

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON COMMERCE AND LABOR**

**Eighty-Second Session
February 8, 2023**

The Committee on Commerce and Labor was called to order by Chair Elaine Marzola at 1:37 p.m. on Wednesday, February 8, 2023, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda [[Exhibit A](#)], the Attendance Roster [[Exhibit B](#)], and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/82nd2023.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Elaine Marzola, Chair
Assemblywoman Sandra Jauregui, Vice Chair
Assemblywoman Shea Backus
Assemblyman Max Carter
Assemblywoman Bea Duran
Assemblywoman Heidi Kasama
Assemblywoman Daniele Monroe-Moreno
Assemblyman P.K. O'Neill
Assemblywoman Selena Torres
Assemblyman Steve Yeager
Assemblyman Toby Yurek

COMMITTEE MEMBERS ABSENT:

Assemblywoman Melissa Hardy (excused)

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Marjorie Paslov-Thomas, Committee Policy Analyst
Cyndi Latour, Committee Manager
Julie Axelson, Committee Secretary
Elizabeth Lepe, Committee Secretary
Spencer Wines, Committee Secretary
Garrett Kingen, Committee Assistant
Cheryl Williams, Committee Assistant



OTHERS PRESENT:

Terry J. Reynolds, Director, Department of Business and Industry

Chair Marzola:

[Roll was called and Committee rules and protocol were explained.] Welcome to the first meeting of the Assembly Committee on Commerce and Labor for the 82nd Session. Welcome, everyone here in Carson City, everyone joining us by videoconference in Las Vegas, and anyone tuning in over the Internet. I will give you an overview of what we are going to do today. We are going to have introductions, adoption of committee policies, and presentations from Committee staff and the Department of Business and Industry.

Before I get started, I would like to make some housekeeping announcements. The Assembly Committee on Commerce and Labor is scheduled to meet at 1:30 p.m. on Monday, Wednesday, and Friday. We will begin each meeting on time. We apologize for today; we were having some technical issues. Agenda items may be taken in a different order than listed. Two or more agenda items may be combined for consideration. Items may be removed from the agenda or discussion of an item on the agenda may be delayed at any time.

Members of the public may provide testimony in various ways, all of which are listed on the agenda. The Chair or a member of the Committee may request testifiers to submit documentation supporting their testimony. When testifying, please turn the microphones on to speak and off to listen. We have listeners and viewers in Las Vegas and online. We are recording this meeting, so it will be available on the Legislature's website later. If you have handouts for the Committee, please provide 20 copies to the committee secretary prior to your testimony. In addition, exhibits and amendments must be submitted electronically as a PDF file to our committee manager no later than noon on the business day before the meeting. If you could submit those earlier, that would be appreciated. Committee information is available on the Nevada Electronic Legislative Information System (NELIS), which can be accessed through the Legislature's website. You may also watch our meeting through NELIS or the Legislature's YouTube channel. We ask that public comments be kept to two minutes so that everyone interested in speaking can be accommodated. This ensures we get through the agenda in a timely fashion. Speakers are urged to avoid repeating comments made by previous speakers. Public comment may be submitted in writing, either in addition to testifying or in lieu of. Written public comment may be submitted before, during, or up to 24 hours after the meeting has adjourned. I expect courtesy and respect in all our interactions, even if we may disagree. Finally, please turn off your electronic devices, especially cell phones, or put them on silent mode during this meeting. With that, we will move to our first agenda item.

I would like to take a few minutes to introduce members of the Committee and Committee staff. Members, if each of you would introduce yourself, please include the district you represent. Let us start with our Vice Chair, Assemblywoman Jauregui.

Assemblywoman Jauregui:

This is my fourth session on Commerce and Labor. I had the opportunity to chair Commerce and Labor in 2021, and I am looking forward to another successful session.

Assemblyman Yeager:

I represent Assembly District 9, which is in southwest Las Vegas. This is my fourth session, and it is my second time on Commerce and Labor. I was on this Committee in 2019 and then was on a different committee last time, but I am really excited to be back on this Committee. We are going to work hard. I know we hear a lot of bills. I am really excited to serve under your leadership, Madam Chair and Madam Vice Chair.

Assemblywoman Duran:

I represent Assembly District 11. This is my second session on Commerce and Labor, and this is my third session in the Assembly. I look forward to working with everybody.

Assemblywoman Monroe-Moreno:

I represent Assembly District 1, which is the best district in the state. That is why it is number one. It is primarily in the city of North Las Vegas. This is my fourth term in the Legislature and my first assignment to Commerce and Labor.

Assemblyman O'Neill:

I represent Assembly District 40, which I am proud to represent. It includes all of Carson City, all of Storey County, and the eastern side of Washoe County, along Highway 395 up to the Sparks city limits and along the edge of Reno city limits. This is my third term, and I am honored and privileged to say this is also my third time on Commerce and Labor. I look forward to working with you and the fun we will have.

Assemblywoman Backus:

I am the representative from Assembly District 37, which is in the northwest part of Las Vegas, inclusive of Desert Shores, a sliver of the Pueblo/Sun City/Summerlin areas, and some of the Lone Mountain area. This is my second session and my first time on Commerce and Labor.

Assemblywoman Kasama:

I represent Assembly District 2. I am on the west side of the Las Vegas Valley; the Summerlin area is mainly what my district comprises. This is my second session and my second time on Commerce and Labor. I enjoy the Committee very much. We do a lot regarding industry in the state, and I look forward to all the bills we will be hearing and passing good legislation for our state.

Assemblywoman Torres:

I represent Assembly District 3 in the state of Nevada. This is my first time serving on this Committee and my third session.

Assemblyman Carter:

I represent Assembly District 12, which is the extreme eastern side of the Las Vegas Valley, wrapping around Sunrise Mountain and taking in a little bit of the north side of Henderson. This is my first session and first time on this Committee.

Assemblyman Yurek:

I have the privilege of representing Assembly District 19, that beautiful part of southern Henderson that wraps around Lake Mead and goes into the rurals of Mesquite, Overton, and Logandale area. I was elected for the first time in November, so it is also my first time serving here on Commerce and Labor.

Chair Marzola:

I represent Assembly District 21. I have part of Henderson and the Green Valley area. I am honored to serve with my Committee members, and I am honored to chair this Committee. I have lived in Nevada for almost 39 years. I have a son who was born and raised in Las Vegas. Nevada is where I have set my roots and where I call home. I have been an attorney for almost 12 years, and I have owned my own law firm for almost four.

All the topics that we cover in our Committee are very important to me and are important to our state. Labor and employment issues, regulation of occupation and professions, and insurance are just a few of the topics that we touch here. I look forward to a very good Committee and a lot of discussion, and hopefully some good legislation is passed through this Committee.

My goal as chair is to create a space of professionalism and fairness. I expect every person to treat each other with courtesy and respect, and nothing else will be tolerated.

With that, I would like to introduce my Committee staff. First is our committee manager, Cyndi Latour. This is her first session with the Assembly. Previously, she managed traffic departments in the broadcast and cable industry for over 20 years. She loves spending time with her big, crazy, fun-loving family. She is an outdoor enthusiast who enjoys trail riding and hiking. Her goal is to hike the Camino de Santiago within the next two years.

Next is Julie Axelson. She is returning as committee secretary. This is her fifth legislative session. She worked with the Judiciary Committee for two sessions, and this is her third session with Commerce and Labor. She has two master's degrees, one in European history and one in academic advising. Although she does not have a lot of time for hobbies since she has two children, she likes to go to the ocean and spend time on the beach with her family.

Our second committee secretary is Elizabeth Lepe. This is her first legislative session. As a first-generation Nevadan, she was born and raised in Carson City. She graduated from the University of Nevada, Reno with a bachelor's degree in English literature. When she is not solo traveling, she enjoys cooking, reading, and listening to records.

Our third committee secretary is Spencer Wines. This is his first legislative session. He recently graduated with a bachelor's degree in history. In his free time, he enjoys photography.

We also have a committee assistant, Garrett Kingen. Next is Marjorie Paslov-Thomas, who is our committee policy analyst. She has been with the Research Division of the Legislative Counsel Bureau (LCB) since 1998. This is her sixth session as policy analyst for the Commerce and Labor Committee. She has a master's degree in public policy and administration from Baylor University.

Our committee counsels are busy working on drafting bills and are not here today, but I would like to introduce them. First, Sam Quast has been with the LCB since August 2018. Originally from Illinois, he graduated from Illinois State University in 2015 and the University of Illinois College of Law in 2018. From 2008 to 2012, he served in the United States Navy as a cryptologic technician aboard the USS Pinckney.

Next, Joe Steigmeyer was born and raised in Indiana and worked in sports journalism for a couple of years before attending law school at the University of Iowa. He has served as deputy legislative counsel at the LCB for three years. In his free time, he likes to hike, grill, and watch soccer and college basketball.

Crystal Rowe, research policy assistant, will be assisting our Committee as well, and finally, Natalie Dean, who is my attaché this session. She was born and raised in northern Nevada. She graduated from the University of Nevada, Reno with a degree in political science. This is her first legislative session. In her free time, she raises two children and spends time with their horses.

I want to thank all the staff and also broadcasting and production staff for all that you do to support all our members in this Committee in its entirety throughout this session. We could not do this without you.

Now let us get started. Our first order of business is the adoption of the committee policies [\[Exhibit C\]](#), which are posted on the Legislature's website. These policies are standard and similar to those approved in other committees. They serve to complement the Assembly Standing Rules and Joint Standing Rules that we adopted on Monday in the full Assembly. I would like to highlight a few of the policies. First, members of the Committee are expected to report promptly at the designated time for committee meetings which are at 1:30 p.m. on Mondays, Wednesdays, and Fridays. Members will also notify the Chair in advance if they must leave the committee meetings for an extended period of time such as testifying on their bills. Also, I would like to ask any member who votes in favor of passing a bill or adopting

an amendment in the Committee to advise the Chair of any change in his or her vote before the vote by the full Assembly. Are there any questions? [There were none.] I will entertain a motion to adopt the policies for the Assembly Committee on Commerce and Labor.

ASSEMBLYWOMAN JAUREGUI MOVED TO ADOPT THE 2023
COMMITTEE POLICIES FOR THE ASSEMBLY COMMITTEE ON
COMMERCE AND LABOR.

ASSEMBLYWOMAN KASAMA SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYWOMAN HARDY WAS ABSENT
FOR THE VOTE.)

Next, our committee policy analyst, Marjorie Paslov-Thomas, will present the Committee Brief [[Exhibit D](#)].

Marjorie Paslov-Thomas, Committee Policy Analyst:

I am your nonpartisan professional staff, and I will be serving as the committee policy analyst this session. Everyone should have a copy of the Committee Brief [[Exhibit D](#)], which has been uploaded to NELIS, and I believe there are some hard copies out in the audience. Briefly, since I know this is the third time everyone has gone through these committee briefs, I will just highlight that the Commerce and Labor Committee has traditionally been one of the three busiest policy committees. Last session, this Committee heard 111 bills and resolutions. By April 14, which is the first committee passage deadline, based on the number of meetings, this Committee would have to hear roughly two and one-half to three bills every meeting to complete their business.

The Committee's jurisdiction includes:

- Banks, financial institutions, and similar entities;
- Businesses, occupations, and professions;
- Commercial instruments and transactions;
- Insurance;
- Labor and industrial relations;
- Manufactured housing; and
- Trade practices and regulations.

There are several policy issues that may arise in this session; those are contained on page 2. There are also some relevant audits and reports by the legislative auditor. I believe everyone on this Committee has received information about the audits that were conducted recently that pertained to commerce and labor as well as the Joint Interim Standing Committee on Commerce and Labor, which has two committee bills that may or may not go through this Committee.

There are reports of the occupational licensing boards—most boards are required to submit reports of disciplinary action and regulatory activities to the LCB—and those are available online.

Finally, there is committee staff contact information if you should need to get ahold of any of the committee staff. With that, I am happy to take any questions.

Chair Marzola:

Are there any questions? [There were none.] Next, we have a presentation from the Department of Business and Industry. Joining us today is Director Terry Reynolds.

Terry J. Reynolds, Director, Department of Business and Industry:

We have a short presentation [[Exhibit E](#)]. I want to try to leave some time for questions. A little bit about my background: I have been with Business and Industry since 2013. I was appointed director in 2019 with two previous stints as interim director. I have a little bit of experience here. Our industries are always changing, and things are always pretty fluid in the areas that we oversee. To my right is Perry Faigin, and he is my interim deputy director. Perry has been with us for approximately six years and served in three different agencies within our department, so he is familiar with Business and Industry. To my back, over on the side here, is James Hansen, also known as Dale Hansen. Dale is our administrative services officer IV. You will get to know Dale because he does all the fiscal notes, he and Heather Saunders within our department. He is our budget person, and he is sitting in today in case there are any questions that I cannot answer.

With that, I will get into the presentation. The Department of Business and Industry consists of the director's office and 11 different agencies. I am going to go over these in a little more detail on the next slide. To really understand Business and Industry, we developed this chart [page 3, [Exhibit E](#)] and broke it into four separate areas: commerce and capital regulation, community development and small business, labor and workforce protection, and advocacy and advancement. Under commerce and capital regulation, we have:

- Division of Financial Institutions, where we oversee depository and nondepository institutions within our state;
- Division of Insurance;
- Division of Mortgage Lending, where we oversee mortgage brokers as well as mortgage servicers. Thank you to the Legislature, because previous to that we had not had the authority to regulate and oversee mortgage servicers;
- Real Estate Division, and underneath that is the Commission for Common-Interest Communities and Condominium Hotels. I will go into that in a little more detail, but we will break it up into two areas: the real estate timeshare education appraisal, and on the other side, the homeowners' associations (HOA);
- Taxicab Authority; and
- Nevada Transportation Authority.

The Taxicab Authority only handles taxis within Clark County, and the Nevada Transportation Authority handles taxis everywhere else, plus buses, limos, shuttles, tow cars, movers, and all the state transportation agencies outside Clark County, so there are pretty expansive duties within their division.

Under labor and workforce protection, we have the Office of Labor Commissioner. Most recently, we have the State Apprenticeship Director and the State Apprenticeship Council located in the Office of Labor Commissioner. Next is the Government Employee-Management Relations Board that deals with contract issues with all public employees. Most recently, the State of Nevada employees fell underneath that umbrella.

Last, we have industrial relations, where there are five sectors: Workers' Compensation; Mechanical Compliance—that is boilers, escalators, and elevators throughout the state; Occupational Safety and Health Administration (OSHA), Mine Safety and Training—this is the safety training for mines within the state with offices in Winnemucca, Elko, Carson City, Reno, and Las Vegas; and the Safety Consultation and Training Section (SCATS), that is most commonly known for the OSHA-10 and OSHA-30 cards that workers get for training so they can get employed. They do an excellent job, but they cover a lot of area. We also have a voluntary safety program that we have large businesses within, and that is growing. I think we are up to 37 businesses, including Boyd Gaming, and we are working with Tesla on their safety programs. We have a lot of different areas that we work with under SCATS.

Under community development and small business [page 3, [Exhibit E](#)], in our Clark County office, we have the Office of Business, Finance and Planning, whose principal responsibility is dealing with small business and adding assistance to small business for entrepreneurs, training, and everything from getting finances, to labor issues, to how to start up, to how to work with other businesses in terms of purchasing or suppliers they need to work with. We have a relationship with many of the chambers of commerce within both areas of the state—north and south—and we deal with the Asian Chamber, Latin Chamber, Urban Chamber, and the other chambers within Clark and Washoe Counties. We have good relationships and work with them on putting on programs for small business.

Next is private activity, housing, and charter school bonds where we are the conduit issuer. We work with the State Board of Finance, and as a conduit issuer—meaning we are not responsible for the payment of that—we work to issue bonds within the state. We do all the industrial revenue, housing bonds, charter school bonds, and any kind of specialty economic development bond we are involved in. Next is housing, where we have several programs, and I will get into that. We also do weatherization grants, and we help many people weatherize their homes, mobile homes, or even apartments or condos through grants. We work on weatherization projects for them. Last is the New Markets Tax Credit Program that was instituted by the Legislature in 2013. It was renewed for another cycle in 2019. I have been with that program since the inception. Nevada has been very successful in this program. I think we are up to 55 businesses that have been financed through that program, principally in low-income areas for people who are in the poverty level to bring them up into jobs. We have been very successful in that area.

Under advocacy and advancement, we have the Director's Office in Las Vegas, where we have the Office of Consumer Affairs, which consists of only seven people—five in the south and two in the north—but they handle about 2,000 cases a year within their office. We have a success rate of about 93 percent. We are able to help consumers within the state. We have some very dedicated employees within that. Those are the same employees who have been with us for the last eight years, so they enjoy their jobs and they do a very good job.

We also have the Nevada Commission on Minority Affairs. The LCB appoints those members to the Commission. I have to thank you because we have a very good commission. They do a lot of educational work and work with minority populations throughout the state. We are very pleased with what they can do in terms of access to information, how to work with the groups that need to advocate and to become active in certain issues. We spend a lot of time working with them on business issues, educational issues, and housing issues. It is a very active commission. We also have the Office of Ombudsman of Consumer Affairs for Minorities, Miriam Lira-Hickerson. She does an outstanding job. She works with our Consumer Affairs Unit in helping settle consumer issues principally within the Clark County area, but she does a lot of work in northern Nevada too. Next is the housing advocate who principally deals with senior housing and affordable housing issues within the Housing Division. We also have our Ombudsman for Owners in Common-Interest Communities and Condominium Hotels within the Real Estate Division who deals with common-interest communities issues. Last is the Consumer Affairs Unit in the Division of Insurance, which deals with consumer problems. This last week, we have had several that we are dealing with individually, but they deal with issues with homeowners insurance to automobile insurance to liability insurance.

Here is an overview of Business and Industry funding [page 4]. About 1.7 percent of our funding for Business and Industry comes from the State General Fund. The rest is industry fees and transfers. The Director's Office is a consolidated function for budgeting, and it is a fairly unique model with departments within the state, but we consolidated everything from information technology, budgeting, accounts payables, receivables, to travel. We have all that within the Director's Office, and we cost allocate back to our divisions because of the way we are funded.

In the Director's Office [page 5], we provide direct support to our 11 divisions, including centralized fiscal, budget, collections, payroll, human resources, technology, and purchasing, for example. We oversee licensing for the Division of Financial Institutions and the Division of Mortgage Lending. As a whole, our department issues about 265,000 business licenses a year for industries within the state of Nevada. We administer provisions of law and development of regulations and policies and assist with economic development. I am a member of the Governor's Office of Economic Development, not voting, but I work on economic development projects within the state of Nevada. We also help finance them from time to time. We advocate and protect consumers and minority affairs within our department. We provide constituent services across the state for people who have issues that we need to help with. It does not have to be with our department, and we get them to the right person or right entity to be able to help them.

As I indicated, we do private activity, charter school, and housing bonds, and we are the state conduit issuer for bonds. Nevada gets an authorization from the Internal Revenue Service (IRS) for tax-exempt bonds. Every state in the United States does that. It is based on population within the state. This last year we had about \$345 million that came into the state, and 50 percent goes to local governments and 50 percent goes to the Director's Office. Whatever is not used by local government at the end of September comes back to the Director's Office, and we allocate that either for industrial development or housing. Lately, we have been putting it into housing, so that allocation or authorization by the IRS goes into housing. It is a calendar year authorization, so if we do not use it by the end of the calendar year, then we can designate it for a three-year period of time for specific use. Lately, we have been doing that for housing, and that has been very successful. It is for private development to come in, and we do bonds with them for that authorization, so we can issue tax-exempt bonds for their projects. We also administer the New Markets Jobs Act.

I am going to go through our divisions rather quickly, but if you have questions after that, please let me know. Under the Division of Insurance [page 6], we protect consumers and ensure solvency of Nevada's insurance providers. We regulate a \$22 billion industry, which has grown by 91 percent in the last ten years, so phenomenal growth within the insurance industry. We regulate insurance companies, captives, insurance agents, adjusters, bail bond agents, and other license types in all lines of insurance, including health, life, property, casualty, and title insurance as well as auto and homeowners insurance. I will tell you that we have an interim insurance commissioner. We have selected a new insurance commissioner who will be with us probably by the end of February. We will be announcing that in due time, but I think you will be pleased with the person who will be coming in to take over. It will be a familiar face that we have, and I have, worked with over the years. We are very pleased to have that person come back.

Our primary focus in insurance is to monitor insurance solvency of the carriers and to promote compliance to keep the market in Nevada competitive and adequate. That has been something that has been a challenge, especially in the outlying and rural areas, in making sure that we have a good network of insurance providers within our state. Another focus is licensing and education of individuals interacting with consumers and consumer protection and fraud investigation. Believe it or not, we do have a considerable amount of fraud within the insurance industry, and that is something that is national. You will get companies that will work through other states and come through your state, so we are always working on a national level with insurance fraud. We work with the Office of the Attorney General on that, but we also work with a coalition of attorney generals throughout the United States on these matters.

Next is the Division of Industrial Relations [page 7]. As I indicated, we have five units there, including workers' compensation and OSHA. We are a state contract. There is the federal OSHA, and our programs have to be as effective as the federal OSHA to be able to carry on our contract that we have with federal OSHA through the U.S. Department of Labor, and we are evaluated every year on that. It is very important for us to have an adequate program and to have a system that works with our Nevada businesses where they are comfortable working

with us and are not being told what to do on a federal level. We understand gaming, we understand the tourism industry, and we understand the businesses that we have within Nevada, so it is important for us to have that relationship with our businesses and consumers in Nevada whom we serve.

We have SCATS, which is the safety side of things, and Mine Safety and Training. We work very closely with mines. We make sure they can have a good relationship with the Mine Safety and Health Administration, which is the federal side. We are the state's side of helping these mines make sure they are safe and are training their workers to be able to keep a good safety record. I will tell you that in the last 14 months, we have had four deaths within the mining industry, which is not acceptable. We are working with the mines to make sure we are safer. With the activity we have, we know that we are going to have accidents, but we are trying to make sure that we are accident-free within the upcoming year. That is going to be an area of emphasis.

Mechanical Compliance is the regulation of elevators, escalators, boilers, and pressure vessels. We investigate accidents. For example, there was an explosion in Reno in the boiler system at a University of Nevada, Reno dorm, which was a serious explosion. Our people investigated and looked at what we could do to help to prevent that. These are substantial issues that need to be looked at. We work very closely with local officials and building officials on a statewide and local basis to make sure we are secure.

In the Housing Division [page 8, [Exhibit E](#)], we have housing programs. We finance multifamily development and preservation of affordable housing projects. We can do either new projects or go into a project and help them rehabilitate the affordable housing. The good news is when we do that, it keeps those places affordable for a period up to 30 years. It is important for us to be able to go in and make sure we are managing and rehabilitating those projects to keep them in their affordable housing space. There is weatherization assistance, oversight of manufactured housing, and administering federal funding for housing. When U.S. Department of Housing and Urban Development dollars come into the community, we are kind of a conduit issuer, distributing those dollars to local housing authorities and agencies within the state.

We do housing database reporting. We have a rental program that has a database. It is voluntary, but we can have people with rental facilities put that on our database, and it is a great way for renters to find a place to live. They plug in how many people, the number of rooms they are looking for, and a rental amount they want to pay, and this allows them to go in and search for that. It is a good search engine. During the COVID-19 pandemic, we had the Home Means Nevada initiative with \$500 million that went into housing. We had direct financing of the Westside housing project in Las Vegas and homeowner assistance. This takes many different forms. There is also the HOME Investment Partnerships Program with American Rescue Plan Act of 2021 funds, where we go in and help people with foreclosure issues, mortgage assistance payments, and vouchers, especially in some of the rural areas. This is the activity that was done during the pandemic. Rental assistance was one of those.

As I said, we broke up the Real Estate Division [page 9] into two sections. The first section is in licensing, so we have real estate licensing, builders/developers, timeshare, appraisers, energy audit/inspector of structures. In the Real Estate Education Section, we have about 41,000 licenses. We handle about 1,200 complaints a year. We opened about 686 cases and 84 commission hearings. The Real Estate Commission hears complaints and issues within the Real Estate Division. We had about 8,000 calls. We get pretty busy there.

On the HOA side [page 10], we have about 580,000 units within HOAs in the state. During 2022, we added 13,173 units and 97 new associations. We have 769 licensed community managers. Interestingly, we do not license the property companies; we license the community managers. That is a dichotomy I think we will probably be discussing in the future. We have the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels. The ombudsman works with the Commission for Common-Interest Communities and Condominium Hotels. We work with the ombudsman on mediating disputes and trying to handle community disputes. It is up to the Commission to handle those disputes, so most of those disputes we try to divert and go to mediation or try to resolve ourselves. Many times, they end up before the Commission.

The Division of Mortgage Lending [page 11] deals with escrow agencies, escrow agents, mortgage companies, mortgage loan originators, covered service providers, mortgage servicers, and credit service organizations. In terms of numbers, we deal with about 13,000 mortgage loan originators, 1,700 mortgage companies within Nevada, and 136 mortgage servicers—most of those are national companies—14 escrow agencies, and 24 escrow agents in terms of agent corporations that work in Nevada.

With the Division of Financial Institutions [page 12, [Exhibit E](#)], we have our depository side. These are state-chartered banks covering around \$26 billion worth of assets. We have eight credit unions, one savings bank, four thrift company and industrial loan corporations in Nevada. Utah has about, 23 or 24 industrial loan corporations (ILCs), and we are trying to increase our numbers. The Federal Deposit Insurance Corporation and the federal depository people have put a limit on that, and they have not approved any new ones. We have been working with Senator Catherine Cortez Masto to get additional ILCs, and we have several companies in Nevada that would like to establish new ILCs. We are working to be able to do that.

Fiduciary institutions is a \$60 billion area. We have 26 retail trust and 34 family trust companies. This is a growing area. We are seeing more trust companies coming into Nevada. About three sessions ago, we modernized our savings and trust laws, and that has helped us bring in additional trust companies. Nondepository businesses are payday lenders, high interest lenders, and title lenders. We have 2 private professional guardians, 644 collection agencies, 127 money transmitters, 88 installment lenders, 10 consumer litigation funding companies—this is relatively new in terms of that—and 36 uniform debt managers. Regarding collection agencies, we have a bill draft request (BDR) that will modernize our collection process to make it more in tune with what is happening on a national level.

The Financial Institutions Division does annual examinations of depository fiduciaries and nondepository financial institutions [page 13]. It has been very difficult for us to hold senior examiners because of pay and the demand for them. They are being hired out into the back end of the private sector. We process and respond to complaints from citizens. We investigate possible violations and take disciplinary enforcement actions. We promote and maintain the public's trust and confidence in the state financial system, making sure that banks are healthy and operating so people do not lose their monies within financial institutions. We facilitate proposals to form new depository financial institutions in the state, and we have several looking at our state right now that we are working with. We also facilitate the establishment of the fast-growing retail and family trust operations.

The Taxicab Authority [page 14] is really coming out of the pandemic well. We were very concerned about them. One month, we were down to about 12,000 rides. Today, I will tell you that we are over a million a month, and we are holding that pretty steady. The numbers are in here. We have about 3,500 medallions out, 16 cab companies, and 3,700 active drivers. As you can see, pre-COVID-19 we were at about 15.8 million rides. In fiscal year 2022, we were at 13.4 million rides, and we are growing. That is good news.

Taxicabs remain an essential mode of frontline transportation [page 15, [Exhibit E](#)]. I tell people that, and they look at me like "Really?" but we have to maintain all the public transportation that we have to move the tourism industry in Nevada. As you know, Harry Reid International Airport saw about five million people come into the state last October and November. We continue to see records broken in terms of gaming revenue. That means we are getting bodies into our hotels and gaming. Tourism is coming back quickly. We are seeing conventions start to come back. About a year and a half ago, we were only at about 37 percent, and we are now seeing that come back into the neighborhood of 60 to 70 percent. It should be back up to 100 percent because there is a lag time in bringing those in. With the advent of autonomous vehicles coming to the mass market over the next five years, it is likely the traditional taxis, network vehicles, and other forms of transportation will continue as complementary systems. We are seeing the autonomous vehicles want to operate in the space—and it is easier for them to do this—on the Strip or the airport-to-Strip hotels. From there, we will use other forms of transportation to get people around the community. You can see the current status of revenues, reserves, and taxi trips where we have grown and the numbers there [page 16].

The Nevada Transportation Authority [page 17] regulates the transportation industry, which includes, as I indicated, charter buses, limos, movers, tow cars, tour buses, nonemergency medical transfers, employer van pools, airport transfer services, special services, warehouse permits, transportation network companies (TNC), and autonomous vehicles. We license and regulate the TNCs, Uber and Lyft. We do not regulate drivers. With the Taxicab Authority, we regulate and license the drivers, but we do not regulate and license the drivers with TNCs. I am not advocating that, but there is a dichotomy between how that is done. Current activities include processing driver permits and administering new carrier applications. We get lists of drivers from the TNCs, and that is what we look at. We oversee administrative and enforcement hearings, audit and inspections of existing carriers, and

enforcement of Nevada laws. There are 478 active carriers, 535 certificates by authority, and 31,000 TNC drivers. We were down to around 12,000 active drivers. We are back up to about 30,000 active drivers, which is very good. The non-TNC driver count is around 8,400.

Major responsibilities of the Office of Labor Commissioner [page 18] are dealing with wages and overtime, breaks, lunches, deductions, employment practices, and complaints—we get several within our state. We oversee public works projects, prevailing wage, and apprenticeship utilization. We issue public works project numbers, calculate prevailing wage, the Apprenticeship Utilization Act—make sure they have the apprenticeships they are required to have, and if they cannot, we have waivers that we issue—and we enforce and investigate potential violations. We also regulate private employment, which are temp agencies or gig agencies that have gig workers. Under Assembly Bill 459 of the 81st Session, we oversee the Nevada State Apprenticeship Council programs in growing apprenticeships within our state. On page 19, you can see the statistics for the fiscal year and the activity that is involved in that. I am not going to go into those individually.

The Government Employment-Management Relations Board (EMRB) [page 20] acts as the administrative court resolving disputes over unfair labor practice allegations, the scope of bargaining units, and which employee organization, if any, is to represent employees. We oversee the elections for that, and if there is a count that needs to be done, we are involved in that count on representation. For the state government, we have 207 local government units, 155 employee organizations, 4 labor organizations, 258 bargaining units, and 18,000 state government employees who are eligible to be in a union. That represents altogether about 90,200 local government employees. The Board does a very good job, and they are appointed by the Governor and serve specific terms. You will see that this has been an issue with a lot of our Board members. There are boards in the state that are very active that spend a lot of time, and there are boards that are not that active, but they all get the same pay rate. That is an issue in trying to find board members.

Bruce K. Snyder is the commissioner for the EMRB, and he has arranged to meet in panels. We used to have a backlog of cases, and he has been able to whittle those down, so there really is no backlog of cases. He has also been able to put all decisions online, including putting the LCB's Nevada Law Library on a CD, so you can get all those decisions. You can look up decisions since they are all online or on a CD. It has been very helpful for the attorneys who represent clients in this area and for the board members who want to look up cases.

The Office of the Nevada Attorney for Injured Workers [page 22] provides legal representation to injured workers seeking workers' compensation benefits. They also handle appeals. If you look at current activities in 2022, they handled over 900 cases each year. Basically, they consist of legal personnel, paralegals, and attorneys who provide legal assistance and handle cases for injured workers. There were 478 appeals hearing, 12 appeals to district courts, 2 appeals to the Supreme Court, and 373 decisions and settlement wins.

That is a rate of about 78 percent that they prevailed in. They are very effective for Nevada's injured workers and recover a lot of medical assistance dollars to go back to those injured workers.

I am not going to get into this specifically, but we have several budget BDRs [pages 23 and 24]. I will tell you that in the area of insurance, dealing with SIGs [self-insured groups], we are working with the insurance industry on that, and we will probably withdraw or significantly amend it. There have been some issues that we are working with the insurance industry on, and we hope to achieve a cooperative relationship with them in dealing with that, so we are not trying to force anything onto the insurance industry. We are looking at what our options are, but that is under current discussion.

That concludes my presentation. I would be happy to answer any questions.

Chair Marzola:

We do have some questions from members.

Assemblywoman Backus:

I have a lengthy question and a statement. First and foremost, I was able to look at your business resource center, which I am very impressed with the resources. As a small-business owner, it seems very user-friendly and has a lot of different links. I realize it provides numerous resources for small businesses. It includes information to provide small businesses with understanding of current regulations, including the industry of business, and also licensing, resources to assist a new business to start and grow their business, and a lot of other resources, including reference to the Secretary of State for dealing with SilverFlume issues. If that fails, I understand that an individual who may be a small-business owner could contact your division. With that, do you by chance know how many small businesses contact you each year and the traffic that goes through this website that you are able to help small businesses out with?

Terry Reynolds:

I cannot get it off the top of my head, but I can get you those statistics. We have Google Analytics that we work with, so we know the rate of people coming into our website. I can tell you that from a call standpoint, it is in the thousands. Per month, we probably have 1,500 to 2,000 calls on business programming. We also have a business roundtable that we conduct every other month, and we have about 85 to 90 participants. We try to highlight specific areas on that. We may have the Office of the Secretary of State come one month and go through their programs or the Office of the Lieutenant Governor come and talk about their programs. We try to do those types of programs, and it is usually done virtually because that way we can get statewide participation. It has been very effective. We put out a business newsletter weekly so people can see what program activities we are working on. We have a website, LinkedIn, Facebook, and all the social media portions of that. We also do regular programming, which is highlighted in our newsletter and through our business roundtable

that we have, which we have great participation from the different chambers of commerce. We always have a representative from the Secretary of State's Office and different business offices throughout the community. It is very active.

Assemblywoman Backus:

You mentioned the Lieutenant Governor's Office and small-business advocacy. Do you know how those two differ between all the resources you are providing and what the Lieutenant Governor's Office of Small Business Advocacy is? I am trying to identify the difference between the two.

Terry Reynolds:

We advocated for that during the time that it was put in because we felt that it was good for businesses to have a neutral area. If they were having an issue with one of our agencies and they were hesitant to call us, we felt that was a good outlet for a business to be able to talk to the Lieutenant Governor's Office, and then we would work with them to solve those issues. We felt it was positive. I think there is a lot of growth that can happen there. That advocate was located in our office for a long time. We actually provided the office space for that person during that time, who is now in the Office of the Governor helping with small business. We work very closely with them on business issues and getting feedback from what areas and calls that they are seeing. We also have monthly meetings with the Secretary of State and issues with SilverFlume. When I say issues, I mean interfacing and making sure we are getting feedback on both sides of the aisle from working with them on business issues.

Assemblywoman Jauregui:

I want to understand how the agency works when it comes to the divisions and overseeing noncompliance from people you oversee. When it comes to enforcement, collection of fines, or assessing fines, does that come from the Department of Business and Industry, or does each one of your divisions have its own mechanism to enforce their regulations, assess fines, and collect them?

Terry Reynolds:

The decision as to whether a business is fined or there is an issue going on with a segment and business they are operating, say, without a license or they are having an issue with fraud, that is done through our individual agencies. However, they always let us know. We make sure we communicate with them. I would say we probably communicate with every agency every week. We have standardized meetings with all our 11 agencies that we work through. We ask them what issues they are facing.

Unless they are specifically indicated within statute, fines go to the General Fund. There are some fines or fees that come back and go to specific areas. For example, when we review subdivision maps in the Real Estate Division, the fees for that come back to be able to handle the staff to do that. We have an expediting fee that builders can pay, and that goes to help any overtime that we use to be able to expedite the service for them to get a map approved.

Assemblywoman Jauregui:

Amongst your divisions, is there uniformity into what kind of enforcement authority they have, or is it just individualized for each division in statute?

Terry Reynolds:

It is individualized by the statute. It is usually outlined in the statutory authority the agency has. There are specific areas for the Division of Insurance, Real Estate Division, Division of Mortgage Lending, and even the Taxicab Authority and Nevada Transportation Authority (NTA) in terms of what they can do. The interesting thing is in NTA, they have very developed administrative processes in statute that they follow. They are more regulated, but in my opinion, it is more organized in terms of what they can do and the commissioners can do. I would like to see more uniformity across all our divisions, but that is going to take individual statutory amendments across the board, which is kind of arduous. We are looking at our regulations now and what is obsolete. As we discussed in the Taxicab Authority and NTA, some of those authorities and laws are 50 years old and need to be modernized. We are working to be able to do that, but we are in multiple statutes, and it makes it very difficult to try to combine everything together, but we are looking at it.

Assemblywoman Jauregui:

I believe we have a bill for that coming out of the Sunset Subcommittee of the Legislative Commission.

Assemblyman O'Neill:

Can you explain to me in 1,000 words or less why you have the Taxicab Authority in Clark County, and the NTA takes care of all the other 16 counties for their cabs?

Terry Reynolds:

As you know, in the past I have advocated to look at consolidation of those two entities. Generally, the Taxicab Authority is run as an authority, and licensing is extremely important to the casino industry in terms of being able to have safe, clean transportation within those areas. The county and gaming industries that they serve have been very parochial in terms of making sure those industries are regulated to help them move people from the airport to their properties and around the community. The NTA has been an area that deals with everything else. I think there is a model that we could look at in the future that would combine that and look at one transportation agency, modernize the statutes, and modernize the methods in which we handle disputes, fines, and licensing within that. That is what I would like to see in the future.

Assemblyman O'Neill:

I would love to hear more offline because I agree with you wholeheartedly on that. I think we have duplications, and if consolidated it would run better and have better performance to the customers. My other question is about the NTA. Do they regulate or inspect the air medical transport units? I know they do not do the planes or helicopters, if I understand correctly.

Terry Reynolds:

They regulate nonmedical transport. When you work with air transport, there is an air portion of that and there is a ground portion. The counties regulate the ground medical portion of it. We regulate the nonmedical portion of transportation.

Assemblyman O'Neill:

I am curious about, I think you call it workplace heat regulations or violations, when outside it gets to a certain temperature. Are there regulations restricting that activity?

Terry Reynolds:

We do not yet have regulations in the state on that. However, the federal OSHA is looking at standards for heat standards. We have had difficulty in terms of coming up with something that operates in Nevada because of our extreme heat. The temperatures are different between humid communities and dry communities. I think that is going to be a work in progress, but right now, we do not have anything. We are relying on the federal standard. That is one of the things I think is important for Nevada to realize. With our own OSHA standards, we can develop a standard tailored for our community and our workforce here. But for right now, I do not think we are ready for that yet, and I do not think the businesses are ready for that. Without getting into too much detail on it, in restaurants and indoor facilities, we tend to think of that standard in outdoor facilities—and it is—but it is also with indoor operations. How do you differentiate, since it is not a one-size-fits-all? So how do you differentiate between inside workforce and outside workforce, and having standards to meet the different circumstances they are in?

Assemblyman O'Neill:

This past summer when I was hearing about the extreme heat both up north and south, the outside labor force had nobody to address or assist them in working in 115- to 120-degree temperatures.

Terry Reynolds:

We do training with SCATS, and we work with the companies to make sure they have the proper protection for their workers and to notify them. We have to rely back on the federal standard, which is not perfect for our workforce. We have looked at having a state standard, but we could not get agreement on that and dropped going forward with that standard. At some point we need to do that. We found out there are a lot of different issues that we need to address. Without dodging the issue, it is complicated and it needs to look at what is happening on the outside as well as what is happening on the inside. It is different in Washoe County than in Clark County. We do have a lot of heat-related deaths in the western region, especially in Arizona, Nevada, and Utah, and we really need to look at a standard that works for our business community as well as our workers.

Assemblywoman Torres:

My question is in regard to the resources you have online. What efforts, if any, has your office made to provide these resources in other languages, specifically Spanish, which is spoken by a good portion of our population? I do see online that I can find the prevailing

wage claim and the general employment claim form. Those are only available in PDF in Spanish, but you cannot do the online form in Spanish, which is interesting. None of the business resources that I find are in Spanish.

Terry Reynolds:

We probably have language services, people who speak multiple languages, within all of our divisions. I think we are one of the few departments that has broad capability for multiple languages within our facilities. Having our business units and agencies located in a couple of buildings within the Las Vegas area, we are able to do that. In the Office of Labor Commissioner, we just got our forms and everything in Spanish. We have Tagalog and other different language capabilities that we are looking at, but we will be having that within the next year and adopting that within multiple agencies.

Assemblywoman Torres:

Some of the forms have a translated version of PDF, but they are not available online. I feel that is a quick adjustment. You could even have English and Spanish on the same form. You do not have to have multiple forms. Additionally, I do think the lack of business resources available or even that there is no information online for individuals to know, if you do need help in a different language, this is the line you contact. There is nothing on the website for me to even know that I can call somebody, or that there is anyone in this office who speaks a different language. I think it would be helpful in the future if the office had some type of information available. It seems like you do have language services available, but if I did not speak that language, I would have no idea that your office even had people who spoke my language.

Terry Reynolds:

That is a good point. We are working on that. Frankly, we shifted gears in terms of coming out of the pandemic, and everything we had on our website on that, and shifting to putting back our regular business information for that. We will do that, and that is a very good point in terms of the PDF versus being able to fill out that information online.

Assemblyman Yeager:

I have a couple of follow-ups on the heat regulation issue. As you are aware, that came in front of the Legislative Commission a couple of times. The first question I have is because you mentioned something about the federal government. Was Nevada required to adopt something, or can you remind me what that interplay was between what the federal government was doing and the regulations your agency was proposing to the Legislative Commission?

Terry Reynolds:

That was an advisory they put out and there were guidelines to follow, but it was not a firm "You have to do this" from federal OSHA. It was an advisory standard for that. We are obligated to inform businesses of that. We put out a guidance for that, but it is not the same as having an official standard to be able to do that, which we were before your Legislative Commission on.

Assemblyman Yeager:

To that point, I believe those proposed regulations were in front of the Legislative Commission on two different occasions, and it was split 6-6, so we were not able to get those regulations passed. I remember discussion from some of those who were opposed to the regulations saying they thought that was discussion better saved for the legislative process rather than going through the regulatory process. Of course, overlaid on that, we have the new executive order about regulation. Here is the question. Is your agency bringing forward any legislation to try to look at these heat issues to put into statute? If the answer to that is no, are you aware of any legislators doing that? I know that was what was proffered at the Legislative Commission, that it should be the entire Legislature deciding this and not just the smaller body of the Legislative Commission.

Terry Reynolds:

We are not proposing any legislation on that, and that was primarily because of the transition and being able to make that transition in terms of what issues to take forward. I know it is hard to decipher. We were looking at all the proposed BDRs and legislation, and it is hard to decipher what is in those, and they are confidential up to a point. We expect to see something happen in that area over time. I will tell you with the voluntary protection program we run through SCATS, we are seeing businesses adopt standards individually within their business, and we like to see that. That is a very good approach. We are seeing heat safety guidelines within individual businesses, especially those that have workforce who work outside or chain restaurants that have heat standards within their organizations. We are seeing it develop through that. That may be something that we start seeing because there is a liability, but there is also a good sense in protecting your workforce. We are starting to see that happen.

Chair Marzola:

I have a question going back to what you stated earlier about how the unlawful passenger transportation continues to be a significant risk. Do you keep track of how many of these unlawful drivers you find, say, a month?

Terry Reynolds:

We do, and we can get you those statistics. I can tell you that in certain times we only get the tip of the iceberg, and we know that there are a lot more, especially when you have large stadium events such as the Electric Daisy Carnival. We know there are a lot of illegal drivers and people giving rides out there. We know there are a lot of issues of people being overcharged or criminal activity that happens. We can give you the statistics on how many we see and are enforcing. We are asking for additional enforcement personnel because of that, especially as the convention and special event traffic ramps up and with the new hotels. We know that it is going to be a consistent issue.

Chair Marzola:

Please submit that to the committee secretary. My next question is, How many enforcement personnel do you have now?

Terry Reynolds:

I can get you the numbers on that. I cannot get it off the top of my head. The good news with the Taxicab Authority is we are starting to get back up to normal levels in terms of rehiring people because we have the funds to be able to do that. We had to lay off almost 40 people within that organization. In NTA, they are financed through the industry and through assessments. They are doing better, but they are still short in terms of being able to put on different shifts, such as swing shift and graveyard shift, to be able to handle activity. Most of our problem activity with the Taxicab Authority and NTA happens between probably 10 p.m. and 2 a.m. I will get you those numbers and how many people we have, but we are very short.

Chair Marzola:

Thank you, Director Reynolds. Committee members, as you know, throughout the session committees are asked to introduce BDRs to begin the bill process. They are then assigned a bill number and referred back to the committee. Your vote to introduce the BDR is not an indication of your support. It is just to get the bill printed and assigned a bill number. Does anyone have any questions? [There were none.] Today, we have BDR 54-329, which requires licensing of pharmaceutical sales representatives.

BDR 54-329 — Requires licensing of pharmaceutical sales representatives. (Later introduced as [Assembly Bill 134](#).)

Do I have a motion to introduce BDR 54-329?

ASSEMBLYWOMAN JAUREGUI MOVED FOR COMMITTEE
INTRODUCTION OF BILL DRAFT REQUEST 54-329.

ASSEMBLYWOMAN MONROE-MORENO SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYWOMAN HARDY WAS ABSENT
FOR THE VOTE.)

Our last order of business is public comment. [Public comment was heard.]

Are there any comments from members before we adjourn? [There were none.] That concludes our meeting for today. Our next meeting will be Friday, February 10, 2023, at 1:30 p.m. The meeting is adjourned [at 3:01 p.m.].

RESPECTFULLY SUBMITTED:

Julie Axelson
Committee Secretary

APPROVED BY:

Assemblywoman Elaine Marzola, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a copy of the Assembly Committee on Commerce and Labor 2023 Legislative Committee Policies, submitted by Marjorie Paslov-Thomas, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit D](#) is a copy of the Assembly Committee on Commerce and Labor Committee Brief, presented by Marjorie Paslov-Thomas, Committee Policy Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit E](#) is copy of a PowerPoint presentation titled "Department of Business and Industry, Department Overview," dated February 8, 2023, presented by Terry J. Reynolds, Director, Department of Business and Industry.