers Association):

I am the Executive Director of the Nevada Franchised Auto Dealers Association. I wanted to express my support for S.B. 33.

JARON HILDEBRAND (Nevada Trucking Association):

I am here on behalf of the Nevada Trucking Association. I want to express my support for S.B. 33.

CHAIR RATTI:

We have a letter of support ([Exhibit D](#)) for S.B. 33 submitted by the American Property Casualty Insurance Association. It is available on the Nevada Electronic Legislative Information System (NELIS). Do we have anyone in opposition?

MARK WENZEL (Nevada Justice Association):

I am here on behalf of the NJA. We are about 95 percent in support and about 5 percent opposed. There is one small piece that we are still working on to alleviate concerns from some of our members. The purpose of this bill has 100 percent support. We worry about some unintended consequences that may come up. When we get the last small piece worked out, we will testify in support.

SENATOR HARDY:

What is this small piece?

MR. WENZEL:

It has to do with the way the claims are processed through worker's compensation. I do not practice specifically in that field, but I know there is some discrepancy between whether they do or do not have lien rights by statute. There needs to be an assurance they will have an ability to represent people who have worker's compensation injuries. We have to make sure those claims are still allowed to proceed forward in the worker's compensation context. It has to do with their costs and their expenses and paying back medical bills in the worker's compensation context as opposed to the general tort, wrongful death or property context.

CHAIR RATTI:

We are going to close the hearing for S.B. 33 and transition to our work session. We will start with Senate Bill 17.

**SENATE BILL 17**: Makes various changes relating to enforcement of child support obligations. (BDR 38-200)

MEGAN COMLOSSY (Policy Analyst):

Senate Bill 17 was sponsored by this Committee on behalf of the Division of Welfare and Supportive Services. It was heard on February 13, 2019. I will read the S.B. 17 work session document ([Exhibit E](#)).

SENATOR SPEARMAN MOVED TO DO PASS S.B. 17.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RATTI:

I would like to move to the work session for Senate Bill 93.

SENATE BILL 93: Revises provisions relating to the Nevada Commission for Persons Who Are Deaf, Hard of Hearing or Speech Impaired. (BDR 38-449)

Ms. COMLOSSY:

Senate Bill 93 was sponsored by the Interim Committee on Health Care. It was heard by this Committee on February 18, 2019. I will read the S.B. 93 work session document (Exhibit F).

SENATOR WOODHOUSE MOVED TO DO PASS S.B. 93.

SENATOR HAMMOND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR RATTI:

That ends the work session. We will now hear Senate Bill 194.

SENATE BILL 194: Establishes programs for certain persons of low-income and persons in foster care. (BDR 38-780)

SENATOR PAT SPEARMAN (Senatorial District No.1):

I am here to present S.B. 194 for your consideration. According to Prosperity Now, which is a national think tank, 13 percent of households in Nevada have income below the federal poverty level, which in 2019, is \$12,490 for an individual or \$25,750 for a family of 4. While the State has one of the lowest rates of households that fall behind on bills, credit and debt are a significant problem. Nearly 1 in 3 consumers with credit card debt borrows more than 75 percent of his or her total credit card limit, and more than 1 in 4 Nevadans has an account in collections. Less than 1 in 2 consumers, about 45 percent in the State, has prime credit.

Such credit and debt issues can lead to other harmful financial decisions, such as relying too heavily on alternative—often predatory—financial products. Approximately one in four Nevada households is considered “underbanked,” which means despite having a checking or savings account, they rely on nonbank alternative financial services like check cashers, payday lenders, or pawn shops to make ends meet.

Senate Bill 194 is a great leap forward to helping low-income Nevadans accumulate assets, become more financially literate, and achieve specific financial goals. This legislation seeks to bring hope and opportunity to low-income Nevadans. By creating the Individual Development Account (IDA) Program, qualifying residents will be able to save and grow their money through matching funds to enhance their financial security. The IDA Program will provide for those who need the most help, the opportunity to complete postsecondary education, start a new business, buy a home, or invest in various other categories. Enhanced financial capabilities will enable IDA participants to improve their overall financial well-being, build a foundation for continued economic growth, and realize a new level of security to fall back on in difficult times.

Before I walk through the bill, I would like to note that I do have a proposed amendment ([Exhibit G](#)). It is available on NELIS, and I will discuss the changes when I get to those sections.

There are two major pieces in S.B. 194. First and foremost, it establishes the IDA Program. Secondly, it creates the Nevada Statewide Council on Financial Independence.



The IDA Program is modeled after a similar program in Oregon that allows qualifying, low-income residents to establish an IDA to deposit and save money to use for certain purposes later on. In Oregon, a fiduciary organization manages the program and provides matching funds to those deposited by account holders. For Nevada, that fiduciary organization will be the Office of the State Treasurer (OST).

There are various aspects to this bill, so I will walk through the major provisions referring to specific sections. Because of how it is drafted, I will begin with section 19 and jump around a bit.

Section 19 requires the Department of Health and Human Services (DHHS) to establish the IDA Program, and it authorizes DHHS to select one or more fiduciary organizations to administer the money in the Program.

Section 20 outlines the criteria people must meet to qualify for establishing an IDA. In order to open an account, a person must be a resident of Nevada, 12 years of age or older, a tenant of certain housing projects, a Medicaid recipient, and/or a foster care provider who establishes an account for a child in his or her care.

Subsection 3 of section 20 requires the account holder and a fiduciary organization to enter into an agreement, in which the account holder deposits funds into a financial institution and the fiduciary organization deposits matching funds.

Subsection 4 of section 20 further requires account holders, with the help of the fiduciary organization, to develop a personal development plan in which they specify the purpose for which the money in their IDA will be used.

Section 21 lists the purposes for which a person can use the funds in an IDA, including: acquiring postsecondary education or job training, payment of a minor's extracurricular activities, establishment of a small business, purchase or repair of a vehicle, saving for retirement, paying debts, creating or improving a credit score, paying medical expenses and purchase or rental of and improvement or repair to a primary residence.

Section 22 requires a fiduciary organization to accept donations from taxpayers and to solicit and accept gifts and grants. This money must be used to provide a

match of between \$1 and \$5 for each \$1 deposited by account holders—up to a total of \$3,000 in matching funds in any 12-month period.

Section 23 outlines the factors DHHS must consider in selecting one or more fiduciary organizations to administer the program.

Section 24 provides that the fiduciary organization is responsible for: administering the IDA accounts, marketing participants, soliciting matching funds, counseling account holders, providing instruction in financial literacy and ensuring account holder compliance with various requirements.

These organizations must submit an annual report to DHHS concerning each IDA.

Individuals who donate matching funds receive a tax credit. Sections 44 and 45 of the bill establish a tax credit in an amount approved by the Department of Taxation (DOT). The DOT must approve or deny applications for the tax credit until the maximum amount of tax credit authorized for the fiscal year is reached—\$5 million in fiscal year 2019–2020. This amount increases each year at a rate of 110 percent of the amount authorized for the preceding fiscal year.

Another provision defines if a Medicaid recipient deposits money in an IDA, sections 2 and 3 prohibit DHHS from considering these funds as income when determining Medicaid eligibility. These sections also require DHHS to ensure financial literacy instruction is provided to such individuals.

If a foster care provider establishes an IDA for a child in their care, section 26 defines the money in the account is the property of the child, and the child shall have access to it upon reaching 18 years of age. As previously noted, I have submitted an amendment [Exhibit G](#) to this section, proposing that such a child who is emancipated can access the money in the account upon emancipation. The purpose is for children who have sought emancipation and been granted it, because of difficult situations in their home. We want to make sure they have access to these funds so they can start off on a secure financial footing.

Section 27 of the bill requires the licensing authority to ensure that instruction in financial literacy is provided to a foster child for whom an IDA is established, and my proposed amendment extends this requirement to a child who is emancipated.

For housing project tenants, sections 34 and 36 prohibit housing authorities from considering money in the IDA to be income during eligibility determinations, and sections 35 and 37 require them to ensure that financial literacy instruction is provided to tenants who deposit money in an IDA. In addition, section 31 requires the OST to ensure that instruction and training in business opportunities are provided to these tenants.

A complementary, yet a distinct part of the bill, takes us back to sections 5 through 13, which creates the Nevada Statewide Council on Financial Independence (NSCFI). The NSCFI is responsible for: developing Statewide priorities and strategies for helping people who receive public assistance or social services to achieve financial independence, coordinating with State agencies that work with these individuals toward increasing financial independence and overseeing the IDA Program.

Staff assistance is provided to the NSCFI by DHHS and DHHS must submit an annual report to the Governor, the Legislative Counsel Bureau (LCB) or the Legislative Commission.

Finally, section 46 of the bill authorizes the Board of Regents of the University of Nevada to waive registration and laboratory fees for foster children or children in the custody of a child welfare agency, including children sent to an out of state mental health facility.

Section 46 does not require the Board of Regents to waive such fees, but rather it authorizes the Board of Regents to do so. This is not a mandate, it simply clarifies they do have the authority to do this. Section 46 allows the Board of Regents to use its discretion to determine whether or not to waive the fees for these children. Section 46 is similar to other statutes in which legislation has authorized the Board of Regents to waive fees for certain people. For example, in NRS 396.5442, the Legislature authorized the Board of Regents to waive fees for a child, a widow, or a widower of a person who was killed while performing his or her duties as a member of the Nevada National Guard. Further, NRS 396.5445 authorized the Board of Regents to waive fees for a spouse or a child of a person who was identified as a prisoner of war or missing in action while performing his or her duties as a member of the Armed Forces of the United States. Thus, section 46 is similar to existing law with respect to authorizing the Board of Regents to waive fees for certain people.

This bill seeks to make sure that people who are in poverty or impoverished situations, have a way up and out. The current programs for these individuals do not give them a way out of poverty, but rather are kept in poverty. For example, if you could only have a certain amount in a savings account, how do you ever get to a place where you can pay your rent and other bills, purchase a home, or a small business, or be able to attend college? What is there for foster care kids when they reach the age of 18? This is an opportunity for the foster care parents to establish an IDA account so that upon reaching 18, they have some type of financial security.

This will be something that will be empowering for our citizens who are struggling to achieve some level of financial independence. It will also help us to build on situations and services that are already provided by DHHS and we can capitalize on leveraging some of those programs. Senate Bill 194 is not just about money, it provides financial literacy. It is an opportunity for people to learn how to manage money, how to budget and how to save.

STEVE FISHER (Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services):

The DHHS is neutral on S.B. 194. The Welfare and Supportive Services (DWSS) serves over 736,000 low income individuals in our program. We administer six programs that support and help lift those individuals out of poverty. Those six programs provide different needs, and together have a positive impact for families. For example, a mother with two children, who is working part-time, making approximately \$12,000 a year would be eligible for Temporary Assistance for Needy Families (TANF), which would provide about \$368 a month. Since she is eligible for TANF, she is also eligible for our employment and training programs which provide work support services, vehicle repair, work and vocational training. She would also be eligible for childcare, which pays for her children to be taken care of while she is working. She would also be eligible for Medicaid, so that she and her children have their healthcare taken care of.

The DWSS realized there is a piece missing. We have stabilized the family and worked with the mother to get a better job. What we have discovered is financial literacy is the missing piece. Continuing with our example, we have stabilized the family and now the mother is working full-time, making \$24,000 a year. She is no longer eligible for the TANF program, and she is no longer getting employment support services. What happens, in this example, is without

the financial literacy education about the importance of savings and warnings against the high interest payday loans, she may not be prepared for an emergency. Her vehicle breaks down, and all of a sudden she needs to make an emergency payment and she does not have the money set aside. She goes to a payday loan center and gets a high interest loan and all of the sudden things start spiraling out of control and she finds herself back in the TANF program again.

Financial literacy is important for the individuals that we serve and this bill does that. It provides financial education for individuals who are low-income that are eligible for Medicaid. Once you go through the education program and you learn how to save money, you have an opportunity to open an IDA account and start saving. Those savings can be used for fixing and repairing your car. The DWSS manages the Medicaid program and participants who are in the Medicaid program, who are age 12 and older and are eligible to participate in this program. The DWSS has over 472,000 Medicaid recipients who are age 12 and over and can participate in this program.

ERIK JIMENEZ (Senior Deputy Treasurer, Office of the State Treasurer):

We are excited to see this bill come forward. I would say that throughout the Country, states that have enacted IDA programs have seen a great deal of success and have encouraged more people to start saving for the future. Currently, the OST operates a similar program called the Achieving a Better Life Experience (ABLE) accounts. The ABLE accounts allow people with disabilities to save and not lose access to benefits. We see this bill offering those same opportunities to foster children, low-income families, and Medicaid eligible people. The OST is in support of section 31, which would give us authority to provide instruction and training to tenants of a housing project, operated by local housing authorities to start their own business. The OST has been working through the college savings and financial aspects on a navigator model. We would like to use a similar navigator model and encourage people in these low-income housing developments to start a business. We are supportive of S.B. 194.

CHAIR RATTI:

Is there anyone here to talk about the tax credits?

SENATOR SPEARMAN:

When I talked to the OST, we decided to use the same model as the ABLE account to put together the IDA accounts for S.B. 194. The tax credits and operations would be done through the OST.

CHAIR RATTI:

Does the ABLE account have a tax credit component?

MR. JIMENEZ:

It does not have a tax credit component. The way I read S.B. 194, I do not see authority for us to offer a tax credit, but I am willing to work with Senator Spearman.

SENATOR SPEARMAN:

The tax credit provides tax breaks to businesses that want to contribute. Individuals can contribute and grant funding is available. The technical aspects will go through the OST similar to the ABLE account.

CHAIR RATTI:

Please walk me through the tax credit component. A business can contribute and in exchange for the contribution, they get a deduction on their modified business taxes. How much is that deduction?

SENATOR SPEARMAN:

I believe it is up to \$5,000 per year. It is \$1 for a \$5 deduction.

CHAIR RATTI:

A business donates \$1 and gets a \$5 tax break?

MR. JIMENEZ:

The way it is written in the bill, it is at least a \$1 match up to a \$5 match. There is a limit of a \$3,000 a year match per IDA.

CHAIR RATTI:

I just want to make sure I understand this. I am a business and I put \$1 in the account and take \$5 off the tax bill that I owe?

SENATOR SPEARMAN:

Up to that amount.

CHAIR RATTI:

Do we have any other tax credits that are that generous?

SENATOR SPEARMAN:

I do not believe that we do.

MR. JIMENEZ:

The OST will look into this and get back to you.

CHAIR RATTI:

I need more information about how the tax credit part works. We will close the presentation and are looking for anyone in support of S.B. 194.

CECELIA COLLING (Nevada Women's Lobby):

I am the Northern Co-Chair for the Nevada Women's Lobby. For a long time, we have been working on policy directives that help people rise out of poverty. One of the primary obstacles is the inability to understand and manage their finances. We think this is a good way to assist people to learn how to manage their finances and move out of poverty.

MARLENE LOCKARD (Nevada Women's Lobby):

I am here to represent the Nevada Women's Lobby, but I wear another hat, I sit on the board for the Domestic Violence Resource Center in northern Nevada. We have gone from a shelter presence to transitional housing. We have two transitional housing facilities in northern Nevada. As of last April, we have instituted a mandatory policy that our shelter housing recipients go through financial literacy training and coaching. We have 16 transitional housing residences and among them are 24 children, and each resident has received training on how to create and monitor monthly budgets, savings for safe and secure housing and learning about how to establish, build and use credit. Over the past 10 months: 5 payday loans have been paid in full; 3 residents have checking and savings accounts for the first time; 1 client has saved about \$2,000; 2 residents have purchased cars; 65 percent have increased their credit score and 2 residents have successfully moved out of transitional housing and moved into market-rate apartments within the Reno area. These same 2 residents are off any subsidies including receiving food stamps. We support the model that Senator Spearman is proposing.

ALEX ORTIZ (Clark County):

We are proposing an amendment ([Exhibit H](#)) that has been accepted by the sponsor of S.B. 194. Essentially some of these account holders are in our foster care system. We are proposing to have a representative from our child welfare agency in Clark County be a member of the Nevada Statewide Council on Financial Independence. Page 2 of [Exhibit H](#) proposes the specific changes within the amendment. It changes the term "social services" to "child welfare agency" in a county whose population is 700,000 or more. These changes apply only to Clark County.

BARBARA PAULSEN (Nevadans for the Common Good):

Nevadans for the Common Good (NCG) has consistently advocated for programs and legislation that provide support to vulnerable populations. I would like to read NCG testimony ([Exhibit I](#)) in support of S.B. 194.

KIMBERLY MULL (Kimberly Mull Advocacy and Consulting):

I am a victims' rights advocate. I will read my testimony ([Exhibit J](#)) in support of S.B. 194.

CONNER CAIN (Nevada Bankers Association):

We are in support of S.B. 194. We were supportive of S.B. No. 249 of the 79th Legislative Session. It provided for financial literacy education for Nevada students. During the Interim, we helped to launch SaverLife Nevada, which is an online savings community. Those who join SaverLife receive weekly savings tips from a financial coach and matching funds for certain amounts of money saved. I mention this program to emphasize the importance of financial literacy to the Nevada Bankers Association. We believe it can make a difference.

On a personal note, I do volunteer work with families that I believe this bill will really help. I particularly like that the money deposited in the IDA would not negatively impact some of the support that these families would otherwise receive from the State.

KELLY CROMPTON (City of Las Vegas):

We are in support of S.B. 194. We believe this could be a great tool for some of the people that we serve within the homeless corridor. We can point individuals in the right direction to get financial literacy. We see a lot of aged-out foster children and think this could help them.



ANDRÉ WADE (State Director, Silver State Equality):

I am the State Director of Silver State Equality, which is Nevada's Statewide lesbian, gay, bi-sexual, transgender, queer or questioning (LGBTQ) Organization. We are here in support of S.B. 194. Our organization has passed over 150 bills in California and looks forward to continuing its work in Nevada.

Unfortunately, LGBTQ youth are disproportionately represented in foster care related and unrelated to their orientation and gender identity. The American Bar Association identifies more than 4 to 10 percent of youth in state care identify as LGBTQ. Often these young people have a difficult time with family reunification as part of permanency planning; because their natural parents do not accept their identity. These young people age out of foster care with little to no support. The LGBTQ youth face higher rates of homelessness and the probability of being trafficked. The creation of a foster youth savings account would help provide a savings account for foster youth. For some of these youths, it would help them obtain their higher education goals with certain fees and tuitions waived.

SUSAN MEUSCHKE (Executive Director, Nevada Coalition to END Domestic and Sexual Violence):

I am here in support of S.B. 194. Lack of financial resources is key in trapping someone into an abusive relationship. Access to resources may provide a way out. According to the National Network to End Domestic Violence, when survivors have stable access to resources that help them build economic resiliency, they and their families are much more likely to remain safe and secure. The establishment of the IDA, access to financial education and the prohibition in considering these assets or income in determining eligibility for critical services are important steps in building financial resiliency. We also see that the creation of the NSCFI will move Nevada forward in developing more strategies to help individuals increase their financial independence.

CHAIR RATTI:

We have testimony ([Exhibit K](#)) in support for S.B. 194 from Jake Wiskerchen, Director of Zephyr Wellness. It is available on NELIS. Is there anyone who would like to testify neutral?

JULIA PEEK (Deputy Director, Programs, Department of Health and Human Services

We are neutral on S.B. 194. We will be working offline with the DOT and the OST to address the questions you asked earlier.

MICHAEL FLORES (Nevada System of Higher Education):

We are neutral on S.B. 194. During the Interim, Senator Cancela met with the Chancellor of the Nevada System of Higher Education (NSHE). They worked together to create a tuition and fee waiver for foster care. We had the waiver passed by the Board of Regents in September. That waiver allowed anyone in a foster care system by the age of 13, who graduates from a Nevada high school, to fill out a Free Application for Federal Student Aid (FAFSA) and go to any NSHE institution. They would have a mentor once they got there, and have the support they needed to finish their college education. Our concerns with the bill is the eligibility for students. There is a difference between eligibility in the bill and the eligibility that the Board of Regents put in policy. We just ask that our legal counsel work with the LCB to clarify that offline.

CHAIR RATTI:

For clarification, Senator Spearman noted that there were three sections in NRS where NSHE is authorized to grant a waiver of tuition. From what I understand, NSHE has no problem with the authorizing language; however, is the eligibility criteria where the difference lies?

ERIC ROBBINS (Committee Counsel):

The statutes I am familiar with allow the Board of Regents to grant a waiver of registration fees and laboratory fees for a child, widow or widower of a person killed while performing duties as a member of the National Guard or a child or spouse of a member of the Armed Forces who is identified as a prisoner of war or missing in action. Those statutes have the exact same eligibility criteria as the one in S.B. 194, which amends NRS 396 and adds subsection 3.

Under section 26 a person is eligible for a waiver pursuant to subsection 1 if the person maintains at least a 2.0 grade point average, on a 4.0 grading scale, each semester or the equivalent of a 2.0 grade point average if a different scale is used.

Also S.B. 194 amends NRS 396 and adds subsection 4 to section 46.

A person may use a waiver granted pursuant to this section for 10 years after the person attains the age of 18 years or, if the person enrolls in the System before the age of 18 years, for 10 years after the date of such enrollment.

CHAIR RATTI:

Is this the criteria that NSHE is concerned with? Does this criteria match the criteria that was established by the Board of Regents?

MR. FLORES:

In our policy, NSHE does not have a GPA requirement, and the 10 years is different than our policy. Yes, these are the two areas of concern.

CHAIR RATTI:

Is there any reason why the eligibility criteria for this waiver would need to match the criteria for the other programs?

MR. ROBBINS:

I cannot think of one, since these would be two separate programs. The Legislature would be free to establish whatever eligibility criteria it felt appropriate.

CHAIR RATTI:

Would it be possible to not put in any eligibility criteria and leave it to the Board of Regents to determine what criteria they wanted?

MR. ROBBINS:

Yes, the Board of Regents under the constitution would have the freedom to establish eligibility criteria for such a program.

CHAIR RATTI:

If we are not specific about the criteria; NSHE could establish the criteria.

SENATOR SPEARMAN:

I believe there may be some confusion. The amendment proposed by S.B. 194 to NRS 396, subsection 1, states, the Board of Regents "may" grant a waiver

of registration fees and laboratory fees. This is why LCB said there is no conflict because the Board of Regents was not mandated.

CHAIR RATTI:

I want to make sure this is clear. If we look at S.B. 194 section 46, subsection 1 authorizes the Board of Regents to waive fees; however, the subsections below that require, if they are going to waive those fees, they follow this eligibility criteria. Is that correct?

MR. ROBBINS:

I will check into this.

CHAIR RATTI:

We have narrowed this down to this issue that needs to be resolved, then we can get NSHE in full support of S.B. 194. Is that right?

MR. FLORES:

Yes, and we plan to be in support and look forward to working with Senator Spearman on this issue.

CHAIR RATTI:

To wrap this up, the OST, the DHHS, the DOT and Senator Spearman are going to get together and talk about the tax credit issue. What I am trying to understand, is if I am a business and I donate \$1, do I only get a \$1 tax credit and it does not cost us anything? Or if I donate \$1 and I get a \$2 tax credit, then it would cost us \$1. This is the question I am trying to get answered. I suggest we include LCB Fiscal in this process. They are the experts on tax credits.

SENATOR SPEARMAN:

I would like to close by saying, we are going to do this now and 20 years from now, there will be people who will benefit from this. We may not know their names. We only know today we are making a valuable contribution to the community.

CHAIR RATTI:

I would like to open the meeting up for public comment.

TOM WELLMAN (Nevada State Education Association-Retired):

I live in Senate District No. 1. I am President of the Nevada State Education Association-Retired (NSEAR). I retired from the Clark County School District after 32 years of employment. I am one of the fortunate school employees that has access to health insurance in my retirement. We have learned that many of our members and other public employees have no access to health insurance when they retire. We have found that members in four of our counties may maintain their current health insurance, but must pay the full premium without any assistance or subsidy, which could be anywhere from \$800 to \$1,000 per month. This issue must be addressed with other State employees that do not have access to quality affordable health insurance. These outrageous premiums take a significant bite out of their pension checks.

Many of my peers and colleagues across the State have no access to quality affordable healthcare when they retire. They are confronted with the decision to retire or continue working until they are 65, when they may qualify for Medicare. We have learned the only access some of our members have is through COBRA. After 25, 30 or even 35 years in public education, many have to make the hard decision that may impact their health and their quality of life. Do they continue to work until they are eligible for Medicare or retire without health insurance? It just does not seem right and certainly does not seem fair. We are turning to our elected leaders and asking you to find a solution to this problem. Nevada has members that were employed before 1986 that never paid into the Medicare program and will never qualify or have their own access to the program. Yes, they can pay for it, but they do not have access to it. Many of our insurance programs will age them out at 65. They then fall into the hole that will leave them with no insurance. We need your help; we want your help; we want to fix these problems.

STEVEN HORNER (Nevada State Education Association-Retired):

My name is Steve Horner, I am the Vice President of the Clark Retired Education Association and NSEAR.

Two of my passions are traveling rural Nevada and playing golf on the courses in rural Nevada. During the summer of 2015, while playing in a tournament in Ely, Nevada, I fell and broke my concentrator. With a breathing disability, at close to 7,000 feet above sea level, the need for oxygen is important. I was not traveling with back-up oxygen, so I needed help. I called the hospital because I was not yet eligible for Medicare I would have to pay full-fare. I could not get

any oxygen. I am a very lucky person. My wife was able to drive from Las Vegas to Ely and bring back-up oxygen. However, during that time to keep my oxygen at safe levels all I had was albuterol and my nebulizer. Thankfully, my breathing disability had not yet progressed to the point of hospitalization. At that point, I realized that we needed some kind of affordable health coverage for those educators and State workers that either had to retire or could retire before Medicare eligibility.

As this Legislative Session proceeds, we urge you to work with us to find a solution to this important issue. Teachers, educators and other State workers have given their lives to our State. They deserve the best we can give them in retirement. Thank you for your attention.

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CHAIR RATTI:  
This meeting is adjourned at 5:35 p.m.

RESPECTFULLY SUBMITTED:

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Michelle Hamilton,  
Committee Secretary

APPROVED BY:

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Senator Julia Ratti, Chair

DATE: \_\_\_\_\_

<b>EXHIBIT SUMMARY</b>				
<b>Bill</b>	<b>Exhibit / # of pages</b>		<b>Witness / Entity</b>	<b>Description</b>
	A	2		Agenda
	B	7		Attendance Roster
S.B. 33	C	3	Nova Murray / Division of Welfare and Supportive Services	Proposed Amendment
S.B. 33	D	1	Mark Sektnan / American Property Casualty Insurance Association	Letter of Support
S.B. 17	E	1	Megan Comlossy	Work Session Document
S.B. 93	F	1	Megan Comlossy	Work Session Document
S.B. 194	G	1	Senator Pat Spearman	Proposed Amendment
S.B. 194	H	2	Alex Ortiz / Clark County	Proposed Amendment
S.B. 194	I	1	Barbara Paulsen / Nevadans for the Common Good	Support Testimony
S.B. 194	J	1	Kimberly Mull / Kimberly Mull Advocacy & Consulting	Support Testimony
S.B. 194	K	1	Jake Wiskerchen / Zephyr Wellness	Support Testimony