

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

**Eighty-First Session
May 26, 2021**

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 8:12 a.m. on Wednesday, May 26, 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:

Assemblyman Steve Yeager, Assembly District No. 9
Assemblywoman Shannon Bilbray-Axelrod, Assembly District No. 34
Assemblywoman Natha C. Anderson, Assembly District No. 30

STAFF MEMBERS PRESENT:

Brenda J. Erdoes, Director
Daniel L. Crossman, Legislative Auditor

Minutes ID: 1372



Sarah Coffman, Assembly Fiscal Analyst
Brody Leiser, Principal Deputy Fiscal Analyst
Karen Hoppe, Senior Program Analyst
Stephanie Day, Senior Program Analyst
Adam Drost, Senior Program Analyst
Julie Waller, Senior Program Analyst
Cathy Crocket, Senior Program Analyst
John Kucera, Program Analyst
James Malone, Program Analyst
Jaimarie Mangoba, Program Analyst
Madison Ryan, Program Analyst
Nancy Morris, Program Analyst
Kimbra Ellsworth, Program Analyst
Mary O'Hair, Committee Manager
Janice Wright, Committee Secretary
Betnimra Torres Perez, Committee Assistant

OTHERS PRESENT:

Ondra L. Berry, Major General, The Adjutant General of Nevada, Office of the Military
David Fogerson, Chief, Division of Emergency Management/Homeland Security, Department of Public Safety
John J. Piro, Chief Deputy Public Defender, Legislative Liaison, Clark County Public Defender's Office
Jared Luke, Director of Government Affairs, City of North Las Vegas
Kendra G. Bertschy, Deputy Public Defender, Washoe County Public Defender's Office
Holly Welborn, Policy Director, American Civil Liberties Union of Nevada
David Bobzien, Director, Office of Energy, Office of the Governor
Kyle Davis, representing the Nevada Conservation League
Angela Dykema, Nevada Representative, Southwest Energy Efficiency Project (SWEEP)
Katie Reilly, Director, Environmental and Sustainability Policy, Consumer Technology Association
Jacob Cassady, Director, Government Relations, Association of Home Appliance Manufacturers
Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education
Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber
Kent Ervin, Legislative Liaison, Nevada Faculty Alliance
Priscilla Maloney, representing the American Federation of State, County and Municipal Employees (AFSCME) 4041 Retirees
Barry Gold, Director of Government Relations, AARP Nevada
Douglas Unger, Government Affairs Representative, Southern Nevada Faculty, Nevada Faculty Alliance

Christopher Daly, Deputy Executive Director, Government Relations, Nevada State Education Association

Chair Carlton:

[Roll was called, and Committee rules and protocols were explained.] We have some other bills that we are going to move, but we are going to go ahead and hold a hearing on a couple right now. There is a time concern on one bill. I will be happy to accommodate that. The first bill that we will be hearing today is Assembly Bill 485, and I will open the hearing on that bill. Please give us a brief overview of the bill and address any fiscal impacts, and then I will open it for questions from the Committee.

**Assembly Bill 485: Amends provisions related to emergency management.
(BDR 18-1103)**

Ondra L. Berry, Major General, The Adjutant General of Nevada, Office of the Military:

Good morning, Madam Chair and members of the Assembly Committee on Ways and Means [[Exhibit C](#)]. I am Major General Ondra Berry and on behalf of Governor Sisolak, I thank you for the opportunity to testify on Assembly Bill 485. The bill will amend existing law as well as transfer the Division of Emergency Management and its powers and duties from the Department of Public Safety to the Office of the Military. Additionally, this bill will grant the Adjutant General authority over the Division of Emergency Management and revise provisions governing the Adjutant General. To assist the Committee with any questions, in attendance with me today both in-person and virtually are:

- George Togliatti, Director, Department of Public Safety.
- Sheri Brueggeman, Deputy Director, Department of Public Safety.
- David Fogerson, Chief, Division of Emergency Management/Homeland Security, Department of Public Safety.
- Brett Compston, Lieutenant Colonel, Director of Joint and Domestic Operations, Nevada National Guard.
- Justin Luna, C.P.M., Administrative Services Officer, Division of Emergency Management/Homeland Security, Department of Public Safety.
- Kevin Remus, Lieutenant Colonel, State Judge Advocate, Nevada National Guard.

It has been more than one year since the COVID-19 pandemic ushered in the largest and lengthiest emergency response in our state's 156-year history. Partnering lockstep throughout the entirety of this emergency response has been the outstanding professional cooperation between the men and women of the Nevada National Guard and the Division of Emergency Management, Department of Public Safety.

As the virus began to spread rapidly in March 2020, Governor Sisolak directed and entrusted these two agencies in leading an elevated and unprecedented role in the state's emergency response. These amazing men and women have coordinated a variety of missions to include the tremendous logistical movement and storage of personal protective equipment, the distribution of food items to our most vulnerable residents, the construction and employment

of mass community-based testing sites, and the facilitation of multiple vaccine distribution sites across Nevada.

To provide an overview of this proud service to you, here is the state's COVID-19 response by the numbers:

- 4,900 resource requests fulfilled to local, county, and nongovernmental partner organizations.
- 10 million articles of personal protective equipment distributed to front-line first responders.
- 2.9 million meals distributed to residents across the state.
- 860,000 COVID-19 tests conducted.
- 400,000 rapid COVID-19 tests distributed to Nevada school districts for safe reopening.
- 1.75 million vaccines supported at multiple sites throughout the state.
- 5,500 vaccines delivered by two mobile vaccine units to tribal and rural Nevada residents.
- 721,000 vaccines administered in the arms of Nevada residents.

The historical relationship between the Nevada National Guard and the Division of Emergency Management, Department of Public Safety had been tried and tested long before the arrival of this deadly virus. Operating day-to-day in shared workspaces at the State Emergency Operations Center in Carson City, these outstanding teams have historically time and again ensured the proper funding, planning, execution, recovery, and assessment of multiple challenging emergencies. These challenging emergencies include annual wildfires, search and rescue, floods, civil disturbance, hazardous materials response, and large-scale events such as New Year's Eve in Las Vegas. Bottom line, the success of this historical partnership is the nexus to the Governor's intent of this bill.

The last thing I will say is a fiscal impact to the state is not expected. This realignment will include a movement of 46 state employees from the Department of Public Safety to the Office of the Military and will additionally transition the obligations, authorities, and responsibilities of the Division of Emergency Management, Department of Public Safety as it exists today. The supervision of the Chief of the Division will transfer from the Director of the Department of Public Safety to the Adjutant General, and the Cabinet position will remain within the Office of the Governor. Based on that, we are open to your questions.

Chair Carlton:

Committee members, this is a budget implementation bill. We had a discussion on this bill previously. This is the bill that implements that portion of the budget. I am happy to open it to Committee members for any questions or comments. First, I think it is appropriate for us to express our gratitude for all the work that has been done throughout the COVID-19 pandemic. I do not know where we would be if the Office of the Military had not stepped up and done everything that it did. You have our gratitude for all the work that was done and all the boots that were on the ground getting that work done every single day.

Ondra L. Berry:

Thank you so much Madam Chair, we really appreciate the support that we have gotten not just from this body but statewide and from our citizens. We love what we are doing and believe that we have made a difference, and we look forward to the continued work.

Assemblywoman Titus:

I have a question for the Chief. You already have moved your offices and are on the military campus, so it is not like you are having to move chairs and furniture, is that correct?

David Fogerson, Chief, Division of Emergency Management/Homeland Security, Department of Public Safety:

Yes, we are already located on the campus of the Nevada National Guard in Carson City. There will be no movement of any facilities in the north. In the south, we have two employees who are currently housed at the Division of Parole and Probation, Department of Public Safety office that we would relocate to a Nevada National Guard facility in southern Nevada. That would be the only movement that would be necessary.

Chair Carlton:

Are there any other questions at this time? [There were none.] This is the hearing for Assembly Bill 485. At this time, I will open it for testimony in support of the bill. [There was none.] Is there any testimony in opposition to the bill? [There was none.] Is there any testimony in neutral on the bill? [There was none.] I do not believe that there are any closing comments that need to be made. This bill will be on the list of bills that we move later in the morning to keep things moving toward the Assembly floor and the Senate. I will close the hearing on this bill and open the hearing on the next bill that is Assembly Bill 219 (1st Reprint).

Assembly Bill 219 (1st Reprint): Revises provisions governing the sealing of criminal records. (BDR 14-137)

Assemblyman Steve Yeager, Assembly District No. 9:

I will make some brief remarks on Assembly Bill 219 (1st Reprint). The bill is intended to improve the record sealing process to allow greater access to justice, and it does that in three principal ways. Number one, it streamlines record sealing for people who have received a pardon. Number two, it clarifies the law on the role of the prosecuting attorney in the record sealing process. Number three, it allows a petitioner to appeal a denial of a petition to seal a record. That is the basic policy that is in the bill.

I believe we are here in the Assembly Committee on Ways and Means because the Central Repository for Nevada Records of Criminal History indicated there might be an increase to its workload due to the cumulative nature of a number of policy bills that are working their way through the session. I do not believe they were able to quantify the cost of that potential workload, at least that was my reading of the fiscal note. With that Madam Chair and members of the Committee, I would be happy to answer any questions.

Chair Carlton:

In my notes, I see that the fiscal impact from the Central Repository for Nevada Records of Criminal History is anticipated because the record seals that are currently happening are about 2,500 per year and it might increase up to 2,650 per year. That is only 150 additional seals. Is that what was indicated to you also?

Assemblyman Yeager:

Correct. I think the fiscal note indicated it was based on potential pardons that were granted. I think the reason for that is we are making the record sealing process easier for those who were pardoned. A lot of people do not know that when you are pardoned, your records are not automatically sealed. You still have to initiate a process with the court to have the actual record sealed. What this bill basically does is make that process easy. You simply provide a copy of your pardon, and your record is sealed. That is the process that individuals who have either already received a pardon but have not yet sealed their record or those who may receive a pardon in the future and would be seeking to have their records sealed. You are right. I do not know what percentage that is, but it looked like approximately 150 more records sealed per year.

Chair Carlton:

If I could clarify with you, there is no mandate that it be done within a certain amount of time, so the agency has time to adjust to the workload and absorb it. We are not saying within 30 days you will do this, but we are giving them the opportunity to work through their workload as they normally would just with a little extra work on the backend, correct?

Assemblyman Yeager:

Correct.

Assemblywoman Jauregui:

I did the math, and it does not seem like it would be that much work. The record sealing work is about 12 records a month, and if you divide that by 20 working days, the total is just one sealing every other day. I am not familiar with the record sealing process. Is it a time-consuming process?

Assemblyman Yeager:

In the past I would have said yes, it is. But I think the Legislature in this session and in prior sessions has streamlined the procedure quite a bit. I will note even in the bill as written, the petitioner still has to go to a court to ask for the record to be sealed. Then what happens is assuming the record sealing is approved, the court will provide orders to the various agencies that need to seal the record, one of those being the Central Repository for Nevada Records of Criminal History because that is where the record is going to show up in background checks. There is a whole process that happens there. It is not as if a petitioner goes directly to the Central Repository for Nevada Records of Criminal History. It has to be vetted by a court. This bill says if you have a record and you were pardoned, you take that to a court and your record is sealed with no questions asked. It would not be an adversarial hearing. The hope is pardons will be quicker. I do not anticipate that we are going to see a flood of people going

to the courthouse. I think it would be slow and steady as the word gets out about this bill and the ability to seal your record.

Assemblywoman Titus:

I am not an attorney, and I am curious about the process if you are pardoned. Does that mean you are not found guilty, or you have been found guilty of a crime and then you have been pardoned for that crime? Have you still been convicted of the crime as opposed to being found not guilty of the crime because it was a wrong conviction? We have had bills about reimbursing individuals for wrongful convictions. What is the difference between a wrongful conviction and a pardon legally?

Assemblyman Yeager:

It is a little complicated because there are different types of pardons that the State Board of Pardons Commissioners can grant. They can grant a partial pardon or a commutation of sentence. If you are granted a pardon, it is as if the crime never happened. That is the wholesale pardon. In that particular scenario, you would always be eligible to have your records sealed. The process now that is envisioned in statute, if we were not to pass this bill, has a more traditional feel where you have not been pardoned but you have waited long enough to seal your records. To get to your question, a pardon allows you to say that you have not been convicted of the crime under the terms of the pardon unless the State Board of Pardons Commissioners does something unusual and only does a partial pardon. Hopefully, that answers the question. It is a complicated area of law, and the State Board of Pardons Commissioners has a lot of discretion in what type of pardon they would grant. This bill envisions the entire wholesale pardon so you can tell people you have never been convicted, but you are going to have that record follow you if you do not take action to seal it.

Chair Carlton:

Are there any other questions at this time? [There were none.] Do you have anyone else you wish to present with you.

Assemblyman Yeager:

No, there are just individuals here to answer any questions.

Chair Carlton:

Are there any other questions at this time? [There were none.] This is the hearing for Assembly Bill 219 (1st Reprint). At this time, I will open it for testimony in support of the bill.

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

I was here for technical questions. I did want to say this bill may save some costs on the front end. When you first apply to seal your records, you have to send a number of documents to the Central Repository for Nevada Records of Criminal History. Then they have to take time to collect those records and send it back to you and go through the sealing process. If you could just submit your petition through the court process that says you

received a pardon, that would save a lot of time. It also would save a lot of time on the court hearing process. I did a sealing hearing for Mr. Hayes, who is an independent 14-year old man who was wrongfully convicted, and he was pardoned. We had to go through the whole record sealing hearing, which took a lot of time, both my time as an attorney as well as the court's time and the district attorney's time. This would cut down on all of that as well. This could be a cost savings measure.

Chair Carlton:

I was thinking and you might have an idea on this—I know that in a lot of industries, especially in southern Nevada, background checks are integral. This would allow that person to get the job if that background check would have ended up counting against them.

John J. Piro:

That is correct. This will also help someone get a fresh start. As Father Gregory J. Boyle, founder of Homeboy Industries in Las Vegas that takes gang members out of the gang life and puts them in work says, there is no better cure for recidivism than a good job.

Jared Luke, Director of Government Affairs, City of North Las Vegas:

I can probably say ditto to what you have said and to what my colleagues have said. I think the City of North Las Vegas has made considerable efforts in aiding individuals to transition from courts and from the jail system. To your point, record sealing in the case of a pardon is going to help in that instance. It will help individuals to get that job and become contributing members of society again once they leave the court system and once they leave jail. I appreciate the time.

Kendra G. Bertschy, Deputy Public Defender, Washoe County Public Defender's Office:

I want to thank Assemblyman Yeager for bringing forward this important bill that will provide our citizens with a fresh start and the ability to gain employment and all the instances that Mr. Piro mentioned. I will ditto his statements.

Holly Welborn, Policy Director, American Civil Liberties Union of Nevada:

I want to register our support for this legislation and to ditto what Mr. Piro said. I will add that from our perspective this helps with record sealing with marijuana convictions. We know that the war on drugs has cost the state and the country endless amounts of dollars. We know that we will see those cost savings on the other end of this. Any costs that might be accrued will be recouped.

Chair Carlton:

Are there any more individuals in support of this bill? [There were none.] Is there any testimony in opposition to the bill? [There was none.] Is there any testimony in neutral on the bill? [There was none.] I do not believe that there are any closing comments that need to be made. I will close the hearing on this bill and open the hearing on the next bill Assembly Bill 383 (2nd Reprint).

Assembly Bill 383 (2nd Reprint): Establishes provisions governing the energy efficiency of certain appliances. (BDR 58-490)

Assemblyman Watts:

I am glad to present Assembly Bill 383 (2nd Reprint) for your consideration today. In essence, this bill establishes some energy efficiency standards for various appliances in our state. It covers appliances which do not already have efficiency standards set by the federal government and builds off of work that we did in the last legislative session setting water efficiency standards for certain fixtures. Essentially, what we are trying to do is enact some standards that ultimately save consumers money in the long run because of the reduced cost to operate some of these appliances and move us toward our climate goals. That is what the bill looks to do in a nutshell.

We do have the Office of Energy, Office of the Governor here and without putting words in their mouth, they will be able to explain the fiscal note. That is the only one that was provided on the bill. Essentially, with the actions that we have taken toward closing their budget, there should be no fiscal impact for the bill. In addition, I have one amendment that should be on all of the member's desks [[Exhibit D](#)]. It is partly a policy amendment but partly a fiscally related amendment. In one of the revisions to this bill, we took out some language related to evaluating cost effectiveness. In conversations with other stakeholders, we wanted to provide some additional language to make sure it is absolutely clear that as the Office of Energy, Office of the Governor is adopting regulations around these efficiency standards, they consider costs, which they were intending to do, but we wanted to make it absolutely clear. We are amending section 36 to include that the regulations must consider and attempt to minimize overall cost and authorize the delay of the effective date if there are issues with procuring products that would impose an unreasonable burden. We define some of those terms. I know that we try not to bring policy related amendments to this Committee but again there was somewhat of a fiscal aspect to this. I wanted to get this incorporated before we send it to the other house. That concludes my remarks. I am happy to answer any questions. We can also turn it over to the Office of Energy, Office of the Governor to speak to the fiscal note.

David Bobzien, Director, Office of Energy, Office of the Governor:

I realize we are late in the game, but I am hoping that this bill is starting at second base and with your support will be fast. As communicated by Assemblyman Watts, the original draft of the bill contemplated the Office of Energy, Office of the Governor having to stand up a testing facility for these products. The fiscal note reflects that complex addition to our small shop. With the changes reflected in the amendment, also noting a little space that opens up for us in the future with the retirement of the green building tax abatement program, we are ready to absorb the work without any fiscal note. We are standing down from the fiscal note.

Noting what Assemblyman Watts said, this most recent amendment intertwines the impact to the agency as well as policy. We are in support of that and appreciate having worked with the stakeholders on this. I wanted to communicate that our office's intent is to always follow

the Administrative Procedures Act when it comes to the promulgation of regulations. We had a good experience working with stakeholders on the lightbulb efficiency standards related to specific product classes, availability, and costs. We intend to work with stakeholders in a similar fashion. I wanted to put that commitment on the record.

Chair Carlton:

A lesson I learned back in 1999 from the Senate Committee on Commerce and Labor Chairman was the best kilowatt is the kilowatt that you do not have to generate. Some of these things end up lessening the burden on the grid in the long run. But we also realize that there is a cost, and when the public could not get the regular lightbulb and had to buy the expensive one, we heard about it. Thank you for trying to phase things in. Are there any questions at this time?

Assemblywoman Miller:

I know you appreciate that we do not have the ability to read through all the policy when we are here in the Assembly Committee on Ways and Means if we were not on that particular policy committee. My question is trying to understand the multiple dates throughout this bill that I am trying to process right now. This bill looks like currently it would impact both state and residential consumers. I would like to know when it comes to that impact and these dates that we have, how does this impact us as the state and as a residential consumer for these products that we presently have in our buildings and in our homes? Do they need to be replaced?

Assemblyman Watts:

No, this does not have any impact, and there is no requirement for retrofitting whatsoever. This will govern basically the sale of appliances from a prospective date. All of this has been set up through numerous conversations with stakeholders to provide time for any existing stock to be cycled through so that people do not have to pull things off the shelves. We have a longer implementation timeframe to allow for the transition of that inventory. There are a few different dates in a few different sections. Essentially, if you look at some of the early sections of the bill, it defines many different types of appliances and only those things are covered. While it would apply to the sale of those appliances to any entity, most of them are actually not related to residential use. It includes things like commercial dishwashers, commercial fryers, and commercial ovens. Many of our household appliances already have energy efficiency standards that have been set by the federal government, which we cannot preempt even if we wanted to. We have a timeline. The first priority is setting the standards for these items. Then it does have some other timeframes related to if we wanted to modify those in the future.

Assemblywoman Titus:

Because this is a money committee and we are worried about sales tax and making sure we can generate revenue here, are you worried or was there any conversation that because of section 38 that specifies it does not apply to appliances sold outside or bought outside this state, that people will leave Nevada retailers and go to California to get the appliances they want?

Assemblyman Watts:

I would note a couple of things. One is ultimately we cannot regulate all commerce across all states. We are doing what we can in the state of Nevada. Another thing that I noticed for many of these is we design a lot of these standards based around energy star standards of which there are already a wide variety of options available. We are trying to bring things in general up to that benchmark. All of the standards have been set based on there still being a wide variety of options available and having payback periods that are instant in some products. The cost of these items is comparable with lower efficiency models, and you begin saving money instantly. In all of the cases, you make money over the lifetime of the usefulness of the item based on those energy efficiency savings. Section 38 is clarifying language related to if somebody is manufacturing or moving product through this state that is going to another state, we are not going to hold it to the standards of this bill because again we cannot set standards for commerce that is happening in other states.

Assemblywoman Benitez-Thompson:

My question is on the description of the work for the FTEs [full-time-equivalents] in sections 34 and 35 and what they are going to be doing. I see that in the fiscal note we talk about the full-time employees having a job to conduct the testing for compliance with the standards and then to write reports on those tests. In section 34, subsection 2, I see that the language says that they shall submit to the Director a certification that demonstrates that the appliance complies with the minimum standards of energy efficiency for that appliance. In section 35 it looks like staff will be doing the testing. For the record to make it clear, will we have staff running their own independent tests and writing reports on that? Or are we going to ask the manufacturer of the appliance to submit a certification which is their own testing and authorize the certification process?

Assemblyman Watts:

The fiscal note references the original version of the bill which had a more robust testing structure. We modified that with the certifications that you see in the 2nd Reprint of the bill, which requires some staff time but the Office of Energy, Office of the Governor can absorb that within their existing workload. I think you had it right. If you look at the fiscal note, it did contemplate some independent testing reflected in the language in the note. However, in the 2nd Reprint, it is the manufacturer that is providing certification, and the Office of Energy, Office of the Governor is looking at that certification as opposed to doing their own testing. I will let Director Bobzien chime in if he has anything else to add.

David Bobzien:

That is correct, no independent testing will be done on our part. It is just a matter of receiving the certifications. We will be able to do online searches. There are product databases available for us to double check things as we go. We see this as a dramatically smaller workload impact on our office.

Chair Carlton:

Are there any other questions at this time? [There were none.] This is the hearing for A.B. 383 (R2). At this time, I will open it for testimony in support of the bill.

Kyle Davis, representing the Nevada Conservation League:

We are in support of the bill. We do think it is a good step forward for our efforts on our state climate goals.

Angela Dykema, Nevada Representative, Southwest Energy Efficiency Project (SWEEP):

I am calling in support of A.B. 383 (R2). I will keep my remarks brief as well. I just wanted to go on the record to thank the Chair and the Committee members for hearing the bill and voicing strong support for A.B. 383 (R2). This is one of the recommendations identified in the Nevada Climate Strategy to reduce energy waste, safeguard consumers and small businesses, reduce energy bills, and meaningfully act on climate change. We strongly urge the Committee to support and advance this important legislation.

Chair Carlton:

Are there any other callers in support of this bill? [There were none.] Is there any testimony in opposition to the bill?

Katie Reilly, Director, Environmental and Sustainability Policy, Consumer Technology Association:

I work for the Consumer Technology Association, we go by the acronym of CTA, a member of the world's leading innovator from start up to the global brands that you probably use on a daily basis, helping to support more than 18 million American jobs [[Exhibit E](#)]. Our membership includes manufacturers and brand owners of computers and computer monitors. In the state of Nevada today, we are probably best known for the CES [Consumer Electronic Show] which happens in Las Vegas at the start of every year. While 2020 presented a unique situation for us with COVID-19, CTA is looking forward to returning to an in-person CES in Las Vegas in 2022.

Specific to A.B. 383 (R2), we share the Legislature's goals of increasing energy efficiency. We do not believe that the approach outlined in this bill for computers and computer monitors is the path to get there. We respectfully request the removal of the requirements for those products as they will actually not achieve additional energy or cost savings for the residents of Nevada. The requirement in the bill stipulates that computers and monitors sold in Nevada must meet the California Energy Commission standards in order to be sold in the state. What is important to understand is that our companies sell products in the United States and North American markets. The California standards for energy efficiency for computers and monitors is the most stringent standard found in the United States and North American markets, and as such, already serves as the de facto national standard. That means that both computers and monitors in Nevada already meet the California standards for achieving energy efficiency savings for consumers in the state without any additional action

needed by the Nevada Legislature and without creating a compliance burden for our members or pulling additional resources from Nevada state government.

Additionally, we do have some concerns with the way the definitions for computers and monitors are written in the bill. They would not allow Nevada to keep pace with changes to California's definitions, which do change over time. If you choose to move forward to include computers and monitors, we will need to ensure that definitions are appropriately tied to the California regulations. In closing, computers and monitors under this bill do not actually accomplish the goal of increasing energy efficiency because these energy efficiency products are the only ones that are offered for sale in Nevada. This bill does increase the compliance burden for companies to sell products in Nevada and as such, we respectfully request the removal of the computer and computer monitor provisions.

Chair Carlton:

You are testifying for something to be changed. Okay, we are on testimony in opposition to the bill. I just wanted to make sure.

Katie Reilly:

Yes, I am in opposition to the bill as written. I was just getting ready to close. Thank you for the opportunity to testify. Yes, we are opposed and respectfully request the removal of the computer and computer monitor provisions. I am happy to answer any questions.

Chair Carlton:

Did you propose that amendment in the policy committee?

Katie Reilly:

No, we did not. Unfortunately, we were made aware that it was late in the process.

Chair Carlton:

That is why a two-house process is so beneficial to everyone to make sure their voices are heard. Are there other callers in opposition to the bill?

Jacob Cassady, Director, Government Relations, Association of Home Appliance Manufacturers:

The Association of Home Appliance Manufacturers (AHAM) membership includes over 150 companies that manufacture 90 percent of the major portable and floor care appliances shipped for sale in the United States. My full testimony was emailed this morning [[Exhibit F](#)], so I will be brief. The AHAM is opposed to A.B. 383 (R2) due to the inclusion of air cleaners. This provision would remove approximately 60 percent of air cleaners from store shelves in Nevada, leaving consumers with fewer options and higher costs, which may ultimately put these products out of reach for lower-income residents. Due to the global pandemic over the past 15 months, we all have spent more time indoors. Many people, including those who suffer from allergies, rely on air cleaners to purify the air they breathe. This shows that this product is counted on for human health factors, which is why when California was considering similar energy efficiency standards on the product, they reversed

course and attended to their indoor air quality group. We urge this Committee to review the bill in the same manner.

The legislation would also undercut the Energy Star program, which has successfully created a label designating the more energy efficient products in the market. Energy Star was never meant to be a minimum, and it exists to inform consumers of the more efficient products in the market. In addition and to use the baseball metaphor, this is a swing and a miss because while the bill would require Energy Star designations, it would also require companies to certify with the state that they meet these new energy efficiency requirements. There is a double certification going on for something that was never intended to be an energy standard.

Finally, AHAM is concerned that this legislation would allow the Director of the Office of Energy, Office of the Governor to establish and enforce these energy efficiency standards. While there is great conversation on the fiscal costs involved in this, costs are largely much greater when you get into the testing and the time and other things. This is best done at the federal level by federal agencies with much more significant budgets. I am happy to take any questions.

Chair Carlton:

Did you have an opportunity to share your concerns with the policy committee?

Jacob Cassady:

We attempted to contact them after the committee heard the bill. We did not receive any response as to where they were or if there was going to be another opportunity, and that included when they went to vote to move the bill as well. Regrettably, we missed the policy committee because of an error and then prior to it advancing, it moved without our heads up.

Chair Carlton:

I wanted to make sure we got that on the record. It is always good to have a complete record. Is there anyone else in opposition to the bill? [There was none.] Is there any testimony in neutral on the bill? [There was none.] I do not believe that there are any closing comments that need to be made.

Assemblyman Hafen:

I understand this is not the policy committee. During the opposition testimony, the question came up regarding the California code. I see in here we are now tying the *Nevada Revised Statutes* to future changes to the California code that occur after January 1, 2020. I know that is a policy question. Has legal weighed in on that? Are we allowed to tie Nevada law to future California regulations?

Chair Carlton:

Mr. Hafen, I do not believe the Legal Division, Legislative Counsel Bureau would have drafted the bill if they thought we were not allowed to do it. I have been told so many times when I have been asked to put something in a bill. I have no doubt that the answer would have been that we cannot go there. I would be happy to let Mr. Watts answer the question.

Assemblyman Watts:

The same way that we can adopt by reference certain aspects of federal code or law this is essentially setting the minimum standard by references based on work that has been done in California. There have been other measures that even reference international standards that are not based in the United States. We do have the ability instead of spelling everything out, to adopt something by reference and then in the regulatory process it can be spelled out in greater detail. We do not have to put all of the finer points into the bill.

Chair Carlton:

If I remember correctly, I think that even fuel standards are the same because as California goes, so goes the west. A lot of times fuel standards have that same impact.

Assemblyman Watts:

Yes, that is correct. The one other thing I would note briefly is that we are setting some minimums, but we also allow the Office of Energy, Office of the Governor to modify these standards moving forward. I know that was a point that was brought up. I did not intend to come and provide closing remarks but since I got called up, I figured that I would add that in as well. I do not know if Director Bobzien has anything he wanted to add.

David Bobzien:

Yes, if I could provide some context on that. You are correct. We have throughout our *Nevada Revised Statutes* reference to all sorts of different standards from outside of the state. I think it is important to note that we are not actually tying ourselves to future versions of the standards. If you read the language in section 31, subparagraph (g), it is the California Code of Regulations as in effect on January 1, 2020, for that particular product class. Then there is language in there that gives the Director discretion to adopt future versions of that. That is the off-ramp from tying us to any future version of the code that we may come to believe does not serve our state well. I would note the importance of computers and computer monitors. We have certainly seen a dramatic shift in energy usage during the pandemic with more individuals working from home and working remotely. These are products that require energy. It is important for Nevada to set a path where we are on the trajectory of offering consumers more energy efficient products that save them money and put money back in their pockets. That prevents Nevada from becoming the dumping ground of lower quality products that the market slowly moves away from as federal standards evolve and as state standards evolve around us.

Chair Carlton:

I will close the hearing on this bill and open the hearing on Assembly Bill 416 (1st Reprint). Keep in mind that this is our agenda, but other bills and those five large money bills that are being processed will be going back and forth between the two houses today. We have to stay flexible depending on which bill ends up with us for the courtesy hearing versus the actual hearing and processing of the bill.

Assembly Bill 416 (1st Reprint): Directs the Legislative Auditor to conduct an audit of the Nevada System of Higher Education. (BDR S-753)

Daniel L. Crossman, Legislative Auditor:

I will be extremely brief and walk you through the bill. It is a short bill. Assembly Bill 416 (1st Reprint) is sponsored by the Assembly Committee on Education. It would require the Audit Division, Legislative Counsel Bureau to perform a series of audits of the Nevada System of Higher Education during the 2021-2023 biennium. As currently amended, there are three primary areas to our audit scope. Those include looking at the sources and uses of money privately donated to the school and the System, looking at capital projects, and looking at reserve accounts. Generally, our office is always willing to take on any of the challenges that are provided to us. As we do those tasks, we have to reallocate some resources here and there to be able to take care of these types of audits. There is a fiscal note from our office on the audit. I am happy to answer any questions about that. I will stop there.

Chair Carlton:

The areas that would be covered are sources and uses of money, what they billed, and what reserve accounts may be out there. Would that include the self-supporting accounts?

Daniel L. Crossman:

Yes, section 1, subsection 1, paragraph (c) does include self-supporting budget accounts in the System.

Chair Carlton:

With that Committee members, are there any questions at this time? [There were none.]

Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education:

The Nevada System of Higher Education (NSHE) is officially neutral on this bill. The only concern that has been brought to my attention by the institutions is the time period that is outlined in the bill for the audit. Currently in the bill the audit period is fiscal year (FY) 2017 to FY 2022. The NSHE implemented a new financial system in FY 2018, and there is concern about the ability to go back and get information out of the old system. If it were acceptable, we would request that the range be changed from FY 2017 to start in FY 2019, which would still be four years that would be audited.

Chair Carlton:

Would that encapsulate FY 2018, and are you on a two-year cycle?

Andrew Clinger:

We implemented the new financial system in the middle of 2018, and there is partial data in the new system from 2018. That is why we would request that the time start in FY 2019.

Chair Carlton:

It would be the fiscal year of 2019?

Andrew Clinger:
Correct.

Chair Carlton:
The fiscal year start would actually be July 1, 2018. Alright, Mr. Crossman, do you see any issues with that?

Daniel L. Crossman:
In the bill in section 1 it provides a timeframe that includes any additional fiscal years that the Legislative Auditor deems necessary to audit. As we get into these audits, often a tight timeframe is great, but at the same time as we begin to do an audit, often it could be a project that does go back beyond that time frame. That language is in the bill specifically to allow us to do the work that we feel that we need to do in the event that we need to go further back and look at more historical information. That would be my comment on that.

Chair Carlton:
If we changed the date, you would still have the opportunity if an arrow pointed you in a certain direction to request the documents to be able to go back and backtrack it to the very beginning. That language allows you to do that.

Daniel L. Crossman:
Yes.

Chair Carlton:
But by changing it we would not have to deal with two different financial systems. They would be dealing with their one financial system and then we could expand upon that. I think I understand where Mr. Clinger is trying to go, and I am happy that the language "deems necessary" is in the bill. If there is an issue, we can go ahead and take a look at it. It would be FY 2019.

Are there any other questions at this time? [There were none.] This is the hearing for Assembly Bill 416. At this time, I will open it for testimony in support of the bill.

Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:
The Vegas Chamber is in support of A.B. 416. We were in support at the policy committee, and we are also in support in this Committee as it relates to state finances.

Kent Ervin, Legislative Liaison, Nevada Faculty Alliance:
We supported A.B. 416 in the policy committee. Our exhibit on the Nevada Electronic Legislative Information System (NELIS) was before the amendment, which is when the audit was much more expansive. One item was the mention of the workday issue. As a person who was on the receiving end of that, there were a lot of hiccups. An auditor would spend a lot of time with changes, corrections, recorrections, and tracking those down. I think it makes sense to start after all that process and still get enough of a time frame.

On the fiscal note, I noted that it cost \$100,000 for overtime and \$100,000 for travel. Just a comment, it seems like it might be more efficient to hire someone where the work needs to be done or where most of the work needs to be done rather than relying on overtime and travel. You might get more bang for the buck.

Finally, I will note that Senate Joint Resolution 7, if it passes, will require a biennial audit of the Nevada System of Higher Education. It would single out NSHE in the *Nevada Constitution* as the only state agency in the *Nevada Constitution* requiring an audit. I think it would be a good idea to do a dry run of this. I will note that this audit is narrower than what you might imagine of a general audit of NSHE because it does not include the state accounts.

Chair Carlton:

I am confused by the comment, Mr. Crossman, that it does not include state accounts. Would you verify that for me? I am looking at the areas that you would audit, and would it not include the state accounts?

Daniel L. Crossman:

The way the bill was originally designed was to include the audit of all accounts. The scope of this under section 1, subsection 1, as I understand it, would be more limited to the specific reserve accounts and self-supporting budget accounts in the system. To the extent that state monies are provided and end up in those accounts, those would be included. I am not sure but as this scope was refined it did pull out some of that broad audit authority that we would audit. If there was a desire for us to audit all of the state money or a significant amount of the state monies that are being contributed, then that may not be exactly contemplated as it is written currently.

Chair Carlton:

The state money actually runs through the state budget system. With all the reporting back that we have asked for from NSHE this time, the conversations were around limiting it since this is the 1st Reprint. I will ask the Chair of the Assembly Committee on Education to come up and expand on those conversations. I think we know where we are trying to get, but we want to make it to the point where we can get it done in the next couple of years and can get the information that we are actually looking for.

Assemblywoman Shannon Bilbray-Axelrod, Assembly District No. 34:

Yes, that is true. The scope was much larger and cost a ridiculous amount of money, and it was never going to move forward. We had conversations that said that all the state money should be accounted for because of the reporting back. We were more concerned about the reserves and the special accounts as Mr. Crossman mentioned. We thought that those needed to be accounted for and brought back to us, and that change reduced the cost from the original significant amount of money.

Chair Carlton:

It is good to have that on the record. Are there any other questions at this time? [There were none.] Is there any further testimony in support of the bill? [There was none.] Is there any testimony in opposition to the bill? [There was none.] Is there any testimony in neutral on the bill? [There was none.] I do not believe that there are any closing comments that need to be made.

Assemblywoman Jauregui:

I want to see if the Chair had this information because you said that you made the decision during the policy committee to remove the state accounts because of the fiscal note. Could you give us that information about what the difference was between the fiscal note on the original version and the fiscal note on the 1st Reprint? I am wondering if it is not that much of a difference if it is beneficial to include it.

Assemblywoman Bilbray-Axelrod:

The bill that was presented was the bill that you are looking at. Mr. Hardy and I had worked on this bill during the interim and put the scope out there and we shot for the moon. The cost was very significant, and there was no way you would have passed the bill. This was the scope that we thought was appropriate.

Chair Carlton:

Mr. Crossman, do you have any information, or would that be outside the purview of the knowledge you have on this particular bill?

Daniel L. Crossman:

Let me make a couple of comments. The original fiscal note was in the \$700,000 range. Let me quickly explain. As originally introduced, the scope was so broad that we would literally have to reassign our entire office staff to perform the audit and the various audits that would be conducted. We worked with Mr. Hardy to try to make it something that was a little more manageable. To me it was less of a money issue and more of a resources issue to be able to do the level and quality of work that we would want to do.

Chair Carlton:

Assemblywoman Jauregui, you are going to be here for a while, so you get to have many years of follow-up on this item. I will close the hearing on this bill. We are going out of bill mode and into the big bill mode to have a courtesy hearing on the bill draft request for the Authorizations Act.

BDR S-1171—Authorizes expenditures by agencies of the State Government for the 2021-2023 biennium. (Later introduced as [Senate Bill 459](#).)

Sarah Coffman, Assembly Fiscal Analyst:

What you have been presented with is a draft copy of the bill draft request (BDR) for the Authorizations Act. This is essentially the non-General Fund components of the budget. Typically with the major money bills, what staff will do is walk you through the BDR in

order to present it to you so that in the event that there is something that needs to be changed, it can be changed very quickly as opposed to having to amend an actual bill. This bill will be introduced in the Senate, so this will be a Senate bill. However, it is going to be presented to you today so that you can ask any questions that you may have regarding it. After presenting here, Ms. Day and Mr. Kucera will go over to the Senate and walk the Senate through this as well where it will be introduced as a BDR on their side. With that, Ms. Day and Mr. Kucera are here to present the bill draft request to you.

Chair Carlton:

Let us hear this.

Stephanie Day, Senior Program Analyst:

The bill draft request BDR S-1171 for the Authorizations Act has been provided to all the members [[Exhibit G](#)]. The Authorizations Act provides funding and authorizes the expenditures of funding other than State General Fund appropriations or State Highway Fund appropriations. The bill draft implements the budget as approved by the money committees. The funding sources include federal funds, self-funded budgets receiving money through fees or other means, outside revenue sources such as licensing fees, gifts, grants, interagency transfers, and other funds which total \$28.11 billion over the 2021-2023 biennium. This amount includes \$2.83 billion in federal funding inclusive of anticipated American Rescue Plan Act of 2021 funds in the COVID-19 Relief Programs budget and \$1.36 billion in federal funding provided for pre-K education and response to the COVID-19 pandemic. Additionally, due to specific statutory language for these agencies, the bill draft includes authority for the Nevada Gaming Control Board and the Nevada Gaming Commission to expend \$63.9 million from the State General Fund over the 2021-2023 biennium. Similarly, the bill includes authority for the Department of Transportation to expend \$900.6 million from the State Highway Fund over the 2021-2023 biennium.

Starting on page 2 of the draft is section 1, which includes all of the authorizations for the budgets as approved by the money committees. One thing I would like to point out on page 2 of the draft is the COVID-19 relief programs. There is \$2.8 billion in fiscal year (FY) 2022 and that is in reserve in that account. Therefore, it would balance forward to FY 2023. The \$2.7 billion in the American Rescue Plan Act of 2021 funds look like those have been duplicated but they have not. Would you like me to pause after each section or would you like me to go through the entire draft?

Chair Carlton:

I think we should go through as much as we can and then we will hold for questions at the end because individuals might get their answers as you move through. Let us just go ahead and try to walk through it all right now.

Stephanie Day:

Starting on page 23 of the draft is section 2. Section 2 relates to tobacco settlement funds and includes funding for tobacco enforcement operations in the Attorney General Special Litigation Account. Sections 3 and 4 start on page 25, which authorize the specific General

Fund amounts mentioned previously for the Nevada Gaming Control Board and the Nevada Gaming Commission. Section 5 is on page 26. It authorizes the amounts to be augmented in compliance with the State Budget Act including work programs and the Interim Finance Committee process. Section 6 authorizes the reduction of amounts if the authority is in excess of the amounts to be received. These would be non-General Fund or non-Highway Fund. Section 7 is on page 27. Section 7 states that except as otherwise provided in other sections, and you will hear other sections that apply to this, if additional funds are received in budgets funded through General Fund and/or Highway Fund appropriations, the General Fund and/or Highway Fund appropriations must be decreased accordingly.

Section 8 is related to the fees and tuition collected by the Nevada System of Higher Education (NSHE), and that section is exempt from section 7. On page 29 is section 9. Section 9 is related to funds collected from Carson City and Storey County for the State Public Defender. Section 10 is on page 30, and it states that the tax on motor vehicle fuel computed to be used in watercraft shall be allocated equally to the Department of Wildlife and the Division of State Parks, State Department of Conservation and Natural Resources. Section 11 is also on page 30 and is related to the Division of Forestry, State Department of Conservation and Natural Resources for costs of repair and maintenance of firefighting and emergency response vehicles that are exempt from section 7. Section 12 is on page 30. It is the Legislature's intent that funds in the State Fire Marshall's office from the Contingency Account for Hazardous Materials are spent on eligible training programs and related operating expenditures before General Funds.

On page 31 are sections 13, 14, and 15, which are expenditures detailed in the sections that are also exempt from section 7. Section 13 is related to the Division of Forestry, State Department of Conservation and Natural Resources. Section 14 is also related to the Division of Forestry, State Department of Conservation and Natural Resources. Section 15 is related to the Western Interstate Commission for Higher Education loans and stipends. It is their Health Profession Education Program slots. Section 16 is on page 31 also. The fund in the Emergency Operations Center Account balances forward and does not revert at the end of each fiscal year. Section 17 is related to the Division of Child and Family Services, Department of Health and Human Services. It is on page 31 also. It is conforming language consistent with language in the Appropriations Act requiring the Division of Child and Family Services, Department of Health and Human Services to revert specialized foster care funding in certain circumstances.

On page 32 is section 18, which is related to the Nevada System of Higher Education that says unexpended funds may be carried forward. That is also an exemption from section 7. Section 19 is on page 32. It states that the Interim Finance Committee approval is not required on work programs related to bond repayment costs in the Municipal Bond Bank Revenue or Municipal Bond Bank Debt Services budget. It is not the entire budget, but it is just the bond repayment cost portion of those budgets. Section 20 is also on page 32. It states that when the Fleet Services Division, Department of Administration vehicles purchased with General Fund appropriations are sold, the proceeds are deposited into the General Fund and not into the Fleet Services fund. Section 21 is also on page 32. It states

that the Public Employees' Benefits Program shall not spend or obligate reserves in excess of the amounts authorized by the money committees when closing the budgets for the purposes of changing health benefits without Interim Finance Committee (IFC) approval.

Next is section 22 on page 33. It states that except for the remaining grant obligations, the balance in the Catalyst Account cannot be committed for expenditure after June 30, 2023. Section 23 is also on page 33. Legislative intent is that the funds in the Nevada Medicaid budget and the Nevada Check Up Program budget accounts shall be expended in order to continue the current service delivery model for prescription drugs in which prescription drugs are generally not carved out of managed care. Section 24 is also on page 33. It provides that additional funds received in the Nevada Medicaid and Nevada Check Up Program budget accounts are exempt from section 7.

Starting on page 34, sections 25 through 29 are all consistent. They transfer funds from the Nevada Medicaid budget to the Administration budget of the Division of Health Care Financing and Policy, Department of Health and Human Services to fund administrative costs, if and only if other legislation is passed by the Legislature and approved by the Governor. Section 30 begins on page 36. It transfers funds from the Aging and Disability Services Division, Department of Health and Human Services to the Board of Applied Behavioral Analysis, if and only if Senate Bill 217 is passed by the Legislature and approved by the Governor. Section 31 is also on page 36. It allows for the balance forward of funds allocated from the IFC to the Division of Forestry, State Department of Conservation and Natural Resources in FY 2022.

Starting on page 37, section 32 relates to an officer or agency if the name has been changed or the responsibilities have transferred pursuant to other legislation passed by the Legislature and approved by the Governor, any references in this Act shall be deemed to refer to the language in the other act that is approved. Lastly, section 33 is also on page 37. It is the effective dates of those sections. We would be happy to answer any questions that you may have.

Chair Carlton:

This is the Authorizations Act which includes all the contemplation and all the thought processes that we have put together in how to fund the different budgets and how the money actually gets to where we want it to be.

Assemblywoman Jauregui:

Mine is more of a clarifying question. I know during the opening remarks of the bill, it was stated that this is not General Fund or State Highway Fund money and is authorization money from other places. But then during opening remarks, it was said that there is authorization for \$900.6 million in Highway Funds.

Stephanie Day:

Yes, due to the statutes related to the Department of Transportation and the Nevada Gaming Control Board, the Department of Transportation's Highway Funds are authorized in statute

and the Nevada Gaming Control Board and the Nevada Gaming Commission are authorized to receive General Funds. Therefore, they end up in the Authorizations Act as opposed to the Appropriations Act.

Chair Carlton:

Did you need her to expand a little more on why the Nevada Gaming Control Board is there?

Assemblywoman Jauregui:

If you would so that I understand why it is authorized and not appropriated.

Stephanie Day:

I actually researched that statute and it was put in place in 1961. I knew it had been in for a long time.

Chair Carlton:

It is the way the monies are transferred in and out, and we are authorizing them to use the monies that they receive.

Sarah Coffman:

I believe back during that time, because gaming was a significant industry, the Board was having difficulties in terms of trying to determine just how much they needed to regulate that industry. Rather than give them a set appropriation, the Legislature allowed them to have an authorization. With an authorization, you can actually access the General Fund during the interim. I believe that was the justification back then, at least that was what I have been told.

Assemblywoman Jauregui:

Okay, so then because they are authorized and not appropriated, the Nevada Gaming Control Board and the Department of Transportation can then authorize funds from the Highway Fund and the General Fund throughout the interim. They still have that access.

Sarah Coffman:

Yes, that is correct. I have not actually seen them do that, at least in terms of the Nevada Gaming Control Board since I have been here. They do have access to the General Fund.

Stephanie Day:

The Department of Transportation also has access to the Highway Fund, and they do access the Fund.

Assemblywoman Tolles:

If you could remind me, on page 6, I see that we have two accounts that are the only two accounts that I could find that have a zero in the first year and that is the Nevada Main Street Program and the Workforce Innovations for a New Nevada Accounts. Then there is money placed in the second year of the biennium. If you could just remind me of why we had zeros in the first year.

Sarah Coffman:

I would have to research those. My guess might be that they could potentially be American Rescue Plan Act of 2021 funds.

Assemblywoman Tolles:

If we could recall and make sure that we do not have any interruptions in programs as a result of that.

Stephanie Day:

Both of those accounts had balance forward of funds from FY 2022 to FY 2023, which ends up in the Authorizations Act. Therefore, they are zero in the first year, but they are a balance forward of reserve funds from the previous fiscal year.

Assemblywoman Tolles:

I think that addresses my concern. I just wanted to make sure we were not halting programs and then restarting programs, which could be more expensive and then interrupt some good progress made in each of those programs.

Assemblywoman Titus:

I have a couple of questions. Starting off with page 14, I do not see the China Springs Youth Camp budget listed under the Review of Death of Children and the Nevada Youth Training Center budgets. We had conversations about China Springs. Is that in a different account and would not be an Authorizations Act account?

John Kucera, Program Analyst:

That is correct. The conversation surrounding youth facilities at China Springs, Aurora Pines, and Douglas County are part of the Appropriations Act.

Assemblywoman Titus:

Looking at this, we have a blending of federal funds and General Funds in this document of authorizations. We see multiple pages where we have COVID-19 relief funds. I am not that quick on a calculator with multiple pages of notes. Do we have a number on this Authorizations Act about how much is General Fund and how much is federal funds total for the two years of the bienniums?

Stephanie Day:

The General Fund is...

Sarah Coffman:

Just to clarify, the General Fund is going to be in the Appropriations Act. This is the Authorizations Act. These are only funds that are related to either federal funds, fees, and those various non-General Fund revenue sources. This does not mix the two revenue sources. This is strictly the non-General Fund components of the budgets

Stephanie Day:

If I may expand on that—the exceptions are sections 3 and 4, the Nevada Gaming Control Board and Nevada Gaming Commission General Fund appropriations in this Act on pages 25 and 26. Those amounts total \$63.9 million in General Fund and are included in this Authorizations Act and are not included in the Appropriations Act.

Assemblywoman Titus:

On this bill, how much of this Authorizations Act is federal funds versus fees and other funds that we have generated within our state? If you do not have that now, I would appreciate if you could get that to us.

Stephanie Day:

We will run those numbers and will only take us a second to get that. The total authorizations excluding the Highway Fund for the Department of Transportation and the General Fund for the Nevada Gaming Control Board and the Nevada Gaming Commission is the \$28.1 billion. We will get the federal fund portion of that right now.

Chair Carlton:

If I can repeat, excluding the Nevada Gaming Control Board and the Nevada Gaming Commission and the Department of Transportation components, the total amount of authorizations in the Act are \$28.1 billion.

Stephanie Day:

Yes, that is correct. The original number that I stated was \$28.11 billion.

Sarah Coffman:

The federal fund component is \$9.82 billion in FY 2022 and \$5.77 billion in FY 2023. I would remind the Committee that the American Rescue Plan Act of 2021 dollars were included in the FY 2022 federal funds component.

Assemblywoman Benitez-Thompson:

This is something that I want to make sure I am understanding correctly for the record. This will be different than how we proceeded in the past year with the last big tranche of federal money. With the COVID-19 relief programs landing here and being in the Authorizations Act, this means that they are just like other dollars where the Legislature has the prerogative on how to spend them and authorize them, correct?

Sarah Coffman:

That is correct. Yes, that funding will be required to come through work programs to be approved by the Interim Finance Committee (IFC), and it is the two components. During this last interim, you may recall that the revenue component was in a nonexecutive budget account. Certain revenues could be transferred to other nonstate agencies. The IFC did not have the information about where that money was going. Because this is now going to be an executive budget, the IFC will have the information and the authorization to then distribute

this money accordingly. The provisions of *Nevada Revised Statutes* 353.220 have the caps on what goes to IFC.

Assemblywoman Benitez-Thompson:

I know with the pandemic happening, and the first big amounts of money that came through with the CARES Act [Coronavirus Aid, Relief, and Economic Security Act], we had to have a gentlemen's agreement or a hand shake agreement about how some of these funds were going to be used. We as the Legislature created and the Speaker chaired through the Legislature Commission, a committee to be able to have oversight of and look at those dollars. Because we are folding them in this way, we do not need to do that now. It will just be through IFC. I think that is the big change. We are making sure with our constitutional authority of the Legislature that we are managing it by doing it this way, which I like.

Chair Carlton:

Are there other questions? [There were none.] We are reviewing this as a draft, and this is a courtesy hearing for us. This is your hearing, and we will not hold another hearing on this bill. When it comes back, it will be processed. I want everyone to be on the same page. I do not want you to think there will be another opportunity to hear details of this bill. This was a courtesy hearing, and there is no action to be taken on this bill at this time. Ms. Coffman, I want to make sure that we are processing things in the right order. I see you have another stack of white paper there, so do we need to go to that first? Not yet, okay that one is still holding for just a moment. With that Committee members, we can go back and continue our business on our agenda. The next bill that we need to have a conversation about would be Assembly Bill 443 (1st Reprint). I will open the hearing on Assembly Bill 443 (1st Reprint).

Assembly Bill 443 (1st Reprint): Revises the interim committee structure of the Legislature. (BDR 17-1045)

Assemblyman Steve Yeager, Assembly District No. 9:

Assembly Bill 443 (1st Reprint) revises the way the Nevada Legislature structures its interim activities. As you noted, it is a pretty long bill, but I will hit a few highlights to help the Committee members who may not have heard this bill understand what we are attempting to do. This bill creates several joint interim standing committees that parallel both the names and jurisdiction of our session standing committees. For ease of figuring that out, if you look at page 5 of the bill in section 6, that lists the names of the joint interim standing committees that would be formed. Those are going look familiar to us in the Assembly because they are the same names of the committees that we currently have during the session.

The interim standing committees would each consist of eight regular members and five alternate members, basically five Assembly members with three alternate Assembly members and three Senate members with two alternate Senate members. This bill allocates BDRs [bill draft requests] for those joint interim standing committees. That is set forth in section 4 of the bill at the top of page 5. You will see that each standing committee essentially gets ten BDRs with a couple of exceptions. The Health and Human Services Committee gets 15 and the Judiciary Committee gets 15. In each of those cases, five of those

BDRs are to be requested for a certain topic matter. The Health and Human Services Committee topics would be for matters relating to child welfare, so they could use up to five, but they do not have to use all five. The Judiciary Committee would have up to five of those BDRs for juvenile justice.

To preempt a question, this will result in fewer BDR requests than we already have in the interim with our current structure of interim committees. In section 8 of the bill, the topics are specified that are to be reviewed by these committees, which are essentially the topics that these committees already address in the regular session. There would be some interplay here with the Legislative Commission. The Legislative Commission would basically be responsible for setting the duties, activities, and budgets of the committees. The committees would report back to the regular session of the Legislature. This bill does not get rid of the Interim Finance Committee, the Economic Forum, or the Legislative Commission. Those would continue to exist. Any committees that are executive in nature would continue to exist as well. Essentially, the legislative committees would be folded into this.

The philosophy here is that sometimes what we do in the interim does not necessarily translate to what we do during the regular session because of a shift of membership. For instance, we do not have a government affairs type committee that meets in the interim. The hope would be efficiency and that we could hit the ground running when we arrive at session in a way that we are not always able to do now. There are no fiscal notes on the bill, but I think the question is what this is going to do for the budget in the interim. I do not think that it is going to have a meaningful difference one way or the other. I do think however, that if the Legislature approves these interim committees and they choose to do some of those meetings virtually, there would probably be a savings there. As you know, the travel costs can be quite expensive in trying to get members from different parts of the state together at one time. That is the bill, and I am happy to answer any additional questions if there are any or try to shed some more light on the potential fiscal impact. At least in my amateur analysis of this, I do not think that it would have any meaningful difference on the budget.

Chair Carlton:

Are there any questions?

Assemblywoman Titus:

You actually did address my primary question which was going to be is this going to increase the number of bills. On the record, this bill will actually decrease the number of bills.

Assemblyman Frierson:

I have a comment as well. We know it is going to decrease the number of bills, but not just mathematically. I think it is going to increase our opportunity to avoid duplicate bills. It is going to allow the system to work much better and much more efficiently. I think in that regard it will not only reduce the number of bills but save money in our ability to operate efficiently. I think this is long overdue. Selfishly, I am one of the people who has to make

about 100 appointments or so otherwise. I think that this gives us some structure and consistency for making the best use of our interim as we can.

Assemblywoman Benitez-Thompson:

We have friends in the building who have become very attached to some of the interim committees. This is a big shift for them. I think there are some people who wish some committees to stay in place. I think my message to them has been that we really are up against the clock. Ideally, we really cannot hold this process up so much. I guess when this bill was heard in the policy committee, I imagine there was due diligence to the consideration of how this would look going forward versus what interim committees would not be moving forward. Would you put some of that on the record? What do we say to some of our good friends and allies who might be grieving the potential loss of their interim committee?

Assemblyman Yeager:

There was a robust discussion before the Assembly Committee on Legislative Operations and Elections. Some of those concerns were raised. I guess this is what I would say. I do not think anybody should see this as an opportunity of being shut out from the process, much in the same way as during the session. These are public meetings with input. I anticipate that individuals who are members of those committees that might be getting swallowed up by some of these interim committees would still be able to participate. They would not be members of the committees because that would be reserved for legislators. But I anticipate robust discussion on bills.

The committees can also create subcommittees for particular topics. One of the frustrations and I think we have all dealt with this when you look at some of the committees that we have now in the interim, is there is a lot of overlap. You have criminal justice committees with four or five different committees sometimes looking at the exact same thing. I guess my thought on that would be your voice is going to be heard a little clearer because you will have one place to focus that voice when we are vetting topics versus having to go to three or four different committees. My intent on this is to keep that process just like we do now in the interim to take that feedback. This is not going to be legislators meeting behind closed doors doing their work. This is going to be public participation, agency participation, and will hopefully result in better, more well-vetted legislation that will be easier for the LCB [Legislative Counsel Bureau] to tackle and draft when we get to the end of this process.

Assemblywoman Benitez-Thompson:

Otherwise, I really like this because I have found, and this is my perspective, that the interim committees that have subject matter discussions come to session with bills where a lot of conversation has happened. The interim committees are not official legislative records, but you get a bill presented to you that has had a lot of conversations and topics. We can look back to the minutes to see how those conversations and topics developed. I would say from my perspective, the interim committees tend to be a place where you have more difficult conversations. Often if you could have had some discussion in the interim and if you had a more formal discussion in the interim, there might be a little more consensus forming or at

least more conversation moving toward the goal of consensus. I really do like the lineup. I think that is just great.

Assemblyman Yeager:

One other thing that I will say that I do not think we have mentioned is a way that I think this could be helpful for existing and future legislators. If you are an existing legislator and you are thinking about what committees you might like to be on next legislative session but you do not have any experience in government affairs or legislative operations, this is a clear place where you would be able to at least tune in to see what kind of matters that committee handles. I also think for people who are running for office for the first time this would be helpful. Candidates file in March, and there is an opportunity for them to be able to observe and watch these committees and figure out where their interests lie. Maybe they think they are interested in judiciary, but after watching the interim committee they say they do not want to be on judiciary but want to serve on another committee. Right now, that is a hard process to do because they do not necessarily align with the committees that we have in the session. I think it will help with some of that preparation work for getting new members and existing members coming back who may be on different committees to be able to really jump into some of this policy discussion that would happen in the interim so they are ready to go hopefully on day one in the next legislative session.

Chair Carlton:

It is my understanding that the Legislative Committee on Public Lands will no longer exist. Is that correct? It will be absorbed into the Committee on Natural Resources.

Assemblyman Yeager:

That is correct as the bill appears before you.

Chair Carlton:

My concern is trying to figure this out. What I have seen happen is individuals get appointed to these interim committees to figure out where they want to be the next time around and to see if they have the aptitude, and if we are all on the same page moving forward. As you said, they may end up on something and then find out that is really not their thing, and they should go another way. Will the appointments to these interim committees be current members of those committees or will it be open to other members who want to start learning about that? How will the chairmanships be developed since they are joint committees? I know in IFC it flips back and forth through the different interims. Would there be a process like we do with some of the committees now where it will start with a Senate chairmanship on one side and flip to the Assembly on the other side, or will it be an election process as in the Lake Tahoe committee where the members get to choose their chair? I know that some of those answers might be in the bill, but I wanted to make sure I got those things on the record.

Assemblyman Yeager:

The minority and majority leadership would do the appointing of the committees. There is not a requirement that the members be limited to current members of the committee. For

instance, if we passed this bill, the interim standing judiciary committee would have no requirement that the member must have served on the judiciary committee in the prior session. I think the nice thing about that is leadership in both parties can decide and look forward to next session and if there someone else who they think would be more appropriate. That is flexible, and it does not have to be someone who was on the committee before. I think it makes sense to try to put someone there who you think might want to be on the committee next session just for continuity. Then exactly as you stated, the chair would alternate between Senate and Assembly in the interim much like we do with the Legislative Commission and with the Interim Finance Committee (IFC). I believe it is the Legislative Commission that designates the chair of the committee under the way that the bill is drafted, and it would fluctuate between the two houses.

Assemblyman Leavitt:

I was in the policy committee when you brought this bill forward. It made sense to me in that I like as much structure as possible. I served on some interim committees that I had no idea what they did and by the time we were done, I had no idea what they did, probably because of COVID-19 and we did not meet all that often. I think the benefit of this is even though some of these committees will be absorbed into the greater committee, the entire overarching committee will be educated on the subcommittee's topics. I think that is valuable. I always was unsure when we were meeting in some of these interim committees, about who we report to and who we go to eventually. I did not know and maybe the chair knew but I did not know. I think this will be valuable in that way. You will get educated and know. I believe in the interim committees because I think they are a good thing, even IFC. After serving on IFC, I still wanted to be on the Assembly Committee on Ways and Means. I think the structure would be good for the state in how we make legislation moving forward during the interim.

Chair Carlton:

I appreciate all that, and we have gotten sidetracked with some of the questions. I am glad the Committee is asking them, but we do need to get to the fiscal component of what the actual impacts will be to the Legislature.

Assemblyman Watts:

You might have touched on this, but I was wondering is there kind of a net change. We are establishing these interim committees and phasing out some other existing committees. Is there a net change in the number of interim committees as a result of the bill as it currently stands? Do you happen to have that figure?

Assemblyman Yeager:

I do not have the precise figure but there definitely will be fewer interim standing committees. In section 6, we have the ones listed which looks like nine and then we would have the Legislative Commission, the Interim Finance Committee, and the Economic Forum. As the Speaker had mentioned, many of you remember toward the end of session, you get that list of interim committees for potential appointment and that usually is about five or six pages and seems like 75 or 80 different interim committees. I think there are going to be

fewer interim committees that have to meet, which is going to reduce the cost and actually makes the budgeting and spending less because there will be fewer meetings that have to happen.

Assemblyman Watts:

I did not see this in the bill, but I was wondering whether there was any contemplation around the meeting schedule? I know that there is still a timeline for when the meetings are to occur. Was there any contemplation of meeting frequency being similar to some of the other existing committees or was it thought the meetings might be more frequent potentially since we might have a little additional time without having all the various committees meeting?

Assemblyman Yeager:

I was looking at the bill quickly and had come recollection that maybe there was a requirement that meetings happen quarterly, but I may be misstating that. I will note that the Legislative Commission essentially reviews and approves the budget and work program of each committee. I think the committee would go before the Legislative Commission to basically say this is what we are projecting in terms of meetings and what topics we may handle. I think to answer your question more precisely, it depends on the committee and what they want to tackle. I think overall what we are going to see is fewer meetings in the interim when you look at condensing the structure. That would be up to the Legislative Commission in consultation with the chair of the committee to decide what issues they are going to tackle and how many meetings. Hopefully, it will be easier to schedule those meetings because you are not going to have legislators who are on seven different committees trying to find a time to meet.

Chair Carlton:

We do have some fiscal questions. We may need to bring up Ms. Erdoes or whoever the backup is.

Assemblywoman Monroe-Moreno:

In section 8, subsection 2, paragraphs (a) and (b) of the bill, we have the Joint Interim Standing Committee on Health and Human Services and the Joint Interim Standing Committee on the Judiciary. They would be able to have a subcommittee for child welfare and a subcommittee for juvenile justice. Would those subcommittees require additional staffing for each of those subcommittees and if so, what would that fiscal impact be?

Assemblyman Yeager:

Yes, those committees would have the ability to appoint a subcommittee, but they are not obligated to do so. They could simply absorb it as part of their work. But because these are committee meetings that are open to the public, they would require staffing if they were to have those subcommittees. In terms of the fiscal impact, I cannot say beyond whatever the impact would be for a normal meeting. Although I think, if the meeting happened in person, the travel is going to end up being less because the subcommittee necessarily is going to have fewer members than the committee as a whole. I also think that is something that can be

worked out in the work plan that goes in front of the Legislative Commission whether those committees in fact do want to have a subcommittee with members who are interested in those topics. I think when you are thinking about this philosophically there could be additional meetings because of that subcommittee but there certainly does not have to be.

Assemblywoman Monroe-Moreno:

Would the staffing for the interim committee be regular staff and would it be the same staff for the subcommittee or would it be staff that worked in this building on these subject matters for years? Would it be that staff in addition to the regular interim committee staff?

Assemblyman Yeager:

I think it is flexible. I do not really have a particular intent in my mind there. I think it would make sense to have the same staff that staffs the interim committee to be there, but if there are other staff who are knowledgeable in that area, I think that is something that could be worked out. I want to give it as much flexibility as possible to leverage the expertise that we have here in the building for staff who have been working on these issues for a long time.

Chair Carlton:

We really do need to get to the fiscal component of this and what it is actually going to cost. Mr. Yeager, if I could go ahead and ask Ms. Erdoes to come up? I believe she will be addressing those concerns.

Brenda J. Erdoes, Director:

I did not have this on my menu today, but I am happy to talk about it. We do believe that the cost would be less for this dynamic because as Assemblyman Yeager stated, there would be fewer committees and likely fewer meetings. This kind of thing is really hard to predict in terms of cost, and especially this interim because there is a difference in cost between virtual meetings and meeting in person especially with travel and also the frequency of the meetings. I believe that the best I can say is we believe this will cost less and have less fiscal impact than the current system where you have many more committees and they are not as coordinated with the overall picture. If there is more information that you would like, I would be happy to provide it.

Chair Carlton:

I know there have been some conversation points about all the different types of studies that are being asked for within the two bodies at this time. I believe the conversation point was centered around these interim-type committees. We would not necessarily need to designate studies at a certain level, but we could just assign those to the interim committee to take on as one of their tasks during the interim. We would not be funding outside studies also, is that your impression also? I see Assemblyman Yeager nodding his head yes. We will get an answer from Ms. Erdoes and then we will go back.

Brenda J. Erdoes:

Yes, that is my understanding. I think you will find that the LCB staff will be very good at helping these standing committees. We would think that it would be, and it will be another

training tool for our LCB staff in terms of providing good staffing for the legislative sessions with these committees. I think that they will be watching for the topics as they come up. As Assemblyman Yeager said, these committees get bill drafts and they can request bill drafts as these topics come up. I guess in my head the way this would work is as you get things that come up, these committees could be more responsive through the interim to allow different people to come to the committee and bring these issues up. Should that committee decide they want a bill draft on that, then those things would get prepared. For us, I believe it is going to be helpful if you operate in this way because the bill drafters would have a chance to start on these bills earlier and have the history going forward. It would be my belief and hope here that we could get these bill drafts out earlier. A lot of the different special interim committees do not submit their bill drafts until July, August, or September and then it falls right in with the drafting of the Executive Branch bills. I guess I have kind of put on my legal hat. Basically, in terms of the overall picture, we believe that this bill would definitely help in terms of getting bills drafted and organized.

Chair Carlton:

It is my understanding as we are moving forward with this, that we would need to have conversations with you as far as establishing an amount that we would need to put in your budget to institute this. There would be dollars associated with it. I do not believe we have gotten that information yet, but we would need to come up with some type of an amount to put in the LCB budget to allow this process to go forward. If the bill did not pass, then we would automatically go back to the other process. I believe it is probably safe to assume that using the budget that we had last time might be the best guideline to move forward so that we can include the appropriate dollars associated with the interim work that needs to be done. If the bill passes it is funded, and if the bill does not pass the current system is funded. I believe that is the next thing that we need to accomplish.

Brenda J. Erdoes:

That would be our preference. We did not include any money anywhere in the budget process or our budget request for interim studies because we were unsure about virtual or in-person meetings. There is a big difference in cost between virtual meetings and on-site meetings, and the biggest difference is travel. If we could get an idea of where you thought you were going, we could come up with a fairly accurate budget for the interim studies. We are happy to do that at any time.

Chair Carlton:

I will defer to Ms. Coffman and smart individuals in the room, but I think using what we did last time as a template works. We do not need to recreate the wheel. We do not have that many days left this session. I think the conversation that Assemblyman Yeager shared was that we believe this will possibly save money.

I will add my own personal caveat that you get a lot done when you are all in the same room together. Meeting virtually is great as we all experienced in the first two months of this Legislature. However, being able to get everybody back in the room together again made a significant difference. We understand moving forward that virtual will definitely be a

component, but I do not want to lose that interaction of the committee members working on an issue together or going and doing the work together that needs to be done to build the relationships and understand the issues that are facing the state. I would just add that as my own personal caveat.

I learned a lot more out in the rural counties with Senator Hansen and former Senator Rhoads about public lands than I probably would have ever learned in a committee meeting. I learned a lot out there because when you are seeing it right in front of you it makes a big difference. I think the guidance I would have to staff and LCB is to come up with that budget to make sure that as we move forward, we have got both avenues covered. Are there any other questions at this time? [There were none.] This is the hearing for Assembly Bill 443 (R1). At this time, I will open it for testimony in support of the bill.

Priscilla Maloney, representing the American Federation of State, County and Municipal Employees (AFSCME) 4041 Retirees:

The reason that A.B. 443 (R1) caught our eye was of course we highly value the work during the interim of the Interim Retirement and Benefits Committee, which is *Nevada Revised Statutes* 218E.420. We were initially concerned that maybe that particular interim committee was on the chopping block. Having seen that it is not, and thrilled to get to that point at this point in the session, I would say though that in following this bill, we were aware of how overdue a streamlining of our interim committee process is. We thank the sponsors of the bill for all the hard work done on it. We are grateful that the value, utility, and efficiency of the Interim Retirement and Benefits Committee is still going to go forward. We are in support of A.B. 443 (R1).

Chair Carlton:

Is there any further testimony in support of the bill? [There was none.] Is there any testimony in opposition to the bill?

Barry Gold, Director of Government Relations, AARP Nevada:

We are opposed to A.B. 443 (R1) because a lot of work was done to initiate the Legislative Committee on Senior Citizens, Veterans and Adults With Special Needs. Those are three special populations that really deserve the attention that we are going to have. I know there are 15 bills in the Joint Standing Committee on Health and Human Services, and 5 of those are directed just for juvenile health. That just leaves ten bills, which does not leave a lot of room for seniors, veterans, and adults with special needs. The Joint Standing Committee on Health and Human Services covers broad topics, and a lot of great bills have come from those committees. I think that there are a few of those committees that need to be reconsidered. I think a lot of work was done. I think that they say that a society is judged by how we treat our elders. I think that taking away this committee shows that elders are not being paid much attention. I think that specific committee is one that needs to be reconsidered. For that reason, we oppose the bill.

Chair Carlton:

Is there other testimony in opposition to the bill? [There was none.] Is there any testimony in neutral on the bill? [There was none.] Are there any closing comments on the bill?

Assemblyman Yeager:

I wanted to mention that I have heard the concern that Mr. Gold said about that particular committee, Legislative Committee on Senior Citizens, Veterans and Adults With Special Needs. I am still thinking about whether it makes sense to keep that committee given its charge. I know that will not happen in here. We still have to get through the Senate with this bill as well and the Assembly floor. I wanted to make that known for the record that I am still considering that as an option moving forward.

Chair Carlton:

I will close the hearing on A.B. 443 (R1). We have one bill left on the agenda at this moment, which is Assembly Bill 489, and I will open the hearing on that bill.

Assembly Bill 489: Makes appropriations to the Legislative Fund for capital improvement projects, one-time building maintenance, information technology purchases and dues for national and regional organizations. (BDR S-1066)

Brenda J. Erdoes, Director:

Hopefully, you have in front of you the handout, and it is on the public record as well [[Exhibit H](#)]. This bill is extraordinary in a couple of ways. One is that there are two pieces of it. The first piece is for capital improvement projects. I will explain in a minute where we are with that. The second piece is a lot of computer hardware, software, and things that we have come to need because of the COVID-19 pandemic crisis. We have been trying to work through the interim to quickly put together the ability to do virtual meetings. That has taken our Broadcast and Production Services Unit from essentially analog and more manual to completely be able to provide Zoom and all these different platforms. The cost associated with those things as well as the capital improvement projects, I think makes this an extraordinary year for us.

I have to tell you that coming into this job for the first time has been very interesting to work with the buildings unit and all of the other parts of the general staffing for the Legislature. One of the things that I learned right off was that our buildings have been neglected through the years primarily because money is scarce. We have had a lot of difficult years in the past 20 or 30 years. What happens is a lot of times the buildings get neglected. When I first took the job about a year ago, I was faced with questions about whether to put a new roof on the Sedway Office Building for example. When I asked why we were doing it, it was explained to me that there was a lot of water leaking in when it rained and especially when the rain blew because it was coming in not only from the roof but from the coating on the building or the lack thereof. We actually had different divisions even on the first floor with water damage. I was shown pictures and examples of water coming into people's offices hitting papers and things like that. That was very disconcerting to me. I had not really thought about that in terms of working in the Legislative Counsel Bureau (LCB). The bottom line is

that we have a number of buildings to which we need to pay attention. With the budget that we had and the authorized expenditures that we had from the last interim, we had a chance to completely redo the roof at the Sedway Office Building as well as put an elastomeric paint coating on the building that will stop the water from coming in when there is blowing rain. It will better protect the building.

I think this next biennium we really need to focus on the Legislative Building. I am not sure how many of you are aware but the older part of the building, which is to the west towards Carson Street, was built in 1969. An addition was built on to it starting in 1996. When we built on to it, we did not abate all the asbestos that was in the old building, but only the areas that touched something that we were doing at the time. There is asbestos in the building as well, as I learned in this session when a leak of water dripped on the couch in the reception area for Assembly leadership. The leak was coming out of the ceiling right on to the leather couch that was there. What I learned that day was there are no shutoff valves in the plumbing above, so you have to go up in the ceiling and that is also where the asbestos is. Basically, we used a bucket until we could close the area and put on the asbestos suits and get that all fixed.

The bottom line is there are a lot of parts of the building that are problematic. There are problems and if you ever want to see these, I am happy to give you a tour. There are what are called bladders or sometimes there are just tarps in the ceilings in a lot of areas in the new part of the building where water seeps in either from the roof or again blowing rain from the sides. The tarps are sort of permanently installed up there and they catch water. If they start to overflow, then there is a tube that empties them. There are a lot of things like that.

Actually, right after I started in March of 2020 was when COVID-19 hit, and we had to evacuate the building and start working from home. The buildings crew came back after the first week, and they started working on getting training for three things. They are already slightly trained on asbestos, but they got some additional training on that, as well as on mold, lead, and all the other issues that we had with the building because of the mixed format. The bottom line is that this building has been neglected for quite some time. I would make a comparison for you to the Grant Sawyer State Office Building, which was built in 1995 so we are talking a year of difference here. I think that we really need to pay attention to making sure that the building is stable and that is what these projects are. Madam Chair, would you like me to go through each one of them or would you like the highlights?

Chair Carlton:

I think we just want a very high-level overview, and then we can allow members to ask about individual items. There are a lot of items on the list that has been uploaded to NELIS [Nevada Electronic Legislative Information System] as part of an exhibit [[Exhibit H](#)]. We do have some photos on the front, and we have a number of different items listed with the dollar amounts that are associated with each. I think one of the more important ones that I would like for you to address first is all the conversations that we have had about security in the past. At the top of one page, we have a security screening structure and ADA [Americans with Disabilities Act] compliance project for the east entrance. If you

could briefly address that, I think it is something that the Committee would be interested in learning more about because this would be something new for us.

Brenda J. Erdoes:

Yes, that one is addressing the east entrance as you come out of the building on the east going to the parking garage. The first thing that you may or may not have noticed, if you walk there when there is ice then you definitely would have noticed, is that it is slanted down and sideways. It is difficult to walk there. It also violates the ratio that you can have in terms of the slopes for public buildings. The two ramps on both sides of the entrance are not wide enough. We have had scooters and larger wheelchairs get stuck there. They do not meet the current ADA requirements. We have various issues like that, and we would like to get those cleaned up.

The bigger issue and the bigger cost are related to the security screeners, the metal detectors, and the X-ray machines. We feel the need for that because we continue to get reports from NTAC [Nevada Threat Analysis Center] and the other agencies that advise our Legislative Police and the Legislature in terms of the level of threat to public officers. I know those threats because I get emails from many of you who have gotten some of those threats personally. As those threats continue, we also are watching not just the level of threats grow but also the information that we have received is that the threats to capitols and legislative buildings are believed to be increasing. That was behind the decision to quickly put in the metal detectors and scanners to come into the building this session. The current way that we did it was to put the main scanning equipment and the metal detectors in the building where the garage is located. That is actually not compliant with the dictated practice because you have people walking from there across the whole walkway. Because of that, we need to have the Legislative Police out there making sure that you actually come directly from the scanning into the building or else it is not really doing any good. What this project would do is build out from the main entrance there on the east side and go across the walkway.

We had always thought before that you could not build in that lane because it was a fire lane. We have now spoken with the Fire Marshall and the local fire department and gotten all the approvals so that we can build across that and go directly into the garage. You could come in through there. As you do that what would be included in that project would also be fixing the ramps and the ADA access that is not currently compliant with ADA requirements. The thing that is also recommended for these sorts of facilities where you walk through the metal detector is that it be segregated from the bigger part of the building. Because what you are looking for is a bomb, and if a bomb went off then they like you to have a special structure so that the blast is directed away from people. That would be a part of this project as well. If there are any questions on that, I am happy to respond.

Chair Carlton:

Thank you for elaborating on that. I think it is good for us to be able to have that conversation. I know it has been a concern of some individuals inside the building and outside the building. Family members of those who work in the building want to make sure that the building is secure. I wanted to make sure that you highlighted that one project in

particular, so that everyone realized we take security as seriously as anyone else, knowing the restrictions and how quickly we have to move to be able to address those security concerns. I will open it to other members for individual components here so that we can keep moving because we have a lot of things to go through after this.

Assemblywoman Jauregui:

I just had a quick question about the asbestos survey. Does that include the Sedway Office Building and the Legislative Building and is that just taking a look at what it would cost to take care of the asbestos and completely get rid of it? Is that what the goal is?

Brenda J. Erdoes:

I am really glad you asked the question because I had to learn what that was as well. You are not allowed to do asbestos work in a building under the OSHA [Occupational Safety and Health Administration] rules unless you have a survey first that sets forth what you are going to do. That is the cost to get the outside contractor that you are required to get when you do any asbestos work. The contractor sets the dynamic of what you are going to be doing. Then that does not include any of the cost of abating the asbestos. But the good news is we were able to get our own six building staff certified during the COVID-19 pandemic. I think we have two or three supervisors certified as supervisors for asbestos as well as the staff having the basic training. We have the asbestos suits and everything so that we can actually do the work ourselves. Federal law requires this survey so that everyone is clear on what you are doing and where you are going to put up the sheets of heavy gauge plastic that are hung from ceiling to floor to contain the area where you are going to be working with the asbestos. That is all dictated in this plan as well.

Chair Carlton:

Are there other questions from any other Committee members on any items listed in the presentation? [There were none.] The bill is very short. You have the backup document that breaks everything down. This is the hearing for Assembly Bill 489. At this time, I will open it for testimony in support of the bill. [There was none.] Is there any testimony in opposition to the bill? [There was none.] Is there any testimony in neutral on the bill? [There was none.] I do not believe that there are any closing comments that need to be made. I will close the hearing on this bill, and I will turn it over to Ms. Coffman to find out what is next on our hit list to do.

Sarah Coffman, Assembly Fiscal Analyst:

We did receive copies of two money bills that are ready for the Committee to walk through. Those are the Pay Bill and the Capital Improvement Program (CIP) Bill. With that, I would ask Ms. Hoppe and Mr. Malone to come to the table so that they can present the Pay Bill.

BDR S-1173—Provides for compensation of state employees. (Later introduced as [Assembly Bill 493](#).)

Chair Carlton:

Ms. Coffman, if you would like to give us the overview, then we will turn it over to Ms. Hoppe.

Sarah Coffman:

In front of you is the BDR (bill draft request) [[Exhibit I](#)] that is for the Pay Bill. This is the bill that contains the maximum salaries associated with all of the unclassified positions in The Executive Budget as well as back language related to payroll- and personnel-related expenditures. With that, I would turn it over to Ms. Hoppe and Mr. Malone.

Chair Carlton:

Just for clarification, will the Committee be introducing this bill after the presentation or is this a courtesy hearing?

Sarah Coffman:

That is correct. Mr. Malone and Ms. Hoppe already presented this to the Senate. This would be a BDR introduction.

Karen Hoppe, Senior Program Analyst:

With me is James Malone, Program Analyst, a member of my team and instrumental in preparing the BDR that is in front of you today. Staff will walk through each of the sections and stand for questions the Committee may have after the walk through is completed. You should have in front of you a copy not only of the BDR but a one-page exhibit [[Exhibit J](#)], which lists the collective bargaining units that will be discussed in this Pay Bill. Both of these documents should be posted on NELIS [Nevada Electronic Legislative Information System] as well.

Section 1 of the Pay Bill sets forth the maximum annual salary amounts for employees in the unclassified service of the state as approved by the money committees. These amounts include the 3 percent cost of living adjustment (COLA) approved for fiscal year (FY) 2020 but do not include any COLA that may be approved for the 2021-2023 biennium. Section 2, which is on page 34 of the BDR, is standard language that allows the Division of Human Resource Management, Department of Administration to review the duties and responsibilities of a position that may have been omitted from this bill to establish the salary of that position. Section 2 also allows for corrections to the bill for any errors determined by the Fiscal Analysis Division with approval of the Interim Finance Committee. This section also includes standard provisions regarding persons filling or vacating unclassified positions.

The next sections address COLAs for state employees, which are organized into separate sections because of the funding source and the type of position. In total, the Pay Bill includes \$17.1 million in State General Fund appropriations and \$3.1 million in State Highway Fund appropriations to fund the COLAs.

Sections 3 and 4 begin on page 35 of the BDR. Section 3 provides that the unclassified positions listed in section 1 will receive a 1 percent COLA in FY 2023. Section 4 appropriates \$520,936 of General Funds and \$42,369 of Highway Funds for this purpose. Section 5 begins on page 36 and addresses COLAs for classified and nonclassified positions in the Executive Branch and Judicial Branch, which are funded with General Funds and appropriates \$11.8 million for this purpose.

For the discussion going forward, I would refer the Committee to the exhibit [[Exhibit J](#)] as we will be talking about collective bargaining units, and the exhibit may be helpful in understanding which personnel are in each unit. This exhibit lists the authorized classified positions in the Executive Branch of government and shows the percentage that is in each of these classifications. Fiscal staff would note that on this table, 25 percent of authorized Executive Branch positions are covered by approved collective bargaining agreements that were approved through yesterday.

Fiscal staff would note in section 5 on page 36, that the 2021 Pay Bill is the first to include provisions related to collective bargaining for state employees, which was authorized by Senate Bill 135 of the 80th Session and codified in *Nevada Revised Statutes* Chapter 288. Senate Bill 135 of the 80th Session granted certain classified state employees in the Executive Branch including the Nevada System of Higher Education (NSHE), the right to organize and choose representatives for the purpose of engaging in collective bargaining. This right was not granted to employees in the Legislative Branch or the Judicial Branch. Senate Bill 135 of the 80th Session required the Government Employee Management Relations Board to establish bargaining units for 11 occupational groups designated as units A through K and to determine the classifications of employees within these bargaining units. At this time, 7 of the 11 authorized bargaining units have an exclusive bargaining representative, and of the 7 units with representation, 6 units have negotiated a collective bargaining agreement that was approved by the State Board of Examiners (BOE) through yesterday, May 25, 2021. Funding for the General Fund portion of COLAs for these six units is included in this section.

Page 37, subsection 2 is for personnel not represented by a collective bargaining agreement approved by the BOE by May 25, 2021, and provides a COLA of 1 percent in FY 2023. Subsection 3 is for personnel represented by unit A and provides a COLA of 3 percent for FY 2023. Subsection 4 is for personnel represented by unit E and provides a COLA of 3 percent in FY 2023. Subsection 5 is for personnel represented by unit F and provides a COLA of 3 percent in FY 2023. Subsection 6 is for personnel represented by unit I and provides a COLA of 3 percent in FY 2023. Subsection 7 is for personnel represented by unit H and provides a COLA of 2 percent in FY 2023 in addition to the increase in salary provided to nonrepresented personnel. Additionally, this group would receive a one-time bonus in July 2022 of \$500 for personnel with 5 to 15 years of service, and a one-time bonus of \$1,000 for personnel with more than 15 years of service. Staff would note for the Committee there is a small revision that will be made to the bill before it is introduced. This is in subsection 7 on page 37. The second line should read "an increase in salary of 2 percent in addition to any increase in salary approved for nonrepresented personnel."

Subsection 8 on page 38 is for personnel represented by unit K and provides a COLA of 3 percent in FY 2023. Section 6 beginning on page 38 addresses COLAs for the classified and nonclassified positions in the Executive Branch and Judicial Branch that are funded with State Highway Funds, and \$3.1 million of Highway Funds is appropriated for this purpose. Two of the bargaining units with approved agreements have personnel who are supported with Highway Funds. Subsection 2 on page 39 is for personnel not represented by a collective bargaining agreement approved by the BOE by May 25, 2021, and a COLA of 1 percent is provided in FY 2023. Subsection 3 for personnel represented by unit A, and a COLA of 3 percent is provided in FY 2023. Subsection 4 is for personnel represented by unit H, and a COLA of 2 percent is provided in FY 2023 in addition to the increase in salary provided to nonrepresented personnel. Additionally, this group would receive a one-time bonus in July 2022 of \$500 for personnel with 5 to 15 years of service and a one-time bonus of \$1,000 for personnel with more than 15 years of service.

Section 7 on page 40 authorizes COLAs of 1 percent in FY 2023 for the classified and professional positions in the Nevada System of Higher Education (NSHE) and appropriates a total of \$4.4 million of General Fund for this purpose. The appropriation for NSHE COLAs is based on the proportion of appropriations from the General Fund total revenue within each state-supported budget of NSHE. Section 8 on page 41 authorizes COLAs of 1 percent in FY 2023 for personnel of the Legislative Counsel Bureau appropriating General Funds of \$318,591 for this purpose. Section 9 is standard language related to plans for on-call pay for the Department of Health and Human Services and the Department of Corrections for unclassified physician positions. Section 10 on page 42 contains standard language related to plans for credential pay for the Nevada Gaming Control Board.

Section 11 is standard reversion language applicable to the previous sections. Section 12 on page 43 is standard language governing the distribution of monies by the State Board of Examiners to budget accounts. Section 13 authorizes the State Board of Examiners to reimburse from the \$18,659 General Fund appropriation in this section for any deficiencies created between funding appropriated to the Tahoe Regional Planning Agency and the 1 percent COLA approved for its employees for FY 2023 conditioned upon the state of California providing the required two for one match.

Section 14 on page 44 lists the positions exempt from the provisions in *Nevada Revised Statutes* that require the salary of a person employed by the state not to exceed 95 percent of the salary of the Governor. Section 15 is generic language to provide for the alignment of agency or position name changes enacted by the Legislature this session through other bills with the agency or position names in this Pay Bill. Section 16 at the bottom of page 44 amends statute to add authorization for the new DETR [Department of Employment, Training and Rehabilitation] unclassified position of Deputy Staff Attorney, which was approved by the money committees. Finally, section 17 provides that this bill becomes effective on July 1, 2021. That concludes staff's walk through of the Pay Bill.

Chair Carlton:

I would like you to go back and recap something for us. Looking at [Exhibit J](#), unit A was a 3 percent increase, unit E was a 3 percent increase, and unit F was a 3 percent increase. I did not hear an increase for unit G. Am I correct?

Karen Hoppe:

You are correct. Unit G for category I peace officers did not have a bargaining agreement approved by the State Board of Examiners as of yesterday.

Chair Carlton:

Unit H is category II peace officers and is the 2 percent plus whatever the state-funded raise for all employees would be, is that correct?

Karen Hoppe:

That is correct.

Chair Carlton:

Then I go to unit I for category III peace officers and that is 3 percent. I am skipping unit J because I do not believe there was anything there. Then I am going to unit K for firefighters which was 3 percent. Is that correct?

Karen Hoppe:

That is all correct.

Chair Carlton:

Would you please enumerate the actual bonuses? I heard the \$500 and the \$1,000 amounts. Which categories do those apply to, was that just unit H?

Karen Hoppe:

That is correct. Unit H category II peace officers was the unit that negotiated the 2 percent raise in addition to the statewide increase, and this is the only unit that also negotiated for the one-time bonuses described by staff.

Chair Carlton:

I want to make sure. It is a \$500 bonus, and what are the years of service for that? Was it 5 years to 15 years?

Karen Hoppe:

It was a \$500 one-time bonus for personnel with 5 to 15 years of service and a \$1,000 one-time bonus for personnel with more than 15 years of service.

Chair Carlton:

In essence, this has turned into longevity pay but is being called a different name.

Karen Hoppe:

In essence, it would operate the same way.

Chair Carlton:

I wanted to make sure we had that all delineated for everyone because it went by quickly.

Assemblywoman Jauregui:

Based on the questions that you asked, unit H category II peace officers get 2 percent plus the state-funded raise. Does the "plus the state funded raise" not apply to the units I and unit K?

Chair Carlton:

No, it does not apply to units I and K, but only applies to unit H. I appreciate [Exhibit J](#) that makes it easier to understand. I will not get on my soapbox about category I and category II officers because I have said that too many times in this building before.

Assemblywoman Tolles:

I am looking at page 37, section 5, subsection 2, that says that for personnel not represented by a collective bargaining agreement their increase in salary is 1 percent and then all others are 3 percent with the clarifications in subsection 7 and the 2 percent and the 1 percent. I am curious whether there are any concerns about the disparity or the impact that has on the lesser amount for noncollective bargaining employees? They are almost penalized for not being part of a collective bargaining agreement. I confess this is not my area of expertise.

Chair Carlton:

I am going to have Ms. Coffman address that, and if you want to talk about collective bargaining and agreements, I would be happy to have a conversation with you about those.

Sarah Coffman, Assembly Fiscal Analyst:

You are correct. There will be variations in the different salary adjustments that are being made to the various state workers. One of the concerns that has been made is that professionals who are at management levels will eventually end up having compaction issues as a result of individuals getting a higher rate of increase than what the management or professional staff receive.

Assemblywoman Tolles:

I can appreciate that. I remember the chair at my department at the University of Nevada, Reno having to hire Ph.D. candidates at higher rates than she was getting paid. I understand that.

Assemblyman Roberts:

The category I peace officers do not have a collective bargaining agreement yet. Obviously, it is probably going to come in at 3 percent. We have allocated funds for when we might anticipate that moving forward and set those aside, I am sure, right?

Sarah Coffman:

No, there has not been a set aside for that collective bargaining unit. The provisions state it must be approved by the State Board of Examiners. It needs to go there first before any set aside can be provided. I would say though that they are now a part of the 1 percent COLA that will be provided to all of the state employees who do not have a collective bargaining agreement that has been approved by the State Board of Examiners.

Assemblyman Roberts:

What would happen when it does come in? Would we use a contingency account to cover those costs?

Sarah Coffman:

The collective bargaining agreements have to be approved by the Legislature. The Interim Finance Committee does not have the authority to provide funding for this. It would either have to be approved by a special session or it would have to be approved by a Legislative session.

Assemblyman Roberts:

Do they establish the length of the collective bargaining agreements for the biennium to coincide with the budget?

Sarah Coffman:

I am not sure about the length of the negotiation agreements.

James Malone, Program Analyst:

When negotiating the collective bargaining agreement contracts, they are for the next biennium.

Sarah Coffman:

It was brought to our attention in section 1, subsection 33, paragraph (h), page 28, that the position of Senior Research Analyst for the Nevada Gaming Control Board was inadvertently omitted. That position has an annual salary of \$105,322, so that will be adjusted and corrected in the final bill draft request (BDR) that will be presented to the Assembly.

Chair Carlton:

The Senior Research Analyst salary would be \$105,322. Since we are working with this as an actual bill draft request, by the time it gets to the Assembly floor that number will be adjusted so we will have a correct document to work from.

Sarah Coffman:

That is correct.

Chair Carlton:

That is why we do this in this form because it is much easier to make an adjustment in this draft than to go through the amendment process. Committee members, are there any other

questions on this at this time? [There were none.] Ms. Coffman, do we need to make a bill draft introduction at this time?

Sarah Coffman:

Yes, the appropriate thing to do is to take a vote to introduce the BDR.

Chair Carlton:

With that, Committee members, I would accept a motion to introduce BDR S-1173 that provides for compensation of state employees.

ASSEMBLYWOMAN MONROE-MORENO MOVED FOR COMMITTEE
INTRODUCTION OF BILL DRAFT REQUEST S-1173.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

We will send this to the Assembly floor, and then it will come right back to us. Next, we have the Capital Improvement Program (CIP), and we are reviewing this as a BDR for us to introduce, is that correct?

Sarah Coffman:

That is correct.

BDR S-1172—Authorizes and provided funding for certain projects of capital improvement. (Later introduced as [Assembly Bill 492](#).)

Chair Carlton:

We will be going through this and then we will take the bill introduction motion, and then send it to the floor. I will invite Mr. Leiser to the table backed up by Mr. Kucera. This is my favorite bill because it is the jobs bill.

Brody Leiser, Principal Deputy Fiscal Analyst:

I am here to present the bill draft request (BDR) [[Exhibit K](#)] for the 2021 Capital Improvement Program (CIP). Just as a reminder for the members of the Assembly Committee on Ways and Means, the money committees approved funding in the amount of \$413.1 million for the Capital Improvement Program, \$75 million to launch the State Infrastructure Bank, and \$44 million for resource conservation and preservation programs of the state. The BDR before the Committee includes major funding sources totaling \$409.5 million in general obligation bonds, \$45.7 million in the agency funds, \$61.9 million in federal funds, and \$14.9 million in State Highway Funds. I will walk through the BDR and provide a summary of the sections and answer any questions that the members may have. I would note before I begin that there are a number of projects that are

approved by the money committees that have multiple funding sources, and therefore you will see those projects in multiple sections of the bill.

Section 1 of the BDR appropriates \$14.9 million in Highway Funds to support six Department of Motor Vehicles (DMV) and Department of Public Safety projects in the 2021 Capital Improvement Program. Section 2 of the BDR limits the authority for expenditure through June 30, 2025, and establishes a reversion of any remaining funds for the projects identified in section 1. Capital improvement projects typically have a four-year period in which funds are appropriated and/or authorized, and therefore this section provides for that time period. Similar language is included in section 5 to address reversion of general obligation bond authority.

Page 3, section 3 restricts the transfer of funds from the Highway Fund for projects identified in section 1 until contract payments are required. Section 4 authorizes \$280.6 million in general obligation bonds for projects which are identified under this section. This section also reallocates \$9.8 million in bonds previously issued under prior CIP legislation and includes \$505,932 from 2015 and \$9.3 million from 2017. This would allow the reallocation of bond proceeds already issued to be spent before proceeds of any new bonds are issued pursuant to this section. Members, you will see at the beginning of page 4 the projects that are authorized to have bond funds. They are listed by department, and those departments begin with the Department of Administration on page 4 and carry through the next several pages of the BDR.

As I mentioned, section 5 provides for the reversion language of general obligation bond authority. Section 6 on page 11 of the BDR specifies that the State Board of Finance will issue general obligation bonds for the 2021 Capital Improvement Program when it is deemed appropriate. Subsection 2 allows the State Controller to advance General Fund money if bonds have not yet been sold to finance the projects approved in the 2021 CIP. If General Funds are advanced, the amounts must be immediately repaid to the General Fund upon issuance of the bonds. Subsection 3 requires written notification from the Director of the Office of Finance, Office of the Governor, to the State Controller, State Treasurer, and the Senate and Assembly Fiscal Analysts if a General Fund advance has been approved and a reconciliation demonstrating that the General Fund has been reimbursed.

Section 7, which begins on the bottom of page 12, authorizes \$107.7 million from funding sources other than the General Fund or the Highway Fund for projects identified in this section. This would include the authority for federal funds, agency funds, and university or college funds. Subsection 2 of section 7 on page 16 requires that the State Public Works Division, Department of Administration shall not execute a contract for construction of a project approved in the 2021 Capital Improvement Program that includes authorized nonstate receipts until the State Public Works Division, Department of Administration has determined that the nonstate funding authorized has been awarded and/or is available for expenditure.

Section 8 requires that the State Public Works Division, Department of Administration use only qualified personnel to execute the 2021 Capital Improvement Program. Section 9

requires state and local government entities to cooperate with the State Public Works Division, Department of Administration in carrying out the provisions of the Capital Improvement Program. Section 10 authorizes bonds for the state's conservation and resource programs and approves \$4 million in bonds for the cultural centers and historic preservation grant program. Sections 11 and 12 on page 17 combined provide or approve the authority to issue \$12 million of general obligation bonds for the Lake Tahoe Basin Environmental Improvement Program. Section 13 authorizes \$8 million in general obligation bonds for the water infrastructure grant program. Section 14 at the bottom of page 17 approves \$20 million for conservation programs authorized under Assembly Bill 84 of the 80th Session. Section 15 on page 18 of the BDR provides an additional explanation that it is intended that bonds issued under sections 11 through 14 are exempt from the constitutional debt limit.

Section 16 provides for the issuance of \$75 million in general obligation bonds to launch the State Infrastructure Bank. This section also authorizes \$484,665 in unobligated reserve interest earnings in the Consolidated Bond Interest Redemption Fund to support operating expenditures of the State Infrastructure Bank. Section 17 approves ad valorem taxes for the Question 1 (Q1) bond program, the conservation bond program established through Assembly Bill 84 of the 80th Session, and for the state's general obligation debt service. For the state's general obligation debt, 16.18 cents on every \$100 of assessed valuation will be used to support existing general obligation debt of the state from prior bond issuances and for bonds that are sold under the 2021 Capital Improvement Program. For the Q1 program and the conservation bond program established through Assembly Bill 84 of the 80th Session, 0.82 cents of every \$100 of assessed valuation will be used to support the bonds that were sold for the Q1 program and that will be sold for the conservation bond program established through A.B. 84 of the 80th Session. The overall rate of 17 cents per \$100 of assessed valuation remains the same as approved for the current biennium.

Section 18 begins on the bottom of page 20 of the BDR. It requires the State Treasurer to estimate sufficient funding and determine whether that amount exists in the Consolidated Bond Interest and Redemption Fund to pay the principal and interest on past CIP issuances as well as current issuances. If there is not enough money in the Consolidated Bond Interest and Redemption Fund, the State Treasurer can request that the State Controller reserve money in the General Fund to pay those debts. Section 19 at the bottom of page 21 authorizes the State Board of Finance to pay the expenses related to the issuance of general obligation bonds. Section 20 on page 22 authorizes money to pay for bonds in the Consolidated Bond Interest and Redemption Fund. Those amounts are approximately \$155.4 million in FY 2022 and \$143.3 million in FY 2023. Section 21 authorizes the State Public Works Division, Department of Administration and NSHE [Nevada System of Higher Education] with the approval of IFC [Interim Finance Committee] to transfer money from one project within the same agency to another.

Sections 22 and 23 which begin on page 23 revise the reversion language from prior CIP legislation to allow for the reallocation of bonds issued under prior authorization approved by past legislatures for the use of projects identified in section 4. Section 22 also

extends the reversion dates thereby extending the project authority for two years for the projects listed in this section. Page 25, sections 24 through 27 extend the reversion dates thereby extending the project authority for two years. Just as a reminder for the members, the money committees in total approved 12 project extensions from the 2017 CIP to allow the State Public Works Division, Department of Administration two more years to complete those projects. Section 28 on page 27 revised the reversion language from prior CIP legislation to allow for the reallocation of bonds under prior authorization approved by past legislatures for use for projects identified in section 4. Finally, section 29 is the effective date, and this Act would become effective upon passage and approval.

Chair Carlton:

Are there questions from the Committee members?

Assemblywoman Jauregui:

I have a couple of questions. If we could go to section 8, Mr. Leiser, there is some language there, and I did not see this language for any of the other projects, and I was not sure if it was normal language or language that is often used, so why is that language in there that the Division shall ensure that qualified persons are employed to accomplish the authorized work? What is a qualified person? Why do we only see it here for the State Public Works Division, Department of Administration?

Brody Leiser:

This language just memorializes that the State Public Works Division, Department of Administration will adhere to the requirements under *Nevada Revised Statutes* Chapter 341 and ensure that licensed and qualified professionals are hired to assist with carrying out the projects approved in the Capital Improvement Program.

Assemblywoman Jauregui:

In section 21, there is language that allows the State Public Works Division, Department of Administration and NSHE to transfer funds from one project to another. I only see this language in here for NSHE. Why is that? Why do other projects or other organizations not have that same transfer authority?

Brody Leiser:

In essence, all projects approved within the CIP would fall under this authority under section 21 with IFC approval to transfer funds between projects within this bill as long as they are within the same agency. The Nevada System of Higher Education is identified specifically because in part the deferred maintenance project that is approved every biennium for NSHE is a unique project in so much as those funds are provided to the NSHE institutions and the institutions are responsible for completing deferred maintenance. That one particular project is a little unique. The language in this section would apply to all agencies that have projects approved in the bill.

Assemblywoman Jauregui:

If we could go back to section 1 on page 2, there is a big difference in the cost for similar projects within different agencies for the Department of Motor Vehicles (DMV) and the Department of Public Safety for advance planning. They are both for advance planning, but the DMV cost is \$6 million as opposed to the Department of Public Safety which is only \$200,000. Why is there such a big difference if they are both for planning?

Chair Carlton:

They are planning for different types of projects, and different planning documents need different amounts of support and resources to be able to move forward. Planning a building is not the same depending on the size and breadth of the building.

Assemblywoman Jauregui:

Is it common to be different?

Brody Leiser:

Yes, the difference is the scope of the projects. You see the advance planning project 21-P04 is a planning project that is just schematic designs, and it is the very early stages of planning whereas the project right above that would provide planning efforts all the way through the development of construction documents. It is in part just the scope of work that is to be completed.

Chair Carlton:

Are there other questions from other members at this time? [There were none.] This is a BDR that we will be introducing and sending to the Assembly floor, and it will turn around and come back, but this is in essence the hearing on this bill. I want to make sure everyone knows that this is where we are at this stage today. I do not believe there are any other issues that we need to address in the bill. I think we are ready to move forward. This is a bill draft introduction, and I would be looking for a motion to introduce BDR S-1172.

ASSEMBLYWOMAN MONROE-MORENO MOVED FOR COMMITTEE
INTRODUCTION OF BILL DRAFT REQUEST S-1172.

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

I will give Ms. Coffman a moment to get the bill drafts to the Committee secretary so they can be on the Assembly floor waiting for us. It is the Chair's intent to go into a work session to try to get some bills processed to keep things moving. Let me try to give you as much of a comprehensive list as I can at this time. There was Assembly Bill 280 (1st Reprint) that we heard last night that we need to add appropriations to, so we will be considering that bill.

There was Ms. Gonzalez's bill, which we did receive the amendment on, but we got it late so we were able to review that, and we will be able to move forward on that bill. We will be able to move forward on those bills that we heard this morning. We also have to process the four Nevada System of Higher Education bills: Assembly Bill 156, Assembly Bill 165, Assembly Bill 262 (1st Reprint), and Assembly Bill 319. We can go ahead and move forward on those. I believe there are a couple of other bills, but Ms. Coffman is going to pull them up as we go, and if somebody needs to call time for a second, just let us know. She is going to walk you through every single component of it as we move forward. It is the stage of the game at this moment in time. We will work session Assembly Bill 280 (1st Reprint).

Assembly Bill 280 (1st Reprint): Revises provisions relating to public restrooms. (BDR 54-132)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 280 (1st Reprint) provides that if certain places of public accommodations provide a single-stall restroom, it must be inclusive and as accessible as possible to a person of any gender, identity, or expression. This bill prohibits the owner or operator of a place of public accommodations from labeling a single-stall restroom with signage that indicates the restroom is for a specific gender and authorizes the labeling of single-stall restrooms as available for use for any person. With respect to the fiscal note, there were several fiscal notes, however many of those have been addressed. The one that is currently outstanding is with the Division of State Parks, State Department of Conservation and Natural Resources (DCNR). They provided a fiscal note of \$40,320 for the replacement of signage.

Chair Carlton:

I believe the dollars that would need to be added to the bill are for the DCNR?

Sarah Coffman:

That is correct. The amount is \$40,320 in fiscal year (FY) 2022.

Chair Carlton:

I wanted to make sure that everyone was aware of the amount. With that, Committee members, are there any questions? [There were none.] The amount would need to be amended into the bill. We are working from a 1st Reprint, so therefore the motion would be amend and do pass as amended with the appropriation as noted by staff.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 280 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

What is the next bill, Ms. Coffman?

Sarah Coffman:

The next bill is Assembly Bill 416 (1st Reprint).

Assembly Bill 416 (1st Reprint): Directs the Legislative Auditor to conduct an audit of the Nevada System of Higher Education. (BDR S-753)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 416 (1st Reprint) requires the Legislative Auditor to conduct an audit of the Nevada System of Higher Education. Daniel L. Crossman, Legislative Auditor, Legislative Counsel Bureau (LCB) testified on this bill and indicated that the LCB would have a fiscal impact of \$80,250 in fiscal year (FY) 2022 and \$128,750 in FY 2023 in order to support travel and overtime expenditures associated with this audit.

Chair Carlton:

With that Committee members, we are working from an amended version of the original of the bill so this would be a motion to amend and do pass as amended with adding the appropriation into the bill.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 416 (1ST REPRINT).

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

What is the next bill Ms. Coffman?

Sarah Coffman:

The next bill is Assembly Bill 443 (1st Reprint).

Assembly Bill 443 (1st Reprint): Revises the interim committee structure of the Legislature. (BDR 17-1045)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 443 (1st Reprint) provides for the creation of the Joint Interim Standing Committees of the Legislature. It provides the powers and duties of the Joint Interim Standing Committees, repeals various statutory committees, repeals the Advisory Commission on Administration of Justice and the subcommittee of the Advisory Commission, reassigns certain powers and duties of repealed statutory committees and the Advisory Commission to the Joint Interim Standing Committees, and makes various other

changes relating to the legislative activities during the interim between regular sessions of the Legislature. The Director of the Legislative Counsel Bureau provided testimony on this bill. Assemblyman Steve Yeager, Assembly District No. 9 presented this bill. There was discussion related to resources that were needed by the Legislative Counsel Bureau either to provide for interim studies or to provide for the Joint Interim Standing Committees. After the meeting, I was in correspondence with Brenda J. Erdoes, the Director of the Legislative Counsel Bureau. She indicated that the \$35,000 that was provided last session would be sufficient to meet the needs of these Joint Interim Standing Committees going forward to the 2021-2023 biennium. If this bill were approved, it would require an amendment to put the \$35,000 appropriation into the bill.

Chair Carlton:

Are there any questions or comments on the bill? [There were none.] I am not going to say anything because I am not going to be here for this. I am just going let it go, but they better not mess with my Legislative Committee on Public Lands. I have put that on the record. We are working from the 1st Reprint so the motion would be to amend and do pass as amended to add a \$35,000 appropriation to make sure that no matter which process goes forward, the money is there for the interim work that the Legislature needs to do. The motion would be to amend and do pass as amended adding the appropriation of \$35,000.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 443 (1ST REPRINT).

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

What is the next bill, Ms. Coffman?

Sarah Coffman:

The next bill is Assembly Bill 485.

Assembly Bill 485: Amends provisions related to emergency management.
(BDR 18-1103)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 485 transfers the Division of Emergency Management, Department of Public Safety and its powers and duties from the Department of Public Safety to the Office of the Military, granting the Adjutant General of the Office of the Military authority over the Division of Emergency Management and revises provisions governing the Adjutant General of the Office of the Military. This is a budget implementation bill.

Chair Carlton:

Are there questions or comments on this bill? [There were none.] I believe this would be a motion to do pass.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS
ASSEMBLY BILL 485.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

Committee members, on Assembly Bill 416 (1st Reprint), it was the Chair's intent to change the date. I meant to mention it on the record but did not. We did talk about it in Committee. To make sure that the motion is abundantly clear, I would like a motion to rescind our previous action.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RESCIND THE
PRIOR MOTION ON ASSEMBLY BILL 416 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

We will go ahead and consider Assembly Bill 416 (1st Reprint) again with the same caveat to amend in the appropriations and change the date to fiscal year 2019. Are there any questions or comments from the Committee? [There were none.]

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 416 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

What is the next bill, Ms. Coffman?

Sarah Coffman:

The next bill is Assembly Bill 219 (1st Reprint).

Assembly Bill 219 (1st Reprint): Revises provisions governing the sealing of criminal records. (BDR 14-137)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 219 (1st Reprint) as amended, authorizes the sealing of criminal records after a pardon, requiring the sealing of criminal records under certain circumstances, and authorizing the appeal of certain petitions to seal criminal records. There was a fiscal note that did not have an actual impact, but it did discuss that there may be a fiscal impact as the number of records to be sealed would be increasing from 2,500 per year to 2,650 per year according to the Records, Communications and Compliance Division, Department of Public Safety.

Chair Carlton:

There was no actual fiscal note that would need us to insert money in the bill. There will just be an increased workload, and we have other ways to deal with increased workloads in case they happen. We are working from the 1st Reprint of the bill, and the motion would be a do pass as amended.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS AS
AMENDED ASSEMBLY BILL 219 (1ST REPRINT).

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

Ms. Coffman, the next bill please.

Sarah Coffman:

The next bill is Assembly Bill 383 (2nd Reprint).

Assembly Bill 383 (2nd Reprint): Establishes provisions governing the energy efficiency of certain appliances. (BDR 58-490)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 383 (2nd Reprint) as amended, requires the Director of the Office of Energy, Office of the Governor to adopt standards of energy efficiency for certain appliances; prohibits the sale, lease, rental or installation of certain new appliances that are not in compliance with energy efficiency standards; authorizes the Director to take certain actions to investigate possible violations; establishes a civil penalty for violations; and authorizes the

adoption of appliance standards to facilitate the implementation of flexible demand technology. I would note there was a conceptual amendment that was discussed, and it relates to section 36 of the bill. It attempts to minimize the overall cost to consumers for covered products considering the need of the consumers relating to appliances technology, feasibility, and anticipated product availability and performance. It also authorizes the Director to delay the effective date of the standard adoption pursuant to this chapter by not more than one year. There were also some additional definitions that were provided in the conceptual amendment.

Chair Carlton:

As far as the fiscal impact goes, it was placed on the record that the agency believes the impact can be absorbed. With that, this is the 2nd Reprint, and the motion would be amend and do pass as amended. Are there any questions or comments from the Committee? [There were none.]

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 383 (2ND REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions on the motion?

Assemblywoman Titus:

We were having a great morning until this bill. Unfortunately, I will have to vote no on the bill. I appreciate what our assemblyman is trying to do to be energy efficient. However, I feel this bill is excessive, and it will be difficult to make these standards. I am going to have difficulty supporting any standards or statutes that reference California. I will vote no on the bill.

Chair Carlton:

Lake Tahoe references California too, and I am just putting that on the record.

THE MOTION PASSED. (ASSEMBLYMEN HAFEN, LEAVITT,
ROBERTS, TITUS, AND TOLLES VOTED NO.
ASSEMBLYWOMAN BENITEZ-THOMPSON WAS ABSENT FOR THE
VOTE.)

Ms. Coffman, what is our next bill?

Sarah Coffman:

The next bill is Assembly Bill 489.

Assembly Bill 489: Makes appropriations to the Legislative Fund for capital improvement projects, one-time building maintenance, information technology purchases and dues for national and regional organizations. (BDR S-1066)

Chair Carlton:

This bill relates to the Legislative Fund capital improvements, one-time maintenance, information technology purchases, and encapsulates the Legislative Fund for dues. It has everything in it. I think I said it all. This is one bill that I have in the back of my brain. Committee members, are there any questions? [There were none.] I believe Ms. Erdoes walked through a lot of the bill. I think the security issue that is encapsulated in here is important. I have been hearing about the Sedway Office Building leaking for a long time. We need to fix the roof or do something. We cannot ask our employees to work in a building that we would not want to work in every single day. With that, there is no amendment, and the appropriation is encapsulated in the bill, correct?

Sarah Coffman, Assembly Fiscal Analyst:

That is correct.

Chair Carlton:

The appropriation is encapsulated in the bill, so the motion would be do pass.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS
ASSEMBLY BILL 489.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

Let us go to Assembly Bill 241 next.

Assembly Bill 241 (1st Reprint): Establishes provisions governing credits on terms of imprisonment during certain declarations of emergency. (BDR 16-982)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 241 (1st Reprint) establishes a credit against the sentence of certain offenders incarcerated during a state of emergency declared due to communicable or infectious diseases. There were two fiscal notes, but the State Board of Parole Commissioners and Department of Corrections have both indicated that with the amendment there is zero fiscal impact. There is also a proposed amendment [[Exhibit L](#)], and that provides that not later than 60 days after the state of emergency due to a communicable disease or infectious disease has been declared by the Governor, the Director of the Department shall submit a report containing a list of the offenders who have received credit pursuant to this section to the

Chief Justice of the Nevada Supreme Court, the State Public Defender, the Attorney General, the Executive Director of the Department of Sentencing, and the Director of the Legislative Counsel Bureau for transmittal to the Legislature, or if the Legislature is not in session, to the Advisory Commission on the Administration of Justice.

Chair Carlton:

Are there any questions on the bill? [There were none.] This is the 1st Reprint, so the motion would be amend and do pass as amended.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 241 (1ST REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any questions on the motion? [There were none.]

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

If we could do Assembly Bill 262 (1st Reprint) next, I would ask staff to pass out the amendment on this bill, please?

Assembly Bill 262 (1st Reprint): **Revises provisions governing education.**
(BDR 34-946)

Chair Carlton:

We received an amendment from the sponsors, so let us go ahead and get the amendment taken care of, and we will go from there. Committee members, you now have the amendment [[Exhibit M](#)]. Staff will leave the extra copies out for the public. We will work session A.B. 262 (R1). I will invite the sponsor to come to the table since we are looking at an amendment. This is not the time to rehash the bill, this is the time to have a conversation about the amendment. Ms. Anderson, would you walk us through the amendment?

Assemblywoman Natha C. Anderson, Assembly District No. 30:

The amendment does two things. The first portion of the amendment, which is the top half that is in color, is the original amendment that was presented to this body last week. The new section that is at the bottom is based upon conversations with Assemblywoman Peters as well as Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education. All that we would be doing is first, having eligible students first submit the FAFSA [Free Application for Federal Student Aid] application. This way we can try to get some of the federal dollars first. They would need to submit that application. The second thing is that we would have a report that would be presented to the Legislature, to whichever committee the Legislature decides, by September 1st of each calendar year beginning in 2022. That way we can get the data. That was something that was brought up as a major concern from this Committee last week. Those are the two additional items that I would like to present today for consideration.

Chair Carlton:

Are there any questions or comments from the Committee? I believe that the top area addresses the concerns. Having the students submit the FAFSA does not mean that it has to be granted. By submitting the FAFSA, we also pick up more data that way. We need to stop making these anecdotal assumptions about what the fiscal impact will be in the future. We saw numerous zero fiscal notes because the cost could not be determined. I would love to have "could not be determined" no longer part of the discussion as we move forward. Are there any questions on the amendment?

Assemblywoman Peters:

I wanted to reiterate the point about data collection. We did look into a number of areas where we could potentially collect data, but we were unable to quantify the specifics about who is a student going into our higher education system who is also a Nevada Native American. This specific report will also enhance the relationship that NSHE [Nevada System of Higher Education] will have with our tribal nations. I am looking forward to seeing how that develops.

Chair Carlton:

Are there any other questions or comments from any other Committee members at this time?

Assemblywoman Miller:

I would also like to briefly add your amendment including the FAFSA application in this bill is beneficial in many ways to bring in more federal dollars for our students. It is also indicative of the direction that we as a state are moving with ensuring that this happens. According to the Education Commission on the States, it looks like we are only the fifth state in the country right now enacting measures around FAFSA completion. We are leading the pack right now in the nation, and I want to get that on the record.

Chair Carlton:

This is the 1st Reprint, so the motion would be amend and do pass as amended.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 262 (1ST REPRINT).

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

When the amendment comes, we will send it to the Assembly floor. Ms. Anderson, you can present the floor statement. With that, Ms. Coffman, I believe we can go back to Assembly Bill 156.

Assembly Bill 156: Revises provisions governing the waiver by the Board of Regents of the University of Nevada of certain fees for active members of the Nevada National Guard. (BDR 34-23)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 156 authorizes active members of the Nevada National Guard who attend a school within the Nevada System of Higher Education (NSHE) and who reenlist, to assign their registration and lab fee waiver to either a spouse or a child in lieu of using the waiver themselves during the reenlistment period. This assignment is allowed regardless of whether or not the member used a waiver to attend school prior to reenlistment. The waiver may only be used by one eligible person during the reenlistment period for credit toward course work for an associate's degree, baccalaureate degree, or certificate. The waiver can be reassigned if the spouse or child to whom the waiver was assigned does not use the waiver to attend a school within the NSHE. I would note the fiscal impact was discussed in regard to how many students this might potentially apply to, and the discussion related to approximately 700 to 1,000 individuals. However, there was no specific fiscal impact that was identified.

Chair Carlton:

Are there any questions on the bill? [There were none.] I believe that was an original, so the motion would be do pass.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS
ASSEMBLY BILL 156.

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE
MOTION.

Are there any questions or comments on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

I believe we can go to Assembly Bill 165.

Assembly Bill 165: Revises provisions governing tuition for veterans. (BDR 34-681)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 165 removes the five-year limitation on assessing certain tuition charges against honorably discharged veterans thereby prohibiting the Board of Regents of the University of Nevada from assessing a tuition charge against any veterans who were honorably discharged more than five years immediately preceding the date of matriculation at a university, state college, or community college within the Nevada System of Higher Education. There appear to be no amendments to this bill. There was discussion related to potential lost revenue however, an amount was not determined.

Chair Carlton:

I believe that was the original bill and not a 1st Reprint?

Sarah Coffman:

That is correct.

Chair Carlton:

The motion would be to do pass. Are there any questions or comments at this time?

Assemblywoman Monroe-Moreno:

If I remember correctly, as was stated in the explanation of the bill, there was a discussion about an extension of the five years. I thought it might be amended going from five years to ten years. Right now, it is an indefinite amount of time, is that correct?

Chair Carlton:

It is an indefinite amount of time, but no amendment was proposed. Are there any other questions or conversations? [There were none.] The motion would be to do pass.

ASSEMBLYWOMAN JAUREGUI MOVED TO DO PASS
ASSEMBLY BILL 165.

ASSEMBLYWOMAN TOLLES SECONDED THE MOTION.

Are there any questions on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

I believe we can go on to Mr. Roberts and Assembly Bill 319.

Assembly Bill 319 (1st Reprint): Establishes a pilot program relating to dual credit courses. (BDR S-925)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 319 (1st Reprint) as amended requires the College of Southern Nevada (CSN) to establish a pilot program to offer enhanced opportunities for pupils who are part of an underserved community or at-risk to enroll in dual credit courses where they may earn at least 15 college credits. The CSN must enter into one or more cooperative agreements to develop, create, and administer the pilot program. The bill authorizes CSN to apply for and accept any gifts, grants, donations, bequests, and other sources of funds to carry out the pilot program. Finally, CSN and the entity that it enters into the cooperative agreement with must submit a report containing certain information about the pilot program to the Governor, the State Board of Education, the Board of Regents of the University of Nevada, and the Legislative Committee on Education. I do have one conceptual amendment with this bill [[Exhibit N](#)]. This amendment proposes to amend section 1 of Assembly Bill 319 (R1) to

align A.B. 319 (R1) with the changes in Senate Bill 172 to delete references to cooperative agreements throughout the bill.

Chair Carlton:

Who proposed the amendment?

Assemblyman Roberts:

I proposed the amendment.

Chair Carlton:

I just wanted to make sure. The bill sponsor proposed the amendment. It is always good to put that on the record. With that, this was the 1st Reprint, and the motion would be amend and do pass as amended.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 319 (1ST REPRINT).

ASSEMBLYWOMAN TOLLES SECONDED THE MOTION.

Are there any questions or comments on the motion? I will just make one comment. There are a lot of dual enrollment programs out there right now. I think we need somewhere in the future to be able to wrap our arms around all of them to make sure that none of them are contradictory to each other in the future. I always have pause when I see "can be paid for by somebody else." We never know who is going to pay for it, and what the goals behind their financial assistance might actually be. I believe that if the state wants to move forward on something, we need to put our money where our mouth is, and we should be paying for it. I appreciate the fact that when this decision was made, at that particular moment in time, no one knew if there would be any money available. I think in the future, we need to start figuring out exactly how all these programs fit together, how they benefit families, have the state actually be the stakeholder in this, and not allow outside entities to come in and guide programs in a direction that may not make individuals in this building comfortable. With that I would go to the vote.

THE MOTION PASSED UNANIMOUSLY.

Let me double check my list to make sure before I lose all of you because I know we are delaying the Assembly floor session a little. I think we have done as much as we can possibly do at this moment in time. We got a lot of work done this morning. The Majority Leader needs us on the floor to get the rest of the work done to get all those bills referred back to us, so we can get back here, have the hearings, and keep everything moving. With that, I will see you all back here in a couple of hours and will recess the hearing now [at 12:23 p.m.].

[The meeting reconvened at 4.54 p.m. with all members present.]

Chair Carlton:

What we will be doing this afternoon is we have a bill to hear for Assemblywoman Tolles. Then we are going to process some more bills. Then we are going to take Assembly Bill 355 that was worked on yesterday and move forward from there. I am going to ask Assemblywoman Tolles to come forward. I will open the hearing on Assembly Bill 225 (1st Reprint). I am going to turn the gavel over to Vice Chair Monroe-Moreno because I have one thing I need to do, and I will be right back.

[Assemblywoman Monroe-Moreno assumed the Chair.]

Assembly Bill 225 (1st Reprint): Revises provisions governing examinations for the licensure of teachers and other educational personnel. (BDR 34-139)

Assemblywoman Tolles:

I appreciate the fluidity of our sessions right now. I am grateful to have this bill before this Committee. Assembly Bill 225 (1st Reprint) provides a pathway for willing, able, and future educators to enter the teaching workforce by providing alternative means of demonstrating competency for persons with disability or health-related needs. The Commission on Professional Standards in Education will determine the alternative means that are necessary and appropriate when adopting regulations. It had a fiscal note initially, but the amended language allowed the Department of Education to remove its fiscal note. I would appreciate your support.

Vice Chair Monroe-Moreno:

Your presentation was nice and short. Do you have an email or anything that says the updated fiscal note has changed?

Assemblywoman Tolles:

Yes, I submitted that to the Chair last week and forwarded it from the Department of Education. I can resubmit that for the sake of the Committee to show that the Department of Education confirmed it has removed its fiscal note.

Vice Chair Monroe-Moreno:

That would be great. Members, are there any questions on A.B. 225 (R1)? [There were none.] I will open the hearing for testimony in support of the bill. [There was none.] Is there any testimony in opposition to the bill? [There was none.] Is there any testimony in neutral on the bill? [There was none.] Are there any closing remarks? [There were none.] I will close the hearing on A.B. 225 (R1).

[Assemblywoman Carlton reassumed the Chair.]

Chair Carlton:

We will open a work session because we have some bills we can process. We had a couple of assembly bills that were still outstanding. I will open the work session on Assembly Bill 376 (2nd Reprint) and let us get the bill processed.

Assembly Bill 376 (2nd Reprint): Enacts the Keep Nevada Working Act and makes various other changes relating to immigration. (BDR 18-737)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 376 (2nd Reprint) as amended enacts the Keep Nevada Working Act and creates the Keep Nevada Working Task Force and prescribes its membership. The provisions of the bill require the Task Force to meet quarterly and establish various administrative functions. Additionally, A.B. 376 (R2) prescribes the duties of the Task Force, requires the submission of annual reports, and authorizes the acceptance of gifts, grants, donations, and requires various state, local, and other entities to assist the Task Force under certain circumstances. In addition, A.B. 376 (R2) includes a General Fund appropriation of \$500,000 to the William S. Boyd School of Law of the University of Nevada, Las Vegas for the purposes of providing pro bono immigration legal services.

Chair Carlton:

Committee members, we talked about this yesterday. Are there any questions or comments on the bill? [There were none.] We are working on a 2nd Reprint so in order to put the amendment and the appropriation into the bill, the motion would be amend and do pass as amended. I stand corrected. The appropriation was already put in the bill. There were no other amendments, so the motion would be do pass as amended.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS AS
AMENDED ASSEMBLY BILL 376 (2ND REPRINT).

ASSEMBLYWOMAN TOLLES SECONDED THE MOTION.

Are there any questions on the motion?

Assemblywoman Tolles:

This is an interesting one because I support an appropriation to the William S. Boyd School of Law to help process these immigration claims. My concern is with locating this in the Office for New Americans, Office of the Governor, and the duplicative nature of this. I will vote no.

Chair Carlton:

I believe it was changed from the Office for New Americans, Office of the Governor, and it is no longer there.

Assemblywoman Tolles:

Right. And I wanted to keep it there because I thought it had more cohesion instead of separating it out. I will vote no right now, but maybe I will continue that conversation.

Chair Carlton:

I will share with you that we have had numerous conversations with the Office for New Americans, Office of the Governor, and they are still getting their feet underneath them. We

do not want to give them more than they can actually handle. I believe the conversation with the sponsor and other individuals was to make sure we give them the appropriate amount of responsibilities over the next biennium to keep growing but not overwhelm them. That is why the conversation was to move it. I just want to have that on the record for everyone to think about. I am taking that motion back because we did not vote on it. The motion should be do pass as amended.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 376 (2ND REPRINT).

ASSEMBLYMAN FRIERSON SECONDED THE MOTION.

Are there any comments or questions on the motion? [There were none.]

THE MOTION PASSED. (ASSEMBLYMEN HAFEN, LEAVITT, ROBERTS, TITUS, AND TOLLES VOTED NO.)

We will send that bill to the Assembly floor. I believe Mr. Watts you are ready to move Assembly Bill 382 (1st Reprint)? An amendment has been shared, is that correct? We will have Ms. Coffman walk us through that bill. Has the amendment been uploaded? We want to make sure individuals have access to the amendment. If we need to wait for the amendment to get uploaded, we have another bill we can work on and come back to your bill? We will get the amendment uploaded in a moment. Mr. Watts, we will come back to you, and we will keep moving. The next bill we need to consider is Assembly Bill 427 (1st Reprint). We heard this bill last evening.

Assembly Bill 427 (1st Reprint): Revises various provisions relating to driving under the influence of alcohol or a prohibited substance. (BDR 43-373)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 427 (1st Reprint) revises various provisions relating to driving under the influence of alcohol or a prohibited substance. With regard to the fiscal impact, the DMV [Department of Motor Vehicles] originally estimated approximately 790 hours of internal programming would be required as a result of this. However, I do believe they indicated they could absorb the programming hours, and so there would be no fiscal impact.

Chair Carlton:

With that, Committee members, are there any questions on the bill? [There were none.] There were no proposed amendments last night. The motion would be do pass as amended.

ASSEMBLYWOMAN JAUREGUI MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 427 (1ST REPRINT).

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

Are there any questions or comments on the motion?

Assemblywoman Titus:

I am going to support this measure out of Committee and will let you know if we change later.

Chair Carlton:

Okay. I will call for the vote.

THE MOTION PASSED UNANIMOUSLY.

Is Assembly Bill 382 (1st Reprint) ready? I believe Mr. Watts' amendment has been uploaded to NELIS [Nevada Electronic Legislative Information System] and is available. We can proceed and process the bill.

Assembly Bill 382 (1st Reprint): Revises provisions relating to student education loans. (BDR 55-116)

Sarah Coffman, Assembly Fiscal Analyst:

Assembly Bill 382 (1st Reprint) provides for the licensing and regulation of student loan servicers by the Commissioner of Financial Institutions of the Division of Financial Institutions, Department of Business and Industry, as well as the regulation of private education loans and private education lenders. The Commissioner of Financial Institutions is authorized to conduct annual investigations and examinations relating to student loan servicers and student loans to ensure compliance with the requirements outlined in the bill.

Assembly Bill 382 (1st Reprint) imposes certain requirements on postsecondary education, institutions, and revises the responsibilities of the Commission on Postsecondary Education of the Department of Employment, Training and Rehabilitation. A conceptual amendment was provided by Assemblyman Watts [[Exhibit O](#)]. It removes the additional regulation activities assigned to the Commission on Postsecondary Education. The amendment is meant to supplant not supplement the amendment submitted to the Assembly Committee on Ways and Means on May 25, 2021 [[Exhibit P](#)]. It strikes "or Commission" from section 53 of subsection 2(b), it strikes section 53, subsection 5, and it strikes sections 56, 57, and 62.

Chair Carlton:

With that, Committee members, are there any questions? [There were none.] We are working from the 1st Reprint, and the fiscal issues have been addressed throughout the conversation. I believe the appropriate motion for this bill would be amend and do pass as amended.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND
DO PASS AS AMENDED ASSEMBLY BILL 382 (1ST REPRINT).

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

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

If a floor statement is necessary, Assemblyman Watts you will handle that. With that, I believe that clears a lot of the bills for us at this moment. I would like to have the Committee consider Assembly Bill 355, which we heard last night.

Assembly Bill 355: Makes an appropriation for allocation to the International Gaming Institute of the University of Nevada, Las Vegas for the "Expanding the Leaderverse" initiative to increase the diversity of the leadership in the gaming industry. (BDR S-976)

Chair Carlton:

We heard Assembly Bill 355 last evening, and the bill is an allocation to the International Gaming Institute of the University of Nevada, Las Vegas for the "Expanding the Leaderverse" initiative to increase the diversity of leadership in the gaming industry. An amendment was proposed by Former Mayor Jan Jones Blackhurst to increase the amount from \$500,000 to \$750,000. A matching grant is available to be able to match every single dollar. We heard last night about the work they were doing. The proposed amendment would be the first proposed amendment to the bill to change the amount from \$500,000 to \$750,000.

The second proposed amendment was from the Nevada Blind Children's Foundation requesting an appropriation of \$1 million to assist with the expenses expanding before and after school programs offered by the Nevada Blind Children's Foundation. That would be the second amendment.

The third amendment to be considered is the conceptual amendment proposed by the Las Vegas Valley Water District adding a new section appropriating \$2 million from the State General Fund to provide a grant of money to the Springs Preserve Foundation to be used to design and construct an ethnobotanical garden at the Las Vegas Springs Preserve to interpret plant life and crops used by prehistoric indigenous communities for agricultural, medicinal, and construction purposes. Those were the amendments that were discussed last night.

The Chair will propose another amendment, which I would like the Committee to consider. The person who wanted to present last night was not available and is still not available. The Chair has agreed to present. This is a program that we have funded a couple of different times throughout our legislative sessions. It would appropriate from the State General Fund to the Lou Ruvo Center for Brain Health a sum of \$2 million for research, clinical studies,

operations, and educational programs at the Center. It also would appropriate \$542,343 in each year of the biennium for operations and educational programs previously received through the Center for the purposes of the University of Nevada, Reno, School of Medicine so they can continue their work and partnership with the Lou Ruvo Center for Brain Health. With that, Committee members, those would be the amendments. Then there was conversation about Assembly Bill 447, which was an appropriation to the Nevada Center for Civic Engagement for the We the People program that will be amended into the bill. That was \$175,000 in each fiscal year.

Typically, as I explained before we went into the Committee hearing, this is how we normally do this. We take one bill, we put all of the requests into one bill, and we move them forward. I will say unfortunately at this time, we will not be able to include the Boys and Girls Club, but we also know there are a lot of dollars in the American Rescue Plan Act of 2021 that I believe the Boys and Girls Club will be able to access. I have given my personal commitment to help them work on that and move forward to get the funding they need to continue their services. As we move forward, we are trying to be judicious with General Fund dollars knowing that some programs need assistance before the American Rescue Plan Act of 2021 dollars will be available. We do not want to cause harm as we move forward. That is why this list has been greatly pared back from the requests the Committee has received. We have prioritized these services because we feel they have the most significant impacts to families, children, and first-generation college students moving forward. That has been the discussion around this bill.

Assemblywoman Titus:

What would be the total amount of dollars potentially, if we include all of these but not the Boys and Girls Club as stated? I appreciate, while staff is getting that number, how important all these requests are to the individual people who are requesting the amounts. I appreciate that you held back the Boys and Girls Club. But with our previous vote on action stripping our Account to Stabilize the Operation of the State Government because of holes that we need to fill, I just want to make sure we know what this potential is before we vote on this.

Sarah Coffman, Assembly Fiscal Analyst:

The total amount is \$7,184,686.

Chair Carlton:

I will let the Committee know that in the past, these two bills, one from the Senate and one from the Assembly, if you do any legislative history and go back and look at these bills, were significantly larger at that time. We really tried to focus on money on the ground for children, families, and college students. That was the goal. Believe me, all the phone calls I have had to make this afternoon to tell people I am sorry this year that we cannot approve their request were not pleasant. We know where we are in this world, and we also know where our priorities are. With that Committee members, are there any other questions on the proposal before you at this time? [There were none.] The Chair would accept a motion to amend and do pass the bill with the aforementioned amendments.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO AMEND AND DO PASS ASSEMBLY BILL 355.

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

Are there any questions on the motion?

Assemblyman Hafen:

I am going to go ahead and vote this out of Committee today. I have been talking to one of the amendment sponsors trying to address one of my concerns. I think there are a lot of worthy projects in the bill, and I will be voting this out today.

Chair Carlton:

Are there any other questions or comments on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

Chair Carlton:

We can close the hearing on Assembly Bill 355. We have our big Capital Improvement Program (CIP) bill, which is the jobs bill. This is our human services type bill. You just heard Ms. Tolles bill, which was Assembly Bill 225 (1st Reprint) a few moments ago, and we will work session that bill.

Assembly Bill 225 (1st Reprint): Revises provisions governing examinations for the licensure of teachers and other educational personnel. (BDR 34-139)

Chair Carlton:

I will defer to Assemblywoman Monroe-Moreno. Are there any questions or comments at this time? [There were none.] Are we working from the 1st Reprint? I will go to Ms. Coffman to make sure we are correct. If there is any confusion, we can always do it when we come back to make sure we are all on the same page.

Sarah Coffman, Assembly Fiscal Analyst:

That is correct. The motion would be do pass as amended.

Chair Carlton:

With that, I am not hearing any questions at this time. I would accept a motion to do pass as amended.

ASSEMBLYWOMAN TITUS MOVED TO DO PASS AS AMENDED ASSEMBLY BILL 225 (1ST REPRINT).

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

I believe we have accomplished our mission for this moment in time. We are supposed to be on the Assembly floor. We are waiting for the Appropriations Act to be reviewed in the Senate and as soon as it is, we will come right back into this room. Please do not go far from the building.

We are in recess [at 5:26 p.m.].

[The meeting reconvened at 7:43 p.m.]

Chair Carlton:

We will reconvene the meeting of the Assembly Committee on Ways and Means. We have the K-12 [kindergarten through grade 12] bill here with us right now. It was referred to the Committee. As we stated earlier, we reviewed the draft. It went to the Senate. The Senate has processed it. It has come back to the Assembly, and it was referred to the Committee. We will open the hearing on it because we need to have an open hearing. We will have a bit of conversation about it, and then we are going to move it. When we get done with K-12 we are going to hear the Appropriations Act. We will walk through that bill, we will move to introduce it, we will refer it to the Assembly floor, when it gets back to the floor we will be able to vote on K-12, refer the Appropriations Act back to the Committee, and we can come back here and deal with the Appropriations Act, go back to the floor and vote on the Appropriations Act and put it on the front desk to start the 24-hour clock. This is how we have to get it done so we can have everything finished by the end of tonight.

Sarah Coffman, Assembly Fiscal Analyst:

If the Committee is going to hear Senate Bill 458, I would ask that our K-12 team provide a brief summary of it.

Chair Carlton:

I will open the hearing on Senate Bill 458. Please give us a very high-level overview, then we will open it for any last-minute questions and proceed from there.

Senate Bill 458: Ensures sufficient funding for K-12 public education for the 2021-2023 biennium. (BDR 34-1169)

Adam Drost, Senior Program Analyst:

I am joined today by my colleagues, Julie Waller, Senior Program Analyst, and Jaimarie Mangoba, Program Analyst. We are here as you mentioned, and we presented the K-12 bill Senate Bill 458 earlier this week. This bill provides funding for K-12 education for the 2021-2023 biennium. It includes funding for the new Pupil-Centered Funding Plan as well as some statutory changes to stand up the model to implement in the 2021-2023 biennium. We are happy to answer any questions you may have about the bill.

Chair Carlton:

This is the bill that we walked through earlier. Are there any questions?

Assemblywoman Titus:

I apologize that I do not have the bill right in front of me, but I know there is a section that talks about not funding leadership events in the bill. There was some concern about not being able to fund the Future Farmers of America and other school programs that individuals have reached out to me. Unfortunately, I do not have that bill in front of me. Are you familiar with that concern? I believe it is in section 18.

Julie Waller, Senior Program Analyst:

Yes, that is a provision that has been in the K-12 bill for a number of sessions. What that relates to is I believe back in the 2015 session, a change was made to *Nevada Revised Statutes* to basically allow a percentage amount of the State General Fund appropriation to be directed to the leadership training programs. That is 5 percent of the total General Fund appropriation.

After the K-12 bill was done, there was no discussion of that change, so the subsequent legislature money committees had, because there was funding in the Other State Education Programs grant, that language was added to the K-12 bill so that there was not just a flat percentage allocation based on the total General Fund appropriation to the career and technical education program, which as you know funds school district programs for career and technical education and serves as a maintenance of effort for the federal Perkins V career and technical education grant. There are federal Perkins grant dollars authorized to fund these leadership programs as well. I would point out that while the money committees last session approved the standard categorical grant to these nonprofit organizations for supporting the career and technical education programs, those dollars were rolled into the Assembly Bill 309 of the 80th Session grants that were provided to the school districts.

I do not believe those entities received any funding in the current biennium from the state dollars for that purpose. I believe the Department of Education has been providing federal dollars in lieu of those state dollars.

Assemblywoman Titus:

Are we to assume that those types of programs will possibly still receive federal funds, or is this a whole different topic? I want to assure my constituents and schools because they were at a loss on the particular means to fund those programs.

Julie Waller:

Yes, I am not familiar with how those organizations were funding their programs this current biennium because those state dollars have not been provided this biennium. There are no changes there, and those dollars were provided to the A.B. 309 of the 80th Session block grant. I am not sure if the schools actually provided dollars from that block grant to those programs. I am aware that the Department of Education, through the work programs I have seen come through, has provided dollars for those leadership programs from the Department

of Education's federal Perkins grant funding. It would be my assumption that those federal Perkins grant dollars have been reauthorized, those dollars are continued, and will continue through the upcoming biennium. Without confirmation from the Department of Education, I am not aware of any change from that process currently.

Chair Carlton:

Are there any other questions from any other Committee members at this time? [There were none.] I believe we can go ahead and process this K-12 bill, which will allow us to start rolling through to the last day of session. I would accept a motion to do pass.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS
SENATE BILL 458.

ASSEMBLYWOMAN BENITEZ-THOMPSON SECONDED THE
MOTION.

Are there any comments on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

We have the Appropriations Act to review.

Sarah Coffman:

That is correct. The Appropriations Act will be introduced in the Assembly Committee on Ways and Means. We have our team here to present the bill.

BDR S-1170—Makes various changes regarding state financial administration and makes appropriations for the support of the civil government of the State. (Later introduced as [Assembly Bill 494](#).)

Cathy Crocket, Senior Program Analyst:

I have with me Madison Ryan and Nancy Morris who were instrumental in the preparation of the bill. Kimbra Ellsworth was also instrumental in the bill preparation but was unable to join us tonight. The Appropriations Act bill draft request (BDR) [\[Exhibit Q\]](#) implements the decisions made by the money committees for State General Fund and State Highway Fund appropriations as well includes back language to implement money committees' decisions for appropriations. The total General Fund appropriations for agency budgets are in sections 1 through 32 on pages 1 through 17 of BDR S-1170 and total \$5.999 billion over the biennium, which is an increase of 5.1 percent when compared to the amount approved by the 2019 Legislature of \$5.734 billion. Section 33 of the BDR on pages 17 through 18 includes Highway Fund appropriations totaling \$305 million, which is a 15.6 percent increase from the previous biennium amount.

As the Committee has heard, some budgets with appropriations are excluded from the Appropriations Act. Those include funding in six education budgets included in the

education funding bill. Appropriations for the Nevada Gaming Control Board, the Nevada Gaming Commission, and the Department of Transportation are included in the Authorizations Act. Funding appropriated to the State Board of Examiners for General Fund and Highway Fund salary adjustments are included in the Pay Bill. Fiscal staff would note there are some General Fund appropriations in the back language including \$9.7 million in fiscal year (FY) 2021, \$8.9 million in FY 2022, and \$8.2 million in FY 2023. Altogether, the Appropriations Act includes \$6.026 billion in General Fund appropriations over the biennium.

The back language beginning on page 18, section 34 is carryover language that subjects appropriations in this BDR to the State Budget Act that provides Interim Finance Committee (IFC) jurisdiction over work program revisions with the exception of the Legislature, the Judicial Branch, and the Tahoe Regional Planning Agency, as they are exempt from the State Budget Act pursuant to *Nevada Revised Statutes* Chapter 353. Page 19, section 35 is carryover language that provides authority for amounts appropriated to certain budgets to be transferred between fiscal years. Staff would note the System Technology Application Redesign budget of the Department of Motor Vehicles was added per the money committees' actions this session.

Page 20, section 36 is carryover language which provides that amounts appropriated for deferred maintenance and extraordinary maintenance may be transferred within the same budget from one year to the other. Sections 37 through 39 provide authority to transfer appropriations for specific purposes between fiscal years. Section 37 is carryover language relating to the transfer of funding for broadband in the budget for the Office of Science, Innovation and Technology, Office of the Governor.

Page 21, section 38 provides authority to transfer funds within the Office of Finance, Office of the Governor, Special Appropriations budget for Civil Air Patrol activities. Section 39 is new language that was approved to transfer money for graduate medical education programs in the Office of Finance, Office of the Governor, Special Appropriations budget. Section 40 is new language that authorizes the transfer of funding within the Office of the Secretary of State for their commercial recording system replacement.

Page 22, section 41 is new language that provides authority for the transfer of funds for the Supreme Court of Nevada's information system projects. Page 23, section 42 provides authority to transfer funding for auditing hospitals and other licensed facilities within the Department of Education's Data System Management budget. Section 43 is new language which provides authority to transfer funding for administration and monitoring of programs within the Department of Education's Educator Effectiveness budget.

Page 24, section 44 is new language that provides authority to transfer funds within the Division of Public and Behavioral Health, Department of Health and Human Services, Northern Nevada Adult Mental Health Services budget for community-based living arrangement services. Section 45 is carryover language that provides authority to transfer funds for the Nevada National Guard Youth Challenge program within the Office of the

Military. Section 46 is carryover language that allows for fund transfers within the State Department of Conservation and Natural Resources for the Conservation Credit System. Section 47 is new language that provides authority to transfer funds within the State Department of Conservation and Natural Resources for activities to support Nevada's Climate Initiative. Section 48 is new language that allows for the transfer of funding within the Division of Parole and Probation, Department of Public Safety for their information system replacement project. On page 26 there is carryover language relating to the transfer of funding for credit card transaction fees within the Department of Motor Vehicles.

Sections 50 through 55 relate to certain appropriations that do not revert to the General Fund. Section 50 is carryover language that relates to the carry forward of funding appropriated by the 2015 Legislature for the Sagebrush Ecosystem budget. Section 51 is carryover language that provides that the Catalyst Account of the Office of Economic Development, Office of the Governor carried forward amount from the current biennium will revert at the end of FY 2023 consistent with the money committees' decision to eliminate this budget.

Page 27 section 52 is carryover language relating to the carry forward of the Knowledge Account and the Nevada Main Street Program Account within the Office of Economic Development, Office of the Governor. Section 53 relates to the Workforce Innovations for a New Nevada Account and aligns with current law to direct that funding would carry forward from FY 2022 and revert at the end of FY 2023. This section is effective if and only if Senate Bill 24 does not pass, as that would change the reversionary provisions of the account. Section 54 would direct that the Workforce Innovations for a New Nevada Account carry forward without reversion. This would be effective if and only if Senate Bill 24 is passed. Page 28, section 55 relates to the Nevada System of Higher Education, Education for Dependent Children account, and that budget also does not revert.

Sections 56 through 61 allow for transfer of appropriations between budgets. Section 56 is carryover language that allows for the transfer of salary and payroll costs between budgets within the same department. Section 57 is carryover language that allows for appropriations to transfer within the Legislative Fund. Page 29, section 58 is carryover language that allows for funding to be transferred within the Division of Welfare and Supportive Services, Department of Health and Human Services. Section 59 is carryover language that allows for the transfer of appropriations between the Nevada Medicaid and Nevada Check Up Program budgets. Section 60 is carryover language that allows for the transfer of appropriations between the juvenile correctional facility budgets within the Division of Child and Family Services, Department of Health and Human Services. Section 61 also relates to the Division of Child and Family Services, Department of Health and Human Services, and it allows for the transfer of appropriations between the Northern Nevada Child and Adolescent Services and Southern Nevada Child and Adolescent Services budgets.

Page 30, sections 62 through 64 provide direction to the Executive Branch in implementing decisions of the money committees. Section 62 is new language that expresses the intent of the Legislature that funding appropriated to the Division of Health Care Financing and Policy, Department of Health and Human Services would be used to continue its current

model of prescription drug delivery services in which prescription drug benefits are not carved out of managed care. Section 63 is a new section that directs appropriations made to the Public Employees' Benefits Program be spent for the purposes of funding a 1-month state participant premium holiday. Section 64 is new language requiring the identification and reversion of General Fund savings associated with the potential duplicated services following implementation of a specialized foster care Medicaid state plan option within the Division of Child and Family Services, Department of Health and Human Services. Section 65 is carryover language that authorizes the transfer of General Funds within the Department of Health and Human Services to implement the private hospital collaborative Medicaid upper payment limit supplemental payment program.

Sections 66 through 68 on page 32 allow for additional transfers between budgets. Section 66 authorizes transfers between the regional centers of the Aging and Disability Services Division, Department of Health and Human Services for certain services. Section 67 is carryover language which allows for transfers within the Department of Corrections with certain exceptions noted in the bill. Section 68 on page 33 allows for transfers among the Nevada System of Higher Education budgets. Sections 69 and 70 establish appropriation limits for certain services. Section 69 limits appropriations for the Division of Child and Family Services, Department of Health and Human Services for block grants and respite. Section 70 limits appropriations to certain budgets of the Division of Welfare and Supportive Services, Department of Health and Human Services and the Division of Health Care Financing and Policy, Department of Health and Human Services.

Beginning on page 34, sections 71 through 73 relate to the Nevada System of Higher Education. Section 71 is carryover language that requires the Nevada System of Higher Education to set aside amounts if requested to do so by the Governor. Section 72 is carryover language that provides for appropriations to be carried forward if used for documented research grant match. Section 73 is also carryover language that provides for appropriations to transfer for the purpose of implementing the Performance Funding Pool.

Page 36, sections 74 through 76 authorize General Fund advances to state agencies in certain circumstances. These are all carryover sections. Section 74 authorizes a General Fund advance to the State Department of Conservation and Natural Resources for forest fire billing costs. Section 75 allows for an advance to the Office of the Military for emergency activation. Section 76 authorizes a General Fund advance to the Department of Veterans Services.

Beginning on page 39, sections 77 through 86 provide for new appropriations. Section 77 provides \$6.7 million in FY 2022 and \$6.9 million in FY 2023 of Highway Funds to the Department of Motor Vehicles to support the Department's plan to redesign its computer system. This section would be effective only if neither Assembly Bill 488 nor Assembly Bill 491 of this session passed to authorize the agency to assess a technology fee. Section 78 appropriates funding to the Interim Finance Committee for allocation to the Department of Corrections for the Ely Conservation Camp. Section 79 appropriates funding to the Interim Finance Committee for allocation to the Ely State Prison.

Section 80 appropriates funding to the Interim Finance Committee for allocation to the Department of Indigent Defense Services.

Beginning on page 41, sections 81 and 82 appropriate funding to the Interim Finance Committee for allocation to the Division of Public and Behavioral Health, Department of Health and Human Services. Section 83 on page 43 appropriates funding to the Interim Finance Committee for allocation to the Department of Employment, Training and Rehabilitation for vocational rehabilitation services. On page 44 there is an appropriation to the Public Employees' Retirement Board for the Legislators' Retirement System costs. Section 85 appropriates \$9.7 million for the cost of the 81st Legislative Session. Section 86 requires a transfer of \$97.5 million from the Account to Stabilize the Operation of the State Government to the General Fund for unrestricted General Fund use.

Sections 87 through 92 provide for the transfer of funding between the Division of Health Care Financing and Policy, Department of Health and Human Services, Nevada Medicaid and Administration accounts for implementing certain provisions of legislation this session. Page 47, section 93 relates to requiring the reversion of unspent funding at the end of each fiscal year. Page 48, section 94 indicates the last day transactions can be processed for a fiscal year. Section 95 directs the State Controller to establish funding as established in this bill. Section 96 directs the State Controller to pay salaries for certain elected officials in biweekly installments.

Page 49, section 97 is carryover language that addresses certain situations if the General Fund were to drop below \$120 million during the interim. Section 98 on page 50 is carryover language that allows for the use of funding in the circumstance when the state would need to make payments under the federal Cash Management Improvement Act of 1990. Section 99 relates to name changes made in other bills and how that would affect names in this bill. Section 100 is new language that amends language in Assembly Bill 3 of the 31st Special Session relating to approved budget reductions for the Division of Health Care Financing and Policy, Department of Health and Human Services that were restored.

Beginning on page 54 are two sections, 101 and 102, that extend appropriations made by the Legislature during the 80th Session until the end of FY 2022. Those would be for the Division of Parole and Probation, Department of Public Safety for information system replacement and the Division of Forestry, State Department of Conservation and Natural Resources for vehicle replacement. Page 56, section 103 lays out the effective dates of the various sections in the bill. We would be happy to answer any questions.

Chair Carlton:

It is amazing as you walk through this how many things you start to remember that we had conversations about. It is a lot of work. Are there any questions?

Assemblywoman Titus:

It is amazing what we have just heard and what we have put staff through, and I appreciate all the time you put into it. My question is on page 28 section 56. This authorizes the

appropriation of any division, agency, section, or department for salaries. They can be transferred to other divisions within the same department, I assume to support salaries and payroll costs as long as the Interim Finance Committee approves that. Is it within the same department, and the funds cannot be transferred between departments, is that correct?

Cathy Crocket:

Yes, that is correct. That reflects the bill as written.

Assemblywoman Titus:

Then further at the end of that it says that the amount transferred in the budget is limited to the amount budgeted for vacancy savings. Does that mean that if positions are funded, and we have authorized certain positions even if they are not filled and they are suddenly filled, then this money can be used to pay those individuals, is that how that works?

Cathy Crocket:

Vacancy savings is a budgetary mechanism that is used to reflect natural turnover in positions. A certain percentage of salary costs are reduced out of standard budgets based on the size of the agency to account for natural turnover that would be expected. As an example, if \$500,000 was budgeted, they would be able to transfer up to that amount.

Assemblywoman Titus:

Multiple times we have discussed leaving positions vacant pending projected income or perhaps some money that we may be getting that the federal government has authorized us to use for certain situations that fall under their categories. Would this be a part of those decisions that we have made to leave vacant positions and not eliminate them so we may fund them in the future?

Cathy Crocket:

No, I do not necessarily view that as being related. This is just a mechanism to potentially transfer funding or savings in one budget to another budget that happens to experience a need.

Assemblywoman Titus:

Just to be clear, this is standard procedure and appropriation, and this is how we always do this for the future as we need to with these positions.

Cathy Crocket:

Yes, this language has been included in the Appropriations Act for many years.

Assemblywoman Titus:

I just wanted to put that on the record. This has nothing to do with anything in the future. This is how we fund these positions and enable these departments to have some flexibility pending some oversight.

Cathy Crocket:

Yes, that is correct.

Assemblywoman Tolles:

I want to acknowledge that earlier today I asked about the Nevada Main Street Program and the Workforce Innovations for a New Nevada Account. On page 27, I see that carryover reflected in here. I want to make sure that was clear for the record. On page 53, I see the Nevada Central Cancer Registry shows a zero for the second year. I am assuming that is because we have a new fee structure. I wanted to clarify why that is a zero, and if that is reflective of the other work we have done in this Committee to provide a new way to help pay for that?

Cathy Crocket:

Staff would note the appropriation amounts on page 53 are actually related to amending Assembly Bill 3 of the 31st Special Session. That section does not reflect the budget for the next biennium. It is amending certain provisions related to Medicaid budget reductions on page 54 where you can see the redlined items. The section in the bill is there to reflect that those cuts have been restored to the Medicaid budget. The zero relates to the Nevada Central Cancer Registry fiscal year (FY) 2021 budget.

Assemblywoman Tolles:

I did not catch that, and at the top of section 100 it does refer back to that issue.

Chair Carlton:

To expand on that, the redlined language in essence retroactively goes back and restores the cuts the Legislature made during the 31st Special Session. There are times the Legislature does go back to retroactively adjust the way we have moved forward with things in order to true things up, is that correct?

Cathy Crocket:

Yes, that is correct.

Chair Carlton:

Are there any other questions? [There were none.] We have had the walk through, and this is a bill draft request (BDR) introduction. We will introduce it and send it to Assembly floor. The bill will be referred right back to us, then we will come back here to open the hearing on the bill. We will process the bill, send it to the floor, hopefully vote on it tonight, and the 24-hour clock on this bill will start tonight so that we can keep everything moving this session. The Chair would accept a motion to introduce BDR S-1170 that makes various changes regarding state financial administration and makes appropriations for the support of the civil government of the State.

ASSEMBLYWOMAN BENITEZ-THOMPSON MOVED FOR
COMMITTEE INTRODUCTION OF BILL DRAFT REQUEST S-1170.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

THE MOTION PASSED UNANIMOUSLY.

I believe we have moved the K-12 funding bill, and it is on the Assembly floor. We are referring the Appropriation Act to the floor. It is time to go back to the floor. The meeting is in recess [at 8:17 p.m.].

[The meeting reconvened at 9:48 p.m.]

Assembly Bill 494: Makes various changes regarding state financial administration and makes appropriations for the support of the civil government of the State. (BDR S-1170)

Chair Carlton:

The purpose of coming back to room 3137 was to process Assembly Bill 494, the Appropriation Act that we just heard a little while ago. The motion would be do pass. Members, do you have any questions on the bill? [There were none.]

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DO PASS
ASSEMBLY BILL 494.

ASSEMBLYWOMAN TITUS SECONDED THE MOTION.

Are there any questions or comments on the motion? [There were none.]

THE MOTION PASSED. (ASSEMBLYMAN FRIERSON WAS ABSENT
FOR THE VOTE.)

We are on our way to going home. There is nothing more before us today. I will open public comment. Is there any public comment?

Douglas Unger, Government Affairs Representative, Southern Nevada Faculty, Nevada Faculty Alliance:

Thanks to all of you for such a long day putting all the pieces of these bills together. It makes me realize how much everything is related to everything else in the work that you do. This is very much appreciated by the faculty in southern Nevada. We would like to ask about the Pay Bill that was brought forward this morning. We appreciate the cost of living increases. However, the 1 percent for fiscal year (FY) 2023 has hit state employees with a little bit of disappointment because it does not nearly come close to offsetting inflation. The last COLA [Cost of Living Adjustment] we had was in 2019. Our salaries have not kept pace. We would also like to point out that there would be a disparity between the 3 percent COLAs awarded to the collective bargaining units, especially to those state employees who

do not have collective bargaining including NSHE [Nevada System of Higher Education] faculty, given that Senate Bill 373 has not yet passed and also your hardworking LCB [Legislative Counsel Bureau] staff who are not represented, as well as managerial classified employees. We hope you can find a way to fix this to get us close to parity among all state employees. We are really concerned that this is going to create issues between agencies and also affect hiring between agencies and really might create chaos in the state employee compensation system. Based on the testimony on the Senate side this morning, the solution would cost roughly \$15 million from the State General Fund. We hope you can fund this fix.

The other issue my constituents are emailing me about a lot is if there might be any PEBP [Public Employees' Benefits Program] restorations anywhere in the process possible, whether it is going to be adding to Senate Bill 451 before it is finally approved or in some other appropriation from the American Rescue Plan Act of 2021. The total cost would be \$25 million to \$30 million, which is the amount the state pulled back in its employer contribution holiday. These are the two issues I have been getting emailed about all day long. I would appreciate any concern and attention to them from you.

Christopher Daly, Deputy Executive Director, Government Relations, Nevada State Education Association:

The NSEA [Nevada State Education Association] opposes Senate Bill 458, which you passed earlier this evening. The K-12 education funding bill is coming up short on per-pupil funding leaving Nevada's students behind and killing Nevada's model programs with education equity. It is no secret K-12 public education has been woefully underfunded in Nevada, ranking 48th among states in per-pupil funding. Our diverse student population includes significant numbers of English language learners and at-risk students and the largest student-to-teacher ratio in the country compels Nevada to do better than 48th.

The NSEA acknowledges action taken by the Legislature to restore \$503 million in lost funding to Nevada's K-12 budget. However, we are concerned the total per-pupil funding level actually decreases by \$115 from FY 2021 to FY 2022. Last month, the Commission on School Funding issued their preliminary recommendations to the Governor and the Legislature regarding optimal and adequate funding. In order to reach adequate funding levels, Nevada needs to add \$2 billion per year to K-12 education. This would require an increase of \$200 million each year, \$600 million per biennium, over the next ten years. The action taken by the budget committees was significant, however even greater work will be required moving forward to meet this goal.

Senate Bill 458 is the first K-12 budget under the new school funding formula. The NSEA has expressed numerous concerns about the new funding plan including shortcomings of the hold-harmless provisions. While S.B. 458 adjusts the hold-harmless for growth and student enrollment, nine Nevada school districts will still be impacted by increases in the cost of doing business. Inflation, utilities, health care, and other fixed costs will have a squeezing effect on these school district budgets effectively cutting districts' budgets in inflation-adjusted dollars. While it has been pointed out that this only impacts 7 percent of

Nevada's students, the state is responsible to provide sufficient funding to educate every Nevada student. If a classroom teacher left 7 percent of their students behind, they would be rated ineffective.

Finally, the new funding plan transfers Zoom and Victory funding from these model equity programs to weights in the new funding formula. Senate Bill 458 sets these weights at 0.24 for English language learners, 0.12 for gifted and talented students, and 0.03 for at-risk pupils. The anemic weight for at-risk students will provide only \$209 additional dollars per student. This is not nearly enough money to serve students with Victory services outlined in S.B. 543 and include prekindergarten, summer academy, additional instruction, professional development for educators, hiring incentives, employment and additional support personnel, a reading skills center, and integrated student supports with wraparound services.

Zoom and Victory schools are located in Nevada's most impacted, highest poverty communities with the highest concentration of students in poverty and English language learners. Zoom and Victory resources and services are concentrated and add a multiplier effect for students and communities who need the most, and they have been proven effective. Senate Bill 458 and the actions taken this evening and this session effectively kill these model programs. This is a significant step backwards on education equity.

Chair Carlton:

Is there any further public comment? [There was none.] That addresses all the issues that are before our Committee this evening. There being no further business before the Committee, this meeting is adjourned [at 9:58 p.m.].

RESPECTFULLY SUBMITTED:

Janice Wright
Committee Secretary

APPROVED BY:

Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is written testimony dated May 26, 2021, presented by Ondra L. Berry, Major General, The Adjutant General of Nevada, Office of the Military, regarding [Assembly Bill 485](#).

[Exhibit D](#) is a proposed conceptual amendment to [Assembly Bill 383 \(2nd Reprint\)](#), dated May 25, 2021, presented by Assemblyman Howard Watts, Assembly District No. 15.

[Exhibit E](#) is written testimony dated May 26, 2021, presented by Katie Reilly, Director, Environmental and Sustainability Policy, Consumer Technology Association, in opposition to [Assembly Bill 383 \(2nd Reprint\)](#).

[Exhibit F](#) is written testimony presented by Jacob Cassady, Director, Government Relations, Association of Home Appliance Manufacturers, in opposition to [Assembly Bill 383 \(2nd Reprint\)](#).

[Exhibit G](#) is a copy of a draft of Bill Draft Request S-1171, the Authorizations Act, presented by the Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit H](#) is a copy of a document titled "State of Nevada Legislative Counsel Bureau 2021-2023 Biennial Budget One Shot Appropriation," presented by Brenda J. Erdoes, Director, Legislative Counsel Bureau, regarding [Assembly Bill 489](#).

[Exhibit I](#) is a copy of a draft of Bill Draft Request S-1173, the Pay Bill, presented by the Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit J](#) is a copy of a document titled "Collective Bargaining Units & Exclusive Representative Overview As Reported by the Division of Human Resources Management on February 1, 2021," presented by the Fiscal Analysis Division, Legislative Counsel Bureau, related to [Assembly Bill 493](#).

[Exhibit K](#) is a copy of a draft of Bill Draft Request S-1172, the Capital Improvement Program Bill, presented by the Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit L](#) is a proposed amendment to [Assembly Bill 241 \(1st Reprint\)](#), explained by the Fiscal Analysis Division, Legislative Counsel Bureau.

[Exhibit M](#) is a proposed amendment to [Assembly Bill 262 \(1st Reprint\)](#), submitted by Assemblywoman Natha C. Anderson, Assembly District No. 30.

[Exhibit N](#) is a proposed amendment to Assembly Bill 319 (1st Reprint), submitted by Assemblyman Tom Roberts, Assembly District No. 13.

[Exhibit O](#) is a proposed amendment to Assembly Bill 382 (1st Reprint), dated May 26, 2021, submitted by Assemblyman Howard Watts, Assembly District No. 15.

[Exhibit P](#) is a conceptual amendment to Assembly Bill 382 (1st Reprint), dated May 25, 2021, submitted by Assemblyman Howard Watts, Assembly District No. 15, and a letter from the Department of Employment, Training and Rehabilitation regarding the fiscal impact of the bill.

[Exhibit Q](#) is a copy of a draft of Bill Draft Request S-1170, the Appropriations Act, presented by the Fiscal Analysis Division, Legislative Counsel Bureau.