

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON REVENUE**

**Eighty-First Session
April 29, 2021**

The Committee on Revenue was called to order by Chair Lesley E. Cohen at 4:10 p.m. on Thursday, April 29, 2021, Online and in Room 4100 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:

Assemblywoman Lesley E. Cohen, Chair
Assemblywoman Teresa Benitez-Thompson, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Shannon Bilbray-Axelrod
Assemblywoman Venicia Considine
Assemblyman Gregory T. Hafen II
Assemblywoman Heidi Kasama
Assemblyman C.H. Miller
Assemblyman P.K. O'Neill
Assemblyman David Orentlicher
Assemblyman Tom Roberts
Assemblyman Steve Yeager

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblywoman Rochelle T. Nguyen, Assembly District No. 10

STAFF MEMBERS PRESENT:

Russell Guindon, Principal Deputy Fiscal Analyst
Michael Nakamoto, Deputy Fiscal Analyst
Joe Reel, Deputy Fiscal Analyst
Terri McBride, Committee Manager
Gina Hall, Committee Secretary
Cheryl Williams, Committee Assistant



OTHERS PRESENT:

Virginia Valentine, President, Nevada Resort Association
James Sullivan, representing Culinary Workers Union Local 226
Teresa McKee, representing Nevada Realtors
Kent Ervin, representing Nevada Faculty Alliance
Christopher Daly, representing Nevada State Education Association
Benjamin Challinor Mendez, Policy Director, Faith in Action Nevada
Edward Ableser, representing Incline Village General Improvement District
Russell Rowe, representing Boyd Gaming Corporation
Alisa Nave-Worth, representing Red Rock Resorts
Shaohua Yang, Private Citizen, San Jose, California
Ronda Tyser, Private Citizen, Incline Village, Nevada
Patrick Cates, County Manager, Douglas County
Adam Thongsavat, Program Director, Airbnb, Inc., San Francisco, California
Marcos Lopez, representing Americans for Prosperity Nevada
Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada
Robert Callahan, Senior Vice President, State Government Affairs, Internet
Association, Washington, D.C.
Justin Harrison, Office of Diversity, Clark County
Melissa Cassidy, Private Citizen, Las Vegas, Nevada
Malee Simpson, Private Citizen, Las Vegas, Nevada
Jeff Rogan, Private Citizen, Las Vegas, Nevada
Jacqueline Flores, Private Citizen, Las Vegas, Nevada
Brittany Walker, Acting City Attorney, City of Boulder City
Stephen Shur, President, Travel Technology Association, Arlington, Virginia
Luis Calderon, Private Citizen, Las Vegas, Nevada
Linda Riegle, Private Citizen, Las Vegas, Nevada
Cindy Lowman, Private Citizen, Henderson, Nevada
Deanne Bourne, Private Citizen, Incline Village, Nevada
Renee Brown, Private Citizen, Reno, Nevada
Ryan Black, Private Citizen, Las Vegas, Nevada
Rachel Hopper, Private Citizen, Las Vegas, Nevada
Jonny Desman, Private Citizen, Las Vegas, Nevada
Kelly Crompton, Government Affairs Manager, City of Las Vegas
Jamie Rodriguez, Government Affairs Manager, Washoe County
Christine Hess, Executive Director, Nevada Housing Coalition
Wesley Harper, Executive Director, Nevada League of Cities and Municipalities
Jim Andersen, Chief of Code Enforcement, Clark County
Julie Davies, Private Citizen, Las Vegas, Nevada
Keith Spencer, Private Citizen, Las Vegas, Nevada

Chair Cohen:

[Roll was taken and Committee rules and protocol were reviewed.] Our meetings are regularly scheduled for 4 p.m. on Tuesdays and Thursdays, although for the next couple of weeks that

will be somewhat up in the air so pay attention to the schedule. As a reminder, pursuant to Rule No. 54 of the Assembly Standing Rules, testifying in support of a bill means you support and approve of the measure as written; or approve of the measure as written along with proposed amendments that have been approved by the sponsor of the measure. Opposition to a bill or resolution means you are not supporting the measure as written; or you are opposing the measure as revised by an amendment that has not been approved by the sponsor of the measure. Neutral position on a bill means you are just offering particular insight on the measure but you are expressing no opinion on the measure. As an example, if you love a bill but you want to change anything in the way it is written, and you do not have an amendment that has been accepted by the sponsor, you must testify in opposition, but please feel free to let us know you love the bill otherwise.

We will move on to our work session on Senate Bill 25 and Senate Bill 74. I will open the work session on S.B. 25. Mr. Nakamoto, please take us through the bills for the work session.

Senate Bill 25: Revises provisions governing the determination of whether food for human consumption is subject to sales and use taxes. (BDR 32-282)

Michael Nakamoto, Deputy Fiscal Analyst:

The first bill on today's work session is Senate Bill 25, which was sponsored by the Senate Committee on Revenue and Economic Development on behalf of the Department of Taxation (Department), and was heard in this Committee on April 15, 2021 [reading from Exhibit C]. The bill repeals provisions in Chapter 372 of *Nevada Revised Statutes* (NRS), which is the State 2 percent sales and use tax rate, as well as Chapter 374 of NRS, which contains the local school support tax, to maintain the state's compliance with the Streamlined Sales and Use Tax Agreement (SSUTA), of which Nevada is a full-member state. The bill eliminates requirements of existing law, which predates Nevada's adoption of the SSUTA and which requires the Department, in determining whether food intended for human consumption is subject to the sales and use tax, to base its determination on whether the food is intended for immediate consumption and not on the type of establishment where the food is sold. Based on regulations adopted pursuant to LCB File No. R056-18, filed on June 8, 2020, the Department makes its determination on whether food for human consumption is subject to the sales and use tax based on the percentage of food sold by the seller that qualifies as prepared food. If there are any questions about the bill, I would be glad to answer them.

Chair Cohen:

We have Director Young and Chief Deputy Executive Director Hughes from the Department available to answer questions. Are there any questions from the members of the Committee? [There were none.] I will accept a motion to do pass S.B. 25.

ASSEMBLYMAN MILLER MOVED TO DO PASS SENATE BILL 25.

ASSEMBLYMAN O'NEILL SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYWOMAN BENITEZ-THOMPSON
WAS ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblyman O'Neill. I will close the work session on S.B. 25 and open the work session on Senate Bill 74.

Senate Bill 74: Revises provisions relating to the population total used in determining the distribution of certain taxes. (BDR 32-281)

Michael Nakamoto, Deputy Fiscal Analyst:

The second and final bill on today's work session is Senate Bill 74, which was also sponsored by the Senate Committee on Revenue and Economic Development on behalf of the Department of Taxation (Department), and which was also heard in this Committee on April 15, 2021 [reading from Exhibit D]. The bill eliminates the requirement for the Department to use the population totals issued by the Bureau of the Census of the United States Department of Commerce (Census Bureau) for the purposes of distributing certain taxes and making certain determinations based on population in the case of a conflict between the population totals certified by the Governor and the population totals issued by the Census Bureau. Specifically, S.B. 74 eliminates the requirement to use the population totals issued by the Census Bureau in the case of a conflict with the population totals certified by the Governor from the provisions of *Nevada Revised Statutes* (NRS) 360.690, which governs the Local Government Tax Distribution Account, also known as the Consolidated Tax Distribution; as well as NRS 377.057, which governs the distribution of the 1.75 percent supplemental city-county relief tax. The bill amends NRS 377.055 to clarify that the population totals certified by the Governor are to be used to determine the distribution of the proceeds from the 0.5 percent basic city-county relief tax, and also eliminates obsolete references to the terms "enterprise district," "local government," and "special district" as they are not referenced or used for the administration of the provisions of Chapter 377 of NRS. If there are any questions, I would be glad to answer them.

Chair Cohen:

Are there any questions from the members of the Committee? [There were none.] I will accept a motion to do pass S.B. 74.

ASSEMBLYMAN YEAGER MOVED TO DO PASS SENATE BILL 74.

ASSEMBLYWOMAN KASAMA SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.]

THE MOTION PASSED. (ASSEMBLYWOMAN BENITEZ-THOMPSON
WAS ABSENT FOR THE VOTE.)

I will assign the floor statement to Assemblywoman Kasama. I will close the work session on S.B. 74. We will now move on to our bill presentation. I will invite Assemblywoman Nguyen to the table and we will open the hearing on Assembly Bill 363, which revises provisions governing transient lodging.

Assembly Bill 363: Revises provisions governing transient lodging. (BDR 20-636)

Assemblywoman Rochelle T. Nguyen, Assembly District No. 10:

I am here to present Assembly Bill 363 for your consideration. I will be presenting today with Assemblyman Tom Roberts. He will be amended on as a part of the conceptual amendments to Assembly Bill 363. For the record, I want to say this is a bipartisan effort that is such because it affects all Nevadans. This bill seeks to revise provisions related to short-term rentals (STRs). For those of you who are not familiar with the term "short-term rentals," from the hundreds of emails you have probably received over the last week, it is more commonly known by a lot of people as an Airbnb or Vrbo, and much like Kleenex is synonymous with tissues, STRs are synonymous with the term Airbnb.

To give you some background on A.B. 363 and the inspiration that I took from creating this bill, the language, and the intent that is contained in it, it did not come from industry players, it did not come from anyone; it actually came from my own personal experience. As many of you know, I have a large multigenerational family who all live with me. It is my husband and I, my two kids, my father, my father-in-law, and, of course Neil, our spoiled dog. When we travel, we predominately use STRs, as having multiple hotel rooms does not always work for us, especially when we all travel together. And yes, it is the circus you are imagining when we all travel together in our minivan.

Additionally, I have personal experience because of my district and where my own home is located within Assembly District No. 10. We are in close proximity to downtown Las Vegas as well as the Las Vegas Strip. My district's close proximity to the tourist corridor, and its lack of HOAs [homeowners' associations] and gated communities, means my neighborhood, like others in Clark County and around the state of Nevada, is ripe for STRs, and not just party houses. We do have those in our neighborhood as well, as I am sure some of you have experiences with those party homes we talk about that are used in an STR-like space. But we also have homes that cater to families such as my own when we are traveling.

What I love about my district and my neighborhood is that we are a real community. We have block parties. I know my neighbors. They know my children. They know my dog. They know the grandpas. I also do not want my neighborhood to become a series of mini hotels where my kids cannot go out and play with individuals.

About 18 months ago, I started reaching out to community members who were having troubles with party homes in their neighborhoods, talking to people about affordability of housing issues, and housing shortages in our community. I met with police chiefs about the problems in party homes and unregulated STRs. I even met with neighbors trying to make extra income by investing in STRs, or even renting out rooms in their own homes. I met with labor groups

such as Culinary, resorts, chambers, and Realtors—just about anyone who would talk to me over the last 18 months. I know you will hear from many of them today. I know many of them have reached out to you via emails from our state as well as other states that are looking to come and invest. So what are my intentions with this bill?

1. Looking around the state and within Clark County, I realized it was unclear for those looking to get involved in investing in STRs, or even staying in STRs, as to what the rules were and what was going on, and how we were handling them in our state. There were jurisdictions within our state, such as the largest county with the largest population—Clark County—that had banned them. There were other jurisdictions and localities that had very restrictive things, like "owner-occupied," so you could only have STRs if they were like a bed and breakfast-type situation; or there are jurisdictions that had 1,000-foot setbacks between STRs, no use of pools, quiet hours, and other regulatory things that they had put in place. I quickly realized I felt Nevadans needed some clarity. I do not believe bans work, and despite what some of the emails you have received say, I wanted to ensure that counties and cities could not ban them. I think we are missing out on the potential revenue, and it makes it difficult for our counties and cities to enforce what is being perpetrated in our communities with these investment properties.
2. This bill also seeks to set some standards for collecting uncollected revenue—room tax revenue parity. I suggest you check your app [application] for Airbnb, HomeAway, or Vrbo, or any of the other types of apps, or even go onto the website. You will see hundreds, if not thousands, of listings—most of them operating unlawfully. We are not collecting those taxes. We are not collecting that revenue. So I believe there does need to be parity in this situation.
3. This bill also seeks to protect Nevadans—protect our resorts and neighborhood gaming companies that have invested in our communities and our state, protect our workers who are employed and have fought hard to ensure they have safe working conditions. It also seeks to protect Nevadans from rising housing costs associated with the unregulated proliferation of STRs.
4. This bill also enables and allows our local jurisdictions to be able to enforce those that are operating unlawfully.

Despite the months and months of working on this bill, it is still very much a dynamic working document. You received the amendments today [[Exhibit E](#)] in a very conceptual form, and I know there are certain places that still need work, such as enforcement, the civil enforcement, to give our local jurisdictions authority to be able to impose civil penalties on some of these properties that are acting unlawfully or recklessly.

Many of you know I have been working with a hugely diverse group of stakeholders on the issue over the past 18 months. In looking at my notes the other day, I have taken over 72 documented meetings, phone calls, and Zoom calls over the past 18 months, and I still have

meetings scheduled for this week and into the next week with the same stakeholders. I am proud of the diverse group of individuals and organizations here in support. I am also proud to work with those people who know I will continue to reach out to them to get to a good bill. Is it going to be a perfect bill? No. No such bill exists, but it is definitely a step in the right direction.

I believe the amendments [[Exhibit E](#)] have been uploaded to NELIS [Nevada Electronic Legislative Information System]. Because of the diverse nature of the state, I felt one of the biggest things I had to do in order to start the conversation on STRs was to include a population cap of 700,000. While I believe STRs are an issue for the entire state, with the unique nature geographically, physically, and even politically of areas of our state, many of the provisions currently contained in A.B. 363 just do not make sense for everyone at this time. However, I am committed to continuing to work with these jurisdictions moving forward to make sure. Again, a lot of the other conceptual amendments were meant to streamline the process for other local jurisdictions as well as give some needed clarity to other sections where it was lacking.

This concludes my portion of the presentation of A.B. 363. At this time, Assemblyman Roberts will also give a presentation. I also have Virginia Valentine with the Nevada Resort Association and Jim Sullivan with Culinary Workers Union Local 226.

Assemblyman Tom Roberts, Assembly District No. 13:

I will say a few words and then turn it over to Virginia Valentine. The reason I wanted to work on this piece of legislation with Assemblywoman Nguyen is from my time in law enforcement. I know that STRs and the bans we have in Clark County provide a number of issues for neighborhoods throughout the valley. Our police officers do not have the tools necessary to police those and neither does code enforcement. I think by putting some of this in state statute and having some of the systems in place to allow law enforcement to cooperate with these companies, we can identify the folks who are operating underground. Although we do not have a significant law enforcement piece in this amendment yet [[Exhibit E](#)], I can tell you we are working on that—something that code enforcement and our local law enforcement support. I think you will find, just by her testimony and some of the people who will testify today, Assemblywoman Nguyen has worked diligently over the 18 months to bring something together. As you can imagine when you have a topic like this, you cannot get everybody on the same page, but sometimes that is a good indication you have a good piece of legislation—everybody hates it. You find a real good middle ground where not everyone is happy and it is really a good bipartisan approach. With that, I will turn it over to Ms. Valentine.

Virginia Valentine, President, Nevada Resort Association:

I am the president of the Nevada Resort Association. It is an honor to be here to participate in presenting this bill with Assemblywoman Nguyen. Assembly Bill 363 is a comprehensive piece of legislation reflecting the input of many stakeholder groups. I would like to thank Assemblywoman Nguyen for all her hard work in bringing this bill together, and acknowledge all the many stakeholders with diverse perspectives who have participated in this process.

We appreciate the Assemblywoman's willingness to work with us to create effective legislation that protects consumers, preserves residential neighborhoods and affordable housing, and addresses the illegal STR market and the subsequent millions of dollars in lost tax revenue.

This bill establishes consistent requirements and creates a level playing field by regulating and taxing these commercial operations similarly to other highly regulated public accommodation facilities. It also contains the necessary enforcement measures to ensure compliance. Nevada's resort industry prides itself on being the gold standard in hospitality, and we are held to strict regulations to ensure we are protecting the health and safety of employees and guests and meeting the high standards expected of us. Our members have invested millions of dollars to ensure a safe and secure environment. We are regulated and inspected by multiple agencies, including the Nevada Gaming Control Board, Nevada OSHA [Occupational Safety and Health Administration], local health districts, fire and building departments, and city and county business licensing.

As you know, this past summer the Legislature passed Senate Bill 4 of the 32nd Special Session, which enacted even stricter regulations for public accommodation facilities due to the pandemic. We supported the measure, as the well-being of our employees and guests is paramount, and incorporated it into all that our members do. To protect Nevada's reputation as a safe and welcoming destination, A.B. 363 includes vital consumer protection provisions to ensure STRs are providing safe spaces for those who choose to stay there and investing in appropriate safeguards. As the lifeblood of Nevada's economy, the resort industry has a tremendous responsibility to communities across the state. Gaming was legalized 60 years ago to generate tax revenue, protect consumers, and attract tourists to Nevada. Today, that act has allowed the resort gaming industry to lead the state by being the largest contributor to jobs, tax revenue, capital investment, and destination marketing. We create and generate jobs and invest in our employees. For fiscal year (FY) 2020, the tourism industry paid more than \$58 billion in wages and health benefits to employees. The industry provides high-quality jobs with good salaries that lead to homeownership. In listening to our employees, we know affordable housing continues to be on top of the mind as they look to establish roots in neighborhoods. This bill will help address these concerns of finding an affordable home.

In total, more than 433,000 jobs statewide are supported by our industry due to our robust investments in our properties, amenities, and associated infrastructure. With more than \$15 billion in tourism projects in the development pipeline, our commitment to economic development and growth is evident. As the state's largest taxpayer, the resort industry pays a long list of general business and industry-specific taxes. We generate 34 percent of the State General Fund revenue and paid \$1.3 billion in industry taxes and fees in FY 2020. One of the state's most beneficial industry-specific taxes is the transient lodging tax, or "room tax." Southern Nevada generates nearly 90 percent of all room tax generated in the state. In FY 2020 southern Nevada room tax alone generated \$596 million, nearly 23 percent of which went to the state's education fund. That's \$135 million. About 12 percent of that, or \$43.4 million, went to capital projects for the Clark County School District (CCSD). I would like to point out that since 2000, southern Nevada's room tax has generated more than \$1.4 billion for CCSD capital projects.

Local jurisdictions in Clark County received more than \$50 million for local projects and services such as public safety and parks in FY 2020. More than \$45 million in room tax went to transportation projects in Clark County. And to keep tourists returning, \$291 million went to promoting the destination by funding the Nevada Commission on Tourism and the LVCVA [Las Vegas Convention and Visitors Authority], as well as supporting critical tourism infrastructure projects like the Las Vegas Convention Center expansion and the Las Vegas Stadium Authority. In northern Nevada, the room tax generated \$47.2 million. This funding supports the RSCVA [Reno-Sparks Convention and Visitors Authority] in marketing northern Nevada to visitors, and provides funding for the state, Washoe County, and the cities of Reno, Sparks, Incline Village, and Crystal Bay.

All in all, the room tax is vital to creating a strong quality of life for Nevadans. By subjecting STRs to the room tax, residents north and south will benefit from the additional revenue that is not being collected today. And it only seems fair that STRs should pay their share given the many benefits they receive from the destination marketing work of the LVCVA and RSCVA, which are funded by room taxes. In closing, Nevada's resort industry continues to play the leading role in Nevada's economy by investing in our people and our future. We believe this bill will continue to ensure Nevada's tourism industry thrives and the state benefits from its success. We ask you to support this bill. Our thanks again to Assemblywoman Nguyen for her leadership, and thank you for the opportunity to speak to you today.

Chair Cohen:

Thank you, Ms. Valentine. We will now hear from Mr. Sullivan.

James Sullivan, representing Culinary Workers Union Local 226:

The Culinary Union has been advocating for years for enforceable STR regulations at multiple levels of government. As Nevada's largest union and organization of immigrants, women, Latinx, Black, and AAPI [Asian-American and Pacific Islander] workers, we believe our state must consider how STR rentals have negatively affected affordable housing, the quality-of-life problems that they often bring to residential areas, and ensuring that operators play by the same rules as other lodging providers when considering a regulatory framework for STRs.

First, any regulations concerning STRs must consider the impact on affordable housing in Nevada. Throughout the country, unregulated or poorly regulated STRs have caused an affordable housing crisis, and we must take proactive steps to prevent that from happening in Nevada. The multibillion-dollar STR industry has drawn in investors who buy up multiple housing units for investments, which means that fewer homes are available to long-term renters. Rents then rise because of limited supply. If STRs are to be permitted, there should be restrictions on landlords and outside investors who take apartments out of the long-term rental (LTR) market and a strict limit on how many STRs a person or entity can own and operate.

In addition, Culinary Union members and hospitality employees who work different shifts in a 24-hour economy have long raised concerns about the quality-of-life issues that come along with STRs in residential areas. Workers have complained of party houses that keep them and

their neighbors up at night and have turned their neighborhoods into unruly, unofficial resort corridors. Unfortunately, the quality-of-life issues that come along with STRs in residential areas do not just end with loud music at parties. There have been multiple violent incidents at parties at STRs in Las Vegas over the last few years.

Lastly, STR operators should have to abide by the same rules as other lodging providers. This means that STRs should be taxed and regulated like any other public accommodation facility. Enforcement of any regulations will be crucial if Nevada is committed to eliminating illegal STRs. Without strict enforcement and substantial penalties for noncompliance, illegal STRs will continue to flourish.

Illegal STRs have been a nuisance in our neighborhoods, have contributed to an unaffordable housing crisis around the country, and have mostly avoided being taxed and regulated like other lodging providers. Assembly Bill 363 addresses these issues and creates an enforceable regulatory framework for this growing industry. The Culinary Union applauds Assemblywoman Nguyen for bringing this bill forward and urges the Committee to support and pass A.B. 363.

Chair Cohen:

Assemblywoman Nguyen, are you ready for questions?

Assemblywoman Nguyen:

I am ready.

Chair Cohen:

I understand this has been a work in progress. I know you have consistently been meeting with people and it has been kind of a moving target. I do not want you to go through all 17 pages of the bill, but could you give us a little more information. For instance, this would be something where there would be a population cap, so within Clark County this would be all of Clark County, or would the municipalities within Clark County have any control? What are we doing with that?

Assemblywoman Nguyen:

Many of your Committee members have already reached out to me with some of their questions, and I would be happy to answer those to create a more substantial legislative record. Currently, the majority of the population lives in Clark County. The majority of Clark County STRs are banned. These folks are currently skirting the law, which really means millions of dollars in lost revenue for Nevadans. In my opinion, and in talking with people, bans are just not working for any Nevadans.

I actually took some of the language from a 2017 bill Assemblywoman Irene Bustamante-Adams brought [Assembly Bill 294 of the 79th Session]. In 2017 it looked at collecting these room taxes via the STR platforms, for lack of a better term. In working with them, I see some of them here to testify in opposition or neutral; they have been very helpful in explaining to me how their platforms work. I know in 2017 a lot of them were opposed to this tax-like

revenue process, but now we have seen technology emerging, we have seen them go into markets where they are already doing this, and they are doing this in parts of our state already. So they already have the framework internally to be able to do this.

A portion of the bill is from a bill that had previously been introduced, but I think in 2017 it was not the right time. We were not in the right place to be able to move that forward. A lot of that has gone into this. In my conversations with most of the major platforms that have STRs on them—I call them STR facilitator platforms—they really did not have any objections to that kind of collection. So the first part of the bill has to do with that and defining what that means, what that includes, and there are some amendments to ensure we are capturing not just those short-term facilitator platforms, recognizing that this is a changing kind of dynamic technology that people are using, getting into, finding loopholes, and finding creative ways out of it. We have tried to keep the language vague, so when there are other platforms out there, or other mechanisms to do this, we will be able to collect from them as well.

The second part talks about some of the definitions and what must be included. We are looking at what I am calling distance requirements and occupancy requirements. We are trying to curb the proliferation of STRs in neighborhoods where they are just unlimited, where you go down the street you live on and you could have a whole street of STRs. We are looking to curb that by having distance requirements of 500 feet in the proposed amendment [[Exhibit E](#)], and that is a 360-degree 500 feet, as well as a distance separation from nonrestricted gaming resort properties with hotels of 2,500 feet, which is about a half-mile. We knew there was some confusion there because there are a lot of properties currently being utilized unlawfully as STRs along the Las Vegas Strip in some of these high-rise communities. After speaking with people over the past 18 months, we wanted to have some flexibility because if there are too many restrictions, people do it anyway. So if you make it assessable and have reasonable restrictions, I believe we will be able to monitor and regulate more accurately. It will help law enforcement. It will help our county code enforcement. It will help with collecting those uncollected taxes and bring some parity there.

I also wanted to recognize that in some of our neighborhood gaming establishments, they are putting in a real investment physically, like in building properties and housing. Sometimes they are an anchor in a certain neighborhood as far as business and industry, tourism, and locals who are working there and contributing to the economy. We wanted to ensure there were not zones around them where people were not staying in the hotels any longer; they were just staying in the high-rise communities exclusively.

There are some distance requirements about not having parties, weddings, events, or other large gatherings, and that was aimed at curbing large gatherings. You might hear from people talking about how some of these STRs are used to having huge parties where there are cover charges and there are day parties. You will probably hear from some neighbors—if you have not already in emails—where people are illegally or unlawfully installing septic tanks to accommodate banks of bathroom facilities at some of their properties. Some of these regulations and things we have incorporated here are aimed at targeting those types of bad actors.

The requirement on room nights was amended from three nights to two nights [[Exhibit E](#)]. This is to get away from people who were renting a house for a party night and conducting these illegal parties at the house, and they would typically do this all in one day.

I would, and do still, plan on increasing some of the enforcement provisions you heard Assemblyman Roberts talk about. When I reached out to Chuck Callaway with the Las Vegas Metropolitan Police Department and Corey Solferino with the Washoe County Sheriff's Office, one of the things I asked them was, what can we do to help you when you get these calls? They said we need to hold the owners who are renting these properties responsible. They have found that in most cases the owners know exactly what is going on at their properties when they are rented, especially some of these larger properties that are clearly meant for parties.

Like I said, this is a very ongoing process, and those are all the things we are trying to incorporate in here.

Chair Cohen:

I do want to get some of the highlights of the conceptual amendment [[Exhibit E](#)] because we have heard from many Nevadans who have invested a lot in their STRs. So there is going to be a grandfather clause, correct? Can you give us a little more information about that?

Assemblywoman Nguyen:

In talking with the Legal Division, Legislative Counsel Bureau (Legal), and some of the jurisdictions that already had STR regulations or procedures in place, or had issued licenses, permits, or registrations, it was going to be a very large grandfathering community included in there. In order to avoid potential litigation for some of these other places that had already established these provisions, the grandfathering clause made the most sense given those circumstances.

Chair Cohen:

How does someone get grandfathered in? What do they need to do or need to have been doing?

Assemblywoman Nguyen:

There are properties that prior to bans or prior to changes in status, like prior to going to owner-occupied, have STRs that have a registration process, as in the City of Henderson. They have a registration process so they are existing in the Henderson community. It is my intent that those people who have existing STRs, as in the City of Henderson, would be grandfathered in. So let us say if there was someone who was 300 feet from another STR, those two individuals would not lose their registration and their ability to operate an STR.

Chair Cohen:

If someone is in unincorporated Clark County where it is not allowed, or another place where it is not allowed, they do not get to grandfather in?

Assemblywoman Nguyen:

No.

Chair Cohen:

We will now go to questions from the Committee.

Assemblyman Yeager:

Thank you for working on this. I know how many meetings you had and I do not envy the meetings that still remain on this issue. I have a couple of questions about the conceptual amendment [[Exhibit E](#)] to get your thought process and the intent on the record.

In the conceptual amendment, the third bullet point—changing the public hearing requirements: In the bill as drafted, it was a "shall" and in the conceptual amendment it is going to be a "may." What was the philosophy or thought process behind that?

Assemblywoman Nguyen:

My thought process in that actually came from talking with a lot of these local jurisdictions. It also came from my personal experience. We were doing a project in our house where we needed to obtain a special use permit to do some construction on our house when my father-in-law was looking to move in. We sat through six and one-half hours of STR-like hearings at the City of Las Vegas because they were all like hearings in those circumstances, and as you will see probably from some of the opposition and support testimony, this is a very loaded topic that brings out the passions in a lot of people. I appreciate that and think that just means it is something everyone cares about.

My thinking on doing that was in reaction to talking to some of these local jurisdictions, being able to give them the opportunity to have processes in place that allowed for ease of registration and ease of administration, but if they needed to or wanted to handle this in a public forum, they would do that. I have had ongoing conversations about having a community notification process for when people are approved for these STRs, so that is still part of an ongoing conversation to ensure there is that appropriate community involvement in how this would play out.

Assemblyman Yeager:

On page 2 of the conceptual amendment, the last main bullet point: In the bill as drafted, in a couple of sections it indicates that the board of county commissioners, in adopting the ordinance, would establish a maximum number of permits a person may hold. In your conceptual amendment, you have language that an applicant can hold no more than five permits per entity. What was your thought process in limiting it to five rather than allowing the board of county commissioners to set the maximum?

Assemblywoman Nguyen:

My thought process on this is an interesting one. I do not think a lot of people understood this was going on and I did not know. When I started reaching out to people about some of the problem areas and the problem we were having, I learned there were multinational billion-dollar hotel chains coming in and, under the brand of their multinational billion-dollar corporation, were purchasing hundreds of properties at a time under one entity. Instead of coming and opening up a hotel, franchising in a hotel, having local ownership, employing

people to work in those rooms, clean those rooms, and maintain those facilities, they were moving more towards this distributed hotel model where they were just placing them on platforms like Airbnb, Vrbo, and HomeAway.

There is one of these companies that owns more than 250 properties in one area within our state. As a Nevadan, I want to protect Nevadans, not only from affordable housing, but when you hear about people wanting to invest, we are talking about people who want to make some extra money by potentially investing in STRs. They want to have a home. They want to have another home. They want to have maybe two or three investment properties. This does not fix the problem, but I think it does curb it. If you have to incorporate for every five houses, so with that scenario with 200 homes, that company would not be able to come in and incorporate 200 homes under one company. They would have to do that 40 times. I think that is a big enough hiccup. Not only would we get the revenue from our Secretary of State of their constantly redoing business licensing, but they would have to go through that process each time with whatever local jurisdiction they lived in, in order to get that licensing or permit.

Assemblyman Orentlicher:

My question is about the distance separation from resorts of 2,500 feet. I am pretty clear on the rationale for the separation within residential neighborhoods and how you are looking for a certain residential atmosphere, the environment, and so many changes. But I am not as clear on the rationale for the distance separation from resorts. I understand why resorts do not like the competition, but we let restaurants spring up nearby resort hotels and that is competition for the in-house restaurants. Could you talk a little bit more about this?

Assemblywoman Nguyen:

There are certain districts in very close proximity to our hotels and resorts that have a lot of casino workers who are working in those neighborhoods. Looking at some of the distance requirements, those neighborhoods in close proximity to our hotels and resorts that are either in our neighborhoods or on the Las Vegas Strip, it is important to recognize we know they have a proven success of being able to maintain some safety standards. We have our culinary workers and the Culinary Union has worked really hard, along with the Nevada Resort Association, to make sure there are sufficient worker protections in there. We do want to encourage our guests and tourists to come into our state and go to those properties that we know are highly regulated, we know are safe, and we know have put in those protections for our guests who are traveling here. That was my intent.

Assemblyman Orentlicher:

It sounded like the concern is people will choose the less-regulated place to stay rather than the better-regulated place to stay, and I can see that, but maybe we just get more people. The same number of people stay in the regulated places and more people can come to Las Vegas because it is not as hard to find a place to stay. We would not be diverting it at all; we would just be expanding the pie.

Assemblywoman Nguyen:

I would love it and I think our economy would love it if we ran out of places on the Strip. Some of the provisions I put in there, especially when it came to multifamily dwellings, it is my intent to increase the ability to utilize and have STRs in those multifamily dwellings, like the high-rises located close to the Strip. Even though they are within that 2,500-foot distance requirement, they are actually carved out. So there are certain places that we would be able to do but not within single-family residences that were in that area, though.

Assemblywoman Bilbray-Axelrod:

I remember this bill in 2017 [[A.B. 294 of the 79th Session](#)]. I was really excited for it because I really like Airbnb and Vrbo. You cannot put the genie back in the bottle, as they say. I want to get on the record that in the original bill it says the term for how long you can stay is a "period of less than three days," but then your amendment changes that language to nights. I know your intent is to have it two nights, so that would be three days and two nights, like a weekend. Is that correct?

Assemblywoman Nguyen:

I wanted to have some flexibility there. At the beginning, there were suggestions from some of the stakeholders that we have a three-night minimum, so four days. But I know the practicalities are a lot of people travel for just a weekend, so it is a two-night stay—three days and two nights. That was taking into consideration a lot of the different stakeholders and coming to a happy place where everyone was uncomfortable. That was my intent there, in addition to putting some stops on the people who would want to rent a house for one night for a party.

Assemblywoman Bilbray-Axelrod:

I have heard of them doing that. I know on January 6, in Washington, D.C., for example, Airbnb made a decision they would not rent for just one night on that date. I think you dealt with my other question in your amendment. I am looking at section 7, subsection 2, paragraph (f), subparagraph (1) of the bill. Your original language had "not more than two persons per room, including children," and I immediately went back to thinking of the days when my husband and I traveled and we had a little baby with us. We had her little pack and play and the three of us were in one room—a cozy little family. I think you kind of dealt with this because sometimes rooms accommodate more. Could we get that intent as well?

Assemblywoman Nguyen:

That was exactly my intent. When that language first came, it was saying, if I go with my two kids and my husband we would have to have two bedrooms, whereas if I stayed in a hotel, I would only need one room. So the intent was to use that flexibility. The maximum of 16 people in the conceptual amendment [[Exhibit E](#)] came from some of our discussions with Airbnb. On their platform they do not allow more than 16 guests in any one of their properties they have listed. Some of the suggestions they made, and that came from other stakeholders, made sense. That is how we came up with this "four occupants in the first bedroom and two in the additional bedrooms" to make up for that 16 persons. It was to avoid situations where kids are excluded. We had gone back and forth whether kids would be included or excluded,

or included in that number, recognizing there are a lot of parents who travel with their soccer team or baseball teams for tournaments, and there are unique situations where you would have quite a few minors. We felt like 16 was consistent with some of the industry standards.

Assemblywoman Considine:

In the conceptual amendment, an applicant can hold no more than five permits per entity. I am assuming permits means units or houses. If that is the case, I believe if you have five or more units or properties, you are required to get a property management license or you have a property manager, so I did not know if that meant they would have to get two.

Assemblywoman Nguyen:

Recently this amendment came up to clarify that. It does need further clarification, and I will definitely work with Legal to ensure we have some clarification in law with respect to property management and how that would work, to be consistent with other areas of the *Nevada Revised Statutes* (NRS). I would be happy to talk with you more off line about how we can ensure there is consistency amongst the different chapters of NRS.

Assemblywoman Considine:

Also, in line with the permits, HOAs can put more restrictions in their regulations and their rules, or not allow STRs in the HOAs. Is that correct?

Assemblywoman Nguyen:

That is correct.

Assemblywoman Considine:

So in a situation where an entity applies for these permits, who is checking these permits to find out if it is an HOA and determine whether the HOA allows it? Will that process be occurring?

Assemblywoman Nguyen:

That is also another area that we are continually working on. There was some language as to how we would get notification from an HOA board that they are not allowed, so that is still part of the dynamic process. We knew it was going to probably be burdensome to have to go to an HOA board, given some of the potential politics that take place on HOA boards, in order to get a written letter saying you can or cannot have this. We are looking at being able to look at CC&Rs [covenants, conditions, and restrictions] that lay that out, so they may potentially have to submit that with their application for their property.

Assemblywoman Considine:

With the platforms, before they put a listing on their platform, will they be required to ensure the applicant has a permit?

Assemblywoman Nguyen:

That is something we are also working on. I believe there is someone from Airbnb who may be able to answer that during their testimony in opposition. I know they do have the ability in

some jurisdictions where they have to post the business license or a permit license number. We just want to ensure they are not held liable if they are posting a number that may be fraudulent. Once they find out, obviously they can take it off. They are going to continue to collect taxes on that until they find out if it is not like a valid license, but I do know that most of the major platforms already have the ability to post that kind of documentation on their websites.

Assemblywoman Considine:

I appreciate the need for this bill. My worry is that if HOAs can regulate them out of their neighborhoods, then there is a disproportionate impact on areas that do not have HOAs, which is anything in an older area of Henderson and in my district, which is central Las Vegas, it now becomes more of a focused area for folks who want to get into this business.

I believe there has been talk about pairing this with the affordable housing problem we have, especially in Clark County, that there is some sort of symbiosis between if we are going to go forward with this, that it has some sort of benefit in paying in some way for affordable housing.

Assemblywoman Nguyen:

The affordable housing piece is a big piece for me. Does this get us all the way there? No. Does it even come close to solving any budget shortfalls we have in funding the affordable Housing Trust Fund in our state? I would love to, and I will continue to work with stakeholders going forward to see how we can ensure it is. Part of the reason we have some of these restrictive measures in here, with the distance requirements within properties, permitting requirements, the number of permits you can get, the ability for open hearings and enforcement, is to get at those communities, like my own and like your own, where there are no HOAs to necessarily protect people. On the flip side, I will tell you that there are some places, especially in the Lake Tahoe area, where people have come in and taken over HOA boards and then specifically authorized unlimited STRs within that. There is a flip side to the affordable housing and investment things with the HOAs. I feel like these give us some needed protections in those areas, like my own and your district, where they would not have the protections of an HOA board to do so.

Assemblywoman Considine:

I appreciate that. I just wanted to ensure that in my district, where we have a lot of workers who work on the Strip, they are still able to afford to live in those areas and have the quiet enjoyment of those areas.

Chair Cohen:

I think this is another example that shows us what Assemblywoman Nguyen has been doing for the last few months; it was like her own interim committee on this because there are so many different issues.

Assemblywoman Kasama:

This is such a difficult topic. It is private property rights on both sides. It is private property rights of the person who already owns the home to rent it. It is private property rights of the neighbor for quiet enjoyment. It is a very delicate dance. Thank you for stepping up to work on this. It is critical for the state.

Thank you for acknowledging, too, the difference between localities in our state and different issues that go with each jurisdiction so that we are focusing on the big one now, Clark County.

Back to the five permits per entity, my question has to do with the entity. Is there any consideration for common ownership between the entity; you were saying that one entity could come and create 40 entities, but if there is a common ownership thread between the entity, is there any thought or consideration for how that might work?

Assemblywoman Nguyen:

Our intention was to try to get away from the distributed hotel model where you had multi-billion-dollar corporations that were coming in and doing that. I worked a lot with the Realtors because there were some concerns that this was not like your average investor. This was like a company that had unlimited resources to be able to come in and cash-buy all of these places. I am definitely willing to work on that language to ensure I get it right. I know there were some suggestions from people to make it so you could not incorporate or you could not have an LLC [limited liability company], and the lawyer in me was thinking anyone who has a rental property, whether it was an LTR property or STR property, would have an incorporation, and I do not think they should be prohibited from those protections just because it is an STR, and we are trying to curb that. This was my trying to get to a delicate balance with all the stakeholders on how we could curb that distributed hotel model, but also protect smaller investors.

Assemblywoman Kasama:

On the first page of your conceptual amendment [[Exhibit E](#)] where it would add a new section that short-term rentals (STRs) approved by a local jurisdiction prior to the effective date of the bill are grandfathered in, my concern is with unincorporated Clark County. They have not had regulations other than a ban. We have investors—hundreds, if not thousands—who have purchased homes there. It is different than buying a bicycle and saying you cannot use it anymore. That is a real impact to a lot of people who have done it. Whether it was good or not how it started, perhaps that was a lack of having regulation earlier. My concern would be that those people are not grandfathered in. Because the other municipalities in Clark County have had some regulations, are you saying anyone who owns one in unincorporated Clark County would not be grandfathered in and would have to start applying with all these, and I am not quite sure how you are going to do that when people are 500 feet apart and they might own several in the same neighborhood.

Assemblywoman Nguyen:

That is the delicate balance. You have a lot of people who are operating unlawfully—at the end of the day, I think they know they are operating unlawfully—they are actively operating unlawfully. I know that Clark County has struggled with these unauthorized, unlawful STRs that are prolific throughout Clark County. They do not have a mechanism currently to be able to enforce or regulate them, so they are currently wreaking havoc. Yes, not all of them are party houses, but they are all acting unlawfully. It is my intent to make them go through the process as they would normally because to come into compliance, this gives them an opportunity, and if A.B. 363 passes, this gives them the opportunity to do so lawfully. I talked to a lot of people and they asked, what about all these places? Right now, they cannot operate lawfully. At the end of the day, they are flouting the law at this point. They would have to come into compliance and go through the process just like everyone else who wants to do so lawfully. That is part of the problem I have seen in talking to people who own STRs. The people who are trying to comply are hurting and they are being subjected to fines and fees that sometimes they believe are unreasonable or unwarranted, and the people who are not registered, who are operating unlawfully, nothing happens to them. They are not paying taxes. They are not being regulated. We have no way of knowing who they are, so it is my intention that they would have to go through that same process as well.

Assemblywoman Kasama:

Is there a time frame for them to come into compliance?

Assemblywoman Nguyen:

I do not have a time frame on here, but I do recognize that in making Clark County have to do this process, I am very flexible and open with how the implementation date would happen on the bill.

Assemblywoman Anderson:

I want to verify that there are no changes to the language that was proposed in section 6, which basically adds this platform on to the transient lodging as was discussed by the president of the Nevada Resort Association. I am just ensuring this has not changed at all, so when the county commissioners decide to sit down and set up this ordinance, there will start to be a tax that will, in fact, be collected, similar to what the hotels and resorts have to collect.

Assemblywoman Nguyen:

That is my intention, and I do not have any amendments regarding that section at this time.

Assemblywoman Anderson:

A concern of mine is there needs to be some sort of checks and balances between the permits, as well as the different housing platforms. I know this is something that will be discussed further, but it feels like the individuals who are owning the houses and have to be the ones to apply for the permits are the only ones who will, in fact, be held accountable if something goes wrong, whether it is paying a fine or possibly having their permits pulled. There is no need for an answer at this time, but I am asking that the housing platforms or rental platforms have some sort of skin in the game also to follow the rules. I really appreciate all the work you

have done. However, right now, looking at both the original language as well as the amended language, it feels like the homeowner groups are the only ones being held accountable when the housing platforms are also very much a part of this discussion.

Assemblywoman Nguyen:

Thank you for that comment and question. Like I said, this is still a very dynamic process. I am thankful I had the opportunity to meet with you, and you have wonderful and thoughtful questions. I anticipate that a lot of these will be incorporated in future amendments that come before any kind of work session we may be fortunate enough to have in this Committee.

Assemblyman Hafen:

Thank you for working on this. I think it is important to lift the ban and open up the market. I did get your conceptual amendment [[Exhibit E](#)], and I appreciate that as well. In just looking at the conceptual amendment, regarding the population of counties greater than 700,000 that this would apply to, is it your intent in the conceptual amendment to say that counties smaller than 700,000 cannot adopt rules and regulations, or would they be allowed to basically adopt whatever kinds of rules and regulations they so choose that would fit their communities?

Assemblywoman Nguyen:

With the original bill, my intent was to include all counties within the state of Nevada. In talking with stakeholders and recognizing some of the unique challenges in addition to places that have already imposed pretty substantial ordinances within their jurisdictions that they have been working on for years, I wanted to take that into consideration. I have told those counties they will probably see me again in the future. I do not see this being the perfect bill, but it is my intention to allow them to continue with the regulations and ordinances they currently have in play in most of those counties that are under that population cap. I imagine with this topic and given the number of conversations I have had so far, I will be back here in 2023 correcting and fine-tuning some of those things as well as working on some of the concerns that I know were not able to make it into this particular bill.

Assemblyman Hafen:

If a county does not have an ordinance, could they enact an ordinance regarding the short-term dwelling units?

Assemblywoman Nguyen:

If they were not included in here, they are able to do that under their own county and city charters.

Assemblywoman Kasama:

I just wanted to clarify, in looking at the original bill and the conceptual amendment, is it the intent that these STRs will be considered permissible residential use so there is no confusion with zoning on these?

Assemblywoman Nguyen:

Honestly, that is not something I am totally familiar with on the distinctions between it. But I would be happy to talk to you about what the intent is and how that works as far as those legal definitions.

Chair Cohen:

I appreciated your bringing the population cap in, but we do have places in southern Nevada and Clark County that are rural, and as was said, if you make someone go 2,500 feet away from something in a rural area, you could be in the desert. If possible, I would ask you to consider the rural areas in southern Nevada as you are continuing to proceed with this.

Assemblywoman Nguyen:

It is definitely something we have considered. I think that is why there were some distinctions. Initially it was all nonrestricted gaming, which would include all properties with 16 or more machines, so it would include every Dotty's [Dotty's Casinos], Bourbon Street [Bourbon Street Sports Bar], PT's Pub [PT's Taverns], all those types. In our attempts to narrow down what we were trying to accomplish, those are some of the things we have continually kept trying to narrow down to ensure we are capturing and giving enough flexibility in those areas. But I will continue to work with those.

Chair Cohen:

In the amendment [[Exhibit E](#)], the last bullet point, section 11, subsection 1, paragraphs (a) and (b), which are respectively on pages 6 and 7 of the bill, the language you have deleted, "and who, on behalf of the owner, lessee or other lawful occupant of the residential unit, or a manager of the residential unit, collects the gross receipts from the rental of the residential unit or a room or space within the residential unit," can you address why that came out of those two paragraphs?

Assemblywoman Nguyen:

Some of these conceptual amendments and the deletion of those things came from speaking with some of the STR platforms. They were in a position where they wanted to be able to collect all of it, so if they collected from what later turned out to be an unlawful, unregistered, or fraudulent STR, they did not want to have to be held liable for the money they already remitted to the county on collection of that.

Chair Cohen:

So one of the things in that section, and in another section as well, is reference not just to rooms but spaces. Is there a difference for tax collection with this? What do we mean by spaces?

Assemblywoman Nguyen:

That is weirdly worded and is something we are continuing to work on to clarify. It is something that was brought to my attention, and when I read it I did not even know what it meant. It is definitely one of those things we are continuing to define, what that space looks like and how it is defined in statute.

Assemblyman O'Neill:

Just to clarify what I had been talking about because I appreciate the population cap amendment, I truly do; it solves so many problems for us here in the rural counties, and I wanted Clark County to handle their own issues. Just for the record, I was thinking of places like Laughlin, where they have multiple unrestricted-gaming locations, as well as Mesquite, that half-mile distance would cause them some difficulties. I do not know what Laughlin's status is, to be honest with you, but it is places like Laughlin that I was concerned about.

Assemblywoman Nguyen:

In looking at some of those things, I have worked pretty closely with NACO [Nevada Association of Counties] and their representatives, as well as the Nevada Resort Association to see if there were any concerns. With the population cap, I have not received much feedback that those are problematic areas within Clark County, but it is something I will continue to work out and reach out to those various stakeholders to see if they have concerns. I can tell you, in the various stakeholder meetings I have not had anyone have any concerns with those particular locations, more so in some of the other places that we were able to accommodate with this population cap.

Chair Cohen:

I certainly was not attempting to impugn intent on Assemblyman O'Neill's statement; however, Mr. Nakamoto has given us the answer that Laughlin is a town.

Assemblywoman Anderson:

Do you know how many complaints there have been about unpermitted STRs in Clark County, because there are some areas that do allow the permits, I believe it is in North Las Vegas, but I could be wrong. But in the unincorporated Clark County area, do you have any idea about what that is? I would also possibly ask someone from Clark County.

Assemblywoman Nguyen:

I do not know that number, but I believe Joanna Jacob or someone from Clark County will probably be on the line regarding the bill. I will continue to work with them; in fact, that is one of the people with whom I will have continuing conversations, especially about the enforcement pieces. I know they have really struggled in talking not only with my commissioner, but the other members of the commission as well as their lobbying government affairs team on how we can do that. I met with their enforcement people. They are clearly underfunded, and they are lacking some of the resources and information. Hopefully some of the data collection piece is in here from the sites and will also help facilitate that. What I have found in looking at some of the other jurisdictions that have gone to honestly less restrictive means, you actually get more participation and you get more information about who is out there operating. That is the intent I am hoping this bill will accomplish.

Chair Cohen:

We will now move on to those in support of the bill. We are going to be timing support, opposition, and neutral. Mr. Nakamoto and I will both be doing this. It will be up to 45 minutes total for each, with two minutes per person.

Teresa McKee, representing Nevada Realtors:

I am the CEO for Nevada Realtors (Realtors) and I am here to testify in support of the conceptual amendment [\[Exhibit E\]](#) brought forward by Assemblywoman Nguyen. We greatly appreciate her taking the time to meet with us and take our concerns into consideration. The Realtors fundamentally believe that property rights allow for a person to buy, sell, or rent their home, along with the proper permitting and enforcement of the regulations surrounding that. These private property rights should be protected, and we have heard enough testimony talking about how much easier it is to make an STR out of your residence. It is very important, and a really hard balance to strike, between a full-time resident's quality of life in their own neighborhood versus the ability to rent a property as an STR.

The Realtors also recognize that there are vast differences between southern Nevada and the Lake Tahoe Basin, especially in trying to find that balance. We appreciate the inclusion of the population cap so that the bill only applies to Clark County. The Realtors, along with many others, have put in a ton of time and effort working with Washoe County on recently passing their ordinance to address STRs. We really want to give that time to see how the implementation goes. Hopefully we will all learn about some things that work, and maybe some things that do not work as well. The grandfathering of current STRs does allow current owners to continue to rent their property legally. Many STRs are second homes and this gives families the flexibility to have a vacation home and continue to pay the mortgage.

We would also be in complete support with any provisions that validate that a property used as an STR is a permissible residential use and not a commercial use. We have the understanding that this is included in the bill and/or the amendment, and we look forward to working with Assemblywoman Nguyen to ensure that is the case. Eventually we would like to see a long-term plan that addresses the STRs statewide. We will continue to stay at the table and work with Assemblywoman Nguyen on finding a solution that works for all of our local jurisdictions. We appreciate the opportunity to testify in support of [A.B. 363](#) as amended.

Chair Cohen:

I do not believe there is anyone else on the Zoom call to testify in support. Is there anyone in the room who wishes to testify in support?

Kent Ervin, representing Nevada Faculty Alliance:

We support this bill. We generally support revenue measures that have certain characteristics. Our economist colleagues tell us that the best revenue taxes are broad and low, and this is an example of the kind of bill that extends taxes to a sector of the economy that is similar to other sectors of the economy that are taxed, but expands it based on new technology and new ways of doing business. It just expands it to a broader economic base and we think that is important, so we support this revenue as part of the revenue coalition.

Chair Cohen:

As there is no one else in the room to testify in support, we will now go to the phones for those in support.

Christopher Daly, representing Nevada State Education Association:

The Nevada State Education Association (NSEA) has been the voice of Nevada educators for over 120 years. The Nevada State Education Association supports A.B. 363 to ensure STRs are subject to taxes on transient lodging and to require facilitators like Airbnb or Vrbo to collect and remit required taxes.

In February and again on Monday of this week, educators in red convened in Carson City, lining the street and lobbying in this building asking you to dig deep to address our budget challenges. After sustaining difficult cuts in the 31st (2020) Special Session last summer, K-12 public education is threatened this session with difficult General Fund cuts. This includes a proposed \$33 million cut to the Read by Grade 3 Program, which provides critical early literacy supports, and \$156 million in proposed cuts to class size reduction despite already having the largest class sizes in the nation. Emergency assistance from the American Rescue Plan Act of 2021 will certainly help schools address pandemic-related issues, but these funds are one-time and will expire in 2023. Ranking near the bottom of states in per-pupil funding, Nevada's public schools and other vital services deserve new and sustained revenue, not just continued austerity.

Meanwhile, the rapid growth of STRs has not only impacted communities and housing affordability, it has also gone largely unregulated with significant tax avoidance and evasion. Assembly Bill 363 brings the necessary regulations while also providing the state with much-needed revenue by requiring facilitators of STRs to collect and remit taxes.

[[Exhibit F](#) was submitted but not discussed and is included as an exhibit of the meeting.]

Benjamin Challinor Mendez, Policy Director, Faith in Action Nevada:

We are here in support of A.B. 363. We would like to thank Assemblywoman Nguyen for bringing this bill forward with bipartisan and broad-based support. This bill will look to bring parity with STRs, both in regulation and taxation. As many of you know, our state is experiencing a housing crisis caused by a housing shortage. Because housing demand is pretty inelastic, meaning people's demand for housing does not decline when prices increase, even small changes in housing stock like those caused by converting LTR properties to STRs can cause significant price increases. We are encouraged by the sponsor's willingness to try to find a solution to the affordable housing issue with this bill.

To echo the sentiments others have stated from the revenue aspect, by also taxing STRs the same as traditional hotels, we will be bringing in revenue that is currently being left on the table, revenue that is severely needed by both our state and local governments. Thank you for the opportunity to speak on this bill and we urge your support for A.B. 363.

Edward Ableser, representing Incline Village General Improvement District:

Let me start off by stating that the Incline Village General Improvement District (IVGID) has no formal administrative jurisdiction on this issue, but instead tonight we are speaking on behalf of many residents and community members of IVGID and how STRs affect our neighborhoods and our community as a whole.

Residents and visitors to Incline Village have seen just how significant transient lodging is on our community; from parking issues, increased litter and trash, and the new problem of noise within what were normally quiet neighborhoods, these STRs have had a very large impact on Incline Village as a whole. Within our community, one of our smaller communities has roughly 40 percent STRs and is going unregulated. We would like to commend Assemblywoman Nguyen on her leadership of this issue and lend our support of A.B. 363 to assist in providing commonsense regulations that will not infringe on private property rights, but ensure that communities like Incline Village are preserved.

Russell Rowe, representing Boyd Gaming Corporation:

I am here today to testify in support of A.B. 363. I would first like to thank the sponsor, Assemblywoman Nguyen, for bringing this bill. We have received the conceptual amendment [[Exhibit E](#)] and believe it includes good changes. We look forward to continuing to work with the sponsor.

Boyd Gaming operates in all four local jurisdictions in the Las Vegas Valley—Clark County, City of Las Vegas, North Las Vegas, and Henderson. Over the past couple of years we have been very involved as many of these jurisdictions have worked to create ordinances to regulate STRs. What we learned through that process is there was a need for consistent, minimum standards for the enforcement and regulation of STRs. While we may be familiar with the local jurisdictional boundaries within Nevada, tourists, and in some cases STR hosts, likely do not know if they are in a municipality or unincorporated Clark County, and therefore do not know the specific requirements regulated to STRs where they are staying.

Assembly Bill 363 will ensure there is a level playing field across jurisdictions to ensure Nevada remains a safe and welcoming tourism destination, protects residential neighborhoods, communities, and affordable housing, and fairly requires STRs to pay the transient lodging tax just like our resort hotels do. The provisions set forth in A.B. 363 are aimed at protecting tourists and residents alike by requiring that STRs obtain a local jurisdiction permit and state business license to operate, and that that information is clearly listed on any advertisement for the STR, as well as displayed in the unit itself. Additionally, the bill requires that STRs are subject to health and safety oversight from the local health authority, and includes restrictions such as occupancy limits and minimum night stays to prevent those so-called "party houses" that are disruptive to neighborhoods and communities. The bill also includes important distance separation requirements to protect neighborhoods. We highly support this legislation. It is important to our tourism destination and to the neighborhoods in the Las Vegas Valley.

Alisa Nave-Worth, representing Red Rock Resorts:

Thank you, Assemblywoman Nguyen, for bringing this bill forward. I am here in support of A.B. 363 and the policy goals behind the legislation, which we strongly believe will establish a proper and consistent regulatory framework for southern Nevada's STR industry. This legislation does not seek to ban STRs; rather, it does the opposite. It allows STRs to exist. It places new requirements so those STRs can co-exist with our residents and the resort community in a way that helps ensure fairness and parity, and limits the growth of an industry to protect our community and our neighborhoods.

No longer is the STR industry strictly represented by the individual homeowner who seeks to lease their home for a weekend or extended time period while they are out of town to earn some extra income. Today, many STRs are owned by corporations and/or investors who purchase mostly entry-level homes. They remove these homes from the market and list them as an STR to Las Vegas' leisure and business travelers. With multiple homes for short-term lease, they operate like a hotelier but are not held to the same standards as the resort hotel industry, and they certainly do not create the same level of jobs as our largest industry in the state. It is for these reasons and more that we respectfully request you support this measure.

Shaohua Yang, Private Citizen, San Jose, California:

I have owned Airbnb property in Douglas County since last November. Since then I have had no issues of party noise because we screen the guests. I really appreciate that this bill is being considered, as we hosts of Airbnb are not really demons, and we do not necessarily interrupt the community. There just needs to be measures put in place to make sure they have a limited number of guests, do not interrupt parking in neighborhoods, and do not produce too much noise. The solution is really to regulate and make sure that everybody behaves in a respectful way to the community as well as neighbors. This bill will create a good, positive environment so everybody knows their role and produces tax revenue to our counties. Also, we help each other in terms of [unintelligible] legal status because in the past, it has been kind of a gray area about what we could and could not do, and there is also a lot of debate, or arguments, on social media with people arguing against each other. So this bill will hopefully bring a closure and unity into our community, and also respect and mutual benefit.

Ronda Tycer, Private Citizen, Incline Village, Nevada:

I am the co-chairperson of the Incline Village Short-Term Rental Citizen Advisory Group. We support the bill but oppose the amendment putting a cap on county population so that our Washoe County is not included. The current county ordinance does not protect our neighborhoods or our community at Lake Tahoe. After two years of pleading with the county, we still have no limits on numbers or locations of STRs throughout our Lake Tahoe community. We were ignored for two years while Airbnb and Realtors were allowed to influence the ordinance. These stakeholders were given priority over residents. "Stakeholders" is a fuzzy word and all stakeholders are not equal. The phrase we often hear, that "legislation must be right because all opposing groups are equally dissatisfied with it," is overused and wrongly indicates that all opposing groups should have equal say—that all groups are equal in importance. That is simply not true in the greater scheme of things. The most important voices are those that are the most informed and most interested in preserving the values that the

legislation is intended to uphold. I believe local full-time voting constituents' voices should be heard loudest in determining what is included in A.B. 363. And this bill should not give people running businesses priority over resident citizens trying to preserve the community. Businesses will fail when the communities fail. Incline Village has already lost most of its affordable housing. Just this week I helped a computer tech move from Incline Village to Reno because there is no affordable housing left. He has lived here 40 years and he is now unable to find a single place to live, and he is not an isolated person. Go on the local Incline Village forum Next Door

Chair Cohen:

Your two minutes are up. We are also going to categorize your testimony as opposition. I will remind anyone else who is waiting to testify, if you are going to testify in support, you are testifying in support of the bill with the amendment, so please testify accordingly. We will move on to the next person in support.

[[Exhibit G](#) and [Exhibit H](#) were submitted but not discussed and are included as exhibits of the meeting.]

Patrick Cates, County Manager, Douglas County:

Thank you for the opportunity to address A.B. 363. Douglas County includes the Tahoe Township, which encompasses the southeast portion of the Tahoe Basin from Stateline, Nevada to Spooner Lake & Backcountry State Park. Short-term rentals have been part of the tourist economy in the Tahoe Basin for decades, and Douglas County may have one of the oldest STR programs in the state, managing them by ordinance since 2005.

For the last three years we have been working on a major update to our ordinance, including 24 public meetings. We have added enforcement resources and stood up a new platform. We are nearly done with this process and our county commission will have their first reading of our new ordinance next week. We currently have approximately 600 permitted STRs generating over \$3 million per year in room tax revenue. The Douglas County Board of Commissioners voted to oppose A.B. 363 as introduced. Douglas County's concerns were with the level of specificity of requirements, particularly where they conflicted with our own ordinance. Douglas County proposed an amendment [[Exhibit I](#)], which is included in your support material. It would differentiate between rural and urban counties, and seeks to remove provisions for rural counties that conflicted with our own ordinance. However, given Assemblywoman Nguyen's conceptual amendment [[Exhibit E](#)], Douglas County would wholeheartedly support the population provision that makes A.B. 363 apply only to Clark County.

I want to thank Assemblywoman Nguyen for working with us and the many other stakeholders in the last couple of weeks. Short-term rentals are a complicated topic that often involves strong passion among the public with widely divergent views. I respect her courage for taking this on. She has been open and willing to consider changes to the language to make it workable

for Douglas County and the other stakeholders. I think that is reflected in her conceptual amendment. While I still need to bring this back to my board of commissioners, I am confident Douglas County will support Assemblywoman Nguyen's conceptual amendment.

Chair Cohen:

There are technical difficulties with the next caller. I will ask that they call back and I will accommodate them.

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

As there are no further callers in support, we will now hear from those in opposition on the Zoom call.

Adam Thongsavat, Program Director, Airbnb, Inc., San Francisco, California:

I serve on Airbnb's public policy team. We would like to thank Assemblywoman Nguyen for her hard work on A.B. 363 and for diligently engaging a wide range of stakeholders on the bill. We recognize this is a complex issue, attracting the attention and feedback of many parties. We applaud Assemblywoman Nguyen's effort to forge a balanced path forward to ensure STRs can continue to serve local economies while bolstering Nevada's economic recovery at large.

We believe the proposed conceptual amendments [[Exhibit E](#)] from Assemblywoman Nguyen offer a fair and balanced approach for Nevada's current STR regulatory environment; however, we would like to raise additional items for the Committee's consideration. As proposed, A.B. 363 would legalize STRs in southern Nevada and create a simple way for our community to pay their fair share of transient lodging tax, which generates millions of dollars in revenue for Nevada each year. As an example, in Washoe County in the past five years, we have collected and remitted an estimated \$7.6 million in room tax. As part of our efforts to be a good partner to the state, local governments, and communities we serve, we respectfully ask the Committee to consider substantive changes to the 2,500-foot gaming buffer from STRs, the 500-foot distance requirements between STRs, and eliminating the two-night minimum for non-owner-occupied stays.

We are coming off the heels of a once-in-a-century pandemic that has devastated the travel and tourism industry. Now is the time to help draw visitors to Nevada in a safe and healthy manner. We look forward to working with Assemblywoman Nguyen and other members of the state and local leadership to ensure Airbnb and our host community are partners to Nevada's growth and economic recovery. Thank you for the consideration of our comments, and we look forward to continued engagement on this bill.

[[Exhibit N](#) was submitted but not discussed and is included as an exhibit of the meeting.]

Chair Cohen:

I believe Airbnb has collected tax in Washoe County but not in Clark County or the other counties. Can you explain why that is and how that came about?

Adam Thongsavat:

In March 2016 we entered into what we call a VCA [voluntary collection agreement] with Washoe County, including Reno and Sparks. That program has since blossomed to 29,000 jurisdictions across the globe. As of September 2020, I believe we have collected upwards of \$2.6 billion. We are supportive of Assemblywoman Nguyen's amendment to ensure there is tax parity here, and we can help our community collect this tax that we know is so vital to local and state government.

Chair Cohen:

As there are no questions from the members of the Committee, we will hear from the next person in opposition on the Zoom call. [There was no one.] We will now go to those in opposition in the room.

Marcos Lopez, representing Americans for Prosperity Nevada:

I want to start off by saying I hope Assemblywoman Nguyen knows I have great respect and reverence for her for taking up this issue, a very complicated issue we have been involved in since 2018—local municipalities, Washoe County, Clark County, City of Henderson, North Las Vegas, and the City of Las Vegas. We believe the amendment [[Exhibit E](#)] is a step in the right direction but would like to see further changes. Our real concern is in the distance separations. I think this is a textbook example of anticompetitive, protectionist regulatory captures by certain industries, in particular Boyd Gaming and Station Casinos. We know they are very much against STRs and the Airbnb community and operators. We respectfully ask the sponsor to remove these distance separation requirements and the minimum night requirement.

Short-term rentals have long offered Nevada residents the opportunity to make some extra money for themselves and their families. It has been an important source of income for many Nevadans of all walks of life looking to share in our state's robust tourism and gig economy. In its current form, [A.B. 363](#) is the government dictating who you can have in your home, how many nights you can have someone in your home, in order to protect corporations over average Nevadans. We strongly believe that short-term rentals (STRs) need to be treated in the same manner as long-term renting. The activities that occur in STRs are the same as activities that occur in LTRs [long-term rentals]. These are not hotels. They do not have concierge service. They do not have restaurants. They do not have entertainment. They do not have physical security. They do not have amenities on site. The activities that occur in STRs are fundamentally not any different than the activities that occur in LTRs. We have engaged in these issues since 2018, and we really want to get to a position of neutral because we understand there are many individuals who are being hit with \$1,000 fines retroactively and cumulatively that they cannot afford. With the threat of [Senate Bill 57](#), which is threatening to remove people from their homes for these unpaid fees, we really significantly want to get to a position of neutral because we want to make sure that these individuals are protected, and we fundamentally believe in people. We urge progressives who oppose corporatism and conservatives who support property rights to be united in opposing this bill as currently written. On behalf of the 96,000 activists in our organization, we urge you to oppose [A.B. 363](#).

Chair Cohen:

As there are no others in the room to testify in opposition, we will go to the phones. We are allocating 45 minutes and that has already begun. We will now hear from the next caller.

Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada:

Bottom line, I see this as against private property rights. It is pretty obvious. The casino establishments are losing a lot of their business to other parties. It is their responsibility to make their properties more attractive because they have been instituting resort fees, paid parking, their service has come down, and this is a threat. It brings unacceptable competition to their establishment. This really further proves that Nevada is really a merger of state and corporate powers, particularly casinos, along with the phony labor unions that they are tied with.

Now yes, there are concerns with party houses. I believe there are other measures that can be taken to strike them down, but I do not think casinos should have power on what people should put on their property. That is a decision to local authorities. And yes, I understand that tax revenues can help, but I fear if tax rates are so high, it may discourage people from using them. I think that improved zoning and codes can really do the thing. I think this will also create an opportunity for the black market where people will just post things on other sites, like Craigslist. Also, Airbnb provides lower-cost competition to the rental market. When I was going in between housing units, I used Airbnb to find an appropriate apartment.

Bottom line, I also see this as a one-size-fits-all approach throughout the state. Every city and county is certainly different. Bottom line is that I see this as nothing more but casino power to outstrip the competition, and it further proves my largest concern I have in the state of Nevada.

Robert Callahan, Senior Vice President, State Government Affairs, Internet Association, Washington, D.C.:

The Internet Association represents more than 40 of the world's leading Internet companies. We advance public policy solutions that foster innovation, promote economic growth, and empower people through the free and open Internet. We respectfully oppose A.B. 363 due to its provisions that would act as a de facto ban on many STRs in Nevada.

While we appreciate that there has been some progress made with the recent amendments [[Exhibit E](#)], we still have serious concerns over the ban on STRs within 500 feet of each other as well as the two-night minimum requirement. These limitations are overbroad and would prohibit a significant volume of legitimate STR activity in Nevada.

Short-term rentals create an opportunity for homeowners to supplement their income and stimulate business growth in neighborhoods previously untouched by tourism. They also offer more affordable and flexible options for guests, creating a demand for tourism and travel, and bring tens of millions of dollars to local communities. This adds to the vibrancy of local communities beyond the typical tourism districts, and new visitors to these neighborhoods

bring unprecedented economic stimulus. This means more customers for main street shops and locally owned businesses that tourists normally would not have the opportunity to visit. For these reasons we remain opposed to the bill and urge the removal of the proximity restrictions and the two-night minimum. Thank you for your consideration.

[[Exhibit O](#) was submitted but not discussed and is included as an exhibit of the meeting.]

Justin Harrison, Office of Diversity, Clark County:

We are here today in opposition to the bill as written; however, I do want to thank Assemblywoman Nguyen for including us in her working groups, and we look forward to continuing to discuss further amendments to the bill. I was able to review the proposed conceptual amendment [[Exhibit E](#)] shortly before the hearing, and some of our primary concerns include the proposed population cap as well as the lack of enforcement provisions in the bill. By mandating provisions only in counties with a population over 700,000, you create inequity. Most counties will have flexibility in drafting their ordinances concerning STRs and one will not. We know each local jurisdiction—even those in Clark County—have unique characteristics and believe the prescriptive provisions found in the bill will not allow all jurisdictions the flexibility to determine the best public policy for matters of local concern in their individual communities.

I appreciate Assemblywoman Nguyen's, mentioning continuing to address enforcement; however, the lack of enforcement provisions in the bill does not provide local jurisdictions, which are charged with enforcement, the tools to gain compliance over properties operating both legally and illegally. It is our hope to see dual-track enforcement provisions, one for properties operating with a permit or license, and those operating without. Constituents in our community are asking for stronger enforcement. Additionally, you will see posted to NELIS that Clark County has filed a \$3.8 million fiscal note on the bill over the biennium and a \$3.5 million note over the future biennia. This is the cost we anticipate based on our best assessment of how many STRs may be operating or begin operating in unincorporated Clark County. I will wrap up, but at your direction I also have Jim Andersen with Clark County Code Enforcement, who has signed in to provide neutral testimony that includes current statistics and may answer Assemblywoman Anderson's questions, and any others the Committee may have.

Chair Cohen:

We will have Mr. Andersen testify in neutral when we get there. We will now hear from the next person in opposition.

Melissa Cassidy, Private Citizen, Las Vegas, Nevada:

I am opposed to this bill as it is written currently with the amendment. I started hosting on Airbnb four years ago and had accumulated over 1,000 bookings. Not one time was there an incident with police or my neighbors. I have hosted and introduced our city to people from over 45 countries. Being an Airbnb host has allowed me financial freedom without working myself to death as I was doing it.

I have been a culinary bartender and food server for over 21 years. I was working on multiple properties, oftentimes working double shifts of 12 to 16 hours per day. I love my job, but I needed to find another source of income to lighten the toll on my body. Being a host has allowed me to take shorter shifts and fewer shifts in a week. Hosting allowed me to focus those energies on improving my home for visitors. Those desires allowed me to employ friends and professionals from across Las Vegas. All of that is written in past tense, as it came to a halt in January when I was reported to code enforcement by a bitter neighbor with a personal grudge unrelated to hosting. Being shut down is unreasonable, as I host in the home I live in. I do not throw parties. My home is not loud or disruptive to my neighbors. If it were, I would not have been able to do this business successfully for four years. There are all kinds of travelers. Let us keep up with the world and provide them all kinds of options in Las Vegas.

I miss hosting. I miss my guests. I urge you to make Airbnb legal but without the proposed arbitrary distance restriction. The distance restriction from STRs to casinos is arbitrary and eliminates 29 million square feet of voters' private property as an STR. The proposed distance between STRs is also arbitrary. There are fewer than 200 police reports about Airbnb. Many speakers have overemphasized the problem at Airbnb to date. The proposed two- or three-day minimum essentially prohibits an STRs' ability to host thousands of stays. We are a pass-through state to national parks on either side of us in our adjacent states, and guests often wish to stay one day. Thank you for your time.

Malee Simpson, Private Citizen, Las Vegas, Nevada:

I am an STR operator in Henderson, Nevada. I have been a long-term resident of Las Vegas, in Clark County, for over 40 years. I have raised four kids here. I appreciate this bill, and although I am opposed, it is because of some of the provisions, mainly the distance rule. The reason why is it has personally affected my ability to earn income through my rental property. I purchased a property in Henderson that was blocked by another property because of their 1,000-foot distance rule, so I was not able to use mine for an STR even though it was already set up and ready to be used that way. I appreciate the work that has gone into this bill, but I do think the distance rule is the main issue here. I see it is going to pit neighbor against neighbor. It is also going to put those houses available in the circles Henderson has now, and the price of the house that can do it and one that cannot is going to be a huge difference. So I think the distance rule is something that I definitely oppose, and that is from my own personal experience.

Jeff Rogan, Private Citizen, Las Vegas, Nevada:

I want to comment that I support STRs and am in support of assessing the transient lodging tax upon STRs. But I oppose the remainder of this bill and conceptual amendment [\[Exhibit E\]](#) as it usurps the authority of our local communities to regulate and control what is, at its heart, a local issue. I have personal experience with STRs in three respects. I have been the president of our voluntary neighborhood association near downtown Las Vegas. I am also a current member of the Planning Commission for the City of Las Vegas. I also use STRs occasionally here in Nevada and elsewhere. From these personal experiences, I can advise you that while STRs are popular, the issue of STRs operating in residential neighborhoods evokes a visceral and emotional response from neighbors. In other words, if there is a third rail of local land use

issues in Nevada, it is the issue of STRs, given the disproportionate impact that this bill will have on our neighborhoods in Clark County that are not governed by an HOA. I urge you to act carefully, with deliberation, and most importantly, I ask you to seek input from those citizens from communities like mine who have struggled with STRs over the past several years.

With regard to the specifics of this bill, I applaud the Assembly for tackling the transient lodging tax issue that unfairly exempts STRs from taxes that other similar businesses are obliged to pay. As to the remainder of the bill and conceptual amendment [[Exhibit E](#)], I would make three requests. First, any state law governing STRs must allow local communities the discretion of whom to license and what regulations should be imposed on the operation of STRs. For example, the City of Las Vegas determined that an appropriate distance separation between STRs is 660 feet, whereas the City of Henderson requires 1,000 feet. Second, this bill lacks a workable enforcement mechanism. I would ask that you listen carefully to our local leaders and include, in whatever form they advise, a civil mechanism of enforcement that will weed out those bad operators from our neighborhoods. Finally, as proposed

Chair Cohen:

Your two minutes are up. I need you to wrap it up.

Jeff Rogan:

I would also urge you to not eliminate public input prior to licensing of STRs. Thank you for your time.

Chair Cohen:

We will hear from the next person in opposition.

Jacqueline Flores, Private Citizen, Las Vegas, Nevada:

I am the founder of the Greater Las Vegas Short-Term Rental Association. We are the largest and most influential organization representing STR owners and operators across Nevada, especially in southern Nevada where thousands of our members operate their STRs without any issues. We sincerely appreciate Assemblywoman Nguyen's interest in STRs and commend her on keeping the lines of communication open. Unfortunately, the Greater Las Vegas STR Association cannot support A.B. 363 in its current form. More than anyone here today, we would like to see the statewide legalization of STRs. However, many of the provisions in the bill, especially distance separations, among other things, keep us from being able to endorse this legislation as good for STR operators. A whole magnitude of people benefit from STRs—empty nesters, retired senior citizens on a fixed income, people that have lost their jobs due to COVID-19, parents trying to help put their children through college, homeowners who have been saddled with high medical bills or struggling to pay their mortgage, sons and daughters trying to take care of their elderly parents, among others. I do not think we are ready to tell any of those families we can support a bill that will take away their ability to take care of family.

We have an opportunity to benefit the state and individual Nevadans from a new, growing, and thriving industry that is the STR industry. Instead of limiting its growth and benefits to a few, we should be doing everything in our power to protect and grow it for the benefit of all in our state.

Brittany Walker, Acting City Attorney, City of Boulder City:

I am here in opposition to A.B. 363, representing Boulder City, Nevada. Boulder City is really grateful to the sponsors for bringing this bill forward, and to Assemblywoman Nguyen for working so hard with stakeholders on addressing the issue. Boulder City overall is supportive of the concept and thanks Assemblywoman Nguyen for trying to address this challenging and complex problem that local governments face. However, we are in opposition due to section 20, subsection 3, which prohibits local governments from enacting a regulation that would prohibit the operation of STRs in their jurisdictions. We believe that this is a local issue and it should be up to the local jurisdictions to determine whether STRs are appropriate.

We are a population of 16,000. We have one part-time code enforcement officer and a finance staff of eight individuals. It would be very onerous on us to collect the additional tax rental income as well as enforce the tax collection provisions. It would also be very onerous upon us to enforce the permitting requirements and other regulations that would be required in regulating STRs.

Stephen Shur, President, Travel Technology Association, Arlington, Virginia:

I am the President of the Travel Technology Association. My members include Airbnb, Vrbo, booking.com, and many others. I am here today in opposition to this bill in its current form. The bill will severely restrict STRs in Nevada and may effectively be an all-out ban—specifically the distance requirement, the two-night minimum, and the buffer from gaming facilities are hugely problematic for the STR industry. I would like to share a few statistics about STRs and their role in the travel and tourism economy.

According to a recent travel poll we conducted, one-third of travelers indicate they will stay in an STR this year. Nearly 75 percent of consumers who are very likely to travel this year believe that STRs provide a valuable alternative to other lodging options when considering travel priorities like safety precautions. Seventy-three percent indicate that they will travel in state this year, which means this bill will affect Nevada citizens as well. Short-term rental guests on average stay longer and spend more money than hotel guests.

At a time when our industry—your industry—is coming out of one of the worst years ever economically as a result of the pandemic, now is not the time to restrict STRs as an accommodation option for those travelers who are seeking to stay there. Travelers want options. Homeowners want the ability to earn some extra income, particularly in this difficult economic environment, and we should be opening all the doors to all forms of accommodations to attract visitors at pre-pandemic levels. Assembly Bill 363 does the opposite. We remain hopeful that the Committee will engage in a productive dialogue with our members as you have been, address some of the concerns we have, and find a path forward that works for all stakeholders, including Nevada homeowners, travelers, and communities.

[[Exhibit P](#) was submitted but not discussed and is included as an exhibit of the meeting.]

Luis Calderon, Private Citizen, Las Vegas, Nevada:

I am a longtime resident of Las Vegas, Nevada. I am opposing this bill and the amendments that were presented today. I think everyone made some good arguments in terms of why there are benefits and negative parts of it, but one of them specifically was the revenue and the tax revenue that has been missed by having STRs not regulated, and that is completely accurate. However, by putting the limit on the distance, are we not sort of taking away some of the revenue we could gain by limiting the number of people who could come to Vegas?

Additionally, it feels almost that some of the amendments at the end of the day were very sided to the casino and the gaming industry and not necessarily toward some of the other arguments that were [unintelligible] protection and the community in the local neighborhoods. And even looking at the fiscal plan and the additional requirements for additional employees from the government side, none of that related to policing, infrastructure, or anything related to how do we make the community better, specifically in areas where there [unintelligible].

So I think this is sort of moving in the right path, but it is lacking a lot of data in order to make an informative decision. I believe we did not get the information on how many of the actual complaints are STRs [unintelligible] like that. I do not necessarily think that this bill, as it stands right now, is mature enough to move forward with some amendments, specifically

Chair Cohen:

Your two minutes are up. Next person in opposition, please.

Linda Riegle, Private Citizen, Las Vegas, Nevada:

I live in unincorporated Clark County. I oppose the legislation for the basic premise that recognizes STRs be allowed in residential neighborhoods. You, too, have recognized that principle by exempting HOAs. We have bought our homes, and we are investors as well, knowing that zoning limited commercial activity, including STRs. While there may be mom and pops renting rooms, the majority of these units are investors who have bought multiple properties and are turning them into hotels. Las Vegas is the place people come to party. Many expect fully to have a "what happens here stays here" experience. This is what makes our town the tourist town it is. But it belongs in tourist zones. A quick search on one platform shows 50 properties advertising they sleep 20 guests or more. Illegal STRs have been operating for a while and we should not let them make the tail that wags the dog. Similarly, if we would think that shoplifting is prevalent, we should just eliminate that as an offense. That is not what should happen.

If STRs are to be allowed, this bill has a number of good points, but the provisions must be strengthened. There must be a strict annual permit process. Those who have operated illegally must not be grandfathered in. They have violated the law. They should not be given advantages. If complaints are filed, the permits cannot be renewed annually. Short-term rentals must comply with fire and safety regulations, pay permit fees to enable localities to enforce the regulations, and pay taxes. Occupancy must be limited. You cannot also allow

based on the number of bedrooms because what we have seen in this neighborhood is houses being turned into bunkhouses. There must be a limit to the number of permits per entity and related entity, and per neighborhood. Distance regulations are vital here. In my neighborhood, house after house after house

Chair Cohen:

We are at two minutes. Can you please wrap it up?

Linda Riegle:

There must be strong enforcement mechanisms, including fines, criminal penalties, right to seek injunctive relief, and a grant of a private right of action.

Chair Cohen:

Next person in opposition. We have about ten more minutes for calls in opposition.

Cindy Lowman, Private Citizen, Henderson, Nevada:

I am a real estate broker, property manager, member of the National Federation of Independent Businesses, an STR owner, co-founder of Short-Term Rental Association—Henderson, and most importantly, a single mom of twin 14-year-old boys. I oppose A.B. 363 as written. I do totally support making them legal throughout Nevada and appreciate all the work that has been done. With the legalization of STRs in Henderson in 2019, I turned our family home into one. In return I have been able to support my family and have been able to build a future for my boys so they can own their own home when they are of age and not have to struggle in life as so many people do. With the way the proposed law is currently written, we would lose this income, with our dreams crushed.

I think it is important for people to understand how an STR really works and that the stereotype of them in the media is wrong. We open our home to families wanting to get away together in a safe, clean, and fun environment. We do not promote or allow parties. The bad guests we get on occasion are usually because Airbnb did not vet them well, and that is an entirely new subject that needs to be addressed. I, as well as many other owners, have security measures in place and we are prepared for possible problems and stop them before they become true problems. With a well-written law, this could be a mandate for all hosts. The guests who stay at our house go to the local casinos as well as to the ones on the Strip and downtown. They shop at the local grocery store, go to family-owned restaurants, bars, salons, and boutiques, and spend their money. We have written data we can share about how much they spend. It helps our communities immensely. The state is losing out on millions of dollars they could be making if they wrote a good law for STRs, with each owner paying taxes. Without a good law, the 7,500-plus illegal ones will continue to run underground and the state makes nothing yet has to exert the manpower and expense for problems that arise. Would it not make more sense to write reasonable laws, have the state collect the tax, and create more jobs? I ask that this bill be changed to be fair and reasonable, or kill it.

Deanne Bourne, Private Citizen, Incline Village, Nevada:

I live in Incline Village and am an STR owner. I oppose A.B. 363 as amended because of the large separation restrictions. My story is that after a serious accident, we lost half of our income for our mortgage payment but were able to keep our house by doing short-term renting. I believe that the proliferation of STRs is a myth because if I am in an area that lowers a nightly price through supply and demand, it would eventually make short-term renting in that area unattractive to the potential host or the investor. Regarding revenue, the money from a home STR stays in the area. Hosts pay local carpenters, cleaners, electricians, and plumbers. They also spend money at Home Depot and Walmart locally. I know this for a fact. Short-term rentals are good for the local economy. Casinos do pay enormous taxes certainly, but much of their profit is not kept in Nevada. Lastly, not everyone is interested in staying in a casino hotel. I want a kitchen which caters to my special food needs, and I really prefer to stay in STRs.

[[Exhibit Q](#) was submitted but not discussed and is included as an exhibit of the meeting.]

Renee Brown, Private Citizen, Reno, Nevada:

I am a residential short-term host. I am not opposed to regulations, standards, additional insurance, and inspections. I also do not oppose paying reasonable permit fees to accomplish standardization to protect the community we have lived in for over 45 years. I do, however, oppose the two-night and three-night minimum. We live on-site and list exclusively on the Airbnb platform. We have never experienced any issues with our guests or our neighbors who are aware and supportive of our STR. Although we have had people try to have parties, we have always been able to thwart it. We rent out a large family room equipped with a set of bunk beds, two queen beds, and a full, private bathroom.

Many of our guests are travelers between Salt Lake City, San Francisco, Las Vegas, northern California, and the Oregon coast. Some of these travelers are from around the world, visiting America for the first time, and we are honored they have chosen to stay with us. After eight hours of traveling, Reno is the perfect one-night stop to rest and refresh. Our guests usually eat out, fill up their gas tanks, and then come back for a good night's sleep, leave early, and continue on their journey. We also host a handful of parents of students attending the University of Nevada, Reno, coming in for special weekends or sorority events. Other guests include families who come in for volleyball and soccer tournaments, seasonal skiers and snowboarders. Our home is an affordable family setting with flexible check-in and check-out, and the assurance that the spaces are clean and sanitized to a very high standard. These are almost always just one-night stays. In August and September, we do occasionally host guests for longer stays. Reno has great events like Hot August Nights, the National Championship Air Races, and the famous Great Reno Balloon Race. We often host pilots and their families, and we have hosted several Hot August Nights participants. However, by and large, our guests stay one night.

Chair Cohen:

We are at two minutes. Please wrap it up.

Renee Brown:

I do not disagree with any of the standardizations. Please do not hold us to a two-night minimum.

Chair Cohen:

Next person in opposition.

Ryan Black, Private Citizen, Las Vegas, Nevada:

I am representing myself today. I speak from a unique position, as I previously worked for a local government agency enforcing business licensing and zone regulations, everything from businesses that affected public health and safety—like liquor establishments, bars, nightclubs, marijuana establishments, pawn shops, smoke shops, ice cream trucks—all the way down to businesses that did not affect public safety, like street vendors, mobile car washers, and STRs.

I specifically worked on a team that responded to complaints regarding STRs and investigated potential violations and completed follow-up regarding those complaints. I now consult in a private capacity for businesses like [unintelligible] to investigate, so I ask the Committee, what is the point of this bill if it only applies in southern Nevada, when most of the agencies have already gotten it figured out? The City of Las Vegas, City of Henderson, and City of North Las Vegas have all specifically adopted regulations pertaining to STRs, none of which need an approval or denial from the State. The only problem this fixes is it would require Clark County to allow STRs, which, as it stands, are basically banned. Aside from that, most of the matters in this bill should be left to local governments to regulate, as is the case in most other local licensing matters. If the cities and counties believe STRs were a serious problem, they would require these businesses to undergo privilege licensing requirements, which would include a thorough background investigation and financial review, et cetera. There is already a mechanism to enforce regulations against unlicensed STRs. There is already a mechanism for local jurisdictions to license STRs. There is already a mechanism for local jurisdictions to implement and enforce STR regulations. There is already a mechanism for local police departments to take actions on party houses, which is the number one complaint against STRs, and most of which are also actually LTRs.

So I am just going to summarize and say that I agree with Assemblyman O'Neill's point, which is that I want Clark County to be able to solve their own problems. This is not a state problem but a Clark County problem. I am opposed to this bill as written.

Rachel Hopper, Private Citizen, Las Vegas, Nevada:

I am a resident of Las Vegas, co-founder for the Short-Term Rental Association for Henderson, and an STR operator of two licensed properties since 2017. There is a lot I could tell you today. I could share that I have hosted over 800 stays with zero issues, infractions, or neighbor complaints. I could let you know how much I paid in taxes over the years, or that three of my co-workers started working with me when they were laid off during the pandemic by Strip hotels, and because of the work provided by my STRs, were able to stay off unemployment. I could share the fact that I list my properties on a travel website for families with children with special needs, and that over the years I have hosted about 50 of these families, who would

never visit Las Vegas if they were not able to stay in a house. I could share that I offered both my homes to victims of California wildfires and to frontline workers during the pandemic, and after the October 1, 2017 shooting, I had two families stay, one right after, while waiting for news of loved ones. On the first anniversary, I hosted a survivor who came back to Las Vegas for healing but due to her post-traumatic stress disorder could not stay on the Strip.

Yes, there is a lot I could share with you about the good STRs have done for local communities in our state, but I want to share more personal data with you. Seventy-two and four—that is my mom's age and the stage of her cancer. Five—that is how many days per week she has chemotherapy, lab tests, or another doctor appointment. Eighteen—that is the average hours per day that, as her sole caregiver, I spend taking her to and from appointments, helping her with chores of daily living, administering her medications, or helping her hold her one-year-old grandbaby while she still can. Zero—that is how much financial support Medicare would provide right now for a full-time home-health aide. It is also how many hours of paid FMLA [Family and Medical Leave Act] I have left from work, and because of that, the amount of my paychecks, a statistic that never concerned me until A.B. 363 was introduced.

I want STRs to be legalized in Nevada, but I oppose A.B. 363 as written with the distance separations, two-night minimum, and the occupancy regulations that count a kid of any age as an adult. Assembly Bill 363 robs my daughter of getting to know her grandma and me of those final moments with my mom, and I would have to go back to work full-time to make up for the potential loss of this STR income. Before you go to vote, I hope you remember this data, this story, and my plea for you to vote no on A.B. 363 in its current state. Thank you, Assemblywoman Nguyen, and the rest of the Committee for your time and consideration of my concerns this evening.

Jonny Desman, Private Citizen, Las Vegas, Nevada:

First, I appreciate Assemblywoman Nguyen for being open and willing to make this right for everyone. However, for STR operators, A.B. 363 is extremely concerning, and I oppose it as written. With the way provisions are written in this bill, this could be the final blow not only to the majority of STR operator businesses, but to our livelihood: With the long 500-foot distance between STRs and the 2,500-foot distance requirements from gaming centers, so many STRs are automatically eliminated without a fighting chance. Look, we have heard all the lazy excuses as to why people believe STRs are bad:

1. They are just party houses. I can tell you I have not had a single party at my STR. I provide rules and guidelines for guests to follow, and if these rules are broken, it is made clear that I can take action or ask the guest to leave, and nine times out of ten my guests are traveling business people or families on vacation, not people looking to have a party.

2. Another bad excuse is STRs are bad for business for our local hotels and casinos. I challenge everyone to name the number of hotels, casinos, or gaming centers that have been forced to shut their doors due to STRs nearby. I will save you the time. The answer is zero, none, absolutely not, but if this bill passes, thousands of independent owners will be forced to shut theirs.

It is time for a new approach. Instead of setting so many restrictions that make it nearly impossible to qualify, why not handle situations where owners are operating irresponsibly when those individual incidents occur. This is Las Vegas. We are supposed to be one of the most innovative cities in the world. These restrictions make us look like we are behind the times by a mile. It is time that people see STRs are actually good for the economy and offer travelers a new way to experience our lovely city, all while pouring money into local neighborhoods. We are about to enter the post-pandemic life, and the way travelers prefer to lodge will never be the same. If you take away STR options from our travelers, there is a good chance many of them might just look elsewhere the next time they are planning a vacation.

Chair Cohen:

We are almost to the end of time being allowed for opposition, but I do believe the City of Las Vegas would like to make a statement.

Kelly Crompton, Government Affairs Manager, City of Las Vegas:

As the first and largest jurisdiction to take on the STR issue and enact an ordinance, we know firsthand how complex, dynamic, and intense this issue is. We also know how incredibly difficult it is to balance the multitude of interests, especially neighborhoods and neighbors, with genuine entrepreneurs. The process to get the city's ordinance we currently have was extensive, exhaustive, exhausting, and contentious—then we thought it was done, except it was not. Even after the ordinance was enacted, public meetings on specific STR applications regularly lasted for hours, most often stretching late into the night and into the early morning hours. This industry is constantly changing, and the city must change along with it. We remain ever vigilant on our effort of enforcement and compliance efforts, and those efforts guide our response to the ever-changing STR market through local ordinance. In this regard every community must retain the authority and responsibility to take a similar course of action, namely to address the issue in the manner best suited for their unique circumstances within their unique community.

I do have some more testimony that is way more than two minutes, so I am going to submit that for the record. We have also submitted that to Assemblywoman Nguyen. We appreciate all the work she has done to talk with the jurisdictions that will inevitably have to enforce these restrictions, and we look forward to talking with all of you to answer any of your questions off-line.

Chair Cohen:

Thank you. As a reminder, Ms. Crompton brought up a good point. If there was someone who was not able to testify or feels they did not get to say everything they wanted to say, please feel free to submit your written testimony in opposition or support and we will take a look at that; everyone on the Committee will get that.

[[Exhibit R](#) and [Exhibit S](#) were submitted but not discussed and are included as exhibits of the meeting.]

We will now go to those in neutral, and I will remind people that neutral is just providing information, not taking a stand on the bill in any way. As there are no callers on the Zoom call in neutral, is there anyone in the room in neutral? [There was no one.] We will go to the phones. Those in neutral will also have the 45-minute time limit, although I doubt we will get there.

Jamie Rodriguez, Government Affairs Manager, Washoe County:

I want to thank both of the bill sponsors and the other proponents who have met with me to discuss the goal of the bill as well as our concerns as it was drafted. I appreciate the work Assemblywoman Nguyen has put into this effort. We have met a few times and I know, having helped with the outreach in Washoe County on our ordinance, just how many stakeholders there are in this discussion and the different desired outcomes from so many of the stakeholders.

Our recently adopted ordinance in Washoe County took five years to put together and was passed as a balanced approach to the different stakeholders' concerns related to STRs in Washoe County. We appreciate that our ordinance may not be perfect, but we are comfortable that we are in a good place and it was passed by my board.

I am happy to work with Assemblywoman Nguyen in the future, should she or anybody else desire to look at creating statewide rules. However, based on the conceptual amendment [[Exhibit E](#)] which we are very appreciative of, we are neutral on the bill, as it would no longer impact us and allow us instead to continue operating under the ordinances passed by Washoe County.

[[Exhibit T](#) was submitted but not discussed and is included as an exhibit of the meeting.]

Christine Hess, Executive Director, Nevada Housing Coalition:

The Nevada Housing Coalition is a statewide nonprofit established to advance and promote affordable housing for all Nevadans with members representing the public and private sectors, urban and rural, across Nevada. We appreciate this opportunity to provide our neutral testimony on A.B. 363.

Around the country, communities are having discussions about how to mitigate the impacts of STRs on their housing affordability. There is research that shows there may be harmful impacts, especially on first-time homebuyers and low-income renters. In fact, many

communities recognize the impacts of STRs both through regulatory solutions and by designating a portion of their transient room tax to affordable housing, which helps our service workers with safe, sustainable housing.

At this point the Nevada Housing Coalition is still studying the bill and the conceptual amendment [\[Exhibit E\]](#) that was just released. There are still a lot of moving parts, but we would like to offer our affordable housing perspective and engagement in working through this legislation. I would like to thank Assemblywoman Nguyen for her outreach. Again, the Nevada Housing Coalition is neutral on this bill.

Wesley Harper, Executive Director, Nevada League of Cities and Municipalities:

Thank you for allowing my statement in neutral. I am the Executive Director of the Nevada League of Cities and Municipalities. The League has concerns about [A.B. 363](#) as conceptually amended. We do appreciate the extraordinary work of Assemblywoman Nguyen, and we appreciate the distinguished members of the Assembly Committee on Revenue for considering this legislation.

Our concerns are based upon the mandates included in the bill, specifically, taking the recent conceptual amendment [\[Exhibit E\]](#) into account. Section 20 requires that each incorporated city in Clark County adopt the detailed ordinance which is enumerated in the bill to enforce and regulate STRs. This imposes a substantial burden on our municipalities that are not staffed or otherwise resourced to comply with this mandate. Additionally, it imposes a burden on our members who have already enacted ordinances to regulate this unique activity and commerce in their jurisdiction. These members would have to realign their staffs and resources who have been trained and acquired to implement their existing ordinance. Moreover, regulating and enforcing ordinance compliance of this activity and commerce is a matter of local concern. We submit that the manner and method of how STRs are governed primarily affects and impacts areas located within each incorporated city. On this basis alone, this bill threatens to overreach through the inclusion of a mandated ordinance, notwithstanding the burden and cost it imposes on our members.

We hope the Committee views this bill with scrutiny and respects the purview of local governments to properly govern according to the direct and unique needs of our residents. We would welcome the opportunity to continue discussions with Assemblywoman Nguyen and the other sponsors to strengthen this proposed legislation. Again, thank you very much, Madam Chair, for your attention and for allowing my statement.

Chair Cohen:

I do not think that was exactly neutral, so we are going to categorize it as in opposition. The next caller in neutral got disconnected. They may call back. We will go to the next caller in neutral.

Jim Andersen, Chief of Code Enforcement, Clark County:

As previously requested, I am here to provide some statistics regarding our STRs in unincorporated Clark County. Our STR enforcement team only works reactively, which means we only respond to cases if a complaint is received from a resident in the area. In unincorporated Clark County, we average approximately 800 STR cases per year. Many of those properties receive multiple complaints from different area residents. In the past three years, Clark County Code Enforcement has handled approximately 2,500 STR cases. We currently have 118 open and active cases regarding STR violations. In the past three years, 133 STR cases have had fines assessed against them. Of those 133 active cases, 76 have fines assessed and current enforcement tools are not effective in getting the owners to cease operating illegally. So approximately 5 percent of all our STR cases result in fines being assessed. An average of 30 STR cases per year reach the \$5,000 fine threshold that is proposed in other legislation [S.B. 57] to bring those fines on the property and put them on the tax roll.

In 2019 it was estimated that there were over 10,000 STRs in the Las Vegas Valley. In that same year, it was also estimated that over 6,000 STRs were in unincorporated Clark County. More recent data suggests that we have approximately 15,000 STRs in the Las Vegas Valley. So while Clark County has ordinances that work well to gain compliance for most of these violations, we struggle with gaining compliance from STR property investors whose focus is on business versus preserving the character of the neighborhood. This concludes my comments, and I would be happy to answer any questions you may have about statistics or enforcement.

Chair Cohen:

You told us how many complaints there are, but do you have any idea how many people just do not bother—maybe they call the police once or twice but do not bother going forward with filing a complaint with Code Enforcement?

Jim Andersen:

I do not have actual numbers on that. We have discussed many times that some of the challenges are that people do not necessarily know whom to call if there is that sort of violation. Another challenge we face is that often police are responding to a noise complaint or a party complaint and it is not always associated with it being an STR. Police officers are not always looking for that piece of information. I think more recently it is on the radar with the increase in violent crime, but overall we really do not know.

Chair Cohen:

I appreciate that information. As there are no questions from the members of the Committee, we will move on to the next caller in neutral.

Julie Davies, Private Citizen, Las Vegas, Nevada:

I am a longtime STR host and owner of legal STRs, and I am the educator who wrote the textbook used in university courses and real estate seminars on STR governance best practices. Now I have heard in the testimony misconceptions that I would like to clarify, if I may.

One of them is that STRs may not be remitting taxes at present. Legal, licensed STRs are remitting taxes, and as business owners who want to keep our permits and our licenses, we are going to make sure that we are remitting our taxes. We do not want to lose our licenses.

The premise for the bill, [A.B. 363](#), has flaws because of its

Chair Cohen:

This is testimony in neutral. Neutral means you are taking no position on the bill.

Julie Davies:

I need to clarify. What I am doing is telling you a challenge with it.

Chair Cohen:

If you want to provide us

Julie Davies:

I want to. Well, let me tell you, the bill is about accommodation facilitators collecting and remitting taxes. I have studied this in many areas, and I can assure you that it will not bring in more taxes and it will not make it easier for officials. The reason is because there will be multiple accommodation facilitators. Why do they want to do this? Because they will make millions of dollars. So it is important to understand that we, as legal STR businesses, are remitting taxes. This is not an industry that is not doing so at present, and we will continue if we want to keep our licenses and we do not need accommodation facilitators to do so. That actually complicates things. So I wanted to clarify that, and I appreciate the opportunity to do so. Thank you for your attention to this important issue.

[[Exhibit U](#) and [Exhibit V](#) were submitted but not discussed and are included as exhibits of the meeting.]

Chair Cohen:

We will bring neutral testimony to a close. Assemblywoman Nguyen, do you have any closing remarks?

Assemblywoman Nguyen:

Thank you, Committee members, for your attention and patience with this complex and passionate topic. Like I said before, I will continue to work on some of the suggestions that came out of this Committee, and the thoughtful questions you all asked, to improve [A.B. 363](#). I know there was a lot of testimony in opposition, I think because of the late nature of the conceptual amendments [[Exhibit E](#)]. There might be some misconceptions about whom this applies to. I think some of the grandfathering language I plan on including in [A.B. 363](#) will alleviate some of the concerns people have about losing their business opportunities. I do think that this is a step in the right direction. As you, Committee members, pointed out, the genie is out of the bottle, and I think we need to address it head-on. This is a step in that direction. Thank you for your consideration of [A.B. 363](#).

Chair Cohen:

I will close the hearing on A.B. 363 and open the hearing for public comment. I will remind the caller and the public that public comment is a time to address issues generally before this Committee but not to re-hear the bill.

Keith Spencer, Private Citizen, Las Vegas, Nevada:

I am looking at this as more in neutral. I can see the need to augment

Chair Cohen:

Sir, the bill hearing on Assembly Bill 363 is over. This is for public comment.

Keith Spencer:

I thought that was on the same hearing. Okay. Have a good evening.

Chair Cohen:

Thank you. If you would like to provide any testimony for A.B. 363, feel free to provide it in writing. I will now bring public comment to a close. Do the members of the Committee have any comments? [There were none.] To wrap up, we do not have a hearing scheduled for next Tuesday, but please feel free to watch the Economic Forum. We should have a hearing next Thursday. We are adjourned [at 7:09 p.m.].

RESPECTFULLY SUBMITTED:

Gina Hall
Committee Secretary

APPROVED BY:

Assemblywoman Lesley E. Cohen, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is the Work Session Document for [Senate Bill 25](#), dated April 29, 2021, presented and submitted by Michael Nakamoto, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit D](#) is the Work Session Document for [Senate Bill 74](#), dated April 29, 2021, presented and submitted by Michael Nakamoto, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit E](#) is a conceptual amendment titled "Conceptual Amendments on AB363," presented and submitted by Assemblywoman Rochelle T. Nguyen, Assembly District No. 10.

[Exhibit F](#) is a letter submitted by Christopher Daly, representing Nevada State Education Association, in support of [Assembly Bill 363](#).

[Exhibit G](#) are emails dated April 29, 2021, submitted by Ronda Tyner, Private Citizen, Incline Village, Nevada, in opposition to [Assembly Bill 363](#).

[Exhibit H](#) is a document titled "Reno Sparks Convention and Visitors Authority, Washoe County Transient Lodging Tax Districts and Rates for Fiscal Year 2019," submitted by Ronda Tyner, Private Citizen, Incline Village, Nevada, regarding [Assembly Bill 363](#).

[Exhibit I](#) is a proposed amendment titled "Proposed Conceptual Amendment to SB363 from Douglas County," presented and submitted by Patrick Cates, County Manager, Douglas County.

[Exhibit J](#) is a document titled "Proposed Amendments to AB 363," submitted by Carole Black, Private Citizen, Incline Village, Nevada.

[Exhibit K](#) is a document titled "Draft Tahoe Regional Planning Agency Short-Term Rental Neighborhood Compatibility Guidelines for Local Jurisdictions," dated September 18, 2019, submitted by Diane and Stan Heirshberg, Private Citizens, Incline Village, Nevada.

[Exhibit L](#) is a packet of emails submitted by various individuals in support of [Assembly Bill 363](#).

[Exhibit M](#) is a packet of letters submitted by various individuals and organizations in support of [Assembly Bill 363](#).

[Exhibit N](#) is a letter dated April 8, 2021, submitted by Adam Thongsavat, Program Director, Airbnb, Inc., San Francisco, California, in opposition to Assembly Bill 363.

[Exhibit O](#) is a letter dated April 5, 2021, submitted by Robert Callahan, Senior Vice President, State Government Affairs, Internet Association, Washington, D.C., in opposition to Assembly Bill 363.

[Exhibit P](#) is a letter dated April 27, 2021, submitted by Stephen Shur, President, Travel Technology Association, Arlington, Virginia, in opposition to Assembly Bill 363.

[Exhibit Q](#) are emails dated April 21, 2021, and April 28, 2021, submitted by Deanne Bourne, Private Citizen, Incline Village, Nevada, in opposition to Assembly Bill 363.

[Exhibit R](#) is a packet of emails submitted by various individuals in opposition to Assembly Bill 363.

[Exhibit S](#) is a packet of letters submitted by various individuals and organizations in opposition to Assembly Bill 363.

[Exhibit T](#) is written testimony submitted by Jamie Rodriguez, Government Affairs, Manager, Washoe County, in neutral to Assembly Bill 363.

[Exhibit U](#) is a copy of an email, dated April 28, 2021, submitted by Julie Davies, Private Citizen, Las Vegas, Nevada, in opposition to Assembly Bill 363.

[Exhibit V](#) is a letter, dated April 29, 2021, submitted by Calli Wilsey, Senior Management Analyst, Intergovernmental Relations, City of Reno, in neutral to Assembly Bill 363.