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

Eighty-First Session April 21, 2021

The Committee on Ways and Means was called to order by Chair Maggie Carlton at 6:03 p.m. on Wednesday, April 21, 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 Lesley E. Cohen, Assembly District No. 29 Assemblywoman Rochelle T. Nguyen, Assembly District No. 10 Assemblyman C.H. Miller, Assembly District No. 7



STAFF MEMBERS PRESENT:

Sarah Coffman, Assembly Fiscal Analyst Brody Leiser, Principal Deputy Fiscal Analyst Mary O'Hair, Committee Manager Janice Wright, Committee Secretary Betnimra Torres Perez, Committee Assistant

OTHERS PRESENT:

Andrew LePeilbet, Private Citizen, Reno, Nevada

Cathy Kaplan, Chief, Child Support Enforcement Program, Division of Welfare and Supportive Services, Department of Health and Human Services

Mathew Tuma, Deputy Director, Department of Administration

Greg Lovato, Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources

Mark Wlaschin, Deputy for Elections, Office of the Secretary of State

Steven Cohen, Private Citizen, Las Vegas, Nevada

Doralee Martinez, Nevada Disability Peer Action Coalition Advocate

Jessica Adair, Chief of Staff, Office of the Attorney General

Victoria Gonzalez, Executive Director, Department of Sentencing Policy

Jamie Rodriguez, Government Affairs Manager, representing Washoe County

Arielle Edwards, representing the City of North Las Vegas

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada

Alex Ortiz, representing Clark County

Harold Wickham, Deputy Director, Operations, Department of Corrections

Sean Sever, Administrator, Division of Management Services and Programs, Department of Motor Vehicles

Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada

Chair Carlton:

Welcome to the Assembly Committee on Ways and Means meeting at dusk. [Roll was called. Committee rules and protocols were explained.] This is one of the first times we are doing this in person and will be hearing these bills. I thought I would give everyone an overview of the process. When we schedule this number of bills, I like to do it because sometimes people are not ready to present the bill or something happens, so this way we have plenty of work before us. If we do not make it through all of the bills, and if your bill is on the agenda this evening and we do not get to it, our next meeting will be Friday morning after the joint meeting with the Senate Finance Committee. We will be coming into the Assembly Committee on Ways and Means room, and those bills that are not heard this evening will be placed on Friday's agenda. We will try to get those done first, and then work on Friday's agenda items. If you ever have a bill on the agenda and you do not present it, you will be put on the next agenda, and we will just keep rolling through as quickly as we can.

Some bills take five minutes to hear, and some bills take a half an hour. That way when we come into this room there is enough work for us to get accomplished. In this one evening, we picked up three meetings' worth of bills. We definitely have our work cut out for us in the next couple of weeks or so. I try to group bills together. If I have someone here, they can address two or three of their bills at one time. Some of these bills this evening will be taken out of order. For those legislators or individuals who wish to watch from either the hallways or the lobbyist room or somewhere else, we will give you time to get here. You do not need to wait in this room. We have very limited capacity, and when we start scheduling 12 or 15 bills, we can only have 9 people in here at one time. We would prefer you to wait someplace else, and we will call you and have you come in and go from there. You always have the opportunity to testify by Zoom if you so wish. We just want to make sure we know who is going to be in person and who is going to be on Zoom.

With that Committee members, if there are no questions, I think we can go ahead and begin this evening. I have Chairman Yeager here, and you may go ahead and come up. I believe the first bill that I was going to ask you to address was <u>Assembly Bill 202 (1st Reprint)</u>. What we would like you to do is just give us the 30,000-foot view, and then I will have Ms. Coffman go through the fiscal reasons why the bill is here. We can have a conversation and go from there. Welcome to the Committee.

Assembly Bill 202 (1st Reprint): Revises provisions relating to charitable lotteries and charitable games. (BDR 41-581)

Assemblyman Steve Yeager, Assembly District No. 9:

It is a pleasure to present <u>Assembly Bill 202 (1st Reprint)</u>. I was going to come and do a deep dive, but I think maybe tonight just a shallow swim would be appropriate for <u>A.B. 202 (R1)</u>. Thankfully, it is not an overly complicated bill. All it does is cap the annual fees that a qualified organization must pay to conduct charitable gaming. It caps the fee at \$10 if the total value of the prizes offered by the organization in a calendar year does not exceed \$100,000. In addition, the other change the bill makes is it requires an organization to register only one time annually with the Nevada Gaming Control Board. Those are the two changes—a \$10 fee and one-time registration. The intent behind the bill is to make sure that the organizations can keep more of the money they collect to be able to fund some of their activities and also to cut the red tape associated with charitable gaming. With that, I would be happy to answer any questions.

Chair Carlton:

I will have Ms. Coffman go through the fiscal impact, and then we will have some conversations.

Sarah Coffman, Assembly Fiscal Analyst:

The Nevada Gaming Control Board has identified a loss of \$8,000 per year in revenue resulting from the reductions of the in-person application fees of \$25 to an annual fee of \$10. This revenue is distributed to the State General Fund and therefore would be a reduction to the General Fund.

Chair Carlton:

Do we have anyone from the Nevada Gaming Control Board on Zoom or signed in? [There was no one.] Committee members, Ms. Coffman has gone over this and it seems like a fairly minimal impact. I know this particular bill, and the issue was a big topic of discussion over the interim. Chairman Yeager and I had a number of conversations about it, even to the point that I actually attended a Nevada Gaming Control Board meeting. I never thought that would happen in my career. I found it very interesting and had the conversation about the nonprofits and how this would impact them. If we get the opportunity to discuss this with the Nevada Gaming Control Board in the future, we definitely will.

Assemblywoman Titus:

What is the fee if they make over \$100,000?

Assemblyman Yeager:

Unfortunately, I do not have that in front of me. I think it is in the regulations the Nevada Gaming Control Board has promulgated. Typically, those fees for charitable gaming are in the regulations. In this particular instance, we are putting the \$10 cap in statute. It is at least \$25 because that is what it is in existing regulation. This statute will lay on top of that regulation for organizations under \$100,000. Then if I am not mistaken, in one of the bills the Legislature approved during the 80th Session [Assembly Bill 117 of the 80th Session], I think it is a higher fee for professional sports organizations. That was the genesis of the bill from 2019. The fee is at least \$25 and perhaps more and would be for every instance of charitable gaming. This bill requires a one-time fee no matter how many events you do in a calendar year. But if you earn over \$100,000, then you pay \$25 for each instance of charitable gaming.

Assemblywoman Titus:

The Nevada Gaming Control Board fiscal impact was \$8,000 based on the fact they would lose \$15 for every event, and they did the math on how many paid and it came to \$8,000, correct?

Sarah Coffman:

Yes, that is correct. The reduction would create a loss in revenues.

Chair Carlton:

If I remember correctly, Chairman Yeager, before the 80th Session small nonprofit entities did not have to pay for this. They never did have to register for this, so it is not as if this has been in effect for the last 20 years. I appreciate the consideration of taking some of the smaller VFWs [Veterans of Foreign Wars] and those types of organizations out of this requirement because they are not large. You go to a women's empowerment luncheon, and there is a raffle for a wine basket. You have to pay \$25 to register, and the wine basket may only be worth \$25. We are trying to address those smaller nonprofits who got sucked up in the vacuum of charitable gaming.

Chair Carlton:

This is the hearing on A.B. 202 (R1) so I will open the hearing for testimony from those in support of the bill.

Andrew LePeilbet, Private Citizen, Reno, Nevada:

I represent the 65,000 to 70,000 disabled American veterans in Nevada. I am the current Chairman for United Veterans Legislative Council for Nevada representing the 250,000 veterans in our state, and when you count their families, 500,000 Nevadans. We are in support of A.B. 202 (R1). Just as a consideration I will be brief. Before the last law was approved by the Legislature during the 80th Session, many of our chapters and posts throughout the state from the various veterans organizations would have 50/50 raffles or small penny raffles to help fund their operations and branches. Sometimes they did not make \$25 in those meetings. Two years ago, the majority of all of our veteran's posts and chapters stopped doing these meeting fundraisers like 50/50 raffles. We absolutely support this bill and look forward to it passing.

Chair Carlton:

Is there any more testimony in support of <u>A.B. 202 (R1)</u>? [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 will close the hearing on <u>A.B. 202 (R1)</u> and open the hearing on <u>Assembly Bill 392</u>.

Assembly Bill 392: Requires the Legislative Counsel Bureau to enter into an agreement with a qualified consultant to analyze certain data submitted to the Legislative Counsel Bureau concerning traffic stops and other stops. (BDR S-1036)

Assemblyman Steve Yeager, Assembly District No. 9:

I am pleased to present Assembly Bill 392 for your consideration. The bill requires the Legislative Counsel Bureau (LCB) to enter into an agreement to analyze information on traffic stops. Assembly Bill 392 really is a problem in search of a solution in contrast to what we normally hear in this building. Just by way of background, for those of you who were here during the 32nd Special Session over the summer, the Legislature approved Assembly Bill 3 of the 32nd Special Session relating to public safety. Assembly Bill 3 of the 32nd Special Session addressed the use of force by police officers and other matters. Section 9 of A.B. 3 of the 32nd Special Session required each law enforcement agency in our state to submit a report to LCB by November 1, 2020. Those reports were to include information on traffic stops and other stops, and the software the agencies used to process the identities of the people involved. As a Legislature, we requested information on how stops were recorded, how the records were maintained, and what information was collected. According to testimony before the Committee of the Whole, these reports were intended to lay the groundwork for a more in-depth data collection and analysis. At that time, I testified that the Legislature intended to work with others to make sure we were collecting the right information on traffic stops and other stops, and that we were able to analyze it in a meaningful way. The LCB received those reports, and they are available and on file with the Research Library.

The Las Vegas Metropolitan Police Department submitted a four-page report, and the other agencies completed an Excel spreadsheet. In discussions with interested parties, it was suggested that the Legislature engage an outside expert to review the reports, provide us with a summary, and give us some recommendations moving forward. The truth is that you and I probably are not familiar with the procedures and software that law enforcement agencies use in the field, and frankly, we might overlook issues that an expert would notice and understand.

In summary, the bill has two sections. In section 1 of the bill, the LCB is required to enter into an agreement with a qualified consultant to analyze the data pursuant to A.B. 3 of the 32nd Special Session, and the law enforcement agencies are to prepare and submit a report to the Legislature. Section 2 of the bill specifies what the report must include. The consultant must make recommendations to the Legislature about the software that law enforcement agencies should be using, how to make sure that they are collecting the right data, and how to analyze data in an appropriate way to make evidence-based policy decisions by the Legislature.

The last thing I will note is that I do not think that we have anybody in mind if this bill were to pass. I have been asked that question. Were the bill to pass, it would go through the RFP [request for proposal] process, where the RFP would be prepared and sent to potential consultants to give us a background and scope of work and potential cost to be able to do this. By way of reference, it is rare for the LCB to do this, but it is not without precedent. Last interim, the LCB hired a consultant to work on child welfare funding issues. In that case, there was an appropriation attached to the bill of \$200,000 to cover the cost. Of course, this bill does not have an appropriation, but that may be a good starting point for potential costs associated with A.B. 392. With that, I would be happy to answer any questions.

Sarah Coffman, Assembly Fiscal Analyst:

The Legislative Counsel Bureau submitted a fiscal note indicating that the cost cannot be determined. However, there would be costs associated with the consulting agreement to analyze the data and produce a report required by this legislation.

Chair Carlton:

The ball is now in LCB's court for us to be able to figure out what that dollar amount might be and how we move forward, so we will give individuals some time to address that. We know things were moving pretty quickly for a while. We will give them an opportunity to have some conversations. I would like to ask you, Chairman Yeager, to have some conversations with LCB also to make sure they know exactly where you are going and what we would like to accomplish so that we are all on the same page. Then hopefully, you will be able to bring something back to us in the future so we can have something to look at before we have to make our decisions, considering today is day 80 of the 81st Session.

Committee members, are there any questions of Chairman Yeager at this time?

Assemblyman Roberts:

Briefly, so that I understand the scope of work, would it be an ongoing contract to examine ongoing reports or is it just the data that was provided during this last interim?

Assemblyman Yeager:

I would envision it being a onetime contract. Essentially, the consultant would take the data that is provided now which tells us what data is currently collected, how it is collected, and the software that is used. They are going to analyze the data and then report to the Legislature as a policy-making body to decide; are we collecting the right information, should we mandate collection of different information, should we make recommendations, or perhaps require agencies to use particular software. It would be that onetime scope. I think that would help manage the costs as well if we had a contract with a very specific scope of work and a price attached to it. I think the parties would come in knowing what was going on. Of course, a future Legislature could decide if it wanted to engage another consultant in the future. My vision would be for a onetime project that would happen in the interim and hopefully have some action items for the Legislature in the 82nd Session.

Assemblyman Roberts:

I am a big supporter of analyzing data the correct way and having some actionable outcomes. I look forward to hearing the proposal.

Chair Carlton:

Are there any other questions of Chairman Yeager at this time? [There were none.] We will go to the phone lines and possibly to Zoom for testimony from those in support of <u>A.B. 392</u>. [There were none.] I will open it for testimony from those in opposition to <u>A.B. 392</u>. [There was no one.] I will open it for testimony from those in neutral to <u>A.B. 392</u>. [There was no one.]

For clarification, Ms. Coffman, Chairman Yeager had mentioned that in other cases, an appropriation was actually attached to the bill. Would you elaborate on that so the Committee is aware of how that would work?

Sarah Coffman:

Yes, in other instances, similar bills have had a maximum amount. For example, a maximum of up to \$200,000 was provided for either a study or some type of consultant or expert. What would end up happening is the RFP would be issued, and the RFP could not exceed that specific amount. However, the appropriation would have to be provided in the bill.

Chair Carlton:

With that, Committee members, I will close the hearing on <u>A.B. 392</u>. I will go back to the top of our agenda and open the hearing on <u>Assembly Bill 37 (1st Reprint)</u>.

Assembly Bill 37 (1st Reprint): Revises provisions relating to the enforcement of obligations for the support of children. (BDR 3-301)

Cathy Kaplan, Chief, Child Support Enforcement Program, Division of Welfare and Supportive Services, Department of Health and Human Services:

With me is Candace McDaniel, Deputy Administrator for Field Operations, Division of Welfare and Supportive Services, Department of Health and Human Services. I am here to present Assembly Bill 37 (1st Reprint) for your consideration. Current statute allows past due child support to be withheld from some, but not all lump-sum payments, as allowed by the federal Office of Child Support Enforcement. Assembly Bill 37 (R1) seeks to provide clear definitions for lump-sum and income payors, establishes a reporting threshold of \$150 for employers, and provides a process for employers to report lump-sum payments. The Division of Welfare and Supportive Services, Department of Health and Human Services has been working with the Division of Human Resource Management, Department of Administration to address their concerns associated with their fiscal note. Our plan is to introduce a conceptual amendment to A.B. 37 (R1) to strike subsections 10 and 11 of section 5 of the bill. With the removal of a retroactive merit increase and payment for working during a holiday under the definitions of lump-sum payment, we believe the bill amendment would address the fiscal concerns of the Division of Human Resource Management without impacting the effectiveness of the bill. I am happy to answer any questions the Committee may have.

Chair Carlton:

You are proposing a conceptual amendment here in Assembly Committee on Ways and Means. Was this amendment proposed in the policy committee?

Cathy Kaplan:

No, it was not.

Chair Carlton:

If you could repeat it, please.

Cathy Kaplan:

Our plan is to strike subsections 10 and 11 from section 5 of the bill.

Chair Carlton:

Could you expand on how that would change the collection of child support. I am always very cautious. This bill came out of a policy committee, and the policy committee made a decision to send it here. We are now amending it to take the fiscal note out, but we are also making a change to what was approved. If you could expand on what the deletion of subsections 10 and 11 of section 5 means? Those dollar amounts would be counted toward the income, is that correct?

Cathy Kaplan:

Correct. When we started our conversations with the Division of Human Resource Management, Department of Administration, we realized that subsections 10 and 11 are captured when we look at the income of the payor. It would still be effective for us to remove those items because we look at that as part of their earning potential. We believe that striking those two subsections would not impact the effectiveness of our bill overall.

Chair Carlton:

That is great on that side of the equation. How would it eliminate the fiscal note?

Cathy Kaplan:

The Division of Human Resource Management is on the line to speak to their fiscal note if that is okay with you.

Mathew Tuma, Deputy Director, Department of Administration:

Removing those subsections would eliminate those items that would have required biweekly review of all affected timesheets. By removing those items, it will remove the requirement for biweekly review every time a timesheet is submitted. We can do those reviews when there are lump-sum payments.

Chair Carlton:

Committee members, are there any questions of the presenters on this bill at this time? [There were none.]

Sarah Coffman, Assembly Fiscal Analyst:

The information that I have is very similar to Mr. Tuma's. The unsolicited fiscal note from the Department of Administration was submitted, which identifies expenditures of \$54,822 in fiscal year (FY) 2022 and \$64,835 in FY 2023. The lump-sum payments would be manually processed by the payroll manager. The agency indicated that there are approximately 400 records that would need to be reviewed biweekly for this provision. The Department indicated that it would take approximately 40 hours biweekly to perform this task.

Chair Carlton:

I will open the phone lines for testimony from those in support of <u>A.B. 37 (R1)</u>. [There were none.] I will ask for testimony from those in opposition to the bill. [There were none.] I will ask for testimony from those in the neutral position on the bill.

Mathew Tuma:

Just to confirm, based on the conceptual amendment proposed by the Division of Welfare and Supportive Services, Department of Health and Human Services, the Department of Administration is prepared to remove its fiscal note because the staff time would not be necessary if there is not a biweekly review. If the conceptual amendment is accepted, we are prepared to remove our fiscal note.

Chair Carlton:

That addresses all components of the bill. I will close the hearing on <u>A.B. 37 (R1)</u>, and we will work toward discussing that amendment in the future. I will open the hearing on <u>Assembly Bill 40 (1st Reprint)</u>.

Assembly Bill 40 (1st Reprint): Revises provisions relating to petroleum storage tanks. (BDR 40-343)

Greg Lovato, Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources:

Good evening Chair Carlton, members of the Committee, I am Greg Lovato, Administrator of the Division of Environmental Protection (NDEP). I am here today to present Assembly Bill 40 (1st Reprint) in its first reprint with the amendment and our conceptual amendment [Exhibit D], which should be available on the Nevada Electronic Legislative Information System (NELIS). It proposes changes to the statutes governing the Fund for Cleaning Up Discharges of Petroleum, also known as the Petroleum Fund. In short, A.B. 40 (R1) does the following three things:

- 1. It changes the definition of "small business" for purposes of fund administration in response to an Executive Branch audit.
- 2. It makes nonfiscal changes to statutory language to better align with federal definitions.
- 3. It accommodates requests for additional funding to address investigation and cleanup of releases under certain conditions and with certain safeguards.

To bring you up to speed, the Assembly Committee on Natural Resources approved two conceptual amendments, one from NDEP and one submitted by the Nevada Petroleum Marketers and Convenience Store Association, which are reflected in Amendment No. 68. However, during the drafting process, NDEP identified an error in Amendment 68, and as such, has proposed a conceptual amendment to clarify some elements in the language. The amendment was submitted to the Committee yesterday and is available on NELIS.

With respect to the first amendment, <u>A.B. 40 (R1)</u> in its first reprint corrects an existing mathematical error in *Nevada Revised Statutes* (NRS) 445C.380.2. Specifically, section 5, subsection 2 clarifies the total amount paid from the Fund pursuant to this subsection in any one fiscal year for discharges from two or more storage tanks under the control of any one operator qualifying as a small business must not exceed \$1.9 million for cleanup and \$1.9 million for any associated third-party liability. The correct amount in both cases should be \$1.95 million—that is \$2 million in coverage minus the \$50,000 copayment. That is a simple amendment.

Additionally, during testimony on this bill in the Assembly Natural Resources Committee, representatives for the Nevada Petroleum Marketers and Convenience Store Association requested an amendment to allow for additional funds beyond the additional \$1 million needed for cleanup at certain sites. The Division accepted the amendment on the condition that safeguards be included to assure continued necessary, effective, and efficient use of

funds. Those changes are reflected in section 6, subsections 3 through 7 of Amendment No. 68.

Finally, our proposed conceptual amendment to Amendment No. 68 clarifies that the Board to Review Claims (Petroleum Fund Board) may approve additional \$1 million allotments for an entire site to address discharges of petroleum, rather than for each individual storage tank, and that is in section 6, subsections 6 and 7. Releases may occur from multiple tanks at a site, and this amendment would limit individual additional allotments to \$1 million on a per-site basis instead of for each storage tank.

It is important to note that allowing the Board to grant these additional funds is not expected to reduce the amount of funding available for transfer to the State Highway Fund or the pending request for up to \$500,000 toward the NDEP Greenhouse Gas inventory included in Assembly Bill 452. That reason being that there are very few leaking underground storage tanks that need to access funds above \$1 million per release. Specifically, there have been 34 sites over the life of the fund, with 14 closed and 20 still open. By comparison, there have been 1,721 cases over the life of the Fund, 1,432 have been closed and 113 remain open. Now of those 113 cases, 20 are still open that need additional funds. The vast majority of cases have been closed, and the total number has been in decline over the years. However, for some individual cases, additional funds may be needed, hence the request for the amendment from the Nevada Petroleum Marketers and Convenience Store Association. Additional minor language edits are also included in section 6, subsection 5(a) and section 6, subsections 5(b)(3) and 5(b)(7). I appreciate the opportunity to present A.B. 40 (R1) for the Committee's consideration, and I am ready to take any questions you may have.

Chair Carlton:

Ms. Coffman, did you have anything else that you would like to add to that?

Sarah Coffman, Assembly Fiscal Analyst:

This was recommended to be referred to the Assembly Committee on Ways and Means because of the change of total paid from the funds for the Fund for Cleaning Up Discharges of Petroleum to any one fiscal year for charges for two or more storage tanks under the control of any one operator from \$1.9 million to \$1.95 million for both cleanup and discharge for the cleanup and damages. This may create a greater fiscal impact on the Fund for Cleaning Up Discharges of Petroleum.

Chair Carlton:

Committee members are there any questions on the proposed amendment? We are lucky to have the Chair of the Assembly Committee on Natural Resources sitting in the front row. If he needs to open the discussion, I would be more than happy to have him go first, and then we will go to other questions.

Assemblyman Watts:

Thank you, Administrator Lovato, for providing some of those figures to us. Looking specifically to the fiscal aspects of the bill, I understand that this proposed amendment is

cleaning and tightening some of the language to ensure that the disbursements from the Fund would be handled appropriately. You spoke about the small number of projects over the life of the program that would be eligible for additional funding under the reprint of the bill. Would you give us more background on the life of the program and any thoughts on what the increased drawdown of the Fund would be as a result of allowing a higher maximum for some of these larger and more complicated projects?

Greg Lovato:

As I mentioned before, there are 34 cases that have needed to access funds beyond the original cap of \$1 million. They have access to what is called the "second million" that is available to address third-party liability damages. I actually do not think this will result in any additional expenditures. It will allow future cases that need to access more than \$1 million to access \$1 million not for third-party liability damages but \$1 million in investigation and cleanup. I do not think there is going to be any increased liability or expenditures from the Fund going into the future as a result of this. Individual cases will access the second million from this additional \$1 million as opposed to the \$1 million that is available now from third-party liability damages.

Assemblyman Watts:

I think that is helpful clarification.

Assemblywoman Miller:

My question is a more general question regarding the bill. I am reading the fiscal note and what you said about the change in definition in small business. I just want clarity. Did we change the definition of small business just for the Petroleum Fund program or was that a statewide change overall for our definition of small business in Nevada?

Greg Lovato:

Assembly Bill 40 (R1) only proposes to change the definition of small business for the purposes of the Petroleum Fund, and it will not apply to other parts of the NRS. We know that the businesses that operate gas stations are unique compared to other small businesses. The policy issue we are asking for in A.B. 40 (R1) is to define small business more specifically through regulation. We have some ideas and some suggestions on how to do that, but we are proposing a regulation response through the Executive Branch audit.

Chair Carlton:

Are there any other questions of our presenters this evening at this time?

Assemblywoman Benitez-Thompson:

I see that within section 1 of the bill, you are changing the definition of people who are responsible to make it broader. Would that mean more people would qualify or be able to access the Fund—is that the intent of the change?

Greg Lovato:

Yes, that change was basically to include gas stations and owners of the property as well as the business because those do change over time. We wanted to make sure that others could access the funds that were available as opposed to just the original operator of the storage tanks. They may have been the operator when the release occurred. That language is just clarifying that as long as the tanks are registered and qualify for enrollment, they would be eligible to receive reimbursement for cleanup even in terms of future operators or future owners.

Chair Carlton:

I am not seeing any follow up or questions at this time. With that, Committee members, we will go ahead and open A.B. 40 (R1) testimony. Do we have any testimony from those in support of A.B. 40 (R1)? [There was none.] Do we have any testimony from those in opposition to the bill? [There was none.] Do we have any testimony from those in neutral on the bill? [There was none.] I will close the hearing on A.B. 40 (R1) and open the hearing on Assembly Bill 121 (1st reprint). Please introduce yourself and give us a high-level overview of the bill.

Assembly Bill 121 (1st Reprint): Revises certain provisions relating to elections. (BDR 24-774)

Assemblywoman Lesley E. Cohen, Assembly District No. 29:

Thank you for hearing <u>Assembly Bill 121 (1st Reprint)</u>. I will give you a brief overview. According to the Centers for Disease Control and Prevention (CDC), 26.8 percent of adults in Nevada have some type of disability. This demographic comprises a wide variety of voters including people with cognitive, communicative, mobility, physical, or visual impairments. Federal and state laws affirm the right to an accessible, independent, and private vote for people with disabilities. This bill extends upon those rights and codifies a method for a person with a disability to participate in this civic process. Primarily, the measure allows a person with a disability to use the effective absentee system for elections, or EASE as it is known, to register to vote. The program was established to allow uniformed military and overseas Nevadans to register, request a ballot, and vote entirely online using a digital electronic signature.

The bill summary is simple. What <u>A.B. 121 (R1)</u> is doing is requiring the Secretary of State to allow EASE to be used by an elector with a disability to register to vote, and a registered voter with a disability may apply for and cast an absentee ballot. Keep in mind that the Office of the Secretary of State already has this program to allow disabled Nevadans to vote. What the bill is doing is putting this program that works well into statute so that we know we are protecting the rights of Nevadans with disabilities.

Additionally, another thing that we included in the bill is to amend the UOCAVA [Uniformed and Overseas Citizens Absentee Voting Act] to align the same day voter registration deadline provided to other Nevadans in UOCAVA and provisions related to the deadline for receipt of a ballot to conform to allow those ballots to be received before

close of business on the day of the election. We were working on this for disabled voters, and we realized that UOCAVA and our statutes are not aligning so this is just bringing them all together. Mr. Wlaschin is here from the Office of the Secretary of State, and he can handle any questions regarding the method of how this process works and address the fiscal note.

Chair Carlton:

I appreciate that and will go to Ms. Coffman.

Sarah Coffman, Assembly Fiscal Analyst:

A fiscal note was provided by the Office of the Secretary of State indicating that the bill would create a \$75,000 fiscal impact in each year of the 2021-2023 biennium to support a voter outreach campaign to educate voters.

Chair Carlton:

The question of the hour for the Office of the Secretary of State is why do we believe a marketing campaign will be needed if A.B. 121 (R1) is approved?

Mark Wlaschin, Deputy for Elections, Office of the Secretary of State:

The fiscal note that we submitted for \$75,000 for each of the two fiscal years is to reach out to different groups of people. We want to reach the community of voters who would be affected by the passage of A.B. 121 (R1), specifically those Nevadans who are disabled who are also voters. We also want to provide reassurance to the rest of the electorate about what has changed because of A.B. 121 (R1). The 2020 General Election cycle revealed that there are a number of election-related laws that are not as apparent in their intent to the electorate. These laws have created confusion, which led to misinformation and the level of mistrust that this fiscal note would address to make sure that everyone is aware of the impact and the security of the program that Assemblywoman Cohen talked about.

Chair Carlton:

I appreciate that, but I know that within your budget we have already addressed marketing, public information, and outreach. My question again to you is why you feel you need another \$75,000 in each year to address the disabled community and other individuals when I know they are very organized? Once this information gets out there, they are going to educate themselves. I am struggling to understand why you feel you need marketing dollars for this particular bill.

Mark Wlaschin:

It goes back to ensuring that the word gets out to those individuals who are affected. You are absolutely right. We talked to Assemblywoman Cohen and other members of the advocacy groups with whom we have worked and developed this. There is a lot of interest and eagerness if A.B. 121 (R1) is passed to get that information out. Currently, there are a lot of individuals who we need to reach out to and make sure that we are able to suppress any concerns about election security changes resulting from this bill.

Chair Carlton:

Well, I am just going to lose you on that point because that seems to be part of your job anyway. I am not sure how to address that. I can understand public education, but I am having a hard time understanding playing defense on public education and outreach. We will have to continue that conversation, and I will get some more information from you about that. Committee members, I would like to open it for questions.

Assemblyman Frierson:

I think you are touching on my concern about when we come to the Legislature, we come to assess the cost of implementing proposed legislation. Your marketing does not sound like it is required in order for us to pass and even implement this policy. Probably 80 percent of the bills that we pass at the Legislature could benefit from a public education campaign, but that does not mean that it is required for us to actually pass a bill. This seems to me to be an Office of the Secretary of State bill request, quite frankly. It is coming from a good place—there are a lot of areas that could benefit from better education, but it does not mean that we do not pass the policy that can be implemented. As you indicated, community organizations and other individuals who are more familiar with the needs can also use their own networks in order to educate the individuals who are the most impacted by this. I understand the interest in wanting to put forth the effort to educate a community that could benefit from it. It does not sound to me like this was a fiscal note on a bill as opposed to a stand-alone policy request to be able to better educate the public about it.

Chair Carlton:

I do not think there is any need for a response to that.

Assemblywoman Tolles:

I was wondering in a similar fashion if the fiscal note was going to expand software or expand the technological aspect of the implementation. I take it that there is no fiscal note for that piece of it.

Mark Wlaschin:

That is correct. There is no fiscal note related to the modification of the program itself. The program is already ADA [Americans with Disabilities Act] compliant. We would work with the advocates to make sure that as new ADA requirements develop over time, or upon passing of the bill if there were any program modifications needed, we would be able to make those. We accept that as part of the routine course of sustainment for the various programs that we have established including EASE.

Assemblywoman Tolles:

I understand you said that work could be absorbed by the Office already. My next question would be about this fiscal note in regard to the expansion of an outreach and education program. If the bill were to be approved, are you thinking it is going to go beyond the 2022-2023 cycle and would be required in perpetuity, and you would need an additional \$75,000? I know we are only making a decision for this biennium, but I am trying to anticipate the future needs.

Mark Wlaschin:

No, that is not the intent to have that outreach in perpetuity. The intent would be to address this bill to the individuals who would be affected and then to make sure that the rest of the electorate that is not affected by this is not concerned about increases in cybersecurity risks or anything else that might relate to degradation of their trust in the election process.

Chair Carlton:

Just to clarify earlier, I believe Assemblywoman Cohen had alluded to the fact that this program is already in existence and is currently being performed, and we are merely just placing this in statute to protect it. The program in the recent past did not require additional dollars, but now that it is going to be in statute, you believe that there will be dollars needed to accomplish it. Is that correct?

Mark Wlaschin:

Yes, that is correct.

Assemblywoman Gorelow:

I just have a quick question about the marketing. If you were to receive these funds, what would that marketing outreach actually look like, are we talking about bus shelters, ads in magazines, mailers, or what would that look like?

Mark Wlaschin:

The intent of the outreach program would be twofold. First, we would work closely with the advocates. Depending on the community that we would be talking about and trying to get our information to, the outreach would be tailormade to reach those individuals. In regard to the greater outreach program to the rest of the electorate, that is to make sure that they understand that now that there is a change to the election law it is not something that is going to create increased risk and not something that may necessarily apply to them. Again, there are a wide range of efforts that we have been discussing to accomplish. The key would be to identify the population centers and groups of people who are worried about changes, and make sure that we provide tailored information to that community specifically. In some cases, that may include translating information into other languages, mailers to certain locations, and potentially even something as simple as internet ads to make sure we are getting information out there. Does that answer your question?

Assemblywoman Gorelow:

Yes.

Chair Carlton:

Are there other questions from other Committee members at this time?

Assemblyman Watts:

Based on the answer to my colleague's question that was just asked, how did you arrive at this fiscal estimate for the advertising campaign?

Mark Wlaschin:

We based it on previous ad campaigns that we have had of a similar type of scope in previous years. We specifically looked at what we did following the approval of <u>Assembly Bill 4 of the 32nd Special Session</u>. That advertising campaign was significantly larger, but we looked at some of the elements from that and the costs associated with what we actually paid and assumed it would be a reduced percentage of individuals that we would be reaching out to and not quite nearly the scope of that campaign. We based it on the results of <u>A.B 4 of the 32nd Special Session</u> and the public outreach campaign we did after that.

Chair Carlton:

Are there any other questions from the Committee at this time? [There were none.] I believe we can go ahead and go to the phone lines. With that, Committee members, we will go ahead and open A.B. 121 (R1) for testimony. Do we have any testimony from those in support of A.B. 121 (R1)?

Steven Cohen, Private Citizen, Las Vegas, Nevada:

I just wanted to address a couple of the questions that came up. On the outreach point, a lot of individuals would need to know that EASE exists as a complementary option to the way that they are currently voting, which is potentially having a family member or caregiver or other individual assist them with casting their ballot. Consistent with point number two on the second to the last page of my prepared remarks, I used marriage as an example. I think that the risk of not having individuals know that EASE would be the option if this bill is passed is far outweighed by the reward. I do not know the specifics of how much of that roughly 26 percent of the electorate is here in Nevada. I think that the reward in the long run will ultimately pay off.

Chair Carlton:

Do we have any more testimony from those in support of this bill?

Doralee Martinez, Nevada Disability Peer Action Coalition Advocate:

I am happy that this bill made it to this point. A lot of people did not know about EASE last voting session. I think it was fewer than 100 individuals or so who knew about it. They were happy to use it. Moving forward, public awareness is needed. As a blind person and a user of MacBooks and iPhones, I would be willing to volunteer and help make this open to the public information. Also, if you are not aware, the University of Nevada, Reno, at the Nevada Center for Excellence and Disability in the William J. Raggio Building, has a Nevada Assistive Technology Resource Center run by Scott Youngs, project manager for ADA Nevada. The Center has a loan library where there are all kinds of assistive technology. The Center also has a person who is visually impaired here in the north and one person in the south who is hard of hearing and visually impaired as well. They can train others, and it is like a peer-to-peer training group. I would invite the state to reach out to them, and we can help make this possible.

Chair Carlton:

Is there any more testimony in support of this bill? [There was none.] Do we have any testimony from those in opposition to the bill? [There was none.] Do we have any testimony from those who are neutral on the bill? [There was none.] Assemblywoman Cohen, do you have any closing comments?

Assemblywoman Cohen:

Thank you for hearing the bill. I would like to thank the Office of the Secretary of State and Mr. Wlaschin. They have been helpful throughout this process and concerned with making sure we have good legislation.

Chair Carlton:

I will close the hearing on A.B. 121 (R1) and open the hearing on Assembly Bill 147.

Assembly Bill 147: Authorizes a board of county commissioners to create the office of county counsel. (BDR 20-119)

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

I am excited to be here for my first time in the Assembly Committee on Ways and Means. I am here to present <u>Assembly Bill 147</u>. <u>Assembly Bill 147</u> creates enabling language for counties to create an office of county counsel to avoid legal conflicts of interest within the district attorney's office. We can stay out of the weeds on this bill. The simplest explanation of the fiscal note is that the Office of the Attorney General currently does this work of providing legal Attorney General opinions (AGOs). This bill does nothing to change that current procedure. I believe Ms. Adair is there and has provided your staff with a similar explanation and can answer any questions that you might have.

Chair Carlton:

I will ask Ms. Adair to come to the table, but the next step in this process will be to ask Ms. Coffman to go through the fiscal note discussion, and then we will invite Ms. Adair.

Sarah Coffman, Assembly Fiscal Analyst:

There were no fiscal notes associated with this piece of legislation. However, Fiscal staff contacted the Office of the Attorney General to determine if there was a fiscal impact if this bill were to be approved. According to the Office of the Attorney General, it uses an hourly billing rate from the Attorney General cost allocation plan to charge entities for services that are not included in the state's cost allocation plan, such as boards, commissions, and counties. Currently, that rate is \$154.36 per hour. If an Attorney General Opinion is requested that requires more than 13 hours, the legal work could cost over the \$2,000 threshold.

Jessica Adair, Chief of Staff, Office of the Attorney General:

I would reiterate what both Assemblywoman Nguyen and Ms. Coffman stated. To be clear, this impact would not be to the Office of the Attorney General, but it would just allow the Office to bill a county should a county counsel request an Attorney General Opinion (AGO).

That is all the bill would do, and that is the only impact that it would have on the Office. It would just allow the Office to send a bill should a county counsel request an AGO.

Chair Carlton:

We do have conversations about dollars coming in and dollars going out because they all impact your budget. We want to make sure we have a full picture so when we align your budget, we give you the resources that you need. It is not always necessarily a fiscal note, it is any fiscal impact that might happen to the Office. We always want to make sure we get that on the record.

Assemblywoman Benitez-Thompson:

This is just a question about the timeframe. We know that typically a cost of the Office of the Attorney General is incurred, and then some time passes, and you bill, and then some time passes, and you receive the payment. I know it might be different from when you bill a local government versus a state agency. As we have discussed in other budgets, we are seeing legal costs coming due in this session that were actually incurred three years ago. Is that the same cycle where you carry that cost for years or is it shorter when you are billing other entities?

Jessica Adair:

It could be. With an Attorney General opinion, we receive the request for the opinion, we are able to turn that around fairly quickly and then turn around and bill. Litigation is a completely separate problem, and it could go on for years. You are exactly right—the amount of money coming in does not necessarily match up in timing in terms of when we are able to turn around a bill for services. Most of our clients are state agencies, and they are funded on an annual basis through the Office of the Attorney General cost allocation plan. This type of scenario or work that we do for many of the boards is billed on an hourly basis, as Ms. Coffman mentioned. It is a little bit different, and I think that goes to the Chair's point about how this would not necessarily be a cost to our Office, but it would affect our ability to do some of our work and how some of that funding would come into our Office.

Assemblyman Frierson:

I was a little thrown off because the bill itself proposes to move the responsibility from one county office to another county office at that county's choosing. I do not know that I fully understand why the assumption would be that there is a possible greater number of Attorney General opinions (AGOs) than what the Office of the Attorney General is currently having to process because it is the same job. It is just being done by someone else. I did have some conversations, and I appreciate you having gotten back to my office as well, about the fact that statutorily the Office of the Attorney General is authorized to provide AGOs for the district attorneys' offices and no one else. The fiscal note seems to suggest that this could result in more than what the Office of the Attorney General is already doing. That was where I was a little confused because it seems if the Office of the Attorney General is available to do AGOs for the district attorneys currently, and that responsibility transfers to another department within the county, it is the same function and the same number of bodies doing it, but just a different set of letterhead that the request is coming from.

Jessica Adair:

You are exactly right. It was not our intention in this statement to give the impression that this would result in more AGOs, just that we cannot estimate how many AGO requests we might get. But once we get them, we would then bill the county. We cannot estimate what that bill might look like because we do not know how long we would spend on any particular AGO. That is all the information that we attempted to give in regard to this piece of legislation. The only thing that I could possibly venture, and the only example that I could give, would be if a district attorney and a county counsel, or a county counsel in another entity, asked for an AGO about the same thing at the same time. Frankly, that work would not increase because we would be analyzing the same issue and issuing the same opinion. I do not believe that this bill would create more work, it just gives us the ability to bill a different entity.

Chair Carlton:

Are there any other questions from any other Committee members at this time? [There were none.] With that, Committee members, we will go ahead and open <u>A.B. 147</u> testimony. Do we have any testimony from those in support of <u>A.B. 147</u>? [There was none.] Do we have any testimony from those in opposition to the bill? [There was none.] Do we have any testimony from those in neutral on the bill? [There was none.] Assemblywoman Nguyen, do you have any closing comments?

Assemblywoman Nguyen:

No. I am also here for Assembly Bill 393 (1st Reprint).

Chair Carlton:

I will close the hearing on A.B. 147 and open the hearing on Assembly Bill 393 (1st Reprint).

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

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

Assembly Bill 393 (1st Reprint) is a cleanup bill for Assembly Bill 236 of the 80th Session, which was an omnibus criminal reinvestment reform bill. The Legislature approved A.B. 236 of the 80th Session that required the Nevada Sentencing Commission, specifically the Department of Sentencing Policy, to collect and analyze data and cost savings to the state based on the enactment of A.B. 236 of the 80th Session. Assembly Bill 236 of the 80th Session actually did not go into effect until July 2020. This fiscal note is an intended consequence of this cleanup bill of A.B. 393 (R1). It is here based on added responsibilities that A.B. 236 of the 80th Session and now A.B. 393 (R1) have created for the Department of Sentencing Policy. The Executive Director of the Department of Sentencing Policy is also on this Zoom call. I see Victoria Gonzalez on the call, and I am sure she can also answer any additional questions that the Committee might have regarding that fiscal note.

Chair Carlton:

We will ask Ms. Coffman for details of the fiscal note.

Sarah Coffman, Assembly Fiscal Analyst:

The Department of Sentencing Policy identified a fiscal impact of \$75,345 in fiscal year (FY) 2022 and \$96,987 in FY 2023 to fund a management analyst position to build and maintain databases to allow the data to be provided to the Commission and to support the Nevada Local Justice Reinvestment Coordinating Council.

Victoria Gonzalez, Executive Director, Department of Sentencing Policy:

I submitted a one-page synopsis of bullet points of the fiscal impact to our Department [Exhibit F]. As Assemblywoman Nguyen just discussed, what led to A.B. 236 of the 80th Session was robust data collection, analysis, aggregation, and disaggregation. We are here to support the continued assessment of those outcomes in A.B. 236 of the 80th Session. In order to do that, we need the support of this management analyst position to help us build those databases in order to continue helping this Legislature and the state make the recommendations for corrections and sentencing that were able to be developed for A.B. 236 of the 80th Session. I am happy to answer any questions that the members of the Committee may have.

Chair Carlton:

I will open it up to the Committee for questions. Does anyone have questions of Assemblywoman Nguyen or Ms. Gonzalez at this time? This was a concise and easy to understand presentation. They intentionally wanted the money on there because they have a job to do. [There were no questions.] Committee members, we will open A.B. 393 (R1) testimony. Do we have any testimony from those in support of A.B. 393 (R1)? [There was none.] Do we have any testimony from those in opposition to the bill? [There was none.]

I will go back to Assemblywoman Nguyen. Are there any closing comments?

Assemblywoman Nguyen:

I would be remiss to not point out that Ms. Gonzalez is already doing the work of probably five individuals herself. I know these resources, and I know that she is aware of the limitations that we have in our state budget, especially going into this budgetary cycle. I know that the work that we are doing here and the data that we are collecting is saving millions and millions of dollars with the enactment of A.B. 236 of the 80th Session. I think that having that data and being able to collect and analyze that data appropriately so we can inform the legislative bodies of the success of that bill is important.

Chair Carlton:

I will close the hearing on <u>A.B. 393 (R1)</u>. Just so the Committee understands my process, when a member of the Committee has a bill before us, I know the member will be here throughout the entire meeting. Therefore, I typically take the members last and allow other members to come forward first. I will open the hearing on <u>Assembly Bill 230 (1st Reprint)</u>.

Assembly Bill 230 (1st Reprint): Revises provisions relating to juvenile justice. (BDR 5-791)

Assemblyman C.H. Miller, Assembly District No. 7:

I appreciate this opportunity to present <u>Assembly Bill 230 (1st Reprint)</u>, which aims to eliminate the direct filing provisions in *Nevada Revised Statutes* that require youth to be tried in adult criminal court when charged with certain offenses. Over the past couple of legislative sessions, this body has made bold steps to reform both our juvenile and criminal justice systems. <u>Assembly Bill 230 (R1)</u> is another big step forward in giving some of our most troubled youth a chance to live productive lives. This bill, as amended, does three things. First, it requires that a youth must first go before a judge before being certified as an adult giving them an added layer of due process. Second, it retains the process of direct filing only in cases of murder, attempted murder, and mass casualty events. This was a necessary amendment due to the strain this may have on our current juvenile housing structure. Third, it requires the Legislative Committee on Child Welfare and Juvenile Justice to conduct an interim study on the need for, and cost of, infrastructure associated with housing juveniles awaiting their certification hearings.

This study is necessary because the infrastructure and resources required to fully eliminate the direct files altogether are the main factors that have hindered previous attempts to end this practice in our state. Today is no different, so we must address the infrastructure needs that this bill requires. Yes, today, when our budgets are tight and our money is funny, we must make the same hard decisions many families do when faced with a tight budget, no savings, and the decision to save their children. Today, we must really consider how we make the necessary investments to ensure all of our youth have every opportunity to succeed at becoming responsible and contributing members of our communities and not an ongoing financial burden.

There are several fiscal notes submitted on the original "as introduced" version of the bill. Many of them were zero or were unable to be determined. That is because in the previous five years, direct files have only happened in one county, and that is my very own county of Clark. After reaching out to, and working with, each county, the amended version of this bill eliminates most of the fiscal concerns, and in Clark County it will reduce their fiscal note by nearly 45 percent over the biennium.

I believe that you received an email from me that has a spreadsheet with that budget [Exhibit G], and it is also posted on NELIS [Nevada Electronic Legislative Information System]. This change is reflected in that budget. Now, we are here today because the policy was determined that this is something that we need to do. Now is our turn to determine how much we can squeeze out to invest in what could be our last opportunity to save some of our most troubled young people from a life of recidivism in and out of our prison system.

As we consider this, I would like to bring to the forefront of your mind, that there has been a diligent effort by this body and local governments to use diversionary programming to keep our youth out of this justice system altogether. If they do have a situation that gives them a

brush with our justice system, there are now things like youth-level service assessments that are aimed at assessing young people with the goal of aiding the judge in making the decision for probationary release while providing the necessary services the youth need to be successful in their release. This was <u>Assembly Bill 457 of the 79th Session</u>, and many of the members of this Committee voted for that legislation. There are other strategies that are also geared toward diverting our youth from being housed in any corrections facility.

We should expect that our infrastructure needs should be reduced or at the very least not expected to increase. Now that is not to negate the legitimate needs of our juvenile system to adequately support this bill. It is no secret that my goal, and the 30 other legislators who signed on to this bill, eventually want to eliminate direct files in our state altogether. And as I finish here, I will just note one last thing. The bill in its original form would do just that by eliminating the state's only juvenile housing unit, and the state would begin seeing a measurable yearly savings that could ultimately offset the cost that is needed in Clark County. However, with the amended version of the bill that we are considering today, those actual savings are difficult to calculate. Nonetheless, data and numbers do not lie. It would be interesting to see how effective we have been at diverting our youth and seeing any savings on housing as a result. With that, I am ready for the Committee's questions.

Chair Carlton:

With that, I will go to Ms. Coffman.

Sarah Coffman, Assembly Fiscal Analyst:

As amended, the bill requires the Legislative Committee on Child Welfare and Juvenile Justice to conduct an interim study which may result in additional expenditures in order to complete. The Division of Child and Family Services, Department of Health and Human Services, indicated that the fiscal impact cannot be determined as it is unclear how many youth would be committed to the juvenile justice system rather than served by the criminal justice system. The Department of Corrections has submitted a fiscal note on the bill as introduced identifying a cost savings because minor offenders would no longer be under their jurisdiction.

Chair Carlton:

Did we have anyone from any of the agencies present to testify? [There was no one on Zoom to address any of the issues.] I have individuals signed in, but none of them wish to speak. Did we have someone from Washoe County available? [No one was available to answer questions.] With that, Committee members, we will go ahead and open <u>A.B. 230 (R1)</u> testimony. Do we have any testimony from those in support of <u>A.B. 230 (R1)</u>?

Jamie Rodriguez, Government Affairs Manager, representing Washoe County:

I am actually neutral, but I was trying to raise my hand earlier when you were asking for me. I am happy to defer to you if you would like me to speak now or come back when it is time for neutral testimony.

Chair Carlton:

Go ahead and we will mark you down as neutral. There is no reason to go out and come back in. Please proceed.

Jamie Rodriguez:

I did want to put on the record that we did speak with the bill sponsor. With the amended version, Washoe County's fiscal note has been removed. We have not had any direct files since 2016. The original fiscal note was looking at Nevada's ten-year average going back to 2010. We definitely had a number of direct files before 2016. Several of those were murder crimes, and that was where there was a concern that we would potentially have to open another wing of our unit to be able to house those offenders. However, with the amended version of the bill as presented to this Committee this evening, that fiscal note has been removed because direct filings for murder will continue to occur.

Chair Carlton:

We will go back to those who want to testify in support of Assembly Bill 230 (1st Reprint).

Arielle Edwards, representing the City of North Las Vegas:

The City of North Las Vegas is in support of <u>Assembly Bill 230 (1st Reprint)</u>. The City of North Las Vegas supports this measure and would like to thank the bill's sponsor, Assemblyman C.H. Miller, for bringing it forward. We urge your support in passage.

Chair Carlton:

Is there anyone else in support?

Christine Saunders, Policy Director, Progressive Leadership Alliance of Nevada:

I am here in support of <u>Assembly Bill 230 (1st Reprint)</u>. Investments we make in our youth today will help put them on a path toward success and be less likely to interact with the criminal justice system as adults. We urge your support of this legislation.

Chair Carlton:

Is there anyone else in support? [There was none.] Do we have any testimony from those in opposition to the bill?

Alex Ortiz, representing Clark County:

Clark County opposes <u>Assembly Bill 230 (1st Reprint)</u> as written and amended, but only due to the fiscal impact on Clark County and not the policy issues. We did speak with the sponsor about our concerns earlier this week and have throughout the process. Clark County submitted a fiscal note to the Fiscal Analysis Division, Legislative Counsel Bureau (LCB) on the original bill. This fiscal note, as you know, is available on NELIS. Amendment 143, which was adopted last week, removes sexual assault offenses and offenses involving the use or attempted use of a firearm from automatic certification to adult court, and requires an interim study about the need for the cost of the infrastructure associated with housing juveniles awaiting certification for criminal proceedings as an adult. Due to the provisions of this amendment, we reduced our fiscal impact from what we originally submitted to the

Fiscal Analysis Division, LCB to \$3.2 million in fiscal year (FY) 2022 and \$3.3 million in FY 2023, and \$6.5 million over the biennium.

Assemblyman C.H. Miller testified earlier that he had posted this information, and he sent you all an email about the spreadsheet that we provided to him. It has also been posted on NELIS as well as an exhibit for this bill [Exhibit G]. The reduction of our fiscal note is based on our expectation of opening one high-security housing unit and not two, as originally estimated, to hold the number of juveniles who may be impacted by this legislation as amended in our juvenile detention center. These estimates include costs of staffing the additional high-security housing unit, as well as providing food, supplies, nursing, and mental health services to the juveniles housed in this unit.

Chair Carlton:

Is there anyone else in opposition to <u>Assembly Bill 230 (1st Reprint)</u>? [There was none.] Do we have any testimony from those in neutral on the bill?

Harold Wickham, Deputy Director, Operations, Department of Corrections:

We are testifying in the neutral position. I would just like to state for the record that we appreciate Assemblyman C.H. Miller bringing this bill forward, and we think it would result in a significant cost savings for the state.

Chair Carlton:

Were there any other questions for Assemblyman C.H. Miller before we do his closing statement. [There were none.] Assemblyman C.H. Miller, do you have any closing comments?

Assemblyman C.H. Miller:

I will be brief. I just want to note that with the amendment we are looking at about 24 youth over an entire year. Considering overlaps, this may be one to three youth who would be housed at the same time throughout that period. When we look at that fiscal note, I would like us to take into consideration what we are talking about here, and what that impact looks like.

Chair Carlton:

I will close the hearing on <u>A.B. 230 (R1)</u> and open the hearing on <u>Assembly Bill 166</u>. We will invite Assemblyman Gregory T. Hafen II to the table. Will you give us a brief overview, and then we will go to Ms. Coffman?

Assembly Bill 166: Establishes disclosure requirements relating to certain elections-related communications. (BDR 24-867)

Assemblyman Gregory T. Hafen II, Assembly District No. 36:

I will present this very brief overview. *Nevada Revised Statutes* (NRS) 294A.348 currently requires individuals who send political advertisements to identify who paid for the communication if it is more than \$100. The provision applies to television, radio, newspaper,

magazine, outdoor advertising, and mailings. However, texting, which has become very popular in the recent years, has fallen through the crack. Assembly Bill (A.B.) 166 is not a very complex bill, it simply wants to modernize the campaign disclosure requirements in Nevada to make sure that text messages from a person, political action committee, political party, or committee sponsored by a political party disclose in the text message who the individual or entity is who paid for the communications. Consistent with current law, this is only required when the individual or entity spends more than \$100 and the communication advocates for the election or defeat of a candidate or a group of candidates or is soliciting contributions.

Chair Carlton:

We will go to Ms. Coffman.

Sarah Coffman, Assembly Fiscal Analyst:

The Office of the Secretary of State provided a fiscal note of \$35,841 in fiscal year (FY) 2023 to manage inquiries and compliance with requirements for people to disclose information when engaged in political activity via electronic technology.

Chair Carlton:

We will go to the Office of the Secretary of State.

Mark Wlaschin, Deputy for Elections, Office of the Secretary of State:

There are two parts to our fiscal note. I want to be clear that the personnel who are identified in the fiscal note are not necessarily a requirement for implementation but really for enforcement. Currently, the agency only has two employees who are focused full-time on answering phones to receive complaints from the electorate. During the election season, we have two additional personnel who are able to transition from their duties to focus on that with a varying number of other individuals sporadically throughout the day. The fiscal note identifies the need for one additional person. This is a part-time temporary employee who would assist with the increased number of phone calls the agency receives related to the passage of A.B. 166. Additionally, there is a part-time requirement for a compliance investigator, again not a full-time employee but simply someone who for a six-month period starting with the Primary Election going through the General Election would be able to address these complaints and concerns in a timely manner. Ultimately, if A.B. 166 is passed and the agency does not receive these funds, these concerns would still be addressed, albeit not nearly in as timely a manner, which could create some issues and concerns with the electorate.

Chair Carlton:

I will open it to Committee members for questions.

Assemblyman Frierson:

Along the same lines as earlier with respect to what might be ideal versus what is absolutely necessary to implement, my question is really for the Secretary of State. I know that the Office of the Secretary of State currently gets calls about the appropriateness of political

messaging and mail and text messaging. If that is the case, it seems like the Office of the Secretary of State would actually receive fewer calls because the disclosure that this bill proposes to require would answer some of those questions. It seems to me somewhat of a crystal ball to assume that the Office of the Secretary of State is going to receive more calls if this bill passes. The bill would require more information, and it is quite likely that the information would answer those questions and then there would be fewer calls.

Mark Wlaschin:

That is certainly something that we took into consideration when we were looking at perfecting our analysis of this bill. The concern is over the years as we have moved into more technology being used to encourage and spread election-related material, the number of phone calls we have received relating to text messages, emails, and other digital forms of communication has continued to go up. We anticipate that the trend will continue. Even with the passage of this bill, while that certainly would allow for certain communications to be more clear when individuals and organizations put "paid for by" on those text messages, there is an increased chance that other agencies and individuals may not abide by this compliance requirement.

Assemblyman Frierson:

I think you made my point by recognizing that with the advent of technology you already are getting more calls. If this legislation went away, the Office of the Secretary of State would still get increasing calls as technology advances and individuals use technology in newer ways. It feels to me like this is a legitimate concern of the Office of the Secretary of State independent of this bill. I think in the future, if we need to have a conversation about the tools that the Office of the Secretary of State needs, we should have that conversation, but not attach it randomly to bills that involve costs that the Office is going to incur either way.

Assemblyman Roberts:

I think Speaker Frierson covered a lot of what I was going to say. I believe that this fiscal note is premature, and we really do not know the impact that the bill will have. To the Speaker's point, it actually could reduce some of your workload. It would be certainly something that the Office of the Secretary of State could come back in the next budget cycle and present something to justify an increase in staffing.

Chair Carlton:

Committee members, are there any other questions at this time? [There were none.] With that, Committee members, we will go ahead and open $\underline{A.B.\ 166}$ testimony. Do we have any testimony from those in support of $\underline{A.B.\ 166}$? [There was none.] Do we have any testimony from those in opposition to the bill? [There was none.] Do we have any testimony from those in neutral on the bill? [There was none.]

Chair Carlton:

Assemblyman Hafen, do you have any closing comments?

Assemblyman Hafen:

I will steal Speaker Frierson's comments as my closing remarks.

Chair Carlton:

I will close the hearing on <u>A.B. 166</u> and open the hearing on <u>Assembly Bill 188 (1st Reprint)</u>. We will invite the Department of Motor Vehicles to give us a brief overview of the bill. We will ask a few questions and have Ms. Coffman brief us on the fiscal note.

Assembly Bill 188 (1st Reprint): Abolishes the Commission on Special License Plates. (BDR 43-476)

Sean Sever, Administrator, Division of Management Services and Programs, Department of Motor Vehicles:

Assembly Bill 188 (1st Reprint) would dissolve the Commission on Special License Plates. All duties currently assigned to the Commission would be reassigned to the Department of Motor Vehicles (DMV), which we are okay with because many of the Commission's duties are duplicative of what we are doing at the DMV. Some of these duties include public meetings on determining whether to approve or disapprove a special plate, compiling a list of special plates issued and submitting reports to the Legislative Counsel Bureau, or Legislative Commission determining the disposition of special plate fees, and working with charitable organizations on complying with the provisions and standards of the program. The DMV will incorporate all of those duties and functions of the Commission into its ongoing operations. We have submitted a no impact fiscal note on this bill. I have April Sanborn, Administrator, Division of Central Services and Records, Department of Motor Vehicles here to help with questions.

Chair Carlton:

It is my understanding that the process of applying for a special plate will still stay in effect, it simply will not go to a special commission. The DMV will provide that, so there will still be a queue, and people will still have to come forward to make their case for the plate, and we will still have the same number of special plates. If a plate is vacated, then another plate will be issued and take that plate's position, is that correct?

Sean Sever:

That is correct. The program will still look the same. We will just be administering it instead of the Commission.

Chair Carlton:

I will go to Ms. Coffman, and then I do have a couple of questions.

Sarah Coffman, Assembly Fiscal Analyst:

The DMV and Legislative Counsel Bureau (LCB) submitted zero impact fiscal notes on the measure as introduced. However, with the amended language, there may be an impact given the requirement for the Legislative Auditor to compile and submit a report. That was the

concern of the LCB Fiscal Analysis Division staff that it may cause expenditures for the LCB.

Chair Carlton:

I do not believe my questions are particularly aimed at the DMV. My concern is that I have watched through the legislative sessions the cumulative effect of the impact to our Audit Division, LCB. They do excellent work, and when we ask them to step up, they never say no, but they also never ask for any additional resources that they need. I greatly appreciate them being able to take on these responsibilities. It is very important to make sure that the nonprofit entities that receive the dollars from these plates are held accountable for those dollars. The revenue needs to go where the entities believe they need it to go. But we also want to make sure that we have the resources to accomplish the responsibilities that we are handing to our legislative auditors. That is my concern, and I believe that is something we can continue to discuss. As other legislation moves through the process, we need to see what the cumulative effect will be on our Audit Division and address that at that time. Are there any questions from the Committee members at this time? I will go to the Chair of the Assembly Committee on Growth and Infrastructure where this bill came from.

Assemblywoman Monroe-Moreno:

I am the Chair of the Assembly Committee on Growth and Infrastructure, but I also had the pleasure to serve as the Chair for the Commission on Special License Plates and have served on that Commission for the last two interim sessions. I would agree that an addition to the workload could come to the Audit Division. The situation may occur that every license plate would require paperwork be reviewed for auditing, and that would be an impact to our Audit Division. I appreciate your comments. We did recognize that. Hopefully, as we get through this legislative session, we are able to find the resources to give our Audit Division the position or additional resources that they need to complete the task of abolishing this Commission.

Chair Carlton:

Do I have any other questions or comments from any other members of the Committee at this time? Just for the record, when this piece of legislation came for a vote, I voted against it. I was one of the few people in the state who voted against this Commission. With that, Committee members, we will go ahead and open A.B. 188 (R1) testimony. Do we have any testimony from those in support of A.B. 188 (R1)? [There was none.] Do we have any testimony from those in opposition to the bill? [There was none.] Do we have any testimony from those in neutral on the bill? [There was none.] There are no closing comments at this time, and I will close the hearing on A.B. 188 (R1). I will open public comment.

Cyrus Hojjaty, Private Citizen, Las Vegas, Nevada:

A lot of people keep talking about fair elections, honest elections, I really just to be honest with you, I think we need to start talking about the fact that a lot of people like myself do not really see elections as real choice by the people. I think that elections are an illusion of choice given by the powers of Wall Street. We know Wall Street has heavy control of the

casino real estate sector, which controls so many of our politicians and our campaign donors. They have a lot of ties to the unions that are forced to pump up these politicians.

I just know that certain people greatly profited from the COVID-19 pandemic, and those were a very few rich people. We need serious campaign finance reform. We need audits to see what is going on. The fact is that we need a nonpartisan solution to overthrow the system. Maybe we could hope that an economic collapse would hopefully change the game. I do not feel that our government, state, local, and federal represents the will of the people. We have to consider something that is more representative of everyday Americans and not a handful of wealthy donors.

Chair Carlton:

Do we have anyone else for public comment? [There was no one.] There being no further business before the Committee, this meeting is adjourned [at 8:04 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.

<u>Exhibit C</u> is written testimony dated April 21, 2021, presented by Greg Lovato, Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources, regarding <u>Assembly Bill 40 (1st Reprint)</u>.

<u>Exhibit D</u> is a proposed conceptual amendment to <u>Assembly Bill 40 (1st Reprint)</u>, presented by Greg Lovato, Administrator, Division of Environmental Protection, State Department of Conservation and Natural Resources.

<u>Exhibit E</u> is written testimony submitted by Steven Cohen, Private Citizen, Las Vegas, Nevada in support of <u>Assembly Bill 121 (1st Reprint)</u>.

Exhibit F is a document titled "Assembly Bill No. 393, Assembly Ways and Means," dated April 21, 2021, 6:00 p.m., submitted by Victoria Gonzalez, Executive Director, Department of Sentencing Policy.

Exhibit G is a document titled "AB 230/BDR 5-791 Version 2 Clark County Fiscal Impact Mid-Range Level Position Costs," submitted by Assemblyman C.H. Miller, Assembly District No. 7.

Exhibit H is written testimony submitted by Assemblyman Gregory T. Hafen II, Assembly District No. 36, on Assembly Bill 166.