

**MINUTES OF THE MEETING OF THE
SENATE COMMITTEE ON FINANCE
AND
ASSEMBLY COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEES ON HUMAN SERVICES**

**Eighty-first Session
April 29, 2021**

The joint meeting of the Subcommittees on Human Services of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Daniele Monroe-Moreno at 6:11 p.m. on Thursday, April 29, 2021, Online and in Room 3137 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Julia Ratti, Chair
Senator Nicole J. Cannizzaro
Senator Marilyn Dondero Loop
Senator Ben Kieckhefer
Senator Scott Hammond

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Chair
Assemblywoman Teresa Benitez-Thompson, Vice Chair
Assemblywoman Maggie Carlton
Assemblyman Jason Frierson
Assemblyman Tom Roberts
Assemblywoman Robin L. Titus
Assemblywoman Jill Tolles
Assemblyman Howard Watts

STAFF MEMBERS PRESENT:

Alex Haartz, Principal Deputy Fiscal Analyst
Brody Leiser, Principal Deputy Fiscal Analyst
Nancy Morris, Program Analyst
Christian Thauer, Program Analyst

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 2

Joko Cailles, Committee Secretary
Barbara Williams, Committee Secretary

OTHERS PRESENT:

Lisa Sherych, Administrator, Division of Public and Behavioral Health,
Department of Health and Human Services
Shelly Hendren, Administrator, Rehabilitation Division, Department of
Employment, Training and Rehabilitation

CHAIR MONROE-MORENO:

We will hear budget accounts for the Department of Health and Human Services, Division of Public and Behavioral Health (DPBH) and the Department of Employment, Training and Rehabilitation (DETR) as described in Human Services Joint Closing List #7 ([Exhibit B](#)).

CHRISTIAN THAUER (Program Analyst):

The first budget is budget account (B/A) 101-3153, the Nevada Central Cancer Registry (NCCR), beginning on page 3 of [Exhibit B](#).

HUMAN SERVICES

PUBLIC AND BEHAVIORAL HEALTH

HHS-DPBH - Nevada Central Cancer Registry — Budget Page DHHS-DPBH-30
(Volume II)

Budget Account 101-3153

There are two major closing issues. Major closing issue 1 is decision unit E-226 and described on pages 4 and 5 of [Exhibit B](#).

E-226 Efficiency & Innovation — Page DHHS-DPBH-33

The Governor recommends increased fee revenues applied to the registration and renewal application of a radiation machine, mammography machine, healthcare facility and medical laboratory. The fee increase would be 6 percent and would support the NCCR.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 3

During the February 23 budget hearing, the Agency stated the recommended measure would ensure the NCCR would remain solvent and fully functional and that the fee increase would not negatively affect cancer-related data reporting.

The recommended new revenue for the NCCR is dependent upon passage and approval of Assembly Bill (A.B.) 471.

ASSEMBLY BILL 471: Revises provisions relating to the system for reporting information relating to cancer and other neoplasms. (BDR 40-1082)

ASSEMBLYWOMAN CARLTON MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE INCREASED FEE REVENUES OF \$231,963 IN FISCAL YEAR (FY) 2021-2022 AND \$222,999 IN FY 2022-2023 IN B/A 101-3153 TO SUPPORT THE NCCR CONTINGENT UPON PASSAGE AND APPROVAL OF ENABLING LEGISLATION AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLYWOMAN TITUS:

I will be voting no on this decision unit based on how it will be funded.

ASSEMBLYWOMAN CARLTON:

Funding the NCCR has been an ongoing issue. We have been telling the DPBH it needed to find an alternative funding source, and this is the result. Some of the alternatives we felt were worse and might result in underreporting. This was the best compromise.

ASSEMBLY: THE MOTION CARRIED. (ASSEMBLYWOMAN TITUS VOTED NO.)

SENATE: THE MOTION CARRIED. (SENATOR RATTI WAS EXCUSED FOR THE VOTE.)

* * * * *

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 4

MR. THAUER:

Major closing issue 2 is decision unit E-225, discussed on page 5 of [Exhibit B](#). The Governor recommends expending \$198,317 in fee funding for two new health program specialist I positions in FY 2022-2023.

E-225 Efficiency & Innovation — Page DHHS-DPBH-32

The recommended positions would be funded with the newly approved fees in the previous motion. Therefore, this enhancement is dependent upon passage and approval of the enabling legislation.

ASSEMBLYWOMAN CARLTON MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE \$198,317 IN B/A 101-3153 OF FEE-BASED REVENUES TO FUND TWO NEW HEALTH PROGRAM SPECIALIST POSITIONS IN FY 2022-2023 AS RECOMMENDED BY THE GOVERNOR AND CONTINGENT UPON APPROVAL OF DECISION UNIT E-226 AND UPON PASSAGE AND APPROVAL OF ENABLING LEGISLATION.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR RATTI WAS EXCUSED FOR THE VOTE.)

* * * * *

MR. THAUER:

There are four other closing items, seen on page 6 of [Exhibit B](#), all of which appear reasonable to Fiscal staff.

ASSEMBLYWOMAN CARLTON MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 4 IN B/A 101-3153 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 5

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR RATTI WAS EXCUSED FOR THE VOTE.)

* * * * *

MR. THAUER:

The next budget, beginning on page 7 of [Exhibit B](#), is B/A 101-3190, Health Statistics and Planning.

HHS-DPBH - Health Statistics and Planning — Budget Page DHHS-DPBH-36
(Volume II)
Budget Account 101-3190

There are two first major closing issues. Major closing issue 1 is decision unit E-550, detailed on page 8 of [Exhibit B](#).

E-550 Technology Investment Request — Page DHHS-DPBH-38

The Governor recommends the use of approximately \$1.4 million in fee reserve funds in FY 2022-2023 for an upgrade of the cloud-based Vital Records System. The existing system is outdated, potentially insecure and time-consuming. The recommended update is needed to avoid security breaches and for efficiency gains.

During the February 23 budget hearing, the DBPH testified that the recommended upgrade would not result in any fee increases. An updated vendor quote of \$1.3 million was provided.

ASSEMBLYWOMAN CARLTON MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE USE OF APPROXIMATELY \$1.3 MILLION IN RESERVE FUNDS IN B/A 101-3190 IN FY 2022-2023 FOR AN UPGRADE OF THE CLOUD-BASED VITAL RECORDS SYSTEM.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 6

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR RATTI WAS EXCUSED FOR THE VOTE.)

* * * * *

MR. THAUER:

Major closing issue 2 for B/A 101-3190 is the reclassification of positions. The Governor recommends the reclassification of five administrative assistant I full-time equivalent (FTE) positions to five administrative assistant II FTE positions for a total cost of \$43,551 fee-based revenues over the 2021-2023 biennium.

The recommended reclassification ensures proper position classification in view of the complexity of duties and tasks fulfilled by these positions. Please note the Department of Administration's Division of Human Resource Management (DHRM) has not as yet reviewed the recommended reclassifications. Approval of the funding for this request should be made contingent upon the ultimate approval by DHRM. This is due to a new standard operating procedure in this Session that evaluation by DHRM is done after legislative approval of a reclassification.

ASSEMBLYWOMAN CARLTON MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ALLOCATION OF \$43,551 IN ADDITIONAL FEE REVENUES IN B/A 101-3190 OVER THE 2021-2023 BIENNIUM CONTINGENT UPON DHRM APPROVAL OF THE RECLASSIFICATION OF FIVE ADMINISTRATIVE ASSISTANT I FTE TO FIVE ADMINISTRATIVE ASSISTANT II FTE AND TO APPROVE OTHER CLOSING ITEMS 1 THROUGH 3 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 7

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

Environmental Health Services, B/A 101-3194, begins on page 11 of [Exhibit B](#).

HHS-DPBH - Environmental Health Services — Budget Page DHHS-DPBH-42
(Volume II)
Budget Account 101-3194

The only major closing issue, described on page 12 of [Exhibit B](#), recommends the elimination of three vacant positions to address solvency concerns and to guarantee minimum reserve levels of 30 days of operating expenditures.

ASSEMBLYWOMAN MONROE-MORENO:

Could we avoid eliminating these positions, knowing we have funds coming from the American Rescue Plan Act of 2021?

MR. THAUER:

The Subcommittees may wish to consider a two-part motion, which would allow the Subcommittee to preliminarily approve the use of federal funds to restore funding for the positions recommended for elimination. This would be consistent with actions taken on April 1 by the Senate Committee on Finance and the Assembly Committee on Ways and Means, known as the money committees, for other position reduction measures recommended by the Governor. This would be brought to the money committees on May 3, when the Statewide closing decisions are considered.

CHAIR RATTI:

It seems these positions are situated differently than the one in the mass motion on April 1. We can do a similar motion for these positions. These positions are in public health environmental services and primarily ensure the safety of patrons of the restaurant industry. The Covid-19 pandemic has caused many

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 8

shifting responsibilities for these specialists. This is not the right time to have vacancies in this program.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE ELIMINATION OF THREE POSITIONS IN B/A 101-3194 FOR AN INCREASE IN RESERVE LEVELS OF \$209,027 IN FY 2021-2022 AND \$218,380 IN FY 2022-2023 AS RECOMMENDED BY THE GOVERNOR AND RECOMMEND THE FULL MONEY COMMITTEES PRELIMINARILY APPROVE RESTORING THESE THREE ELIMINATED POSITIONS BEGINNING OCTOBER 1, 2021, WITH THE AMERICAN RESCUE PLAN CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUND AUTHORIZATIONS OF \$156,770 IN FY 2021-2022 AND \$218,380 IN FY 2022-2023 WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AND BRING FINAL RECOMMENDATIONS REGARDING THE POSITION RESTORATIONS TO THE FULL MONEY COMMITTEES AT THE STATEWIDE DECISIONS CLOSING ON MAY 3, 2021.

SENATOR DONDERO LOOP SECONDED THE MOTION.

SENATOR KIECKHEFER:

Will we be making this same decision throughout the Division budgets today?

CHAIR RATTI:

It is specific to these positions.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

There are three other closing items on page 12 of [Exhibit B](#) which appear reasonable to Fiscal staff.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 9

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 3 IN B/A 101-3194 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

The next budget is B/A 101-3213, Immunization Program, beginning on page 13 of [Exhibit B](#).

HHS-DPBH - Immunization Program — Budget Page DHHS-DPBH-48 (Volume II)
Budget Account 101-3213

There is one major closing issue on page 14 of [Exhibit B](#), the conversion of one contracted federal-grant funded health program officer position to a full-time permanent State health program specialist. Federal grants would fund the newly created position. The Agency states it expects to receive sufficient federal grant funding for the position in perpetuity.

The recommendation reflects additional core requirements under the grant. The new requirements include influenza planning and the increase in immunization coverage rates in adolescents and adults in Nevada.

There are four other closing items detailed on page 15 of [Exhibit B](#) which appear reasonable to Fiscal staff.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE CONVERSION OF A CONTRACTED FULL-TIME HEALTH PROGRAM OFFICER POSITION TO A

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 10

FULL-TIME STATE HEALTH PROGRAM SPECIALIST I POSITION AND
APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 4 IN B/A 101-3213
AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL
STAFF TO MAKE TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

Budget account 101-3216, Health Care Facilities Regulation, begins on page 17
of [Exhibit B](#).

HHS-DPBH - Health Care Facilities Reg — Budget Page DHHS-DPBH-65
(Volume II)

Budget Account 101-3216

There are two major closing issues in this budget. Major closing issue 1 on
page 18 is decision unit E-225, a new Infection Prevention Unit.

E-225 Efficiency & Innovation — Page DHHS-DPBH-68

The Governor recommends adding four new positions to this budget for the
creation of a new Infection Prevention Unit. This measure is a proactive
approach to infectious disease prevention in healthcare facilities, where the
most vulnerable Nevadans reside. The newly created unit would be funded
primarily with fees in the reserve. The Agency is confident it will have sufficient
funds available for this measure.

Fiscal staff recommends a technical adjustment to ensure proper funding
support.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 11

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE CREATION OF A NEW INFECTIOUS DISEASE UNIT IN B/A 101-3216 WITH FOUR NEW HEALTH PROGRAM SPECIALIST POSITIONS AT A COST OF \$289,511 IN FY 2021-2022 AND \$389,046 IN FY 2022-2023 AS RECOMMENDED BY THE GOVERNOR AND WITH THE NOTED TECHNICAL ADJUSTMENT ON PAGE 19 OF [EXHIBIT B](#).

SENATOR DONDERO LOOP SECONDED THE MOTION.

CHAIR RATTI:

Since we know how high the fatalities were in healthcare facilities in the pandemic, this is important work, and I am grateful to see it.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

Major closing issue 2 in B/A 101-3216 is decision unit E-680, described on pages 19 and 20 of [Exhibit B](#). The Governor recommends the substitution of General Funds, which in this budget are limited in use to community-based living arrangement (CBLA) inspections and certifications, with reserve funds for General Fund savings of \$125,060 over the 2021-2023 biennium.

E-680 Staffing and Operations — Page DHHS-DPBH-69

The General Fund reductions, according to the DPBH, will not prevent CBLA inspections from being conducted as legislatively approved and intended.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

Will the Division still be able to comply with the CBLA inspection schedules?

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 12

LISA SHERYCH (Administrator, Division of Public and Behavioral Health,
Department of Health and Human Services):
Yes.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO
THE FULL COMMITTEES APPROVAL OF THE SUBSTITUTION OF
GENERAL FUNDS WITH RESERVED FEE FUNDS FOR GENERAL FUND
SAVINGS TOTALING \$125,060 OVER THE 2021-2023 BIENNIUM IN
B/A 101-3216 AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

There are six other closing items for B/A 101-3216 described on page 20 of [Exhibit B](#). Other closing item 6 is a technical adjustment to the base budget. According to updated information, fee-based revenues are projected to be \$1 million higher than initially anticipated in FY 2021-2022 and \$487,615 higher in FY 2022-2023. The technical adjustment aligns budgeted revenues and reserve levels with the updated projections.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO
THE FULL COMMITTEES APPROVAL OF OTHER CLOSING
ITEMS 1 THROUGH 5 IN B/A 101-3216 AS RECOMMENDED BY THE
GOVERNOR AND APPROVAL OF OTHER CLOSING ITEM 6 TO BE
CLOSED AS A TECHNICAL ADJUSTMENT WITH AUTHORITY FOR
FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS
NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 13

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

The next budget is B/A 101-3219, Biostatistics and Epidemiology, beginning on page 21 of [Exhibit B](#).

HHS-DPBH - Biostatistics and Epidemiology — Budget Page DHHS-DPBH-85
(Volume II)
Budget Account 101-3219

There are three major closing issues, found on page 22 of [Exhibit B](#). Major closing issue 1 is General Fund reductions in decision units E-680 and E-681.

E-680 Staffing and Operations — Page DHHS-DPBH-89
E-681 Staffing and Operations — Page DHHS-DPBH-89

To reduce General Fund appropriations, the Governor recommends the substitution of \$41,586 in General Funds with federal grant funds over the 2021-2023 biennium.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE SUBSTITUTION OF GENERAL FUNDS WITH FEDERAL GRANT FUNDS FOR GENERAL FUND REDUCTIONS TOTALING \$41,586 OVER THE 2021-2023 BIENNIUM IN B/A 101-3219 AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 14

MR. THAUER:

Major closing issue 2 concerns the transfer of the HIV Surveillance Program and supporting funds to the Communicable Diseases budget, B/A 101-3215.

HHS-DPBH - Communicable Diseases — Budget Page DHHS-DPBH-59
(Volume II)
Budget Account 101-3215

The recommended transfer would integrate all HIV/AIDS-related services under one budget account for efficiency gains.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE TRANSFER OF THE HIV SURVEILLANCE PROGRAM IN B/A 101-3219 TO B/A 101-3215, INCLUDING TWO PERMANENT POSITIONS AND PROGRAM EXPENDITURES TOTALING \$523,580 IN FY 2021-2022 AND \$521,889 IN FY 2022-2023 AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

Major closing issue 3, beginning on page 23 of [Exhibit B](#), concerns the Governor's recommendation to add Covid-19 federal grant funds pursuant to Budget Amendment No. A215753219 ([Exhibit C](#)). Since the outbreak of the pandemic, the Biostatistics and Epidemiology program is part of the State's coordinating and managing team of agencies that plans and implements the Statewide public health response. The Governor's budget amendment would add significant federal epidemiology and laboratory capacity for infectious disease centers for Disease Control and Prevention (CDC) cooperative agreement Covid-19 component grant funds to this budget to support its efforts

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 15

to coordinate a public health response to the coronavirus crisis. The grant funds would have to be expended before July 31, 2023.

ASSEMBLYWOMAN TITUS:

We need these funds. When the federal funds run out, will the State be obligated to fund the positions in this program?

MR. THAUER:

There are no permanent State positions funded directly through these federal funds. They are put into a special use category. Much of the funding will go to counties and other entities that organize the public health response in the State.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF BUDGET AMENDMENT NO. A215753219 IN B/A 101-3219 WHICH ADDS \$58.4 MILLION IN FEDERAL CDC EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASE COVID-19 COMPONENT GRANT FUNDS IN FY 2021-2022 AND \$78.3 MILLION IN FY 2022-2023.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

There are seven other closing items detailed on page 24 of [Exhibit B](#) which all seem reasonable to Fiscal staff.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 7 IN B/A 101-3219 AS RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 16

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

The next budget is B/A 101-3220, Chronic Disease, beginning on page 25 of [Exhibit B](#).

HHS-DPBH - Chronic Disease — Budget Page DHHS-DPBH-97 (Volume II)
Budget Account 101-3220

There are two major closing issues in this budget. Major closing issue 1 concerns the continuation of additional funding for the Women's Health Connection program with \$500,000 in General Fund appropriations in each year of the 2021-2023 biennium.

During the budget hearing on February 23, the Agency provided detailed information on the program's services over the past biennium, which is summarized on page 26 of [Exhibit B](#).

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE ALLOCATION OF \$500,000 IN GENERAL FUND APPROPRIATIONS IN B/A 101-3220 IN EACH YEAR OF THE 2021-2023 BIENNIUM FOR THE CONTINUATION OF BREAST CANCER EARLY DETECTION SERVICES TO WOMEN AGES 40 TO 49 AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 17

MR. THAUER:

Major closing issue 2 is decision unit E-226, described on pages 27 and 28 of [Exhibit B](#). The Governor recommends a new funding mix and structure for the State Program for Oral Health.

E-226 Efficiency & Innovation — Page DHHS-DPBH-101

The State Dental Health Officer position would be included in the Division of Health Care Financing and Policy's Administration budget and be partially funded through Medicaid funds.

HEALTH CARE FINANCING AND POLICY

HHS-HCF&P - HCF&P Administration — Budget Page DHHS-DHCFP-14
(Volume II)
Budget Account 101-3158

The State part-time Public Health Dental Hygienist at the University of Nevada, Las Vegas, would continue to be supported in B/A 101-3220 with Fund for a Healthy Nevada allocations. The Agency testified the new funding mix and structure would provide a higher level of funding stability for the program.

There are five other closing items, detailed on page 28 of [Exhibit B](#), that appear reasonable to Fiscal staff. Other closing item 6 is a technical adjustment. During its December 18, 2020, meeting, the Interim Finance Committee (IFC) approved the acceptance and addition of \$200,000 in federal CDC funds for capacity building in the area of Alzheimer's disease and related dementias. The technical adjustment would make sure the grant is included in the base budget.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE ALLOCATION OF FUND FOR A HEALTHY NEVADA FUNDS OF \$92,119 IN FY 2021-2022 AND \$92,123 IN FY 2022-2023 TO SUPPORT THE CONTRACTED POSITION OF THE STATE PUBLIC HEALTH DENTAL HYGIENIST IN B/A 101-3220, APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 5 AS RECOMMENDED BY THE GOVERNOR, OTHER CLOSING ITEM 6 AS A TECHNICAL ADJUSTMENT DESCRIBED ON PAGE 28 OF [EXHIBIT B](#)

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 18

WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL
ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

SENATOR KIECKHEFER:

In the base budget technical adjustment, are we taking a federally funded position and moving it into base with the presumption we will fund it with State resources on an ongoing basis?

MR. THAUER:

The expectation is this position will continue to be funded with federal funds. It was part of the requirements of the capacity-building grant to create a position that coordinates the efforts of the Division in the area of Alzheimer's disease and related dementias. The DPBH anticipates there will be more grant funds available. The Agency indicated that, should funds not be available in the future, it would be able to eliminate the position.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

Budget account B/A 101-3222, Maternal Child and Adolescent Health Services, begins on page 29 of [Exhibit B](#).

HHS-DPBH - Maternal Child & Adolescent Health Svcs — Budget Page
DHHS-DPBH-107 (Volume II)
Budget Account 101-3222

There are two major closing issues. Major closing issue 1 is decision units E-225 and E-226, the transition of two contractor positions to two permanent positions.

E-225 Efficiency & Innovation — Page DHHS-DPBH-111

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 19

E-226 Efficiency & Innovation — Page DHHS-DPBH-111

The positions will fulfill the essential duties with respect to federal grant requirements and be entirely grant funded. The transition would result in General Fund reductions of \$66,206 in each year of the 2021-2023 biennium, as the positions are currently partially funded with General Fund appropriations.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE CONVERSION OF TWO CONTRACT POSITIONS TO TWO PERMANENT STATE POSITIONS IN B/A 101-3222 AS RECOMMENDED BY THE GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

Major closing issue 2 in B/A 101-3222 on page 31 of [Exhibit B](#) is decision unit E-550, a technology investment request.

E-550 Technology Investment Request — Page DHHS-DPBH-112

The Governor recommends allocating \$79,436 in federal grant funds in FY 2022-2023 to support the purchase of a new Early Hearing Detection and Intervention (EHDI) data management system.

The Agency testified that under the existing outdated system, data entry and system maintenance is costly, time consuming and prone to inaccuracies. The Agency expects to receive sufficient federal funding support for the new system and its maintenance in perpetuity.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF THE INVESTMENT OF \$79,436

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 20

IN B/A 101-3222 IN FY 2022-2023 FOR THE PURCHASE OF A NEW
EHD DATA MANAGEMENT SYSTEM AS RECOMMENDED BY THE
GOVERNOR.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

There are eight other closing items detailed beginning on page 32 of [Exhibit B](#). Other closing items 1 through 6 appear reasonable to Fiscal staff. Other closing item 7 was previously a major closing issue, the expansion of the Home Visiting Nurse Family Partnership Program with transferred funds from Temporary Assistance for Needy Families.

HHS-Welfare - TANF — Budget Page DHHS-DWSS-20 (Volume II)
Budget Account 101-3230

The expansion of the Program was approved by the IFC at its April 1, 2021, meeting. This other closing item, as recommended by the Governor, would guarantee the continuation of the expansion and fund it through the 2021-2023 biennium.

Other closing item 8 is the recommended transfer of the Office of Suicide Prevention from B/A 101-3222 to the Behavioral Health Prevention and Treatment budget, B/A 101-3170. This transfer requires a technical adjustment, described on page 33 of [Exhibit B](#).

HHS-DPBH - Behavioral Health Prev & Treatment — Budget Page
DHHS-DPBH-153 (Volume II)
Budget Account 101-3170

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 21

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 7 IN B/A 101-3222 AS RECOMMENDED BY THE GOVERNOR AND APPROVAL OF OTHER CLOSING ITEM 8 WITH THE NOTED TECHNICAL ADJUSTMENT AND WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

The next budget is B/A 101-3223, Office of Health Administration, beginning on page 35 of [Exhibit B](#).

HHS-DPBH - Office of Health Administration — Budget Page DHHS-DPBH-119
(Volume II)
Budget Account 101-3223

There are no major closing issues. There are six other closing items with technical adjustments, detailed on page 36 of [Exhibit B](#). The adjustment to other closing item 4 would ensure all the funds that support the position are transferred. Other closing item 5 is a technical adjustment to the base budget to align budgeted revenues with updated revenue projections. Other closing item 6 would ensure that two General Fund supported programs in this budget receive their approved support in FY 2022-2023.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 3 IN B/A 101-3223 AS RECOMMENDED BY THE GOVERNOR, APPROVAL OF OTHER CLOSING ITEM 4 WITH THE NOTED TECHNICAL ADJUSTMENT AND APPROVAL OF OTHER CLOSING ITEMS

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 22

5 AND 6 WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER
TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

The next budget is B/A 101-3224, Community Health Services beginning on
page 39 of [Exhibit B](#).

HHS-DPBH - Community Health Services — Budget Page DHHS-DPBH-126
(Volume II)
Budget Account 101-3224

There is one major closing issue, decision unit E-682. The Governor
recommends the substitution of General Funds with federal Social Security Act
Title X Family Planning grant funds for General Fund reductions of \$46,028 over
the 2021-2023 biennium.

E-682 Staffing and Operations — Page DHHS-DPBH-131

There are five other closing items, described on page 40 of [Exhibit B](#), which
appear reasonable to Fiscal staff.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO
THE FULL COMMITTEES APPROVAL OF THE SUBSTITUTION OF
GENERAL FUNDS WITH FEDERAL GRANT FUNDS FOR GENERAL FUND
REDUCTIONS OF \$46,028 OVER THE 2021-2023 BIENNIUM IN
B/A 101-3224 AND APPROVE CLOSING ITEMS 1 THROUGH 5 AS
RECOMMENDED BY THE GOVERNOR WITH AUTHORITY FOR FISCAL
STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 23

ASSEMBLYWOMAN CARLTON SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

MR. THAUER:

The next nine budgets have not been previously heard by the Subcommittees. Fiscal staff is responsible for developing closing recommendations and there are no major closing issues.

The first is B/A 101-3101, Radiation Control, beginning on page 43 of [Exhibit B](#). There are four other closing items that appear reasonable to Fiscal staff. There is one technical adjustment to the base budget which is the removal of costs associated with agency-owned vehicles.

HHS-DPBH - Radiation Control — Budget Page DHHS-DPBH-17 (Volume II)
Budget Account 101-3101

Budget account 101-3149, Child Care Services, begins on page 45 of [Exhibit B](#). There are three other closing items which appear reasonable to Fiscal staff.

HHS-DPBH - Child Care Services — Budget Page DHHS-DPBH-23 (Volume II)
Budget Account 101-3149

Moving on to Low-level Radioactive Waste Fund, B/A 251-3152, found on page 47 of [Exhibit B](#). There is one other closing item that appears reasonable to Fiscal staff.

HHS-DPBH - Low-level Radioactive Waste Fund — Budget Page DHHS-DPBH-27
(Volume II)
Budget Account 251-3152

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 24

Women, Infants and Children Food Supplement, B/A 101-3214, begins on page 49 of [Exhibit B](#). There are three other closing items that appear reasonable to Fiscal staff.

HHS-DPBH - WIC Food Supplement — Budget Page DHHS-DPBH-54 (Volume II)
Budget Account 101-3214

Communicable Diseases, B/A 101-3215, on page 51 of [Exhibit B](#), has four other closing items that seem reasonable to Fiscal staff.

The next budget is B/A 101-3217, Health Care Facilities Administration Penalty, beginning on page 53 of [Exhibit B](#). Fiscal staff recommends technical adjustments to the base budget's reserve levels of \$222,796 in each year of the 2021-2023 biennium. The reduction is necessary as a result of A.B. No. 3 of the 31st Special Session, which reduced reserve levels in this budget by \$100,000 in FY 2020-2021 and the partial funding of temporary management of a residential facility found noncompliant with basic standards in FY 2020-2021 in the amount of \$122,796 as approved by the IFC at its September 25, 2020, meeting.

HHS-DPBH - Health Care Facilities Admin Penalty — Budget Page
DHHS-DPBH-74 (Volume II)
Budget Account 101-3217

ASSEMBLYWOMAN TOLLES:
Have we ever assumed administrative control of a residential facility before?

MS. SHERYCH:
Yes, we have.

MR. THAUER:
The next budget, beginning on page 55 of [Exhibit B](#), is B/A 101-3218, Public Health Preparedness Program. There is one technical adjustment which ensures that with the position transfer, the funds supporting the position are properly transferred. Otherwise, Fiscal staff has no concerns with this budget.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 25

HHS-DPBH - Public Health Preparedness Program — Budget Page
DHHS-DPBH-76 (Volume II)
Budget Account 101-3218

Emergency Medical Services, B/A 101-3235, begins on page 57 of [Exhibit B](#).
There is one other closing item which appears reasonable to Fiscal staff.

HHS-DPBH - Emergency Medical Services — Budget Page DHHS-DPBH-135
(Volume II)
Budget Account 101-3235

The Marijuana Health Registry, B/A 101-4547, begins on page 59 of [Exhibit B](#).
There are four other closing items which appear reasonable to Fiscal staff.

HHS-DPBH - Marijuana Health Registry — Budget Page DHHS-DPBH-139
(Volume II)
Budget Account 101-4547

Based on updated revenue projections received on April 23 for patient licenses and fees revenues in FY 2022-2023, Fiscal staff recommends technical adjustments to the base budget resulting in a decrease in patient licenses and fees revenues of \$69,583 in FY 2022-2023. As a result of this adjustment, Fiscal staff has no concerns with the solvency of this budget.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF B/A 101-3101, B/A 101-3149, B/A 251-3152, B/A 101-3214, B/A 101-3215 AND B/A 101-3235 AS RECOMMENDED BY THE GOVERNOR AND APPROVAL OF B/A 101-3217, B/A 101-3218 AND B/A 101-4547 WITH THE NOTED TECHNICAL ADJUSTMENTS DESCRIBED ON PAGE 61 OF [EXHIBIT B](#) WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 26

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

NANCY MORRIS (Program Analyst):

There are five Department of Employment, Training and Rehabilitation (DETR) Rehabilitation Division budgets before you.

The first budget is B/A 101-3265, Vocational Rehabilitation, beginning on page 63 of [Exhibit B](#).

EMPLOYMENT, TRAINING AND REHABILITATION

DETR - Vocational Rehabilitation — Budget Page DETR-17 (Volume II) Budget Account 101-3265

The Bureau of Vocational Rehabilitation provides rehabilitation services to eligible individuals with disabilities to assist them in preparing for and obtaining meaningful employment and self-sufficiency.

The budget is funded primarily through federal funding with General Fund appropriations used as the 21.3 percent required matching funds for the federal Section 110 of the Rehabilitation Act of 1973 grant.

There is one major closing issue detailed on page 64 of [Exhibit B](#). As a budget reduction measure, the Governor recommends reductions in case services and third-party cooperative arrangements funding for savings totaling \$16.9 million over the 2021-2023 biennium, comprised of \$3.6 million in General Fund savings and \$13.3 million federal fund reduction. The Governor's recommendation would reduce case service funding to \$4.8 million in FY 2021-2022 and \$4.1 million in FY 2022-2023.

The Governor's recommendation would eliminate funding for third-party cooperative arrangements, for savings of \$1.4 million in each fiscal year of the 2021-2023 biennium.

The Division indicates that if fiscal or personnel resources were estimated by the Agency to be insufficient to provide the full range of services to all eligible

individuals, the Agency must implement an Order of Selection (OOS) to prioritize services and funding on a Statewide basis. Because the same federal grant funds both the Vocational Rehabilitation and Services to the Blind and Visually Impaired programs, both programs would have to implement an OOS if either program were deemed to have insufficient resources.

An OOS involves categorizing clients based on the significance of a clients' disability, with the most significant served before clients with less significant disabilities. More details are found on page 65 of [Exhibit B](#).

Although it has or will be ending its third-party cooperative agreements, the Agency reiterated that clients who were served in the third-party cooperative arrangements are still vocational rehabilitation clients entitled to receive all services identified in their Individualized Plans for Employment through case services.

The Agency testified that, should the Governor's recommendation be approved, it anticipates having to implement an OOS. Under an OOS, approximately 3,700 clients would be in Priority Category 1. Approximately 1,200 clients would be in Categories 2 and 3, and would be served only if funding were available after serving Category 1 clients. The Agency further indicated that it is difficult to emerge from an OOS. The chart on page 66 shows vocational rehabilitation programs that are currently under an OOS status.

During the March 23 budget hearing, the Division indicated it had been unable to draw its full federal Section 110 grant awards in previous years because it lacked sufficient General Funds to provide the 21.3 percent required match for the grant. Fiscal staff notes that the Division has reverted a large percentage of appropriated General Funds in recent years, which would indicate General Funds were available, as illustrated in the chart at the top of page 67 of [Exhibit B](#).

The Division indicated each annual grant may be expended over two years; however, the entire match for the grant must be provided in the first year of the grant. Due to the individualized nature of services and products provided for clients, the Agency would sometimes need to find and establish vendors to start the procurement process, which hindered its ability to expend the entire General Fund appropriation in the first year of the grant and contributed to the

General Fund reversion. Fiscal staff notes that other State agencies face the same challenges with the State's processes for procurement, contracts, and expenditure approval and are able to effectively plan and operate under standard budgetary law. The Division indicates it has worked to improve its processes and has implemented changes, including shifting from budgeting client services expenditures by individual rehabilitation managers to budgeting on a regional basis, where tracking of the spending for the northern budget and southern budgets are managed by fiscal staff, in an effort to reduce the amount of funds remaining unspent at the end of a fiscal year.

The Agency testified that if it were exempt from the provisions of section 10 of the Authorizations Act, it would be able to balance forward unspent General Fund appropriations from the first year of the biennium to draw remaining Section 110 grant awards in the second year of the biennium. However, an exemption to Section 10 of the Authorizations Act would not actually allow the Agency to balance forward General Fund appropriations. Section 10 of the Authorizations Act indicates if additional funds beyond authorized amounts are received by an agency that receives General Funds, the agency must decrease the amount of General Funds by an amount equal to the additional non-General Funds received, provided the General Fund decrease would not jeopardize the receipt of such additional funds.

Since the Agency receives a new federal grant award each year, it should always have available federal grant awards to draw down as it uses matching General Funds, prior to the issuance of the next federal fiscal year award. Authorizing the transfer of General Funds between fiscal years as the Division requests would require back language in the Appropriations Act, and the recommended Appropriations Act language included in the Executive Budget does not contain such a provision.

During the hearing, the Division indicated that to provide sufficient funds for the 21.3 percent match required for the federal grants, a portion of the match was provided through third-party cooperative arrangement expenditures and Blind Business Enterprise of Nevada (BEN) Program expenditures, in addition to General Fund appropriations. With the elimination of the third-party cooperative arrangements, the Agency would only have BEN expenditures to use for the required match in addition to General Fund appropriations. Based on the

Governor's recommended budget for General Fund appropriations and federal Section 110 grant funds in the 2021-2023 biennium, the Agency estimated it would need \$2 million in allowable BEN expenditures in each year of the 2021-2023 biennium in order for the combined bureaus to have sufficient funds to draw the entire federal Section 110 grants included in the Governor's recommended budget.

DETR - Blind Business Enterprise Program — Budget Page DETR-30 (Volume II)
Budget Account 101-3253

Based on the General Funds recommended in the Executive Budget and projected BEN expenditures, the Division projects a match shortfall in the 2021-2023 biennium, meaning it would be unable to use the full amount of federal funds recommended. Fiscal staff estimates that \$1.1 million in BEN expenditures may be available as match funds each year of the 2021-2023 biennium in total for the two budgets that share the federal Section 110 grant. Expenditures available for match are estimates at this time, as actual amounts are unknown until expenditures are made. Based on the amount of federal funds and General Funds recommended by the Governor for the 2021-2023 biennium and the estimated BEN expenditures available for match, the table on page 68 of [Exhibit B](#) details the projected match shortfall of \$1.8 million in this budget over the 2021-2023 biennium, as calculated by Fiscal staff.

If sufficient matching funds were not available, based on recommended General Funds and estimated BEN expenditures, the Agency would be able to draw \$24.6 million in federal funds over the 2021-2023 biennium, rather than the \$31.3 million recommended in the Governor's budget for the 2021-2023 biennium, as shown in the table on the top of page 69.

The Governor recommends federal Section 110 grant reductions of \$13.3 million in this budget over the 2021-2023 biennium. Based on the projected shortfall in available matching funds for the grant, the Agency would be unable to draw \$6.6 million of the federal Section 110 grant included in the Governor's recommended budget. This would increase the reduction in grant funds from the Governor's recommended reduction of \$13.3 million to a

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 30

reduction of \$19.9 million over the 2021-2023 biennium, as shown in the table in the middle of page 69.

The Subcommittees may wish to consider recommending approval of additional General Funds of \$1.8 million over the 2021-2023 biennium with a corresponding increase in case services in order to provide sufficient matching funds to use the full federal Section 110 grant award as shown in the table on the bottom of page 69 of [Exhibit B](#).

As the Governor's recommended budget does not contain sufficient matching funds to support the level of federal funds recommended by the Governor, the Subcommittees may wish to consider the options detailed on pages 69 and 70. Fiscal staff has been working with the Division on these options, and the Agency now indicates it would not anticipate implementing an OOS under Option B, which is an update from the printed document, [Exhibit B](#).

CHAIR RATTI:

Fiscal staff did a lot of work to get us to these options.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

In trying to follow all the moving pieces, the Legislature should be updated more regularly. We should issue a letter of instruction to require reporting back to IFC semiannually.

SENATOR KIECKHEFER:

We need to have an understanding of what trigger points prompt an OOS status. The Agency says something has changed between when the Closing List was written and now, but I do not know exactly what has changed. I want to be sure we can create an off-ramp if needed.

CHAIR RATTI:

I want someone from the Agency to talk to us about the triggers for OOS and what changed between the crafting of this document and today to make us comfortable that Option B would keep us out of OOS implementation.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 31

SHELLY HENDREN (Administrator, Rehabilitation Division, Department of Employment, Training and Rehabilitation):

I wish I could assure you of that. I do not know where the miscommunication occurred. The \$1.8 million in Option B would fill the hole we discovered with the inflation of the BEN soft-match. This would get us back to Governor-recommended budget levels, but as we testified in the budget hearing, it would likely lead us to OOS status.

ASSEMBLYWOMAN BENITEZ-THOMPSON:

The Division's understanding and the Subcommittees' understanding of what Option B would do are different. You are saying Option B would still lead to OOS implementation.

MS. HENDREN:

I cannot say for certain because we have never been here before. There are multiple processes we will have to go through, including getting approval from our federal oversight agency to go into OOS. Many of the challenges expressed in the budget hearing will continue to exist. The requirement for preemployment transition services is half of our client service budget. Is that enough money for the rest of our general clients? Likely not, because the trending data shows these are the lowest funding levels in 18 years. We are in trouble, and it is very possible we will go into OOS.

ASSEMBLYWOMAN CARLTON:

One of the problems is the Agency is allowing money to be reverted and thereby losing access to some federal grant funds. The Division seems to want to prevent funds from reverting until the end of the second fiscal year of the biennium. We are not discussing allowing the Agency to pull from the second year during the first year. We are discussing rolling money from the first year into the second, so you can provide continuity of services. Would that impact this conversation as it relates to OOS?

MS. HENDREN:

That would help, but what we are requesting in section 10 of the Appropriations Bill is the ability to prematch our grant. Section 10 does not allow us to spend General Fund appropriations when other fund sources are

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 32

available. Typically, every time we have an expenditure, 21.3 percent of it is General Fund match and draws the 78.7 percent in federal funds.

What we are requesting is an exception under section 10, namely the ability to switch to 100 percent General Fund in May or June, for instance, so we can expend every dollar of General Fund. That means in year two, the federal funds have already been matched and can be drawn. That is the exception we are requesting, not to balance forward General Fund appropriations.

ASSEMBLYWOMAN CARLTON:

There is disagreement on whether section 10 is even the pertinent part of the Authorizations Act.

We budget the Agency on a two-year cycle. If you pull all the General Funds in the first year, you may run out of money. The whole idea of budgeting is certain amounts in certain years. The first year of the 2021-2023 biennium budget cycle is squeaky tight.

Ms. HENDREN:

When I propose switching to completely General Fund appropriations, I mean the General Fund appropriations for that State fiscal year, not all the General Fund appropriations for the biennium.

ASSEMBLYWOMAN CARLTON:

Did you have this conversation with Fiscal staff? Did you make your proposal clear?

Ms. HENDREN:

I have shared everything I was invited to share. I would have been happy to have that conversation.

ASSEMBLYWOMAN CARLTON:

Are you saying the appropriate questions were not asked? The story has changed several times. We are at the end of April, and we have to close these budgets. I want to be sure the Subcommittees are making decisions based on real data.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 33

ALEX HAARTZ (Principal Deputy Fiscal Analyst):

The reference to section 10 in the Authorizations Act is perplexing as I do not see how it applies. The Agency seems to be referencing the concept of prematching grant funds by spending General Funds disproportionate to the availability of federal funds. That is not what section 10 either contemplates or restricts.

Being able to balance forward unexpended General Funds from one fiscal year to another is allowable with language in the Appropriations Act. Fiscal staff will need to consult with Division personnel to better understand the request.

ASSEMBLYWOMAN CARLTON:

I am uncomfortable moving forward on B/A 101-3265 with the unanswered questions we have. I would be more comfortable rolling B/A 101-3265 to another time to allow Fiscal staff to get clarity on the issues.

CHAIR RATTI:

This budget is closely connected with the next one, B/A 101-3254, so I assume the recommendation would be to roll both of them.

DETR - Services to Blind or Visually Impaired — Budget Page DETR-24
(Volume II)

Budget Account 101-3254

Please do not wait for Fiscal staff to ask the right questions. It is incumbent on Division personnel to share the information we need. The expectation is that we understand clearly what the trigger points would be for OOS, what the issue is with drawing down the federal match and anything else we need to know to close out this budget because we are running out of time.

SENATOR KIECKHEFER:

I want to know what needs to be done to avoid OOS and serve all the clients in these programs. I want to know the dollar amount.

CHAIR RATTI:

I agree, and I also want to know the information used to arrive at the dollar figure.

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 34

ASSEMBLYWOMAN MONROE-MORENO MOVED TO DEFER
RECOMMENDING APPROVAL OF B/A 101-3265 AND B/A 101-3254 TO
THE FULL COMMITTEES.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. MORRIS:

Disability Adjudication, B/A 101-3269, begins on page 79 of [Exhibit B](#).

DETR - Disability Adjudication — Budget Page DETR-11 (Volume II)
Budget Account 101-3269

The Bureau of Disability Adjudication is responsible for providing medical disability decisions to individuals in Nevada who file claims for disability benefits under the federal Social Security Administration's Disability Insurance and Supplemental Security Income programs. The Social Security Administration (SSA) funds 100 percent of the cost of operations for this budget.

There is one major closing issue, decision unit E-250. The Governor recommends federal SSA funds of \$370,078 over the 2021-2023 biennium to upgrade the Agency's existing phone system to DETR's modernized, cloud-based phone system.

E-250 Infrastructure, Energy & Environment — Page DETR-13

At its June 1, 2020, meeting, the IFC approved costs totaling \$1.3 million for DETR to develop and implement an upgraded replacement phone and Interactive Voice Response system during the 2019-2021 biennium. The Agency stated its existing phone system needed to be replaced because it could not handle the volume of calls received and moving to a cloud-based phone system would

relieve issues experienced following the increase in unemployment benefit claims. The Governor now recommends the Bureau of Disability Adjudication upgrade to the replacement system.

When the work programs for the new system were approved, DETR stated the Bureau of Disability Adjudication would remain on its existing phone system, so no funding was requested for this budget to convert to the new phone system. The Agency now indicates this budget should have been included in the original work program requests.

During the March 23 budget hearing, DETR reiterated this budget should have been included in the original work program requests. The Agency stated that since a department-wide contract was already in place, after approval of this major closing issue, it estimated the conversion would be complete within a few months.

The Agency indicated most of its staff had been working remotely during the pandemic, with approval of the SSA. With the current phone system, the Agency could not transfer incoming calls to staff working remotely. It is anticipated some remote or hybrid work structure will continue as offices reopen in the future, indicating the need to transfer calls will continue.

This decision unit includes ongoing operational expenses for all 12 months of FY 2021-2022; however, the Agency indicated the conversion to the upgraded system would not be complete until September 2021 at the earliest, indicating operational expenses would not be incurred for two months of FY 2021-2022. Fiscal staff recommends a technical adjustment to remove two months of operating expenses totaling \$21,259 in FY 2021-2022. With the recommended adjustment, this decision unit would be \$221,264 in FY 2021-2022 and \$127,555 in FY 2022-2023, for a total of \$348,819 over the 2021-2023 biennium.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF SOCIAL SECURITY ADMINISTRATION FUNDS AS RECOMMENDED BY THE GOVERNOR, WITH THE NOTED TECHNICAL ADJUSTMENT OF \$348,819 IN

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 36

B/A 101-3269 OVER THE 2021-2023 BIENNIUM TO CONVERT THE AGENCY'S PHONE SYSTEM.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. MORRIS:

There are five other closing items in B/A 101-3269, beginning on page 81 of [Exhibit B](#). Other closing items 4 and 5 have recommended technical adjustments.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF OTHER CLOSING ITEMS 1 THROUGH 3 IN B/A 101-3269 AS RECOMMENDED BY THE GOVERNOR AND APPROVAL OF OTHER CLOSING ITEMS 4 AND 5 WITH THE NOTED TECHNICAL ADJUSTMENT WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. MORRIS:

The last two budgets have not been previously heard by the Subcommittees. Fiscal staff is responsible for developing closing recommendations.

The first budget is B/A 101-3253, Blind Business Enterprise Program, beginning on page 83 of [Exhibit B](#). The Blind Business Enterprise of Nevada program

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 37

provides blind individuals seeking self-sufficiency the opportunity to operate snack bars and vending operations in certain federal, State and municipal buildings across the State. There are three other closing items, one with recommended technical adjustments.

The last budget is B/A 101-3268, Rehabilitation Administration. This budget provides administrative support services to the agencies within the Rehabilitation Division and is funded primarily through cost allocation reimbursements.

DETR - Rehabilitation Administration — Budget Page DETR-7 (Volume II)
Budget Account 101-3268

There are no major closing issues. There are two other closing items, one with recommended technical adjustments that appear reasonable to Fiscal staff.

ASSEMBLYWOMAN MONROE-MORENO MOVED TO RECOMMEND TO THE FULL COMMITTEES APPROVAL OF B/A 101-3253 AND B/A 101-3268 AS RECOMMENDED BY THE GOVERNOR WITH TECHNICAL ADJUSTMENTS TO ALIGN THE DEPARTMENT'S COST ALLOCATION REVENUES AND CHARGES BASED ON INFORMATION PROVIDED BY THE AGENCY WITH AUTHORITY FOR FISCAL STAFF TO MAKE OTHER TECHNICAL ADJUSTMENTS AS NECESSARY.

SENATOR DONDERO LOOP SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Senate Committee on Finance
Assembly Committee on Ways and Means
Subcommittees on Human Services
April 29, 2021
Page 38

CHAIR RATTI:

Seeing no public comment, this meeting is adjourned at 7:53 p.m.

RESPECTFULLY SUBMITTED:

Barbara Williams,
Committee Secretary

APPROVED BY:

Senator Julia Ratti, Chair

DATE: _____

Assemblywoman Daniele Monroe-Moreno, Chair

DATE: _____

Senate Committee on Finance
 Assembly Committee on Ways and Means
 Subcommittees on Human Services
 April 29, 2021
 Page 39

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
	B	3	Christian Thauer / Legislative Counsel Bureau	Human Services Closing List #7
	B	63	Nancy Morris / Legislative Counsel Bureau	Human Services Closing List #7
	C	1	Christian Thauer / Legislative Counsel Bureau	Budget Amendment No. A215753219