

**MINUTES OF THE
SENATE COMMITTEE ON COMMERCE AND LABOR**

**Eighty-first Session
March 26, 2021**

The Senate Committee on Commerce and Labor was called to order by Chair Pat Spearman at 8:04 a.m. on Friday, March 26, 2021, Online. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Pat Spearman, Chair
Senator Dina Neal, Vice Chair
Senator Melanie Scheible
Senator Roberta Lange
Senator Joseph P. Hardy
Senator James A. Settelmeyer
Senator Keith F. Pickard

STAFF MEMBERS PRESENT:

Cesar Melgarejo, Policy Analyst
Kim Cadra-Nixon, Committee Secretary

OTHERS PRESENT:

Elisa Cafferata, Director, Department of Employment, Training and Rehabilitation
Amber Federizo, Nurse Practitioner, Nevada Rare Disease Advisory Council;
Hemostasis & Thrombosis Center of Nevada
Elizabeth Dittenber, Executive Director, National Hemophilia Foundation
Stephanie and Logan Kennedy
Tom McCoy, Nevada Chronic Care Collaborative
Bill Head, Pharmaceutical Care Management Association
Tom Clark, Nevada Association of Health Plans
Laura Rich, Executive Officer, Public Employees' Benefit Program
Kent Ervin, Nevada Faculty Alliance
David Olsen, Social Services Chief III, Division of Health Care Financing and
Policy, Nevada Department of Health and Human Services
David Dazlich, Vegas Chamber
Susan Fisher, State Board of Osteopathic Medicine

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Keith Lee, Board of Medical Examiners
Ben Scheible
Paul Catha, Culinary Workers Union Local 226
Gillian Block, Nevada Coalition of Legal Service Providers
Benjamin Challinor, Faith in Action Nevada
Sharath Chandra, Administrator, Real Estate Division, Department of Business
and Industry
Christopher Daly, Nevada State Education Association

CHAIR SPEARMAN:
We will open the hearing by introducing Bill Draft Request (BDR) 52-1009.

BILL DRAFT REQUEST 52-1009: Revises provisions relating to certain businesses. (Later introduced as [Senate Bill 381](#).)

SENATOR SCHEIBLE MOVED TO INTRODUCE BDR 52-1009.

SENATOR LANGE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SPEARMAN:
We will begin the work session with Senate Bill (S.B.) 75. Mr. Melgarejo will review the bill with us.

SENATE BILL 75: Revises provisions relating to unemployment compensation.
(BDR 53-349)

CESAR MELGAREJO (Policy Analyst):
This bill was sponsored by the Senate Committee on Commerce and Labor on behalf of the Employment Security Division of the Department of Employment, Training and Rehabilitation. I have a work session document which includes several amendments ([Exhibit B](#)).

SENATOR PICKARD:
We asked the Employment Security Division of the Department of Employment, Training and Rehabilitation to include several items in this bill. I do not see

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provisions to update the Department's computer systems or integrate the two computer systems in the amendment.

ELISA CAFFERATA (Director, Department of Employment, Training and Rehabilitation):

Several recommendations from the Rapid Response Strike Force Report have been implemented, and our progress has been shared with the Committee.

We are working with the Office of the Governor to modernize the Department's computer system as well as integrate our two computer systems. We do not need to change *Nevada Revised Statutes* to implement these suggestions. You may see a bill later in the Session to address this issue.

SENATOR PICKARD:

The Department of Employment, Training and Rehabilitation (DETR) informed us during testimony that S.B. 75 was their only sponsored bill. This bill falls short of the need to address the immediate issues facing DETR. I will vote no on this bill as written.

SENATOR NEAL:

I see in the amendment, DETR found a way to help school support staff. I support this provision.

SENATOR SETTELMAYER:

Will assistance to school support staff cause a fiscal impact on school districts?

Ms. CAFFERATA:

Governor Steve Sisolak signed emergency regulations to cover education support personnel for this summer only.

Under the American Rescue Plan Act of 2021, we are allowed to waive up to 75 percent of the charges for reimbursable employers such as school districts.

Many of the school support staff may be employed by the schools in the summer session. We worked with the school districts to help school support staff while not creating a fiscal impact on the districts.

SENATOR SETTELMAYER:

I will vote no on this bill until I review the amendments.

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SENATOR LANGE:

I am pleased to hear we will help the education support staff with unemployment benefits as well as alleviate some of the costs to the school districts. I will vote yes on this bill.

SENATOR LANGE MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 75.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS HARDY, PICKARD AND
SETTELMAYER VOTED NO.)

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CHAIR SPEARMAN:

We will continue the work session with S.B. 145. Mr. Melgarejo will review the bill with us.

SENATE BILL 145: Revises provisions relating to financial institutions.
(BDR 55-481)

MR. MELGAREJO:

This bill is sponsored by Senator Pat Spearman and was heard on March 17. I will review the work session document ([Exhibit C](#)).

SENATOR PICKARD:

This bill covers only half of the financial institutions in the State. Those financial institutions feel the bill places onerous requirements on them versus those institutions not covered by the bill. Is there a way to cover all of the financial institutions in the State?

CHAIR SPEARMAN:

The banks covered in this bill are those in Nevada under Federal Deposit Insurance Corporation regulation. I addressed this issue with the American Bankers Association.

While this bill will not cover all financial institutions, we should not let "perfect be the enemy of good."

The Community Reinvestment Act of 1977 (CRA) offers many opportunities to Nevadans in need. It is not under my control to include all financial institutions in this bill.

SENATOR PICKARD:

I understand. I wanted to know if there was a way to include all financial institutions in the State because I was asked this question by bank officials.

CHAIR SPEARMAN:

I do not know what requirements would be considered onerous to financial institutions. This bill does not require banks to develop any additional information.

SENATOR PICKARD:

I think this bill is a good thing; however, there is a concern the public will not understand the meaning of a CRA rating.

CHAIR SPEARMAN:

The rating system is posted only as satisfactory or unsatisfactory.

SENATOR PICKARD:

Financial institutions are concerned because they may receive an unsatisfactory rating because they miss a report deadline.

SENATOR SETTELMAYER:

The original concept provided a financial institution's CRA rating to be placed on their website. These institutions should put a link on their website to the Division of Financial Institutions, Department of Business and Industry. The Division of Financial Institutions could provide an educational video on their website.

CHAIR SPEARMAN:

We do not have oversight of all financial institutions in the State; however, all financial institutions can provide this information on a voluntary basis.

A fiscal note would be required if the State provided an educational video.

SENATOR SETTELMAYER:

Publicizing a financial institution's CRA rating is a good thing. I would like to see this expanded to include all financial institutions in the State.

SENATOR NEAL MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 145.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS PICKARD AND SETTELMAYER
VOTED NO.)

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CHAIR SPEARMAN:

We will continue the work session with S.B. 179.

SENATE BILL 179: Revises provisions relating to sign language interpreting and
realtime captioning. (BDR 54-386)

MR. MELGAREJO:

This bill is sponsored by the Senate Committee on Commerce and Labor on
behalf of the Legislative Committee on Senior Citizens, Veterans and Adults
with Special Needs. It was heard on March 19. I will review the work session
document ([Exhibit D](#)).

SENATOR HARDY MOVED TO DO PASS S.B. 179.

SENATOR PICKARD SECONDED THE MOTION.

SENATOR SETTELMAYER:

I will vote yes, but reserve my right to change my vote on the floor.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SPEARMAN:

We will continue the work session with S.B. 181.

SENATE BILL 181: Revises provisions relating to alcohol and drug counselors.
(BDR 54-558)

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MR. MELGAREJO:

This bill was heard on March 17. I will review the work session document ([Exhibit E](#)).

SENATOR HARDY MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 181.

SENATOR PICKARD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SPEARMAN:

We will continue the work session with S.B. 245.

SENATE BILL 245: Makes changes regarding employment. (BDR 53-829)

MR. MELGAREJO:

This bill is sponsored by Senator Roberta Lange and was heard on March 22. I will review the work session document ([Exhibit F](#)).

SENATOR PICKARD:

In the proposed amendment, we need to define who takes jurisdiction if the remedy is considered inadequate, unavailable or nonbinding. The language needs to be strengthened to avoid litigation. I can propose an amendment on the Senate Floor.

SENATOR LANGE:

I will speak with the Labor Commissioner and propose your suggested amendment.

SENATOR SETTELMAYER MOVED TO AMEND AND DO PASS AS
AMENDED S.B. 245.

SENATOR PICKARD SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SPEARMAN:

We will open the hearing on S.B. 171.

SENATE BILL 171: Prohibits a pharmacy benefit manager from requiring a covered person to obtain a drug by mail. (BDR 57-848)

SENATOR JOSEPH P. HARDY (Senatorial District No. 12):

This bill prevents pharmacy benefit managers from requiring covered participants to receive critically necessary drugs only by mail.

AMBER FEDERIZO (Nurse Practitioner, Nevada Rare Disease Advisory Council; Hemostasis & Thrombosis Center of Nevada):

Today, I reach out to you in the role of a nurse practitioner who has covered the entirety of the State for the last ten years. I treat patients with rare blood disorders. I have submitted written testimony ([Exhibit G](#)).

SENATOR HARDY:

I would like to highlight the support letter from the Nevada Chronic Care Collaborative and the 19 organizations in support of this bill ([Exhibit H](#)).

MS. FEDERIZO:

The conceptual amendment by Senator Hardy ([Exhibit I](#)) covers prescriptions for which no generic alternative exists. Pharmacy benefit managers and insurers are prohibited from implementing programs commonly known as copayment accumulator programs.

SENATOR PICKARD:

To whom does the copayment accumulator program noted in the conceptual amendment apply?

MS. FEDERIZO:

It would not apply to individuals who choose an insurance plan that does not contain a copayment accumulator program. The amendment only applies to situations where no generic alternative is available.

SENATOR NEAL:

How does this bill apply to Medicare and Medicaid?

MS. FEDERIZO:

Unfortunately, Medicare and Medicaid patients are usually not eligible for certain copayment support resources. Medicare and Medicaid patients are eligible for other third-party resources, such as patient services or foundational support. Under S.B. 171, those patients would still have access to patient services or foundational support, and it would still apply to their deductible.

Many commercial payers implement copayment accumulator programs and state it applies because participants chose a tier of drug that is a brand name or specialty.

Many patients can choose an alternative generic therapy, and this is a reasonable application for those participants. For some patients, there is no generic available. It is unlikely a generic drug will become available for hemophilia because the cost to manufacture this drug is exceedingly expensive.

This bill allows support programs to provide payment on behalf of the patient and payments would be allowable toward the participant's deductible.

At the present time, under a Medicare Advantage Plan, third-party assistance programs are not allowable toward a deductible. This bill would allow application of third-party assistance programs toward a deductible if there is no generic available.

SENATOR NEAL:

How would a coupon prescription card apply in this situation?

MS. FEDERIZO:

A coupon prescription card is often used for an upfront discount on retail medication purchases. The cost of medication with Good RX for one of my patients is \$3,953.90. These drugs are not affordable through any discount mechanism other than to have patient support systems or manufacturer's copayment assistance. Without these systems, the patient often encounters a \$12,000 deductible at the beginning of each year. Many families cannot afford this deductible.

Additionally, copayment accumulators spread deductibles out over the course of the year, and the patient never meets the deductible. In this case, they are also not able to afford the medication.

ELIZABETH DITTENBER (Executive Director, National Hemophilia Foundation):
I testify in support of S.B. 171 and the proposed amendment. The mail-order restriction is a barrier to families who require drugs on a timely basis. The accumulator adjuster policy is a threat to patients who require certain drugs to live.

Many families have reached out to us when facing these barriers.

STEPHANIE AND LOGAN KENNEDY:
There will be two of us speaking. Our son was diagnosed with severe hemophilia at seven weeks of age. We have submitted written testimony ([Exhibit J](#)).

TOM MCCOY (Nevada Chronic Care Collaborative):
Several states have responded to the financial challenges of the evolving copay requirements by enacting legislation similar to S.B. 171. We have provided a detailed letter, [Exhibit H](#), to the Committee and support the amendment.

BILL HEAD (Pharmaceutical Care Management Association):
Pharmaceutical Care Management Association is a national trade association. The pharmacy benefit manager (PBM) is a third-party administrator of prescription drug programs and manages the prescription drug benefit for more than 260 million Americans.

Pharmacy benefit managers contract with commercial health plans, self-insured employer plans, union plans, Medicare Part D plans and state and federal plans. Nevada's Medicaid program and the State employee program is contracted with PBM.

Pharmacy benefit managers are expected to save consumers and sponsors \$1 trillion over the next ten years.

In Nevada, PBMs are projected to save payers and consumers \$8 billion over ten years. In Nevada, PBMs are projected to save payers and patients \$480 million by offering health plan sponsored mail-order delivery.

Mail order is a plan benefit design. Pharmacy benefit managers do not dictate if mail order is a benefit or not. Mail order is decided by the plan sponsor. Pharmacy benefit managers only administer plan benefit designs; they do not impose mandates or requirements.

Savings are made because mail-order pharmacies are able to obtain prescription drugs from wholesalers in volumes smaller pharmacies cannot. Those savings are passed on to payers and patients.

Mail-order pharmacies also tend to have higher adherence rates because mail-order drugs are maintenance drugs, typically allergy medications or those medications a patient will be on for a year or so.

We are in opposition to S.B. 171 and copay coupons. In response to Senator Lange's question on Medicare and Medicaid, coupons are specifically prohibited because PBMs realize the coupons would add to the total cost of the program.

We do not have copay coupons on the medical services side because they are an illegal inducement to care. Coupons only exist when there are competing brands in the same therapeutic class. Sole source drugs do not offer coupons because they have no competition.

An individual patient may be helped by coupons. It is difficult not to be empathetic to this; however, they will end up raising the cost for everyone under that particular health plan. We testify in opposition to S.B. 171 as well as the proposed amendment.

TOM CLARK (Nevada Association of Health Plans):

Our association is made up of private insurance carriers in the State. We represent 19 percent of the market.

We testify in opposition to S.B. 171 and the proposed amendment. The convenience, cost savings and reliability of prescriptions provided by mail far outweigh the potential negatives presented today.

It is simply not realistic to think retail pharmacies, especially those in rural Nevada, can keep many of these important medications on their shelves.

Whether they are sent to a pharmacy or sent to a patient, prescriptions arrive by some sort of parcel delivery company.

I was raised in rural Nevada, and I would argue that a snowstorm will keep patients from getting to a pharmacy more than a package being delivered to their home.

We also echo the testimony of Mr. Head.

LAURA RICH (Executive Officer, Public Employees' Benefit Program):

I testify neutral to S.B. 171 because our Board has not had an opportunity to review this bill.

The Public Employees' Benefit Program (PEBP) has determined the elimination of the mail-order requirement would reduce discounts and rebates to the prescription plan. Drug pricing and rebates are not as favorable through retail pharmacies as they are to PBMs.

The potential shift to retail prescriptions modeled by PEBPs pharmacy benefit manager estimates a \$318,000 annual cost impact to PEBP. We are also concerned new members of PEBP will choose a retail pharmacy over a mail-order pharmacy.

The Public Employees' Benefit Program will review the conceptual amendment. We anticipate this will have a fiscal impact to the Program.

KENT ERVIN (Nevada Faculty Alliance):

I was prepared to testify in support of S.B. 171, but due to the proposed amendment, I will testify as neutral. We need to know how the amendment will affect PEBP. The amendment may also affect the calculation of accumulators.

Many of our participants like the mail delivery option for prescriptions. There are certain cases where the mail delivery option is problematic. We support alternatives to prescriptions by mail order due to security and preservation of medications.

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DAVID OLSEN (Social Services Chief III, Division of Health Care Financing and Policy, Nevada Department of Health and Human Services):

The bill may conflict with the intent of A.B. No. 3 of the 31st Special Session. This bill allowed Nevada Medicaid to set up a Specialty Pharmacy Drug Program.

The Division of Health Care Financing and Policy is developing a specialty pharmacy which proposes mailing medications to recipients.

Passage of S.B. 171 reduces a barrier for those who would prefer to obtain medications through a pharmacy or have difficulties with reliable mail service. However, mailing drugs is a tool to increase access to prescription drugs while containing costs and would limit Nevada Medicaid from establishing a Specialty Pharmacy Drug Program as a means to contain costs.

CHAIR SPEARMAN:

How would this bill affect veterans?

SENATOR HARDY:

Mail-order pharmacies save money for everyone except those that need the medications. While this bill is not as simple as it appears, we can save children and protect those who need medications.

SENATOR PICKARD:

Do we have losses in prescription medicine due to theft or improper handling?

SENATOR HARDY:

Mail-order distribution centers have procedures to protect delicate prescriptions.

SENATOR LANGE:

May we get advice from legal counsel regarding a possible conflict with S.B. 171 and A.B. No. 3 of the 31st Special Session?

CHAIR SPEARMAN:

Yes, we will ask legal counsel to respond to this concern.

MS. FEDERIZO:

In regard to A.B. No. 3 of the 31st Special Session, we have worked with the Department of Health and Human Services. They are part of the Specialty Pharmacy Drug Program. The Hemostasis & Thrombosis Center of Nevada is

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one of few offices that is open to the public. This legislation is not built to eliminate mail order as an option but to offer another option.

CHAIR SPEARMAN:

We will close the hearing on S.B. 171 and introduce BDR 53-1010.

BILL DRAFT REQUEST 53-1010: Revises provisions relating to certain businesses. (Later introduced as [Senate Bill 386](#).)

SENATOR LANGE MOVED TO INTRODUCE BDR 53-1010.

SENATOR NEAL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SPEARMAN:

We will now open the hearing on S.B. 184.

SENATE BILL 184: Revises provisions relating to the practice of medicine.
(BDR 54-25)

SENATOR JOSEPH P. HARDY (Senatorial District No. 12):

Senate Bill 184 revises provisions relating to the practice of medicine, particularly revising provisions related to physicians assistants. This bill also proposes physicians with two years of graduate medical education may be issued a license to practice medicine.

Physicians who commit to practicing in Nevada may have their medical license issued after two years of postgraduate residency training. Foreign medical graduates must complete three years of postgraduate residency to receive a medical license.

In emergencies, physician assistants may provide medical assistance without supervision from his or her supervising physician.

Osteopathic physicians may refuse to supervise a physician assistant.

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Senate Bill 184 mirrors *Nevada Revised Statutes* 630 through 633 in defining supervision. The bill also limits the number of physician assistants a physician may supervise.

The bill allows physician assistants to use the title "inactive physician assistant." No fees will be applied to these physician assistants.

Supervising physicians must review the charts of patients of a physician assistant.

A list of all licensed physician assistants will be provided to the Board of Medical Examiners.

The bill requires services performed by a physician assistant be within the scope of practice of the supervising physician.

The Nevada Academy of Physician Assistants (NAPA) has submitted a document listing sections of the bill as acceptable, questionable or unfavorable. They will provide a summary to the Committee; however, the document is not ready at this time.

SENATOR NEAL:

How is staffing of physician assistants handled in Federally Qualified Health Centers?

SENATOR HARDY:

Physician assistants are supervised by physicians, and NAPA has requested section 5, subsection 8 be omitted from S.B. 184.

DAVID DAZLICH (Vegas Chamber):

We support care providers in the State and are in support of S.B. 184.

SUSAN FISHER (State Board of Osteopathic Medicine):

We testify neutral on S.B. 184 and are working with the sponsor of the bill. We are concerned about section 29 because it requires a supervising physician to review 10 percent, or 100 charts of the physician assistant's (PA) patient charts for the first 90 days. There is no requirement for further review. We are concerned the standard of care will be reduced because the charts are not under review.

Section 43 allows the PA to be placed on inactive status without a fee. We question why physicians are required to pay a fee to be put on inactive status and PAs are not.

KEITH LEE (Board of Medical Examiners):

The Board of Medical Examiners has not had an opportunity to discuss this bill and therefore testify as neutral. I have submitted written testimony ([Exhibit K](#)) and the Legislative history of S.B. No. 64 of the 63rd Session ([Exhibit L](#)).

CHAIR SPEARMAN:

Senate Bill 184 has brought to light the shortage of medical providers in the State. Is this bill intended to raise the ratio of medical providers to citizens? Are there any penalties for those licensed under the new provisions who leave the State?

SENATOR HARDY:

No penalties are applied to those licensed under the new provisions who leave the State.

I have provided a list of the required years of postgraduate medical training in each state ([Exhibit M](#)). We have created the shortage of medical providers in our State. Only three states require three years of medical residency training. Thirty-two states require one year of medical residency training and fourteen states require two years of residency training.

Forty-six states require less medical training than Nevada, and none of these states are eligible to practice in Nevada. This bill will directly help more physicians practice in this State.

CHAIR SPEARMAN:

We will close the hearing on S.B. 184 and open the hearing on S.B. 280.

SENATE BILL 280: Revises provisions relating to the Real Estate Commission.
(BDR 54-247)

SENATOR MELANIE SCHEIBLE (Senatorial District No. 9):

It is my pleasure to present S.B. 280 which aims to expand competing interests within the membership of the Real Estate Commission.

States exercise broad authority over professionals to protect the public from unethical or incompetent practices. In doing so, states are also uniquely tasked with ensuring that occupational licensing policies do not unduly inhibit economic growth, prevent workforce mobility or disproportionately limit opportunities for certain individuals.

Unfortunately, the industry domination of occupational licensing boards is a problem. When industry members create standards for entry in their profession, they have an incentive to implement burdensome requirements and protect themselves from the competition.

As a result of the *North Carolina State Board of Dental Examiners v. Federal Trade Commission* Supreme Court of the United States case from 2015, states have a renewed interest in ensuring licensing boards do not implement policies that create the perception of protectionism or antitrust liability concerns.

In the North Carolina case, the Supreme Court established a two-part test to determine whether a board controlled by market participants is immune from antitrust claims. To claim immunity from antitrust, the state's board composition requirement must serve a state policy goal and a given board's activities must be subject to active supervision by the state.

In Nevada, 83 percent of occupational licensing boards are required by law to have a majority of members who are license holders. Instead of monopolized boards, we should structure our boards to include a broad array of experience, knowledge and concern for the public's interests. Licensing boards should include consumer representatives and experts familiar with the economic literature on licensure.

Therefore, S.B. 280 expands the makeup of the Real Estate Commission to include consumer rights advocates, or an employee of an organization that provides affordable housing or an employee of an affordable housing entity.

Nevada has been facing an affordable housing crisis for some time. According to the United States Census Bureau, 35 percent of Nevada households spend more than 30 percent of their income on housing and are considered housing cost burdened.

According to the National Low Income Housing Coalition, 80 percent of extremely low-income renters in Nevada are severely cost-burdened. If the

Real Estate Commission includes consumer and housing advocates as members, those experiencing a need for affordable housing will be represented.

I will now review the provisions of S.B. 280. I am going to discuss the bill's sections slightly out of order, beginning with sections 1 and 3. These sections increase the number of members appointed to the Real Estate Commission from five to seven. One of the new members must be a representative of Clark County and the other a representative of Washoe County.

Section 5 requires the Governor to appoint the two new members to the Commission as soon as practicable after July 1, 2021. Section 5 also provides the length of terms for the new appointments and that these terms do not apply to computing the years' consecutive service cap that applies to members of the Commission.

Section 2 expands the qualifications of persons appointed to the Commission. This section allows a person who is a legal resident of the United States to be eligible, not only a person who is a citizen.

Section 2 also includes that members be real estate brokers or real estate broker-salespeople practicing for a specific time in this State.

Members of the Commission must advocate for the right of a consumer and must be an employee of an organization that provides affordable housing or an affordable housing entity. The affordable housing entity includes a housing authority, a nonprofit organization or a company engaged in providing affordable housing. These entities must be affiliated with a housing authority.

I urge your support of S.B. 280.

SENATOR PICKARD:

Has the Real Estate Commission done a poor job? What is the reason for the bill? How does the Commission interact with developers?

SENATOR SCHEIBLE:

Senate Bill 280 does not suggest the Real Estate Commission has done a poor job. The bill simply ensures good policy practices.

It was brought to my attention the Nevada Real Estate Commission is regulated entirely by people who hold real estate broker or sales licenses. It is considered a best practice for every regulatory body to have some members who are not members of the same industry.

In Nevada, we have a serious housing availability crisis. The people involved in the housing market have a responsibility not only to their profession but to members of the public.

If the Commission is more diversified, the public will know the Commission is not only an industry advocate but a consumer advocate.

SENATOR PICKARD:

The purpose of the boards in our State is to protect the consumer. All boards are consumer advocates.

Why do we need a nonexpert on the Real Estate Commission? We have worked for many years to get skilled experts on the boards in Nevada. What impact do you expect if we change the makeup of the Commission?

SENATOR SCHEIBLE:

We are not removing any current members of the Real Estate Commission; we are adding two new members, a consumer advocate and a person with experience in affordable housing.

The impact will hopefully ensure the Commission is invested in the best interests of the public.

SENATOR PICKARD:

What are the qualifications of the advocates?

SENATOR SCHEIBLE:

While the Real Estate Commission does not oversee developers, it does oversee real estate brokers and salespeople. Those brokers and salespeople should be involved in affordable housing issues.

The two new members to the Commission must be appointed by the Governor.

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CHAIR SPEARMAN:

Is it your intent to ensure systematic racism does not exist?

SENATOR SCHEIBLE:

The highest purpose of S.B. 280 would be to contribute to a reduction in systemic racism.

CHAIR SPEARMAN:

An amendment stating this intent might be helpful.

BEN SCHEIBLE:

I am speaking in support of S.B. 280. I hope to eliminate regulatory capture and industry dominance. The purpose of regulating the real estate profession is to protect consumers.

Nevada has one of only four real estate regulatory bodies in the Nation without any public representation. Within Nevada, there are approximately 35 regulatory bodies, and the Real Estate Commission is one of only three regulatory bodies with no public representation.

Under current statute, all five members of the Real Estate Commission must be real estate licensees. This is a classic example of regulatory capture. This problem was common in the nineteenth century. It is time for the Real Estate Commission to step into the twenty-first century.

Senator Scheible referred to this change as a best practice, and I can see this change systematically permeate the regulatory bodies.

The Consumer Federation of America rates real estate regulatory bodies and the information they provide to consumers. Nevada's Real Estate Commission scored poor, the lowest possible rating in a recent report. Information to the public, if available at all, is deeply buried within the Real Estate Commission's website. The site serves real estate licensees instead of serving the public.

While specialized knowledge is required for real estate, other boards under Title 54 of the United States Code have some sort of public representation.

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This bill has been carefully crafted to involve public representation where it is needed most; consumer advocacy and affordable housing. I urge you to support S.B. 280.

PAUL CATHA (Culinary Workers Union Local 226):
Having advocates for consumer rights and affordable housing on the Real Estate Commission is long overdue.

The Covid-19 pandemic has emphasized the problem of housing insecurity for working families. A consumer rights and affordable housing advocate on the Commission will help working families stay in their homes when the next crisis occurs. We testify in support of S.B. 280.

GILLIAN BLOCK (Nevada Coalition of Legal Service Providers):
Adding an affordable housing and consumer rights advocate will add diversity to the Commission and ensure housing needs are prioritized and consumer concerns are given the weight they deserve. We testify in support of S.B. 280.

BENJAMIN CHALLINOR (Faith in Action Nevada):
We testify in support of S.B. 280 and echo the testimony of others in support of this bill. It is important to have someone on the Commission advocating for consumers.

SHARATH CHANDRA (Administrator, Real Estate Division, Department of Business and Industry):
I am here to answer any questions the Committee may have.

CHAIR SPEARMAN:
What is the diversity of the Real Estate Commission?

SENATOR SCHEIBLE:
There is an opportunity to add diversity to the Commission.

CHAIR SPEARMAN:
We will now close the hearing on S.B. 280 and introduce BDR 54-515.

BILL DRAFT REQUEST 54-515: Revises provisions governing the practice of homeopathic medicine. (Later introduced as [Senate Bill 388](#).)

SENATOR HARDY MOVED TO INTRODUCE BDR 54-515.

SENATOR SCHEIBLE SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR PICKARD WAS EXCUSED FOR THE VOTE.)

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CHRISTOPHER DALY (Nevada State Education Association):

I wish to thank the members of DETR, Governor Steve Sisolak and this Committee for their consideration of education support professionals during the pandemic.

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CHAIR SPEARMAN:
We adjourn the hearing at 10:41 a.m.

RESPECTFULLY SUBMITTED:

Kim Cadra-Nixon,
Committee Secretary

APPROVED BY:

Senator Pat Spearman, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
S.B. 75	B	1	Cesar Melgarejo	Work Session Document
S.B. 145	C	1	Cesar Melgarejo	Work Session Document
S.B. 179	D	1	Cesar Melgarejo	Work Session Document
S.B. 181	E	1	Cesar Melgarejo	Work Session Document
S.B. 245	F	1	Cesar Melgarejo	Work Session Document
S.B. 171	G	1	Amber Federizo / Nevada Rare Disease Advisory Council; Hemostasis & Thrombosis Center of Nevada	Written Testimony
S.B. 171	H	1	Senator Joseph P. Hardy	Support Letter by Nevada Chronic Care Collaborative
S.B. 171	H	1	Tom McCoy / Nevada Chronic Care Collaborative	Support Letter
S.B. 171	I	1	Amber Federizo / Nevada Rare Disease Advisory Council; Hemostasis & Thrombosis Center of Nevada	Conceptual Amendment for Senator Joseph P. Hardy
S.B. 171	J	1	Stephanie and Logan Kennedy	Written Testimony
S.B. 184	K	1	Keith Lee / Board of Medical Examiners	Neutral Statement
S.B. 184	L	1	Keith Lee / Board of Medical Examiners	Legislative History of S.B. No. 64 of the 63rd Session
S.B. 184	M	1	Senator Joseph P. Hardy	Required Years of Postgraduate Medical Training