

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

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

The Senate Committee on Finance was called to order by Chair Chris Brooks at 8:06 a.m. on Monday, May 17, 2021, Online and in Room 1214 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.

COMMITTEE MEMBERS PRESENT:

Senator Chris Brooks, Chair
Senator Moises Denis, Vice Chair
Senator Julia Ratti
Senator Nicole J. Cannizzaro
Senator Marilyn Dondero Loop
Senator Ben Kieckhefer
Senator Pete Goicoechea
Senator Scott Hammond
Senator Heidi Seevers Gansert

GUEST LEGISLATORS PRESENT:

Senator Dallas Harris, Senatorial District No. 11
Senator James A. Settelmeyer, Senatorial District No. 17
Assemblywoman Teresa Benitez-Thompson, Assembly District No. 27

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Pat Devereux, Committee Secretary

OTHERS PRESENT:

Dorothy Edwards, Coordinator, Behavioral Health, Washoe County Regional Behavioral Health Policy Board
DuAne Young, Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services

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Alisa Nave-Worth, Entertainment Software Association
Nicole Lang, American Physical Therapy Association, Nevada Chapter
Dylan Keith, Vegas Chamber
Sandra O'Laughlin, Commissioner, Financial Institutions Division, Department of
Business and Industry
Ellen Crecelius, CFO, Division of Health Care Financing and Policy, Department
of Health and Human Services
Chuck Callaway, Policy Director, Las Vegas Metropolitan Police Department
Annemarie Grant
Eric Spratley, Executive Director, Nevada Sheriffs' and Chiefs' Association
Corey Solferino, Washoe County Sheriff's Office
Elizabeth MacMenamin, Retail Association of Nevada
Sarah Adler, Charter School Association of Nevada
Kent Ervin, Nevada Faculty Alliance
Doug Unger, President, University of Nevada, Las Vegas Chapter, Nevada
Faculty Alliance
Chris Daly, Nevada State Education Association
Brian Rippet, President, Nevada State Education Association

CHAIR BROOKS:

We will open the hearing with the introduction of
Bill Draft Request (BDR) S-1160.

BILL DRAFT REQUEST S-1160: Establishes for the 2021-2023 biennium the
subsidies to be paid to the Public Employees' Benefits Program for
insurance for certain active and retired public officers and employees.
(Later introduced as [Senate Bill 451](#).)

ALEX HAARTZ (Principal Deputy Fiscal Analyst):

Bill Draft Request S-1160 is a Session budget implementation bill, referred to as
the Public Employees' Benefits Program rates bill. It sets the State contribution
and retiree benefits rate. Section 1 establishes the State's contribution in fiscal
year (FY) 2021-2022 and FY 2022-2023, respectively. Section 1, subsection 1
is consistent with how the budgets were closed in terms of the State's
contribution.

Section 2, subsection 1 of BDR S-1160 establishes the State's monthly
contribution for retirees for FY 2021-2022 and FY 2022-2023, respectively.
Section 2, subsection 2 establishes the health reimbursement provision, the

contributions retirees will receive. In the budget closing, the amount increased from \$11 to \$13 per month in the Governor's recommended budget at 15 years of service, the base amount. Thirteen dollars multiplied by 15 reflects the \$195 per month each year of the biennium for people who retired before 1994. Pursuant to statute, section 2, subsection 2, paragraph (b), for people who retired on or after January 1, 1994, the bill includes a provision for up to 20 years of service: \$13 multiplied by 20 equals \$260, the maximum amount. The act becomes effective on July 1.

SENATOR DENIS MOVED TO INTRODUCE BDR S-1160.

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR BROOKS:

We will open the hearing on Senate Bill (S.B.) 69.

SENATE BILL 69 (1st Reprint): Revises provisions relating to behavioral health.
(BDR 39-431)

WAYNE THORLEY (Senate Fiscal Analyst):

The Division of Public and Behavioral Health, Department of Health and Human Services (DHHS) submitted a fiscal note on S.B. 69 to fund a new part-time administrative assistant position needed to comply with the peer recovery support specialist. The estimated cost is \$33,600 for each year of the 2021-2023 biennium. The Division's fiscal note specifies that cost would be offset by new fees the Division would be authorized to collect under S.B. 69. The proposed amendment (Exhibit B) would remove the fiscal impact on the Division.

The Department of Education submitted a fiscal note indicating an impact of \$1,700 for the 2021-2023 biennium due to an additional 30 hours of work for existing staff. Various school districts submitted a fiscal note of zero to \$125 per year.

SENATOR JULIA RATTI (Senatorial District No. 13):

Senate Bill 69 would do four things: provide for a peer recovery support specialist, create a substance use disorder prevention coalition, implement youth risk behavior surveys (YRBS) in schools and require the Division to post a list of evidence-based substance use curriculum.

DOROTHY EDWARDS (Coordinator, Behavioral Health, Washoe County Regional Behavioral Health Policy Board):

Senate Bill 69 would provide substance use education for K-12, starting with a YRBS requirement for schools that wish to participate. It would also establish the statewide Substance in Schools Initiative.

SENATOR RATTI:

Schools have the option to conduct YRBS, which S.B. 69 would make mandatory.

SENATOR KIECKHEFER:

Volunteers like Alcoholics Anonymous, churches, families and things like that are not captured within the process, right?

SENATOR RATTI:

That is correct. Additionally, no youth peer groups would be included.

DUANE YOUNG (Deputy Administrator, Division of Health Care Financing and Policy, Department of Health and Human Services):

Senate Bill 69 does not have a fiscal note from the Division of Health Care Financing and Policy. The note is for the Division of Public and Behavioral Health.

SENATOR RATTI:

A May 14 email from Margot Chappel, Deputy Administrator, Regulatory and Planning, Division of Public and Behavioral Health, states:

The proposed amendment to S.B. 69 [[Exhibit B](#)] removes responsibilities for both BBHWP and HCQC. Section 15 has been modified by removing HCQC as the responsible party for background checks on peer and/or recovery support specialists. Section 15.6 clarifies that not later than three days after employing a person, the employer is responsible to collect background check

information from the employees, inclusive of a child abuse and neglect screening through the Central Registry at CFS. That information is free of charge to the enquirer. Section 37 of the amendment clarifies that sections 4, 9 through 14 inclusive and 18 and 31.5 become effective on the dates the Nevada Certification Board ceases certifying peer recovery specialists or peer recovery support specialist supervisors. This removes the fiscal note for BBHWP since they will only be responsible for certifications should the current certification body go away.

CHAIR BROOKS:

We will close the hearing on S.B. 69 and open the hearing on S.B. 165.

SENATE BILL 165 (1st Reprint): Establishes provisions relating to Esports.
(BDR 41-562)

MR. THORLEY:

The Department of Business and Industry submitted a fiscal note for S.B. 165 of \$112,400 over the 2021-2023 biennium to fund two new positions and the startup costs of the Nevada Esports Commission. There is a proposed amendment ([Exhibit C](#)) to the bill. Legislative Counsel Bureau (LCB) fiscal staff have received confirmation from the Department the proposed amendment would remove the fiscal note. The LCB fiscal staff has also received confirmation from the Gaming Control Board the amendment would not have a fiscal impact on the Board. The Department of Public Safety Records, Communications and Compliance Division, submitted a fiscal note on S.B. 165 indicating it would require Nevada Offense Code system updates for an unknown fiscal impact.

SENATOR BEN KIECKHEFER (Senatorial District No. 16):

With the proposed amendment, [Exhibit C](#), S.B. 165 would create the Nevada Esports Technical Advisory Committee to the Gaming Control Board. It would offer guidance and parameters necessary for when the Board approves wagering on esports contests. The bill outlines the membership of the Committee and defines key terms within the esports industry.

Esports is the fastest-growing entertainment sector in sports. It expects to have competitive revenue of more than \$1 billion this year and annual revenue growth of 14.5 percent. Viewership of global esports is estimated at

475 million people. Worldwide, more than 234 million people watch esports events more than once a month. Live-streaming audiences are estimated at 782 million viewers.

This entertainment sector is a perfect match for the City of Las Vegas and our State as a whole. As a global destination, Las Vegas should partner with the esports industry to bring events and related businesses to our State.

Originally, S.B. 165 would create a standalone commission under the Department of Business and Industry—which prompted its fiscal note—by moving the body out of the Department. The Board has reviewed potential fiscal impacts and indicates it can absorb any costs. The original bill had a criminal offense attached, which is removed in the amendment, [Exhibit C](#).

CHAIR BROOKS:

Have we heard from the Department of Business and Industry about removing the fiscal note? There is still an unsolicited fiscal note on the first revision of S.B. 165.

SENATOR KIECKHEFER:

I gave Mr. Thorley an email that detailed removal of the unsolicited fiscal note by the Department.

CHAIR BROOKS:

The proposed amendment, [Exhibit C](#), removes the fiscal notes on S.B. 165. Does another technical change need to be made and added to the amendment?

SENATOR KIECKHEFER:

Section 10.5, subsection 2, paragraph (a) of the proposed amendment, [Exhibit C](#), outlines membership of the Esports Technical Advisory Committee, including game publishers acting in association with the Entertainment Software Association. I would like to strike everything after game publishers and leave it up to the Board to determine who would be on the Advisory Committee.

CHAIR BROOKS:

That would not impact fiscal notes for S.B. 165.

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ALISA NAVE-WORTH (Entertainment Software Association):

The Entertainment Software Association is neutral on S.B. 165. The revised version will do more toward advancing its goals.

CHAIR BROOKS:

We will close the hearing on S.B. 165 and open the hearing on S.B. 100.

SENATE BILL 100 (1st Reprint): Enacts provisions governing the interstate practice of physical therapy. (BDR 54-153)

SENATOR HEIDI SEEVERS GANSERT (Senatorial District No. 15):

Senate Bill 100 would allow Nevada to join the interstate Physical Therapy Licensure Compact. If a physical therapist is licensed in another state that is part of the compact and if he or she wants to practice in Nevada, the bill would allow that. Therapists may not have encumbrances nor adverse actions. They pay a fee and fall under the requirements of the State Board of Physical Therapy Examiners.

Because military spouses move so frequently, S.B. 100 would allow them to practice in our State if they had practiced in a state in the Compact. There is no fiscal note for the bill.

CHAIR BROOKS:

The fiscal note was zero on the first reprint bill as amended. Is there anything that would have changed that? Does the bill only affect the State Board of Physical Therapy Examiners?

SENATOR SEEVERS GANSERT:

Yes. The amendment was from the Nevada Trial Lawyer Associates. If a therapist committed malpractice, the group wanted to ensure it could still impose professional discipline and potentially sue. The bill already provided that even though therapists were practicing under the Compact, they had to follow Nevada law. It did not affect the Board's work nor create a fiscal note.

NICOLE LANG (American Physical Therapy Association, Nevada Chapter):

The American Physical Therapy Association, Nevada Chapter, supports S.B. 100. It would provide vital access to physical therapy for patients by allowing increased mobility for therapists and their assistants.

DYLAN KEITH (Vegas Chamber):

The Vegas Chamber supports S.B. 100 because it will diversify the State economy and help alleviate our doctor shortage. It is a good use of State funds.

CHAIR BROOKS:

We will close the hearing on S.B. 100 and open the hearing on S.B. 198.

SENATE BILL 198 (1st Reprint): Provides for the regulation of on-demand pay providers. (BDR 52-847)

MR. THORLEY:

The Financial Institutions Division (FID), Department of Business and Industry, submitted a fiscal note on S.B. 198. Implementing a statutory licensing program for on-demand pay providers would require a new FID examiner position at \$175,000 over the 2021-2023 biennium.

SENATOR NICOLE J. CANNIZZARO (Senatorial District No. 6):

Senate Bill 198 addresses pay providers that work with employers to grant employees early access to earned wages. Because of the way payroll works, employers contract with pay providers for confirmation of the amount of wages. Employees sign up for the service to get access to wages before payday.

Pay providers are operating without regulation in the State. Senate Bill 198 would allow licensing through the FID Commissioner, investigations conducted by the Commissioner with all necessary documentation and prosecution for violating the licensing terms established by the Commissioner or outlined in the bill. Parameters require certain documents be produced before licensing, restrict recourse against employees if a service fee is inaccurate and provide other operational aspects.

Senate Bill 198 allows for third-party licensing of on-demand pay providers not contracted with employers that deal directly with employees. It would allow such businesses to be licensed through *Nevada Revised Statutes* (NRS) 604A and NRS 678. Fees would be charged by FID for investigations and licensing, which would fund the examiner position in the fiscal note.

CHAIR BROOKS:

The fiscal note is zero after the fees you mentioned. After S.B. 198 was amended, what were the substantive points and do they affect the note?

SENATOR CANNIZZARO:

In the amendment, we added limitations on fraudulent aspects and how FID implements the aforementioned limits and strengthened FID's examination supervision and licensing authorities. We added requirements for surety bonds, for pay providers to maintain books and records and for pay providers to notify FID of complaints lodged against them or business practice changes. The bill has dates to conform to the FID licensing schedule. It provides licenses are nontransferable. None of this would change the fiscal note of zero. The examiner's position would be funded by FID with fees it charges.

SANDRA O'LAUGHLIN (Commissioner, Financial Institutions Division, Department of Business and Industry):

The amendment to S.B. 198 would not impact its fiscal note. The FID is neutral on the bill. Activities such as those practiced by on-demand pay providers fall under the NRS regulating deferred-deposit loans, also known as payday loans. Under NRS 604A, if the service's annualized percentage rate of interest is less than 40 percent, it could be licensed under NRS 675.020 and the Nevada Installment Loan and Finance Act. These are operational restrictions are listed under NRS 675 and NRS 604A that the companies offering these services do not like. Senate Bill 198 would create a new NRS chapter.

CHAIR BROOKS:

We will close the hearing on S.B. 198 and open the hearing on S.B. 211.

SENATE BILL 211 (1st Reprint): Establishes requirements relating to testing for sexually transmitted diseases. (BDR 40-563)

MR. THORLEY:

The Division of Health Care Financing and Policy, DHHS, submitted a fiscal note for the 2021-2023 biennium of an estimated \$2 million, of which \$408,000 would come from the General Fund. Costs would be related to increased testing for sexually transmitted diseases.

After Amendment 182 to S.B. 211 was adopted, the Division submitted an unsolicited fiscal note of \$430,000 for the 2021-2023 biennium, of which just under \$60,000 would come from the General Fund.

SENATOR DALLAS HARRIS (Senatorial District No. 11):

Senate Bill 211 would require healthcare providers to ask patients aged 15 or older if they would like a sexually transmitted disease (STD) test, including for HIV-AIDS. If we have learned anything from the Covid-19 pandemic, knowing one's infection status is the first step to stopping the spread of a disease. The State has extremely high rates of syphilis, HIV-AIDS and other STDs. Encouraging providers to ask patients if they would like to be tested may lead to increased testing and diagnosing diseases in earlier stages.

The DHHS and Department of Public and Behavioral Health anticipate paying for additional testing. Senate Bill 211 does not actually require the agencies to manage compliance with its provisions; that burden is on the licensing agencies. Part of the fiscal note would be for new computer program coding; another part would pay for testing of people in the State's public health system.

MR. YOUNG:

The fiscal note for the second reprint of S.B. 211 is in budget account (B/A) 101-3158 with an administrative cost of \$53,000.

HEALTH AND HUMAN SERVICES

HEALTH CARE FINANCING POLICY

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

Budget Account 101-3158

That is normal when the Division of Health Care Financing and Policy opens new programming codes to establish new provider types. There is no managed-care recapitalization in the note.

In B/A 101-3153, the Division estimates a cost over the biennium of \$362,000, including \$46,505 from the General Fund.

PUBLIC AND BEHAVIORAL HEALTH

HHS-DPBH - Nevada Central Cancer Registry — Budget Page DHHS-DPBH-30
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Budget Account 101-3153

No county funds are represented in this methodology.

The Division must pay for the increased tests. We assume not everyone would ask for a test, but for those who do and test positive, the treatments we pay for—while minimal—factor into the fiscal note. Another bill this Session increases STD testing for pregnant women. We used most of our savings for neonatal intensive care unit (NICU) babies and treatment, plus the cost of treating congenital syphilis, to satisfy that bill. A small amount of leftover savings could be applied to S.B. 211's fiscal note. If an infected woman's partner were tested and treated, the mother and baby would be spared STD, which would provide treatment savings. Other STD tests do not necessarily generate short-term savings. If someone is tested and treated for HIV-AIDS, we see the immediate costs in our Medicaid budget. Unfortunately, their Medicaid coverage often ends before we see overall savings to the State.

SENATOR RATTI:

It is good news when people get off Medicaid because their incomes have risen, and they are buying private health insurance. I understand computer programming costs rise when we are covering new services. Is the STD testing in S.B. 211 already covered by Medicaid so new programming would not be required?

MR. YOUNG:

There is mapping of 49 specific provider services, plus the ultimate provider types, and edits and audits around age restrictions. All of that would entail additional programming costs.

ELLEN CRECELIUS (CFO, Division of Health Care Financing and Policy, Department of Health and Human Services):

The programming costs are for mapping of new provider types, practitioners who normally would not do the services in S.B. 211. It would include programming for age restrictions because the bill only applies to people age 15 and over.

SENATOR RATTI:

Does S.B. 211 specifically call out new provider types to enable them to be compensated for STD testing within Medicaid?

MS. CRECELIUS:

Yes, the costs are related to mapping for emergency rooms.

CHAIR BROOKS:

In the explanation for the fiscal note, I do not see the savings calculations. More testing translates to less STD transmission, and a population is treated. Will it not cost far more to treat people under Medicaid for STDs than to test a broader population?

MR. YOUNG:

The Division calculated the savings from four areas. We attribute many costs to NICUs. No matter how much we improve health care and access to it, there will always be babies in NICUs. There is a small percentage of babies in NICUs because of congenital syphilis. Those savings have not been applied to the bill providing for testing mothers for congenital syphilis. The next savings were from treating mothers for syphilis and related complications. We see a lot of pelvic inflammatory disorder among our Medicaid patients. We factored in a reduction of community spread of STDs and a percentage of good health policies. Many patients will be seen by private or Nevada Health Exchange providers, so there would be no direct benefit to Medicaid. While there is certainly a public health benefit for testing and diagnosing HIV-AIDS, gonorrhea, chlamydia and other STDs early, the Division does not see a general savings when they go undetected. Often, people are unaware they have a STD.

SENATOR RATTI:

Can you give us a bottom-line estimate of the impact on the General Fund from the remaining fiscal note for S.B. 211?

MR. YOUNG:

The General Fund impact would be \$46,505 over the 2021-2023 biennium. The systems programming costs are paid at the federal maximum of 75.25 percent, so the State would only be responsible for the \$46,505.

CHAIR BROOKS:

Is the State paying for treatment of any other STDs besides the ones you listed?

MR. YOUNG:

Most of our public health focus is on mothers and LGBTQ+ populations, not necessarily on testing men who may spread STDs to their partners. Senate Bill 211 would require providers to ask about testing then provide treatment, so we are anticipating a 20 percent rise in testing. Claims data indicates how many tests will be positive.

CHAIR BROOKS:

Does the State use General Fund money in any way to treat HIV-AIDS?

MR. YOUNG:

Yes.

CHAIR BROOKS:

Does increased access to testing lower the spread of HIV-AIDS?

MR. YOUNG:

Yes.

CHAIR BROOKS:

Would we therefore not spend as many State funds treating HIV-AIDS, understanding you cannot precisely calculate what that amount would be? Would the State spend less treating people with HIV-AIDS if more testing were available?

MR. YOUNG:

Yes, but we did not include HIV-AIDS treatment costs in the original fiscal note. It only reflects the aforementioned STDs.

CHAIR BROOKS:

Does S.B. 211 include HIV-AIDS in tests we would encourage people to get?

MR. YOUNG:

Yes. There would be long-term savings for HIV-AIDS. We worked with the Division of Public and Behavioral Health and read several peer-reviewed articles to find out if there is a savings when HIV-AIDS is detected early. However, it is not usually demonstrated during the time people are on Medicaid. Many people with HIV-AIDS go off Medicaid and enter the Ryan White Program before they might use private insurance. We may see savings within the Ryan White

Program but not necessarily within Medicaid. We could not factor it in as part of the cost nor the savings.

SENATOR KIECKHEFER:

If S.B. 211 section 1, subsection 1, paragraph (a) specifically mentions testing for HIV-AIDS, why is that not included in the fiscal note?

MR. YOUNG:

While the Division recognizes it is good public policy, there is no specific mapping for the additional HIV-AIDS code. Testing for it is open to providers who do not normally do so, such as certified community behavioral health clinics. There is no administrative cost from that because those codes are open to other testing codes.

SENATOR KIECKHEFER:

Are we not doing enough HIV-AIDS testing, so the test will be highly utilized in the bill's scenarios?

MR. YOUNG:

I do not want to give the impression we are doing enough testing for HIV-AIDS. Medicaid has focused on getting its providers to do HIV-AIDS tests. Because of public health messaging, that is a much more comfortable conversation for patients to have with providers than testing for other STDs. That is how we built our costs.

SENATOR KIECKHEFER:

Is testing for HIV-AIDS more expensive than for other STDs?

Ms. CRECELIUS:

I do not know.

SENATOR KIECKHEFER:

I worry we are excluding a testing category specifically called out in S.B. 211.

SENATOR HARRIS:

Requiring some type of coding for auditing because of the age 15 minimum is a signal to providers to ask young people if they want to be tested. It is not meant as something the Division needs to code differently than any other test.

CHAIR BROOKS:

We will close the hearing on S.B. 211 and open the hearing on S.B. 236.

SENATE BILL 236 (1st Reprint): Makes various changes relating to public safety. (BDR 23-217)

MR. THORLEY:

Several agencies submitted fiscal notes on S.B. 236: the Nevada System of Higher Education (NSHE), the Division of Public and Behavioral Health, the Department of Agriculture, the Peace Officers Standards and Training Commission (POST), the Las Vegas Metropolitan Police Department (LVMPD) and various local governments.

The Senate adopted Amendment 191 to S.B. 236. The NSHE and LCB fiscal staff confirmed the bill no longer has a fiscal impact on the Agency after adoption of the amendment. The Department of Agriculture submitted an unsolicited fiscal note on the amended bill indicating there is no longer a fiscal impact on the Agency. Senator Harris submitted a conceptual amendment ([Exhibit D](#)) on behalf of POST. If adopted, the bill would no longer have a fiscal impact on that Agency. The LVMPD submitted a fiscal note of \$10.9 million in FY 2021-2022 and \$10.2 million for FY 2022-2023 for staff time to collect and input information required by S.B. 236.

SENATOR DALLAS HARRIS (Senatorial District No. 11):

The proposed conceptual amendment, [Exhibit D](#), to section 1 of S.B. 236 removes any references to POST making regulations. I removed most of the provisions that created fiscal notes related to the associate's degree requirement for POST certification. The LVMPD submitted an informal updated fiscal note of \$7 million for FY 2021-2022 and FY 2022-2023. It is the time-of-cost value: the extra minutes it would take an officer to collect the additional information for traffic stop data multiplied by the officer's salary multiplied by the number of estimated stops per year. The LVMPD has not requested any additional officers or money for overtime pay.

I worked with the Department of Public Safety to ensure all coding for traffic stop data collection be done at the Department's level. It will be centralized so police departments will not be required to create their own traffic stop data system. The Department can work with the existing data reporting system that

all State police departments use. The Department has no fiscal note for S.B. 236 because it will get federal funds to upgrade its reporting system.

CHAIR BROOKS:

Even though LVMPD has not requested resources, if it spends time doing anything extra, that takes time away from other duties, such as ensuring public safety. To continue the same level of service, it would be expected LVMPD would need more funding.

SENATOR HARRIS:

Generally, that is true. That is not necessarily the case for traffic cops performing stops. If it takes you an extra minute to collect data, you would not necessarily be making fewer stops. Senate Bill 236 would not increase the number of stops officers make, it just briefly extends the time it takes.

CHAIR BROOKS:

As amended, is the only fiscal note left from LVMPD?

MR. THORLEY:

Yes.

CHUCK CALLAWAY (Policy Director, Las Vegas Metropolitan Police Department):

While LVMPD supports the policy behind S.B. 236, we are concerned the fiscal note is an unfunded mandate. The LVMPD is the ninth-largest police department in the Nation and largest in the State. Traffic, patrol and special event officers conduct almost 360,000 traffic stops annually. Our CFO looked at other jurisdictions that have laws similar to S.B. 236. It takes approximately 15 minutes to compile and submit the requested data—about 90,000 man hours per year at LVMPD.

The U.S. Department of Justice submitted a report on traffic stop data collection at <<https://www.cops.usdoj.gov>>. On page 106, the costs associated with data collection are discussed. Legislatures that pass laws on it are urged to adequately fund the measures because it is costly and resource intensive.

The LVMPD lowered its fiscal note because S.B. 236 now only applies to traffic stops; however, the note does not include money to hire extra staff to maintain our ratio of 2 officers per 1,000 residents.

Chair Brooks hit the nail on the head: officers only have so much time during their shifts, with the main focus on handling calls for service and reducing crime. When people call the police, they expect a timely response. If an officer takes an extra 15 minutes during a traffic stop to fill out a data card, our response time will be longer and our engagement in other proactive activities shorter.

A teacher's job is to teach in a classroom. If you pile other requirements on him or her, time is taken from the main job of interacting with students. Ultimately, the only way to address the problem is reduce time spent with students or add additional teachers. Our CFO believes the only way to maintain our officers' level of service would be to potentially hire 43 officers. That would cost about \$5 million, but is not included in our fiscal note. The note was based solely on the time officers would spend collecting the data.

School police and Nevada Highway Patrol officers conduct traffic stops, as does every agency engaged in traffic enforcement. I do not know how S.B. 236 could not impose a fiscal note on them.

SENATOR RATTI:

Did we not collect demographic information during traffic stops in the past?

MR. CALLAWAY:

In the mid-1990s, a bill directed agencies to collect traffic stop data. The State issued cards officers had to fill out for every stop. It took about 10 to 15 minutes to fill out each card. Senate Bill 236 requires that even warnings must be listed for data collection. Let us say you are pulled over for an inoperative taillight. The officer tells you to get it fixed and sends you on your way; this takes about two seconds. Under the bill, for warnings, information must be collected on sex, race, age, reason for stop, the NRS under which the driver is cited, whether a search is conducted, time and date, etc. Some of that information is already collected on traffic citations, which not every driver receives. Now, officers would have to put that basic information into a second collection format to be submitted to the State.

SENATOR RATTI:

It is interesting that the agency with the most revenue sources to hire officers is the one submitting a fiscal note. Is this not a matter of priorities? We do not have enough officers to respond to everything we want them to respond to.

We spend a lot of time prioritizing, saying we will target the most dangerous crimes to our community, create special units to tackle the most challenging calls and maintain a traffic corps to save lives on the road. However, at the end of the day, every agency makes resource-allocation decisions because there will never be enough officers to meet the needs of public safety.

In the last 18 months during the pandemic, society has posed significant questions about whether the thin blue line is effectively helping all citizens. Would not LVMPD benefit from increased credibility, goodwill and working relationships with all community sectors?

MR. CALLAWAY:

Yes, we must prioritize. The Legislature enabled LVMPD to obtain more funding to get to that critical 2 officers per 1,000 residents ratio. The time involved with the data collection will back us off of being able to maintain the community service we provide based on that ratio.

Las Vegas homicides have almost doubled this year over 2020. We had 47 fatal road accidents versus 38 for 2020. We have had 90 shooting victims versus 71 in 2020. With an improving economy, more tourists are creating more problems on The Strip. While data collection is important, prioritization takes precedence, and diverting resources from investigating violent crimes to fill out a card for 15 to 20 minutes hinders that.

Assembly Bill No. 3 of the 32nd Special Session required law enforcement agencies to submit a report to the Legislature by November 2020 on the data they have collected, with the goal of increased public trust. I do not think that data has been analyzed. Why not do that before instituting S.B. 236? Although it requires agencies to collect the data as an unfunded mandate, section 18, subsection 1 states, "if money is available, the Department [of Public Safety] may contract with a third party to review all public information." As a member of the Nevada Sentencing Commission, Department of Sentencing Policy, I know how important it is that data is relevant and thoroughly analyzed.

SENATOR RATTI:

If aggregated data were available on a website, we could get all kinds of analysis from third parties.

MR. CALLAWAY:

Yes, we have seen that with the use-of-force data on the LVMPD website.

ANNEMARIE GRANT:

On October 4, 2015, my brother Thomas Pardee was asphyxiated by two City of Reno police officers during a mental health crisis. I support S.B. 236 because its section 1 could act as an early-warning system to identify officers who display bias and other problematic behavior. The officers made the negligent decision to hogtie noncombative Thomas for more than 40 minutes. Perhaps some of these killer officers could be identified with an early warning system. Less than a year later, an officer involved in Thomas' death asphyxiated another inmate. Please support S.B. 236 to protect community members from the egregious practices of the police.

ERIC SPRATLEY (Executive Director, Nevada Sheriffs' and Chiefs' Association):

The Nevada Sheriffs' and Chiefs' Association opposes S.B. 236. Section 1 requires each State law enforcement agency to establish an early-warning system to identify problematic officers. The type of system is left up to each agency; this ambiguity is challenging for agencies lacking software programming for such systems. It will require personnel hours to purchase and maintain the software. There is only one fiscal note because agencies have been unable to calculate programming cost because of the ambiguity in section 1.

Agencies already have a system—known as the chain of command supervisory structure—to identify the behavior outlined in section 1. Every person is accountable to someone else all the way up the chain, ending in the voters. The structure allows for identifying, documenting and addressing bad behavior. Section 1 states the bill would apply to each law enforcement agency as per NRS 289.010, which was widely broadened by S.B. No. 242 of the 80th Session. The bill could negatively impact tiny agencies with limited resources to establish an early warning system.

COREY SOLFERINO (Washoe County Sheriff's Office):

While the Washoe County Sheriff's Office agrees with the policy in S.B. 236, we oppose its financial implications. Our Tiburon records management system is nearly obsolete. We are involved in concept development with the Cities of Sparks and Reno to determine which vendor will replace our systems. The implementation timeline of S.B. 236 could prove problematic given the

uncertainty of selecting a new vendor and reporting process plus the required training and implementation.

On its website, my Office already provides an annual summary of statistical data, plus monthly and quarterly statistical data sets. We believe in transparency and post as much data as possible within the confines of the law. Compiling data sets outlined in section 17 of S.B. 236 will have unknown fiscal impacts due to data switches, application programming interfaces and State reporting requirements, not to mention officers' extra time spent on the traffic stops.

CHAIR BROOKS:

We will close the hearing on S.B. 236 and open the hearing on S.B. 325.

SENATE BILL 325 (1st Reprint): Establishes provisions relating to preventing the acquisition of human immunodeficiency virus. (BDR 54-632)

MR. THORLEY:

The Division of Health Care Financing and Policy submitted a fiscal note on S.B. 325 of \$57,000 for the 2021-2023 biennium. The General Fund would provide \$14,250. The Senate adopted Amendment 282 for the bill, after which the Division withdrew its fiscal note.

SENATOR JAMES A. SETTELMAYER (Senatorial District No. 17):

Senate Bill 325 would help prevent HIV-AIDS by encouraging pharmacists to promote preventive measures before exposure and post-exposure treatment. *Nevada Revised Statutes* allows waiving of Clinical Laboratory Improvement Act of 1988 testing barriers, which S.B. 325 would repeal. The original bill required coding by the Division of Health Care Financing and Policy with a fiscal note of \$57,000; an amendment removed the note.

CHAIR BROOKS:

Is there no longer a fiscal impact on the Division?

MR. YOUNG:

Yes. The original note would have funded creation of new provider types. The amendment allows us to do so as a subspecialty under existing pharmacies at no cost.

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ELIZABETH MACMENAMIN (Retail Association of Nevada):
The Retail Association of Nevada supports S.B. 325 as good public policy.

CHAIR BROOKS:
We will close the hearing on S.B. 325.

SARAH ADLER (Charter School Association of Nevada):
We support the move toward adequate funding of public schools. The other side of spending is revenue. The funding formula in S.B. 439 is inequitable and unworkable for public charter schools, which educate 12.7 percent of Nevada students.

SENATE BILL 439: Revises provisions relating to education. (BDR 34-1099)

Charters must receive the same per pupil funding as their district counterparts. Otherwise, a family with one child in a charter school and another in a nearby public school would have different educational dollars with which to educate the children. Equity can occur by providing two charters and a district size adjustment by attendance area, which is in the public funding formula but absent for charters. Schools operate in the same labor market with the same cost of goods and services and cost of doing business. An equity adjustment needs to be created for charter funding.

KENT ERVIN (Nevada Faculty Alliance):
The Nevada Faculty Alliance is the professional organization of NSHE faculty and bargaining agent for northern Nevada colleges. Senate Bill 373 would restore NSHE faculty and staff positions with funding from the American Rescue Plan (ARP).

SENATE BILL 373: Provides for collective bargaining by certain state employees.
(BDR 23-675)

It would authorize refilling vacant positions and prevent permanent harm to NSHE programs from the Covid-19 revenue crisis. Senate Bill 373 would establish faculty collective bargaining rights. Faculty unionization increases institutional efficiency and reduces the cost per degree.

The Committee voted today to introduce BDR S-1160. There is still time to use ARP funds to raise State contribution funds for active and nonmedical retirees

to restore benefits for State employees for FY 2022-2023 of the biennium to pre-pandemic levels.

DOUG UNGER (President, University of Nevada, Las Vegas Chapter, Nevada Faculty Alliance):

Passage of S.B. 373 will enable State colleges and universities to fill hundreds of faculty positions, which will positively impact the needs of students and our State's economic recovery. The bill will increase transparency and accountability.

The State's contribution to the Public Employees' Benefits Program retirement system has remained relatively flat for almost 10 years while the per capita cost for health care in the Nation has risen by 40 percent. The burden of that difference has continually shifted to State employees and eroded healthcare benefits. Benefits should be at least restored to 2019 levels by using ARP funds.

CHRIS DALY (Nevada State Education Association):

You have the public comments ([Exhibit E](#)) in support of funding S.B. No. 543 of the 80th Session from Malinda Riemersma, a teacher in Humboldt County and Nevada State Education Association president for rural counties.

BRIAN RIPPET (President, Nevada State Education Association):

For two years, the Nevada State Education Association has offered ideas to improve the schools funding formula. They include removing provisions that isolate 16.6 percent of district funds and effectively end collective bargaining on financial items. Please return proper balance to the bargaining table to the *Nevada Administrative Code* rate of 8.3 percent. Restore cuts to the K-12 school system, specifically cuts to the class size reduction account, which effectively eliminate funding from more than 1,000 teaching positions. An unfunded funding formula will not drive equity. Passage of Assembly Joint Resolution 1 of the 32nd Special Session will allow voters to decide the issue of mining taxes.

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CHAIR BROOKS:

Seeing no more business before the Senate Committee on Finance, this meeting is adjourned at 3:38 p.m.

RESPECTFULLY SUBMITTED:

Pat Devereux,
Committee Secretary

APPROVED BY:

Senator Chris Brooks, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	A	1		Agenda
S.B. 69	B	1	Wayne Thorley	Proposed Amendment 3392
S.B. 165	C	1	Wayne Thorley	Proposed Amendment 3362
S.B. 236	D	1	Wayne Thorley	Conceptual Amendment 724
A.J.R. 1	E	1	Chris Daly / Nevada State Education Association	Letter of Support