# MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON JUDICIARY

# Eighty-First Session April 28, 2021

The Committee on Judiciary was called to order by Chairman Steve Yeager at 8:02 a.m. on Wednesday, April 28, 2021, Online and in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. 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 Steve Yeager, Chairman

Assemblywoman Rochelle T. Nguyen, Vice Chairwoman

Assemblywoman Shannon Bilbray-Axelrod

Assemblywoman Lesley E. Cohen

Assemblywoman Cecelia González

Assemblywoman Alexis Hansen

Assemblywoman Melissa Hardy

Assemblywoman Lisa Krasner

Assemblywoman Elaine Marzola

Assemblyman C.H. Miller

Assemblyman P.K. O'Neill

Assemblyman David Orentlicher

Assemblywoman Shondra Summers-Armstrong

Assemblyman Jim Wheeler

#### **COMMITTEE MEMBERS ABSENT:**

Assemblywoman Heidi Kasama (excused)

# **GUEST LEGISLATORS PRESENT:**

Senator Melanie Scheible, Senate District No. 9 Senator Marilyn Dondero Loop, Senate District No. 8



# **STAFF MEMBERS PRESENT:**

Diane C. Thornton, Committee Policy Analyst Bradley A. Wilkinson, Committee Counsel Bonnie Borda Hoffecker, Committee Manager Karyn Werner, Committee Secretary Melissa Loomis, Committee Assistant

# **OTHERS PRESENT:**

John T. Jones, Jr., Chief Deputy District Attorney, Legislative Liaison, Clark County District Attorney's Office; and representing Nevada District Attorneys Association

Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department

John J. Piro, Chief Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office

Tonja Brown, Private Citizen, Carson City, Nevada

Jim Hoffman, Member, Legislative Committee, Nevada Attorneys for Criminal Justice

Alfredo Alonso, representing National Association of Settlement Purchasers

Jack Kelly, representing National Association of Settlement Purchasers

Alison Brasier, representing Nevada Justice Association

Serena Evans, Policy Specialist, Nevada Coalition to End Domestic and Sexual Violence

Kathryn Robb, Executive Director, CHILD USAdvocacy, Philadelphia, Pennsylvania Misty Grimmer, representing Nevada Resort Association

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber

Doralee Uchel-Martinez, Private Citizen, Reno, Nevada

Annemarie Grant, Private Citizen, Reno, Nevada

#### **Chairman Yeager:**

[Roll was taken. Committee rules and protocol were explained.] We will move to the agenda and take the first bill as listed on the agenda. I will now open the hearing on Senate Bill 166 (1st Reprint). We have Senator Scheible here to present the bill.

**Senate Bill 166 (1st Reprint):** Revises provisions relating to crimes motivated by certain characteristics of the victim. (BDR 15-246)

#### Senator Melanie Scheible, Senate District No. 9:

We are looking at <u>Senate Bill 166 (1st Reprint)</u>. I did not upload a sample verdict form from the Senate hearing to this meeting. The easiest thing now is for me to direct your attention to it on the Nevada Electronic Legislative Information System. When this bill was heard on March 15, 2021, in the Senate Committee on Judiciary, there was an exhibit titled

"Senate Bill 166 Sample Verdict Form, Senator Melanie Scheible." I will reference that in my presentation. I can email it to anyone who needs it.

<u>Senate Bill 166 (1st Reprint)</u> provides technical changes to the statutes regarding crimes motivated by hatred or bias, which are commonly referred to as "hate crimes." Before I explain what the bill does, I want to be very clear about what the bill does not do. It does not change the definition of a hate crime, expand the classes of people protected by our hate crime statutes, or change any penalties for committing a crime motivated by hatred or bias.

What <u>Senate Bill 166 (1st Reprint)</u> does is take two existing statutes related to hate crimes, *Nevada Revised Statutes* (NRS) 207.185, which relates to misdemeanors, and NRS 193.1675, which relates to gross misdemeanors and felonies, and aligns the language between the two.

To illustrate why this is important, I am going to provide a realistic example, for which I have also provided a sample verdict form [Exhibit C]. The example crime is that of battery with a deadly weapon resulting in substantial bodily harm. I appreciate that many members of this Committee are returning members. I know that you have been briefed on criminal law and the elements of criminal statutes, but I want to make sure we are all very clear about what we are talking about. I hope you will forgive me if I repeat something you already know. Ask me questions if I say something you do not understand.

The way the law works in Nevada and most other states is that the crime of battery is a misdemeanor. A battery is defined as an unlawful touching of another person or use of force against them. A battery can be as simple as punching someone. That would be a misdemeanor. Battery can also have other elements to it, such as using a deadly weapon. If I did not punch someone, but I hit them with a baseball bat, that would be battery with the use of a deadly weapon. That makes it a felony crime instead of a misdemeanor crime. It can also be other attendant circumstances, such as substantial bodily harm. You can take what starts out as a misdemeanor crime, a simple battery such as punching someone with your own fist, then you can, for lack of a better term, "elevate it" to a felony by doing it with a deadly weapon. You can elevate it again to battery resulting in substantial bodily harm if, after hitting that person with a baseball bat, they are permanently disfigured, they have prolonged physical pain or suffering, or they have scars or other lasting effects from the attack. These do not have to be done together. It is also possible, and it does happen, that we try cases for a charge like battery with a deadly weapon resulting in substantial bodily harm, and the jury has to decide on all three elements. If they determine that a battery has occurred. they also have to determine whether substantial bodily harm occurred, and whether the use of a deadly weapon occurred. As you can see in the sample verdict form, there are a lot of options for a jury. They might find the defendant, assuming that the defendant is guilty, guilty only of battery. They might find the defendant guilty of battery with substantial bodily harm. They might find the defendant guilty of battery with a deadly weapon, or they might find the defendant guilty of battery with a deadly weapon resulting in substantial bodily harm. Those are four different guilty verdicts that the jury could return.

When we create a verdict form in the state of Nevada, it is important that we do not indicate on the form which crimes are more serious than the others, or which ones result in higher penalties. It is against the law for a prosecutor to argue to the jury that any particular verdict will result in harsher or less harsh penalties. It is up to the judge to sentence anyone who is convicted by a jury. It is only up to the jury to apply the facts of the case to the law and determine which crime was committed. When a jury has the verdict form that includes a misdemeanor battery and three different kinds of felony batteries, the jury is not instructed on the difference between the misdemeanor and the felonies in terms of the punishment or the class of the crime. They are instructed on the difference between the facts that attend to each, but they are not instructed that one type of verdict will result in a harsher penalty than another. Put simply, they are not informed that a simple battery is a misdemeanor and all the other verdicts, other than not guilty, are felonies.

It is important to recognize that, if we are also going to prosecute crimes that are motivated by hatred or bias, it gives us another possible verdict, which is guilty of any of the things that we have previously discussed, motivated by hatred or bias. In our current statute, the problem is that the language to describe a misdemeanor motivated by hatred or bias is different from the language that describes a felony motivated by hatred or bias, which means we cannot simply add verdicts to the verdict form that include hatred or bias because they would be defined differently. You would need to have separate instructions on whether the jury is going to find the defendant guilty of misdemeanor battery motivated by hatred or bias versus battery with substantial bodily harm motivated by hatred or bias, which, in practice, becomes very cumbersome and it does not make a lot of sense.

That is the impetus for changing the bill to begin with: to take the two statutes—one that describes how a misdemeanor can be enhanced to become a gross misdemeanor based on the motivation of the defendant, and one that describes how a felony can be enhanced based on the motivation of the defendant—and bring the two statutes into alignment. A verdict form can read like my sample verdict form, with a lot of options that all stem from the same operative nucleus of facts. They allow for the jury to move cleanly between battery motivated by bias, battery with substantial bodily harm motivated by bias, battery with a deadly weapon motivated by bias, et cetera.

There is a reason for changing the language in both statutes to reflect the misdemeanor statute instead of the felony statute. The reason is that the felony statute currently says the characteristic motivating the crime has to be different between the defendant and the victim. In some cases, we have seen crimes committed against someone in the same racial group who is a member of a different religious group because of their intersectional identity. The crime is clearly motivated by hatred or bias. It is also committed because the victim has a characteristic that is different from the defendant, but also one that is the same. For the victims of these crimes, it can be a deeply personal offense with nuance that is not easily captured in the law.

I hope we can all agree at this point that there are not simply Black people and not Black people, Latinx people and not Latinx people, gay people and not gay people, and Mormon

people and not Mormon people. To require the state to prove that the defendant and the victim have actual or perceived differences and protected characteristics can be deeply upsetting to victims who see themselves as part of the same group as the defendant. This puts the prosecutor, the defense attorney, and the judge in the position of determining whether someone who is Black and someone who is half Black are members of the same racial group or members of different racial groups. This is something I actually had to litigate, but it did not go to trial because it was too upsetting for the victim to litigate. Our statute required proving they are members of different racial groups to prove the crime was motivated by hatred or bias toward a person of a certain racial group when the underlying facts of the crime are clearly about the victim's race. That is section 1 of the bill. That is the thrust of the bill.

Section 2 is another minor cleanup. It adds two more crimes to the list of crimes that are enumerated in the hate crime statute. As I said in the beginning, this does not substantially expand the class of crimes or class of people who are protected by the hate crime statute. These are simply crimes that, as far as I can tell going through the legislative history, were overlooked. One of the statutes is NRS 202.448, which is false threats of terrorism. Currently, threats of terrorism can be charged as a hate crime motivated by bias, but not false threats, and NRS 392.915, which is threating to cause bodily harm or death to a pupil or school employee by means of oral, written, or electronic communication.

Section 3 adds the changes from section 2 to the civil part of the statute.

## Chairman Yeager:

We have a couple of questions for you.

# **Assemblywoman Summers-Armstrong:**

You said there does not have to be a difference in race or groups. You used an example of a crime between two Black people and said it was motivated by the intersectionality. I am concerned that it would be considered a hate crime. There are hundreds of years of history behind what goes on within the Black community. One of those is over-prosecution and the prison pipeline that we see. I am concerned that this adds another element that would be very hard to define. Using your same example, I would also be very concerned that we are now enhancing what could be simple battery. There are so many nuances to the Black experience. We do not need another reason to incarcerate people and add on to an already existing carceral system. Please give me more context because this is very worrisome to me.

#### **Senator Scheible:**

I want to be clear that this approach is victim-centered, and that is where the proposed change in the law comes from. The particular victim in this case was half Black and he was targeted by other Black students because he was half Black. They made racially motivated comments towards him and harassed him. They threatened violence against him because he was "not Black enough." As a white prosecutor, I chose to follow the victim's lead and to ask the victim whether he thought this was a racially motivated crime. The victim was insistent that it was. The victim felt that he had been targeted because of his race. I was in a very

uncomfortable position—which is fine to have white prosecutors uncomfortable—by having a victim who felt that he was targeted because of his race. The only way I could prove he was a victim of a hate crime under the law was to prove the victim was of a different race from the defendant. That did not seem right to me. It was also not right to the victim. It put everyone in a place where the law did not make sense. I will also point out that Nevada is the only state in the entire country that has a clause in its statute on hate-motivated crimes that includes the need to have different characteristics between the victim and the perpetrator. I have not seen a case where having that distinction is valuable in proving the motivation of the perpetrator.

# **Assemblywoman Summers-Armstrong:**

I understand what you are saying, and I know there are other precedents in other states. I am a Black woman who has been teased because I speak in a certain manner, was told I was not Black enough, and had hobbies coming up as a child that may not have been Black enough for some people. This is a very difficult issue within our race. It is very concerning, and I am personally not sure that this is the way. It leaves so much objectivity. We do not know what the victim's background is and what their family story is. We are not a monolithic people.

I am concerned that this could go way south, especially when we are talking about kids and young people who are trying to find their identity and to figure out who they are. They have all kinds of outside pressures. I am not saying that kids should be fighting and teasing one another in this manner, but enhancing what could be a schoolyard argument because people have disagreements is not helping.

We could talk all day about this whole thing; it is so deep. I am very concerned that a 16-year-old kid who calls someone a name on the schoolyard could end up with an enhancement because the other kid happens to be biracial. This needs more nuance to what you have written here in the law. It needs to be extremely cautiously applied when we are talking about minors. Most of this foolishness happens in school. We cannot take 15-year-old kids who tease another—after making this a felony or a gross misdemeanor—and put them in the carceral system because of a beef on the schoolyard. It is very disturbing.

# **Senator Scheible:**

I appreciate your comments. I want to point out that the purpose of this statute is to address hatred-motivated crimes. It is not about the objective or the naked facts of a case. Proving a hate enhancement is difficult and requires a clear showing that the defendant was motivated by hatred or bias, not just that they displayed hatred or bias, but that the victim whom they targeted was targeted because they are members of a protected class. I agree with you that this is incredibly nuanced. That is why I believe it is important that we remove the necessity for a distinction between a victim and a perpetrator. It puts the law and the court in a position of being an arbiter of whether people belong to the same racial group, religious group, or part of the LGBTQ community. I do not think it is the place of a court, judge, or prosecutor to tell people whether they have the same characteristics. Our Legislature has

already decided to pass a hate crime statute. That horse has left the stable. If we are going to prosecute people and enhance the penalties because a crime was motivated by hatred or bias, we should focus on behavior, motivation, and all the facts and circumstances that tell us someone's criminal activity was motivated by the characteristics of the victim and not focus on the complex identities of the people involved.

# **Assemblywoman Cohen:**

Are you saying if two kids, young adults, or adults are fighting and someone uses a racial slur during the fight, that would meet the standard? If through the investigation you find text messages that were racially motivated, what kind of evidence would we look at and how would a prosecutor make that case?

#### **Senator Scheible:**

Let me start by saying that I am probably the only prosecutor in the state who has taken a hate crime to trial. If there are others, I would encourage them to reach out to me because it was very difficult, and I lost. It is not easy to prove an enhancement for motivation by bias or hatred. The types of things we look at would not be one statement made, one slur, or one epithet in the course of criminal conduct. It would probably not even be a single text message or a single Facebook post. It would be things like the crime committed many years ago against some members of the Muslim community who were targeted as they were leaving church. They were beaten within an inch of their lives with a baseball bat. At the time, the individual who committed the crime said that was the reason he had targeted those people. That is the kind of evidence that we utilize to determine whether something is motivated by hatred or bias. It is a difficult bar to clear, and it is up to the jury. Unless we are talking about a type of negotiation, the question of hatred or bias is up to the jury. A jury of 12 has to determine if the evidence is beyond a reasonable doubt, that the motivation for the crime was that person's gender identity, religious affiliation, race, sex, or ethnicity. It also must clear a bar of probable cause before it even gets to the jury trial. I have also had numerous enhancements dismissed before a jury trial when the judge determines there is no probable cause.

#### **Assemblywoman González:**

I do not practice criminal law, so I want to go more into what you were saying. You said it is very difficult to prove an enhancement for a hate crime. How would this bill hurt or advance being able to prosecute a hate crime? I think you went into how difficult it is, so please walk us through that a little more.

# **Senator Scheible:**

This bill does not change the fact that we have a hate crime statute that we are prosecuting. To me—and I know people disagree—this does not make it easier or harder to prove a hate crime enhancement. What this does is eliminate this one particular question that has to be answered, and that question that no longer has to be answered is, Do the victim and the defendant share the characteristic or are they different?

I will give you another example. I had another case where a crime was committed against someone because of his sexual orientation. The defense attorney said to me, "What if my client said he is also gay?" We looked at each other and said that, technically, the law would not apply. Based on the law, I would have to prove that his client was not gay and he committed the crime against the victim because the victim was gay. That did not make sense to me. What we are doing is eliminating that question. That does not make it easier or harder. If I had gone to trial on that case, and we had litigated whether one or both parties were gay, it would have been just as difficult to prove even if that was the case. I do not see the value in doing that.

# Assemblywoman González:

Do you see a lot of these cases in your professional career? Is this something that happens often?

#### **Senator Scheible:**

No. I do not see them often. I have probably seen more of them than most prosecutors because I take them on. I would not say they are common.

### Chairman Yeager:

Do we have any other questions? I do not see any, so we will ask you to hold tight for a moment while we take testimony, then we will come back for concluding remarks. I will open testimony in support of <u>Senate Bill 166 (1st Reprint</u>). Is there anyone who wants to offer testimony in support?

# John T. Jones, Jr., Chief Deputy District Attorney, Legislative Liaison, Clark County District Attorney's Office; and representing Nevada District Attorneys Association:

We are in support of the bill. Essentially, this bill just aligns the definition of hate crimes that are contained in both NRS 193.1675 and NRS 207.185. The reasons for aligning the definitions that were talked about are clear. There were discussions about juveniles and schoolyard fights that were brought out during the questioning. I want to be clear that juvenile courts do not have flat sentences that could be enhanced by hate crimes. However, juvenile courts do have case plans with the youth and their families that are designed to address the issues that brought the child to the juvenile court. The case plans are tied to the charges that brought the child into court, and by acknowledging the delinquent act was motivated by hatred or bias, the juvenile court may take additional steps to address that bias and give the victims the acknowledgment they deserve. We are in support of the bill.

# Chuck Callaway, Police Director, Office of Intergovernmental Services, Las Vegas Metropolitan Police Department:

We are in support of the bill and want the record to reflect that.

# Chairman Yeager:

Are there any others wishing to testify in support? [There was no one.] I will close testimony in support and open testimony in opposition. Is there anyone who would like to testify in opposition?

# John J. Piro, Chief Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office:

I would like to start by acknowledging the problems with hate crimes and the recent uptick in hate crimes. It is a problem, and I would like to thank Senator Scheible for trying to address the problem.

We have a couple of issues. Nevada statutes may be out of line, but they probably need to be rebuilt from the ground up rather than the way it is being rebuilt now. Parts of our existing statutes ignore some of the federal guardrails. Also, some of the penalties in the federal system are less than the penalties we have here. Perhaps we need to reevaluate our statutes from the ground up and take it from there, so that we have more comprehensive statutes.

Part of our concern is the same concern that was brought up by Assemblywoman Summers-Armstrong. We are concerned about two people fighting and using a pejorative term in the middle of the fight and a prosecutor taking that and using it as an opportunity to enhance penalties. That enhancement comes at the charging phase. Charging a steeper penalty should not be used as a negotiation tool, but sometimes it is. More so, prosecutors should not be able to get out of proving certain aspects of an enhancement. When you charge a crime that has the enhancement of a victim over 60, you have to prove that the victim is over 60. If we are going to charge a hate crime, you have to prove that the conduct was motivated by the hate. The attack on this person would not have happened but for that differing characteristic. I am looking at Assemblyman Orentlicher because he is at the same law school that I go to, which is one of the top writing programs. A word we use when writing our exams is the word "because." The attack happened "because." It would not have happened if the person was of a differing characteristic. Those are things that are important.

It may be time for a change, but I think we should start from the ground up, run it through the Nevada Sentencing Commission within the Department of Sentencing Policy, and come to a point where we can all figure out how we align with everyone else in the United States and the feds, including penalties and how we do this, so all people in our community are protected in a way that makes sense and it is not abused by some prosecutors. I am not saying Senator Scheible is the type of prosecutor to abuse something like this, but there are prosecutors in this state that I can see charging this to harm a member of a community because a pejorative term was used, and not because the attack happened because of that characteristic.

# Tonja Brown, Private Citizen, Carson City, Nevada:

I am an advocate for the inmates and the innocent. I oppose this bill. We believe this bill should start from the ground up.

Jim Hoffman, Member, Legislative Committee, Nevada Attorneys for Criminal Justice: The Nevada Attorneys for Criminal Justice opposes Senate Bill 166 (1st Reprint). We agree with the concerns raised by Assemblywomen Summers-Armstrong and Cohen, and with Mr. Piro. In addition, while we appreciate Senator Scheible's intent to keep the definitions of hate crime the same, we do not believe the bill, as drafted, accomplishes that.

Section 1 of the bill changes the causal standard for what constitutes a hate crime. Under existing law, a hate crime is a crime "because of" a protected characteristic such as race. The bill changes this language to "by reason of" a protected characteristic. "Because of" is a legal term of art which has been well defined through case law. "Because of" is also used in the federal statute 18 United States Code § 249. It means that the characteristic must be a "but for" cause of the crime. "But for" the person's race, they would not have been attacked. This is an unambiguous legal definition that tracks with the commonsense understanding of what a hate crime is and keeps Nevada aligned with the federal statute.

By contrast, "by reason of" is unclear and not well defined. It would require a lot of litigation to determine what is actually covered. The implication, to my understanding, is that it is a much lower and more attenuated standard of causation because people can have lots of reasons that play a small part of what they do, and any of those would be grounds for prosecution under the bill. To illustrate the difference, think about a thief whose modus operandi is to grab people's purses off their shoulders. Their overwhelming motivation is just to steal money, and purses are a much easier target to grab and run away with as opposed to wallets that are tucked away in someone's pocket. This person targets mainly women because it is mainly women who carry purses. It is not because they are a misogynist who hates women, it is about purses being easier to grab. This is not something we would consider a hate crime, and, under federal statute and Nevada's current statute, it could not be charged as a hate crime. Under the new definition in the bill, it could be charged as a hate crime because gender is behind which people carry purses, and so it qualifies under the new standard in the bill.

The bill, as currently drafted, would make it so that every purse snatcher could be charged with a hate crime. That is just one example, and there are lots of other scenarios, such as the schoolyard fight that was mentioned, where the lower standard would dramatically expand criminal liability. We do not believe this reflects the commonsense understanding of hate crimes, and we do not believe this is good public policy.

Ultimately, we do not believe the bill, as currently drafted, does a good job of preventing or punishing hate crimes. It would just introduce a lot of complexities, extra litigation, and ultimately result in people being prosecuted for hate crimes who should not be, so we oppose it.

#### Chairman Yeager:

Is there anyone else in opposition? [There was no one.] I will close opposition testimony and open neutral testimony. Is there anyone who would like to testify in the neutral position?

[There was no one.] I will close neutral testimony and invite Senator Scheible back for concluding remarks on Senate Bill 166 (1st Reprint).

#### **Senator Scheible:**

I want to make a couple of closing comments. The first is that I would be happy to rebuild the statute from the ground up if that is something that Nevadans want and Nevadans feel they need. I would be happy to sit at the table and redraft the entire statute about crimes motivated by hatred. I did not do that before today's hearing. What I did was make a small change to align two statutes with each other.

I think the Nevada Attorneys for Criminal Justice called in with an interesting concern regarding the use of the term "by reason of" instead of "because of." That language simply comes from the *Nevada Revised Statutes*. I have researched the history of both of these statutes quite thoroughly to determine why they were different to begin with, but I cannot find any reason. That is a long way of saying that I would be happy to amend the bill to utilize the term "because of" instead of "by reason of." It is not a term that I have ever litigated, but if that is important to people who practice in this area, and if that is important to people who are affected by this bill, I am happy to make that adjustment to the bill.

I want to be very clear of the purpose, which is to bring the statutes into alignment. Whether you are being charged with a misdemeanor, a gross misdemeanor, or a felony, the elements that have to be met to prove an enhancement for motivation by hatred or bias are exactly that, enhancements that are motivated by hatred or bias. It is not about proving anyone's identity. It is about proving the crime was committed because of someone else's identity. I am happy to further discuss this with any member of the Committee or anyone who testified and make those amendments to the bill. I hope we can get to a consensus.

# Chairman Yeager:

I will close the hearing on <u>Senate Bill 166 (1st Reprint)</u>. Senator Scheible, please stay at the table and we will take your next bill. We will go to the third bill listed on the agenda. I will now open the hearing on <u>Senate Bill 332 (1st Reprint)</u>.

**Senate Bill 332 (1st Reprint):** Revises provisions relating to structured settlements. (BDR 3-960)

# Senator Melanie Scheible, Senate District No. 9:

This is a bill about structured settlements, which I learned about in order to bring this bill forward. Mr. Alonso will walk you through the bill, and he can provide more detail and clarity on the policy. I will first give you a broad overview.

A structured settlement occurs in a civil case where one person has sued another and they have won a judgment against them. For example, if I am the person who has won a structured settlement, I may have been awarded \$50,000, but the structure of the settlement is to award me \$10,000 a year for five years. There are three companies in Nevada that purchase these structured settlements to provide the recipient of the settlement with more

money sooner. If I am looking at \$10,000 a year for five years, a company may offer me \$20,000 this year in order to buy the settlement from me. They profit the additional \$30,000, but I get the \$20,000 today instead of having to wait another year.

As you can probably imagine, my mind went to unscrupulous actors who want to exploit people in need of additional funds sooner. The purpose of this bill is to avoid that. We do not know if that is happening in Nevada, but we also do not require any type of registration for these companies that buy structured settlements. Senate Bill 332 (1st Reprint) requires these companies to register with the Department of Business and Industry, so we are aware of their practice in Nevada. It allows us to build a framework moving forward to ensure Nevadans are not being preyed upon by bad actors who may come out of the woodwork in the future.

# Alfredo Alonso, representing National Association of Settlement Purchasers:

We have Jack Kelly, who is counsel for the National Association of Settlement Purchasers, and J. Brian Dear, who is the Executive Director of the Association, here with us. They will walk you through the bill. Unfortunately for me, if I studied for the next ten years, I do not think I would understand structured settlements as well as Mr. Kelly. I will turn it over to him. I want to start with the fact that this is a complicated area. Mr. Kelly can answer many of your questions. The language is model language the National Council of Insurance Legislators (NCOIL) put together. They do that on a regular basis to keep the language throughout the country the same. What you have before you is their model act.

## **Jack Kelly, representing National Association of Settlement Purchasers:**

I am going to give you a brief background on structured settlements so you will have an underlying history of it. In the late 1970s, while I was a staff member of the House Ways and Means Committee in Congress, we established a law that allowed for the creation of a structured settlement on a tax-free basis for the purpose of addressing long-term care for individuals who were in the need of it, specifically the formaldehyde babies.

As the years went on, in the 1980s and 1990s, the structured settlement system—which Congress had intended for long-term care situations—came to be used for different purposes. They were used to settle issues as simple as a slip and fall. They were used to arrange care and to provide monies for a child during his minority years who had lost his parents, which was a valid use for which the law was written. Because it had changed and was being used for other purposes, in the 1990s, a cottage industry emerged where individuals and companies offered to buy portions of structured settlements that were not needed nor being used by individuals. If you had a 30-year-old child who received \$30,000 a year for his care who wanted to get a graduate degree, go to vocational school, or buy a business, and does not need the money for care any longer, he may want to sell a portion of the settlement to one of these companies.

As a result, Congress examined this issue and determined that it had merit and that there were legitimate reasons why people might want to sell a portion of their structured settlements in the future. They had one requirement to do it, however. In 2002, when

Congress created the September 11th Victim Compensation Fund—it was a very large structured settlement for the people and families who were horrifically affected by 9/11 loss—they also created a structured settlement and included language in that legislation to address the other types of structured settlements. What it basically said was that Congress will allow you to transfer one of these structured settlements, provided you go to a court of general jurisdiction and a judge reviews the case and determines that it is in the individual's best interest to make the transfer of the payment, but they must also consider the health and welfare of their dependents.

Shortly after that, a law was enacted. Nevada, being a cutting-edge state at that point, adopted what it viewed to be the transfer system you have today. In 2004, the National Council of Insurance Legislators met and adopted a uniform act, a model act that is used across the United States. Since that time, Nevada's law has not been adjusted to address the NCOIL changes. Before you today is legislation that would bring the law up to the NCOIL model and includes two additional updates that were adopted by Louisiana and Georgia. Those changes provide for robust consumer disclosures of the effective annual rate. It precludes foreign shopping, which is very important for consumer protection. An individual in Henderson could not go to Reno and seek a transfer order there. They would have to go to the county in which they live to seek a local judge's review, so he is aware of the individual who is before his court.

It also requires registration of the company. This is very important. Right now, Nevada does not know who is doing these transactions in its state; only the courts are aware of them. If someone has a complaint, if there is a bad apple, there is no registration to be found.

This registration would require that a bond be filed. It requires review of the financial suitability of the enterprise. These are critical to protect the citizens of Nevada. It also impedes bad behavior by untoward actors and bad apples who come to Nevada to "poach." They go to a courthouse to look at records of cases that were filed. They get the names of individuals who are seeking a transfer or purchase of the structured settlement, call them, and fraudulently claim to be the company they are dealing with. They tell them not to show up to the courthouse, that they are moving their case to another month. They say they are going to send them \$250, and they will refile the case so that it will be structured better. They abuse that person. Under these provisions, that behavior will be eliminated. Nevada will be one of the front four or five states that will have initiated this.

This is important, but it also has bright-line disclosures that say a consumer needs to seek advice in doing this transaction, so they know what they are getting into. This is a good law. This law is a protection act. People in Nevada need the right to have this done just as the federal law allows, while at the same time being protected.

I am joined by my colleague Brian Dear, who is the Executive Director of the National Association of Settlement Purchasers. He is also an attorney in Texas who performs and represents individuals in such transfers. He is intimately familiar with structured settlements. This is a civil procedure law that protects citizens.

### **Assemblywoman Cohen:**

I think this bill is important, and I appreciate the disclosure section. Section 30, subsection 4, talks about child support and ensuring the public agency enforcing the order is notified. I want to point out that sometimes orders are not enforced by an agency. Is there a way we can address that and say that if it is owed, there is notification? Maybe it is in there somewhere else.

# Jack Kelly:

The order that is submitted under oath needs to be submitted by counsel and states that there are no obligations or orders regarding it. Federal law requires the court to review the health and welfare of the dependents, not just if there is child support owed, but also if the child support is more necessary and if the sale could impede it. If the order does not include those two findings, it would be a violation of the federal statute, and there would be an imposition of a 40 percent excise tax on the company that purchases it. The company would not place itself at such risk. Their due diligence on that is extremely significant in ensuring child support is adhered to.

# **Assemblywoman Cohen:**

You mentioned the company's due diligence, so are you saying that goes beyond just asking the client if they owe any child support?

# Jack Kelly:

Yes, it is required. There is an extensive search done by the company purchasing the structured settlement to ensure there are no outstanding orders. That is why Congress did it that way. In corporate America, the greatest risk is the penalty of tax. That is why we call them "excise taxes." Something I learned at Ways and Means was if you want to curb an industry's bad behavior, put an excise tax on it. If the company would lose 40 percent of this transaction by having to pay such a tax, the transaction would be financially upside down and it would lose money. No company would ever dream of taking that risk; it is just too great.

#### **Assemblywoman Cohen:**

Mr. Alonso and I discussed section 38, subsection 1, yesterday, and I believe he contacted you as well, Mr. Kelly. It is the part about the court making a finding that the transfer is in the best interest of the payee. That sounds so paternalistic to me. We have a right to make bad contracts if they are not unconscionable. I understand that you said this was based on federal law, but why is this different from any other bad contract that I have a right to make?

# Jack Kelly:

It is interesting that you raise that. When I worked on this legislation—once in my lifetime I worked in family court—I was very cognizant of the different standards that courts would look at, particularly in "preponderance" or "clear and concise." Congress used the best-interest standard for that exact reason. Over time, the courts have held that these are the assets of an individual. The person owns this asset, and they have the right to do with this asset as they wish, but, by Congress putting the health and welfare standard in for the dependents, they were saying they wanted to ensure that the person could not willy-nilly

throw it away if it would damage their dependents. That is why it was set up as best interest and not as a preponderance or a clear and concise.

# **Assemblywoman Cohen:**

I am still somewhat confused. I could have a business that is going gang busters, but I decide I am not worried about feeding my family, so I sell my business for \$50, and we live off the land. There is nothing the court can do about that. The language itself says "the best interest of the payee," but then it says, "The transfer is in the best interest of the payee, taking into account the welfare and support of the payee's dependents." It is still talking about the payee.

# Jack Kelly:

I agree with what you are saying in a sense, but you need to understand that structured settlements are not a traditional contract in that it is between two parties. It is a doctrine that is established under tax law because the creation of this transaction is a structured settlement which allows for the tax-free buildup of the assets and the annuity associated with it, unlike a traditional transfer between two people.

You asked why Congress gets involved with this. The structured settlement creation itself is an underlying tax transaction. The reason Congress created that transaction—the public policy—was to provide for the long-term care of people. Then it began to be used for other purposes. That is when Congress allowed for this transaction. What they were saying about the best interest was to make sure that this is not a formaldehyde baby case. This is not an individual who has to have long-term care for medical treatment. They recognized just what you are saying.

I have rarely seen courts of general jurisdiction choose to look at individuals and say they do not think they should spend their money this way. They will only look at it if the person says they need an iron lung but cannot afford it if they get rid of this money. That is the purpose of the best-interest standard. You cannot have another standard other than that. It is already in existing Nevada law.

#### **Assemblywoman Cohen:**

I am still finding it somewhat vague, and I am concerned that you could have an overzealous judge who says they do not like the product and is not going to sign off on it. I hope we can come up with something that is closer to what you are saying.

# Jack Kelly:

I understand, but the challenge is that it will violate federal requirements if we deviate from that. The problem is the Internal Revenue Code, 26 United States Code § 5891. It requires that exact statutory language. That language, out of the entire bill, is the only part that statutorily must be adhered to. It cannot be deviated from without changing the federal law. Fifty states in the United States have this exact same language and have had it since 2003, including Nevada.

# **Assemblywoman Cohen:**

Again, I think you can have that language and still be more clarifying in what it means and does not mean. I will talk to our counsel about that.

# **Assemblywoman Summers-Armstrong:**

My question is about the bonding. I see that it is \$50,000 for the bonding and the surety. Why not \$1 million, which is often seen in contracts? It seems low and opens the door for moderately bad players. It does not exclude them from participating in this.

# Jack Kelly:

In the case of a \$1 million bond, that would be when the bond would be used to cover loses that an individual may have. That is traditionally how bonds are used by a state agency. In this case, the reasoning is to preclude bad apples because they cannot get bonds. Once a person's money is transferred, the annuity is purchased, and they receive their money from the structured settlement purchaser right after the courthouse transaction—the recipient is whole; they have all their money and there is no harm, no foul. They do not have to turn to a state agency in the future to say they were misled and did not get the money they were promised. The bonding company needs to pay the money out of the bond. That does not happen, because the money is transferred through a court order and must be done. When the states adopted this, the \$50,000 was intended so that bad apples would not spend the money to get a bond. In many cases, bad apples cannot get a bond. Also, they are not able to get the financial accrual that they would have to demonstrate. It has proven to be enough of a barrier that two people and a cell phone in the back of a car do not even try to do business. They say they do not want the courts and the state to know who they are. That is how it has been successful.

# **Assemblywoman Summers-Armstrong:**

Does this open the door for insurance companies to participate in this business, or is this going to be separate? We have seen insurance companies get into all different lines of business, which has been concerning over the years.

#### Jack Kelly:

It would be difficult for them to do it under the tax code because they create the structured settlements. They would then violate the doctrine of constructive receipt and other issues. They could be viewed as damaging their tax structure, and they would avoid doing that. The insurance companies were supportive of getting this law passed so they would not be misconstrued as being in the business.

#### Chairman Yeager:

Do we have further questions from Committee members? [There were none.] I am going to ask one because we are in Nevada, and I am obligated to ask this question. When we think about structured settlements, what comes to mind—and I understand the bill applies to settlements related to tort or workers' compensation—is that we have slot machines that pay out jackpots, such as Megabucks. When you look at the front of the machine, it says that, if you win this jackpot, you are going to get an annual payment over the course of 20 years.

I assume this type of concept does not apply because it is not a tax transaction that is set up by Congress. It is something separate that our casino properties might choose to do, so they do not have to pay out a giant lump sum at the winning of a jackpot. Can you please confirm that those are apples and oranges, which is why we have what we have in Senate Bill 332 (1st Reprint)?

# Jack Kelly:

This only applies to settlements created under 5891 of the Internal Revenue Code, or section 130, that originally created structured settlements for tort actions. It does not apply to gaming winnings or lotteries or anything like that.

# Chairman Yeager:

This is the last call for questions. I do not see any further questions currently. We will take some testimony on the bill if there is any, and then we will come back for concluding remarks. I will open it up for testimony in support of the bill. Is there anyone who would like to testify in support of Senate Bill 332 (1st Reprint)? I do not see anyone, so I will close support testimony. I will open opposition testimony. Is there anyone who would like to testify in opposition? [There was no one.] I will close opposition testimony and open neutral testimony. Is there anyone who would like to testify? [There was no one.] I will close neutral testimony. We will go to concluding remarks on Senate Bill 332 (1st Reprint).

#### Alfredo Alonso:

I just want to thank Senator Scheible for bringing this bill forward. If you have any questions, I would be glad to answer them.

#### Jack Kelly:

It is a good bill that will protect the people of Nevada. It is wanted and needed.

# Chairman Yeager:

I will close the hearing on <u>Senate Bill 332 (1st Reprint)</u>. That takes us to the second bill as listed on the agenda. I will now open the hearing on <u>Senate Bill 203 (1st Reprint)</u>. We have Senator Dondero Loop joining us. I will let Committee members and the public know that there is an amendment posted on the Nevada Electronic Legislative Information System, so please look at it [<u>Exhibit D</u>].

**Senate Bill 203 (1st Reprint):** Revises provisions relating to civil actions involving certain sexual offenses. (BDR 2-577)

# Senator Marilyn Dondero Loop, Senate District No. 8:

With me today is Alison Brasier, an attorney in Las Vegas. I am pleased to present Senate Bill 203 (1st Reprint) for your consideration. I have a little background information on this bill before I turn it over.

The actual number of child victims of sexual abuse is unknown because so many do not report their abuse. In addition, many adult survivors of child sexual abuse never disclose

their abuse to anyone either. We all remember the news stories about the United States women's gymnastics team doctor who abused the children in his care for many years. At his trial, former gymnasts, many in their thirties, reported the abuse 20 years or more after it occurred. Child sexual abuse and exploitation is a crime that is preserved in silence and in secrecy. Child victims often do not discover the relationship of their psychological injuries to the abuse until well into adulthood, usually during psychological counseling or therapy. They may not even discover that there was such an abuse until they undergo such therapies. This delay often protects the abusers and those who aided them from facing full accountability for their actions.

According to the National Center for Victims of Crime, nearly every state has a basic suspension of the statute of limitations for civil actions while a person is a minor. Many states have also adopted additional extensions specifically for cases involving sexual abuse of children. Extensions for filing civil actions for child sexual abuse are most often based upon the discovery rule. By the time the victim discovers the sexual abuse or the relationship of the conduct of the injuries, the ordinary time limitation may have expired.

As I noted before, this delayed discovery may be due to emotional and psychological trauma and is often accompanied by repression of the memory of abuse. Many states have extended their statutes of limitation for civil actions involving these cases, and some states have removed this limitation entirely.

I would like to turn the presentation over to Ms. Brasier, and she will walk you through the bill.

#### Alison Brasier, representing Nevada Justice Association:

Before I get into the bill, I want to talk about the intent of the bill. The intent of the bill is a way to stop human trafficking and sex abuse and exploitation of children in Nevada. This bill deals specifically with victims who are under the age of 18.

To give you an idea of the scope of the problem—as far as we know and has been reported, which we know is underreported—according to the National Human Trafficking Hotline, between 2007 and 2016, there were 1,500 calls of suspected human trafficking in Nevada alone. That is an average of a little more than three calls per week for nine years, just in Nevada. Of the cases that were opened based on those calls, there were almost 500 cases opened in Las Vegas, which puts us at No. 6 in the nation. There were 51 cases opened in Reno, which puts them at No. 64 in the nation. Clearly, having one case opened per week over the course of nine years shows that we have a big problem in Nevada, and we hope this bill will address that problem and reduce these numbers.

We know the origin of the problems involving child sex trafficking abuse are the pimps, the abusers, and the traffickers, but we also know those people do not work alone. They rely on businesses that turn a blind eye and allow this type of abuse to occur on their property.

The intent of this bill is to financially punish those bad actors, businesses, and other coconspirators who turn a blind eye and allow crimes against children to occur on their property or with their knowledge. With that, I will walk you through some of the highlights of the bill.

Section 2 of the bill creates financial liability for persons or businesses that knowingly benefit from activities which they know or should have known were aiding and facilitating sexual abuse or exploitation of children. To be clear and for the record, the language we have in section 2, subsection 2, that I was just referencing, mirrors exactly the language from the federal Trafficking Victims Protection Act, so this is nothing new. We are taking what already exists in federal law and codifying it here in Nevada.

Subsection 4 of section 2, which is addressed in the amendment [Exhibit D], attempts to create some parameters and definitions around what is meant by the term "financial benefit." For that purpose, it defines it as, "a hotel, motel or other establishment with more than 175 rooms . . . ." Merely renting a room is not enough to meet this financial benefit requirement. There was not a magic formula or equation that we used to get to the 175-room benchmark, but we worked from conversations with gaming and the Vegas Chamber about how we could create something that is practical and equitable that would apply to small motels that might have 10 or 20 rooms, but would also apply to big Strip properties that might have thousands of rooms and employees. In working with them, we came up with the 175-room benchmark, which we felt was appropriate at this point just because the level of knowledge and participation is going to vary because of the size of the establishment. We hope it is clear by the language of the bill and in the testimony that we have provided that the intent of the bill is not to open the floodgate to lawsuits and to create an unlimited liability for businesses.

Section 2 of the bill outlines very specific circumstances and requirements that must be met. The victim would have to show that the business was turning a blind eye and letting the abuse occur before the financial liability would be imposed.

The other part I want to go through quickly is section 1 of the bill. That is also addressed in the amendment. Subsection 2—actually all of section 1 and the amendment—was to clean up some language around the timing of these suits. Subsection 2 of section 1 will allow victims to bring suit any time after the abuse occurred, so they would not have to wait until they are 18 and could bring it at any point in time after the abuse occurred. Subsection 3 of section 1 establishes a clear 20-year statute of limitation after the victim turns 18. The original intent of the bill and the original drafting of the bill completely eliminated the statute of limitation. That was our goal, but after hearing concerns from various stakeholders about some of the uncertainty and the burden they felt would be imposed upon businesses, we reached a compromise position of 20 years for the statute of limitations.

Those are essentially the highlights of the bill. The intent of this bill is to protect children in Nevada, and it targets pimps, abusers, and other bad actors who turn a blind eye, facilitate, and aid and abet sexual abuse and exploitation of children in Nevada. This bill, by creating a

financial liability to those people and those businesses, will help us put bad actors out of business and, hopefully, have an impact on human trafficking and sex abuse of children.

# **Assemblyman Orentlicher:**

I am curious about the connection between knowing about the abuse that is going on and the size of your establishment. Section 3 requires that the proprietor know or should know what is going on. That does not seem related to whether there are 150 rooms or 200 rooms. If the large proprietor knows what is going on, why do we give them an exemption?

#### **Alison Brasier:**

There is not an exemption. What subsection 4 does is say that merely renting a room is not enough to show there was knowledge or that you were getting some type of benefit. There is probably no magic number for establishing the number of rooms as a benchmark, but some of the concerns expressed by gaming and some of the other stakeholders was that, if you have a property that has thousands of employees, at what point does the knowledge get imputed to the business owner. We believe that for truck stops, small motels, and other smaller establishments where there may be only a small handful of employees and 10 or 20 rooms, it would be impossible not to know what is happening. There is a difference between those types of establishments and bigger Strip properties where they might have thousands of employees.

There is no exemption created for the larger establishments. It is just that it is a higher standard to prove cases against them.

# **Assemblyman Orentlicher:**

I am not sure I follow that. Say someone has a 200-room establishment and they know what is going on, but you cannot go after them because they benefited from the room. What benefit do you have to show for them if you cannot show that they benefited by renting the room?

#### **Alison Brasier:**

I guess there would be different permeations of it. If there were kickbacks being paid or cash that was being paid on top of the rent, something above just merely renting the room, you would have to be able to show it.

The scenarios I am thinking of are when someone gives an employee cash for a room being rented or johns who may be let up into a room throughout the day—something that is above and beyond the room rental. It could be tips or a bribe that is given above and beyond the room rental.

#### **Assemblywoman Krasner:**

I love the bill. For a little bit of background, my first session in 2017, I brought <u>Assembly Bill 145 of the 79th Session</u> with then-Assemblywoman Irene Bustamante Adams. That created the current law for child victims of sexual abuse, giving them 20 years from the time they turn 18. This is such an important issue, and so many child victims do not ever tell

anyone, especially the example you gave about the U.S.A. girls' gymnastics team. I would ask you to accept me as a cosponsor.

# **Senator Dondero Loop:**

We would be happy to have you as a cosponsor.

# **Assemblywoman Hansen:**

I share the same concerns, and I appreciate the bill. I have the same issues that my colleague has. I do not understand the bill. I understand for you to get this bill to go forward, you probably need to go to a room limit, with the resorts having a carve-out. For me, when we talk about sex trafficking, I am sure you have the research to show that it occurs in all kinds of venues, high-end and low-end. The higher-end establishments have video cameras and surveillance that the smaller motels with lower numbers of rooms do not. I am not comfortable that we are carving out the bigger players that may not be knowingly involved, but it is still going on. I know there are a lot of employees and a lot of things that go on that management might not know about.

#### **Alison Brasier:**

The original draft of the bill did not have any type of threshold for rooms. You are correct. It is a compromise amendment to alleviate or address some concerns that were expressed regarding the original bill.

# Chairman Yeager:

Do we have additional questions? I do not see any more. Sit tight and we will take some testimony and then come back for concluding remarks. I will open it for testimony in support of Senate Bill 203 (1st Reprint). Is there anyone who would like to testify in support?

# Serena Evans, Policy Specialist, Nevada Coalition to End Domestic and Sexual Violence:

We are in support of this bill.

# Kathryn Robb, Executive Director, CHILD USAdvocacy, Philadelphia, Pennsylvania:

I am a survivor of child sexual abuse. At CHILD USAdvocacy, we work on child protection legislation all over the country. There is clearly a national trend by lawmakers in responding to the epidemic of child sexual abuse. The data sadly shows that 1 in 5 girls and 1 in 13 boys will be sexually assaulted before their eighteenth birthday. That is 13.5 percent of all children. Thanks to the science of traumatology, we also know the average age of victims who disclose this abuse is age 52. I was in my mid-forties.

Since 2002, 38 states, the federal government, and the District of Columbia have extended their statute of limitations for child sexual abuse, and 22 jurisdictions have revived their civil statute of limitations. Thirteen jurisdictions have completely eliminated the statute of limitations for child sexual abuse. This year, 30 states have already introduced statute of

limitations reform bills, of which 17 are revivals. This Monday, Arkansas passed a two-year window and an extension to age 55. The national trend is clear, and the sky has not fallen.

Some will cry that the courts will be flooded. The courts have not been flooded. Some will also cry that we do not do this for other torts. These are not car crashes or slip and fall cases. We are talking about the rape and sexual assault of children. These are very different civil wrongs that silence their victims. Some will also cry that institutions will go bankrupt. Bankruptcies and Chapter 11 are voluntary. They serve the wrongdoer. It is a new day for them, but not for the victims. Victims become a number on a spreadsheet, their voices lost, and the wrongs of others are kept secret as there is no discovery. Finally, some will cry that it is not fair. What about due process? As an attorney and as an American, I believe in due process, but constitutional rights are not absolute. The safety and common good often outweigh due process. Moreover, there are safeguards, rules of civil procedure, and rules of evidence that remain in place. Plaintiffs must still prove their cases. Again, these are not car crashes and not slip and fall cases. We are talking about the rape of children. Public policy demands a different response for a very different, horrific, and repeated wrong to children.

I hope Nevada can follow the national trend to protect children and to hold those who harm children accountable. I am happy to offer more testimony on delayed disclosure or the science of traumatology or what is going on across the country legally [Exhibit E].

# Chairman Yeager:

Are there additional testifiers? [There were none.] I will close support testimony and open it for testimony in opposition. Is there anyone who wants to testify in opposition? [There was no one.] I will close opposition testimony and open testimony in the neutral position.

# Misty Grimmer, representing Nevada Resort Association:

We are neutral on the bill. This bill is one of those that has taken a lot of compromise and a lot of conversation to come to a good piece of legislation on such an important issue.

I want to put on record that the Nevada Resort Association has a monthly working group for the properties to come together and address the issue of human trafficking, what we can do to prevent it, and the types of training our employees can get so they recognize it in case it ever happens to land in our properties. However, in our conversations with the sponsors, they have told us that they do not think this is happening in our properties. It is happening in less desirable places.

We are in neutral and appreciate the work the sponsors and the advocates have done on this bill.

#### **Assemblywoman Summers-Armstrong:**

Can you confirm whether the training the staff gets is across all the major hotel chains? Is it consistent? Is it a standard prescribed training? Does that training include a requirement to report anything, and if so, what is that like?

### **Misty Grimmer:**

I can get back to the Committee with a lot more details. It is a statewide and multiple properties working group that comes together to come up with the best practices. At this moment, I do not have specific details, but I will get them to the Committee.

# Chairman Yeager:

Is there anyone else who is in the neutral position?

# Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:

The Vegas Chamber originally had concerns with <u>Senate Bill 203 (1st Reprint)</u> as introduced because of the overall broadness of the language of the bill and the potential impact it could have on employers and landlords. We made a commitment to work with the proponents of the bill to find an equitable solution.

I would like to thank the bill's sponsor and the proponents of the bill for working with members of the business community to address our concerns while maintaining the intents of the bill through the amendment process. I believe we have now attained that goal, and the Chamber is now neutral on Senate Bill 203 (1st Reprint).

# Chairman Yeager:

Are there additional testifiers in the neutral position? [There were none.] I will close neutral testimony and invite Senator Dondero Loop to make any concluding remarks.

# **Senator Dondero Loop:**

The change in our statutes is long overdue. The survivors of child sex abuse and exploitation deserve a civil forum to pursue their abusers and those who benefit from the abuse or exploitation. The treble damages in the bill are intended to be punitive as a deterrent to those who aid and abet or turn a blind eye to the abuse or exploitation. I urge your support of the bill.

# Chairman Yeager:

I will close the hearing on <u>Senate Bill 203 (1st Reprint)</u>. That takes us to our last item on the agenda. I will open public comment. Public comment is a time to raise matters of a general nature within the jurisdiction of this Committee.

# Doralee Uchel-Martinez, Private Citizen, Reno, Nevada:

I am in support of <u>Senate Bill 203 (1st Reprint)</u>, but I was in a noisy place. Today is International Guide Dog Day.

# Annemarie Grant, Private Citizen, Quincy, Massachusetts:

Today I would like to talk about two people who died on this date; they were killed by police in Nevada. Jose Luis Dominguez was 47 years old when he was shot and killed by Sparks Police officers Ryan Patterson, Casey Foster, and Scott Bader two years ago today. And District Attorney Chris Hicks did not release his usual justification of the shooting until August 21, 2020. Those who knew Jose loved him and were blessed with his generous spirit.

He loved deeply, and family was of the utmost importance to him. He enjoyed cooking, working around his home, playing horseshoes, and watching his 49ers and Giants play. The Washoe County Sheriff's Office took the lead on the independent investigation. They are the same agency, along with the Reno Police Department, who asphyxiated my mentally ill brother while in crisis. Police investigating police is not transparency and accountability.

Fifteen years ago today, 36-year-old Aaron Jones was killed by Las Vegas Metropolitan Police Department officers. After being confronted by Las Vegas officers near Sahara Avenue and Durango Drive, he allegedly tried to ram a police car and started driving toward the officers. Officers shot Aaron Jones. At the coroner's inquest, questions were raised about whether the officers were truly in danger when they fired their weapons.

We have given the police armored vehicles, hollow point bullets, rubber bullets, CS gas, helicopters, stab vests, tactical robots, de-escalation training, and crisis intervention training, and they are still killing community members. Please support bills that promote transparency and accountability. If law enforcement opposes a bill, I ask that you support it.

# Chairman Yeager:

Is there anyone else for public comment? [There was no one.] I will close public comment. We have two bills tomorrow at 9 o'clock. We do not have a meeting scheduled for Friday. I will give you an update tomorrow on what next week will look like. This meeting is adjourned [at 9:50 a.m.].

	RESPECTFULLY SUBMITTED:
	Kalin Ingstad
	Committee Secretary
APPROVED BY:	
Assemblyman Steve Yeager, Chairman	
DATE:	

#### **EXHIBITS**

Exhibit A is the Agenda.

Exhibit B is the Attendance Roster.

<u>Exhibit C</u> is a document regarding a sample verdict form submitted by Senator Melanie Scheible, Senate District No. 9.

Exhibit D is a proposed amendment to Senate Bill 203 (1st Reprint), dated April 26, 2021, submitted and presented by Alison Brasier, representing Nevada Justice Association.

Exhibit E is a letter dated April 27, 2021, submitted by Marci Hamilton, Founder and Chief Executive Officer, CHILD USA, and Professor, University of Pennsylvania, and Kathryn Robb, Executive Director, CHILD USAdvocacy, Philadelphia, Pennsylvania, in support of Senate Bill 203 (1st Reprint).