

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

**Eighty-First Session  
April 9, 2021**

The Committee on Revenue was called to order by Chair Lesley E. Cohen at 12:51 p.m. on Friday, April 9, 2021, Online. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/81st2021](http://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 Jill Dickman, Assembly District No. 31

**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:**

Stephanie Woodard, Senior Advisor on Behavioral Health, Division of Public and Behavioral Health, Department of Health and Human Services

**Chair Cohen:**

[Roll was taken and Committee rules and protocol were reviewed.] Today we have a work session on three bills. I will open the work session on Assembly Bill 360.

**Assembly Bill 360: Revises provisions relating to vapor products. (BDR 32-864)**

**Michael Nakamoto, Deputy Fiscal Analyst:**

The first bill on today's work session is Assembly Bill 360, which was heard in this Committee on March 30, 2021, and is sponsored by Assemblyman Hafen. The bill revises provisions relating to vapor products. I will go into the amendments to the bill because the testimony was given on an amendment submitted by Assemblyman Hafen prior to the meeting.

The amendment that was submitted would delete the provisions of the bill as written, and instead require retailers to utilize advanced age-verification technology at the point of sale for every tobacco and vapor product purchase to ensure the purchaser is at least 21 years of age, and that would become effective January 1, 2023. There are also penalties for violations of the section that are outlined in the proposed amendment.

Following the hearing, Assemblyman Hafen submitted another amendment, which is attached to the work session document [[Exhibit C](#)], and is dated April 9, 2021. It contains provisions amending the original amendment as follows:

1. The age verification would not be required by the retailer if the purchaser is 40 years of age or older;
2. The penalties would be revised such that a violation would be a civil penalty of \$100; and
3. Assemblywoman Hardy would be added as a cosponsor of the bill.

This second amendment would retain the January 1, 2023, effective date for these provisions. If there are any questions, I would be glad to answer them.

**Chair Cohen:**

I have been advised that the Southern Nevada Health District and Washoe County Health District are in support of the bill with the amendments. Also, we had some back and forth about the penalty section and if we needed to have it or not have it, as we do have other bills this session that are also addressing those issues; however, we will vote to pass this out of

Committee the way it is right now. Please understand that this is possibly still an issue and is a work in progress. With that, do the members of the Committee have any questions? [There were none.] I will accept a motion to amend and do pass A.B. 360.

ASSEMBLYWOMAN BILBRAY-AXELROD MOVED TO AMEND AND DO PASS ASSEMBLY BILL 360.

ASSEMBLYMAN ROBERTS SECONDED THE MOTION.

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

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblyman Hafen. I will close the work session on A.B. 360 and open the work session on Assembly Bill 370.

**Assembly Bill 370: Revises provisions relating to taxation on liquor. (BDR 32-750)**

**Michael Nakamoto, Deputy Fiscal Analyst:**

The next bill on today's work session is Assembly Bill 370, which was heard in this Committee on April 1, 2021, and is sponsored by Assemblywoman Dickman. This bill revises the distribution of the excise tax imposed on liquor containing more than 22 percent alcohol by volume to require that 15 percent of the portion of the tax that is currently deposited in the State General Fund instead be deposited in the Tax on Liquor Program Account. The proceeds from this portion of the tax must be used by the Division of Public and Behavioral Health of the Department of Health and Human Services to increase services for the prevention of alcohol or other substance use disorders, and for the detoxification and rehabilitation of persons with an alcohol or other substance use disorder.

There was an amendment submitted at the hearing relating to the proposed use of the funds by the Division. It would amend section 2, subsection 2, of the bill to specify that the money received by the Division from this portion of the liquor tax must be used to pay for grants for the provision of peer recovery support services for persons with alcohol or other substance use disorders that meet the requirements specified in that subsection.

Following the hearing, there was another conceptual amendment submitted by Assemblywoman Dickman. This is outlined in the work session document [[Exhibit D](#)] and would revise the bill as follows:

1. Remove the 15 percent allocation of the portion of the excise tax on liquor that would go to the Tax on Liquor Program Account, and maintain the distribution of those revenues in the State General Fund.

2. Instead, an allocation of \$200,000 to the Division for each biennium would be made to the Tax on Liquor Program Account in addition to the liquor tax revenue that is currently distributed there.
3. Remove section 2, subsection 2, paragraph (b), of the bill, which contains the provisions allowing the Division to use those additional proceeds for administrative and personnel costs.

Shortly before the hearing, we received another amendment from Assemblywoman Dickman, which would go into the first amendment submitted at the hearing and remove the word "peer," so that the proceeds from this allocation would be used for the grants of the provision of recovery support services and remove the word "peer." It is my understanding Assemblywoman Dickman and someone from the Division of Public and Behavioral Health (DPBH) are available to clarify that. With that, I would be glad to answer any questions.

**Chair Cohen:**

We will now hear from Assemblywoman Dickman and Dr. Woodard to explain the basis behind the amendment.

**Assemblywoman Jill Dickman, Assembly District No. 31:**

As I understand it, per DPBH, the word "peer" is too restrictive for the granting of funds. I believe Dr. Woodard is available to explain that.

**Stephanie Woodard, Senior Advisor on Behavioral Health, Division of Public and Behavioral Health, Department of Health and Human Services:**

By removing the word "peer" and leaving it to recovery support services, we would be able to use these dollars to fund a number of recovery support services, which would be inclusive of peer recovery supports but not exclusive to.

**Chair Cohen:**

Committee, do we have any questions on this issue?

**Assemblywoman Anderson:**

So would this impact any of the programs currently being funded?

**Stephanie Woodard:**

My understanding is no. The addition of the \$200,000 over the biennium would be in addition to the existing funding that the program uses, therefore the programs that are currently funded would retain that funding.

**Chair Cohen:**

Committee, do we have any other questions on this issue? [There were none.] Do we have any other questions on this bill?

**Assemblywoman Considine:**

I have a clarifying question because I got an email that confused me today. I want to ensure I am understanding all the amendments correctly. In the original bill, the original funding from the Tax on Liquor Program remains but the additional request of that 15 percent on top is being taken out, and then there is the \$200,000 in the biennium that is being added in. I want to ensure I have all of that correct. The original funding is still intact?

**Michael Nakamoto:**

That is correct. The bill as amended would maintain the current funding for the Tax on Liquor Program Account, but instead of having that 15 percent allocation, the bill as amended would remove that and then place an additional \$200,000 per biennium into that account.

**Assemblywoman Considine:**

I appreciate that clarification.

**Chair Cohen:**

Are there any other questions from the members of the Committee? [There were none.] I will entertain a motion to amend and do pass A.B. 370.

ASSEMBLYMAN YEAGER MOVED TO AMEND AND DO PASS  
ASSEMBLY BILL 370.

ASSEMBLYMAN O'NEILL SECONDED THE MOTION.

Is there any discussion on the motion? [There was none.] I want to thank the bill sponsor and Assemblywoman Considine. I know they worked to get this bill to a good place. Thank you, Dr. Woodard, for joining us today.

**Assemblywoman Dickman:**

I want to thank all the stakeholders and the Committee members, but especially Assemblywoman Considine for all the work she put into this to make it work.

THE MOTION PASSED UNANIMOUSLY.

**Chair Cohen:**

I will assign the floor statement to Assemblywoman Dickman.

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

I will close the work session on A.B. 370 and open the work session on Assembly Bill 435.

**Assembly Bill 435: Revises provisions governing the commerce tax. (BDR 32-1049)**

**Michael Nakamoto, Deputy Fiscal Analyst:**

The last bill on today's work session is Assembly Bill 435, which was heard in this Committee on April 1, 2021, and revises provisions governing the commerce tax. The bill specifically amends the definition of "business entity," for the purposes of this tax, to exclude a person who takes part in an exhibition, trade show, industry or corporate meeting, or similar event held in this state for a purpose related to the conduct of a business, including, without limitation, an organizer, manager, or sponsor of such an event, or an exhibitor at such an event [reading from [Exhibit F](#)]. As drafted, the provisions of this bill would exempt these persons from paying the commerce tax. There are no amendments to the bill. The only thing I would note is that this bill is eligible for exemption, so if it does move out of this Committee, the next destination is likely the Assembly Committee on Ways and Means. With that, I would be glad to answer any questions.

**Chair Cohen:**

Members, do you have any questions?

**Assemblywoman Anderson:**

This is more of a comment. At this time, I am going to vote no because I had not been thinking far enough in advance when it was presented to ask if there was any way to have it be for a specific amount of time; for example, just until the next session or to get some more clarification on the history. So at this time I am voting no because I think it should only be until the next session. That way, we have more time to consider it and talk about it more.

**Chair Cohen:**

As a reminder to all Committee members, you can always reserve the right to change your mind. We just ask that should the bill make it to the floor, you inform me if there is going to be a change on your vote. Do we have any other questions?

**Assemblywoman Benitez-Thompson:**

This is also more of a comment. During the hearing, I tried to be deliberative in how I was thinking about this to ensure I had the information I needed. The series of questions I asked during the hearing was trying to sort out whether this is a piece that is needed for economic recovery. I think I heard pretty clearly that this was not what it was about—it is helpful in that way, but that was not the intent of the bill. It really is about a disagreement over a taxpayer and who should be included in the tax collection.

My understanding is that this bill, moving forward, will not interrupt any of the outstanding processes that are in place and occurring between some taxpayers and the Department of Taxation. That gives me some reassurance because I do not think the Legislature's place is to get in the middle of tax disputes that are in process. At this time I am voting no. If this had been about an economic recovery effort, and a very specific need in Clark County for this type of business for a certain period of time—two to four years—then absolutely, but this does seem to be just about a disagreement in tax. Our Fiscal staff did some

extensive research and did not find a legislative history regarding paragraph (n) [section 1, subsection 2, paragraph (n)] in this bill. It sounds like there might have been some reference to this conversation on other tax bills, but once again, it did not end up as a consideration for this bill. At that time when I took my vote on it, I had the understanding it would be the exhibitors and the participants, not the person organizing it. That is where I am today and I wanted to ensure I had that on the record.

**Assemblywoman Bilbray-Axelrod:**

I will be voting to move this out of Committee, but I had indicated to stakeholders that is based on the fact that I believe, from talking to a couple of folks, it was the intention. I am going to do a little more digging and I will see where I arrive when it gets to the floor, but today I will vote yes to get it out of Committee.

**Chair Cohen:**

Are there any other questions? [There were none.] You will have a chance for comments after we have a motion. I will accept a motion to do pass A.B. 435.

ASSEMBLYMAN ROBERTS MADE A MOTION TO DO PASS  
ASSEMBLY BILL 435.

ASSEMBLYMAN O'NEILL SECONDED THE MOTION.

Is there any discussion on the motion?

**Assemblywoman Considine:**

I wanted to add my comment that I am voting no right now but am also looking for more clarification on this. I wanted to get that on the record.

THE MOTION PASSED. (ASSEMBLYMEN ANDERSON, BENITEZ-  
THOMPSON, CONSIDINE, AND ORENTLICHER VOTED NO.)

**Chair Cohen:**

After we close the work session, I will allow Assemblyman Orentlicher to make comments on the bill. I will assign the floor statement to myself. I will close the work session on A.B. 435. Before we move to public comment, do we have any comments from the members of the Committee?

**Assemblyman Orentlicher:**

Like some of my colleagues, I am open to voting in favor of Assembly Bill 435 when it gets to the floor, but I feel we need more information about the need for this before we make a decision in favor of it.

**Assemblyman O'Neill:**

I would like to volunteer to take the floor statement on A.B. 435.

**Chair Cohen:**

Do we have any other comments from the members of the Committee? [There were none.] We will now take public comment. [There was none.] I am going to recess this hearing. I do not think we will need to come back, but we will keep it open just in case. We will let you know as soon as possible if anything changes. Before I recess, I want to thank our staff. We really appreciate and know how hard you are working.

We are in recess [at 1:14 p.m.]. [The meeting was adjourned on the floor of the Assembly at 5:22 p.m.]

RESPECTFULLY SUBMITTED:

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Gina Hall  
Committee Secretary

APPROVED BY:

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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 Assembly Bill 360, dated April 9, 2021, presented and submitted by Michael Nakamoto, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit D](#) is the Work Session Document for Assembly Bill 370, dated April 9, 2021, presented and submitted by Michael Nakamoto, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit E](#) is a letter dated April 9, 2021, submitted by Joyce Buckingham, Executive Director, Ron Wood Family Resource Center, in opposition to Assembly Bill 370.

[Exhibit F](#) is the Work Session Document for Assembly Bill 435, dated April 9, 2021, presented and submitted by Michael Nakamoto, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.