MINUTES OF THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Eighty-first Session April 7, 2021

The Senate Committee on Government Affairs was called to order by Chair Marilyn Dondero Loop at 3:40 p.m. on Wednesday, April 7, 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

GUEST LEGISLATORS PRESENT:

Senator Patricia Spearman, Senatorial District No. 1 Assemblywoman Sarah Peters, Assembly District No. 24

STAFF MEMBERS PRESENT:

Alysa Keller, Policy Analyst Heidi Chlarson, Counsel Suzanne Efford, Committee Secretary

OTHERS PRESENT:

Charles Donohue, Administrator, Division of State Lands and State Land Registrar, State Department of Conservation and Natural Resources Kyle Davis, League to Save Lake Tahoe; Nevada Conservation League Kara Freeman, DrPH, RD, FAND, Nevada Academy of Nutrition and Dietetics Lyndsey Langsdale, Reno Food Systems
Aurora Calvillo Buffington, Chair, Southern Nevada Food Council Rebekah Stetson, Northern Nevada Food Security Council Dagny Stapleton, Nevada Association of Counties
Jamie Rodriguez, Washoe County
Rhona Lecumberry, Association of County Treasurers of Nevada

Kelly Crompton, City of Las Vegas

Calli Wilsey, City of Reno

David Cherry, City of Henderson

Michael Tassi, Director of Community Development and Services, City of Henderson

Kent Ervin, Ph.D., Nevada Faculty Alliance

Douglas Unger, Professor, University of Nevada, Las Vegas; Nevada Faculty Alliance

Mathew Sunil Varre

Alexander Marks, Nevada State Education Association

Carter Bundy, American Federation of State, County and Municipal Employees

Priscilla Maloney, American Federation of State, County and Municipal Employees, Retiree Chapter 4041

Paul Moradkhan, Vegas Chamber

Risa Lieberwitz, American Association of University Professors

Marlene Lockard, Service Employee International Union Local 1107

Laura Rich, Executive Officer, Public Employees Benefit Program

Laura Freed, Director, Department of Administration

Joe Reynolds, Chief Legal Counsel, Nevada System of Higher Education

CHAIR DONDERO LOOP:

We will start this meeting with <u>Senate Bill (S.B.) 368</u>. This bill is on behalf of the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System.

SENATE BILL 368: Requires the issuance of bonds for environmental improvement projects in the Lake Tahoe Basin. (BDR S-366)

ASSEMBLYWOMAN SARAH PETERS (Assembly District No. 24):

This bill was drafted upon the recommendations of Interim Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System. I served as the vice chair of the Committee during the 2019-2020 Interim.

During the Interim, the Committee members learned a great deal about the necessity and success of the Lake Tahoe Environmental Improvement Program (EIP) projects restoring watersheds and improving lake clarity.

The EIP is a program whereby numerous agencies in Nevada and California collaborate to implement critical environmental restoration projects. At our final meeting, the Committee voted unanimously to request the drafting of this bill to authorize the issuance of not more than \$4 million of the \$100 million in obligation bonds authorized in 2009 to continue to implement Nevada's portion of the Lake Tahoe EIP for the 2021-2023 biennium.

With ever increasing threats from climate change and growing pressures on the Basin from tourism and development, the passing of this bill is critical to continue the necessary work to save Lake Tahoe.

CHARLES DONOHUE (Administrator, Division of State Lands and State Land Registrar, State Department of Conservation and Natural Resources):

Senate Bill 368 provides for the issuance of \$4 million in general obligation bond authority for the continuation of the Lake Tahoe EIP. The Division of State Lands (NDSL) has been the lead coordinating agency in the Nevada share of the EIP since 1999. Nevada's participation in the EIP continues to be a success.

The EIP is a well-coordinated partnership among federal, State, local agencies, the Washoe Tribe and the private sector. The partnership carries out projects to protect and improve the Lake Tahoe environment and has become a national model for collaborative leadership.

Nevada is a key member whose commitment to the EIP has funded in excess of 160 projects and focus areas of watersheds, habitat and water quality, forest management and recreation. The EIP is the primary program to achieve environmental gains in the Lake Tahoe Basin.

A significant amount of this work is coordinated through the Nevada Tahoe Resource Team (NTRT). The NTRT was assembled to carry out this program with representatives from the NDSL, the Division of State Parks, the Division of Forestry of the State Department of Conservation and Natural Resources, and the Department of Wildlife. The NTRT implements projects directly and awards grants to EIP partnering agencies.

Recent project highlights include the award of two water quality and erosion control grants. The first grant is to Washoe County for a project in Incline Village. The second is a grant to the Nevada Tahoe Conservation District for a project at Marla Bay in Douglas County. These are critical capital infrastructure

projects that capture stormwater and treat fine sediment particles that are known to impact Lake Tahoe's clarity.

These projects are implemented and coordinated with the Tahoe Regional Planning Agency and the Division of Environmental Protection, State Department of Conservation and Natural Resources to contribute to the region's clarity goals. These two projects are estimated to be in excess of \$3 million.

The Spooner Lake Frontcountry Improvement Project, Phase 1, is a recreational enhancement project located at the Spooner Unit of the Lake Tahoe Nevada State Park. The project includes construction of a visitor center, amphitheater and an entrance road realignment. The contract was awarded in March and construction is scheduled to break ground on May 1. The award for this project was approximately \$3.2 million, including a generous gift from the Tahoe Fund of \$300,000 specifically for the amphitheater development.

Phase 2 of this project is under design, and dedicated funding will bring this to 100 percent design. Park amenities in this phase will include additional trails, comfort station upgrades, picnic nodes and a nonmotorized boat launch at Spooner Lake proper.

The EIP bonds also fund forest restoration projects to improve ecosystem health and function to protect Nevada State Parks from catastrophic wildfire.

The NDSL recently secured approximately \$250,000 in federal appropriations from the U.S. Forest Service, U.S. Department of Agriculture from the Lake Tahoe Restoration Act of 2015 to support fuel reduction treatments on an 85-acre fuel break on State land.

The NTRT has been successful over the years in securing Southern Nevada Public Lands Management Act of 1997 (SNPLMA) funds to complement EIP bonds in restoring the forest landscape to a more resilient condition throughout the State Parks. In this way, the NTRT leverages bonds, as well as other funding sources, to get our work done.

As the Agency has done in many previous Legislature sessions since the start of the EIP, the NDSL is requesting bonding authority for the next round of Nevada's projects. Specifically, <u>S.B. 368</u> authorizes the sale of \$4 million in

general obligation bonds for the continuation of EIP projects in the Lake Tahoe Basin.

The activities listed in <u>S.B. 368</u> will continue to focus on the main areas of improving water quality infrastructure, continuing forest health improvement to reduce the risk of wildfire, improving habitat and improving State-owned recreational facilities at Lake Tahoe.

In addition to improving the Lake Tahoe environment, these are active capital improvement projects which contribute to a strong local economy. This request is in Governor Steve Sisolak's Capital Improvement Program (CIP) budget.

Passage of <u>S.B. 368</u> will allow the State to build upon the success of our past projects and continue moving forward with our EIP partners in protecting and restoring the Lake Tahoe Basin.

SENATOR NEAL:

This seems to be piecemeal. You obtained authority for \$8 million in 2019 and now you are back asking for an additional \$4 million. I am trying to understand what took place in the last 2 years with the \$8 million. Why was a project not completed with the \$8 million?

You mentioned that when you get money from the State, which is nominal in the scheme of things, you are able to leverage that money for more money. Then you add it to other grants. It has only been two years, but then the pandemic happened. I am trying to determine what did not get completed and why with the initial \$8 million in bonding authority from 2019.

Mr. Donohue:

It was determined that NDSL had too many unexpended bonds. The \$8 million authorized in 2019 was not sold. However, we have a project list for this next biennium. In addition to the awards I just mentioned, there is a need for a total of \$11.8 million. The \$8 million from 2019 plus this \$4 million would hit that sweet spot of right around \$12 million. That \$12 million is authorized in the Governor's CIP budget.

SENATOR NEAL:

You said that you were not able to use the \$8 million because there was still bonding authority that had not been expended. Was that bonding authority from the prior two years?

Mr. Donohue:

Yes, the bonding authority still on the books, and actually is committed, is from the 2017 session. Then there was a sale in 2018.

SENATOR NEAL:

How much was the sale in 2018?

Mr. Donohue:

It was approximately \$4 million. A little over \$6 million in authority is being held in a custodial account by the Office of the State Treasurer. Those funds are what has enabled us to award grants to both Washoe County and Douglas County for stormwater infrastructure improvements.

SENATOR NEAL:

How much SNPLMA money did you get in 2017 and 2019?

Mr. Donohue:

We did not receive any SNPLMA money from 2017 or 2019. The funds we have remaining from SNPLMA are prior to that time. They have been reserved for the burning disposal of piles in State Parks and our urban lots. But because of poor burning conditions, we have not been able to use those funds until this past week. However, we are using bond funds in the State Parks for that.

I want the Committee to know that we try to do our best to maximize multiple funding sources to complete the work we are engaged in in the Lake Tahoe Basin.

SENATOR NEAL:

You still have \$6 million in the account from 2017 that is unused. Then you have the \$8 million from 2019 that was allocated and now you are asking for an additional \$4 million, but really you need \$11.8 million.

Mr. Donohue:

We have a little over \$6 million that has been obligated. We had discussions with the Governor's Office of Finance as well as the Office of the State Treasurer that with projects this significant, local jurisdictions are not going to get a contract for a consultant to do design and planning work or award a contract unless they know they have the securities from the State in an award and that we actually have the funds to reimburse them.

The funds in the custodial account at the Office of the State Treasurer are for the most part obligated. They are done through awards to local jurisdictions or contracts we have on the books. The request for this \$4 million would be coupled with the \$8 million authority we received in 2019. Then we will work with the Office of the State Treasurer over the biennium to sell that \$12 million so we can move forward with the identified \$11.8 million in project needs over this biennium.

SENATOR HANSEN:

I am more confused now than when we started. What have you done since 2017? Have you completed any projects?

Mr. Donohue:

Yes, we have expended quite a bit of money. One of the projects we completed was the Spooner Lake Landscape Resilience Project which was in excess of \$1 million. It was a helicopter aerial operation that received the Best in the Basin Award just this past year. Those are the remnants of those piles we are burning at Spooner Lake today. That was just started last week.

The reason the Governor's Office of Finance and the Office of the State Treasurer were reluctant to move forward with bond sales of the \$8 million in authority from 2019 is because they felt we had too much money on the books and could not meet the 3-year time period. We demonstrated to them that we can do that with the money they are holding for us in the custodial accounts.

I would like to point out that twice a year the EIP submits a progress and status report to the Interim Finance Committee. One of the things I emphasized with my Lake Tahoe program manager is that we had a good track record of expending \$4 million to \$4.5 million for all the different project areas on an annual basis, but that was prepandemic. Project delivery and project design dropped off for some of our larger projects. However, we are anticipating

throwing our best effort at this to deliver a higher dollar value expenditure over the next two years.

SENATOR HANSEN:

I know you do not have authority over the Tahoe forest for the most part. That is the U.S. Forest Service. I am scared to death that we are going to have a Paradise Fire type of situation. When you drive around Incline Village or anywhere along the Nevada side of the Lake, those forest are thick and there are tons of built-up fuel. Many trees have been killed by pine bark beetles. One out of ten trees is dead. It has giant fire written all over it. When you talk to your Forest Service people, I hope someone gets on that quickly because every year it just gets worse.

SENATOR NEAL:

What is the instrument the Office of the State Treasurer will be using to sell the \$12 million?

Mr. Donohue:

I am not sure what you mean.

SENATOR NEAL:

The Office of the State Treasurer has a way it goes about leveraging or selling bonds. What is the process the Office uses to get you more money?

Mr. Donohue:

It is my understanding that in the past, the Office has packaged EIP bonds with CIP bonds so there is a larger offering. These are general obligation bonds.

CHAIR DONDERO LOOP:

Would you review your priorities again?

Mr. Donohue:

Our priorities are working with the local jurisdictions that have identified water quality and erosion control projects. These projects address stormwater and the fine sediments that are known to impact Lake Tahoe's clarity. The local jurisdictions, Washoe County and Douglas County, are working with the Division of Environmental Protection to address the Lake Tahoe Total Daily Maximum Loads which they have been working on for six to eight years.

Priorities would be to take Senator Hansen's comments to heart and continue to address our forest restoration projects and the needs within the State Parks in the Basin. Two critical recreational projects that the Division of State Parks has identified are the two phases of the Spooner Frontcountry Project and working with California State Parks and the California Tahoe Conservancy to elevate the infrastructure and address the needs at the Van Sickle Unit of the State Parks, which is the area behind the Casino corridor on South Shore.

KYLE DAVIS (League to Save Lake Tahoe; Nevada Conservation League): The League to Save Lake Tahoe and the Nevada Conservation League support S.B. 368.

The Lake Tahoe Partnership of which the League to Save Lake Tahoe is a member has submitted a letter supporting S.B. 368 (Exhibit B).

These bonds have been a crucial part of the EIP. You have heard about some of the projects that have been funded in the past. We encourage the Committee's support for this legislation.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 368 and open the hearing on S.B. 297.

SENATE BILL 297: Revises provisions relating to agriculture. (BDR 22-480)

SENATOR PATRICIA SPEARMAN (Senatorial District No. 1):

Food insecurity is a devastating challenge for our communities of color and low-wealth families. Community gardens are a tremendous tool to help combat food deserts and food insecurity as well as urban blight.

One of the most significant obstacles for potential community gardens or urban farm projects is access to land. <u>Senate Bill 297</u> provides an opportunity for community groups and municipalities to collaborate and turn neglected or blighted lots in Nevada into productive community gardens. I am speaking about those vacant lots that only grow cigarette butts, broken bottles and things of that nature.

Community gardens and urban farms are transformative ways to provide communities with access to healthy and affordable food, encourage participation in outdoor activities and adopt healthier eating habits.

Senator Joyce Woodhouse brought S.B. No. 178 of the 80th Session, which was designed to create a task force to examine food insecurity. Assemblyman William McCurdy II brought A.B. No. 326 of the 80th Session, which was designed to provide incentives for retail stores to relocate into communities with food deserts. One of those bills almost happened and the other bill, A.B. No. 326 of the 80th Session, still has not taken off. We know this has been going on for a long time. Food deserts are not surprising to anyone.

This bill is one way to deal with that for members of communities. It is for the communities and by the communities. It is an opportunity for them to elevate the type of nutrition they put in their bodies. We know that good nutrition translates into healthy bodies. For so many people in these food deserts, if they cannot make it to a grocery store that is a mile away, their only way of getting food is either the 7-Eleven or a gas station. I have nothing against those, but we are talking about people having the opportunity to have fresh fruits and vegetables.

Section 1 on page 6 of <u>S.B. 297</u> adds the requirement that a city or a county master plan includes, in its urban agricultural element, a plan to inventory other real property to determine suitability for urban farming and gardening. The other real property I am speaking of is abandoned big box stores. Nothing is happening with them except graffiti and maybe some broken windows, and they are growing cigarette butts and broken bottles.

Some things in the bill will be amended out. I had a meeting with representatives of counties and municipalities, and we talked about an amendment. Unfortunately, we did not have time to get it done before this meeting. But we will have amendments to this bill.

Section 2 on page 7 of the bill requires the Council on Food Security to research and develop recommendations on community gardens and urban farms which must include: examinations of local and regional efforts to develop community gardens and urban farms; examinations of regulatory and policy barriers to the development of community gardens and urban farms; the potential effects of community gardens and urban farms on economic development in this State; make recommendations to promote the use of community garden and urban farms; strengthen local infrastructure for community gardens and urban farms; and promote entrepreneurial efforts to develop community gardens and urban farms.

Section 3 of the bill authorizes a board of county commissioners to approve a property tax credit equal to 10 percent of the property taxes on a parcel if the owner intends to allow the property to be used as a community garden or urban farm and agrees to the operation of the community garden or urban farm for at least five years.

Sections 4 and 5 authorize a city or county to use vacant or blighted land or other real property owned by the city or county for urban farms or community gardens.

Sections 6, 7 and 8 include provisions authorizing the State Land Registrar to lease State lands at less than fair market value for use as community gardens or urban farms.

Sections 9 and 10 authorize the Director of the Department of Transportation to lease certain unused property for use as a community garden or urban farm for only \$1 per year.

KARA FREEMAN, DRPH, RD, FAND (Nevada Academy of Nutrition and Dietetics): The Nevada Academy of Nutrition and Dietetics supports <u>S.B. 297</u> and the establishment of community gardens.

The relationship between nutrition, food and health is well documented. For example, we know that children who do not eat cannot learn. Often, children do not get enough food at home. On the other side of the scale, close to 70 percent of the American population is overweight or obese. Health risks are high in this population, including risks of cardiovascular disease, diabetes and hypertension. Low-income underserved communities are at the highest risk for developing obesity. The lack of supermarkets and the prohibitive costs of purchasing fresh food is a compounding problem.

According to the 2020-2025 U.S. Department of Agriculture Dietary Guidelines for Americans, 90 percent of the U.S. population does not meet the recommendations for vegetable intake and 80 percent do not meet the recommendations for fruit intake. Healthy People 2030, issued by the U.S. Department of Health and Human Services, has specified nutrition targets that include reducing healthful food insecurity and hunger and increasing fruit and vegetable consumption.

To support what Senator Spearman said, community gardens have been shown to improve access to healthy food by encouraging communities to grow their own fruits and vegetables. Participation is a social determinant of health as outlined in Healthy People 2030. Community gardening is a specific example of civic participation.

Green space adds property value to neighborhoods by beautifying the spaces. Individuals who are involved in community gardening may form a sense of neighborhood pride, experience an increase in appreciation for their neighborhoods and be more motivated to get involved in community life.

Community gardens also increase access to healthy foods. The California Healthy Cities Project found that West Hollywood students with school community gardens increased their fruit and vegetable consumption by 10 percent which is a significant amount. These gardens can provide an opportunity for communities to get together with their neighbors, give them a chance to get outside and get some physical exercise by working in the garden, and of course provide fresh fruits and vegetables they grow themselves and are available to eat.

Children who have grown vegetables in school-based gardens tend to try the food they have grown and often take that food home and show their parents how to prepare it.

As a past college instructor, I was always amazed, even though I probably should not have been, by the number of students who thought food comes from MacDonald's. To me one of the best things about gardening is tasting the fresh produce. Somehow tomatoes grown in my garden have more flavor than store-bought ones.

LYNDSEY LANGSDALE (Reno Food Systems):

Reno Food Systems is a nonprofit organization working to create resilient, interconnected food systems in our community. We operate a variety of programs, including farm education, regenerative agriculture, food security and nutrition education, all from our five-acre urban farm in west Reno.

The Reno Food Systems supports <u>S.B. 297</u>. Preserving urban, open and agricultural spaces is my passion. I have spent the majority of my adult life doing this.

I have spearheaded a number of projects in Reno. One of them was Lost City Farm which I started in downtown Reno. In 2012, a friend and I decided to start an urban farm. Our first step was to ride our bikes around downtown Reno looking for a suitable property for our farm. Our stipulations were that the property had to be at least one half acre, in a food desert, walkable and bikeable, on a bus line so everyone could access it, and not contaminated like some urban properties are. This was a property that Senator Spearman was talking about. It was growing cigarette butts, hypodermic needles and so on. At that time, in 2012, we found ten suitable properties. They were all privately owned, so we approached the landowners about the project. As a side note, all ten of those properties identified as being good urban farms have all been developed. Not only developed, they have been crammed with multistory, multiunit residences. None of those developments addressed the fact that they are in urban food deserts. Cramming in more people has compounded the problem of food insecurity. If we do not do something now to protect open space in urban areas, it will all be gone and food insecurity will get worse.

We finally found a property, which we called Lost City Farm, downtown by the library in Reno. We had the property for three years. When we first leased it, property values were low in that neighborhood. The owners were happy to lease it to us for \$1 per month. They were happy to have someone on the property taking care of it. But as we built up the farm, the interest in this area increased. Our project increased the appeal of that neighborhood, coupled with the changing real estate market. Within three years, the value of that property skyrocketed and we were kicked off so it could be developed.

In conversations with that private landowner, we desperately tried to convince him of the benefits of letting us stay. What was so frustrating was that he agreed with us. He said having a farm here is much better for the community and for the planet, but this is business and he was going to kick us off and build a storage unit complex anyway.

It is not hard to make the case for urban agriculture, the importance of having green spaces in urban areas and the importance of the availability of fresh produce in food deserts. People know this. They agree, but it is hard to go beyond that lip service and take action. The incentives included in this bill for landowners to support are important.

Municipal properties in Reno are where we have an opportunity to be leaders in this movement. Much of the open space owned by the city and the county would be great for urban farms and gardens. Reno Food Systems has a five-acre farm on county land. It has been deed-restricted and cannot be sold or developed. It has to stay open space and used for agriculture. This property is the last vestige of what was a 6,000-acre ranch. The last owner of that ranch had the foresight to protect it by gifting it to Washoe County parks. We built that farm as a demonstration of what can be done on public land. I am encouraged to see the actions set forth in this bill that support what we have been working so hard to demonstrate for years.

With both of these projects, I have had to navigate through unknown systems and a lot of red tape. I had to fight to make these things happen. Small groups like Reno Food Systems are trying to make this big project happen in unknown waters. With Lost City Farm, I wrote the City's first and only urban agriculture ordinance to allow a farm in a multiuse zone. The ordinance was necessary for us to do the project. There was no history for it. The City planners did not know how to do this, so I ended up writing it and the City adopted it.

The same with Reno Food Systems. We scoured public parks. We approached Washoe County to create a partnership to begin looking at how to turn underutilized County park land into productive community agriculture projects.

<u>Senate Bill 297</u> proposes to put a system in place that does much of that heavy lifting. It would reduce many of the barriers to entry and make creating community food projects more accessible and easier for people to approach and be successful with.

As a person who has navigated these tricky waters, seeing something like this bill is encouraging, and it would make such a difference to these kinds of projects.

SENATOR SPEARMAN:

Las Vegas has had a community garden for about eight or nine years. It is a great way to not only grow food but to teach us. We discussed opportunities to teach students about agriculture as we developed this legislation. We have lost a lot in our society. We have walked away from farming and things of that nature. However, this is a good opportunity to get people interested in it again.

In many communities of color, blocks of neighborhoods have suffered benign neglect over several decades. Property values go down so low that eventually a developer will come in and buy the property cheaply. Unfortunately, what also happens is that people who have lived there for generations will not be able to afford to live there anymore. I have seen this happen in city after city.

During this pandemic, most of you probably saw that food banks were overwhelmed. A friend of mine who is a city council member in Houston said the need was greater than the resources. They were looking for ways to stretch what they had. Food banks are good and they serve a good purpose. Unfortunately, many of them do not have enough fresh fruits and vegetables to give to those who need them. The urban farm and the community garden provide another way to assist community organizations that are helping people with food insecurity.

The City of Las Vegas has already started an urban farm. I had an opportunity to talk with one of our former colleagues, Clark County Commissioner William McCurdy II. He was ecstatic about this bill, but he could not come to testify because he had a previous commitment. Those two things speak volumes about how and why we should get this done.

SENATOR HANSEN:

The bill sounds good. I am intrigued by it. How to you protect the garden once it is in place? You also mentioned fruits. Are there any efforts to encourage tree planting?

SENATOR SPEARMAN:

Yes, there are plans to encourage tree planting. When we talk about community gardens and urban farms, we are talking about whatever can be grown on those lands.

We were going to add an amendment to clarify how to encourage people to participate if they have land to be used as a community garden. Many times when people are given a tax abatement up front, they seldom do what they said they would. Part of this legislation includes a clawback provision. If people do not do what they said they would, whatever abatements they got would become due with interest. The bill also gives cities and counties an opportunity to create zoning to accommodate that.

If there is another or a better way to do it, we can add to that. I am open to that. I want to make sure it works.

SENATOR HANSEN:

I agree with the whole concept. I especially like the idea that as we become increasingly urbanized, we are out of touch with where food comes from. Many people do not realize what it takes to get the food to the supermarket and where it comes from.

SENATOR NEAL:

Is the 10 percent property tax credit in section 3, subsection 4, line 36, every year for 5 years?

SENATOR SPEARMAN:

That is what I meant by tax abatement. Whatever the city or county decides, that will be the tax abatement for that term. If someone does not abide with what they said they were going to do, then there are clawback provisions in the bill. This is open to negotiation through the city or county about whoever is going to sponsor the community garden or the urban farm.

SENATOR NEAL:

I know you mentioned blight, but I do not see it in the *Nevada Revised Statutes* (NRS) 244 or 268 which deals with counties and cities respectively. I do not see a redevelopment area. Is this going to create a tax increment district? Is that the idea? Typically, that is the way a county or a city can create a tax incentive within that boundary, and then revenue is driven from within those boundaries. I am trying to understand. I know you are working on amendments. I want to know what the counties and cities are saying. Are they going to create a tax increment district or roll it into a redevelopment area to address your blight language?

SENATOR SPEARMAN:

The city or county ordinance will establish how they want to do that according to whatever fits them. This bill does not prescribe how an ordinance should be written. Ms. Langsdale wrote the ordinance for the City of Reno. When cities or counties talk about redevelopment or a new development, we are asking them to set aside some space in that project for a community garden or an urban farm. How they do that within their ordinance is strictly up to them.

We did it that way because many times what we put into law does not fit everyone. That was one of the things I said when I met with them earlier today. We want to make this work for cities and counties because if it does not, then it will not do any good to pass this legislation.

SENATOR NEAL:

I like the idea. I know what is going on in southern Nevada. I know this bill fits into A.B. 326 of the 80th Session. There is a provision in that bill that allows you to work with University of Nevada Cooperative Extension, which I know we have not done.

SENATOR SPEARMAN:

You are correct. For at least three sessions, this Body has talked about some way to create food security for low-wealth communities. We have passed legislation to do it, but we do not act on it. As I was thinking about this, there were several people whom I wanted to talk to. I did talk with Clark County Commissioner William McCurdy II about what he put in place with A.B. 326 of the 80th Session and what Senator Joyce Woodhouse did with S.B. 178 of the 80th Session. Those were good ideas, but to make sure we flesh them out and fulfill their intent, we have to have some type of structure. Senate Bill 297 is the structure I am proposing. Is it perfect? No, it is not. But by working with stakeholders, we can make it that way.

SENATOR NEAL:

It is possible because Commissioner McCurdy's bill tied into the Governor's Office of Economic Development (GOED) proposal to offer tax incentives to areas that needed food assistance. I do not know if allowing what the county to do is in <u>S.B. 297</u>. But I know GOED is tied to some of the boundaries you are looking at. That might be the starting point.

SENATOR SPEARMAN:

County representatives met with government stakeholders earlier today. Municipalities wanted to have their own economy and decide for themselves. The county may do something that is general in nature and then provide an opportunity or an infrastructure for towns to do it. This is the start of something that will be big. It will not only provide members of these communities with a source of healthy food, it will also provide jobs. It is also part of economic development.

All I am trying to do with this bill is to look at things we have already passed and are just sitting there. Let us put something together so we can do something with them.

SENATOR GOICOECHEA:

I appreciate the intent and the good it will do, but I am concerned about the cost. What is the fiscal note? It is fine for the county to give a 10 percent break on property tax if someone makes the land available, but it is a long way from having a lot covered with glass and cigarette butts to having it in production. Where are those dollars going to come from?

SENATOR SPEARMAN:

Those dollars will come when cities or counties put their ordinances in place which will provide the legal structure. This does not mean they will do this immediately. If they cannot afford to do it, there is no requirement for them to do it this year. We want to make it work, but we also want to make sure that it does not leave them fiscally bankrupt. There is no fiscal note because there is no requirement to do it at a certain time. We want them to decide when they can do it, how long they can do it, when it will start and so on. That is the decision of the government that decides to put that into ordinance.

SENATOR OHRENSCHALL:

All any of us have to do is hearken back to the first months of the pandemic and all the scared constituents and all the empty shelves in stores. Think how wonderful it would be if there was more urban agriculture and more locally available produce, vegetables and fruits. If something like this happens again, people should have other options besides grocery stores. If this bill passes, how will this be communicated to people who want to participate? Do you think there might be organizations that would get active and try to get people involved? What are your thoughts on that?

SENATOR SPEARMAN:

We discussed that in our stakeholders meeting. There are people in northern Nevada and southern Nevada who are familiar with this concept and have done some of it. If they want to raise money for marketing, that is okay, but I envision this as being word of mouth. Once we get started, the news is going to take off like wildfire. We are going to do this as judiciously as possible, but we are also mindful that we do not want too much fiscal impact.

Mr. Donohue:

I will comment specifically on section 6 of <u>S.B. 297</u>. I was not aware that this bill was being heard; however, as the State Land Registrar I am neutral on this bill.

Why did the bill's sponsor propose to have this legislation in NRS 321? It would be more appropriate to have it in NRS 322. There is a provision in NRS 322.065 that addresses the use of State lands for community gardens or urban farms by nonprofits and educational institutions at less than fair market value. I would be happy to work with the Senator on an amendment to possibly roll that concept into that provision of statute.

I would like to make clear, though, that when statute says less than fair market value, it does not equate to no cost. I am often asked to offer it for zero cost or \$1. I would like to work with the Senator to develop language that might fit within that portion of statute.

I had hoped to have a premeeting with her because I am curious as to what lands she has looked at such as the State lands portfolio; what land she may have identified and whether it is north, south or in the rural areas, and what lands might have been identified by the organizations she is looking at so we can get a little ahead of the game.

I would also like to have a conversation with her about the provisions that reference businesses in section 6 of the bill.

SENATOR SPEARMAN:

That section, NRS 321, was chosen by the Legislative Counsel Bureau (LCB) Legal Division. I will take your suggestion to the LCB Legal Division that it may be more appropriate in NRS 322. I will admit to you that I do not know enough about the law to determine which chapter of NRS it relates to.

Have I already identified land? No, I have not, but some people who helped me perfect this bill have some suggestions as to where they might look. I cannot tell you what that is because that is what they are doing in their part of the State. I anticipate that once the bill passes they will get in touch with you immediately.

There is some cost. It is not free. We can set up some time to talk because of our deadline. If you could send me some language, I will make sure the LCB Legal Division gets it and adds it to the conceptual amendment I am working on with the cities and counties I spoke with earlier today.

Mr. Donohue:

We will try and draft something for your review and continue to work with you on this.

AURORA CALVILLO BUFFINGTON (Chair, Southern Nevada Food Council): I have submitted written testimony supporting S.B. 297 (Exhibit C).

REBEKAH STETSON (Northern Nevada Food Security Council):

There are multiple community gardens in Reno. Reno Food Systems has its giant garden and the Northern Nevada Food Security Council has a big urban farm downtown called Flint Street Farms. I also run three gardens through the Boys and Girls Club where we teach kids how to grow food.

With anything that continues to create more urban gardens, an incredible capacity for community health goes with it. It has been beautiful to watch lives change when kids learn how to grow their own food and when adults get involved in tending the soil, learning how to do that, and how to prepare and cook it for themselves.

The Northern Nevada Food Security Council supports S.B. 297.

DAGNY STAPLETON (Nevada Association of Counties):

The Nevada Association of Counties is neutral on $\underline{S.B.297}$. We reached out to Senator Spearman with some suggestions we have regarding the tax credit piece of the bill in section 3. We worked with the county treasurers on some conceptual language to ensure that portion of the bill can be carried out as Senator Spearman is envisioning.

We appreciate the goals Senator Spearman is trying to meet as well as her intent. We look forward to continuing to work with her. This bill is enabling for counties, so we appreciate the local authorities being able to implement this based on the needs in each county.

We appreciate Senator Neal mentioning the University of Nevada Cooperative Extension which is a university program; however, it is funded in large part by the counties in the programs they care about. Extension horticulture, agriculture and gardening programs can be important to the projects and urban farms and gardens this bill is supporting. We will be happy to connect the Senator with those people if that is needed.

JAMIE RODRIGUEZ (Washoe County):

I thank the Senator for meeting and working with us on the bill. We appreciate and support the intent of the legislation; however, we are neutral on the bill. We will continue to work with her and county treasurers to ensure we will be able to enact and implement the program as she envisions it.

RHONA LECUMBERRY (Association of County Treasurers of Nevada):

The Association of County Treasurers of Nevada is neutral on <u>S.B. 297</u>. We thank Senator Spearman for meeting with us today. The provisions of <u>S.B. 297</u> may have an impact on property taxes for participating parcels, and we look forward to working with her and her team to clarify the mechanisms needed to efficiently carry out these provisions.

Kelly Crompton (City of Las Vegas):

The City of Las Vegas is neutral on <u>S.B. 297</u> due to some technical provisions we are working on with the bill's sponsor related to the implementation of the bill.

The City of Las Vegas is supportive of the concept and has done extensive work on urban agriculture, working closely with the Southern Nevada Food Council, the University of Nevada Cooperative Extension and other local, regional stakeholders on community gardens. There is effort and support to promote equity, improve healthy food access and remove food deserts located in downtown Las Vegas such as those in the historic west side.

The City of Las Vegas supports the intent of this measure because it can address the challenges of food insecurity, healthy foods and local economic growth. To the extent that there are publically owned assets that can be provided to entities actively working to address food insecurities, access to healthy foods and this investment in underserved communities, we should take every opportunity to make this access available. The implementation decisions should be made at the local jurisdiction level and not at other levels of

government. That is why we are working with the sponsor of the bill to amend some of the language.

We thank Senator Spearman for meeting with us today to discuss our concerns and look forward to working with her in the amendment process so we can get to a support position on this bill.

CALLI WILSEY (City of Reno):

The City of Reno appreciates Senator Spearman meeting with local governments earlier today and considering the conceptual amendment that was submitted. As part of the City of Reno's recently updated development code, the City allows urban farms in every zoning district and has numerous supporting master plan policies in place that promote integration of community gardens in our neighborhoods and increase the availability of and access to fresh, healthy and local food.

We support the bill sponsor's intent and goal in this legislation, and we look forward to working with her on the technical language related to implementation.

SENATOR SPEARMAN:

I appreciate the comments everyone has made. For those of you whom I met with earlier today, I have already spoken with our legal counsel and she will be contacting you so we can go through the conceptual amendments that were presented and make sure we have everything right.

The City of Washington, D.C., and the City of Pittsburgh, Pennsylvania, have something similar to this. If they can do it, we can do it. I welcome the help from all those who have presented ideas today. I may have this idea, but I do not have all of the ideas, so collaboration will certainly be crucial.

Typically, when people think about community gardens they think urban. But I am sure there are places in our rural and frontier communities where this would help them with food security as well.

My sister has a big container with dirt and plants in it, and she has grown peppers. One of my nieces had two sections in which she put her seeds and when the peppers came up, she was able to put them in her food. She was excited to tell me that she grew them. We can look forward to more of the

responses my niece gave from children who are discovering what it means to get back into agriculture, to get back into the earth, to understand how things are made or grown and to make sure they have nutritious food.

CHAIR DONDERO LOOP:

I will close the hearing on S.B. 297 and open the work session.

ALYSA KELLER (Policy Analyst):

The first bill in the work session for the Committee's consideration is S.B. 110.

SENATE BILL 110: Revises provisions relating to businesses engaged in the development of emerging technologies. (BDR 18-447)

I will summarize <u>S.B. 110</u> and its Proposed Amendment 3170 from the work session document (Exhibit D).

SENATOR GOICOECHEA:

What is the fiscal note on this bill?

Ms. Keller:

There is a fiscal note available on the legislative website from the Department of Business and Industry showing an effect on future biennia of \$45,681.

SENATOR NEAL:

I am going to vote yes but reserve my right to change on the floor.

SENATOR GOICOECHEA:

If this is going to be referred to the Senate Committee on Finance, I can vote yes, otherwise I am concerned about it and will be voting no. If the motion is amend and do pass and refer to the Senate Committee on Finance I can vote for it.

CHAIR DONDERO LOOP:

I cannot give you that 100 percent, but I understand your reservation.

SENATOR HANSEN:

I normally comment after we have attempted to get this rolling, but I might as well say it now. I am a no. The fact that Blockchain was mentioned shows that this is a taxpayer-funded government subsidy for a billionaire, and that is wrong.

It is a mistake to go down this road. I am not against increasing businesses, but I resent the fact that people who are literally billionaires are constantly turning to the government to come up with ways to cut their own costs. Therefore, I am a no.

SENATOR OHRENSCHALL MOVED TO AMEND AND DO PASS AS AMENDED S.B. 110 WITH PROPOSED AMENDMENT 3170.

SENATOR NEAL SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS GOICOECHEA AND HANSEN VOTED NO.)

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Ms. Keller:

The next bill in the work session is S.B. 138.

SENATE BILL 138: Revises provisions relating to planned development. (BDR 22-566)

I will present <u>S.B. 138</u> and its proposed conceptual amendment from the work session document (<u>Exhibit E</u>).

SENATOR OHRENSCHALL:

What is the practical effect of the change in the proposed amendment to section 13 to NRS 278A.410?

DAVID CHERRY (City of Henderson):

The effect of the language in section 13 serves as a limitation on how a minor modification provision could be used if a city or county chooses to enact an ordinance that would allow for a minor modification.

Specifically, at the request of stakeholders two limitations were added. The first has to do with whether there would be a proposed minor modification if a plan has either residential development or proposes to add residential development; for example, new housing. In that case, it would not qualify under the amendment for the ability for the minor modification process to be used in that case. Therefore, it serves as a limitation.

We have also added a limitation that if there is a move to use this process and there is a vacation or abandonment of an easement, a sidewalk or two other categories, this would not be allowed to be qualified for use under the minor modification provision that is proposed in the amendment.

That limits how the amendment would apply in situations where you have residential housing or in situations where you have specific actions involving a vacation or abandonment of an easement.

CHAIR DONDERO LOOP:

When you say "we feel it limits," that sounds open-ended to me.

Mr. CHERRY:

That was my choice of wording. I can tell you we have confidence that serves as a limitation. We invite the LCB Legal Division or your counsel to opine on this.

MICHAEL TASSI (Director of Community Development and Services, City of Henderson):

I agree with Mr. Cherry. We are confident this limits the minor modification procedure to just nonresidential developments within planned unit developments. We specifically carved out those two areas at the request of our stakeholders who wanted to limit it to nonresidential. The language does that.

Mr. Cherry:

A major modification would not qualify under any circumstances. We have drawn a very narrow circle. It is important for the Committee to realize that in doing so we have limited this application to commercial types of modifications and left out residential. The wording in the statute and section 13 of the proposed conceptual amendment is clear prohibition. It is the same when it comes to the four areas that are specific to vacation or abandonment of any street, public sidewalk, pedestrian right of way or drainage easement. Those are clearly spelled out in the amendment language.

CHAIR DONDERO LOOP:

I will be voting yes, but I will reserve my right to change on the floor. I have a few other questions after seeing these bullet points today.

SENATOR NEAL MOVED TO AMEND AND DO PASS AS AMENDED S.B. 138.

SENATOR GOICOECHEA SECONDED THE MOTION.

SENATOR OHRENSCHALL:

I will be supporting the motion. I would like to reserve my right as well. I still have questions.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

Ms. Keller:

The next bill in the work session is S.B. 254.

SENATE BILL 254: Revises provisions relating to discrimination in housing. (BDR 18-38)

I will present an overview of <u>S.B. 254</u> and its proposed conceptual amendments from the work session document ($\underbrace{\text{Exhibit F}}$).

SENATOR NEAL:

After talking with other stakeholders, the amendment is to ensure that section 33 does not apply to manufactured housing.

SENATOR OHRENSCHALL MOVED TO AMEND AND DO PASS AS AMENDED <u>S.B. 254</u> WITH THE AMENDMENTS IN THE WORK SESSION DOCUMENT AND THE AMENDMENT MENTIONED BY SENATOR NEAL.

SENATOR NEAL SECONDED THE MOTION.

SENATOR HANSEN:

I will be voting no. People who want to rent to other people, including people who have complexes, have a right and a responsibility to protect the people who already live there. The idea that you cannot ask about a criminal history is a mistake. Credit history, source of income and other items are reasonable things that people should be able to find out about. This goes way too far.

SENATOR GOICOECHEA:

I will vote for the motion, but I want to see the bill put together with all the pieces. I will reserve my right to vote no on the floor.

SENATOR NEAL:

I understand what everyone is saying. I added <u>A.B. 317</u> entirely, but that was scaled to the three or four paragraphs. I am still working on getting source of income scaled back to be very narrow. The amendments dealt with criminal history and expanded the exemptions to violent felons and other categories.

ASSEMBLY BILL 317: Revises provisions relating to housing. (BDR 10-778)

It does not include single-family residences. I wanted to make sure the amendment from the Nevada Association of Realtors was included.

SENATOR HANSEN:

I am still voting no, but I will reserve my right to change after I see the entire bill.

THE MOTION CARRIED. (SENATOR HANSEN VOTED NO.)

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CHAIR DONDERO LOOP:

The next bill in the work session is S.B. 283.

SENATE BILL 283: Revises provisions relating to local improvements. (BDR 22-792)

Ms. Keller:

I will summarize <u>S.B. 283</u> and its proposed amendment from the work session document (<u>Exhibit G</u>).

SENATOR NEAL MOVED TO AMEND AND DO PASS AS AMENDED S.B. 283.

SENATOR OHRENSCHALL SECONDED THE MOTION.

SENATOR HANSEN:

I am going to vote yes to get it out of Committee, but there are many confusing things about the bill that I do not understand.

SENATOR GOICOECHEA:

I am voting no and reserve my right to vote yes on the floor.

THE MOTION CARRIED. (SENATOR GOICOECHEA VOTED NO.)

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CHAIR DONDERO LOOP:

We will move on to the next bill in the work session S.B. 302.

SENATE BILL 302: Revises provisions relating to governmental administration. (BDR 18-171)

Ms. Keller:

I will provide a brief overview of <u>S.B. 302</u> from the work session document (Exhibit H).

SENATOR NEAL:

This is a hard vote for me. I understand what will be accomplished, but I also understand that the scope is broad. Tina Dortch in the Office of Minority Health and Equity of the Department of Health and Human Services is the only person for the entire State and there is no money on that Office. I will vote to get it out of Committee, but I am hoping the scope is reduced so it is manageable for the one person for the entire State.

SENATOR GOICOECHEA:

I am going to oppose the measure. I do not see how this is workable. I realize the need, but I do not see how we are going to get there with this bill.

SENATOR NEAL MOVED TO DO PASS S.B. 302.

SENATOR OHRENSCHALL SECONDED THE MOTION.

SENATOR HANSEN:

I will say ditto to what Senator Neal and Senator Goicoechea said. We are moving so far away from the idea of a color-blind society that we were all raised in. Dr. Martin Luther King said, "Judge people on the content of their character, not the color of their skin." We keep breaking more and more categories down. We should have a "meritocracy." The idea that you are going to force a bunch of people to go through the training this bill would require in the private sector is crazy. We are reaching the point of reeducation camps for all the citizens of the United States. I am a strong no.

THE MOTION CARRIED. (SENATORS GOICOECHEA AND HANSEN VOTED NO.)

* * * * *

CHAIR DONDERO LOOP:

We will move on to the next bill in the work session, S.B. 327.

SENATE BILL 327: Revises provisions relating to discriminatory practices. (BDR 53-574)

Ms. Keller:

I will provide a brief overview of <u>S.B. 327</u> and its Proposed Amendment 3191 (Exhibit I) from the work session document.

SENATOR HANSEN:

I understand the amendment about dress codes. Are you talking about public schools, private businesses or parochial schools? What does it apply to?

SENATOR NEAL:

This is only for public schools. It does not cross into businesses. When it talks about uniforms, it means what is in the school district itself.

The rural counties are exempt from promotion practices. There was an amendment about the test scores and the employee and the employer getting the results at the same time but not before the employer. I did not hear that amendment.

HEIDI CHLARSON (Counsel):

To clarify, there is language in sections 7, 8 and 22 of the bill that specifies that the third party that conducts the testing must send the employee's test score to the employee and the local government at the same time. There is language that further deleted language from the introduced version of the bill that would have given an employee, who was aggrieved by a test score, the correct answers. Some additional changes are included, and if Senator Neal thinks we missed some, we can fix that. The issues she just raised are addressed in the proposed amendment.

SENATOR NEAL:

I wanted to make sure because they will be able to get the incorrect answers but not the correct answers which was causing consternation for the local governments. That is what we worked out.

I want to make sure that everything I agreed to with the local governments and law enforcement were in the proposed amendments.

SENATOR GOICOECHEA:

The 100,000 population cap only pertains to school districts. Is that correct?

SENATOR NEAL:

That language applies to the larger school districts, but if it is not in there, I will make that clarification. There is no population cap related to the promotions. In order to exempt the rural areas, we did it by number of employees.

SENATOR GOICOECHEA:

What section of the bill is that in?

SENATOR NEAL:

That is in Proposed Amendment 3191, sections 7 and 8 where it excludes the smaller counties based on department size and then brings in the larger cities by employee number.

SENATOR OHRENSCHALL MOVED TO AMEND AND DO PASS AS AMENDED S.B. 327.

SENATOR NEAL SECONDED THE MOTION.

SENATOR HANSEN:

I will vote no on the bill. This goes too far. I am sympathetic to the idea, but some of these grooming standards are beneficial. Evidence is strong in public schools where they have implemented uniform and grooming policies that academic performance goes up and discipline problems go down. I am sympathetic to the idea of not discriminating against anybody based on hair styles.

SENATOR GOICOECHEA:

I can support the bill with the amendment.

THE MOTION CARRIED. (SENATOR HANSEN VOTED NO.)

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CHAIR DONDERO LOOP:

The last bill in the work session is S.B. 360.

SENATE BILL 360: Revises provisions relating to public employment. (BDR 23-1011)

Ms. Keller:

I will summarize <u>S.B. 360</u> and its Proposed Amendment 3192 from the work session document (<u>Exhibit J</u>).

SENATOR OHRENSCHALL MOVED TO AMEND AND DO PASS AS AMENDED <u>S.B. 360</u> WITH PROPOSED AMENDMENT 3192.

SENATOR NEAL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR DONDERO LOOP:

That completes our work session.

VICE CHAIR OHRENSCHALL:

I will open the hearing on S.B. 373.

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

SENATOR DONDERO LOOP (Senatorial District No. 8):

<u>Senate Bill 373</u> would establish collective bargaining rights for certain unclassified State employees including the Nevada System of Higher Education (NSHE) faculty and professional staff.

KENT ERVIN, Ph.D. (Nevada Faculty Alliance):

The Nevada Faculty Alliance (NFA) is the independent professional organization of faculty at the colleges and universities of the NSHE and is affiliated with the American Association of University Professors.

The NFA represents faculty collective bargaining units at the College of Southern Nevada (CSN), Truckee Meadows Community College (TMCC) and Western Nevada College (WNC). However, those bargaining units are structured under the internal regulations of the Board of Regents which are limited and do not provide the protection afforded to other public employees in Nevada under NRS 288.

A better defined process in statute provided by <u>S.B. 373</u> will enable faculty to expeditiously bargain in the best interests of our institutions and students. <u>Senate Bill 373</u> creates a new section of NRS 288 that is applicable to unclassified State professional employees, primarily NSHE faculty and their professional organization. It has been drafted to avoid interfering with separate NRS 288 sections for local government employees and classified employees. <u>Senate Bill 373</u> will make labor law for public employees more consistent over all branches of State government.

Senate Bill 373 closely follows the collective bargaining statutes already established in NRS 288 for State classified employees as enacted in S.B. No. 135 of the 80th Session with some clarifications needed for higher education including shared governance and academic freedom as mandatory items of negotiation.

For the formation of bargaining units, <u>S.B. 373</u> uses the community-of-interest standard similar to the local government employee section of NRS 288 which allows flexibility for unclassified professional employees to negotiate with their employers in appropriate bargaining groups.

<u>Senate Bill 373</u> will allow NSHE professional employees and their organization to access the Employee-Management Relations Board (EMRB) for efficient and rapid resolution of disputes. The mediation and arbitration processes for grievances and negotiations would follow NRS 288 for State employees.

The Board of Regents has granted limited collective bargaining rights for faculty for about 30 years through NSHE internal regulations. This means that one party, the Board of Regents—management—writes and interprets the rules of engagement. Senate Bill 373 will provide a level playing field.

The three NSHE campuses CSN, TMCC and WNC that currently have collective bargaining units represented by NFA would retain those bargaining units and their contracts until a new contract is negotiated under the new law.

Collective bargaining provides a collaborative opportunity and framework for higher education faculty to work with their administrations to achieve institutional goals. Research suggests that collaboration between faculty unions and college administrations can increase student success and retention and increase institutional efficiency.

We have submitted a fact sheet with references to those studies (Exhibit K).

Douglas Unger, Professor (University of Nevada, Las Vegas; Nevada Faculty Alliance):

I have submitted written testimony and comments on S.B. 373 (Exhibit L).

DR. ERVIN:

Roughly 90 percent of the bill is taken verbatim from other statutes, mostly the State classified sections, but some parts are selected from the local government union sections where it made sense for unclassified State employees. Because the bill is lengthy, we have submitted a written section by section description along with the references to those statutes from which the language was adopted (Exhibit M).

I draw your attention to the structure of the bill. Some sections are just conforming language but sections 8 through 49 are the meat of the bill and they are structured as a separate subhead of NRS 288 which means the definitions within that section only apply to that section. The various definitions of

arbitration, exclusive representation and so forth, even though most of those definitions are identical to other parts of NRS, they only apply here.

Page 8, section 15 of the bill, is a key section. That is where the employees who are subject to this bill are described. Section 15, subsection 1 says the bill applies to unclassified State employees and other State employees who are not paid according to the classified employee pay schedule. That excludes State classified employees who are the majority of State employees. However, it includes NSHE faculty and adjunct faculty instructors who are hired on a semester by semester basis and are not technically considered unclassified employees within NSHE. We wanted to capture those employees.

Subsection 2 of section 15 has a laundry list of exclusions to make clear who we mean to cover. Some of these are redundant. For example, it explicitly excludes local government employees, State classified employees and Public Employees' Retirement System employees paid under the classified pay section. It excludes managerial employees and confidential employees such as an executive assistant to an administrator who has confidential knowledge and should not be part of a bargaining unit. It also explicitly excludes appeals officers in the Division of Administration because they are appointed directly by the Governor.

Most of the remaining unclassified State employees would be excluded because they are managerial or confidential employees. That leaves, besides employees at NSHE, just a few technical specialists, field employees and inspectors who are unclassified employees but are not defined as managerial employees. Our assumption is that there are not many of those in most cases and they have not expressed interest in organizing with one exception—inspectors of the gaming control board. They are the topic of <u>S.B. 286</u>.

SENATE BILL 286: Revises provisions relating to public employees. (BDR 23-1012)

If <u>S.B. 373</u> and <u>S.B. 286</u> were both to pass, there would need to be some harmonizing language to put that particular group of employees in the right place.

I will also note that the professional employee, which is defined in this section, has a different meaning in one section of the classified staff section where it

applies to professional classified employees who have characteristics of professional employees but are classified and defined in a bargaining unit. That definition only applies in NRS 288.515 and our definition of professional employees only applies in our subhead. Much of the rest of the bill is verbatim.

I wanted to go over who is a professional employee subject to this bill so that is clear. We did take one difference from the classified employees where they define bargaining units in the statute. We chose to follow the local government model of the community-of-interest standard for forming bargaining units. What that means in NSHE is, depending on the campus culture, we would expect academic faculty to be a bargaining unit and administrative faculty to be another bargaining unit although at certain campuses they could be combined into one bargaining unit as they are at TMCC. This provides flexibility.

SENATOR HANSEN:

The real problem with collective bargaining between NSHE and the Board of Regents is that there is a complete imbalance. The taxpayers who pay the bills are not represented. In theory, you could say that the Board of Regents represent the taxpayers because they are elected. It is a classic problem consistent in every situation in which government agencies are collective bargaining with other government agencies. I have some issues with it.

I must say that if people go on the website and look at the salaries and benefit packages for the people in the NSHE, they are not going to be terribly sympathetic to the idea that you are somehow locked out of the collective bargaining process.

How do you justify the imbalance on the taxpayer side of the equation?

Dr. ERVIN:

This bill follows the model from S.B. No. 135 of the 80th Session. That means that any appropriation required by a collective bargaining unit would go first to the Board of Regents. They would have to put it into the regular budget process This gives the Governor the full authority to either put that into the Executive Budget or not. The Legislature, the elected representatives of the people, ultimately determine any appropriation based on collective bargaining. That is the checks and balances. Not only do we have an elected Board of Regents but an elected Legislature to make those decisions about funding.

SENATOR HANSEN:

I like that concept, but approximately half of the people who are elected officials actually have some direct financial tie to the government. We have a lawsuit right now about whether you can serve in more than one branch of government at the same time. That theory on the check part of it does not seem to fly when you realize that in the legislative portion of it, half of them are on the government payroll and therefore they have a vested interest in protecting those collective bargaining rights for other members of government who are also in collective bargaining.

PROFESSOR UNGER:

I want to point out the economic advantages of collective bargaining as one looks at it nationwide. At campuses that have collective bargaining, there is a savings of \$13,500 in core expenses per degree awarded and an additional 1.2 degrees awarded per 100 students enrolled. It increases the efficiency of the institution because it increases retention. Whenever you do a hire at a R1 university, I do not know what the cost is at a community college, the cost will be anything from \$35,000 to \$50,000 if you really crunch the numbers.

There is also constant turnover because of workplace issues. I am not talking about salaries and benefits, I am talking about a broken system unable to deal with personnel and other issues on a university campus.

Collective bargaining increases retention, therefore it increases efficiency for the taxpayer. It eventually ends up costing less because everything is much more predictable.

I would like to direct Senator Hansen to the website of Oregon State University which just completed a collective bargaining agreement. I know you are all very busy, but if you took the time to look at the link of a collective bargaining agreement that was just finished in June 2020, you would look at the base salaries there. Understand we are talking about minimum salaries being established by most collective bargaining institutions rather than any kind of accelerated salary increase you are thinking of from maybe some private sector examples.

Collective bargaining in higher education actually works to increase efficiencies and lower the costs to taxpayers.

SENATOR HANSEN:

I have attempted several times to get some level of auditing of the NSHE. The Board of Regents aggressively fought me as did everyone from the chancellor on down.

As far as efficiencies, I would like to have an opportunity to have a true audit of the NSHE and see whether your theory is correct. Simply put, one of the things totally lacking in State government has been financial oversite of the NSHE. I am uncomfortable with this, and while it is nice to see that it might improve efficiency, the ultimate efficiency I would like to see is simply to have some kind of audit to see where we are now. You then have a baseline to start at and see whether we move forward.

SENATOR NEAL:

Section 36, subsection 3, paragraph (a) specifies the hierarchy. It talks about if anything is in conflict and then it lists policy, procedure or regulation. Would not a regulation supersede a policy?

Dr. ERVIN:

Section 36, subsection 3, says "If there is a conflict between any provision of a collective bargaining agreement between a state professional employer and an exclusive representative and:" The way I read paragraph (a) of section 36, subsection 3—this language is taken directly from NRS 288, the State classified section—is that the collective bargaining agreement prevails over policies, procedures or regulations. For faculty, that would be the NSHE code adopted by the Board of Regents or any institutional policies or by-laws. A collective bargaining agreement, once agreed upon by both parties, would supersede those internal regulations.

VICE CHAIR OHRENSCHALL:

Will the collective bargaining agreement take into account issues like academic freedom or whether there is bullying or harassment in a department or college? Sometimes that can make good professors leave institutions. Would it make sure there are fairer outcomes in that situation?

DR. ERVIN:

Yes, it would. For professional employees, faculty in particular, the salaries are set by the marketplace. This really is not about salaries. It is only about salaries

perhaps at the level of minimum incoming salaries or our adjunct faculty and others who are poorly paid and deserve much more.

The language explicitly states that shared governance procedures and academic freedom are mandatory items of negotiation within the bargaining agreement as well as setting up procedures for grievances. The crux of this bill is that by negotiating and working on those policies and how those procedures work, we will be able to make improvements.

SENATOR NEAL:

What is the estimated direct cost of this?

Dr. Ervin:

The only direct cost is the fee required to fund the EMRB which is in section 49 of <u>S.B. 373</u>. This is a fee charged on all local government union employees and all State classified employees. In statute, the fee is up to \$10, but it has been less than that. The fee typically charged is \$4 to \$6.

Because we do not expect all of our institutions to organize any time soon, the language in the bill was changed to apply just to employees who are in bargaining unions who have an exclusive representative. There are 900 of them at the 3 community colleges. A \$10 fee would be \$9,000 a year. If all of the faculty organized, which is 6,200, that would be \$62,000 a year. That is the only direct fee.

People argue that collective bargaining agreements are expensive, but that is not in the bill because any collective bargaining agreement has to be agreed to by both sides in the future. Statutes that allow collective bargaining do not have a fiscal note because of that.

PROFESSOR UNGER:

I was the chair of the Council of Faculty Senate Chairs for the State and vice chair and past chair of the University of Nevada, Las Vegas Faculty Senate. When I was in that role, I witnessed needless lawsuits between faculty members and NSHE. I would like to point out how much money this collective bargaining bill could save the NSHE and the State in needless litigation because of the mediation provisions which are the heart of the bill. Providing alternate mediation and arbitration mechanisms will avoid the tragic lawsuits I witnessed when I was in that State role and watched hundreds of thousands of dollars in

legal fees go down the tubes. Sometimes, these cases lasted for years. A majority of those would be avoided, and the \$9,000 to \$62,000 cost of collective bargaining would be saved even with the elimination of one litigation by the mediation provisions of this collective bargaining bill.

SENATOR GOICOECHEA:

Collective bargaining for State employees is at the purview of the Governor. What does this bill do to that?

Dr. ERVIN:

In the sections for classified staff, a collective bargaining agreement is negotiated between the executive department and the bargaining unit. If that requires an appropriation, the Governor has full authority to ask for that appropriation from the Legislature.

The difference in this bill is that for faculty it would go first to the Board of Regents. The Board of Regents makes the request through the budget process, and the Governor still has full authority to either approve that, put it in the Executive Budget or not.

SENATOR GOICOECHEA:

This does not give the Board of Regents the ability to say the funding is not available like it does for State employees?

DR. ERVIN:

Any collective bargaining agreement is first negotiated between the bargaining unit and typically the institution. Then it has to be approved by the Board of Regents at a public meeting. That is when the Board of Regents would decide if they can agree to the collective bargaining agreement. Once they agree to it, if it requires an appropriation from the State, they would put it in the budget. Then it could be approved or not in the Executive Budget.

SENATOR GOICOECHEA:

With this bill, is it correct that when you are bargaining with the local institution, and you do not have success, you can send it to the EMRB and end up in arbitration even at that level?

Dr. Ervin:

Even with arbitration about contract issues, the Governor and the Legislature have full authority to appropriate.

MATHEW SUNIL VARRE:

I have submitted written testimony in support of S.B. 373 (Exhibit N).

ALEXANDER MARKS (Nevada State Education Association): I have submitted written testimony in support of S.B. 373 (Exhibit O).

CARTER BUNDY (American Federation of State, County and Municipal Employees): The American Federation of State, County and Municipal Employees supports <u>S.B. 373</u>. Our concern was that we did not want any ambiguity about the definitions because there are some similar terms in the State employee collective bargaining law, but Dr. Ervin and Professor Unger have taken care of that.

Collective bargaining gives workers a seat at the table. There are all kinds of financial protections and layers it has to go through, of course, including the Governor and the Legislature.

We hope that you will give these workers the ability to bargain just like you did State employees two years ago.

PRISCILLA MALONEY (American Federation of State, County and Municipal Employees, Retiree Chapter 4041):

We say ditto to everything that has been said by the NFA and Carter Bundy. Collective bargaining encourages and promotes mediation-type dialogue between employee and employer. That is always a good thing. In my experience as a labor representative for the American Federation of State, County and Municipal Employees (AFSCME) 4041 years ago, I can promise you that the efficacy of getting people to the table in an equal position of dialogue absolutely can reduce conflicts that sometimes lead to litigation.

The AFSCME retirees are grateful for all the NFA has done to bring this bill forward, and we thank Senator Dondero Loop for being the sponsor of this bill. We support <u>S.B. 373</u> and look forward to welcoming the affected employees in the bill to the labor family.

PAUL MORADKHAN (Vegas Chamber):

As many of you know, the Vegas Chamber has expressed significant concerns over the years about the expansion of collective bargaining at the State level from the taxpayer perspective. It has been a long-standing position of the organization, and it opposed S.B. No. 135 of the 80th Session.

Its concerns are based on the financial impact <u>S.B. 373</u> would have on the State's budget and the strain it would place on the State's limited resources by expanding collective bargaining to professional employees as it relates to NSHE.

RISA LIEBERWITZ (American Association of University Professors):

I had technical difficulties, and I am speaking in support of <u>S.B. 373</u>. I have submitted written testimony in support of S.B. 373 (Exhibit P).

The American Association of University Professors supports <u>S.B. 373</u>, which creates a strong and stable structure of collective bargaining in the NSHE.

MARLENE LOCKARD (Service Employee International Union Local 1107): I too had technical difficulties and am calling in support of <u>S.B. 373</u>. I would like to say ditto to the testimony given in support of this bill.

LAURA RICH (Executive Officer, Public Employees Benefit Program):

The Public Employees Benefit Program (PEBP) is neutral on <u>S.B. 373</u> because the PEBP Board has not had an opportunity to contribute and take a position on this bill until it meets tomorrow. However, it wants to put on record that contrary to today's testimony, PEBP has placed a significant fiscal note of over \$2 million for the biennium on this bill due to section 32 which adds insurance and health care benefits to collective bargaining.

The PEBP is not sufficiently equipped with proper staffing, expertise, information technology system abilities or even existing contracts to be able to administer different variations of health insurance benefits to various labor groups. The customization of plan design for each professional group would lead to greater cost and potentially reduce savings because of PEBP's inability to leverage volume through a single population.

Most importantly, the State subsidy contribution, which makes up over 90 percent of the costs of employee health care and is paid by every participating PEBP agency, requires legislative approval through PEBP's budget.

Although this was not factored into PEBP's fiscal note, it is anticipated that the inclusion of health insurance benefits in collective bargaining will increase the overall costs to the State.

The language in this bill appears to create conflict with NRS 287.043 which provides the PEBP Board with the power and authority to develop and establish health insurance benefits as well as ensure the program is funded on an actuarially sound basis. Incorporating health insurance into collective bargaining nearly removes the relevance and necessity of the PEBP Board.

I urge that PEBP be included in discussions moving forward.

LAURA FREED (Director, Department of Administration):

I am testifying in the neutral position on <u>S.B. 373</u> because my Department of Administration is the one that organizes the collective bargaining effort under current law. In our analysis of this bill, we noticed that the bill adds numerous subjects to mandatory bargaining that are not in the law: maternity and paternity leave, family medical leave, insurance, including health insurance, classifications and titles of professional employees, safety in the work place, academic freedom for faculty, shared governance in academic institutions, faculty tenure, transfer and reassignment of professional employees and procedures for reduction in force. On that last one, that is specified as a management right in the law.

Because there are many mandatory subjects added pursuant to this bill, this complicates the Department of Administration's collaboration with NSHE and with PEBP to gain the expertise to bargain these new subjects which are small but that my central bargaining team does not currently have.

Senator Neal asked about fiscal notes. The Department of Administration also has submitted a fiscal note to the LCB that is not on the legislative website which totals just over \$1 million for the upcoming biennium.

I want to put that on the record so you would note that we face a need to increase our expertise from what we have been doing with the bargaining processes we are engaged in.

JOE REYNOLDS (Chief Legal Counsel, Nevada System of Higher Education):

The NSHE is neutral on <u>S.B. 373</u>. We appreciate the NFA for its cooperation and communication. The Board of Regents already provided procedures for faculty to form collective bargaining units at NSHE institutions and to engage in negotiations.

The NSHE is still reviewing this complex bill and has questions about its scope and reach into board governance over personnel matters and costs. We look forward to having further dialogue with the NFA and Chair Dondero Loop to better understand the bill and its provisions.

DR. ERVIN:

I am surprised because this is the first time I have heard from PEBP or the Department of Administration about a fiscal note on the bill. Of course this is the policy committee, and I will be interested in actually seeing what those fiscal notes are.

Regarding NSHE's possible fiscal impact, because NSHE already has collective bargaining within its own code, there is no new administrative structure. It is already allowed under NSHE code and there are just a small number of unclassified State employees who would be subject to this bill. It is hard to understand how those numbers came about.

We will continue to have the discussions we started with NSHE regarding their concerns. If there is something we can do in the bill in the next day to fix those issues, we will bring that to Senator Dondero Loop.

I became aware today of one small wording change that needs to be made so we will bring that back before the work session.

VICE CHAIR OHRENSCHALL:

The Senate Committee on Government Affairs is a policy committee, not a fiscal committee. Those issues regarding fiscal notes will be handled somewhere else.

I will close the hearing on S.B. 373.

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Having no further business to come before the Senate Committee on Government Affairs, this meeting is adjourned at 6:55 p.m.

	RESPECTFULLY SUBMITTED:	
	Suzanne Efford, Committee Secretary	
APPROVED BY:		
Senator Marilyn Dondero Loop, Chair		
DATE:		

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Begins on Page	Witness / Entity	Description
	Α	1		Agenda
S.B. 368	В	1	Kyle Davis / League to Save Lake Tahoe	Letter of Support from Lake Tahoe Partnership
S.B. 297	С	1	Aurora Calvillo Buffington / Southern Nevada Food Council	Letter of Support
S.B. 110	D	1	Alysa Keller	Work Session Document
S.B. 138	E	1	Alysa Keller	Work Session Document
S.B. 254	F	1	Alysa Keller	Work Session Document
S.B. 283	G	1	Alysa Keller	Work Session Document
S.B. 302	Н	1	Alysa Keller	Work Session Document
S.B. 327	I	1	Alysa Keller	Work Session Document
S.B. 360	J	1	Alysa Keller	Work Session Document
S.B. 373	К	1	Kent Ervin / Nevada Faculty Alliance	Fact Sheet
S.B. 373	L	1	Doug Unger / Nevada Faculty Alliance	Written Testimony
S.B. 373	М	1	Kent Ervin / Nevada Faculty Alliance	Bill Outline Presentation
S.B. 373	N	1	Mathew Sunil Varre	Written Testimony
S.B. 373	0	1	Alexander Marks / Nevada State Education Association	Written Testimony
S.B. 373	Р	1	Risa Lieberwitz / American Association of University Professors	Statement of Support