MINUTES OF THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Eighty-first Session February 15, 2021

The Senate Committee on Government Affairs was called to order by Chair Marilyn Dondero Loop at 3:32 p.m. on Monday, February 15, 2021, Online. Exhibit A is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Marilyn Dondero Loop, Chair Senator James Ohrenschall, Vice Chair Senator Dina Neal Senator Pete Goicoechea Senator Ira Hansen

STAFF MEMBERS PRESENT:

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

OTHERS PRESENT:

Dagny Stapleton, Executive Director, Nevada Association of Counties Shannon Chambers, Labor Commissioner, Office of Labor Commissioner, Department of Business and Industry

CHAIR DONDERO LOOP:

We will open the hearing with a presentation from the Nevada Association of Counties (NACO).

DAGNY STAPLETON (Executive Director, Nevada Association of Counties):

I am the Executive Director of NACO. We are a nonpartisan organization as referenced on page 2 of my presentation (<u>Exhibit B</u>). The NACO Board of Directors is a diverse group but works well together. The Board members are listed on page 3 of <u>Exhibit B</u>. All counties are responsible for providing many of the same services to Nevadans. The NACO staff includes Vincent Guthreau, Deputy Director, Colby Prout, Natural Resources Manager, and Amanda Evans,

Office Manager. It is a small staff for this Office. During the Session, NACO has one intern, David Longo.

The mission of NACO is listed on page 4 of Exhibit B. The NACO Board meets once a month for members and county commissioners around Nevada to exchange information and work together on common issues and goals. The NACO Board includes one county commissioner from each of Nevada's counties along with representatives of county affiliations as listed on page 5 of Exhibit B. General information about Nevada counties is listed on page 6 of Exhibit B.

Here is brief overview of what counties do and what counties are doing during Covid-19. The counties provide services for roads, parks, water, safety and health issues in Nevada. Counties have provided local and ground response to Covid-19 by helping with contact tracing, testing with paid lab equipment and assisting with testing. Counties are playing a key role in vaccine distribution for emergency response and coordinated distribution. During every crisis or emergency, counties coordinate the local emergency response teams. They work with the State, city and any other local entities. It is the regional emergency county response folks who coordinate what is happening on the ground. The first responders have helped distribute vaccines by assisting with shots and standing up pods.

Nevada is divided into 17 counties. The services each county provides to residents is listed on page 8 of Exhibit B. Counties are the front line for Covid-19 services. Counties provide senior human services, libraries, roads, water systems, local tax collections and document reporting. Counties are responsible for the local justice system which includes district justice courts, district attorneys, police departments and county jails. Carson City is the only county that is a regional service provider. Nevada counties provide a local safety net for the Medicaid program, and each county has a human services director who is responsible for a number of county-funded programs.

A complete list of county services is listed on page 9 of Exhibit B. Public health services are provided in each county, and larger counties provide services to smaller counties. A map of Nevada (Exhibit C) has county service providers listed that are also referenced on page 10 of Exhibit B. The county revenue sources are listed on page 11 of Exhibit B. Key revenue sources are listed on page 12 of Exhibit B.

Priorities this Session for funding sources are listed on page 13 of <u>Exhibit B</u>. The bills for NACO are listed on page 14 of <u>Exhibit B</u>. They include <u>Assembly Bill</u> (A.B.) 1, A.B. 2, A.B. 33 and Senate Bill (S.B.) 10.

ASSEMBLY BILL 1: Revises provisions relating to training for Legislators. (BDR 17-438)

ASSEMBLY BILL 2: Revises provisions relating to appointments of public bodies. (BDR 18-437)

ASSEMBLY BILL 33: Authorizes the establishment of paternity in proceedings concerning the protection of children. (BDR 38-436)

SENATE BILL 10: Revises provisions relating to taxation. (BDR 32-435)

The NACO Office is located in Carson City and contact information is referenced on page 16 of Exhibit B.

SENATOR NEAL:

You did not mention indigent funding. It is by the county, correct?

Ms. STAPLETON:

Yes. Counties collect a certain portion of revenue and property taxes that are dedicated to indigent services. Counties provide certain indigent services using those dollars along with General Fund dollars. There is a fund for hospital care for indigent persons; these indigent dollars come through hospitals to the counties. The hospitals manage Medicaid dollars to pay for care for indigent persons. I could provide more information on this fund to the Committee.

SENATOR NEAL:

On the relationship between the indigent fund and property tax, what would be the effect of <u>S.B. 10</u> on revenue stability and indigent money?

Ms. STAPLETON:

The indigent fund that counties rely on comes from property tax funds. There are significant portions of other revenues with property taxes. The stability would be increased by <u>S.B. 10</u> if the bill is passed.

CHAIR DONDERO LOOP:

On A.B. 33, can you explain what the bill is about?

Ms. STAPLETON:

There is a process for determining paternity for kids in the child welfare system. Specifically, this occurs when the children leave the system for adoption proceedings. The counties provide child protective services with the county district attorneys, public defenders and the courts. The process for determining paternity is codified in statute in hearings and notices for biological parents; DNA testing is codified in *Nevada Revised Statutes* (NRS) 126.121. However, NRS 432B.044 defines child welfare. <u>Assembly Bill 33</u> seeks to codify this process into the child welfare statute to make the process clear and uniform across the State.

CHAIR DONDERO LOOP:

The next presentation is from the Office of Nevada Labor Commissioner, Department of Business and Industry.

SHANNON CHAMBERS (Labor Commissioner, Office of Labor Commissioner, Department of Business and Industry):

The Labor Commissioner works with the Public Works, Prevailing Wage and Apprenticeship Utilization Act as referenced on page 2 of ($\underline{\text{Exhibit D}}$). The Office is small with 20 staff members. The major responsibilities for the Office are listed on page 3 of $\underline{\text{Exhibit D}}$. Statutes are listed on page 4 of $\underline{\text{Exhibit D}}$. The Office is responsible for enforcing the statutes.

The key elements for Nevada minimum wage requirements are listed on page 5 of Exhibit D. An example of wage increases is listed on page 6 of Exhibit D. On the federal side, the Biden Administration is proposing to increase the federal minimum wage to \$15 an hour. The Labor Commissioner by the Constitution would need a discussion with the Legislature and the Governor to determine, if the federal wage is passed, and the federal number is higher. The \$15 an hour wage could potentially become the new minimum wage in Nevada.

Minimum wage in Nevada rolls over to overtime pay. Nevada has a unique requirement for working over 8 hours in a 24-hour period. The minimum wage impacts are listed on page 7 of Exhibit D. The labor laws enforced by the Office are listed on page 8 of Exhibit D. During the Covid-19 emergency, the Office has seen more issues with final paychecks being late. Employers have contacted

the Office stating they cannot make payroll today and ask what they should do. These issues have come up during the pandemic, and the Office works on each case individually to help employers. Required postings for employers is listed on page 9 of Exhibit B.

An overview for Public Works, Prevailing Wage Laws and the Apprenticeship Utilization Act is referenced on page 10 of Exhibit D. Public works projects are required to get a project number as referenced on page 11 of Exhibit D. General responsibilities for contractors are listed on page 12 of Exhibit D. Prevailing wage is published each odd-numbered year by October 1 as referenced on page 13 of Exhibit D.

The prevailing wage will be revisited this Session. Charter schools that have public funding and go over a \$100,000 budget for construction are subject to public works and prevailing wage laws. There is an adjustment for projects that go over 36 months, the intent is for long-term projects. The Labor Commissioner can go to the contractor and request the rates be changed for the prevailing wage rates during the project.

Who must be paid the prevailing wage rate? It is anyone who is employed at the site of the project, necessary to the project and working on the site of the public work. Further details are outlined on page 14 of Exhibit D. A bona fide fringe benefit was defined by A.B. No. 190 of the 80th Session and the meaning of this benefit is referenced on page 15 of Exhibit D. Apprentices are exempt from the prevailing wage laws as referenced on page 16 of Exhibit D. The complaint process is set forth by law. The Labor Commissioner has to follow the process listed on page 17 of Exhibit D. In Nevada, anyone can file a complaint with the Labor Commissioner to set up an investigation.

The Apprenticeship Utilization Act was passed in 2019. The idea of expanding apprenticeship passed via S.B. No. 207 of the 80th Session. On the federal level, the Trump Administration pushed to expand apprenticeships throughout the Country and states. The act is described on page 19 of Exhibit D. Guidelines for awarding bodies for contractors and subcontractors have three parts, referenced on page 20 of Exhibit D.

There are several projects going on, and apprentices are spread thin. The Labor Commissioner can grant a request if there are not enough apprentices available for these projects. The Labor Commissioner processed 154 waivers last year.

The implementation of the bill has helped with the requests for waivers. The turnaround time for a complaint is within 24 hours. There are violations of this Act, as some contractors are not complying with the law. The bill is constructed to increase apprenticeships.

Guidelines for Covid-19 and frequently asked questions were set up in March 2020. Some questions were on overturning labor laws during the Covid-19 emergency. Nevada labor laws were still enforced during the pandemic. Reminders were issued on following labor laws as referenced on page 22 of Exhibit D. A telework guide was needed for employees and employers. There have been complaints and claims about telework. The complaints were about not getting paid when logged in. The Labor Commissioner issued a guide for telework as referenced on page 23 of Exhibit D.

Release of liability as a condition of employment is on page 24 of Exhibit D. Employers were having employees sign grievances stating employees could not sue the employer if they are exposed to or catch Covid-19. Nevada law states an employer cannot ask an employee to waive their rights to workers' compensation. This is a good reminder to employers since it is not legal to ask employees to sign grievances. Also, if an employee signs a release, it may not be valid in a court of law. There may be some litigations and caselaw that come out of the Covid-19 emergency as things move forward.

The link for guidance about vaccines and leave for vaccinations is referenced on page 25 of Exhibit D. During the first phase, businesses were closing down, and now businesses are opening back up. Employers are looking for information on getting vaccines and potentially making this a requirement for employees. The guidance is available for employers and employees on vaccines.

SENATOR HANSEN:

The four 10-hour days (4-10s) work schedule has been an issue during prior economic emergencies. Has the 4-10s schedule taken off?

Ms. Chambers:

It has taken off, especially on the construction side. The Office is starting to see more impact from Covid-19 on work schedules changing to 4-10s or 3-12s. The best way to approach these schedules is to have them in writing, make sure the employee is getting paid for hours worked, and also make sure employees stick to the schedule.

SENATOR NEAL:

I would like to ask about A.B. 132. Is there guidance put out for this bill?

ASSEMBLY BILL 132: Revises provisions governing juvenile justice. (BDR 5-783)

Ms. Chambers:

We do have guidance, but it is not a required posting and was not in the final bill. There have been complaints on this bill, and some investigations have been done. There have been successful cases from <u>A.B. 132</u>, and I will send the Committee more information.

SENATOR NEAL:

Former Assemblyman Joseph Hogan passed A.B. No. 281 of the 77th Session. Are you responsible for the implementation of this bill? It falls under NRS 338. It focuses on reporting demographics for workers.

Ms. Chambers:

We do not enforce this on a day-to-day basis. This is enforced by the certified payroll reports by the awarding bodies under NRS 338.070. The awarding bodies do report employees' demographics, ethnicities, genders and social security numbers. If this information is not being collected and the Labor Commissioner receives a complaint, it would be treated under the jurisdiction of the Labor Commissioner for failing to comply with the certified payroll laws.

SENATOR NEAL:

On the eight-hour rule for telework, have there been any issues around teleworking and overtime? Is there failure to pay overtime while teleworking?

Ms. Chambers:

Yes. There have been complaints on this specific issue. There may need to be some regulatory changes on overtime for teleworking. The issue we are seeing is employees are logging in at 8 a.m. and they do not start work until 10 a.m., they do not log off until 6 p.m. and are asked to log in at 8 a.m. the next day. We have had some complaints and investigations of when the employer says to log in, but the employee is just logged in and is not working. This is an ongoing issue and as teleworking continues, some changes will be needed.

SENATOR NEAL:

I was wondering about teachers with teleworking. They do not work a traditional seven-hour day. Their time runs on what is needed for students and parents.

CHAIR DONDERO LOOP:

This is nothing new for teachers working longer hours each day.

SENATOR OHRENSCHALL:

How many Nevadans with intellectual developmental disabilities are employed in training programs and earning subminimum wage or below minimum wage? Can you talk about what Nevada does compared to other states for folks in these training programs.

Ms. Chambers:

I am aware of this issue, but our Office does not track this data. This is tracked by the Department of Employment, Training and Rehabilitation (DETR). I can find out who tracks this information from DETR and provide it to the Committee. Last Session, there was a discussion about changing this wage for this group.

SENATOR NEAL:

On the apprenticeship bill from 2019, are they no longer trying to expand apprenticeships beyond NRS 338? The goal is to expand to different workforce categories.

Ms. Chambers:

I understand this is an ongoing effort since 2017 to expand apprenticeships to the workforce. The goal is to continue expanding apprenticeships even if the program is moved to DETR or back to our Office.

CHAIR DONDERO LOOP:

On the 4-10s or 3-12s for nurses, when they work 3-12s, are they paid for 40 hours or are they paid for 36 hours?

Ms. Chambers:

There are two levels. For hospitals, the nurses and staff have collective bargaining agreements. Their wages are governed by the collective bargaining agreement. We have seen situations in which they work more than 36 hours per

week and the employer pays them for 40 hours. We have also seen that if there is a signed agreement for 3-12s, and they make more than 1 and 1/2 the minimum wage, they are only paid for 36 hours. It depends on the institution and if there is a collective bargaining agreement.

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CHAIR DONDERO LOOP: Seeing no further business, I adjourn this meeting at 4:55 p.m.				
	RESPECTFULLY SUBMITTED:			
	Janae Johnson, Committee Secretary			
APPROVED BY:				
Senator Marilyn Dondero Loop, Chair	_			

DATE:_____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	Α	1		Agenda
	В	2	Dagny Stapleton / Nevada Association of Counties	NACO Presentation
	С	1	Dagny Stapleton / Nevada Association of Counties	NACO County State Shared Services Map 2019
	D	2	Shannon Chambers / Office of Labor Commissioner	Labor Commission Presentation