

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Eighty-First Session
March 15, 2021**

The Committee on Government Affairs was called to order by Chair Edgar Flores at 10:04 a.m. on Monday, March 15, 2021, Online. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/81st2021.

COMMITTEE MEMBERS PRESENT:

Assemblyman Edgar Flores, Chair
Assemblywoman Selena Torres, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Annie Black
Assemblywoman Tracy Brown-May
Assemblywoman Venicia Considine
Assemblywoman Jill Dickman
Assemblywoman Bea Duran
Assemblyman John Ellison
Assemblywoman Susie Martinez
Assemblyman Andy Matthews
Assemblyman Richard McArthur
Assemblywoman Clara Thomas

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblyman Jason Frierson, Assembly District No. 8

STAFF MEMBERS PRESENT:

Jered McDonald, Committee Policy Analyst
Judith Bishop, Committee Manager
Lindsey Howell, Committee Secretary
Cheryl Williams, Committee Assistant



OTHERS PRESENT:

Kate Marshall, Lieutenant Governor
Peter Guzman, President, Latin Chamber of Commerce, Las Vegas, Nevada
Michael Brown, Executive Director, Office of Economic Development, Office of the Governor
Terry J. Reynolds, Director, Department of Business and Industry
Mary Beth Sewald, President and CEO, Vegas Chamber
Alexandria Dazlich, Director of Government Affairs, Nevada Restaurant Association
Amber Stidham, Vice President of Government Affairs, Henderson Chamber of Commerce
Randi Thompson, State Director, National Federation of Independent Business
Connor Cain, representing Las Vegas Global Economic Alliance
Kenneth Evans, President, Urban Chamber of Commerce, Las Vegas, Nevada
Ann Silver, CEO, Reno + Sparks Chamber of Commerce
Tom Clark, representing Nevada Outdoor Business Coalition
John Carlo, Private Citizen, Las Vegas, Nevada
Elizabeth MacMenamin, Vice President of Government Affairs, Retail Association of Nevada
Christina Lopez, Director of Outreach and Community Relations, Las Vegas Office, Office of the Lieutenant Governor

Chair Flores:

[The meeting was called to order. Committee protocol was explained.] On the agenda today we have Assembly Bill 184. Our very own Speaker Frierson and Lieutenant Governor Kate Marshall are joining us this morning. At this time, I would like to open up the hearing on Assembly Bill 184.

Assembly Bill 184: Creates the Office of Small Business Advocacy within the Office of the Lieutenant Governor. (BDR 18-213)

Assemblyman Jason Frierson, Assembly District No. 8:

I am the Speaker of the Nevada State Assembly. I am pleased to be here along with our Lieutenant Governor, Kate Marshall, and the Office of the Lieutenant Governor's Christina Lopez. We are here to present A.B. 184 to you. This bill creates the Office of Small Business Advocacy within the Office of the Lieutenant Governor.

Just as a little background: This policy has been discussed since last session. In 2019, under better economic times, the premise was to connect small businesses with the assistance they needed to navigate various intricacies of starting and running a business—for example, understanding state filing requirements, federal filing requirements, licenses, permits, certificates, or renewal requirements. The goal of this office is simply to be an advocate and a resource for our small businesses. Per data from the U.S. Small Business Administration [page 1, [Exhibit C](#)], in 2020, Nevada was home to over 283,300 small businesses that employed over 500,000 Nevadans. That is 42 percent of our entire workforce.

However, as many of you know, new businesses often face stark realities of low survival rates. On average, while 68 percent of new small businesses last at least two years, the five-year survival rate is about 49 percent. The ten-year survival rate is about 34 percent. With a large percentage of our constituents employed in small businesses, I believe it is in our best interest to ensure that they are successful.

The economic impacts of COVID-19 are also no surprise to us here in Nevada. Per the United States Small Business Administration, in April 2020, 51 percent of small businesses nationally were negatively impacted by COVID-19. In November 2020, these numbers improved with 29 percent of small businesses still reporting that they were negatively impacted by the pandemic. However, our food, entertainment, and education industries have been hit the hardest and are the slowest to recover. Nationally, 84 percent of small businesses in the accommodation and food industries reported in April that they were negatively impacted by COVID-19. We know that those industries are the lifeline of our Nevada economy.

Our small businesses need us more than ever. With the influx of federal, state, and local resources available during these tough times, I see no better time for this office to exist. It will help Nevadans navigate through these difficult times and find the resources in a central location, so they can have the greatest chance of success.

With your permission, Chair, I would like to turn this over to our Lieutenant Governor, Kate Marshall, as well as Ms. Lopez. This bill was introduced at their request. We have been working on this conceptually since last session. The Lieutenant Governor will be taking the lead on shepherding this bill through. Meanwhile, I will tend to some Speaker responsibilities. We will be happy to answer any follow-up questions, although A.B. 184 is in excellent hands with our Lieutenant Governor.

Kate Marshall, Lieutenant Governor:

I want to thank Speaker Frierson for his leadership, as well as Majority Leader Teresa Benitez-Thompson for her leadership in being another sponsor to this bill. I think that the fact that we are doing this together is a tribute to the importance of small businesses to all of us.

As you know, and as the Speaker stated, our small business community has been battered by this pandemic. In addition to the data the Speaker provided you with, 35 percent of our small businesses in Nevada have permanently closed since the start of our public health crisis. The success of our small businesses relies on our ability to prepare for both risk and to have resiliency. In order for our state to build the type of organizational infrastructure that provides an adequate safety net for operating within the dynamic environment that is small business ownership—I am sure some of you know small business owners who would understand that dynamic and its headaches—we really need to have a three-pronged approach to supporting our small businesses.

The first prong is in business development and regulatory measures and in advocacy. Currently, the Small Business Development Center (SBDC) serves to increase business start-ups, to help them create and retain jobs, and to increase their access to capital. The Small Business Development Center's mission largely fulfills the business development side of things.

The second prong of the approach encompasses regulatory measures. It is an important component of the business ecosystem. That is really the Department of Business and Industry's wheelhouse; they promote the growth of business and ensure that their legal operation—ensure that everyone—can run smoothly; they are like a traffic cop or air controller, creating a fair and competitive regulatory environment.

But that brings me to the third prong, which is a gap in what we currently provide to small businesses. Collectively, small businesses make up 99 percent of all businesses in Nevada and over 42 percent of our workforce. It is an economic force, and if we are going to economically improve and come out of this pandemic, we need to make sure that our small businesses can come out of this pandemic too.

In order to operate their business and navigate through the hoops and the hurdles that ownership comes with, a small business owner needs an advocate to provide them with a voice in state government. They need someone that they can call, who will answer the phone and help them navigate through any issues they may have.

It is not just that a small business could call and we could say, Look, here are these pandemic relief opportunities available to you. But they could call and we could say, Okay, it looks like you need this license, and we are going to connect you with the mortgage lending place; it looks like you need this certification, and we will connect you with that; it looks like you are having this issue with the Department of Health and Human Services, and we are going to track down the person who can help you with that.

This office would be a single point of contact that would then connect them to their various needs. Why? Because small businesses do not have a human resources department. The owners spend all their time in that dynamic environment, which involves making sure that their small business runs, providing the products or services to the public, and engaging with their community. They do not have the time to spend hours on the phone trying to track down why they cannot figure out what regulatory options they have or how to navigate that system.

I would like to walk you through a section-by-section overview of the bill itself, A.B. 184.

Sections 1 through 7 of the bill are definitions. I would like to point out section 6, which states that a small business is defined as having 100 employees or fewer. This is in keeping with the federal definition.

Section 8 of the bill creates the Office of Small Business Advocacy within the Lieutenant Governor's Office.

Section 9 of the bill outlines the rules and expectations of small business advocacy and includes language that the office will interact with state and local government agencies to address administrative regulatory enforcement functions on behalf of small businesses.

Section 10 formalizes the process and scope of the office, including receiving and resolving complaints, as well as compiling and analyzing data on complaints. The process also includes making recommendations to you, the legislative body, regarding the problems and concerns of small business. That way, you can address them to improve efficiency, find resources, or, in case it is needed, update certain laws.

Section 11 of the bill authorizes the office to review requests with certain exceptions to requests for assistance made by a small business regarding an interaction with a state agency. An exception might be, for example, if the business is in a legal dispute with an agency. Obviously, we do not step in between that. If the business has a federal issue with the U.S. Equal Employment Opportunity Commission, the Internal Revenue Service, or, God forbid, the Federal Bureau of Investigation, we will not get involved in those federal issues. There are exceptions to requests for assistance.

Section 12 describes the protocol for the office to follow when it receives the request. It really puts measures in place. For example, one is opening a case file no later than 30 days, as well as notifying the small business as to the status of their request for assistance, letting them know what is going on when the case is closed. This is about providing transparency and accountability, which I think are very important in general, but particularly to small businesses.

Section 13 requires the office to establish and maintain an education course. You will see a proposed amendment [[Exhibit D](#)] that turns the requirement from a "shall" to a "may." That is because we do not know what resources you, the Legislature, will provide. Obviously, if we do not get any resources, we cannot have an education course.

Section 14 authorizes the office to apply for gifts, grants, and contributions. This is in case the federal government determines that it wants to help fund this advocacy, or in case we can apply for a grant. We know that this concept is currently eligible for Coronavirus Aid, Relief, and Economic Security (CARES) Act money. Obviously, since the office is not in statute, we cannot apply now. This would allow for us to apply and provide the structure to pull the money in and have it be properly accounted for. Again, that is for transparency, so that you can see what money came in and make sure it is only used for the things it is supposed to be used for. That is the other part of the proposed amendment. Perhaps because I am a former State Treasurer, I am particular about how money is parsed out and used. I like to see all the little lines, and that is the language you see there.

Section 15 requires that my office report to the Legislature annually. That way, you can see what the office is doing, how many complaints it has received, and what the resolutions of those have been, so you and your constituents have a picture of what is going on.

Section 16 of the bill provides that records, files, and communications—whether made or received—are confidential and not public record. That is in place to protect the small business and also to protect the agency.

Chair, I know that different committees have different views. There is a fiscal note attached to this; I did not know if you wanted me to go through it. I am prepared to do so if you would like.

Chair Flores:

I think we will allow that conversation to occur in the money-focused committees. We will focus on the policy. Otherwise, we will have two hearings today, and then repeat it with another committee, so there is no need for you to do that.

Lieutenant Governor Marshall:

I know it is hard for you all right now, in terms of how you receive information about who is supporting or opposing this. In the interest of efficiency, we prepared a letter and sent it out, asking people to sign onto the letter [[Exhibit E](#)]. If I could have your indulgence, I would like to read the letter—it is only one page—and then tell you who the signatories to the letter are, in the hope that it facilitates your understanding of who is supporting this.

Chair Flores:

Please do, Lieutenant Governor.

Lieutenant Governor Marshall:

[Lieutenant Governor Marshall read from the letter, [Exhibit E](#).]

Dear Chairman Flores and Committee Members:

We, the undersigned, write to express our collective support for Nevada Assembly Bill 184, which creates the Office of Small Business Advocacy within the Office of the Lieutenant Governor.

The next paragraph is a series of statistics which I believe, if I read it, you will have heard three times. I will just pass over that.

Owning and operating a small business is hard work. Navigating the red tape of business ownership, coupled with the inevitable ebb and flow of the greater economic forces, should not be the reason why we see storefronts go dark or businesses go under. Small business owners need a direct point of contact within state government. They often have issues that cannot be answered by online tools or website guidelines. Often, such inquiries need a person to talk

to for assistance on navigating regulations and licensing, receiving small business education and guidance, and locating appropriate financial resources including relief and aid during times of economic crises.

Entrepreneurship is a calling. It is the creative and autonomous mindset of a small business owner that allows their ideas to come to life and the doors of yet another business to open. It is our small business owners who create and contribute to the vibrant and diverse landscape of our community. The Office of Small Business Advocacy will function as a statewide hub to provide space for collaboration and modernization in the small business community, strengthen Nevada's entrepreneurial infrastructure, and support the long-term growth and resiliency of our small business owners.

We strongly urge your support of A.B. 184 and look forward to the establishment of this important small business resource.

Now, the list of supporters, in no particular order:

- Terry Reynolds, Director, Department of Business and Industry;
- Michael Brown, Director, Governor's Office of Economic Development;
- Mike Kazmierski, President and CEO, Economic Development Authority of Western Nevada;
- Jonas Peterson, President and CEO, Las Vegas Global Economic Alliance;
- Shani Coleman, Director, Community and Economic Development, Clark County;
- Favor Chikelu, President, African Chamber of Commerce and Tourism;
- Amber Stidham, Vice President of Government Affairs, Henderson Chamber of Commerce;
- Peter Guzman, President, Latin Chamber of Commerce;
- Ken Evans, President, Urban Chamber of Commerce;
- Ann Silver, President, Reno + Sparks Chamber of Commerce;
- Mary Beth Sewald, President, Vegas Chamber of Commerce;
- Jo Cato, President, Periwinkle Group;
- Tom Clark, Owner, Tom Clark Solutions and Nevada Outdoor Business Coalition;
- Glynn Galloway, Owner, GlynnWithaWhy?? Studio;
- Mari Gonzales, Owner, Koolsville Tattoo;
- Jon Holpuch, Founder, HOLO Discovery;
- Stefanie Jillian, Owner, Shadowlight Wellness;
- Lee Lanier, Owner, Lee Lanier Paints;
- Geneva Marquez, Owner, Saturation Gallery;
- Matthew Morgan, Owner, Stinky Monkey LLC;
- Derek Stonebarger, Owner/Operator, ReBar & Davy's on Main Street;
- Kurt Thigpen, CEO, Ace Studios;
- Abbi Whitaker, President, The Abbi Agency;
- Amy Conley, Founding Principal and Director of Design, Tilt 23 Studios;

- Robin Slonina, Founder and Creative Director, Skin City Body Painting.

That letter, if it is not already in your inboxes, will be part of the materials you have for this bill. Chair, I am done with my opening remarks, so I will pass it back to you.

Chair Flores:

With that, members, I will open it up for questions, starting with Assemblywoman Considine.

Assemblywoman Considine:

Lieutenant Governor, you actually answered a couple of my questions. What is the minimum number of employees required to be a small business? I guess what I am asking is if this will help micro businesses, gig workers, or independent contractors. For example, will it help a grandmother who has a child care business in her house? Is there a minimum size for the entities that this office will help, or is it for anyone who considers herself a small business owner?

Lieutenant Governor Marshall:

The ceiling is 100 employees or fewer; there is no floor. One of the things we have seen during this downturn is that many people are sole employees. They have such a difficult time. Many sole employees are women and minorities. A single person running a business could be turning on and off the lights, sweeping the floor, and making it to United Parcel Service before they close—those people are included.

Assemblywoman Thomas:

That presentation was extremely thorough, and as a novice, I got a lot of understanding out of it. I have a couple of clarifying questions. I am looking at section 11, subsection 2, paragraph (c). When small businesses do have a complaint or concern, this part of the bill indicates that an exception will be made if "the request for assistance was not filed in a timely manner, as determined by the Office of Small Business Advocacy." Who determines what constitutes timeliness? Can you quantify that time? I think it is something like 30 days or 60 days. Is that even a factor?

Lieutenant Governor Marshall:

There are instances where a small business may have had an ongoing issue for years. At that time, we probably would not be able to unravel all that has happened over the last couple of years. There are issues where a small business may have missed the opportunity to appeal, which places us in a difficult place in terms of resolving their issue because they have already missed the window. We can, of course, beg forgiveness, but it will be limiting on what we can do. We do not want to overpromise and underdeliver.

At the same time, I do not want to put a date on it because there are times when a small business may have a reoccurring issue. That does not mean that the issue is stale; it means that there is an underlying cause that we have not been able to get at. That is why it is left to the discretion of the office—we do understand that sometimes small businesses may have

issues that cannot fit the 30-day time frame. Maybe the owner did not even get a notice. We have some flexibility there, but we do recognize there are times when our office is not really going to be able to perform on behalf of the small business, due to the timing of the request.

The other thing to note is that we will provide you with the information from the data we compile. You will see the instances where we said a request was not timely. That will allow you to come back to us and say, We want X, Y, and Z going forward.

Assemblywoman Thomas:

This is a technical question. Section 12, subsection 2 indicates that data may be compiled by the office. But section 15 says that a written report shall be submitted to the Legislative Counsel Bureau. Basically, what I want to know about is "may" versus "shall." Will the office compile this data or not? Is that left to the office's discretion?

Lieutenant Governor Marshall:

Section 12 deals with a particular request for assistance, and we may compile statistical data in order to properly respond to that request. In section 15, when we say that we will submit a report to the Legislative Counsel Bureau, that will indeed show you data. It will show you things such as a pie chart. It will tell you how many complaints we received, what areas those complaints were in, how long it took us to resolve those complaints, and which types of issues were predominant and which types were one-offs. That data will all be provided to you. I think that is an important part of the function of the Office of Small Business Advocacy because it allows you to then have the data to determine if there is anything you feel you may need to do so that we can be a better service to small businesses.

Assemblywoman Torres:

I want to understand what the relationship between this office and SBDC will be, as well as with Nevada Grow, which I know was Senator Neal's legislation in previous sessions. I want to understand why we think it is important to have this under your office instead of other offices that work with business development.

Lieutenant Governor Marshall:

This is an important, critical point as to why the office is necessary. To answer your first question: The office itself is a single point of contact. If a small business reaches out to us, we may say, We need to connect you with Business Network International (BNI). We need to connect you with the Office of the State Treasurer because you are eligible for CARES Act funding. We need to connect you with SBDC. We are like an orchestra: All those agencies are various instruments of government, and we are directing them so that the small business gets a complete service.

The Office of Small Business Advocacy would be housed in our office as opposed to BNI or another office because our office would be solely focused on serving the small business. If it were to be housed in, for example, BNI, there would be an innate potential for conflict because BNI also has certain obligations it is required to perform. It is beholden to those

obligations, whereas we would only be beholden to the small business. We would be those businesses' advocate. There is no place in government that is solely focused on serving small business—they also have obligations and functions that they are required to perform by statute, and we do not want the conflict. Our attention would solely be toward small businesses and connecting them with the right resources. We would be the navigator, the complement, that can work with all those agencies. All those agencies are critical, but we would be the connecting point. We would answer the phone.

Assemblywoman Torres:

I have another question about a separate issue for this legislation. I am just wondering if there are any safeguards in the bill to ensure that this office can serve diverse communities. Specifically, when we look at language access, a lot of the business owners in our community speak languages other than English. I think it is important that we have ways to continue to build those businesses in Nevada. I know there are a lot of business owners that need help and need resources. I am wondering what effort this office will make to ensure that we are able to serve diverse communities and provide those services in other languages.

Lieutenant Governor Marshall:

That is also a very important point. One of the things you find when you talk to small businesses is that the business is an opportunity for demographics such as women and minorities to move ahead economically in life. It is a path, a particularly American path. The ability to serve diverse communities becomes very important. We have a large Latino community in Nevada. We also have a growing Asian-American and Pacific-Islander community. We have multiple languages, and our expectation is that we would have one person serving Clark County only and one person serving the rest of Nevada. For the person in Clark County, we will seek to find someone who is fluent in Spanish—as opposed to me. I recognize that there are many languages. We have a large Ethiopian community, for example. What I promise to you is that we start with a Spanish-speaking person, but we will also seek to make sure that we can have interpreters and people who can help callers in the language they are most familiar with.

Assemblywoman Anderson:

I have two questions. Before I ask them, I would also like to push for the individual in northern Nevada or other areas of the state to also have that diversity of background. As you know, in our beautiful Washoe County area, we are also growing in so many different areas. I would like to give that push in a subtle way, if I could.

More importantly, one of my questions has to do with section 10, subsection 3. It seems straightforward. To protect our state when assisting small businesses in understanding their rights and responsibilities, are there any sorts of protections for legal information? For example, if someone currently in a small business who is thinking about changing from being incorporated to unincorporated or vice versa has legal questions, is there any sort of legal protection about advice being given that a small business owner might feel was incorrect?

Lieutenant Governor Marshall:

First, there is no need to be subtle. Rights and responsibilities often means, for example, a business being required to renew its registration at X time every year, and those sorts of things. The purpose is to make sure we clarify what a business is obligated to do. With respect to legal or financial advice, or those things—having worked before in areas where I dealt with businesses—it is always important to say that we cannot offer legal or financial advice, and you should not expect that. Our service is free, so that advice should not be given. This also protects the small businesses, since callers might otherwise come away with certain views or understandings that could mislead them if they thought we could provide that type of advice.

Assemblywoman Anderson:

My other question is about the report that will be given to the Legislature. I am happy that report will be coming, but there are items that are stopping some of our smaller businesses from growing. Would a possible bill draft request come from your office, or would the Office of Small Business Advocacy have the ability to bring forth their own bill draft requests (BDRs)?

Lieutenant Governor Marshall:

My office gets three BDRs biennially. It is my expectation that any kind of legislation would have to take a collaborative approach with the Legislature. What we would expect is that we would provide you with the information, and then you, your committees, or your leadership could decide whether it needed to be acted upon. We are not trying to usurp your role as the people who make decisions about what government ought to look like and how it can best serve the people and small businesses of Nevada. My feeling is that the information will be useful to you. Of course, Assemblywoman Anderson, if you ever want me to bring a bill on your behalf, just call me—but I only have three.

Assemblywoman Brown-May:

I commend your efforts to support small businesses throughout Nevada. It has been a very trying time throughout this year, as you have talked about. My questions are about clarity regarding the maximum number of employees, identified as 100 employees. Over the course of the last year, it was my understanding that federally, the United States Small Business Administration was using 500 employees as the upper threshold to identify a small business. I am just curious about why we are using 100 employees as opposed to that.

Also, would this bill apply to nonprofit organizations? Furthermore, have we given any thought to businesses with multiple locations, such as small restaurant chains, which might have fewer than 100 employees at each of their locations but would go over the maximum if they were all considered together?

Lieutenant Governor Marshall:

We used 100 employees as the maximum in part because there are different numbers that the feds use for different programs. I am aware that on a federal level, they have moved to 500; Nevada, however, has not. In fact, the majority of our small businesses have 20 employees

or fewer. We put a limit on the number of employees in order to really serve small businesses, which is our focus, and use our resources in the best way possible to provide that service.

My first job was at a donut shop called Donuts & Things. Someone who owned six donut shops in the town where I was born and raised would own one single business with six shops. In a different situation altogether, my father once owned a Texaco service station—that was a franchise. My father would have been a single owner, but not a small business owner.

Assemblywoman Brown-May:

I would like to follow my colleague's comment and give my own push as we work for small businesses. One of the focuses, as of late, has been encouraging people with disabilities to start micro businesses. Plain language would be something to consider as well as you work on some of the support material.

Lieutenant Governor Marshall:

I forgot to answer one of your questions. Yes, nonprofits are included. And yes, we will seek to serve all small businesses, as the state of Nevada serves all its people.

Assemblyman Matthews:

My question is about section 10. This section spells out a number of provisions for identifying different problems and concerns that businesses face regarding laws and regulations. It is not made explicit in there, but I am wondering whether part of the function would be to actually promote or advocate for the repeal of any of the regulations that are deemed problematic. If so, how would that play out and what would this new office's function be in perhaps advocating for the elimination of some regulations?

Lieutenant Governor Marshall:

No, our office is not seeking to tell members of the Legislature what things they should or should not do. We seek to provide you with information so that if you feel, for example, that a particular regulation is obsolete or that a different regulation needs to be in place, you may take action on that. Let me give you an example: During the 80th Session, a gentleman was trying to make spirits; he has a business in Gardnerville. However, due to the laws in our books, he could not import sherry in order to make port. Obviously, that law must have been there since Mark Twain's time. He was able to get the law changed. But that is the kind of thing that you and I may or may not be aware of. You may find that information and then say, Wait a minute, our laws need to be updated, changed, or replaced with a variation. That, we feel, is your wheelhouse; we will simply provide you with the data.

Assemblyman Matthews:

In the amended version of the bill, section 13 says that the Office of Small Business Advocacy may establish an education course [page 5, [Exhibit D](#)]. My apologies if you touched on this and I missed it, but who would be the instructors of this course? Would it be personnel of the office itself? What might that curriculum look like; what would determine how that is all set up?

Lieutenant Governor Marshall:

We would work with the various agencies and chambers to make sure we had the proper speakers to provide a course that met the needs of our small businesses. Normally, I do not rely on myself as the expert in the room, but I like to gather people on a panel. Maybe we would provide a series of panels that would then create some dialogue and answers for small businesses. When I was the State Treasurer, I held conferences in north and south Nevada to connect small businesses to investors and to talk to them about some of the things they could do in terms of marketing. Those were incredibly successful and incredibly needed. Obviously, there is a different focus here, but it would be things like that, where you bring in people who can speak to issues that small business would like to hear about.

Assemblywoman Dickman:

Assemblyman Matthews more or less stole my question and I do not think I have a follow-up. I just want to make a comment: I am a lifelong business owner and 23-year business owner in Nevada. This office seems as though it is being created to make the system easier to navigate. I think we should just make the system easier, so we do not need this office. I have a quick question: Has anyone considered having an ombudsman to be your go-between for small business and big government?

Lieutenant Governor Marshall:

Often, in other states, this position is called an "ombudsman," and I think that term is used interchangeably with "advocate" and "navigator." Obviously, I want to work myself out of the need for the position—that is what we try to do as parents and then somehow find that we are never quite able to. I understand the thought and the passion behind that; we are trying to do the best job we can so that all our small businesses are served.

Assemblyman Ellison:

I like the intent of the bill; I just have a few problems. First, most of the small businesses are actually from 5 to 15 or 20 employees. Section 13 says that the office shall establish and maintain an education course. Some of these businesses have really strict timelines just trying to survive, and I think that the smaller ones will have a real problem. That is one question I have. My other question is whether this is an opt-in or opt-out bill. I talked to you before, Lieutenant Governor. You said that the businesses do not have to comply with it, but it is a whole different program depending on whether it is opt-in or opt-out. Could you answer that question?

Lieutenant Governor Marshall:

First of all, with respect to the ability of a small business to take time away from a passion and a job like a small business, we understand that. That is why in the fiscal note—I do not know if you are on the Assembly Committee on Ways and Means, Assemblyman Ellison—you will see that there are travel expenses included, so we can go out into communities where small businesses are located and connect with them there. We think that is very important. It is why we worked so hard to get the chambers to support us; we know we will be reaching out through the chambers to their small business members. Regarding your second question: This is an available service. If you do not want to use it,

you do not have to. If you do not need it, thank goodness. If you do need it, you are welcome to call. There is absolutely no requirement put on a small business by the creation of this office at all.

Assemblyman Ellison:

I think that is important because some of the small businesses, as you said, are struggling. I do not see some of them making it for the next five or six months. It is so devastating, and they are just trying to make payroll right now—nothing else. I appreciate it, and the biggest thing is that we need to get the economy back and moving again. The biggest thing I was worried about was section 13; we just cannot put more restrictions on a small business at all. If we do, then those that are struggling will just end up shutting the door.

Assemblywoman Martinez:

My question is this: What is the screening process going to be like? Are callers going to have to give their business name or business license? What will they have to do?

Lieutenant Governor Marshall:

There is a case management software program that is currently used by the Office of the Governor and the State Treasurer's Office. It is actually used by about 50 percent of the governors in this country. It is a constituent management software. We have been working with other states, such as Tennessee and Oregon, to provide this type of service. We have also been trying to make sure that the form and software we would set up for intake would be the most efficient way to make sure we are getting the kinds of information that we need, so that we can connect small businesses to the needed assistance.

That software is called iQ. When we get in front of the Assembly Committee on Ways and Means, we will be discussing that. Actually, since the Governor and the Treasurer already have it, it has become a lot cheaper for us to get it, which is a godsend. What this software allows us to do is not only input information, but also aggregate the data to provide your report.

Assemblywoman Martinez:

Would a business owner qualify whether she has a license or not?

Lieutenant Governor Marshall:

Absolutely. One of the issues may be that she cannot get her license, and that is why she is calling—to try to get on her feet. I will give you an example: A business called me from Baker, Nevada, the other day. The owner provides tax assistance. Every year around January, she gathers all her information to apply to the Office of the Secretary of State and other offices so she can have all the certification that she needs in order to provide tax assistance to businesses. She is the only one who does it out there in Baker. Her information was held up. At the time she called us, currently, she cannot do business. She needed her information, so we had to connect her. Right now, we are able to do that—she called me because I like Baker, and she knew someone who knew me. That is the way it currently works; this bill would formalize that process and make sure we have staffing and resources

for that. But some businesses may be trying to get up and running in Nevada and are unable to do so because they are running into obstacles and do not know how to navigate them.

Assemblywoman Thomas:

I wanted to make a comment directed at Lieutenant Governor Marshall. For a novice like myself, reading all of this and then hearing you explain it, I am just impressed. I want to thank you personally for this information about small businesses, so we can grow and recover from where we are presently. This is especially important for our urban neighborhoods and for Black-owned businesses. When I look at the charts [page 2, [Exhibit C](#)], we are underproducing. A lot of that is because we do not have a way to tap into information. This will allow those that want to open up a business—especially Black minority women—to do so. It seems like this is a way to reach out and help our community. This is really a good bill.

Assemblywoman Duran:

You just mentioned that there may be some help available for people who do not have their business license. Are you going to help recommend where they can get help? Would you be available to assist them in getting their license?

Lieutenant Governor Marshall:

That is an important question. Yes, we would make sure they knew where to go. Let me give you another example. We got a call from a gentleman who was trying to get a mortgage license. He had not heard about it for 60 days and did not know what was going on. It turned out that the gentleman in BNI who was processing that application took another job, so the pile of work went to a new fellow who was overwhelmed trying to get through the workload. We made sure that they found the caller's application and that it was processed.

But imagine a business comes to us and says, This is what I am doing, but somehow I cannot start yet. We understand that they would probably need to go to SBDC and get some counseling there. We would connect people to the right places. A lot of times, a small business owner has expertise in something specific. One of my sisters fixes wells; she is a hydrologist by trade. She has no idea where to go for resources, but she is very good at what she does in terms of fixing wells.

Chair Flores:

Members, any additional questions? [There were none.]

Lieutenant Governor Marshall:

I have to be on the Senate floor. If it is all right, I will have a member of my staff, Christina Lopez, stay for follow-up questions and closing remarks.

Chair Flores:

Absolutely. Can we please go to those wishing to testify in support of [Assembly Bill 184](#)?

Peter Guzman, President, Latin Chamber of Commerce, Las Vegas, Nevada:

It is a privilege and an honor to always be able to give some comments and testify before you. I am in favor of this. Obviously, at the Latin Chamber of Commerce, we are very passionate about small business. We know where the job creators come from. We know how we are going to get out of this pandemic, and that is through entrepreneurship and on the backs of small business owners and risk takers—each and every single time. Anytime there is a resource or additional resources for them, we will stand by it and I will be wholeheartedly for it.

Furthermore, I want to say that I appreciate the Lieutenant Governor's and Christina Lopez's willingness to work with the Latin Chamber of Commerce. We know that, especially in Las Vegas, especially over the last five years, the majority of small businesses that have opened have been Latino-owned businesses. They are thriving really well in Las Vegas, and a lot of them do not understand that through offices like this, through resources like this, they can expand, do things a little bit better, and even grow their business even more. We will be working closely with this office to make sure that happens. I appreciated Vice Chair Torres' comments earlier on the language barriers. We also know there is a trust issue, and a lot of these incredible Hispanic entrepreneurs get a little nervous because of immigration issues. I look forward to working closely with this office to let all businesses—including the Hispanic-owned businesses—know that this is an office of resources, to help them improve the way they do business so they can do the thing they want to do most, and that is to expand and create more jobs for this wonderful community.

Chair Flores:

Before we continue with those wishing to testify in support of Assembly Bill 184, I did notice that we had Mr. Michael Brown try to jump into the conversation. My understanding is that you are not necessarily here to testify in support or opposition, but rather, to provide some additional context. If we could temporarily suspend hearing testimony in support of Assembly Bill 184 and go back to the presentation, so Mr. Michael Brown can provide additional information to the Committee.

Michael Brown, Executive Director, Office of Economic Development, Office of the Governor:

The Lieutenant Governor serves on the Board of Economic Development. We have legislation also pending that will have Director Reynolds in the Department of Business and Industry join the board of the Governor's Office of Economic Development (GOED) so that we can address business as one unified group. The Secretary of State also serves on the board of GOED. Giving the Lieutenant Governor leadership in this area was something that was recommended by SRI International and Nevada's Plan for Recovery and Resilience, the economic plan that we gave the Legislature at the start as part of our recovery.

This is something very important: The Treasurer and I led the effort on relief programs, such as the Pandemic Emergency Technical Support (PETS) Grant and Commercial Rental Assistance Grant (CRAG) programs. In that, we discovered the micro nature of small business, and how much they can need extra assistance, coaching, and help from state

government. To make those programs work, we turned to the chambers, such as Peter Guzman's organization and others, because those small business owners are busy running a small business. Filling out a CRAG or PETS grant form was beyond the capacity of many of those businesses. Adding more capacity in this area will give resiliency to the Nevada economy and help us in the long term.

Assemblyman Ellison asked a question about the size of small businesses. If we measure by work site in Nevada, 86 percent of our businesses have fewer than 20 employees, 95 percent of our work sites have fewer than 50 employees, and 97 percent of our work sites have fewer than 100 employees. When you go above 100, you start to break into larger companies, such as Cashman Equipment, or even a small mine or gaming company, so 100 is a good number to use to define a small business for this bill. The Governor has proposed this in his State of the State Address. He also suggested it in his last State of the State Address, and I wish we had had that extra capacity when we had to roll out the relief programs.

I can answer any other questions. As I said, the suggestion that the Lieutenant Governor provide leadership in this area is something that was supported by SRI International.

Also, our Lieutenant Governor mentioned the concept of an orchestra. The Department of Business and Industry is a very large department. It is almost the percussion side of an orchestra. My little office has a small business responsibility—we are the cellos, I guess. These other parts of state agencies make up the rest of the strings section. This office will provide an opportunity to make sure we are all playing the music the way we are supposed to because we will have feedback from the public as to when we are off-key. Then, the Lieutenant Governor can step in and help us at that point. With that, I would be glad to answer any questions.

Chair Flores:

I do not believe we have any additional questions, but I wanted to make sure we went to you. I know that you made the effort to join us this morning, so I wanted to make sure you had an opportunity to provide your testimony before the Committee. If I could just have you sit tight throughout the presentation or testimony process in case anybody else wishes to address any questions to you—we will come back.

At this time, I would like to continue with those wishing to testify in support of Assembly Bill 184.

Terry J. Reynolds, Director, Department of Business and Industry:

We strongly support A.B. 184. We have had multiple conversations with the Lieutenant Governor's Office. I also want to echo Director Brown's comments. He has actually put what is happening in the state into a good literary picture. It is true that we want to make sure business people do not fall through the cracks and that they are able to access a single point of contact if they have an issue or problem, even with one of our agencies or something within the state. We want those people to have the contacts and resources to solve their issues quickly. We are not perfect; our people sometimes make mistakes, or they get

passed over. We want to make sure that does not happen, so we need that feedback and communication to make sure we are successful. A lot of times, it is really just a matter of resources, and having additional resources in this area, as Director Brown indicated, will help all of us in terms of solving that issue and being more responsive to our businesses. To be successful as a state, I think it is essential to have that network and those contacts to be able to help our small businesses. On behalf of the Department of Business and Industry, I want to tell the Committee that we greatly support this piece of legislation. It will really add to the toolbox to be able to support our small businesses within the state.

Chair Flores:

We appreciate your working alongside our Lieutenant Governor and Ms. Christina Lopez on this issue. I just noticed that we have a question—Mr. Brown, we will have some questions for you at the conclusion of testimonies in support, opposition, and neutral. I do not know if you can see Assemblyman Ellison's comment in the chat; we can address that at the conclusion of the testimonies. We will continue with those wishing to testify in support of Assembly Bill 184.

Mary Beth Sewald, President and CEO, Vegas Chamber:

The Vegas Chamber of Commerce is also in great support of the creation of the Lieutenant Governor's Office of Small Business Advocacy. We especially appreciate the Speaker of the Assembly, the Majority Leader, and the Lieutenant Governor for bringing this bill forward.

As you all know, Nevada's small businesses are absolutely the backbone of our economy, as has been stated already. Their success as job providers is incredibly essential to our economic recovery. As the state's largest and broadest state business association, 85 percent of our members are small business owners. We have small businesses in every sector of the state's economy, and according to the U.S Small Business Administration, small businesses employ more than 42 percent of Nevada's private sector employees.

Many of the provisions in the bill align with the requests that the Vegas Chamber received from its members about assistance with local government and state agencies, including accessing resources, solicitation of feedback on regulations, and then, of course, timely responses from state and local government. A centralized approach, as proposed by the bill, will help small businesses as they navigate the challenges that come with owning and operating a business. The reality is that small businesses have very limited resources and time. Many of them are just struggling to keep their doors open and make payroll so they can keep our Nevadans working. This type of assistance is definitely going to give them a better chance of navigating the complexities of state and local government. It will give them answers and the help that they need. The passage of this bill is absolutely an important step to help small business owners and entrepreneurs succeed. During these challenging times, the more resources and assistance we can provide to Nevada's small business owners, the faster we can work together to help rebuild our economy as we hopefully emerge from the economic and health turmoil that has been created by COVID-19. We urge you all to support this important piece of legislation.

Chair Flores:

While I am not trying in any way to limit anybody from speaking in support, if somebody has already stated your argument in support, we would always appreciate a quick ditto and saying that you agree. With that, we will continue with testimony in support of Assembly Bill 184.

Alexandria Dazlich, Director of Government Affairs, Nevada Restaurant Association:

I want to ditto the remarks of the Vegas Chamber and urge you to pass A.B. 184.

Amber Stidham, Vice President of Government Affairs, Henderson Chamber of Commerce:

We represent more than 1,800 business, of which 87 percent employ 50 people or fewer. To echo some of my business stakeholder representatives, we too are in great support of A.B. 184. We thank the Lieutenant Governor and the Speaker for bringing this bill from last session back for discussion. We were certainly supportive of it then and are even more supportive of it now. Prior to this pandemic, our small business members—including many of our entrepreneurs and start-ups—already had a challenging time navigating the state's regulatory system, not to mention all of the resources and support our state may provide to them. When you fast forward to today, that need is even greater, so we look forward to this and urge your support of this bill.

Randi Thompson, State Director, National Federation of Independent Business:

The National Federation of Independent Business (NFIB) has been around since 1948. We are the only statewide association specifically representing small businesses. In fact, 100 percent of my members are small business owners. I want to ditto Amber Stidham and Mary Beth Sewald, as well as my other business associates, in support of this bill. Now, more than ever, small businesses need help. I supported the Lieutenant Governor's bill last session, and I definitely support it again this session.

Connor Cain, representing Las Vegas Global Economic Alliance:

I am testifying in support of A.B. 184. I want to start by saying that I am not as brave as the Lieutenant Governor, who did define the Las Vegas Global Economic Alliance (LVGEA). She did a fantastic job, and I will leave it at that. In the interest of time, I will just say that LVGEA has submitted a letter of support [[Exhibit F](#)] for A.B. 184 that I would encourage you to read if you have an opportunity to do so.

Kenneth Evans, President, Urban Chamber of Commerce, Las Vegas, Nevada:

I am here to support A.B. 184. What I will say is that the lion's share of our members are what we would call small businesses, but in many cases they are micro businesses, meaning they have anywhere from one to five employees. Having this Office of Small Business Advocacy would be integral to the potential for our businesses, especially the smallest ones, to compete and succeed. We really like the fact that this office would be both responsive and proactive—responsive in terms of navigating different issues and proactive in terms of providing the Legislature and others with information about systemic things that may be in need of improvement and change. We, much like many of our business

association colleagues, supported this bill last session. We definitely support it again this session. We would appreciate it if the Committee and you, Chair Flores, would provide your support as well.

Ann Silver, CEO, Reno + Sparks Chamber of Commerce:

The Reno + Sparks Chamber of Commerce works on behalf of over 2,000 businesses, 75 percent of which employ less than 50 employees, and 80,000 of whom are Washoe County residents. The pandemic has undermined the stability and sustainability of small businesses that continue to struggle to fully open their doors, retain customers, and find new ones. The office proposed by this legislation would create one statewide bilingual resource for small businesses. It will give a voice to the important role played by small businesses, all of which provide the goods and services we all rely upon in our daily lives. As our economy grows and diversifies, we cannot leave behind the small businesses that need information and a stable advocate for their sustainability and success. The Reno + Sparks Chamber of Commerce fully supports Assembly Bill 184.

Tom Clark, representing Nevada Outdoor Business Coalition:

Instead of reading my three pages of script, I will simply say, Me too and ditto.

John Carlo, Private Citizen, Las Vegas, Nevada:

I am calling you guys to ask you to end the mask mandate. I am calling on you guys to get the Governor and my county commissioners to pick up their phones.

Chair Flores:

Right now, we are hearing testimony in support of Assembly Bill 184. I think you wish to speak in public comment. Feel free to call back during public comment—we will get there in a few minutes. Could we now go to the next caller wishing to testify in support of Assembly Bill 184?

Elizabeth MacMenamin, Vice President of Government Affairs, Retail Association of Nevada:

Small businesses are the backbone of our economy in Nevada, and these businesses provide a real living for the owners, their families, and their employees. These businesses are critically important in that they can provide competition for the larger companies while providing Nevada residents with a different and more diverse choice of suppliers. Their money goes directly into our local economy. Assembly Bill 184 will create the Office of Small Business Advocacy to aid these vital businesses in obtaining the assistance they need in working with the many different local and state agencies that regulate them. This path can sometimes prove very difficult and may discourage a prospective entrepreneur from achieving his or her goals. The Retail Association supports the creation of this office.

[[Exhibit G](#), [Exhibit H](#), [Exhibit J](#), [Exhibit K](#), [Exhibit L](#), [Exhibit M](#), and [Exhibit N](#) were submitted but not discussed and are included as exhibits of the hearing.]

Chair Flores:

Is there anyone else wishing to testify in support of Assembly Bill 184? [There was no one.] At this time, I would like to invite those wishing to speak in opposition to Assembly Bill 184 to call in. [There was no one.] At this time, I would like to invite those wishing to speak in the neutral position. [There was no one.] Ms. Lopez, at this time, we can go back to you if you have any closing remarks.

Christina Lopez, Director of Outreach and Community Relations, Las Vegas Office, Office of the Lieutenant Governor:

I just want to thank the Committee for giving your time and attention to this bill, as well as all those who called in support. If you have any other questions, please let us know.

Chair Flores:

At this time, I would like to close out the hearing on Assembly Bill 184 and open it up for public comment.

John Carlo, Private Citizen, Las Vegas, Nevada:

I will need to be stopped because I do not have a timer on me, so go ahead and stop me when you need to do that. I am very frustrated with our Governor's Office. I cannot get them to call me back. I tried to file an ethics complaint; I cannot find their website. But I want mask mandates to be stopped. For immigration, I want federal agencies to impose taxes on these unions that are hiring illegal immigrants that are campaigning for some of you guys—illegal immigrants who are taking American jobs. I have contacted Immigration and Customs Enforcement, the Department of Homeland Security, and the attorney's office. We need to look into this, and you guys need to do a better job. A lot of these services are falling short, such as the Governor's Office—what else is no one talking about?—and the school district, which ranks last place in America. I am trying to talk to federal agencies, and I cannot get through. Our federal money is not going to the right places, guys. I need your help with that. My email, for those of you who have a pen, is jcc37@icloud.com. I want to endorse you; I want to say good things about you guys. You have heard my voice and my email. Please reach out to me about how we are going to improve the Silver State. God bless you guys.

Chair Flores:

If we could please go to the next caller wishing to speak in public comment. [There was no one.] Members, I know we had quite a few questions. I will state, however, that we may have to start moving into a 9 a.m. start time moving forward because we are moving too close to our floor session start time. We will give feedback to the members, just so you know. Tomorrow, we have Assembly Bill 211, presented by Assemblywoman Sandra Jauregui. I mention that so that if you have any questions, you reach out and give yourself an opportunity to familiarize yourself with that bill. With that, this meeting is adjourned [at 11:33 a.m.].

RESPECTFULLY SUBMITTED:

Lindsey Howell
Committee Secretary

APPROVED BY:

Assemblyman Edgar Flores, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a document published by the U.S. Small Business Administration Office of Advocacy titled "2020 Small Business Profile," submitted by Randi Thompson, State Director, National Federation of Independent Business.

[Exhibit D](#) is a mock-up of proposed Amendment 3128 to [Assembly Bill 184](#), dated March 8, 2021, submitted by Kate Marshall, Lieutenant Governor.

[Exhibit E](#) is a letter to the Assembly Committee on Government Affairs, dated March 15, 2021, presented by Kate Marshall, Lieutenant Governor, and signed by various people, in support of [Assembly Bill 184](#).

[Exhibit F](#) is a letter to the Assembly Committee on Government Affairs, dated March 15, 2021, submitted by Jonas Peterson, President and CEO, Las Vegas Global Economic Alliance, in support of [Assembly Bill 184](#).

[Exhibit G](#) is a document with two charts published by the Research and Analysis Division of the Department of Employment, Training and Rehabilitation, submitted by Michael Brown, Executive Director, Office of Economic Development, Office of the Governor.

[Exhibit H](#) is a letter to the Assembly Committee on Government Affairs, dated March 15, 2021, submitted by Terry J. Reynolds, Director, and Marcel Schaerer, Deputy Director, Department of Business and Industry, in support of [Assembly Bill 184](#).

[Exhibit I](#) is a letter to the Assembly Committee on Government Affairs, dated March 10, 2021, submitted by Amber Stidham, Vice President of Government Affairs, Henderson Chamber of Commerce, in support of [Assembly Bill 184](#).

[Exhibit J](#) is a letter to the Assembly Committee on Government Affairs, dated March 15, 2021, submitted by Favor Chikelu, President, African Chamber of Commerce and Tourism, in support of [Assembly Bill 184](#).

[Exhibit K](#) is a letter to the Assembly Committee on Government Affairs, dated March 15, 2021, submitted by Ann Silver, CEO, Reno + Sparks Chamber of Commerce, in support of [Assembly Bill 184](#).

[Exhibit L](#) is a letter to the Assembly Committee on Government Affairs, dated March 11, 2021, submitted by Michael Brown, Executive Director, Office of Economic Development, Office of the Governor, in support of [Assembly Bill 184](#).

[Exhibit M](#) is a letter to the Assembly Committee on Government Affairs, dated March 15, 2021, submitted by Peter Guzman, President, Latin Chamber of Commerce, Las Vegas, Nevada, in support of Assembly Bill 184.

[Exhibit N](#) is a written statement to the Assembly Committee on Government Affairs, dated March 15, 2021, submitted by Randi Thompson, State Director, National Federation of Independent Business, in support of Assembly Bill 184.