MINUTES OF THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Eighty-first Session May 10, 2021

The Senate Committee on Government Affairs was called to order by Chair Marilyn Dondero Loop at 3:46 p.m. on Monday, May 10, 2021, Online and in Room 2149 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 Marilyn Dondero Loop, Chair Senator Pete Goicoechea Senator Ira Hansen

COMMITTEE MEMBERS ABSENT:

Senator James Ohrenschall, Vice Chair (Excused) Senator Dina Neal (Excused)

GUEST LEGISLATORS PRESENT:

Assemblyman Jason Frierson, Assembly District No. 8 Assemblywoman Heidi Kasama, Assembly District No. 2 Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1 Assemblyman P.K. O'Neill, Assembly District No. 40

STAFF MEMBERS PRESENT:

Alysa Keller, Policy Analyst Heidi Chlarson, Counsel Janae Johnson, Committee Secretary

OTHERS PRESENT:

Michele Freeman, American Foundation for Suicide Prevention Joe Collins, Acadia Healthcare Taryn Hiatt, Director, American Foundation for Suicide Prevention, Nevada Chapter

Jamie Rodriguez, Washoe County

Eric Spratley, Executive Director, Nevada Sheriffs' and Chiefs' Association

Arielle Edwards, City of North Las Vegas

Jim Hoffman, Nevada Attorneys for Criminal Justice

Chuck Callaway, Las Vegas Metropolitan Police Department

Joanna Jacob, Clark County

Andrew LePeilbet, Disabled American Veterans; Military Order of the Purple Heart; Department of Veterans Services; United Veterans Legislative Council

Tony Yarbrough, Veterans of Foreign Wars; United Veterans Legislative Council

Sylvia Smith, Nevada Land Title Association

Elliot Malin, Creditors' Rights Attorney Association of Nevada

Teresa McKee, Nevada Realtors

Lynn Goya, Clerk, Clark County

Jan Galassini, Clerk, Washoe County

Skip Daly, Laborers Union Local 169

Alexis Motarex, Nevada Chapter Associated General Contractors

Larry Carroll, American Council of Engineering Companies Nevada Chapter

Jessica Ferrato, Granite Construction

Patty Charlton, College of Southern Nevada

Warren Hardy, Urban Consortium

David Dazlich, Vegas Chamber

Selena La Rue Hatch

CHAIR DONDERO LOOP:

We will open the hearing on Assembly Bill (A.B.) 336.

ASSEMBLY BILL 336 (1st Reprint): Requires an annual behavioral wellness visit for peace officers. (BDR 23-226)

ASSEMBLYWOMAN DANIELE MONROE-MORENO (Assembly District No. 1):

Assembly Bill 336 will provide peace officers with an opportunity to have an annual behavior healthcare wellness visit. Prior to having the honor of servicing the families in Nevada at the Legislature. I served for almost 30 years as a corrections officer, beginning my career with the Maricopa County Sheriff's Office in Phoenix, Arizona, before joining the North Las Vegas Police Department Detention Facility. It may sound strange to you, but I enjoyed my career, the opportunities my position offered me to interact with the community

with compassion and understanding, and the chance to have a positive impact in some of the darkest circumstances.

I often fought for fair and equitable working conditions for myself, colleagues and civilian employees while at all times ensuring the safety and well-being for both the staff and inmates in our care. There is a saying "once an officer is part of the law enforcement family, you are always an officer." The widely publicized events of 2020 caused me deep pain. The scenes shared on social media playing over and over again on the nightly news hurt. I hurt as a Black woman, as a mother, grandmother and as a retired law enforcement officer.

Peace officers are modern-day superheroes. They are ones who run toward the danger when others are running away from it. While some are truly heroes, all of our officers are first and foremost people. Sometimes, people forget we are humans as well. We have all the stressors in life with family, health, financial and marital issues with the addition of the work-related stressors, experiencing the worst of the worse that society has to offer, encountering situations that for some are simply unimaginable. For most, the stress is easy. You can compartmentalize, adjust and then handle it. For some officers, the stress becomes overwhelming. It can become an internal battle that erupts into violence on the job, in your home or against oneself.

Officers are the ones who give the health and often do not ask for health themselves. I have personally witnessed the effects when health is not received. During my initial hiring process, I had to complete an application, have a personal interview, a physical fitness test and a psychological evaluation. Annually, I had a physical exam to ensure I could continue to be medically and physically fit to continue to do my job. Never was my emotional mental health and well-being discussed unless I was involved in or exposed to a negative incident on the job.

Assembly Bill 336 is my attempt to continue to help the men and women I worked with in the law enforcement family. An opportunity to have an annual conservation just might save the life of an officer or member of our community that officer is sworn to protect. You will hear testimony from current and retired law enforcement personnel and behavioral healthcare professionals as to why this legislation is not just timely but necessary. This is not meant to be a tool for administrations to use against staff but a step in the right direction to help an officer, save a life and change the culture of our law enforcement agencies. The

overwhelming benefits of A.B. 336 for police departments, correction centers and all areas serviced by peace officers will not been seen overnight as it will take time.

MICHELE FREEMAN (American Foundation for Suicide Prevention):

I recently retired after serving with the City of Las Vegas Department of Public Safety for over 28 years. I was in a former leadership position for over two decades; I had the privilege of serving as the chief the last ten years. I am a board member for the American Foundation for Suicide Prevention since 2013. I will be graduating with my doctorate of public policy with a focus on suicide prevention and law enforcement officers. In the department I worked for, five officers died by suicide, and one of those officers sat next me for academy.

According to the American Foundation for Suicide Prevention, suicide is the tenth-leading cause of death in the U.S. and the eighth-leading cause of death in Nevada. This is not something Nevada wants to be leading in. We know the information is underreported when it comes to suicide primary because of the stigma that surrounds it. In the U.S. from 2016 to 2019, according to the Officer Down Foundation Memorial Page, 704 officers died in the line of duty. According to Blue H.E.L.P. officer suicide in the same time frame is 742. That is 38 more officers who died by suicide. This nationwide information is important to recognize officers move state to state and from agency to agency. When officers move, they carry their trauma with them.

Over my ten years, I have witnessed firsthand trauma and tragedy. I have received countless calls and office visits from employees asking for help as there is an "officer in trouble." In one particular after-hours incident not as a supervisor but as caring person, I assured the officer that he or she would get the assistance needed. Officers are humans just like everyone else. The difference is that they have personal lives with several layers of experiences exposed to them during their careers. When I first started, I was told to leave my baggage at the door. My baggage is referred to as my personal life; go to work and pick up my baggage on the way home. Compartmentalizing for your entire career is unrealistic and unhealthy.

Officer well-being and suicide affect everyone. It is a public health and safety concern. Whether it is a call for service or routine patrol, we want our officers to be in good health, mind and body. Through my doctoral work, I conducted a short survey. I am happy to announce that within two weeks of the short

survey, there were 844 respondents. My goal is to prevent suicide and assist law enforcement officers who are struggling with their mental health, changing law enforcement culture by normalizing conversations around mental health and suicide prevention. It is important for current and retired law enforcement officers in Nevada to have their voices and perspectives heard. Additionally, the goal is to create a baseline for further research as there is nothing on this particular topic.

This survey was shared with the director for the Nevada Sheriffs' and Chiefs' Association. The director distributed the survey to all Nevada sheriffs and chiefs, then it was up to them to further disseminate this. First question: Do you know any law enforcement officer who either thought about it, attempted it or died by suicide? This question had 839 responses, and the vast majority of 560 said yes or maybe. Second question: Do you believe it is beneficial for us to have a confidential mental health component on an annual basis? Basically, the bill is talking about the 95 percent who said maybe or yes. There were 840 out of 844 Nevada respondents from the survey. In 2019, two amendments occurred: first, the allowance of compensation for officers if an injury or disease is caused by a stress-related injury; second, mandatory education for peace officers includes mental health and officer well-being. We are seeing suicide awareness prevention and officer well-being is important.

Assembly Bill 336 allows us a preventive annual wellness visit. It will help to normalize speaking to a mental health professional for mental health and suicide prevention. Why wait until we are compensating officers if we could help them, prevent such compensation and save lives. A smile on the face does not mean the officer is not suffering in silence. Typically in our profession, we learn the motto in the academy "that nobody gets left behind". The officer who sat next to me during the academy died by suicide, and he was left behind. I see in my head an empty chair, and it matters in my heart. Together we can make a difference in saving lives and ensuring our communities are as safe as possible. This is the time for A.B. 336 and why I support the bill.

JOE COLLINS (Acadia Healthcare):

I support <u>A.B. 336</u>. I help first responders with their families and organizations every day to navigate the behavior health world. Prior to starting this role in 2020, I served for 35 years in law enforcement in Wisconsin, 21 of those years as police chief in 2 different communities. During my tenth year, I served as the lead law enforcement member on a death response team for Wisconsin. During

those 10 years, we had 13 officers who died in the line of duty and 27 suicides. This is difficult when we want to have positive impacts in the darkest hours for other people; however, being involved in those dark hours in dark situations takes a toll.

Trauma in people's lives cannot and does not leave the body or the system unless it is properly or purposely removed. Without the proper tools, resources and an avenue to understand and discuss these situations, it will stay in the body and become what is called accumulative stress. There are two different types of stress situations that any particular officer may be involved in during a career. One would be a catastrophic situation where an officer is involved in a shooting or seriously injured. This type of trauma can impact the body immediately. Accumulated stress or compounded trauma is little stress with little situations that continuously build during a career. It is impossible to be a normal human being within your agency and communities, especially with your family when you have significant trauma and no avenue to release it from your body.

The last nine years, I was a police chief, and we did have mandatory wellness visits within our organizations. Our officers and staff had 45 minutes scheduled every year to meet with a mental health provider. They could talk about going fishing or talk about true issues with what they had on the job. They had the time while working to meet and have a normal discussion with a mental health provider. This helped reduce the stigma of what it looks like when someone is in stress or suffering from trauma. Trauma is trauma. It embeds itself in your body, stays there and impacts every part of your life unless you are getting the resources, tools and knowledge to get it out of your system.

We are expecting officers to do this every single day. However, we are not giving them the ability to remove stressors. A professor said, "We expect our officers to walk through the mud and come out clean on the other side." This is from the day they start through their entire career and all through retirement. They are a valuable resource, and we put a significant amount of effort, time and money into developing them into the type of officers we want to represent our communities. This is simply an understanding for when we stress a system and stress people; we must involve the proper resources in our investment so they can properly serve our community. This will ensure officers can go home to be with family members. Assembly Bill 336 is one avenue to do that. I appreciate supporting this bill, and this is at the top for police officers.

TARYN HIATT (Director, American Foundation for Suicide Prevention, Nevada Chapter):

I support A.B. 336. We know law enforcement officers and first responders on the front line responding to our neighbors in crisis have increased risk for suicidal behavior. Research has highlighted a link between post-traumatic stress disorder and suicide. We lose officers to suicide and in the line of duty. Research has shown members of law enforcement and first responders have these elevated risks for suicide because they often experience occupational hazards and stressors on the job. The trauma events they witness with shift work could increase the risk of suicidal behavior or exacerbate an existing condition they may be struggling with.

Law enforcement officers and other first responders tend to work in a culture that discourages showing signs of weakness, and this contributes to a reluctance to seek help. This grows when they have a mental health concern or could be contemplating suicide. We do owe it to officers to support a change in this culture for it is a sign of strength to reach out and seek help. Officers are supported in their mental health as they are in every other aspect for physical wellness. Suicide can be prevented, but it is through early detection of an officer who may be in crisis or struggling by connecting the officer to resources and treatment services.

I support A.B. 336 to ensure all law enforcement departments have the knowledge and tools to effectively prevent officers' suicide. Providing a mental health assessment will decrease stigma and ensure equity between mental and physical health. There is no single cause for suicide, but treating and preventing mental health conditions, addiction and addressing access to meaningful needs will empower law enforcement officers to live. Officers will thrive in their communities, and it will save lives. I will never forget the officers who helped me when I found my father who committed suicide. I could share hundreds of stories from families and my own experiences. I am full of compassion for the trauma they witness daily to serve and protect our communities. It is incumbent to create a culture that supports them. We all have a role to play when preventing suicide. Passage of this legislation will affirm the State's commitment to improving the lives of peace officers and their loved ones in preventing tragedies.

CHAIR DONDERO LOOP:

I am working on teen mental health this Session. This touches not only all ages but all walks of life and all professions.

ASSEMBLYWOMAN MONROE-MORENO:

The annual wellness visit will provide an opportunity in a safe protected environment to discuss and help address issues officers may be having. These conversations should be confidential unless the officer displays a risk of harm to him or herself or others. The goal is to have any emotional, behavioral or mental health issues be treated in the same manner as a physical or medical health issue. After talking with supporters and considering opposition to the legislation, the effective date listed on the original bill was moved to January 1, 2023. This gives the Peace Officers' Standards and Training Commission (POST) the time to draft regulations and allows departments and local municipalities the time to add this to their budget. This is a personal bill for me. The correct POST standards for continuing education for peace officers include racial profiling, mental health, officers' well-being, implicit bias recognition, de-escalation, human trafficking and firearms. Assembly Bill 336 is the natural next step in addressing and promoting officer wellness.

SENATOR GOICOECHEA:

What would it look like with the provider if the officer goes to visit? How long would the visit be?

ASSEMBLYWOMAN MONROE-MORENO:

I am not the behavioral health specialist. However, in my conversations with healthcare professionals in our community, the agency could work with POST to draft the regulations and contract with providers. Arcadia Healthcare has a variety of behavioral healthcare specialists who do this work. We did not want to put this in the bill as there are a number of departments in Nevada. State departments are large and small; each has its own unique needs. I felt leaving A.B. 336 flexible would help better address those needs of the departments.

CHAIR DONDERO LOOP:

Section 1, subsection 1, paragraph (c), subparagraph 5 language reads "standards for an annual behavioral wellness visit for peace officers." Are those standards developed within mental health, or will they be developed? Who will develop them?

ASSEMBLYWOMAN MONROE-MORENO:

Those standards will be developed by POST working with the mental health professionals within the community.

CHAIR DONDERO LOOP:

Section 1, subsection 1, paragraph (c), subparagraph 5 language continues to say "preserving the emotional and mental health of the peace officer." Will this be part of the wellness visit for an annual physical?

ASSEMBLYWOMAN MONROE-MORENO:

While researching this bill, I worked with departments that have annual physical assessments. We found that not every police department in the State adheres to heart and lung provisions in *Nevada Revised Statutes* (NRS) 617; therefore, they do not have an annual physical. This would be a conversation and not an assessment. There would not be a chart to adhere to but a conversation opening for officers to ask for help who may not ask on their own. Mental health in society has a stigma attached to it. If you are diagnosed with cancer, there is no stigma, but mental health has a stigma. It is just having the conversation; the more communications people have, they will open up. It is giving the opportunity for officers to get the help.

CHAIR DONDERO LOOP:

Do officers have time off if they enter into a traumatic situation?

ASSEMBLYWOMAN MONROE-MORENO:

This varies by department given standard operating procedures and policies. At my department, the annual physical was part of my regular workday; if I was scheduled to go in, I was not required to take time off. If something was found that needed to be taken care of, my employer would give me the time to do so.

JAMIE RODRIGUEZ (Washoe County):

We support A.B. 336. We support promoting mental wellness among our peace officers who see and experience things in their work professions—things the rest of us will never see or deal with it. I thank the sponsors for pushing back the implementation date. This gives an opportunity to find and determine the funding and what the costs may be. This way we can be supportive in making this available to our employees. To follow up with Chair Dondero Loop's question, Washoe County does have peace officers who are more than generic law enforcement. We do have employees in the County who fall under the

definition of peace officer, but not all are subject to annual physicals. The bill drafted with flexibility is good for us and not having to provide additional physicals for those employees.

ERIC SPRATLEY (Executive Director, Nevada Sheriffs' and Chiefs' Association): We support A.B. 336. There has been some concern over what this bill might do negatively going forward. I know what the next officer suicide will do. Anything we can do to stop the next suicide is something I personally support. In an environment that is safe, we need to get our cops talking about the monsters who harm them. I have not seen anyone do this, and A.B. 336 is trying to do something for this issue. This way we can help those people on the frontline serving us night and day.

ARIELLE EDWARDS (City of North Las Vegas): We support A.B. 336.

JIM HOFFMAN (Nevada Attorneys for Criminal Justice):

We support A.B. 336. Law enforcement personnel have very stressful jobs. We want them to have the tools they need to protect their own mental health. At the same time, ensuring officers are dealing with any problems they have is a way to enhance public safety and avoid misconduct. Assembly Bill 336 is good for both police and the broader community.

CHUCK CALLAWAY (Las Vegas Metropolitan Police Department):

We support <u>A.B. 336</u>. In the Assembly, I was neutral to the bill. After hearing the implementation date will be pushed back, we support wellness for our officers.

JOANNA JACOB (Clark County):

We are neutral to <u>A.B. 336</u>. We have concerns for some of the language in the bill. Clark County has peace officers who are not required to take an annual physical exam. It is an important policy goal to ensure first responders have the tools they need to deal with the stresses they have with their job. We do have some challenges with the bill for finding providers. We will be participating in the regulatory process to figure out how best to implement this measure. We want to make sure confidentially is upheld in the bill for our employees.

CHAIR DONDERO LOOP:

I will close the hearing of A.B. 336 and open the hearing on A.B. 409.

ASSEMBLY BILL 409: Revises provisions relating to the recruitment and selection of peace officers. (BDR 23-1031)

ASSEMBLYMAN JASON FRIERSON (Assembly District No. 8):

Assembly Bill 409 is an effort to modernize hiring, recruitment and practices for peace officers. In order to better identify implicit bias, A.B. No. 478 of the 80th Session required Peace Officers' Standards and Training to especially require several minimum training standards. One of those standards was implicit bias. The training requirements to include implicit bias were already in practice by various law enforcement agencies. Assembly Bill No. 478 of the 80th Session was an effort to ensure regardless of local leadership changes, the intent of the Legislature and the State was evident.

Let this be clear, we all have implicit bias. Implicit bias is largely unconscious and can largely influence our behaviors. For law enforcement officers who are given a badge, a gun, authority, discretion and asked to operate in uncertain and stressful situations, it is imperative officers are making the best possible decisions with limited information. In 2017, the Community Orientated Policing Services Office under the U.S. Department of Justice issued a policy report which outlined hiring for the twenty-first century. This report notes while the hiring process is and should be a method of recruiting and retaining candidates who embody the values of a particular agency, the hiring processes should be used to identify potentially bad actors and those unfit to serve.

While implicit bias training has become common in local law enforcement agencies and should continue to be an important training requirement, <u>A.B. 409</u> is an effort to ensure we are hiring capable officers from the onset. Section 1 requires POST to establish minimum standards for the selection of peace officers that include requirements for an evaluation to be conducted during a recruitment. The selection of peace officers must identify implicit bias on the basis of race, color, religion, national origin, physical or mental disability, sexual orientation, gender identify or expression. In 2015, then-President Barack Obama established a President's Task Force on 21st Century Policing. Co-Chairs Laurie Robinson and Charles Ramsey were asked which topic the Task Force had more time to review and both agreed it was recruitment. Co-Chair Robinson recently wrote "American policing in the future will be shaped by the men and women now coming into the police academies." Furthermore, a recent article from *Police Chief* magazine stated, "Screening out potentially problematic

personnel is good risk management practice," but it is also a cost-effective practice.

Assembly Bill 409 is an appropriate next step to ensure we are hiring law enforcement officers that our communities expect and deserve. The concept behind A.B. 409 was raised from law enforcement officers who said: "We, like all of you, do not want problem officers. But once we hire them, then they are part of our agency, and then we have to deal with the behaviors that come as a result of that".

If we look at this during the hiring process, we can weed out people who have issues before they are ever hired.

This is what members of the law enforcement community asked me to consider. This is an effort to ensure not only our law enforcement agencies deal with implicit bias at an early stage but to help law enforcement officers by catching bad actors. People who have issues need to be dealt with at the screening process and then hire folks who are ready to serve the diverse State that Nevada has become.

CHAIR DONDERO LOOP:

Looking at section 1, subsection 1 on the requirements for the evaluations to be conducted, are those requirements already in place? Do these need to be developed?

ASSEMBLYMAN FRIERSON:

The components of $\underline{A.B.}$ 409 are not currently required. Some agencies may exercise this judgement in their hiring and screening processes as something may jump out at them with the answers. By placing an emphasis on screening them out in the beginning, officers that we do have are not being forced to deal with folks who had an issue in the beginning.

CHAIR DONDERO LOOP:

Section 2 says "applies retroactively from and after March 22, 2021." Is this still the case since we have passed this date?

ASSEMBLYMAN FRIERSON:

My intent is to ensure someone who is currently in the queue still has the ability to use the tools in this bill to screen these out. Once folks are hired, it is a

different story, but we talk about the evaluations separately from the annual POST training. It is important at the outset before folks are hired.

CHAIR DONDERO LOOP:

This takes effect immediately?

ASSEMBLYMAN FRIERSON:

Correct.

Mr. Hoffman:

We support A.B. 409. Implicit bias is a persistent and underappreciated problem in all walks of life, including policing. Additionally, the Federal Bureau of Investigation and others have reported a growing trend with White supremacy and other explicit bias attempting to infiltrate police departments and other law enforcement agencies. Implicit bias screening is not just good for dealing with implicit bias, it can identify these individuals and prevent them from using or misusing a position of power. We believe A.B. 409 is a step in a positive direction.

CHAIR DONDERO LOOP:

I will close the hearing on A.B. 409, and I will open the hearing on A.B. 316.

ASSEMBLY BILL 316 (1st Reprint): Revises provisions relating to veterans' benefits. (BDR 37-949)

ASSEMBLYMAN P.K. O'NEILL (Assembly District No. 40):

Assembly Bill 316 relates to veterans benefits. The U.S. Department of Veterans Affairs and the Nevada Department of Veterans Services provide an array of services free to U.S. veterans. Many honest companies will assist veterans with their benefits at no charge. However, it was brought to my attention that some veterans are being taken advantage of when attempting to obtain their Veteran Affairs (VA) benefits. The entities will charge for their services without providing the veteran with the proper notification. If enacted, this bill will ensure veterans are made aware they may be responsible for fees if they utilize the services of certain entities in attaining their VA benefits. This bill does not intend to put good operators out of business. It only requires them to provide proper notification to veterans.

Assembly Bill 316 makes the following changes: any person who advertises or promotes any event or any other public gathering relating to benefits or entitlements for veterans must disclose certain information, including an event not associated with the U.S. Department of Veterans Affairs or Department of Veterans Services. The veterans may qualify for benefits other than those discussed at the event. Any person who advertises or promotes services to represent or assist veterans in matters relating to benefits or entitlements must disclose certain information regarding compensation and the availability of free services. Any person who provides services to obtain veteran benefits in exchange for compensation must provide a written disclosure before entering into an agreement with a client or veteran for the provision of those services. The measure authorizes the Attorney General (AG) to collect a civil penalty of up to \$10,000 for each violation of the provision of the bill. The bill specifies such a violation constitutes consumer fraud, and the victim may bring civil action.

ANDREW LEPEILBET (Disabled American Veterans; Military Order of the Purple Heart; Department of Veterans Services; United Veterans Legislative Council):

The United Veterans Legislative Council is the central body for all veterans groups in the State, representing up to 250,000 veterans. When you count their families, it is 500,000 Nevadans. A lot of our veterans are carrying scars seen and unseen in recent times. The older veterans do not know about all the veteran service officers. We continue to train veteran service officers because our young have been sent on tours of duty. As a Nation, we have never performed like that before. Some of the national guard have been deployed five to six times and do not know they have something wrong as they are busy. It comes up later when our veterans see an ad on television, paper and flyers and find out what it is they need to fix that will end up with a bill. The veteran did not know as it was not properly disclosed. Assembly Bill 316 is an essential bill to protect veterans who cast their blood on the battlefields of the world.

TONY YARBROUGH (Veterans of Foreign Wars; United Veterans Legislative Council):

I represent nearly 9,000 members for foreign wars. The United Veterans Legislative Council represents all veterans in Nevada; this includes active duty military, national guard, families and advocates Statewide. The predatory practice includes benefit payouts which exceed \$1 million in Nevada. Any time you have this much money, people not entitled to it are trying to put their hands

on it. We have financial planners who promise to qualify ineligible veterans by repositioning their assets. This is not always in the best interest of the veteran when bad actors actively represent this as the only way to qualify for VA benefits. Oftentimes, there is a free claim assistance for proof of product. Home care entities offer free claim assistance as a ruse to lock veterans and their families into long-term contracts for subpar home care services.

In some cases, the home care entity offers to file the claim for the veteran while fronting home healthcare costs and charges the veterans when the VA claim is not approved. Some attempt to avoid the law that prohibits charging veterans for claims preparation with fees for general information about federal benefits, claiming this benefit as free when later shown it is not free. The post filing contract management involves promising a benefit claim free of charge then demands payment for a questionable contract fee on the back end to oversee future communications with VA. This bill will not stop illegal activities; it will slow things down. A credited activity has people who abuse federal Public Law 109-461 which restricts how much they can charge for their services. In many cases, they still continue to overcharge the veterans and the clients they deal with.

This bill will not stop everything, but this is the beginning. This is one of the places the red flag is up; it is time to pay attention to what is going on. We intend to go beyond this to ensure if someone has an issue, the claim will go to the AG's Office for a fraud filing. We are going to file a formal VA notice of violation for disqualifying an agent. Even if the agent was approved, if they are violating the law, it is wrong. I heard stories from people subject to a bait-and-switch scheme that happened months ago. The more we publicize this with transparency in advertising, the sooner it will stop these issues for veterans which are damaging their lives.

CHAIR DONDERO LOOP:

Is the amendment clarifying language?

ASSEMBLYMAN O'NEIL:

Yes. We worked with several entities for VA.

CHAIR DONDERO LOOP:

We will close the hearing on A.B. 316 and open the hearing on A.B. 325.

ASSEMBLY BILL 325 (1st Reprint): Revises provisions relating to the recording of documents. (BDR 20-642)

ASSEMBLYWOMAN HEIDI KASAMA (Assembly District No. 2):

<u>Assembly Bill 325</u> relates to the recording of documents. *Nevada Revised Statutes* 111.366 allows for electronic filing of documents. However, this would give the ability, if needed, for documents electronically signed to be printed out to a paper copy for an attached prescribed certificate certifying that copy is true and correct for the recorder's office.

SYLVIA SMITH (Nevada Land Title Association):

In 2017, the Legislature passed remote online electronic notarization legislation. It provided an asset tool to assist in closing real estate transactions. However, once we got into the workings of the bill, one provision had been missed. It is called papering out an electronically signed and notarized document. The purpose of A.B. 325 is to add the ability to paper out an electronic document viewed and certified by a notary. The electronic-signed document is now going to be the original unchanged document in paper format versus the electronic format. This bill provides the county recorders the approval to record a correctly papered out document.

Papering out is a three-step process: an authorized person reviews the document onscreen, prints the electronic document including any notarizations applied to the document by approved or electronic notary. The notary printing the document will then certify the printout is the true and accurate copy of the document. The papered out document with the certification can then be submitted for recording with the county recorder's office. The certification by a notary is the formal confirmation that certain characteristics of the electronic document have not been changed. The document has been reviewed in its electronic format by the person or notary printing and certifying the paper copy is valid. Why is this necessary? Papering out provides a way to record an electronically signed and notarized document when a county may be unable to electronically record a document or for some reason the county does not allow electronic document recording (eRecording).

Luckily in Nevada, all the counties do allow it. However, there may be technical difficulties within the recorder's office. If we are unable to record an electronic document due to those downtimes or systems not working, we need a mechanism that allows the document to be papered out and immediately

recorded. Papering out may be necessary when electronically signed and notarized documents need to be countersigned by another signer who either does not have access to or chooses not to sign electronically. During the pandemic, all Nevada recorders were allowing eRecording.

In the past year, Washoe County had some technical issues with eRecording that required the title industry to physically go and record documents. The recorder's office was down for more than a day. When that happened, we were not able to paper out a true electronic document needed to close out a real estate transaction. Ultimately, this created a hardship for a buyer, seller or borrower. This is why we are bringing A.B. 325 forward.

CHAIR DONDERO LOOP:

Papering out is different than a digital signature?

ASSEMBLYWOMAN KASAMA:

When you go through and click on it, you are signing the document electronically. When you print it out, your electronic signature will show up with authentication, a date and a time stamp. You have to take the printout to the recorder's office. Normally, if it is on paper, it bears a notary stamp. We are now just taking something that is printed out. We will need a sworn affidavit saying it is true and correct. We have to print out the electronic version and deliver it with an affidavit.

Ms. Smith:

This bill has do with electronically signed and notarized documents which allows us to record them. If you had signed something through DocuSign, you could print the document but not record it. For a document to be recorded, it has a notary requirement. This is strictly geared toward remote online electronically signed and notarized signed documents. We need the ability to print, notarize and certify these. Now each paper document becomes the original to be taken to the county recorder to record.

CHAIR DONDERO LOOP:

Is the section 2 language standard?

Ms. Smith:

Section 2 has the language a notary would use to certify a true and correct copy of an electronic document.

CHAIR DONDERO LOOP:

All notaries would use this language?

Ms. Smith:

Yes. Any notary who certifies an electronic document would use this language on the document, signing it and using the seal if necessary.

ELLIOT MALIN (Creditors' Rights Attorney Association of Nevada):

We support A.B. 325. We believe it will be another tool in the toolbox to resolve creditor claims and release liens in a timely fashion.

TERESA McKee (Nevada Realtors):

We support A.B. 325. This bill is important for closing properties on time and recording the property with no delays from a technical glitch.

CHAIR DONDERO LOOP:

We will close the hearing on A.B. 325 and open the hearing on A.B. 397.

ASSEMBLY BILL 397 (1st Reprint): Revises provisions relating to county clerks. (BDR 20-1026)

LYNN GOYA (Clerk, Clark County):

<u>Assembly Bill 397</u> clarifies and simplifies language for easier interpretation so the offices of county clerks throughout Nevada can operate more efficiently and consistently. <u>Assembly Bill 397</u> has no expected fiscal impact. It is mostly a cleanup bill for certain language.

Section 1, subsection 2 adds a five-day deadline to NRS 246.180 and provides consistent language between chapters that regulate the clerk and clerk fees in NRS 246.190 while clarifying the use of funds by simplifying the language on the type of acceptable expenditures related to the technology fee of this fund. There is no financial impact. Section 3, subsection 2 makes the language between NRS 246 and NRS 19 consistent regarding the use of the technology fund. Section 4, subsection 1 fixes language in NRS 122.0615. Section 5 recognizes that technology allows for the ability to display information about wedding chapels and venues in new ways. The amendment allows county clerks the option of offering digital brochures to reduce the impact on the environment. This will reduce the possibility of transferring germs. This only impacts Clark and Washoe Counties.

JAN GALASSINI (Clerk, Washoe County):

Section 6 of A.B. 397 repeals a section of the marriage chapter in NRS that provides the ability for qualifying chapels to issue marriage licenses in the event the Washoe County Clerk's Office is not open every day of the year from 8 a.m. to 12 p.m. The government has an obligation to ensure the integrity of the marriage process and does not pass off its responsibilities to the private sector. This is a cleanup bill for a ten-year-old section of statute that has never been exercised. Only two qualifying chapels remain in Washoe County and are not open every day of the year, 8 a.m. until 12 p.m.

CHAIR DONDERO LOOP:

How does this pertain to the other counties besides Clark and Washoe?

Ms. Galassini:

Are you speaking on the repealed section?

CHAIR DONDERO LOOP:

Yes.

Ms. Galassini:

It is spelled out in statute; Washoe County is the only county in the State whose population is over 100,000 and under 700,000. It only pertains to Washoe County.

CHAIR DONDERO LOOP:

In section 2, subsection 2, "the money in the account must be used only in the office of the county clerk, including, without limitation" for technology support. Is that funding enough for technology support?

Ms. Goya:

Clark County is the biggest county. This is sufficient for our purposes. The smaller counties are still struggling to afford the technology which their constituents want and expect. Since it is related to documents on file, it depends on the volume of incoming documents. Washoe County is getting enough money for its technology expenses.

SENATOR GOICOECHEA:

How much does a marriage license cost in Washoe County?

Ms. Galassini:

The cost is \$60 with \$25 to the domestic violence fund, \$21 to the clerk and \$5 to the technology fund. We issue approximately 7,000 licenses a year. It is not a huge fund, and it is better in Washoe than in the other 15 smaller counties.

CHAIR DONDERO LOOP:

Is the marriage license the same cost in Clark County?

Ms. Goya:

No. A few years ago, we added \$14 to the marriage license for a special wedding promotion fund which generates about \$1 million per year used in the wedding industry. Senate Bill (S.B.) 177 will add \$25 to every marriage license for additional support for domestic violence prevention.

SENATE BILL 177: Revises provisions relating to the Account for Aid for Victims of Domestic Violence. (BDR 16-926)

CHAIR DONDERO LOOP:

What is the total cost?

Ms. Goya:

It will be \$102 after S.B. 177 is passed.

CHAIR DONDERO LOOP:

Is it \$72?

Ms. Goya:

It is \$77. <u>Senate Bill 177</u> will add \$25 throughout all the counties in Nevada. Clark County will be \$102 which is one of the highest in the Nation.

Ms. Rodriguez:

Washoe County supports <u>A.B. 397</u>. We have been looking for cost savings for the County before Covid-19. The provision in NRS 122.0615 neither allowed us to close the office earlier nor have staff working those hours. The flexibility will help us ensure we are good stewards of public funding and put us in parity with the rest of the State.

CHAIR DONDERO LOOP:

I will close the hearing on A.B. 397 and open the hearing on A.B. 410.

ASSEMBLY BILL 410 (1st Reprint): Revises provisions relating to public works. (BDR 28-200)

SKIP DALY (Laborers Union Local 169):

In <u>A.B. 410</u>, section 1, we are addressing the construction manager as agent versus construction manager at risk (CMAR). There are no changes to the CMAR process but an added criteria to be considered as a CMAR. You would have to not enter into a contract with a public body to be a construction manager as agent. The amendment will be changed from five years to four years.

The reason this is a conflict of interest when someone works as a construction manager as agent and oversees the CMAR as a future competitor. When a construction manager as agent, you are hired by the awarding body to help oversee the work being done by the CMAR. A CMAR is hired for preconstruction services before negotiating a guaranteed maximum price to build. You come in with a concept saying you need a building with certain specifics and no design. You select a contractor as a CMAR to start working on a design and then hire engineers and staff.

The awarding body will hire a construction manager as agent who becomes the representative of the public entity. As the representative, you oversee the CMAR and get privileged information or information that is not public about the competitor and design processes. The work is scheduled to constructability for value engineering and various other things. You attain intimate knowledge of a person who would be your competitor. If you are both bidding at the same time to be a CMAR, one gets selected and other does not. The second one who does not get selected becomes the agent for the agency that oversees their potential competitor.

Assembly Bill 410 will eliminate and separate it. You are either a construction manager as agent or CMAR. You need to pick one. If you want to go back to one or the other, then you have to wait the period of time to be a CMAR. The next section is the selection process for a construction manager as agent; there was no criteria or a big contract. We wanted to have industry team selection criteria. The qualifications-based selection criteria would be better. The language

came from an existing statute on how to select particular engineers. We used this language for public agencies to recognize and use to pick engineering firms.

We are amending a section in A.B. No. 283 of the 77th Session or the CMAR bill. The CMAR is scheduled to be sunset. The Legislative Counsel Bureau (LCB) will not draft a bill based on another bill potentially passing. The LCB lifted the sunset provision in <u>A.B. 410</u> as it cannot assume a bill will pass. The rest of the sections repeal provisions in statutes that are different than NRS. It goes into effect if the sunset is not lifted in repeals of these sections. It is counterintuitive, and the language is repealed in the rest of the bill. It will be retained if we repeal those sunset sections.

ALEXIS MOTAREX (Nevada Chapter Associated General Contractors):

On the Assembly side, we did amend the bill to formalize the process in which construction manager as agent can be selected by a public body. When a public agency enters into a contract for a professional service in preparation for construction, it uses a qualifications based process as required in NRS 625.530. Section 2, subsection 2 requires public agencies to utilize the exact same process when selecting a professional services during a construction project for a construction manager as agent. The process is well known for both public agencies and the firms that pursue this work.

Requiring a qualifications based process will ensure the firm being selected is to act as the construction manager as agent and will have the necessary confidence and experience to represent the public agency on any specific construction contract. These contracts are awarded through a no-bid process and can be upwards of \$1 million. Formalizing and awarding these contracts will make things more transparent and are in the best interest of the taxpayer. Our amendment (Exhibit B) will address some of the concerns from stakeholders who oppose the bill. It amends section 1, subsection 3 to change the term from five years to four years.

SENATOR GOICOECHEA:

We are talking about having a construction manager who is the clerk of the works. You would then hire him or her on credentials rather than a fee?

Mr. Daly:

We want to eliminate the conflict of interest when one entity becomes the representative of the owner, overseeing a competitor and learning how that

concern operates its business. This is something you would never basically reveal to your competitor. If you are hired in this position, it takes you out of being a CMAR for a period of four years. This should eliminate the conflict to get contractors or engineers. It should eliminate the unfair advantage. The other way a construction manager as agent is selected lacks a process. There is no requirement to advertise and no reason to base it on price or qualifications. The owner could pick who they want to and, oftentimes, negotiate a price. There is no fee in the factor once a contractor is selected based on qualifications. One person is selected and negotiates the fee. If they cannot come up with a price, the bidder could be dropped to move to the next bidder.

SENATOR GOICOECHEA:

The construction manager as agent is like the clerk who would work? Would this person have more authority?

Mr. Daly:

Not exactly. Clark and Washoe Counties have a certain amount of expertise on staff. They have a larger project and do not have the on-staff expertise for plans on a construction project. They will hire an expert to help them review the plans and help the agency with the engineering. When the construction manager as agent is hired to assist the awarding body or agency purchasing the job, this ensures they have a level of expertise to properly evaluate the work.

SENATOR GOICOECHEA:

Does the language on page 3, lines 31 and 32—"a relative weight of 5 percent to the possession of a certificate of eligibility"—pertain to this agent?

MR. DALY:

Yes. It would pertain to the construction manager as agent. It is similar language in public works bidding. If you have the bidder preference issued by the board and qualifications-based criteria for bidder preference with 60 months of paying taxes in Nevada, you get a 5 percent preference if bidding on a Nevada-based company versus an out-of-state company. The 5 percent preference would be a factor when looking at picking a contractor.

SENATOR GOICOECHEA:

The construction manager as agent is being hired by the agency going out to bid or not the company?

Mr. Daly:

They would be hired by the awarding body or owner of the project.

SENATOR GOICOECHEA:

You would get a 5 percent bidder preference if you fit in. How does one fit into the bidder preference?

Mr. Daly:

The county or whoever might evaluate the two bids and apply the 5 percent preference if a person is qualified. We talked to as many people as we could in the industry about this bill. There is not 100 percent support but substantial agreement in the industry as beneficial to this type of work.

SENATOR GOICOECHEA:

Could the construction manager as agent be working multiple projects for an entity?

Mr. Daly:

Yes. A construction manager as agent could be hired by one agency and be hired by another agency or entity during the same time frame. This person could also be hired by the same agency but through a separate bidding process each time.

SENATOR GOICOECHEA:

The agency would be the jurisdiction bidding for the county or city putting the project out to bid. Is it the one that contracts and pays the construction manager as agent?

Mr. Daly:

It is.

SENATOR GOICOECHEA:

I am going to use Eureka County and hire a construction manager as agent. I have two or three projects, and that party is on the payroll. Can I use them on a minor job since it does not apply under \$100,000?

Ms. Motarex:

It is per project. A construction manager as agent is hired for a particular project, not to have as a retainer. If Eureka County has three or four large

projects that need a construction manager as agent to help oversee them, the bidding process applies for each project, not for all them combined.

SENATOR GOICOECHEA:

This construction manager as agent is only involved in the bidding process, not the project itself.

Mr. Daly:

For example, the school district puts out a project with a CMAR. They put out proposals for preconstruction surfaces, put in qualifications and get short-listed. The candidates come in for the interview, and the school will pick a CMAR. The CMAR engages in preconstruction services and then designs the project with a concept. Oftentimes, if it is a large or complex project where an agency may not have the staff, it hires an agent to be the construction manager as agent. If they need help, a separate proposal or bid is advertised to hire an agent or a representative of the owner to help them oversee the construction.

SENATOR GOICOECHEA:

The agent would be working under the CMAR or with the CMAR?

Mr. Daly:

That person would be working for the awarding body as a representative of that agency to help manage what the CMAR brings in. This is where the conflict occurs because the agent sees how the CMAR is working, scheduling, designing, building the team and addressing the problems. This would be information a competitor would not realize if in a dual situation which is what we are trying to correct.

CHAIR DONDERO LOOP:

The text repeals sections and includes the Nevada System of Higher Education, Las Vegas Valley Water District and State of Nevada. Can you address this piece?

Mr. Daly:

The CMAR bill was added with a sunset to statute. Statutes are revised to include the new language until a certain date. After that sunset date, a whole new NRS section repeals all of those sections. When the sunset is lifted, the language in this section will be kept. We are repealing the section going to be repealed.

HEIDI CHLARSON (Counsel):

Mr. Daly is correct. The way we draft is that when we have prospective sunset in place, we show the different sections of law that are affected. We have one section effective now, and we show what this section of law will be once the sunset occurs. Since we are removing the sunset for the CMAR provisions, we need to eliminate the version of the section that would exist if the CMAR provisions went away. We are repealing a version in a section that would exist if the CMAR provisions expired. We are not repealing the entire section; there will still be a version of these sections. The version effective right now will remain. We are just eliminating the sunset to ensure the provision would be effective if the sunset comes out of Nevada statutes.

LARRY CARROLL (American Council of Engineering Companies Nevada Chapter): We support A.B. 410 as amended. The American Council of Engineering Companies, Nevada Chapter, is comprised of most of the engineering companies throughout northern and southern Nevada. The construction manager as agent is normally a service provided by a registered architect or professional engineer who is selected on the basis of confidence and qualifications rather than competitive bidding. We act as independent third party of the contractor to the CMAR, and we work for the owner. We ensure the public interests are being looked after during the course of construction. We work hand in hand with not only the owner but the CMAR contractor at the beginning of the project. The amended bill ensures the Legislature conforms existing Nevada law and federal law. The Brooks Act requires engineers and architects be selected on the basis of confidence and qualifications. This language mandates engineers and architects are selected to protect the public's general welfare, safety and health throughout the course of the project.

JESSICA FERRATO (Granite Construction):

Granite Construction supports <u>A.B. 410</u> with the amendment, <u>Exhibit B</u>. We like the provision that eliminates conflict of interest.

PATTY CHARLTON (College of Southern Nevada):

I am opposed to <u>A.B. 410</u> limiting a construction manager that who may perform services as an agent to a four-year contract proceeding. This rule is limited with respect to public funds. Being mindful of efficiency and effectiveness, we are in opposition.

WARREN HARDY (Urban Consortium):

Urban Consortium is neutral to <u>A.B. 410</u>. This will not impact professional services. The overwhelming majority of construction managers as agent are engineering firms where the limitation would have been problematic. The clarification we received described it as not impacting their ability.

DAVID DAZLICH (Vegas Chamber):

The Vegas Chamber is neutral to A.B. 410. I would like to echo the comments made from Warren Hardy.

CHAIR DONDERO LOOP:

I will close the hearing on A.B. 410 and open public comment.

SELENA LA RUE HATCH:

I am a teacher with deep concerns for the new education funding plan. I urge you to end the antiunion ending fund balance that allows districts to wall off up to 16.6 percent of their operating budgets from collective bargaining. There is no legitimate reason this needs be part of the funding plan. It only ensures that educators across the State will no longer be able to collectively bargain for improvements to education or their profession. You have already pushed your educators past our limits this last year. Teacher workload has doubled or even tripled. We have risked our lives and health to keep students learning. Sadly, at the same time, our voices have been silenced as we have been shut out of every major policy decision. This Body chose to slash our budgets to the bone.

The fact you want to add to the suffering with this absurd end fund requirement demonstrates severe lack of care or understanding from our leaders. Clearly, our leaders do not understand that people can only be pushed so far before they break. If changes are not made to this plan, Nevada will face a teacher shortage of which we have never seen before. However, this pain can be easily be avoided; all it requires is a small change to the new funding formula. Remove the harmful language that walls off 16.6 percent of district budgets and allow educators to continue to bargain in good faith without arbitrary and artificial restrictions.

| May 10, 2021 Page 28 | | | |
|---|---------------------------------------|--|--|
| HAIR DONDERO LOOP: eeing no further business, I adjourn this meeting at 5:55 p.m. | | | |
| | RESPECTFULLY SUBMITTED: | | |
| | Janae Johnson, Committee Secretary | | |
| APPROVED BY: | | | |
| Senator Marilyn Dondero Loop, Chair | _ | | |

Senate Committee on Government Affairs

DATE:_____

| EXHIBIT SUMMARY | | | | |
|-----------------|-------------------|----------------------|--|----------------------------------|
| Bill | Exhibit Letter | Begins on Page | Witness / Entity | Description |
| | Α | 1 | | Agenda |
| A.B. 410 | В | 1 | Alexis Motarex / Nevada Chapter Associated General Contractors | Proposed Conceptual Amendment |