

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Eighty-First Session
May 17, 2021**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 6:05 p.m. on Monday, May 17, 2021, Online and in Room 3137 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 Maggie Carlton, Chair
Assemblywoman Daniele Monroe-Moreno, Vice Chair
Assemblywoman Teresa Benitez-Thompson
Assemblyman Jason Frierson
Assemblywoman Michelle Gorelow
Assemblyman Gregory T. Hafen II
Assemblywoman Sandra Jauregui
Assemblyman Glen Leavitt
Assemblywoman Brittney Miller
Assemblywoman Sarah Peters
Assemblyman Tom Roberts
Assemblywoman Robin L. Titus
Assemblywoman Jill Tolles
Assemblyman Howard Watts

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None



STAFF MEMBERS PRESENT:

Sarah Coffman, Assembly Fiscal Analyst
Brody Leiser, Principal Deputy Fiscal Analyst
Mary O'Hair, Committee Manager
Carmen Neveau, Committee Secretary
Bet Torres, Committee Assistant

OTHERS PRESENT:

Sarah Adler, Silver State Government Relations, representing the Charter School Association of Nevada
Kent Ervin, representing the Nevada Faculty Alliance of the Nevada System of Higher Education

Chair Carlton:

[Roll was taken, and Committee rules and protocol were reviewed.] Good evening. I would first like to review the schedule. We will have a work session this evening, so it should be a short meeting. We will have a meeting tomorrow morning, we will have a joint full meeting tomorrow evening, and we will have a joint meeting Wednesday morning with the Education Committee in Room 4100. The Ways and Means Committee will likely be meeting every morning and every evening from here on out. I will now open the work session for the first bill tonight, Assembly Bill 116 (1st Reprint).

Assembly Bill 116 (1st Reprint): Revises provisions relating to traffic offenses. (BDR 43-491)

Sarah Coffman, Assembly Fiscal Analyst:

The first bill for work session discussion is Assembly Bill 116 (1st Reprint). This bill provides that certain traffic violations are civil infractions unless a criminal penalty is prescribed for the violation by specific statute. This bill was heard on May 3, 2021, and the Office of Traffic Safety, Department of Public Safety, provided a fiscal note of \$310,000. The Department indicated the amendment did not eliminate the fiscal note. This bill would provide enhancements to the Nevada Brazos website; provide updates to the system for the acceptance of new civil infraction citations; provide statewide device-level updates, as well as updates to the Brazos interface; and provide training to law enforcement agencies who use the web-based device-level software. To address the fiscal impact, the Office of Traffic Safety, Department of Public Safety would require a State Highway Fund appropriation of \$310,000 to facilitate those expenditures in budget account 4688, within the Office of Traffic Safety. This would be provided in the first year of the 2021-2023 biennium so there would be flexibility for the Department to make those expenditures. This bill was presented by Assemblywoman Rochelle Nguyen. There were six individuals who testified in support of the bill, six individuals who testified in opposition to the bill, and there was no testimony in neutral for the bill. There were no suggested amendments to the bill.

Chair Carlton:

Are there any questions or comments from Committee members?

Assemblywoman Tolles:

The \$310,000 is for the first year of the 2021-2023 biennium, fiscal year (FY) 2022 to adopt a new software program. Is that correct? Or is that amount meant to be an ongoing amount?

Sarah Coffman:

That is correct. This will provide software upgrades, and Fiscal Analysis Division staff would recommend that the \$310,000 be allowed to be used in either fiscal year, appropriated in the first fiscal year, and balanced forward to the second fiscal year in the event it takes longer than the first year to establish the software. This is a one-time expenditure.

Assemblywoman Tolles:

Typically, I prefer to keep the State Highway Fund with the State Highway Fund, but I think this is an important opportunity. I will vote yes on this bill.

Sarah Coffman:

I need to clarify. The fiscal note provides for an \$80,000 ongoing annual maintenance fee, so that is included in the \$310,000 amount. There would be an \$80,000 annual fee thereafter.

Chair Carlton:

Are there any other questions or comments from Committee members? [There were none.] I will accept a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS ASSEMBLY BILL 116 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments from Committee members on the motion?

Assemblyman Hafen:

For the record, though I believe the bill sponsors' intentions are good, for personal reasons, I cannot support moving this bill forward and expending additional funds. I will vote no on this bill.

Assemblyman Frierson:

I want to point out that what we have seen with respect to this practice in local jurisdictions is not only the absence of a cost, but the presence of savings. I think we would be remiss if we did not acknowledge that jurisdictions that have voluntarily tried this practice have experienced a savings and an increase in the collection rate. We will see if the rest of Nevada sees the same results. I believe there is an unspoken cost for treating a nonviolent offense, like a traffic citation, as if it were a violent offense. This increases the chance of a negative interaction when we can operate with a reactionary reflex for the nondangerous

nature of a traffic infraction. It seems to me that the cost is one of printing tickets that say something different, but I think the cost certainly outweighs the benefits and goes a long way toward changing the nature of a typical law enforcement interaction. We need to make those encounters less antagonistic and more about the nonviolent offense that occurred.

Chair Carlton:

I will make my own final comment before I call for the vote. In my other life, I work at a nonprofit organization, and I cannot tell you how many times I have had people come into the office for help with rent, utilities, or food, and it all started with a traffic ticket that the person could not afford to pay. It was that one domino that fell over and sent the person sliding down into a hole from which they could not get out. Another situation is when a traffic ticket inspired a person to go to a payday lender, and then we had that payday lender debt to deal with. I am happy that we have tried to address this matter, numerous legislators have raised this issue over time. I will now call for a vote.

THE MOTION PASSED. (ASSEMBLYMAN HAFEN VOTED NO.)

I will ask Assemblywoman Jauregui to handle the floor statement for this bill. We can now move on to Assembly Bill 149 (1st Reprint).

Assembly Bill 149 (1st Reprint): Requires the Cannabis Compliance Board to create an electronic database containing certain information relating to testing conducted by cannabis independent testing laboratories. (BDR 56-693)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 149 (1st Reprint) requires the Cannabis Compliance Board to create an electronic database containing certain information relating to testing which is conducted by independent test laboratories. The Cannabis Compliance Board submitted a fiscal note of \$178,800 in fiscal year (FY) 2022 and \$63,200 in FY 2023. To address this fiscal note, the Cannabis Compliance Board would use its existing revenues from the 15 percent marijuana excise tax to offset the transfers to the State Education Fund, so it would be a reduction to the amount transferred. The bill was presented by Assemblywoman Peters on April 26, 2021, and there was one individual in support of the bill, and no one testified in opposition to, or neutral on, this bill. There are no recommended amendments for this bill.

Chair Carlton:

Are there any questions or comments from Committee members on this bill? [There were none.] I will accept a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 149 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments from Committee members on the motion? [There were none.] I will call for a vote.

THE MOTION PASSED.

I will ask Assemblywoman Peters to handle the floor statement for this bill. The next bill will be Assembly Bill 357.

Assembly Bill 357: Revises provisions relating to consumer protection. (BDR 18-887)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 357 creates the Consumer Protection Legal Fund in the Office of the Attorney General and the Consumer Protection Administrative Fund in the Bureau of Consumer Protection. The bill also provides for an allocation of money from the Consumer Protection Legal Fund to the Office of the Attorney General or the Office of Consumer Advocate, Bureau of Consumer Protection, to be used for consumer protection and efforts to prevent fraud; for legal-aid services in southern Nevada, and Nevada legal services in Washoe County; and a certain percentage to be used for consumer protection and to prevent fraud. This bill also requires the deposit of certain monies from settlements and litigation to the Consumer Protection Administrative Fund. This bill reallocates money collected in certain actions brought by the Attorney General involving deceptive trade practices.

Regarding the fiscal impact, section 3 indicated that if there were insufficient funds to support the necessary staffing for the Office of the Attorney General, funds from the Interim Finance Committee (IFC) Contingency Account may be used. Fiscal Analysis Division staff would note that the IFC Contingency Account funds are for unforeseen expenditures, and not for ongoing expenditures.

On May 5, 2021, a conceptual amendment was submitted by the Office of the Attorney General. This amendment would strike language in section 3 that would have allowed the IFC Contingency Account to be used to pay staff salaries when insufficient settlement funds were collected to support personnel expenditures. Committee members should have a copy of that conceptual amendment [[Exhibit C](#)]. There were two individuals who testified in support of the bill and there were no individuals who testified in opposition to, or neutral on, the bill. The bill was presented by Jessica Adair, Office of the Attorney General, and the only amendment to the bill is the conceptual amendment.

Chair Carlton:

Committee members should have a copy of the conceptual amendment for A.B. 357. On page 4 of the conceptual amendment, you will see language highlighted in purple which is struck out. This language that is stricken is the language Ms. Coffman mentioned about the IFC Contingency Account. We like to use the Contingency Account for many things, but that account is for unexpected emergency situations, not as a planned backstop. On that same page, you will also see the proposed change in the name to a more general name. That way, if a name or program changes, the unit is not locked into a name that no longer reflects

the purpose for which the money is to be used. Are there any questions or comments from Committee members?

Assemblyman Roberts:

Are there other organizations operating programs for legal services for indigents in any of these counties?

Chair Carlton:

I believe the counties that are shown are the only counties. We do not want to be so specific that it limits us in the future if something should change. We know who the organizations are. For example, we have two food banks in the state. We should list their purpose, not the specific food banks. Are there any other questions from Committee members? [There were none.] I will accept a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 357.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments from Committee members on the motion? [There were none.] I will call for a vote.

THE MOTION PASSED. (ASSEMBLYWOMAN TITUS VOTED NO.)

I will handle the floor statement for this bill. The next bill will be Assembly Bill 358.

Assembly Bill 358: Enacts provisions to improve access to Medicaid for persons released from incarceration. (BDR 38-919)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 358 requires the suspension, instead of termination, of eligibility of Medicaid for persons who are incarcerated. The bill authorizes an incarcerated person in certain circumstances to apply for enrollment in Medicaid before he or she is released. Additionally, the bill requires the Director, Department of Corrections, to complete paperwork to enroll such a person in Medicaid.

Regarding the fiscal impact, the Nevada Department of Corrections submitted a fiscal note of \$817,403 in fiscal year (FY) 2022 and \$1,032,871 in FY 2023. According to the Department of Corrections, this bill will require funding to ensure assessments and applications for Medicaid are submitted for all inmates six months prior to scheduled release. Currently, the Department of Corrections provides these services on request from an inmate. The Department estimates 500 assessments per month would be required. The Department estimates that this number of assessments would require twelve additional program officer positions and one supervising program officer position to oversee work of the program officers. I would note that Chair Carlton asked for an estimate of the cost to provide six staff

positions: one program officer 2 position and five program officer 1 positions. That number of positions would require State General Fund appropriations of \$380,177 in FY 2022 and \$477,169 in FY 2023. This bill was presented by Assemblywoman Rochelle Nguyen. There were no individuals who testified in support of, opposition to, or neutral on this bill.

Chair Carlton:

Committee members, you may remember the difficulty we had in justifying twelve additional positions. There were discussions about phone access and eligibility determinations by phone. This will be a new program. Unfortunately, in the past, our experience with the Department of Corrections has been that when money for new programs was approved, the programs never were established. I believe that approving six positions to start is reasonable, and then the Department can request more positions in the future. We do want to see inmates receive Medicaid benefits upon release because we have seen inmate patients fail upon release because of a lack of medications. I also believe there are ways to accomplish this program without funding twelve positions. As the program is geared up and given the high vacancy rate of the Department now, I am unsure how six positions will be successfully filled. Are there any questions or comments from Committee members on this bill? [There were none.] I will accept a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO APPROVE STATE GENERAL FUND APPROPRIATIONS OF \$380,177 IN FY 2022 AND \$477,169 IN FY 2023 FOR SIX ADDITIONAL POSITIONS, AS INDICATED BY FISCAL ANALYSIS DIVISION STAFF, AND TO AMEND AND DO PASS ASSEMBLY BILL 358.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments from Committee members on the motion?

Assemblyman Frierson:

This is another measure for which the state should recognize savings. When working with indigent defendants, many of the problems former inmates face are because of the inability to care for their medical needs. This bill should save the state money and contribute to a reduction in recidivism by ensuring that when inmates are released, those former inmates have the tools they will need to be successful in our communities. I believe that six additional positions are generous, considering other agencies absorb this type of work within existing budgets. The Department may realize that work can be accomplished by partnering with other agencies or insurers, or internally without any increased costs.

Chair Carlton:

Are there any other questions or comments from Committee members? [There were none.] I will call for a vote.

THE MOTION PASSED.

I will ask Assemblywoman Monroe-Moreno to handle the floor statement for this bill. The next bill will be Assembly Bill 365.

Assembly Bill 365: Revises provisions relating to governmental administration. (BDR 23-133)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 365 requires the Departments of State Government to prepare and submit to the Governor and the Legislature an annual report concerning equity in the workplace, which includes a summary of each complaint filed by an employee in the immediately preceding calendar year for which such conduct was alleged. This conduct may not be illegal but is in violation of the declared public policy of the state and any actions taken in response to such complaints. According to the Administrative Office of the Courts, there is a conceptual amendment, and the Administrative Office of the Courts testified that in reading the original bill, authority would have been required for the Administrative Office of the Courts to capture all complaints. The intent, however, was to only collect Judicial Branch employment complaints. The conceptual amendment was provided which would remove the fiscal impact with that clarification, and the Administrative Office of the Courts testified to that. This bill was presented by Assemblywoman Peters and there were no individuals who testified in support of, in opposition to, or neutral on this bill.

Chair Carlton:

Assemblywoman Peters, would you like to make any comments?

Assemblywoman Peters:

I wanted to clarify that I was able to contact the Board of Cosmetology and they sent an email removing their fiscal note which was below the threshold.

Chair Carlton:

This does not affect the State General Fund but knowing the impact on different entities is important and it is good to keep the information updated. Are there any other questions from Committee members? [There were none.] I will accept a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS ASSEMBLY BILL 365.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments from Committee members on the motion? [There were none.] I will call for a vote.

THE MOTION PASSED. (ASSEMBLYMEN HAFEN AND TITUS
VOTED NO.)

I will ask Assemblywoman Peters to handle the floor statement for this bill. The next bill will be Assembly Bill 393 (1st Reprint).

Assembly Bill 393 (1st Reprint): Makes various changes relating to criminal justice. (BDR 14-484)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 393 (1st Reprint) requires the Executive Director, Department of Sentencing Policy to assist the Nevada Sentencing Commission to carry out the requirements related to the use of formulas to calculate the amount of costs avoided by the state each fiscal year as a result of the enactment of Assembly Bill 236 of the 80th Session. Regarding the fiscal impact, the Department of Sentencing Policy identified \$75,345 in fiscal year (FY) 2022 and \$96,987 in FY 2023 to fund a management analyst 2 position to build and maintain a database so data can be provided to the Commission in support of the Nevada Local Justice Reinvestment Coordinating Council. To address the fiscal impact, a State General Fund appropriation of \$75,345 in FY 2022 and \$96,987 in FY 2023 would be required. The bill was presented by Assemblywoman Rochelle Nguyen, and there were no individuals who testified in support of, in opposition to, or neutral on, this bill. There are no amendments.

Chair Carlton:

There are no policy or fiscal amendments, but the bill will need to be amended to include the noted dollar amounts. Are there any other questions from Committee members? [There were none.] I will accept a motion.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND DO PASS AS AMENDED ASSEMBLY BILL 393 (1ST REPRINT).

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

Are there any questions or comments from Committee members on the motion? [There were none.] I will call for a vote.

THE MOTION PASSED.

I will handle the amendment on the floor, but the floor statement will be handled by Assemblywoman Nguyen. I will now close the work session, and as bills are prepared to move, we will keep those bills moving. I will now open the meeting for public comment.

Sarah Adler, Silver State Government Relations, representing the Charter School Association of Nevada:

My name is Sarah Adler, with Silver State Government Relations, and representing the Charter School Association of Nevada. I had tried to attend Saturday morning's meeting, and I was in the queue for public comment, but I was invisible to Broadcast and Production Services. We want to share a few items with Committee members. As did all the education

sector on Saturday morning, the Charter School Association of Nevada concurs with the need for increased per pupil funding. The Commission on School Funding has done yeoman's work with the "Report on the Path to Adequate and Optimal Funding." That is solid and I hope that as a body, it can move forward in the future.

The Charter School Association of Nevada supports the move to per pupil funding established in Senate Bill 543 of the 80th Session. However, at that time, and today, on behalf of the 12.7 percent of Nevada students who attend public charter schools, the Charter School Association of Nevada must point out that the formula as currently constructed is inequitable and unworkable for public charter schools. Charters were left out of the small schools/small district adjustments in S.B. 543 of the 80th Session, despite my best efforts, and they are still in "time out." Yet since last session, and thanks to the work of the late Assemblyman Tyrone Thompson, and Assembly Bill 462 of the 80th Session, which Assemblyman Thompson led, public charter enrollment in new schools is now matching the demographic in subpopulations statewide. The number of four- and five-star seats that public charter schools are offering to students is continuing to grow.

Charter schools must receive the same per-pupil funding as their district counterparts because charter schools operate in the same cost environment, the same labor market, and pay the same amounts for goods and services. This inequity is greatest in our small counties and deeply challenging for small charters as well. There is a three-word fix—it is to allow public charters to receive the same district-sized adjustment by attendance area that their district counterparts receive. Finally, on behalf of the Charter School Association of Nevada and public charters in Nevada, we appreciate the move you have taken to fund all pupils hold harmless at the per-pupil level, but as was discussed at that meeting, this still needs a statutory fix. Thank you.

Kent Ervin, representing the Nevada Faculty Alliance of the Nevada System of Higher Education:

I am Kent Ervin for the Nevada Faculty Alliance (NFA), an independent association of the Nevada System of Higher Education (NSHE) faculty. We work to empower faculty to be fully engaged in our mission to help students succeed. First, I am here to thank you for your action on Saturday restoring faculty and staff positions for NSHE with funding from the American Rescue Plan. Authorizing the refilling of positions being held vacant and keeping them in the base budget will prevent permanent harm to NSHE programs from the pandemic revenue crisis. Thank you. Second, today the Senate introduced Senate Bill 451, a funding bill for the Public Employees Benefits Program (PEBP). State contributions to health care benefits have been roughly flat for the past decade, \$727 per month for FY 2022 in S.B. 451 versus \$734 per month in FY 2013. While at the same time, health care costs have risen at about 40 percent. Those increased costs have been pushed on to state employees through higher out-of-pocket costs.

We appreciate the restoration on the retiree Medicare HRA contributions and the one-month premium holiday that the joint committees approved on May 7, 2021. However, that was before the Treasury guidance was received on American Rescue Plan funds. Although the

PEBP plan designed for this coming fiscal years is set, and open enrollment is going on now there is still time to use available state or federal funds to restore life and long-term disability insurance benefits to fully restore benefits for the second year of the biennium, including deductibles, coinsurance, and out-of-pocket maximums and to further reduce employee premiums. Even with the one-month holiday, employee premiums for the base high deductible plan are 33 percent higher for FY 2022, this coming fiscal year, than the prepandemic FY 2020 premiums. The elimination of the long-term disability insurance removed an essential safety net. The state of Nevada has chosen not to participate in Social Security. It is, therefore, the state's responsibility to provide a substitute for Social Security disability income. Thank you.

Chair Carlton:

Is there anyone wishing to make public comment? [There was no one.] Committee members have a full week ahead of us, so stay close in case we need to meet. We are adjourned [at 6:39 p.m.].

RESPECTFULLY SUBMITTED:

Carmen M. Neveau
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a conceptual amendment to Assembly Bill 357, submitted by the Office of the Attorney General and discussed by Sarah Coffman, Assembly Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.