

**MINUTES OF THE
SENATE COMMITTEE ON FINANCE**

**Eighty-first Session
May 20, 2021**

The Senate Committee on Finance was called to order by Chair Chris Brooks at 8:18 a.m. on Thursday, May 20, 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 Ohrenschall, Senatorial District No. 21
Senator Melanie Scheible, Senatorial District No. 9

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Joko Cailles, Committee Secretary
Barbara Williams, Committee Secretary

OTHERS PRESENT:

Holly Welborn, American Civil Liberties Union of Nevada
Ross Armstrong, Administrator, Division of Child and Family Services,
Department of Health and Human Services

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Alex Ortiz, Clark County

Brigid Duffy, Director, Juvenile Division, Office of the Clark County District Attorney

Kristina Wildevelde, Nevada Attorneys for Criminal Justice

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

Leisa Moseley, Nevada State Director, Fines and Fees Justice Center

Yvette Williams, Chair, Clark County Black Caucus

Barbara Cegavske, Secretary of State

Tim Horgan, Chief IT Manager, Office of the Secretary of State

Susan Brown, Director, Office of Finance, Office of the Governor

Margo Martin, Chief, Accreditation and Institutional Effectiveness, College of Southern Nevada

Adrian Bell

Catherine Byrne, State Controller

Jessica Adams, Deputy Administrator, Community Based Care and Development Services, Aging and Disability Services Division, Department of Health and Human Services

Sharath Chandra, Administrator, Real Estate Division, Department of Business and Industry

Mitch Varner, Administrative Services Officer, Division of Museums and History, Department of Tourism and Cultural Affairs

Jessica Hoban, Chief Financial Officer, Office of the Attorney General

Lisa Lucas, Chief IT Manager, Department of Corrections

Adam Sullivan, State Engineer and Administrator, Division of Water Resources, Department of Conservation and Natural Resources

Felicia Denney, Assistant Director, Administration, Department of Transportation

Steve Fisher, Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services

Kent Ervin, Nevada Faculty Alliance

Amanda Brazeau, Nevada System of Higher Education

Sabra Newby, University of Nevada, Las Vegas

Tyler Heu, Associate Vice President, Student Financial Services and Veteran Affairs, College of Southern Nevada

Jaimee Shepler

CHAIR BROOKS:

I will open the hearing on Senate Bill (S.B.) 164.

SENATE BILL 164 (1st Reprint): Directs the Legislative Commission to appoint a committee to conduct an interim study concerning sex trafficking. (BDR S-57)

WAYNE THORLEY (Senate Fiscal Analyst):

As approved, the Legislative Counsel Bureau (LCB) budget does not contain any funding for Interim studies. If the Committee wishes to approve this bill, it may consider adding funding for the Interim study.

SENATOR MELANIE SCHEIBLE (Senatorial District No. 9):

As indicated, S.B. 164 directs an Interim study. We are waiting on information from LCB regarding the potential cost of such a study.

The purpose of the study is to find ways to stop arresting victims of human trafficking, start providing them with services and remove them from the situations they find themselves in. Many victims of human trafficking find themselves caught in a cycle of violence. There are still jurisdictions in Nevada that spend money to send officers to areas where human trafficking is known to occur to arrest people engaging in illegal prostitution. These people are victims of human trafficking. We incarcerate them and charge them with crimes. We spend time and money prosecuting and sentencing them.

In working with our partners in law enforcement, we determined that during the Eighty-first Session we could not analyze the budget impacts and deliver an alternative solution to the problem. We have not identified all we need to provide victims of human trafficking with the necessary resources.

The purpose of the study would be to evaluate the resources and come up with alternatives to arrest and hopefully implement some cost savings. There would likely be some investments at the outset to develop new systems for diverting the victims from the criminal justice system.

SENATOR RATTI:

Would this be a typical Interim committee? Is there no funding for any Interim committees? Was that a budget oversight?

MR. THORLEY:

There was no funding included in the LCB budget for Interim studies due to the lack of certainty as to whether or how any Interim studies would be conducted given the uncertainty around the Covid-19 pandemic.

If the Legislature wishes to approve any Interim studies, funding will have to be included in the bill.

CHAIR BROOKS:

Was there a study conducted in the last Interim regarding this?

SENATOR SCHEIBLE:

You are likely referring to the Commercial Sexual Exploitation of Children (CSEC) Commission. Senate Bill 164 would address the trafficking of children and adults.

SENATOR KIECKHEFER:

In the May 7 budget closing for the LCB, the closing for Legislative Commission and Committees specified "the proposed budget also includes travel costs for the meetings of statutory committees, interim studies, and for Legislators to attend non-legislative meetings of committees."

However, it also specifies "The proposed budget does not include any amounts for new interim study committees or new statutory committees. Any new committees or additional studies will require funding through legislation authorizing the study."

Can Fiscal staff provide clarity?

MR. THORLEY:

I will seek clarification with the LCB Chief Financial Officer. Interim committees and Interim studies are treated differently. Interim committees are included in the budget, studies are not.

CHAIR BROOKS:

The bill does not specify how often the committee would meet.

SENATOR SCHEIBLE:

I would anticipate six to eight meetings over the Interim. The committee would only be six legislators, as outlined in S.B. 164. I would not anticipate additional costs for any other resources. The legislators would be meeting to hear presentations from law enforcement and partner agencies.

CHAIR BROOKS:

One of the most productive groups over the last Interim I was involved with was a working group. It was not in statute and did not cost a penny.

SENATOR SCHEIBLE:

I am happy to work with the Finance Committee to answer all questions once we have clarity on the budget. I could even look for funding through some outside sources. There are stakeholders who are interested in having this conversation and who see the problem from different angles.

SENATOR GOICOECHEA:

Were you anticipating this proposed committee would have a bill draft request (BDR)?

SENATOR SCHEIBLE:

Interim studies receive five BDRs, so I would anticipate that.

CHAIR BROOKS:

I will close the hearing on S.B. 164 and open the hearing on S.B. 356.

SENATE BILL 356: Provides for a study of certain issues relating to the housing of youthful offenders. (BDR S-501)

SENATOR JAMES OHRENSCHALL (Senatorial District No. 21):

Senate Bill 356 came out of a unanimous, bipartisan recommendation from the Interim Legislative Committee on Child Welfare and Juvenile Justice. The goal is to try to help young people who have been convicted of a crime serve their sentences focused on rehabilitation and to determine the feasibility of a separate program for youthful offenders similar to those in many other states.

The bill requires the Nevada Department of Corrections (NDOC) and the Division of Child and Family Services (DCFS) within the Department of Health and

Human Services (DHHS) to study the feasibility of a program that will ensure more success for youthful offenders and not return to NDOC custody.

CHAIR BROOKS:

Are you envisioning that this would be one of the legislatively approved Interim studies?

SENATOR OHRENSCHALL:

No. What I envision in S.B. 356 is that NDOC and DCFS would work together with the Juvenile Justice Oversight Commission on a plan to keep youthful offenders separate from adult inmates and report back to the Interim Committee on Child Welfare and Juvenile Justice with their recommendations. That Committee could then choose to take action on the report with the BDRs allotted to them.

SENATOR DONDERO LOOP:

How much time do most of our youthful offenders spend incarcerated?

SENATOR OHRENSCHALL:

It varies by the offense. We have children under 18 who are currently housed at the Lovelock Correctional Center who have been transferred from the juvenile system to the adult system. When juveniles are tried and convicted as adults, they are transferred from the juvenile system to an adult prison. For young adults aged 18 to 24, there is more we can do in terms of rehabilitation to help them land on their feet and not return to prison.

HOLLY WELBORN (American Civil Liberties Union of Nevada):

There are 14 boys remaining in Lovelock Correctional Center in its youth pod. There had been 21, but 7 aged out and are spread among various adult population correctional institutions around the State. They are aged 18 and 19.

SENATOR DONDERO LOOP:

It behooves us as a society to prepare these youthful offenders to come out and be productive members of society rather than winding up back in prison.

CHAIR BROOKS:

As someone who has a unique perspective on the juvenile justice system and what happens when you become an adult, it is incredibly important to provide this assistance.

SENATOR RATTI:

This looks similar to what we did with CSEC. We give the Agency additional resources to research best practices and Nevada statutes and bring the stakeholders together so they can come back to the Legislature next Session with good recommendations. Does that sum this bill up?

SENATOR OHRENSCHALL:

Yes. There is plenty of data that shows if children are given education, therapy and not put into populations with adults who are serving long sentences, they will do better upon release. Senate Bill 356 gives us a way to get there.

CHAIR BROOKS:

I understand there is a contractor that NDOC and DCFS will work with to bring stakeholders together.

MS. WELBORN:

That is correct. There are 16 states that do not segregate youth who have been tried as adults from other youth who are in the juvenile justice system. There was another Interim study that spawned this bill in which division heads from Oregon, California and Vermont spoke to the Interim Legislative Committee on Child Welfare and Juvenile Justice and shared the process of getting to that point. This required looking at systems, costs and whether construction is needed to accommodate changes.

SENATOR HAMMOND:

Is this money that we allocated already to agencies to study the problem?

SENATOR RATTI:

We are giving them extra resources to focus on the problem.

CHAIR BROOKS:

If we were to approve S.B. 356 in this Committee, it would come with a \$50,000 appropriation.

SENATOR HAMMOND:

Can BDRs come out of this as well?

SENATOR OHRENSCHALL:

The report would go to the Interim Legislative Committee on Child Welfare and Juvenile Justice, and it is allotted BDRs. If it feels the report has merit, they can go forward with a BDR.

CHAIR BROOKS:

We have seen good recommendations come out of that Committee. Would the bill result in the stakeholders giving recommendations to that Committee?

SENATOR OHRENSCHALL:

Yes, it would. We were lucky in this past Interim. The Committee met twice in person at the Grant Sawyer State Office Building in Las Vegas before the pandemic. We were able to continue with virtual meetings and came up with strong policy recommendations.

ROSS ARMSTRONG (Administrator, Division of Child and Family Services, Department of Health and Human Services):

The fiscal note submitted by DCFS for S.B. 356 contains the funding for a contractor. When a bill requires the Division to evaluate or do something, we determine if we have the internal capacity and expertise to fulfill the requirements. We do not have the capacity or expertise at this time. Based on previous studies such as the CSEC, a \$50,000 appropriation should cover the cost of a contractor and allow us time to have a report ready to submit to the Interim Committee.

ALEX ORTIZ (Clark County):

Clark County is neutral on S.B. 356. As the bill digest states, during the Eightieth Legislative Session, the Legislature enacted legislation requiring the interim Legislative Committee on Child Welfare and Juvenile Justice to conduct a study during the 2019-2020 interim concerning juvenile detention in the State. At one of those meetings, a representative from Clark County Department of Juvenile Justice Services testified during public comment about prospective costs to Clark County if NDOC were to house their juvenile offenders in our local juvenile detention center.

If juvenile offenders currently held in NDOC facilities are transferred and held in our juvenile detention center, the costs to redesign existing space, build new space, operate and maintain this redesigned new space, and hire more staff to

house these juveniles and adults in our facilities will be in the tens of millions of dollars per year.

Any potential savings in costs to NDOC, as contemplated in this study, will be an unfunded mandate to Clark County.

We look forward to participating and working with the NDOC and DCFS during the interim on this study, so all our needs and fiscal concerns are considered.

CHAIR BROOKS:

I will close the hearing on S.B. 356 and open the hearing on S.B. 366.

SENATE BILL 366 (1st Reprint): Revises provisions relating to juvenile competency. (BDR 5-498)

SENATOR OHRENSCHALL (Senatorial District No. 21):

I have been fortunate to work with Brigit Duffy of the Clark County District Attorney's Office on S.B. 366. The original bill had a large fiscal note. We are submitting an amendment ([Exhibit B](#)) which lowers the fiscal note to \$50,000. In section 6 of the amendment, DCFS is required to review current competency services and develop a plan for a juvenile competency structure to be submitted to the Interim Committee on Child Welfare and Juvenile Justice.

The bill specifically refers to children who have been found incompetent. In this scenario, incompetence is defined as being unable to understand the juvenile justice system and assist one's attorney.

This was another bipartisan, unanimous recommendation from the Interim Committee.

BRIGID DUFFY (Director, Juvenile Division, Office of the Clark County District Attorney):

I support mass reform of the juvenile justice system. I have built my career on making sure we keep our community safe while having positive outcomes for children who make bad decisions, some of them life-changing.

In attempting to continue systemic reform, I have tried to work on eliminating pathways to the criminal justice system through charging children as adults.

Since my number one priority is community safety, I have a duty to ensure there are consequences and rehabilitation when a child takes another child's life. However, if the child who took the life of another child is incompetent, we have no place to house or treat them to keep the community safe and provide services to the child.

The adult system has pathways to reform. The juvenile justice system does not have pathways for the incompetent child. That is what S.B. 366 is about, to get our State facilities to provide housing and mental health services to the incompetent child so they can be part of the justice system. I want to be able to tell a victim's family that the child who took your child's life is not just going home with a GPS monitor because we do not have any place to treat them.

This is needed, and I appreciate DCFS working with me to come up with a way to begin working on a solution. We do not even have the data to quantify how many children we are talking about. In Clark County, we have a few local psychologists who can work to restore competency in children, but in the rural counties there are no such services.

SENATOR KIECKHEFER:

Please explain how the amended version of S.B. 366 affects the court treatment of incompetent youth.

MS. DUFFY:

Current law allows the juvenile court to order a child into a DCFS child mental health facility. Current law also allows the administrator of the facility to not follow the court order if he or she deems the facility is unable to provide the proper services to that child.

The original language of the bill removed the discretion of the facility to treat the child. The problem is our facilities may not have the resources to treat certain children, and fixing that came with a large price tag. The amendment to S.B. 366 allows the DCFS facility to determine if it is not the best facility to address this child's needs or the needs of the community, but requires the DCFS to assist the court in finding an appropriate placement if there is no appropriate facility in Nevada.

SENATOR KIECKHEFER:

Is Desert Willow Treatment Center one of the DCFS facilities that houses child offenders?

Ms. DUFFY:

Yes.

SENATOR DONDERO LOOP:

When children are placed in out-of-state facilities, do we consider proximity to the State to facilitate family's access?

Ms. DUFFY:

We are always cognizant of proximity, and we do not send children out of state unless we have to. The majority of out-of-state facilities we use are in Utah. In rare cases when the needs of the child are extreme, we have had to go as far as Tennessee. Unfortunately, there is a lack of higher level services for juveniles all across the country.

SENATOR RATTI:

What will change the day S.B. 366 passes, other than giving money to someone to do a study?

SENATOR OHRENSCHALL:

The language in section 1.3 brings everyone to the table regarding the competency of the offender and subsequent placement.

Ms. DUFFY:

We work well with our DCFS partners, but we all realize that might only last as long as the current stakeholders are holding their current positions. Senate Bill 366 solidifies that into statute. Section 1.3 language is already in statute for our foster care system.

Other sections of the bill provide for the sealing of records for incompetent children who are unable to be restored to competency and language that prevents the placement of an incompetent child to an adult correctional facility.

Lastly, we need the study so we can understand the scope of the problem and potential fixes.

MR. ARMSTRONG:

We have determined if today's proposed amendment is adopted, the fiscal note would be \$50,000 for the study and plan recommendation. We have had a legal framework for dealing with children found to be incompetent, but no real system for deciding who is qualified to make that determination and what services need to be in place. An incompetent child frequently has interwoven issues such as mental health, developmental disabilities and child brain development delays. Because mental health is one of the key factors, we got a determination that we can use federal system-of-care funds for this purpose. While we need legislative authority to use those funds, there would be no General Fund appropriations.

Another requirement in S.B. 366 is for data collection from the counties to the State Juvenile Justice Programs Office within DCFS. That information will be valuable to us for forward planning.

KRISTINA WILDEVELDE (Nevada Attorneys for Criminal Justice):

Nevada Attorneys for Criminal Justice echoes everything Ms. Duffy said and supports S.B. 366.

CHAIR BROOKS:

I will close the hearing on S.B. 366 and open the hearing on S.B. 219.

SENATE BILL 219: Revises provisions relating to offenses. (BDR 14-249)

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

Senate Bill 219 seeks to remove some provisions that allow for the suspension of a driver's license based on the inability to pay certain court imposed fines and fees.

Individuals involved in the criminal justice system can be assessed different fines and fees as a result of their case. If they are unable to pay certain fines and fees, the court will order their driver's license to be suspended. At that point, the individual would also have to pay a reinstatement fee of \$75 to the Department of Motor Vehicles (DMV).

Individuals having a tough time paying fines and fees in the court system and subsequently losing their driver's license, frequently lose their jobs for lack of transportation. Alternatively, they sometimes continue driving in order to keep

their jobs and often rack up additional fines for driving without a valid license. This creates a cycle many people cannot break.

Senate Bill 219 prohibits the suspension of a driver's license for the sole reason of inability to pay court fines and fees. Driving under the influence (DUI) cases often provide for the suspension or revocation of a driver's license. This bill is not intended to change that. This bill pertains exclusively to individuals found guilty of a misdemeanor, assessed a fine or fee which they cannot pay and have their license suspended as a result.

The bill also requires the DMV to immediately start reinstating these licenses without charging a fee, thus leading to the fiscal note from the DMV. The DMV has been cooperative in trying to work on creative solutions for putting the intent of the bill in place. In addition to the DMV needing manpower to assess which licenses should be reinstated, there is also the lost fee revenue. The policy is good, but we need to figure out how to pay for it.

There is pending federal legislation called the Driving for Opportunity Act that would, if passed, provide grants to states to mitigate lost fee revenue for this exact scenario.

CHAIR BROOKS:

Does the DMV fiscal note encompass all suspensions and the costs and revenues associated with that?

SEAN SEVER (Administrator, Division of Management Services and Programs, Department of Motor Vehicles):

Yes.

CHAIR BROOKS:

Senator Cannizzaro, do you have any estimate on what percentage of all suspensions would be affected by S.B. 219?

SENATOR CANNIZZARO:

I do not. That data would need to come from the DMV, and they had difficulty delineating which suspensions fell under the bill's parameters.

CHAIR BROOKS:

Mr. Sever, please walk us through the methodology the DMV used to arrive at the approximately \$6.8 million fiscal note?

MR. SEVER:

We understand the intent of the bill and are neutral on it. We have looked at amending our fiscal note in a variety of ways, but the result is always a large financial impact to the DMV.

The fiscal note said the DMV would absorb the programming costs of the bill. We received an email last night from Senator Dallas Harris proposing using federal dollars to make up for lost revenue, and we are going to take a good look at that today.

CHAIR BROOKS:

Is the fiscal note based solely on the loss of revenue from the reinstatement fee associated with suspended licenses?

MR. SEVER:

Yes, that is correct.

CHAIR BROOKS:

If we do not suspend the license in the first place, there is no suspension and therefore, no reinstatement with the associated fee. Does your budget rely on the reinstatement fee from a certain number of license suspensions?

MR. SEVER:

Yes, it does.

CHAIR BROOKS:

Is the fee, listed as revenue, only to cover the work associated with the license suspension and reinstatement?

MR. SEVER:

Yes.

CHAIR BROOKS:

If the suspensions go away, the work goes away and consequently the cost associated with it. Am I missing something?

MR. SEVER:

We will have to take a closer look at the issue.

SENATOR RATTI:

Generally, we charge a fee to cover the cost of doing something. If we stop doing that thing, the cost goes away.

The way S.B. 219 reads now, however, there are still those people who have had their license suspended and would now get it reinstated at no cost. That would be a workload cost to the DMV.

SENATOR CANNIZZARO:

That is correct. The DMV should have the data on how many individuals have suspended licenses. One difficulty is determining how many of those suspended licenses fall into the category covered by S.B. 219.

SENATOR RATTI:

If we are thinking about it as a one-time amnesty for those currently in this situation and not on a go-forward basis since those licenses would not be suspended in the first place, could it be a one-shot appropriation funded out of fiscal year (FY) 2020-2021?

CHAIR BROOKS:

I know the DMV has an internal process for license revocations under DUI laws. What does the data DMV receives from the courts look like?

MR. SEVER:

The information is transferred to us from the courts. The fiscal note was based on minor offenses.

SENATOR SEEVERS GANSERT:

If the DMV is simply getting the suspension notice with no explanations or cause, the information may have to come from the courts.

CHAIR BROOKS:

Would we notify the courts not to send suspension notices?

SENATOR CANNIZZARO:

That is correct. I had some discussions with judges of limited jurisdiction and learned that in some cases the license suspension is automatic once there is a certain amount of outstanding fees and they are also unable to give an exact amount of people affected this way.

SENATOR GOICOECHEA:

What is the enforcement tool if we take this away? I assume most individuals would choose not to pay fines and fees if there was no enforcement mechanism.

SENATOR CANNIZZARO:

There are a variety of mechanisms that can be used for enforcement. The kind of offenses addressed by S.B. 219 are traffic tickets or misdemeanor criminal activities. These individuals are not serving time, but they can have requirements imposed like community service or attending a counseling program. The DUI charge is a separate category because the remedy is delineated in statute.

If you are unable to pay your fines and fees, suspending your driver's license is only going to result in more fines and fees being assessed. What we are trying to do with this bill is to prevent a situation in which a person who cannot pay the assessed fines and fees is caught in a cycle of more fines and fees and cannot get out. There are other enforcement mechanisms we can utilize that are more effective and will not push people into the continuous cycle.

CHAIR BROOKS:

My biggest obstacle is the data capture—how do we know who this is affecting at the DMV level? I know the DMV is in the process of revamping its data management system and processes. This is something it should be trying to capture as data comes in.

SENATOR RATTI:

If the courts no longer can suspend a license for nonpayment of fines and fees, then that data should never hit the DMV. The conversation may be more about the courts' ability to capture the data.

SENATOR CANNIZZARO:

That is correct. Going forward, the DMV would not get notified to suspend anyone's license for the inability to pay. The issue with where the current data is and ferreting out the differences there has proven to be difficult.

SENATOR RATTI:

If we walk away from the amnesty and simply stopped courts from suspending licenses due to the inability to pay fines and fees starting July 1, would that make the fiscal note disappear? There would be no future impact to the DMV. The work and the fees to pay for the work would go away.

CHAIR BROOKS:

I agree. The fiscal note goes away if we strike the word "before."

SENATOR CANNIZZARO:

I also agree; however, in our conversations, the DMV expressed that its budget relies on these funds.

SENATOR DONDERO LOOP:

What remedy could be offered to those who do have their licenses suspended before this takes effect?

SENATOR CANNIZZARO:

There are other enforcement mechanisms to ensure people pay fines and fees or complete some sort of equivalent program such as community service in lieu of fines and fees. That is common and happens frequently.

MR. SEVER:

We were also considering a going-forward approach. I will take that to our financial people for an evaluation and get back to you.

CHAIR BROOKS:

Thank you. The fee should strictly be to pay for the work necessary to do the reinstatement. If the reinstatement does not take place, the work does not take place and the lost revenue should be a nonissue.

LEISA MOSELEY (Nevada State Director, Fines and Fees Justice Center):
The Fines and Fees Justice Center (FFJC) works to eliminate fees associated with the criminal justice system and to make fines more equitable and proportional to people's ability to pay.

We support S.B. 219. We have worked closely with Assemblywoman Cecelia Gonzalez on Assembly Bill (A.B.) 151, a similar bill.

ASSEMBLY BILL 151 (1st Reprint): Revises provisions relating to offenses.
(BDR 14-776)

We have had several conversations with the DMV regarding the fiscal note. The DMV is using the number of suspensions to calculate the fiscal note. A better way to calculate this fiscal note would be to use the number of reinstatements, which is significantly less. Not everyone whose license is suspended reinstates it.

Other states have done what we are asking Nevada to do at little or no cost. Texas sent the FFJC a report on how it implemented this system and reinstated thousands of driver's licenses, which is what we are asking Nevada to do. We forwarded the report to the DMV, and I would be happy to share it with this Committee as well.

The State has suffered a huge negative impact from the Covid-19 pandemic. Many of the Nevadans who have had their license suspended also suffered a negative impact. People simply do not have extra money.

Senator Cannizzaro pointed out that there is federal legislation pending that could help. I would add that Nevada's Attorney General is one of the Attorneys General that has signaled support for the Driving for Opportunity Act. That legislation would provide federal dollars to reimburse states for any lost revenue for implementing policies like the ones in S.B. 219.

I would like to address Senator Goicoechea's concerns. In Texas, Fort Worth does not suspend driver's licenses. Dallas does. Dallas collects \$113 per case. Fort Worth collects \$116 per case. The benefit to the State for enacting this legislation is great and would overshadow any lost revenue by allowing people to go to work, pay their fines and fees, and contribute to their State.

This is not an issue of willingness, it is an issue of ability to pay. People should not be penalized for being poor. We are asking the Committee to move this bill forward and reinstate people's licenses at no cost to them.

CHAIR BROOKS:

If we allow the \$75 reinstatement fee to be applied to those current suspended licenses as they are reinstated, would 100 percent of the fiscal note go away?

SENATOR CANNIZZARO:

The point of the legislation is to reinstate licenses for poor people who do not have the ability to pay.

SENATOR RATTI:

If we allowed the reinstatement of the license with a \$75 payment, the difference is the person would not have to pay the fines and fees that got their license revoked in the first place.

SENATOR CANNIZZARO:

There is no requirement to pay off the fines and fees before getting a license reinstated. The individual only has to pay the \$75 reinstatement fee.

SENATOR SEEVERS GANSERT:

The DMV website indicates all outstanding fines and fees must be cleared before one can get their license reinstated. I do not know how the DMV even tracks that. The \$75 fee for reinstatement is in *Nevada Revised Statutes* (NRS) 483.401.

MR. SEVER:

We need to go back to the drawing board and verify some of the information we are hearing.

SENATOR HAMMOND:

Can we get confirmation that if all individuals who have suspended licenses for the circumstances covered by S.B. 219 pay the \$75 to have their license reinstated that the fiscal note would go away?

MR. SEVER:

We believe that is true, but we need to make sure.

YVETTE WILLIAMS (Chair, Clark County Black Caucus):

The Clark County Black Caucus supports S.B. 219. We have got to stop the bleeding. We have got to stop feeding this monster. Too often hard-working Nevadans get caught in the system for a misdemeanor, and it disrupts their life for the rest of their life. It impacts future jobs, the ability to get housing and qualifying for education grants.

I know this is a Finance Committee, but I hope I can touch your hearts and realize it is not just about the money. It is about people—real people. People who are struggling right now. We have been working for over a decade on this driver's license issue and accompanying fines and fees.

You have heard about the cycle of unpaid fines and fees leading to more citations and more fees. Eventually, the individual has a warrant for his or her arrest, and they end up in jail. Many people in transient Las Vegas have no family support. Children are negatively impacted. They watch their parent being handcuffed and arrested, and the children end up in court custody with people they do not know. Many of the children in the Black community end up with traumatic stress because of parent's interaction with law enforcement.

This issue disproportionately impacts low-income people of color. Our public agencies should not be in the business of profit, but in the business of serving their community.

MR. THORLEY:

Fiscal staff has been researching revenue associated with driver's license reinstatement fees during the hearing. It appears fee revenue associated with driver's license reinstatement goes directly to the State Highway Fund and not into the DMV budget. The DMV budget is funded from appropriations from the Highway Fund as authorized by the Legislature; however, a reduction in revenue to the Highway Fund does not immediately translate into a reduction in revenue in the DMV budget.

SENATOR KIECKHEFER:

That is helpful. What is the status of the Highway Fund unallocated balance as currently projected for the 2021-2023 biennium? If we reduce revenue to the Highway Fund, are we putting it in a precarious position?

MR. THORLEY:

Fiscal staff will research and get back to you.

CHAIR BROOKS:

Mr. Sever, can you confirm what Mr. Thorley said?

MR. SEVER:

That is correct. We can tentatively confirm that if we were allowed to charge the \$75 reinstatement fee, the fiscal note would go away.

CHAIR BROOKS:

If legislation we pass affects fee revenue to the Highway Fund, it does not directly impact the DMV budget. The Highway Fund may lose some revenue, but the DMV budget has already gotten the allocation to cover the work associated with collecting these fees.

SENATOR SEEVERS GANSERT:

This legislation could incentivize people to get their license reinstated, but how likely is it they will take care of their fines and fees?

SENATOR CANNIZZARO:

As I have mentioned, there are many alternatives the courts can impose for failure to pay fines and fees. Probably the most common is community service, but an alternative can be counseling relevant to the offense—perhaps anger management or drug counseling. They can also request a payment schedule within their means. All these require the defendant to show up in court. Someone who is not showing up to court can be charged with contempt which can result in a warrant.

SENATOR SEEVERS GANSERT:

Even the Covid-19 pandemic has been an obstacle to showing up to court.

SENATOR CANNIZZARO:

In Clark County, many courts continued cases because the courtrooms were closed due to the pandemic. Hopefully, the courts will show more grace as we come out of the pandemic and more people having difficulty paying fines and fees.

CHAIR BROOKS:

With any retroactive amnesty model we choose, the cost of notification in the DMV fiscal note will still be incurred.

ALEX HAARTZ (Principal Deputy Fiscal Analyst):

Fiscal staff has the information about the Highway Fund requested by Senator Kieckhefer. The projection for the unobligated Highway Fund is \$245.3 million for FY 2021-2022 and \$229.2 million for FY 2022-2023. These amounts may change depending on actions by the Legislature.

CHAIR BROOKS:

I will close the hearing on S.B. 219 and open the hearing on A.B. 451.

ASSEMBLY BILL 451: Makes an appropriation to the Office of the Secretary of State for the replacement of computer hardware and software.
(BDR S-1061)

BARBARA CEGAVSKE (Secretary of State):

Assembly Bill 451 makes an appropriation of \$2,530,292 over the 2021-2023 biennium for the replacement of desktop units, printers, all servers, storage devices and the networking devices that interconnect the servers and storage devices. This equipment is on a five-year life cycle and replacement schedule in accordance with the recommendations of the Enterprise Information Technology Services (EITS) in the Department of Administration. The new equipment replaces the Secretary of State's infrastructure which is out of warranty and cannot be extended. Due to the budget reduction measures taken last year, scheduled equipment replacement was shifted from FY 2020-2021 to FY 2022-2023.

This request includes equipment that is overdue for replacement at our primary disaster recovery sites that house our infrastructure. The hardware and software at both sites must be compatible in order to provide disaster recovery capabilities.

Please note \$38,992 of the request is in FY 2021-2022 with the remaining balance in FY 2022-2023 in order to maximize the warranties.

SENATOR DENIS:

Does this replacement equipment bring everything up to date?

TIM HORGAN (Chief IT Manager, Office of the Secretary of State):

This equipment will bring all of our server infrastructure into compliance with EITS recommendations and under warranty.

SENATOR DENIS:

Does the disaster recovery plan mean if something goes wrong on one end, the other end will still be up and running?

MR. HORGAN:

That is correct.

CHAIR BROOKS:

I will close the hearing on A.B. 451 and open the hearing on A.B. 469.

ASSEMBLY BILL 469: Makes a supplemental appropriation to the Office of the Secretary of State for a projected shortfall related to credit card processing fees. (BDR S-1145)

SECRETARY CEGAVSKE:

Assembly Bill 469 makes a supplemental appropriation of \$549,998 for a projected shortfall related to credit card processing fees. Credit card processing fees have been an issue since the State started accepting credit cards for payments for State services. This year is no different except in past years we have used salary savings and other budgetary savings to cover shortfalls. Due to the budget reductions mandated by the Thirty-first Special Session, it is necessary to request this supplemental appropriation. There was an increase in the use of online payment services due to office closures as well as an expansion of services available to be paid for online.

The estimation of credit card fees as we prepared the biennial budget has been difficult. This past year's usage has been greater than we could have imagined. Regardless of our estimates, we are only allowed the base allocations to our biennial budget, so we are always going to have a shortfall as credit card usage and the vendor fee increase.

CHAIR BROOKS:

I will close the hearing on A.B. 469 and open the hearing on A.B. 453.

ASSEMBLY BILL 453: Makes an appropriation to the Account for Pensions for Silicosis, Diseases Related to Asbestos and Other Disabilities.
(BDR S-1112)

MR. THORLEY:

Assembly Bill 453 requests \$34,000 in General Fund appropriations to the Account for Pensions for Silicosis, Diseases Related to Asbestos and Other Disabilities.

SUSAN BROWN (Director, Office of Finance, Office of the Governor):

This funding is expected to get us through the 2021-2023 biennium and covers payments made to eligible individuals. The amount decreases each biennium.

VICE CHAIR DENIS:

I will close the hearing on A.B. 453 and open the hearing on A.B. 454.

ASSEMBLY BILL 454: Makes an appropriation to the Nevada Promise Scholarship Account to support the Nevada Promise Scholarship Program.
(BDR S-1113)

MS. BROWN:

Assembly Bill 454 requests \$7,328,366 in General Fund appropriations to support the Nevada Promise Scholarship Program. This program is in its third year. It is expected this funding will support the program for the 2021-2023 biennium.

MARGO MARTIN (Chief, Accreditation and Institutional Effectiveness, College of Southern Nevada):

I serve as the Institutional Effectiveness Chief at the College of Southern Nevada (CSN), and I support of A.B. 454. The Nevada Promise Program is a game changer for the high school youth and families of southern Nevada.

Since 2017, Nevada Promise has played a key role in stimulating a college-going culture across the State. Year over year, an increasing number of high schools have encouraged more students to participate. Since the Scholarship's inception, close to 35,000 students representing 11 counties and 114 high schools have submitted applications to CSN's Promise program.

Despite Covid-19, CSN received almost 5,000 Promise applications for this upcoming academic year, and 1,153 eligible students are moving forward to complete the mentoring and community service requirement—a 5 percent increase from last year.

In terms of persistence, 103 Nevada Promise 2018 cohort students will complete 3 years with the program this spring semester, 295 students from the 2019 cohort are completing their second year, and 254 students from the 2020 cohort are completing their first year.

Regarding community service, CSN Promise students have contributed more than 126,000 service hours total, and our mentors have completed close to 8,500 mentoring sessions since 2018. We currently have 358 active mentors in the program, and we are always recruiting.

Nevada Promise has created incredible synergy around access and community support for higher education in southern Nevada and continues to positively impact the lives of our high school seniors and their families. We urge this Committee to support A.B. 454.

SENATOR DENIS:

I appreciate hearing the data Ms. Martin shared. Another benefit is that Free Application for Federal Student Aid (FAFSA) applications have increased dramatically because that is one of the requirements of Nevada Promise Scholarships. As a State, we were leaving dollars on the table by not using FAFSA more.

ADRIAN BELL:

I am a full-time college student at CSN pursuing a business degree in finance. Because of the Nevada Promise Scholarship, I am able to focus entirely on my academics without having to worry about how I will pay for tuition. I have been a Promise recipient for the last two years, and something I have come to realize is that the program is more than a scholarship that provides funding to students. Since becoming a recipient, the Scholarship has made me a better version of myself and a role model my little brother can look up to.

Because of the Scholarship, I have become more involved in my community and have realized the importance of civic engagement through volunteering at numerous organizations to fulfill my community service requirement. Because of

the mentorship aspect of the program, I went from a shy, introverted individual to an outspoken leader who can represent my peers and community. This Scholarship has even given me the opportunity to work closely with my peers and ensure they graduate with a degree by allowing me to become a program facilitator for the Scholarship. Working closely with promise coordinators and other CSN faculty, I have been a helping hand in bringing attention to the importance of mentorship in a college student's life along with raising awareness of obstacles that first-generation college students undergo. Again, this would not have been achievable without the Nevada Promise Scholarship.

I am living testimony for why this Scholarship should continue to be funded. Before the Scholarship, I did not have direction, I did not realize my potential, and did not have the needed support to achieve greatness. After receiving the Scholarship, I have maintained a 4.0 grade point average (GPA) each semester, I have earned the Regent's Scholar Award for my school, became a familiar face in my community due to volunteering and a beacon of hope for people who look like me.

CHAIR BROOKS:

I will close the hearing on A.B. 454 and open the hearing on A.B. 455.

ASSEMBLY BILL 455: Makes an appropriation to the Office of the State Controller for the replacement of printers. (BDR S-1114)

CATHERINE BYRNE (State Controller):

Assembly Bill 455 makes an appropriation of \$18,848 to the Office of the State Controller for the replacement of printers. The funding supports the purchase of two magnetic ink character recognition check secure printers to replace the two aging ones currently in use. The existing printers are over nine years old and beyond their working useful life.

The Controller's Office prints checks for accounts payable, some payroll checks, welfare and child support checks, and various miscellaneous checks. We print about 6,000 to 8,000 checks each month. Although NRS 227.185 requires the electronic payment of accounts payable whenever possible, there will always be some need for printing hand checks.

CHAIR BROOKS:

I will close the hearing on A.B. 455 and open the hearing on A.B. 456.

ASSEMBLY BILL 456: Makes an appropriation to the Aging and Disability Services Division of the Department of Health and Human Services for pavement maintenance at the Jones campus of the Desert Regional Center. (BDR S-1120)

JESSICA ADAMS (Deputy Administrator, Community Based Care and Development Services, Aging and Disability Services Division, Department of Health and Human Services):

Assembly Bill 456 appropriates \$85,750 for pavement maintenance at the Jones campus of the Desert Regional Center. The Jones campus includes the State-operated intermediate care facility for individuals with intellectual disabilities. The pavement maintenance is necessary to ensure the grounds remain in compliance with the Americans with Disabilities Act.

CHAIR BROOKS:

I will close the hearing on A.B. 456 and open the hearing on A.B. 458. Section 1 is for \$693,670 in General Fund appropriations and section 2 is for \$37,654 in General Fund appropriations.

ASSEMBLY BILL 458: Makes appropriations to the Real Estate Division of the Department of Business and Industry for an upgrade of its licensing software system and the replacement of computer hardware and software. (BDR S-1134)

SHARATH CHANDRA (Administrator, Real Estate Division, Department of Business and Industry):

Assembly Bill 458 is an appropriation that will help the Real Estate Division of the Department of Business and Industry get started on upgrading its software licensing system. It also includes some necessary upgrades to servers and associated hardware.

SENATOR DENIS:

This bill would fund putting the technology in place. I sponsored S.B. 276 for a technology fee that will fund the maintenance of the new system.

SENATE BILL 276: Imposes a technology fee for the issuance or renewal of certain licenses, certificates, permits and registrations issued by the Real Estate Division of the Department of Business and Industry. (BDR 54-840)

CHAIR BROOKS:

I will close the hearing on A.B. 458 and open the hearing on A.B. 460.

ASSEMBLY BILL 460: Makes an appropriation to the Division of Museums and History of the Department of Tourism and Cultural Affairs to restore the school bus program to reimburse transportation costs for public school students to visit state museums. (BDR S-1116)

MITCH VARNER (Administrative Services Officer, Division of Museums and History, Department of Tourism and Cultural Affairs):

Assembly Bill 460 requests an appropriation of \$100,000 to the Division of Museums and History of the Department of Tourism and Cultural Affairs to restore the school bus program to reimburse transportation costs for public school students to visit state museums.

This program from FY 2017-2018 through FY 2019-2020 was well received by the participating schools, though cut short in the spring of 2020 due to school closings.

This program will allow all public schools the opportunity to plan educational field trips to the museums and not be hindered by the cost of transportation. Field trips to our State museums offer an unparalleled history experience for participating students that also supports State curriculum content standards. These educational programs connect students with Nevada's history by engaging them in key stories and experiences while encountering many of the artifacts in our State collections that bring Nevada's past to life.

CHAIR BROOKS:

I will close the hearing on A.B. 460 and open the hearing on A.B. 461.

ASSEMBLY BILL 461: Makes an appropriation to the Office of the Attorney General for the cost of replacing standard glass windows and doors with ballistic glass and frames at the Carson City office. (BDR S-1060)

JESSICA HOBAN (Chief Financial Officer, Office of the Attorney General):

Assembly Bill 461 makes a General Fund appropriation of \$96,000 to replace windows and a few doors at the main Carson City Office of the Attorney General. We are only replacing the windows in the Attorney General's office, the executive conference room and around the building entrance. We

have identified these areas as the most targeted and should have ballistic resistant glass. They are directly across the street from the Capitol building.

We are working with the Buildings and Grounds section of the State Public Works Division of the Department of Administration. Buildings and Grounds will be managing the project with an authorized local vendor. The glass we are using is the most resistant the historic building will be able to support.

The funding includes the cost of rebuilding some of the window panes, so they can be installed and supported within the historic fascia of the building.

CHAIR BROOKS:

I will close the hearing on A.B. 461 and open the hearing on A.B. 462. Section 1 appropriates \$2,189,808 for an upgrade to the Nevada Offender Tracking Information System (NOTIS); section 2 appropriates \$1,436,720 for the Offender Sentence Management System (OSM); section 3 appropriates \$247,012 for replacement cameras and storage area networks and section 4 appropriates \$102,747 for replacement of ovens at the High Desert State Prison.

ASSEMBLY BILL 462: Makes appropriations to the Department of Corrections for an upgrade to and reintegration of certain management systems and for replacement cameras, storage area networks and ovens.
(BDR S-1126)

LISA LUCAS (Chief IT Manager, Department of Corrections):

The Department of Corrections went live with NOTIS in 2005 and had initially purchased the sentence management module. However, a few years later legislation was enacted for sentence aggregation, and we needed a better method to calculate sentences. At the time, management did not think Syscon could write the code, so we built an in-house application.

Fast forward to today—we do not have the ability to modify the application because we do not have a developer on staff. We have no programming support and are unable to modify the sentence calculation engine to stay compliant with new or modified State laws. With OSM, reporting is limited and fragmented, and staff has to use two separate applications to enter offender information. Sentence calculation runs once a month, taking 16 to 18 hours, and the system is unavailable during this time.

Reintegrating OSM back into NOTIS, staff would only have one application for all offender information. Sentence calculations will be realtime, and we will have programming support at all times. Upgrading NOTIS is necessary because we are using technology that is reaching end of life. The system uses Internet Explorer and Oracle reports, which will soon be no longer supported.

Much of our surveillance cameras and storage is ten years old and obsolete. We need to replace equipment and get on a replacement schedule.

CHAIR BROOKS:

I will close the hearing on A.B. 462 and open the hearing on A.B. 464.

ASSEMBLY BILL 464: Makes appropriations to restore the balances in the State Claims Account, the Emergency Account, the Reserve for Statutory Contingency Account and the Contingency Account. (BDR S-1051)

MS. BROWN:

Assembly Bill 464 includes General Fund appropriations of \$3,570,578 for the State Claims Account, \$239,791 for the Emergency Account, \$12,051,658 for the Reserve for Statutory Contingency Account and \$13,667,305 for the Interim Contingency Account.

CHAIR BROOKS:

I will close the hearing on A.B. 464 and open the hearing on A.B. 465.

ASSEMBLY BILL 465: Makes an appropriation to the Division of Water Resources of the State Department of Conservation and Natural Resources for the repair and maintenance of the South Fork Dam. (BDR S-1105)

ADAM SULLIVAN (State Engineer and Administrator, Division of Water Resources, Department of Conservation and Natural Resources):

The South Fork Dam and Reservoir is on the South Fork of the Humboldt River in Elko County. The Division of Water Resources of the Department of Conservation and Natural Resources (DCNR) is responsible for maintenance and operations of the dam. The reservoir is a recreation area managed by the Division of State Parks in the DCNR. It is also used as a fishery by the Department of Wildlife.

There is uncontrolled foundational seepage at the toe of the dam. It has become substantially worse in the last few years. This is an indication of internal erosion of the structure, posing a public safety hazard. It is a high-hazard dam, meaning that in the event of failure it would pose a significant risk of loss of human life. Because of its location, failure would damage Interstate 80 and the Union Pacific Railroad.

The Division is conducting a technical investigation of the mechanisms of the failure mode. The appropriation requested in A.B. 465 is the best estimate for the construction and repair costs to maintain the dam in a safe condition.

Within the Division's 2021-2023 budget, repair of the South Fork Dam was excluded because the intent was to request it through this appropriation bill. The Division has a duty to repair this dam to protect life, property and the recreational opportunities it provides.

CHAIR BROOKS:

I will close the hearing on A.B. 465 and open the hearing on A.B. 466. Section 1 appropriates \$15,842,443 for hepatitis C treatments for offenders and section 2 appropriates \$196,523 for replacement medical and dental equipment for NDOC.

ASSEMBLY BILL 466: Makes appropriations to the Department of Corrections for hepatitis C treatments for offenders and new and replacement medical and dental equipment. (BDR S-1125)

CHAIR BROOKS:

I will close the hearing on A.B. 466 and open the hearing on A.B. 467. Section 1 appropriates \$2,614,908 from the General Fund for the continuing costs of the replacement of the Nevada Shared Radio System (NSRS) and section 2 appropriates \$19,398,147 from the State Highway Fund for the same purpose.

ASSEMBLY BILL 467: Makes appropriations to the Department of Transportation for the replacement of the Nevada Shared Radio System. (BDR S-1131)

FELICIA DENNEY (Assistant Director, Administration, Department of Transportation):

Assembly Bill 467 provides funding to continue the replacement of the NSRS project, which began in FY 2018-2019 and is projected to be completed in 2024.

The NSRS is a public private partnership with the two other infrastructure owners: NV Energy and Washoe County.

Combined, the NSRS has 113 sites and supports approximately 12,000 users. Users include State, federal and local government agencies who use the system for emergency services and in support of their daily operations. The radio system often provides coverage when and where cellular coverage is unavailable.

Additionally, Department field devices such as dynamic message signs, road weather information systems, roadside emergency callboxes and chain control signs use the radio system for communications, particularly in rural areas where other communication methods are unavailable.

CHAIR BROOKS:

I will close the hearing on A.B. 467 and open the hearing on A.B. 468, which includes multiple appropriations to the DMV from the State Highway Fund.

ASSEMBLY BILL 468: Makes appropriations to various divisions of the Department of Motor Vehicles for the replacement of computer hardware and software and certain other equipment. (BDR S-1135)

Section 1 appropriates \$23,677 for the replacement of the DUO Digipass security application and one UPC battery backup unit. Section 2 appropriates \$645,078 to the DMV's Division of Information Technology for the replacement of computer hardware and software and associated equipment. Section 3 appropriates \$38,916 to the Motor Carrier Division for the replacement of computer hardware and software. Section 4 appropriates \$561,647 to the Division of Field Services for the replacement of credit card readers, scanners, shredders, facsimile machines and a stylus marking system. Section 5 appropriates \$61,614 to the Division of Field Services for the replacement of barcode scanners. Section 6 appropriates \$745,632 to the Division of Field Services for the replacement of computer hardware and software. Section 7

appropriates \$51,874 to the Division of Compliance Enforcement for the replacement of computer hardware and software. Section 8 appropriates \$42,408 to the Office of the Director for the replacement of computer hardware and software, and section 9 appropriates \$46,888 to the Administrative Services Division for the replacement of computer hardware and software.

MR. SEVER:

This equipment needs to be replaced as it is at the end of its useful life, is out of warranty and has become less efficient to the detriment of customer service.

CHAIR BROOKS:

I will close the hearing on A.B. 468 and open the hearing on A.B. 470. The bill makes an appropriation of \$481,920 from the General Fund.

ASSEMBLY BILL 470: Makes a supplemental appropriation to the Real Estate Division of the Department of Business and Industry for a projected shortfall relating to time share filing fees. (BDR S-1147)

MR. CHANDRA:

Time-share licensing and filing fees are the primary source of revenue to B/A 101-3823.

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Time-shares rely heavily on tourism in the Las Vegas market. With the Covid-19 pandemic, tourism obviously saw a precipitous drop. This has affected some of the cash flow for FY 2020-2021. On a positive note, the rebound we are already experiencing has been better than we anticipated.

CHAIR BROOKS:

I will close the hearing on A.B. 470 and open the hearing on A.B. 474. Section 1 makes a General Fund appropriation of \$17,472,208 for continuation of the technology modernization project for the child support enforcement program.

ASSEMBLY BILL 474: Makes an appropriation to and authorizes the expenditure of money by the Division of Welfare and Supportive Services of the Department of Health and Human Services for the continuation of the technology modernization project for the child support enforcement program. (BDR S-1122)

STEVE FISHER (Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services):

This bill is requesting funding for the continuation of the child support modernization project that will replace the old antiquated child support system.

The existing antiquated system was built with 1980 technology and is difficult to use and maintain. It is difficult to find individuals with the technical skills to maintain it. The system supports over 81,000 child support cases representative of more than 120,000 children and distributes over \$200 million per year.

Started in October 2017, this project was approved by the Seventy-ninth Legislature. We have completed all the milestones through the development phase.

We started user acceptance testing on May 10 and plan to complete testing by the end of October. Production rollout will begin in November with three phases. The final phase is scheduled to begin May 1, 2022. One year from now we will be completely switched over to the new system.

We are looking forward to a system that is easy to use, maintain, and most importantly will better serve the children. I am happy to report this project is on time, and within scope and budget.

CHAIR BROOKS:

I will close the hearing on A.B. 474 and open the hearing on A.B. 475, which makes a \$42,000,000 to support the Millennium Scholarship.

ASSEMBLY BILL 475: Makes an appropriation to the Millennium Scholarship Trust Fund to support the Governor Guinn Millennium Scholarship Program. (BDR S-1062)

Ms. BROWN:

The Governor Guinn Millennium Scholarship Program receives other dedicated revenues. There has been a large increase in the scholarship usage beginning in the summer of 2020 and continuing into the fall and spring semesters. This request and the other dedicated funds are anticipated to cover the costs of the program through the 2021-2023 biennium.

The number of students enrolled in the program in the fall of the 2020-2021 school year was 24,307, up from 21,390 the prior year.

KENT ERVIN (Nevada Faculty Alliance):

The Nevada Faculty Alliance supports this bill. The Millennium Scholarship program is important. When it began, I noticed an increase in the quality of students in my chemistry classes because we were keeping Nevada's best and brightest in the State.

We also support S.B. 128, which is the Treasurer's study to analyze in the future the best funding mechanism and coordination of State-sponsored scholarship programs.

SENATE BILL 128: Directs the State Treasurer to conduct a study concerning publicly funded scholarship and grant programs in this State. (BDR S-535)

AMANDA BRAZEAU (Nevada System of Higher Education):

The Nevada System of Higher Education (NSHE) supports A.B. 475.

SABRA NEWBY (University of Nevada, Las Vegas):

The Millennium Scholarship has been incredibly helpful to our students and to the University of Nevada, Las Vegas (UNLV). It produces a stronger and more educated workforce to offer our local businesses.

At UNLV, the program has increased the size of our student body, leading to the enhancement of our faculty and expansion of our campus. Approximately 5,500 Millennium Scholars attend UNLV each semester. The Governor Guinn Millennium Scholarship has left a profoundly positive mark on our State, giving Nevada's best and brightest the incentive to pursue higher education in the State and enrich our communities.

TYLER HEU (Associate Vice President, Student Financial Services and Veteran Affairs, College of Southern Nevada):
I am the Associate Vice President of Financial Aid at CSN.

I support A.B. 475. At CSN, the Millennium Scholarship funded 4,500 to 5,000 students, for a total of \$3.1 million. During the pandemic, there was an unprecedented uptick in the use of the Millennium Scholarship. As financial aid administrators, we found that many students in prior years chose to go to college out of state, but with these difficult times they are attending college in Nevada. Even with the difficulties of attending online, CSN's Millennium Scholars graduated with an average GPA of 3.4. In the last two years of Millennium students being funded, we have had 700 graduate with 469 waiting on their grades this semester to graduate.

The Millennium Scholarship is a pathway to college for scholars. These are committed, driven students that need this support. We at CSN are strongly in support of A.B. 475, and we urge this Committee to support it as well.

CHAIR BROOKS:

I will close the hearing on A.B. 475 and open a work session. The first bill is S.B. 40.

SENATE BILL 40 (1st Reprint): Provides for the collection of certain data relating to health care. (BDR 40-415)

MR. THORLEY:

Senate Bill 40 was heard by the Committee on April 23. Since then, there has been significant work on the potential fiscal impact of the bill.

The bill requires the DHHS to establish an all-payer claims database (APCD) of information relating to health insurance claims resulting from medical, dental or pharmacy benefits in Nevada. The fiscal impact specifically relates to the development of the APCD.

The Division of Health Care Financing and Policy has submitted talking points ([Exhibit C](#)). It is a proposal from the Division of possible ways to fund the APCD. It contains a breakdown of the anticipated costs including development, design, implementation and ongoing costs of the APCD. The nonfederal share column represents the amount the State would be responsible for.

The Division has identified a federal No Surprises Grant that would be available to fund the development, design and implementation, which is estimated to cost \$1 million in each fiscal year of the 2021-2023 biennium. The Division indicated this is a noncompetitive grant; however, the notice of grant award has not yet been received. If the Committee wishes to go forward with the proposal, it may want to consider putting amendment language stipulating approval to the extent federal funding is available for this purpose.

The proposal also recommends using Drug Transparency Fees to cover some of the nonfederal share costs. A prior bill heard by the Committee made a change to the approved uses of the Drug Transparency Fee revenue. Given that change and the existing revenue in the account, Fiscal staff does not recommend using funding from that account. In its place, if the Committee wishes to move forward, General Funds would be more appropriate.

The total cost to the General Fund would be \$24,970 in FY 2021-2022 and \$300,188 in FY 2022-2023.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 40 WITH \$24,970 IN GENERAL FUND APPROPRIATIONS IN
FY 2021-2022 AND \$300,188 IN FY 2022-2023 AND FEDERAL
FUNDING TO THE EXTENT IT IS AVAILABLE FOR THIS PURPOSE.

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR BROOKS:
The next bill is S.B. 236.

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

MR. THORLEY:
Senate Bill 236 was presented by Senator Harris and heard by the Committee on May 17. The primary discussion related to the fiscal note submitted by the Las Vegas Metropolitan Police Department (LVMPD), who testified that while an

amendment already adopted reduced the fiscal impact, the bill still had a fiscal impact on the Agency.

A conceptual amendment was presented by the bill sponsor to delete section 1, subsection 4. The language related to the Peace Officer Standards and Training (POST). Testimony was given that with that amendment the fiscal impact to POST would be eliminated.

The LVMPD has also submitted a proposed amendment ([Exhibit D](#)). The intent of the amendment is to clarify that initial data collection will only apply to traffic stops where an electronic traffic system is available, require the Department of Public Safety to work with local law enforcement agencies to update written citation forms to include the requested data and begin data collection on written citations beginning January 1, 2024. Lastly, the proposed amendment from LVMPD ends data collection on December 31, 2025.

The LVMPD has confirmed that with the proposed amendment to S.B. 236, the fiscal impact would be removed.

SENATOR DENIS:

Does the LVMPD already use an electronic traffic citation system?

MR. THORLEY;

I do not know.

CHAIR BROOKS:

Based on conversations I have had, that is correct. Even within an agency, some officers can access the electronic system and others write citations by hand.

SENATOR DENIS:

The way I read the amendment, the data collection will only be from the electronic system.

SENATOR DALLAS HARRIS (Senatorial District No. 11):

The electronic traffic citation system is an existing system, used by many, but not all, officers in the LVMPD. The LVMPD proposed amendment, [Exhibit D](#), gives the agencies time to update their written citation forms to collect the data

in the bill. About 55 percent of citations are written electronically by the LVMPD.

SENATOR RATTI MOVED TO AMEND AND DO PASS AS AMENDED S.B. 236, REMOVING THE LANGUAGE IN SECTION 1, SUBSECTION 4 AND ADOPTING THE PROPOSED AMENDMENT, [EXHIBIT D](#).

SENATOR DENIS SECONDED THE MOTION.

SENATOR SEEVERS GANSERT:

I want to see the amended bill, because the LVMPD amendment narrows the scope of the bill. I reserve the right to change my vote on the Senate Floor.

SENATOR HAMMOND:

I agree with Senator Gansert. I reserve the right to change my vote on the Senate Floor.

SENATOR KIECKHEFER:

I also reserve the right to change my vote.

SENATOR GOICOECHEA:

The fiscal side is fine, but I am not sure I agree with the policy. I reserve the right to change my vote.

THE MOTION CARRIED. (SENATOR HAMMOND VOTED NO.)

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CHAIR BROOKS:

The next bill is S.B. 219.

MR. THORLEY:

Senate Bill 219 was presented by Senator Cannizzaro and heard by the Committee earlier today. She explained the intent behind the bill and described how the inability to pay court fines and fees can lead to a person's driver's license being suspended.

There was discussion of potential federal legislation that may make grant funds available to the State to offset any revenue loss associated with this bill.

Sean Sever with the DMV discussed the fiscal note submitted by the Department. The fiscal note consists of two parts. One part is the estimated revenue loss associated with not collecting the \$75 license reinstatement fee. The second part of the fiscal note is an estimated \$14,950 in FY 2022-2023 related to the mailing of notices to individuals who would have their licenses reinstated under the bill.

Testimony in support was offered by Leisa Moseley from the Fines and Fees Justice Center and Yvette Williams from the Clark County Black Caucus. There was no testimony in opposition or neutral.

Fiscal staff provided testimony that the driver's license reinstatement fee revenue does not go into the DMV budget but to the State Highway Fund. Allocations are made from the Highway Fund to the DMV budget as authorized by the Legislature. Fiscal staff provided the projected unallocated amount in the Highway Fund as \$245.3 million in FY 2021-2022 and \$229.2 million in FY 2022-2023.

If the Committee wishes to allocate an amount to cover the DMV mailed notification cost of \$14,950, it may amend the bill.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 219 WITH \$14,950 IN HIGHWAY FUND APPROPRIATIONS TO
COVER THE COST OF MAILED NOTIFICATIONS.

SENATOR DONDERO LOOP SECONDED THE MOTION.

SENATOR KIECKHEFER:

I generally subscribe to the theory that if there are no consequences for doing something wrong, there is not a lot of motivation to do it right. In this scenario, I can see how people can be trapped in a punitive cycle. People should not have to worry about their government nickel and diming them to death. I will support the bill.

SENATOR GOICOECHEA:

I am fine with the finance side of the bill. I am not as comfortable with the policy. I am sympathetic to those caught in the cycle and do not have the ability to pay, but I hate to take this hammer away from the courts. I will vote yes, but reserve my right to change my vote on the Senate Floor.

SENATOR HAMMOND:

We have been doing it a certain way for many years. I agree with Senator Kieckhefer's summation. This policy is needed to help people who have been caught in a downward spiral. The hammer may not be the same hammer, but it is still there and the courts can enforce it in a different way.

SENATOR SEEVERS GANSERT:

I support this bill. I want to make sure we can keep track of the data.

SENATOR DENIS:

I support the policy behind S.B. 219 and expect we may even see some savings. If you keep people out of this cycle, the State does not have to spend time and resources hounding them.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR BROOKS:

The next bill is S.B. 356.

MR. THORLEY:

Senate Bill 356 was presented by Senator Ohrenschall earlier today. He briefly explained the joint feasibility study that NDOC and DCFS would be required to do under the provisions of the bill regarding the housing of youthful offenders.

Ross Armstrong, Administrator of the DCFS, confirmed the fiscal impact of \$50,000 for a contract position responsible for coordinating the study between the agencies, coordinating with stakeholders and reporting. The bill currently does not contain funding, so if the Committee wished to move forward it could amend with an appropriation of \$50,000 in FY 2020-2021.

There was no testimony in support or opposition. Alex Ortiz, representing Clark County, provided neutral testimony.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 356 WITH \$50,000 FROM FY 2020-2021 IN GENERAL FUND APPROPRIATIONS TO COVER THE COST OF A CONTRACT POSITION WITH A REVERSION DATE OF JUNE 30, 2023.

SENATOR KIECKHEFER SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR BROOKS:

The next bill is S.B. 366.

MR. THORLEY:

Senate Bill 366 was presented by Senator Ohrenschall earlier today. He walked through a proposed amendment, [Exhibit B](#). The proposed amendment would require the DCFS to conduct a study on the numbers and demographic information of children in Nevada found not competent to proceed with the court process. There is specific language in the amendment related to the study.

Ross Armstrong, Administrator of the DCFS, testified that if the proposed amendment is adopted, the fiscal impact on the Agency would be \$50,000 in FY 2021-2022. The Division has submitted an unsolicited fiscal note with the details. Federal funding is available through the federal system of care to support the cost of the study, so the Division testified that no General Fund appropriations would be needed to cover the anticipated cost of the study.

There was no testimony offered in support, opposition or neutral.

SENATOR RATTI MOVED TO AMEND AND DO PASS AS AMENDED S.B. 366 WITH PROPOSED AMENDMENT, [EXHIBIT B](#).

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR BROOKS:

Our next order of business is to reconsider S.B. 340 based on an error in the motion made yesterday.

SENATE BILL 340 (1st Reprint): Revises provision relating to the wages and working conditions of certain employees. (BDR 53-573)

MR. THORLEY:

When the Committee took action on S.B. 340, the motion was to Amend and Do Pass as Amended with the amendment being the addition of General Fund appropriations to support two positions: one in the DHHS' Division of Public and Behavioral Health and another in the Office of the Labor Commissioner.

The information I provided the Committee and on which the motion was made was based on an old fiscal note. The fiscal note on the first reprint of the bill is the most current.

The dollar amount approved by the Committee yesterday was \$234,838 in FY 2021-2022 and \$296,204 in FY 2022-2023. The correct amount for the two positions is \$158,274 in FY 2021-2022 and \$198,589 in FY 2022-2023.

SENATOR DENIS MOVED TO RESCIND THE PREVIOUS ACTION TAKEN ON S.B. 340.

SENATOR CANNIZZARO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 340 WITH GENERAL FUND APPROPRIATIONS OF \$158,274 IN FY 2021-2022 AND \$198,589 IN FY 2022-2023.

SENATOR RATTI SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GOICOECHEA, HAMMOND, KIECKHEFER AND SEEVERS GANSERT VOTED NO.)

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CHAIR BROOKS:

The Committee has received BDR 50-1102.

BILL DRAFT REQUEST 50-1102: Revises provisions relating to agriculture.
(Later introduced as S.B. 454.)

SENATOR DENIS MOVED TO INTRODUCE BDR 50-1102.

SENATOR DONDERO LOOP SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR BROOKS:

I will move on to public comment.

MR. ERVIN:

Thank you again for the authorizations to add back NSHE faculty and staff positions, and thank you for your funding decisions on Kindergarten through Grade 12 education yesterday. We recognize juggling all of these decisions has been difficult, and we appreciate your hard work and many hours. You are making real differences.

Since those bigger pieces appear to be falling into place, I want to remind you the Public Employees' Benefits Program (PEBP) was closed before the Treasury guidance on American Rescue Plan (ARP) funding was released, with major cuts in benefits for State active employees. We appreciate that the Medicare retiree health reimbursement arrangement contributions were restored using a portion of PEBP's excess reserves. For active employees, deductibles and out-of-pocket maximums are increasing sharply and employee premiums have increased by 33 percent from prepandemic levels even after the one-month premium holiday in the budget closing. Although it is too late for FY 2021-2022, there is still time to restore FY 2022-2023 benefits and premiums to prepandemic FY 2019-2020 levels. Our understanding is ARP funds may be used to cover budget shortfalls of this nature.

Finally, we have now learned the Executive Branch has agreed to cost of living adjustments (COLA) of 2 percent to 3 percent in FY 2022-2023 for various State classified collective bargaining units under S.B. No. 135 of the 80th Session. We hope you can fund those COLAs and request you extend COLAs to all State employees including classified employees in the bargaining

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units under S.B. No. 135 of the 80th Session that have not yet organized and NSHE faculty and staff who do not yet have collective bargaining in statute. Please keep these items in mind in the final days of the Session.

JAIMEE SHEPLER:

I am speaking regarding S.B. 420, which is creating more taxpayer-funded medical care for illegal immigrants. We are in the middle of a pandemic and many have lost their jobs. We are struggling. As a taxpayer, I cannot afford to pay more in taxes to pay for Medicaid for people who can work themselves and be enrolled in their employer-sponsored healthcare plans.

SENATE BILL 420: Revises provisions relating to health insurance. (BDR 57-251)

The fiscal impact of this is millions and millions of dollars that falls on taxpayers. We are experiencing record breaking inflation due to the current regime in the White House. I urge you to vote no. We are citizens, not subjects. You are supposed to represent us, not rule us.

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CHAIR BROOKS:

Seeing no further public comment, this meeting is adjourned at 12:25 p.m.

RESPECTFULLY SUBMITTED:

Barbara Williams,
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. 366	B	1	Senator James Ohrenschall	Proposed Amendment
S.B. 40	C	1	Wayne Thorley / LCB	Talking Points submitted by the Department of Health and Human Services
S.B. 236	D	1	Wayne Thorley / LCB	Proposed Amendment from Las Vegas Metropolitan Police Department