

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Eighty-Second Session  
May 31, 2023**

The Committee on Government Affairs was called to order by Chair Selena Torres at 8:09 a.m. on Wednesday, May 31, 2023, in Room 4100 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, 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](http://www.leg.state.nv.us/App/NELIS/REL/82nd2023).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Selena Torres, Chair  
Assemblywoman Bea Duran, Vice Chair  
Assemblyman Max Carter  
Assemblyman Rich DeLong  
Assemblyman Reuben D'Silva  
Assemblywoman Cecelia González  
Assemblyman Bert Gurr  
Assemblyman Brian Hibbetts  
Assemblyman Gregory Koenig  
Assemblyman Richard McArthur  
Assemblyman Duy Nguyen  
Assemblywoman Angie Taylor  
Assemblywoman Clara Thomas

**COMMITTEE MEMBERS ABSENT:**

None

**GUEST LEGISLATORS PRESENT:**

Senator Dallas Harris, Senate District No. 11  
Senator Julie Pazina, Senate District No. 12  
Senator Pat Spearman, Senate District No. 1



**STAFF MEMBERS PRESENT:**

Jennifer Ruedy, Committee Policy Analyst  
Asher Killian, Committee Counsel  
Sarah Delap, Committee Counsel  
Judi Bishop, Committee Manager  
Dylan Small, Committee Secretary  
Cheryl Williams, Committee Assistant

**OTHERS PRESENT:**

Randy Soltero, Soltero Strategies, Las Vegas, Nevada  
Susie Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO  
Marc Ellis, President, Communication Workers of America Local 9413; and Private  
Citizen, Sparks, Nevada  
Fran Almaraz, Political Coordinator, Teamsters Local 631; and Teamsters Local 986  
Mac Bybee, President and CEO, Nevada Chapter, Associated Builders and  
Contractors  
Paul J. Enos, Chief Executive Officer, Nevada Trucking Association  
Glen Leavitt, Director, Government Affairs, Nevada Contractors Association  
Alexis Motarex, Government Affairs Manager, Nevada Chapter, Associated General  
Contractors of America  
Warren B. Hardy II, representing Urban Consortium  
Stephen Wood, Government Affairs Liaison, Nevada League of Cities and  
Municipalities  
Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber  
Clint Capurro, President and Owner, Capurro Trucking, Sparks, Nevada  
Teresa Herrera, Partner, H&R Trucking, Las Vegas, Nevada  
Sarah Johnson, Director, Office of Small Business Advocacy, Office of the  
Lieutenant Governor  
Tray Abney, representing National Federation of Independent Business  
Mendy Elliott, representing Economic Development Authority of Western Nevada;  
and Nevada Battle Born Growth Escalator, Inc.  
Sheila Bray, Community Partnerships Coordinator for Clark County, Extension,  
University of Nevada, Reno  
Emily Osterberg, Director, Government Affairs, Henderson Chamber of Commerce  
Ana Wood, Chair, Government Affairs, Las Vegas Asian Chamber of Commerce  
Erik Jimenez, Chief Policy Deputy, Office of the State Treasurer  
Dakota Hoskins, Political Director, Service Employees International Union  
Local 1107  
Kent M. Ervin, Ph.D., Private Citizen, Las Vegas, Nevada; and State President,  
Nevada Faculty Alliance  
Susan Fisher, representing The Pew Charitable Trusts  
Chelsea Capurro, representing the Urban Chamber of Commerce  
Maria Moore, State Director, AARP Nevada

Chris Ferrari, representing American Retirement Association  
Andrew Remo, Director of Federal & State Legislative Affairs, American Retirement Association  
Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber  
Richard P. McCann, Executive Director, Nevada Association of Public Safety Officers; and representing Nevada Law Enforcement Coalition  
Todd Ingalsbee, President, Professional Fire Fighters of Nevada  
Brady Easterling, representing American Federation of State, County and Municipal Employees International  
Ricky Gourrier, representing Nevada Police Union  
James Robinson, Private Citizen  
Catherine Nielsen, Executive Director, Nevada Governor's Council on Developmental Disabilities  
Dora Martinez, Private Citizen, Reno, Nevada  
Steven Cohen, Private Citizen, Las Vegas, Nevada  
Mandee Bowsmith, Administrator, Division of Human Resource Management, Department of Administration

**Chair Torres:**

[Roll was taken. Committee protocol was reviewed.] We have several bills up for hearing today, and we will be going out of order. I will note the order: We will begin with Senate Bill 301 (2nd Reprint). We will go next to Senate Bill 24 (1st Reprint), then Senate Bill 305 (2nd Reprint), Senate Bill 166 (1st Reprint), and Senate Bill 279 (1st Reprint).

If the presenter is not here to present the bill, it is likely I will roll the bill, because we do not have time to wait at this point in session. I will note that, because I know staff members are probably listening to what that order is and where their legislator goes. I need people to move this along, as we have five pieces of legislation to look at today. Additionally, we have floor at 11:30 a.m. At some point, bills might be rolled, or we might have the opportunity to reconvene at a later hour today, if we do not have the opportunity to get through all the bills, I probably speak for myself and the entirety of this Committee that we would like to finish the bills by 11:30 a.m. We will do our best.

At this time, we will open the hearing on S.B. 301 (R2).

**Senate Bill 301 (2nd Reprint):   Revises provisions governing public works.  
(BDR 28-967)**

**Randy Soltero, Soltero Strategies, Las Vegas, Nevada:**

I am here to present Senate Bill 301 (2nd Reprint). You will find I understand your plight in trying to get done by 11:30 a.m. I will present this bill in the next 45 seconds.

This bill has morphed, with a couple of different amendments, to what remains as you see here today. Section 1, subsection 1, paragraph (a)—again, this is pared-down language from what the original bill talked about—says, ". . . employed by delivering or removing construction materials or structures to or from the site of a public work . . . ." In section 1, subsection 2, paragraph (a), it says, again, ". . . employed by delivering or removing construction material or structures to or from the site of a public work . . . ."

In section 1, subsection 3, it says, "For the purposes of this section, 'construction material or structures' means aggregate, asphalt and concrete." This was pared down from a lot of different construction materials, including trash removal and all those other things, to limit it—with the exception of aggregate—to those two items you could say are "expired." "Asphalt" means it has to be delivered hot in order to be properly placed. It cannot come from out of state—which was a big issue with this bill, if it is impeding on interstate commerce. Also, concrete or ready-mix has to be put down before it starts to expire. "Aggregate" was something Senator Goicoechea suggested, that this would also be delivered within the state or acquired from within the state. That is why those three things are left included in this bill.

This would mean the transportation of these materials would be included and qualify to be paid prevailing wage on a public works project only. With that, I will stand for any questions.

**Chair Torres:**

Your presentation was slightly over 45 seconds.

**Randy Soltero:**

I apologize for that.

**Chair Torres:**

Not a problem. Members, are there any questions? I do not see any questions. I will invite anyone wishing to testify in support of S.B. 301 (R2).

**Susie Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO:**

We will try to keep it sweet, short, and simple. On behalf of over 150,000 members and 120 unions, we are in full support of the bill.

**Marc Ellis, President, Communication Workers of America Local 9413:**

Ditto.

**Fran Almaraz, Political Coordinator, Teamsters Local 631; and Teamsters Local 986:**

We are in full support of this bill.

**Chair Torres:**

Is there anyone in Las Vegas wishing to testify in support of S.B. 301 (R2)? I do not see anyone. Is there anyone on the line wishing to testify in support of S.B. 301 (R2)? [There was no one.] I will invite anyone wishing to testify in opposition to S.B. 301 (R2).

**Mac Bybee, President and CEO, Nevada Chapter, Associated Builders and Contractors:**

The current system on prevailing wage for deliveries of the materials that were cited is if there is a dedicated plant to the public work. It is a system that has been in place for nearly three decades, I think. It is a system that works. It is a system that is easy to comply with because it is definitive. It is a system that is easy to regulate so contractors can stay within the guidelines and the Labor Commissioner can enforce prevailing wage laws as they are currently written. This bill would dismantle that system, creating a construct that is going to be difficult to track and difficult to comply with. For those reasons, we would urge the Committee to not advance this bill.

**Paul J. Enos, Chief Executive Officer, Nevada Trucking Association:**

I am here today in opposition to Senate Bill 301 (2nd Reprint). Mr. Soltero is absolutely right on your concrete and asphalt having an expiration to it. Typically, when you have an expiration, you are not bringing those things from very far. Sand, gravel, dirt, and aggregate do not have an expiration. We do get those materials from other states. We get them from Arizona. We get them from California. We get them from Utah. We believe this could have some interstate commerce complications.

When you talk about prevailing wage for truck drivers, where do you start? Do you start when they pick that project up, when they pick up that load and when they drop it off, or do you just do it when they are actually on-site? We do not know. We think it is going to be extremely difficult to try to administer this, particularly for our smallest businesses, our disadvantaged business enterprises (DBE), which are federally required to work on some of these projects. Typically, they are the folks who are hauling dirt, sand, gravel, and aggregate. These folks are not very sophisticated. I will tell you, some of our bigger companies that do public works projects have to have one person on staff who just handles the certified payroll reports for prevailing wage. It is difficult. It is a challenge even for those big guys, and they do not always get it right. Sometimes they get it wrong.

When we are talking about having an impact on those small, disadvantaged business enterprises, that is going to cause a problem with this bill. You have to check in. Sometimes you might use an owner-operator for some of these loads, and you would have to report that owner-operator, who delivers just once to that project throughout the entire course of the project. I see my time is running short. I will submit some more things for the record. We appreciate a vote of no on Senate Bill 301 (R2).

**Chair Torres:**

I think there was a question of how this impacts interstate commerce. At this time, I will go to Legal Counsel.

**Asher Killian, Committee Counsel:**

Generally, the Dormant Commerce Clause doctrine prevents states from imposing requirements that impede interstate commerce on businesses that operate within the state. However, the market participant exception to the doctrine of the Dormant Commerce Clause allows for the state—when it is the customer, when it is a party to the contract—to impose requirements as a buyer that might otherwise be problematic under an interstate commerce analysis. Since the provisions of this bill in particular deal with when the state is a customer buying certain materials for public works, provisions that may otherwise violate interstate commerce would not be problematic under the Interstate Commerce Clause [Act] due to the market participant exception.

**Chair Torres:**

We will continue in opposition.

**Glen Leavitt, Director, Government Affairs, Nevada Contractors Association:**

We represent over 450 contractors, subcontractors, and industry affiliates, primarily in southern Nevada. We oppose this bill for the reasons previously stated. When you are talking about a commercial business delivering to a public works site that is not dedicated to that public work, it is very problematic for our commercial vendors to do that. We want to make sure you understand we are not against prevailing wage on public works. It just does not make sense logistically for that particular item stated in the bill.

**Alexis Motarex, Government Affairs Manager, Nevada Chapter, Associated General Contractors of America:**

The Nevada Chapter of the Associated General Contractors (AGC) of America represents the commercial construction industry in northern Nevada. I, too, want to reiterate what my colleague from Nevada Contractors Association said, that the AGC has always supported prevailing wage, but we see an unintended consequence of this measure. As Mr. Enos said, the Federal Highway Administration and Department of Transportation require contractors to ensure a percentage of all construction contracts for highway construction are performed by disadvantaged business enterprise in northern Nevada. Achieving this participation goal is primarily accomplished by hiring DBE trucking firms to deliver goods and materials to the worksite. As many of these DBE truckers are owner-operators, they are not required to submit certified payroll reports, nor are they required to pay themselves prevailing wage. These businesses simply enter into a lump sum contract for the hauling of the material. This proposal would change that relationship with these DBEs. It is our opinion that many of these owner-operators would no longer seek to perform public works construction, because the cost of compliance with prevailing wage and certified payroll would be too much. The risk of fines and penalties would be too great, thus restricting contractors' abilities to hire these Nevada-based, minority- and women-owned businesses and limiting the ability of those businesses to grow and thrive in the state.

**Warren B. Hardy II, representing Urban Consortium:**

The Urban Consortium is made up of the Cities of Las Vegas, Reno, Henderson, North Las Vegas, and Sparks. We have no position on the prevailing wage issue. We typically pay prevailing wage on all projects related to local government. Our concern revolves around the enforcement of this. As local governments, we are ultimately responsible for enforcing the statutes. For many of the reasons, especially those that were brought up by the speaker from AGC North, it is going to create real problems for us in terms of being able to enforce it. We are also concerned it could lead to lawsuits. Sometimes, when they are unclear, these statutes are very often weaponized by one contractor against another. Our concern really revolves around the enforcement.

**Chair Torres:**

I have a question, Mr. Hardy. You mentioned there is a lack of clarity. Can you be more specific about what clarity it lacks and where you would like us to add more clarity? We are happy to add some type of additional enforcement measure if necessary.

**Warren Hardy:**

I do not know how to add— The lack of clarity revolves around the drivers themselves, especially in aggregate. An aggregate driver may come from out of state. He may have four or five drop-offs that day. He may be in-state; he may have three to four drop-offs that day. For him or her to be able to stop and say, Okay, when do I have to be paid prevailing wage— from the time I leave the plant until I drop off the aggregate, or between drop-off one and drop-off two? When do I calculate the payment of prevailing wage? Am I being paid prevailing wage for 15 minutes while I drive on that site and drop off the aggregate? Then am I no longer being paid prevailing wage while I am driving?

There are also complications with the prevailing wage laws in terms of the ability to pay somebody at a different rate for doing the same job. There are requirements in the law that say if you are acting as X, you have to do that for the day; you cannot switch back and forth.

Those are the kinds of confusion I think are related to this bill, and they primarily revolve around aggregate. I think the other two issues are hot loads, and they are generally from the plant to the job site. They are less complicated, but the aggregate creates significant confusion.

**Chair Torres:**

I think those are great questions, and I believe Legal Counsel has an answer to address some of those concerns.

**Asher Killian:**

Just in reference to that issue, section 1, subsection 2 of the bill does empower the Labor Commissioner to adopt regulations defining the circumstances under which a worker is delivering or removing construction material or structures to the site of the public work. The law itself does not get into that level of detail, but it does obligate the Labor Commissioner to adopt regulations that would clarify those circumstances.

**Stephen Wood, Government Affairs Liaison, Nevada League of Cities and Municipalities:**

I just want to echo the comments that were made by my colleagues here and reiterate the difficulties local governments will have complying with and enforcing this legislation. We urge you to continue to consider those challenges, and we are in opposition to S.B. 301 (R2).

**Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber:**

We would like to largely echo the sentiments of our colleagues and the trade partners who have already gone in opposition. We would also like to raise the concern of these overly permissive languages, which are not set by the Legislature, that are allowed to be set by the Labor Commissioner. We would agree this body should be setting those parameters. For that reason, we are in opposition.

**Chair Torres:**

I do not see anyone else here in Carson City in opposition to S.B. 301 (R2). Is there anyone in Las Vegas? I do not see anyone. Is there anyone on the line wishing to testify in opposition to S.B. 301 (R2)?

**Clint Capurro, President and Owner, Capurro Trucking, Sparks, Nevada:**

I would like to say, I oppose this as well.

**Teresa Herrera, Partner, H&R Trucking, Las Vegas, Nevada:**

I oppose this bill. I have a difficult time as it is paying wages on a lot of jobs. This is an example of the wages: In Nye County, Esmeralda County, U.S. 95, 12 miles out of Beatty, the basic wage was \$61.52. My share of the social security was \$3.28. The Medicare was \$0.90. The unemployment was \$3.39 and the workers' compensation was \$8 per hour. That equals \$77.09 per hour for a truck driver. The overtime wage was \$92.28. After all the Medicare, unemployment, workers' compensation, and social security, it equaled \$117.53 for overtime rate. My fuel averages around \$55 an hour. My insurance has increased this year by 18.7 percent, with a truck at \$17,386 for the annual payment on insurance.

I am a DBE, and it is very difficult. I struggle daily just to find jobs for my employees, because I have to compete with large brokers and larger companies. I am very small. This would be detrimental to my company, and I oppose this bill.

[[Exhibit C](#) was submitted but not discussed and is included as an exhibit for the hearing.]

**Chair Torres:**

Is there anyone else on the line wishing to testify in opposition to S.B. 301 (R2)? [There was no one.] Is there anyone wishing to testify in neutral on S.B. 301 (R2)? [There was no one.] At this time, we will invite the bill's sponsor up for any closing remarks.



**Randy Soltero:**

In response to some of the testimony in opposition, innovation and modernization is something we deal with and adjust to in the construction industry. Every day, every year, something new is coming out.

I respectfully disagree with the argument that it is difficult to track vehicle movement. My example is simply, if you have ever been in an Uber car or called for an Uber car, you can watch that car come. It is tracked almost to the moment—where it goes, where it stops, and whatever else it does. That technology is going to be a part of the future. That is why we believe this kind of legislation should be directed towards the Labor Commissioner, to have open public hearings to talk about modernization in the industry. I thank you for your indulgence this morning. Thank you for considering S.B. 301 (R2).

**Chair Torres:**

I will let members know, if we do work session bills today, it will be at the end so I can give members the time to have conversations and figure out and ask any questions and see if there is anything that needs to be held. At this time, we will go on to our next piece of legislation. I will close the hearing on S.B. 301 (R2), and I will open the hearing on Senate Bill 24 (1st Reprint), the Lieutenant Governor's bill.

**Senate Bill 24 (1st Reprint): Revises provisions relating to the Office of Small Business Advocacy within the Office of the Lieutenant Governor. (BDR 18-404)**

**Sarah Johnson, Director, Office of Small Business Advocacy, Office of the Lieutenant Governor:**

I want to be respectful of everyone's time this morning; I know at this point in the session, we are all ready to rock and roll. I will provide a concise overview of some of the most important achievements and goals for our office. The Office of Small Business Advocacy (OSBA) was created to help small business owners navigate hurdles related to licensing and regulations from the state, county, and city government. It is OSBA's job to resolve these issues for Nevada's micro-small business owners, and there is no other agency or organization in Nevada working for our entrepreneurs in this way. Our resource partners, for example, might assist small business owners as they create a business plan, search for funding, or develop human resource policies. We work with micro-small business owners one-on-one as we help them correct regulatory and permitting issues, navigate unnecessary delays, and get back in business as quickly as possible.

I will give a few examples of some of the recent issues we resolved. We worked with an interior designer whose business was fined almost \$20,000 by the State Board of Architecture, Interior Design and Residential Design. We worked with the Board, and we were able to get that fine reduced to \$4,000 for them. We also worked with a food truck owner in Las Vegas. This food truck was this family's sole source of income. They got their license confused when they switched from a farmers market permit to a food truck permit and wound up being in violation with Southern Nevada Health District (SNHD). Their

license was taken away and signs they did not understand were plastered all over their food truck. We were able to work with SNHD and the food truck owner to get a temporary license issued so they could get back in business. We got some of their fees reduced and also got them on a payment plan that was more reasonable to their ability to pay.

Another example of recent work is with applicants seeking licenses to sell mortgages. Several individuals came to us because they were waiting seven to ten months for their approval, even though in other states, this typically takes around two months. Delays like this cost individuals the ability to earn an income and provide for their families. They also limit options for Nevadans seeking home financing.

In addition to the work we do with Nevada's entrepreneurs, we also make our state more small business-friendly for the future. We analyze small business challenges and barriers to entry by monitoring state, federal, and local laws, regulations, and policies relating to small business. We also research what other states are doing to encourage entrepreneurship and strategize on how we can replicate those successes here in Nevada. Finally, we make recommendations to local and state leaders, government agencies, and members of the Legislature on how to improve issues impeding small business growth in our state. By working together, we can help promote and encourage a vibrant and thriving small business community here in Nevada.

Senate Bill 24 (1st Reprint) reauthorizes the Office of Small Business Advocacy and allows us to continue serving Nevada's entrepreneurs. You will see with the recent amendment, OSBA will use American Rescue Plan Act of 2021 (ARPA) funding instead of State General Funds to fund the office for another two years. We look forward to the opportunity to report back to this Committee on the small businesses we have served and the improvements we have recommended to ensure Nevada is truly small business-friendly.

**Chair Torres:**

Members, are there any questions? I do have a question. I think I might be the only member of my Committee who had their coffee this morning and is ready to go. Obviously, we saw this piece of legislation last session under the Lieutenant Governor at the time, Kate Marshall. We had a conversation about really opening this Office. Now this Office has been in place since the last legislative session. I am wondering if you could talk a bit about how many businesses this Office is currently serving and the day-to-day operations. How many people does this reach? What does this reach-out look like in our community?

**Sarah Johnson:**

Yes, it did get pushed through last legislative session. We have been in operation about eight months. As you can imagine, we have gone through three different Lieutenant Governors and two different directors in that time. We have served about 300 small business owners as we have gotten a state agency up and running. It has been difficult to get it up and running and focus on the entrepreneurs as well. As I said, in that time, we have served around 300 small business owners.

**Chair Torres:**

What does the investment in this Office look like right now? How much money are we considering investing into it in the future?

**Sarah Johnson:**

I guess the budget for OSBA is around \$365,000 for the year—I think that is right. It is ARPA funding, not State General Funds.

**Chair Torres:**

Can you talk a bit about how this is going to change the way this office is funded?

**Sarah Johnson:**

It does not change how the Office is funded. It is currently funded with ARPA funding, and it will continue to be funded with ARPA funding if it passes.

**Chair Torres:**

To add some clarity, I think in the past, the Office has been funded with ARPA funding, but in the future, this would authorize it to be funded through the State General Fund, which would probably allow for it to have some more longevity, if I am correct. Is that right?

**Sarah Johnson:**

That is correct. The Office is funded with ARPA funding, but it does open it up for State General Funds. The funding for the Office comes only from ARPA, from my understanding.

**Chair Torres:**

I believe the goal is probably for us to be able to stand up this Office so it is more permanent. At this time, obviously, ARPA funds are not going to be there forever. While we were able to open it at a time when those funds were available, I imagine in the future, the goal is for this Office to continue the impact it has.

Members, are there any additional questions? I do not believe there are any additional questions at this time. I will invite anyone wishing to testify in support of S.B. 24 (R1).

**Tray Abney, representing National Federation of Independent Business:**

I am representing the 2,000 member businesses of the National Federation of Independent Business in Nevada. We support this bill and this Office, and we supported this two years ago when then-Lieutenant Governor Kate Marshall created it. Just in my own business, which is home-based, and with two folks who each work out of their homes, the number of hoops you have to jump through at the local and state level just to set up a business can be daunting. Most of our members have about four to eight employees. Anything we can do to provide a one-stop shop—one phone number, one email a very small business can reach out to for some help and some guidance—is well worth the time and the effort by this state. We strongly support this bill.

**Dylan Keith, Assistant Director, Government Affairs, Vegas Chamber:**

We would like to strongly support S.B. 24 (R1). It is a fantastic tool for small businesses to use as they are in their most fragile state, just trying to stay open and do everything the right way. It is very complicated for many folks who are just operating a small business and trying to keep that business alive while doing it the right way. This is another resource, and they have shown through their track record that they are there, they are happy to help, and they are doing a great job. We ask for your support to continue this program.

**Mendy Elliott, representing Economic Development Authority of Western Nevada; and Nevada Battle Born Growth Escalator, Inc.:**

I think from the perspective of the importance of this bill, as small businesses, we are hearing all the bills; we are providing abatements to these large companies that are moving in. It is small businesses, though, that are providing the support. As these small businesses are stood up, sometimes they are not sure how to navigate the system, whether it is the Taxation Department, SilverFlume, the Department of Business and Industry, GOED [Office of Economic Development]—how do you access the dollars to help their small businesses to be vibrant, and more importantly, be compliant with the state? I think all small businesses do not want to receive a letter from a department they did not even know they were supposed to be integrated with.

From the standpoint of Nevada Battle Born Growth Escalator Inc., we are just standing up a microloan program. We want to make sure we have access to those small businesses so we can communicate with them that from the state's perspective, we have loans that can help them grow and be prosperous. We appreciate the advocacy this Office is providing to our small businesses, and we appreciate your support.

**Sheila Bray, Community Partnerships Coordinator for Clark County, Extension, University of Nevada, Reno:**

We are in strong support of this bill. As my colleagues have noted, there are some existing resources in small business to help those communities, but I think this opportunity will bring forth a new way for them to collaborate and move forward. We look forward to being part of that process.

**Chair Torres:**

I do not see anybody else here in Carson City wishing to testify in support of S.B. 24 (R1). We will go to Las Vegas.

**Emily Osterberg, Director, Government Affairs, Henderson Chamber of Commerce:**

I am here on behalf of the Henderson Chamber of Commerce and our over 1,800 members, most of which are small businesses, in support of S.B. 24 (R1). The Office of Small Business Advocacy is essential to strengthening Nevada's entrepreneurial infrastructure and supporting small businesses by providing guidance to help them understand their rights

and responsibilities. In addition, they are able to make recommendations to state and local agencies and legislators on ways to streamline processes and create policies that benefit small business. For these reasons and the previous ones mentioned, we are in support of S.B. 24 (R1).

**Chair Torres:**

I do not see anyone else in Las Vegas wishing to testify in support of S.B. 24 (R1). Is there anyone on the line wishing to testify in support of S.B. 24 (R1)?

**Ana Wood, Chair, Government Affairs, Las Vegas Asian Chamber of Commerce:**

I speak in support of Senate Bill 24 (1st Reprint). As an immigrant, a proud citizen, and one who came from a family of small business owners, I know the hardships my parents endured. Helping us establish as small business owners, and understanding our rights and responsibilities, is vital for small businesses to thrive in this growing economy. With close to 300,000 small businesses in Nevada, it is vital to our state to retain and maintain the Small Business Advocacy Office as a connector to small businesses. Asian American and Pacific Islander (AAPI) businesses need the support of the customer- and language-friendly office environment with experienced and knowledgeable representatives who will link, guide, and provide the necessary resources, answers to their specific business needs, and assistance in navigating through the complex licensing and permit hurdles which are confusing to immigrant entrepreneurs. It is for these reasons I urge you to support S.B. 24 (R1). It is the right thing to do to continue to support the AAPI business community and Nevada's economy. I thank you for your time, consideration, and support.

[[Exhibit D](#) and [Exhibit E](#) were submitted but not discussed and are included as exhibits for the hearing.]

**Chair Torres:**

[There were no other callers in support of Senate Bill 24 (1st Reprint).] We will go to opposition. I do not see anyone here in Carson City. It looks like we lost our connection to Las Vegas. We will check to see about Las Vegas, but is there anyone on the line wishing to testify in opposition to S.B. 24 (R1)? [There was no one.] Is there anyone wishing to testify in neutral on S.B. 24 (R1)? [There was no one.]

I will invite the bill presenter for any closing remarks. I know we have one final question, if we could go to the question before we do the remarks.

**Assemblyman Nguyen:**

I just want to ask you about the day-to-day operation of your office. Do you collect data in terms of what types of businesses come through to you? Is that data available from a public perspective in terms of what kind of business comes to you for assistance? Also, if there is any language need in terms of when they reach out to you, if they have trouble navigating based on language access.

**Sarah Johnson:**

Absolutely. When I took over this job in January of this year, there had not been a real concerted effort for the data mining or the data gathering you are referring to. That is a major priority for the Office now. We have been gathering that information. We have a new intake form we ask small business owners to complete so we can gather that information. I have also reached out to several members of the Legislature for input on information we should be gathering. I would love to send that to you, if you would like to see it and provide input on that form, so we can make sure we are gathering information that is useful to you.

**Assemblyman Nguyen:**

Just that last part again—maybe there has not been any kind of outreach yet, but has there been outreach to your Office in terms of small businesses needing language access support in terms of navigating state or local agencies?

**Sarah Johnson:**

Yes, we do a concerted outreach to the Asian community, as well as the Hispanic community. My deputy director, who is actually in front of you today, is Melissa Saavedra. She speaks Spanish fluently. We also have direct access to the Las Vegas Asian Chamber of Commerce, which helps us with the Asian community as well.

**Assemblyman Nguyen:**

Great. I look forward to seeing that form and, yes, I will be glad to support. If you could provide those data to the Committee whenever you have them, that would be awesome.

**Chair Torres:**

Do you have any additional closing remarks, Ms. Johnson?

**Sarah Johnson:**

I wanted to thank the Committee for hearing S.B. 24 (R1) this morning and also thank all the supporters who came out to speak on our behalf. I appreciate it, and I hope you have a great rest of the day.

**Chair Torres:**

At this time, we will close the hearing on Senate Bill 24 (1st Reprint). We will open the hearing on Senate Bill 305 (2nd Reprint).

**Senate Bill 305 (2nd Reprint): Provides for the establishment of a retirement savings program for private sector employees. (BDR 31-933)**

**Senator Dallas Harris, Senate District No. 11:**

I am very happy to be with you all to present Senate Bill 305 (2nd Reprint) today. In the simplest explanation I can give, this is essentially a savings mechanism for folks who do not have the opportunity to save through their employer. If you work at generally a larger company, you may have a 401(k)—if you work for the state, maybe a 457 plan. You are able to save directly out of your paycheck.

However, if your employer does not offer that, the chances you are saving in any kind of retirement savings program at all are pretty slim right now. We all could do that. You could take your paycheck, go to Wells Fargo or Vanguard or Fidelity Investments, open up an Individual Retirement Account (IRA), and deposit your post-tax dollars into that account. Then at the end of the tax year, you will receive some paperwork back from the company you chose. Then you take that and claim it off your taxes, and then you can get the money deducted off your income and your taxable liability—but that is a lot. I do not expect the average person to do that. What you really need is the opportunity for it to come right off your check, so you do not see it.

There are estimates of between 45 to 50 percent of Nevadans who simply do not have that opportunity, whether you are working the 37 1/2 hours that keep you right under full-time, or you are working at a small business that really cannot afford to offer that type of program, or your boss just does not want to do it. Whatever the reason, there are a significant number of Nevadans who cannot save right off their paycheck.

This bill would allow them to do so without the government owning their money and without there being some danger of Nevada being able to tap into those dollars as some type of punishment. We have seen states across the country adopt these types of programs to encourage folks to do the personally responsible thing, and that is, Save your own bucks. We are not giving people any money. We are just going to make it easier for them to save their own money, because if there is one thing I know, it is that if we do not get people saving, in 30 or 40 years, our social programs are going to be at their max. Housing costs are on the rise; medical costs are on the rise. We need to make sure folks are best-suited to handle that retirement future.

With that, Madam Chair, I am happy to take any questions the Committee may have.

**Chair Torres:**

Members, are there any questions?

**Assemblywoman Thomas:**

Thank you, Senator Harris, for your presentation and coming up with some ways to save. I believe this is for retirement. My question is, when this person is saving, are these nontouchable savings? If they do save, is there a penalty to take it out?

**Senator Harris:**

I will answer that in a couple of ways. One, this is an IRA, so there are federal rules and regulations behind what you can use an IRA for and how long you cannot touch it. Those rules will have to be followed. It is a retirement account, which means it is designed not to be tapped regularly as you might do a savings account.

The second piece of that is, in this bill you will see there is a 90-day off-ramp. If you are in this program and you take a look at your first paycheck—as a matter of fact, I think most people get about 6 in 90 days, in 3 months—and you go, Oh, whoa, what is this? I cannot

afford this. You can opt out and get that money back penalty-free. We have written that into the legislation. We want folks to have plenty of time to decide this is something they want to do and can afford to do.

The last piece I will say on that is, yes, there are penalties if you withdraw these funds prematurely. However, it is way cheaper than a payday loan, which is what folks often will do now; for instance, if they wake up, the car will not start, they have to get to work, and they simply do not have the \$1,500 it takes to repair the car. While some folks will tap this money at times they are not supposed to—I will be honest, I do anticipate that happening—at least they have the money to tap. That is a win for them, even with the tax implications. At least we are not seeing 100 percent or more in interest rates on a payday loan where they might get stuck in that infamous payday loan cycle. I see folks being much better set up to ride the waves that may come.

Lastly, I have been working with the Office of the State Treasurer to see if there is some way to bifurcate the account so there is kind of a holding tank of savings, maybe at a money market rate, that you can tap before the money goes into the IRA that is invested.

**Assemblywoman Thomas:**

I was just wondering, if that person takes a loan, can they pay it back into their savings account? Like that \$1,500 you were just mentioning—if they extract that out over a period of time, could they pay, say, \$25 a month to pay back that loan?

**Senator Harris:**

The IRA is a little different than the 401(k). The 401(k) has mechanisms where you can take a loan and pay it back. The IRA federal restrictions are a little different, and it does not really have that mechanism as freely as the 401(k) does. Even that is fairly strict, so I would not suggest the plan be to take a loan from your IRA in hopes of trying to pay it back. That is why I would like to see a system where we have a savings portion to this, and you can pull from that and not have to pay it back if you need it, and that portion of that account will not already be invested into the IRA, where it has those stricter restraints. Does that answer your question?

**Assemblywoman Thomas:**

I was just wondering, because I know in a mutual fund you can do that.

**Assemblywoman Taylor:**

As a small business owner, thank you for putting something like this together. I have a couple of questions, Chair, if you will allow it. Say someone is an employee, but they are a 1099; they are a contract employee. They are able to be a part of this program—the employer has to sign up, correct?



**Senator Harris:**

Yes. Ideally, 1099 folks would be able to take advantage of this program as well. We know there are a lot of people—home health care workers, Uber drivers—who live in this amorphous land of independent contractor. It is my vision that yes, they will also be able to participate in this program and get some savings going.

**Assemblywoman Taylor:**

Is part of the mindset behind this the advantages of pooling all the money together, as it begins from a lot of small businesses, private gig economy people, and so on? Is there a minimum before this really begins?

**Senator Harris:**

With this program, what we start to see when we see scale is that the fees to participate in the program drop substantially. This program is actually not funded by the state, although this program did take a loan—so you see an appropriation; it will pay the state back. It is not funded by the businesses. The businesses pay nothing to participate in it; it is a hundred percent funded by the fees of the people participating. One of the things we are looking at is joining onto another state to really take advantage of that economy of scale and keep those fees as low as possible. The more dollars you have under management, yes, the lower the fees are.

**Assemblyman Nguyen:**

I think you represent one of the best districts in the state. That district is actually one of the most diverse, right? I think you may be familiar with my line of questioning. I think this is a great idea. I am wanting to ensure there are plans in place for language access and outreach in terms of our communities to be able to benefit from this. They need to understand the nuts and bolts of what that could be for them. I am not sure if there are plans to work with the top ten languages according to the census tract, just so when the program is implemented, not only the language access communities, but pretty much anyone who will not understand this product can learn about it, and there is a centralized place for that. I want to hear your thoughts on that.

**Senator Harris:**

I do not know if you all have met your State Treasurer, Zach Conine, but he has a thing about doing things well. Mr. Erik Jimenez is here. I was going to say, I am a hundred percent confident—by the way, we have marketing dollars on this bill as well—the Treasurer is going to use some of those dollars to ensure every Nevadan has the information they need in order to participate in this program. I will turn it over to Mr. Jimenez for further discussion.

**Erik Jimenez, Chief Policy Deputy, Office of the State Treasurer:**

I was anticipating this question, Assemblyman Nguyen. Congratulations. You finally got it in to me in 114 days. The bill requires that the board of directors—set up through this bill—that administers the program communicate all the tax implications, the structure of the programs, and the options they have in this bill. They also have the option to join a retirement plan offered by a chamber of commerce.

I will tell you on the record, we will do that in as many languages as we need to. I think using the top ten languages makes a lot of sense. We have to figure out a way to package that in the most fiscally responsible way, but the last thing we want is for people to not understand what they are getting into.

**Assemblyman Nguyen:**

That is appreciated. I am very thankful for the Treasurer's Office's intent and hardworking initiative of ensuring across the board—not just this bill, but across the bills we have in the state—our community, the diverse community, is not behind. I think that is why Senate District 11 and Assembly District 8 are the best.

**Chair Torres:**

I am going to go to our Legal Counsel to talk about language access as it is currently required by the statutes.

**Asher Killian, Committee Counsel:**

*Nevada Revised Statutes* 232.0081, which was adopted into law last session, does contain requirements for language access plans for the heads of agencies under the Executive Department. I believe the board would be an agency of the Executive Department as defined in that law, so the language access plan requirements that were adopted by the Legislature last session would extend to the agency administering these retirement plans.

**Chair Torres:**

I will note Assembly Bill 480, which is the Governor's bill that has to do with language access, was funded under the Assembly Committee on Ways and Means. Obviously, it still has to go through the legislative process. That bill did receive a \$25 million appropriation yesterday through the Assembly Committee on Ways and Means. I imagine that could also be used to help support some of that outreach as well, obviously, if the board were to apply through IFC [Interim Finance Committee] to get those funds—just some additional access points for our communities.

**Assemblyman Koenig:**

Reading through the bill, the business can opt in; the employer can opt in to the program. Is it instigated by the employer or is it instigated by the employee?

**Senator Harris:**

There are two parts to this. Every covered employer as defined by the bill must offer a program. If you do not have your own retirement program, you have to jump in and offer this to your employees. Employees will then have the opportunity to opt out. They are in unless they opt out.

**Assemblyman Koenig:**

I have some other quick questions. I was looking at some of the specifics: You have to have more than five employees, you have to be in business for over three years, and you have to not be offering a program currently. I fit into all those. I do offer a pretty good retirement

plan, but I would not be eligible for this in my business, because I already offer a plan. Is there any way to transition from the current plan I am offering now into this, or how would that potentially work?

**Senator Harris:**

I am going to take a stab at it, and then I will turn it over to Mr. Jimenez for the correct answer. This is not designed to attract employers to jump off whatever private program they are offering. There are some things this program will not offer that you might be able to get on the private market, such as better rates for your employees or other considerations. We are not trying to take people who are currently offering programs and shift them onto this one. I would say, stick with what you have, but if at some point you cannot afford to offer that to your employees, this would be an option for you.

**Erik Jimenez:**

Really quickly on a couple of those, I imagine we will do this in a phased approach based on the number of employees. We would not go out on Day One and say, All businesses must comply. We would probably go to the larger businesses first; then we would probably go to those with automatic payroll companies; then we would make our way into those smaller, harder-to-reach businesses—I think it is still really important we give those businesses' employees access to retirement savings.

On your second question, the intention is not to have employers ditch their current retirement plans. I think as economic circumstances change—maybe revenues do not come into the business at the way you would like, and you want to keep that employee retention rate by offering some sort of retirement plan—we are hopeful that if circumstances do change, employers could at least pivot to something like this and still make sure that an employee is as whole as possible.

**Assemblywoman Duran:**

It is always good to save; when you do not see money, you do not spend it. If it is in my bank, it is gone. My question is on your fees. Are they going to be based on the percentage? Is it an offering of how much you can take out, a percentage of your paycheck? Is there a minimum you have to do? I have a 401(k), and I am not sure if it is based on the percentage of my fees, because I think the fees are individually capped for each person.

**Senator Harris:**

That default rate you will be put into if you do not choose anything else is something that is going to be established by the board. It is not in this piece of legislation. However, people will have the opportunity to go in and up that number or take it all the way down to zero at any point. If you want to do 50 percent of your paycheck, you can do that. If you want to do 2 percent of your paycheck, you can do that. Regardless of what the default rate is, people will have the ability to change that number to whatever works best for them at almost any time. You will not be stuck. There is no open enrollment period like we do with health care necessarily, let us say, and you are stuck with what you got for the whole year. You can go in and change that up or down as you feel free.

**Assemblywoman Duran:**

I was going to follow up with a question. Am I going to be able to have an advisor to basically talk about—and I think you said this in here—changing my investment or putting it straight through a savings? If I decide to opt out at that time, will I be able to ever opt back in?

**Senator Harris:**

Let me take your second question first, and the answer is yes, by simply changing your election from zero back up to 10 percent, 15 percent, or whatever it is. Yes, you will be able to contribute or not contribute money at your will—whatever you would like to do.

When it comes to having an investment advisor, I do not know if that will be a product that is offered as part of this program. Of course, every person can go and hire an investment advisor if they would like. Generally, these retirement programs have a certain amount of offerings, often with a target retirement date. You can get a target retirement fund for 2040 or 2045. That is what a lot of folks will do. It is more conservative. It gets more conservative as it gets closer to that retirement date. Anyone is free, clearly, to consult with an investment advisor, but it really depends on which state we join, and what their program offering looks like. Mr. Jimenez, did I mess that up?

**Erik Jimenez:**

No, you did not. Just to put a finer point on that, we have been talking to the states of Oregon, Colorado, and New Mexico to join a consortium of plans. We do this already with a program called the ABLE [Achieving a Better Life Experience] Savings Plan, which is essentially a tax-advantaged investment account for people with disabilities so they do not lose their Medicaid and social security as part of that. We do not know exactly what that would look like, but one of the requirements I would imagine the Treasurer's Office and the board would look for is, Are there on-sites? Are there remote or on-site staff people can go to when they have investment questions?

I think it is always important to say, for the record, that the Treasurer's Office would never serve as someone's investment advisor. We would suggest you go talk to a professional investment advisor, but we will make sure there are people there to answer questions on what the difference of funds are, what the levels of risk are, and how you can mitigate that risk.

Also, I think in the materials, we are going to be very diligent in making sure all consumers know any risk that might be presented to them, because the last thing we want is somebody unfortunately making a bad financial decision. We want to protect those assets up front.

**Assemblyman DeLong:**

You had mentioned a 90-day off-ramp as well as a holding tank concept. Have you or the Treasurer identified a way to have that be compliant with the IRS' [Internal Revenue Service] IRA requirements?

**Senator Harris:**

I will start, and then I will turn it over to the Treasurer's Office for further comment. Let me start with the holding tank idea. What that would be is, with that first account, it is almost like you can deposit money into that. Then what you would do is take money from there.

**Assemblyman DeLong:**

I actually do not need an explanation. I just want to know if you found a way to make it compliant.

**Senator Harris:**

Sure. I was going through that because that first account would not be an IRA, so we would not worry about the federal requirements on that holding account. It really would not create issues with compliance for the IRA, because that portion of the account would not be an IRA. With the 90-day requirement—Mr. Jimenez will have further comments on this—that likely would also not be invested into the IRA right away, so you could pull it out without any tax implications or running afoul of the federal rules.

**Erik Jimenez:**

The answer to your question is, the other states we are looking at partnering with have actively found a way or are finding a way around the ERISA [Employee Retirement Income Security Act of 1974] requirements in the IRS. We would make sure that was part of the process.

**Assemblyman DeLong:**

You had mentioned 1099 workers would be covered. I looked in section 7 and section 8, and I did not see a place where they would be covered. Can you point to where in the statute that is located?

**Senator Harris:**

If they are not able to be covered after we stand this program up, it will be my intention to come back and make sure they can get in. That will be a part of the development process, and if we do not have the legislation quite right, I will fix it.

**Assemblyman DeLong:**

A final quick question to the Treasurer's Office: Do you see the fiscal note changing depending on the number of employers who get involved in the program?

**Erik Jimenez:**

The answer is yes, I think on two factors. One, and we see this with our ABLE Savings Plan now, the greater the level of assets under management, the lower the level of participant fees and the lower the level of overall cost of the program. The big variable factor, and we cannot legislate this until we know what is going to happen, is the intention to join another state

consortium that one, reduces participant fees; and two, reduces the staff we would need for that. If we were unable to go into another state program, what you see in our fiscal note that was approved out of the Senate Finance Committee would be what we think we need to staff the program.

**Chair Torres:**

I have obviously had the opportunity to speak with some of the proponents of this piece of legislation. I would like to make sure it is very clear for Committee members, because I think there are a lot of questions on this topic. I am going to go through two different processes: what this looks like on the employer side, who qualifies, what this looks like for them, and how they apply. I would like us to also talk about the employee, but if we could focus on the employers right now, who does this impact, what does this look like, and what does this mean for that company?

**Senator Harris:**

If it is okay with you, I am going to kick that one all the way to Mr. Jimenez, because it will be the Treasurer's Office that is doing the interacting with the businesses to get them enrolled in this program.

**Erik Jimenez:**

I am so fortunate to get that question, Madam Chair. Let us start from the beginning, and then we can talk about how it would look for employers and employees. Functionally, the board would be constituted. That board has representatives from business and employers in it. It would craft regulations to design the program. Simultaneously, we would go and look towards partnerships with other states who have already stood up a program. We do not reinvent the wheel here. I am good at many things, but if I can avoid having to stand up an entirely new program, that makes my life a bit better.

On the business side, let us say regulations were promulgated; there is a program enacted. You would see what I expressed to Assemblyman Koenig earlier: probably a phased approach—businesses with greater than 100 employees, businesses with greater than 50 employees. While we expect a lot of those businesses are currently offering retirement savings plans for their employees, some of them may not be. There is going to be an education component to each of those businesses in each of the phases. We will start bigger, then we will go smaller.

The requirements are set forth. You can look at section 8, which has the definition of a "covered employer." We are not going to spend any time on folks who are not within that definition. From there, there will be some communications with employers. I do not know how long that period will be but, basically, you would need to enroll your business in this program. Hopefully, if we can partner with another state, there will be a portal or some sort of system that makes that as seamless as possible. We are also very thankful that we can work with our chambers of commerce to offer this plan or one of their plans, too, which is a provision of this legislation now.

That employer would then register and let us know how many employees they have and who those employees are. We move to the employee side. I do not know exactly what that would look like, Madam Chair, but you see a lot of disclosures that would be required. There would be a ton of communication with the employer and their employees to make sure they understood what the program was and when contributions would be coming out of their paycheck. Then on the back-end side, that employee would have access similar to what you would with a retirement account, savings account, or regular checking account—some sort of portal where they could check their assets, easily change their contribution rates and investment strategy, and those sorts of things. I hope that answers your question.

**Chair Torres:**

I have a couple of questions to follow up from that. Is there a rate or charge to the employers for the program?

**Senator Harris:**

No.

**Chair Torres:**

To be clear, then, they would still have the option. If they were already part of a trade association, they could be a part of that. If they wanted to be a part of the chamber's plan, because I know the Vegas Chamber has something similar, they would be able to continue doing that, right?

**Senator Harris:**

Yes. If employers want to stay on the program they are on, stay. If they want to join the trade association's program, something like the chamber of commerce—I am happy for them to do that as long as their employees have an option.

**Chair Torres:**

Back to the employee side—which you did cover quite a bit, Mr. Jimenez—will they be required to sign up for this program or to participate in this program, or is this really just requiring that the employer give them the information—I am sure that communication will be administered by the board—then the employee has the option?

**Senator Harris:**

What will happen is, essentially, if the employee chooses nothing, they will be in. Ideally, this is an active process where they will get this form to sign up, and they will elect what percentage they would like to participate. There is no reason why that percentage could not be zero from the very beginning if they so choose.

**Chair Torres:**

I think something that was not really hit on in the presentation is what the impact this will have on Nevada families. When I think about the impact on hardworking Nevada families, it seems to me this is for them to plan for post-retirement. I think I am the youngest person in the Nevada State Assembly and many of my peers, age-wise, are not investing in retirement

and do not have a plan for their retirement system. It seems to me this would at least open up the conversation and allow them to have the opportunity to participate in a retirement program for individuals who otherwise would not. Is that the goal—so they can be ready to retire when they are ready?

**Senator Harris:**

That is a hundred percent the goal. Forty years ago, you went to a job and worked for the same company for 40 years. The trade-off was, you were going to get this pension that was usually a percentage of your highest-earned salary, and that was your retirement plan. Those days are squarely in the past. People move jobs frequently. Social security is not as reliable as I think any of us would like it to be. We have moved to these kinds of individual savings mechanisms as a way for people to be prepared for retirement instead of relying on the pension or social security as an option. Yes, this is really designed to incentivize folks to get in early and start saving so they are in the best place they can be as they age.

**Chair Torres:**

Thank you for letting me go through that so we can make it very clear for Committee members. I think the long line of questioning helped answer some other questions.

**Assemblyman D'Silva:**

Thank you, Senator Harris, for bringing this great piece of legislation to fray. For a long time I, personally, have been very much a proponent of retirement systems that are overseen by public entities. Again, I think it is just the right thing to do, especially in this day and age, where we know people are not preparing for retirement. We have a lot of data that shows the average American has not made this a focus. My question is this: Is it too late for me to sign on to be a sponsor of this bill?

**Senator Harris:**

Absolutely not, as long as you can make sure the Chair concurs on that amendment.

**Chair Torres:**

The Chair might concur on that amendment, but I might like to be added on as well.

**Senator Harris:**

I would be happy to have any of you. Shoot me or my legislative assistant an email, and we will be sure to make that happen.

**Chair Torres:**

At this time, I do not believe there are any additional questions from our Committee members. We will invite anyone wishing to testify in support of S.B. 305 (R2).

**Senator Harris:**

Madam Chair, I have another bill in the Assembly Committee on Judiciary I have to present. Do you mind if I just drop down?



**Chair Torres:**

Go ahead, and good luck.

**Marc Ellis, Private Citizen, Sparks, Nevada:**

My wife works for a small company, and I think this is an outstanding idea. I fully support this.

**Dakota Hoskins, Political Director, Service Employees International Union Local 1107:**

Service Employees International Union Local 1107 supports S.B. 305 (R2) as well. We think it is important that everyone who works in Nevada is able to retire and save as they need. We hope to have your support as well.

**Kent M. Ervin, Private Citizen, Las Vegas, Nevada:**

I am speaking for myself today, but based on my experience as a member of NSHE's [Nevada System of Higher Education] Retirement Plan Advisory Committee since 2006; my two terms on the Nevada Deferred Compensation Program Committee, appointed by Governor Sandoval and reappointed by Governor Sisolak; and from following the Public Employees' Retirement System (PERS), both in my Nevada Faculty Alliance role and because I married into PERS. Speaking for myself, S.B. 305 (R2) is a good idea. Individual retirement savings are important. Social security is not enough. Most small businesses have trouble managing a good separate plan.

Three points: First, studies show autoenrollment is important for a successful retirement plan. It is just about human behavior, about finances. People need a nudge, even when they know they need to save, and any extra step can be an obstacle to signing up. Second, small businesses are often ill-equipped to offer a retirement plan on their own. If they do try, they are likely to be directed into a high-expense plan through a financial advisor who gets paid by commissions or so-called revenue sharing from investment companies. A state-sponsored plan can leverage its size to reduce expenses, which are the major drag on retirement savings. Third, emergency savings were mentioned. Emergency savings sidecar accounts, where the employee puts money in first before it rolls into the IRA, can reduce withdrawals out of the retirement accounts with the associated taxes or penalty. That is not part of the bill but could be provided through a program like this. Please support S.B. 305 (R2).

**Susan Fisher, representing The Pew Charitable Trusts:**

One thing I want to point out from the get-go is these programs are set up as Roth IRAs. The contributions may be taken out penalty-free, but then the investment gains are taxable. Hopefully, they have good investment gains. I appreciate the opportunity to speak on behalf of Senate Bill 305 (2nd Reprint).

There were a number of questions asked about the direct impact on Nevada and on Nevadans. I have some information The Pew Charitable Trust has pulled together. Pew supports S.B. 305 (R2) for the nearly 600,000 private sector Nevada workers who lack access to a workplace retirement plan. Nevada faces a crisis because workers are not saving enough. Insufficient retirement savings will increase pressure on public assistance programs

serving older adults. New Pew-commissioned research had three major findings. One, the number of Nevada residents aged 65 and older is expected to double by over 1 million by 2040. Two, a shrinking population of working-age taxpayers will need to cover the costs for the financially vulnerable. Three, over the 20-year period ending in 2040, insufficient retirement savings will result in an additional state social service spending here in Nevada by \$1.8 billion, or about \$90 million a year, but if Nevada households saved just an additional \$110 per month, they could erase this taxpayer burden and maintain their standard of living in retirement.

I have some more on here, but I think you get the point. I would be happy to answer any questions. I also have Mr. John Scott from The Pew Charitable Trusts online, in case there are any other specific questions.

**Chair Torres:**

Members, are there any questions?

**Assemblyman DeLong:**

I just have a quick comment, Miss Fisher. The point about the fact that these are Roth IRAs is actually quite significant. It would have been quite helpful, at the beginning of the testimony, to know that is what we are talking about. It definitely would have changed the questions that were asked.

**Susan Fisher:**

We did have some robust questioning in here this morning, and I appreciate all the questions very much.

**Chelsea Capurro, representing the Urban Chamber of Commerce:**

I will be quick. We are in support and thank the sponsor for bringing this.

**Maria Moore, State Director, AARP Nevada:**

We are in strong support of S.B. 305 (R2). While you all know that the American Association of Retired Persons (AARP) is nonprofit and nonpartisan, and we associate with the 50-plus, we certainly care about everyone, especially those who will retire one day. For many of you, I am talking to you. We also work closely with the chambers. Without their work to really bring this bill to fruition—we could not have done it alone. We are all in it together.

Like many states—you heard from my colleague earlier that we have 566,000 social security beneficiaries who rely on social security. That is 30 percent. For them, it is their primary source of income. We know that is not enough to retire. What suffers is, do they pay for rent or do they pay for their medical needs? The cost of taxpayers on the line will only cost us in social services. With fewer employers willing or able to do this, it is important for bills like S.B. 305 (R2) to come to fruition. We also know certain groups are disproportionately impacted—for instance, women who sometimes are employed part-time and people of color, who may not have access to these benefits in the workplace.

Senate Bill 305 (2nd Reprint) is necessary to reach this huge and underserved population. For these reasons, we applaud S.B. 305 (R2) and urge its passing.

**Chris Ferrari, representing American Retirement Association:**

The American Retirement Association works with defined contribution plans, including 401(k)s, and represents 35,000 retirement plan professionals nationwide, including almost 200 here in the state. We are in support of S.B. 305 (R2). A couple things on this bill, especially as a small employer, as many of you on this Committee are—the 401(k), or IRA, is the bane of my existence. I have to have a third-party administrator. It is incredibly challenging. There are a bajillion forms you receive on a regular basis. Having an administrator is key. In this provision, this session, our theme is maximizing dollars in return from the federal government from the Setting Every Community Up for Retirement Enhancement 2.0 Act. We put some things up on NELIS [Nevada Electronic Legislative Information System] for your purview [[Exhibit F](#), [Exhibit G](#), and [Exhibit H](#)].

The small employer in the first three years gets up to \$5,000 to administer that program. I can speak from a personal level; that would easily cover my administrative costs. This program, if implemented—the Treasurer has done some great stuff; I know that will continue—will make almost 700,000 Nevadans eligible for new savings opportunities—more savings, more stability in people's personal financial situations, and as the bill sponsor indicated, less reliance long-term on social programs. I think that is why it got a bipartisan vote out of the Senate.

People are looking at this saying, Is it perfect? No. Any legislation is not going to be perfect, but this is a start. It gets this up and running, and as the sponsor again indicated, we can fine-tune as we go. The Treasurer has been creative. It is a great opportunity for Nevada. Let us maximize federal dollars. Thank you for your support.

In addition, really quickly, Andrew Remo is going to be calling in. He is the director of federal and state legislative affairs for the American Retirement Association.

**Chair Torres:**

At this time, our Legal Counsel is going to give us a little more clarity regarding which type of account this is inclusive of. That is in section 23 of this bill.

**Asher Killian:**

Under section 23, subsection 3, the Individual Retirement Accounts that are authorized to be maintained through the program are those that are allowed under either section 408 or section 408A of the Internal Revenue Code—those are the sections that refer to both traditional and Roth IRAs. I do not think this bill mandates Roth IRAs, but it would allow people who participate in the plan to select either a traditional or Roth IRA, or give the flexibility to use either type of IRA.

**Chair Torres:**

We will now go to Las Vegas. Is there anyone wishing to testify in support of S.B. 305 (R2)? I do not see anyone approaching the table. At this time, is there anyone on the line wishing to testify in support of S.B. 305 (R2)?

**Ana Wood, Chair, Government Affairs, Las Vegas Asian Chamber of Commerce:**

I speak in support of S.B. 305 (R2). Building financial security is of vital importance to our Asian American and Pacific Islander families and all families in Nevada. By allowing small businesses to provide an additional savings venue for employees, this is a value add for us. Asian American and Pacific Islander businesses are sometimes composed of five or more or fewer employees. Social security is not enough for retirement for these families. We need to provide the security and peace of mind, which this program, this bill, will provide in conjunction with other states in collaboration—states such as, I believe, Arizona, New Mexico, Oregon, California, and many more. Many of our community partners have already engaged in dialogue regarding this program. We are in support, and this is why I encourage you and urge you to support Senate Bill 305 (2nd Reprint).

**Andrew Remo, Director of Federal & State Legislative Affairs, American Retirement Association:**

We have over 30,000 members nationwide, ranging from apple farmers to xylophone producers and everywhere in between. Our mission is to advocate for policies that give every working American the ability to have a comfortable retirement. We heartily endorse S.B. 305 (R2), the Nevada Employee Savings Trust (NEST) Act, and just want to make three quick points.

The first point is small businesses support payroll deduction savings programs. Pew has done some incredible survey work here: Eighty-six percent of small to midsize employers without plans—so employers between 5 and 250 employees—support the concept of a payroll deduction retirement plan with automatic enrollment.

The second point here is that auto-IRA programs, such as the NEST program, will complement the private sector retirement plan market. The NEST program is not going to compete with the private sector market. Pew recently released a report that shows private sector retirement plan adoption rates rose in three states as a direct result of those states implementing an auto-IRA program with retirement plan coverage requirements. In California, Illinois, and Oregon, the rate of introduction of new plans as a share of existing plans is higher than before the states introduced the savings program.

The final point is that the new federal small employer plan designs and start-up incentives are critical now. In December, the federal Congress enacted new designs and incentives for small businesses that essentially allowed small businesses to start up 401(k) plans at no cost. The new simple 401(k) plan design, called the Starter K, did not require any employer contributions or complicated compliance testing. Businesses with 50 or fewer employees get a credit for 100 percent of retirement plan administrative expenses for the first three years of

the plan, capped at \$5,000. The typical cost to administer a plan for most small businesses is below \$1,000. There are also new tax credits for employer contributions. In short, 14 states have already done this. Nevada should be the fifteenth state. It is time to get this done, given the federal policy framework.

**Chair Torres:**

Is there anyone else on the line wishing to testify in support of S.B. 305 (R2)? [There was no one.] We will go to opposition. Is there anyone here in Carson City wishing to testify in opposition to S.B. 305 (R2)?

**Tray Abney, representing National Federation of Independent Business:**

I am here representing the 2,000 member businesses of the National Federation of Independent Business (NFIB) in Nevada. First of all, I want to thank Senator Harris. Although we do oppose this bill, we know it has been compromised down to something certainly more palatable and manageable than where this started.

This is a long, multiyear effort, and NFIB has opposed these ideas around the country. Again, we just have a fundamental issue with requiring businesses, especially small businesses, to participate in a retirement program. We would certainly support it if the state wants to set up a program we can advertise and steer people towards. We know my friend, Mr. Jimenez, would do an excellent job running this program. It is just that at the base level, the requirement that a business participate.

As I mentioned in testimony on an earlier bill, my members are concerned about having another hoop to jump through on top of all the local, state, and federal regulations they are already subject to.

Finally, Madam Chair, I will just close with this. If you do choose to process this bill, historically, in this building, we set an exemption for small businesses of about 50 employees. This one is set at 5, which is pretty low when we talk about the smallest small business. For all those reasons, NFIB is opposed to this bill.

**Chair Torres:**

I have a question. Have you had the opportunity to speak with the bill sponsor and the proponents of the bill?

**Tray Abney:**

Yes, we spoke with Senator Harris in the other house. She was aware of our concerns.

**Chair Torres:**

It is my understanding that with the significant amendments this legislation has had, there has not been anybody who has come to talk to Senator Harris about additional concerns. I will flag, at this point in session—I will note, for anybody coming into my Committee—if you have an opposition to the bill, and you have not spoken to the sponsor with a reprinted version, especially for a bill that has been so significantly amended, it is frustrating to hear

that. Additionally, I am going to look—I am pretty confident we have other places in statute where we do have numbers under 50 for businesses. I would urge you, in the future, especially when you are going to come before my Committee five days before sine die, that you speak to the bill sponsor about any of the opposition.

**Tray Abney:**

We did speak to the bill sponsor about our opposition, and it remains, again, just requiring employers to do it. Our opposition would remain no matter how many amendments were on the bill.

**Chair Torres:**

I do not see any additional opposition here in Carson City. We will go to Las Vegas.

**Emily Osterberg, Director, Government Affairs, Henderson Chamber of Commerce:**

We are opposed to S.B. 305 (R2). While we appreciate the intent to help people save for retirement, the requirements in the bill may be onerous and burdensome on small businesses. Section 8 requires compliance from employers with as few as five employees. These are small businesses that often do not have the resources or capacity to fulfill the additional obligations required under the bill. Section 9 additionally requires compliance from micro nonprofit organizations that are under tremendous pressure to comply with other federal and state regulations. Simply understanding the required contribution rate under section 6 is onerous enough. It does not provide guidance to employers in the event there are additional withholdings from employees' wages, such as garnishments. Coupling that with an unknown amount of contribution rates set forth in section 20 literally ensures compliance challenges for small businesses that are disproportionately affected by S.B. 305 (R2).

Adding to these challenges are the provisions of section 23. For example, subsection 6 requires a deposit to the fund within ten days of a payday. The accounting of this will create additional challenges. Small businesses oftentimes do not have payroll services to manage withholding the transmission of funds to the state. Similarly, section 23, subsection 11 requires the employer to deliver certain documents and disclosures to employees. There is no time frame set for such delivery. Employees will look to their employers for direction under these disclosures, creating additional obligations and challenges to microbusinesses to address the implementation of the state's policy.

As mentioned previously in other testimony, it is the requirement part of this we have to stand in opposition to. Requiring small businesses who do not always have the ability to implement all these different regulations is what we are opposed to. The Henderson Chamber of Commerce looks to this body to create legislation that enables robust employment and benefits within our community. Senate Bill 305 (2nd Reprint) does not do this.

**Chair Torres:**

Is there anyone else in Las Vegas? I do not see anybody else in Las Vegas. Is there anyone on the line wishing to testify in opposition to S.B. 305 (R2)? [There was no one.] Is there anyone wishing to testify in neutral on S.B. 305 (R2)? I do not see anyone here in Carson City. Is there anybody in Las Vegas wishing to testify in neutral on S.B. 305 (R2)? We do have some neutral testifiers in Carson City. I was just going too quickly.

**Paul J. Moradkhan, Senior Vice President, Government Affairs, Vegas Chamber:**

First of all, I would like to thank Senator Harris and AARP for working with the Chamber on S.B. 305 (R2). As many know, the Chamber feels softly and has had many concerns with the previous legislation over the years. We were able to get to neutrality based off a compromise on several components of the bill. Again, I want to thank them for working through the Chamber on those provisions.

For full disclosure, the Chamber does offer a retirement plan. I think it is important to note that. Chambers of commerce and trade associations would be able to offer plans through this new programming at the state level in section 23. That is one of the reasons the Chamber is neutral, because we do offer a product. We think it is important to disclose that.

I did want to clarify quickly that the plan the Chamber offers and has been able to offer the last several years through the federal regulations is a plan targeting small businesses that is affordable and accessible. I did want to clarify some of the earlier comments made by some of the proponents about the fees that are charged to small businesses and so forth. It is never the intent of Chamber programming to do so, or any other trade association.

Again, the Chamber appreciates the efforts. As I said, it is a huge movement for us to get here. I want to thank Senator Harris for working with the technical components of the bill, and I appreciate the work of this Committee and this discussion today.

**Chair Torres:**

Is there anybody wishing to testify in neutral on S.B. 305 (R2) in Las Vegas? I do not see anyone. Is there anyone on the line wishing to testify in neutral on S.B. 305 (R2)? [There was no one.] Since the bill sponsor has left, I will close the hearing on S.B. 305 (R2), and I will open the hearing on Senate Bill 166 (1st Reprint).

**Senate Bill 166 (1st Reprint): Revises provisions relating to collective bargaining by public employees. (BDR 23-556)**

**Senator Julie Pazina, Senate District No. 12:**

I am here with you today to present Senate Bill 166 (1st Reprint), along with Rick McCann. As the Committee is likely aware, in 2019, the Legislature approved Senate Bill 135 of the 80th Session which authorized collective bargaining between the state and certain state employees, generally for those in the classified system of employment. It provides for

collective and supplemental bargaining between the Executive Branch of state government and an exclusive representative for a wide range of subjects, including, but not limited to, salary or wage rates, leave, and employee safety. The bill defined bargaining units for specific employee groups, including separate units for category I, II, and III peace officers.

Senate Bill 166 (1st Reprint) before you today seeks to resolve some of the collective bargaining challenges for supervisors who are grouped in with peace officers and firefighters they supervise. This bill allows law enforcement and firefighter supervisors to engage in collective bargaining and allows them to create a collective bargaining unit separate from the employees they supervise. The bill also recognizes the unique nature of the work conducted by civilians who provide support services in a law enforcement agency and allows them to participate in collective bargaining. I would also like to thank Assemblyman Hibbetts and Assemblyman Yurek for their work on this bill as well.

With the Chair's permission, I would like to turn it over to Rick McCann with the Nevada Association of Public Safety Officers to provide additional testimony regarding the origin and the need for this legislation.

**Richard P. McCann, Executive Director, Nevada Association of Public Safety Officers;  
and representing Nevada Law Enforcement Coalition:**

I am here to help present S.B. 166 (1st Reprint). This is very important. I also wish to thank Senator Pazina, Assemblyman Hibbetts, and all the joint sponsors and cosponsors for their support of this bill.

Quickly addressing section 1 of the bill, existing law—which is *Nevada Revised Statutes* (NRS) 288.138—defines a "supervisory" employee as a person who exercises one or more of a list of tasks that are listed there in the performance of their duties. However, in certain paramilitary structures, such as law enforcement and firefighting, employees are often required to perform some of these tasks in a temporary fashion—for example, acting sergeants, acting lieutenants, officers-in-charge—but they are not considered permanent supervisors at the time when they are performing these tasks. In 2019, NRS 288.138 was amended to its current language that prohibits employees with paramilitary command structures, such as police and fire, from being deemed supervisors solely due to the exercise of certain temporary duties.

That is the current state of the law. Senate Bill 166 (1st Reprint), in section 1, subsection 1, paragraph (a), subparagraph (4), will now also exclude civilian law enforcement employees who work under the police paramilitary command structure from being deemed supervisors merely due to the occasional temporary exercise of those same duties. That is section 1.

Addressing section 2 of the bill, existing law permits collective bargaining units for each of a number of occupational groups employed by the state, including category I, category II, and category III peace officers, but not those supervisors within those three groups. In other words, it covers the officers, the rank and file; it does not cover the supervisors. In fact, all supervisors throughout the entire state—in all occupational groups in this state—are lumped



into one big collective bargaining unit. Under NRS 288.515, in the state's employ there are accounting supervisors, maintenance supervisors, custodial supervisors, physical therapist supervisors, mental health supervisors, health care supervisors who provide care for children, clerical supervisors, law enforcement supervisors, firefighter supervisors—the list goes on. They are all in one big collective bargaining group. That is unmanageable. It has been since 2019.

For this reason, no supervisors in the state have been able to collectively bargain as a cohesive unit for the past four years. Section 2 of this bill addresses that issue for category I, category II, and category III supervisory peace officers and firefighters. By establishing separate bargain units for these occupational categories, we finally give them the opportunity to collectively bargain for their wages, benefits, and working conditions.

Also, in section 2, subsection 2, it mirrors some language that is currently in NRS Chapter 288 that currently applies to local government peace officers under NRS 288.140, which we simply want to extend to state peace officers. It simply states that any bargaining unit established for state peace officers must be composed exclusively of peace officers—again, just mirroring the current state of the law for locals. Once again, this maintains the community of interest of peace officers for bargaining units. For these reasons, we ask that you support S.B. 166 (R1).

**Senator Pazina:**

Now we will get off our high horse and be ready for questions.

**Chair Torres:**

I will corral the members and see if we have any questions. Assemblyman DeLong? No, he reined himself in; we are good. Are there any additional questions, Assemblyman McArthur? Not today.

**Richard P. McCann:**

By the way, happy birthday, Assemblyman McArthur.

**Chair Torres:**

Clearly, we were in the building way too late last night. At this time, I do not see any additional questions, so we will move on to support testimony. If any support would like to gallop up to the dais, we will invite any support for S.B. 166 (R1).

**Todd Ingalsbee, President, Professional Fire Fighters of Nevada:**

Thank you and the Committee for listening to this important legislation. Again, this bill allows our supervisors to have contracts that are consistent with the people they supervise, which is very important. We do this on the local level, and we feel it is important to have it on the state level as well.

**Dakota Hoskins, Political Director, Service Employees International Union Local 1107:**  
We support S.B. 166 (R1). We believe it is important that workers can organize, unionize, and collectively bargain, and we think this will ensure more workers can do that here in the state. We urge your support.

**Kent M. Ervin, Ph.D., State President, Nevada Faculty Alliance:**  
We support S.B. 166 (R1). Our colleagues, the campus police in the Southern Command and the Northern Command, are category I peace officers. It makes sense for their supervisors to have their own bargaining unit, because they meet the community of interest standard, which is a big stretch if they are in the same unit as all other supervisors in the state. Our campus police are suffering from high vacancy rates. Anything that helps with retention is a good thing.

**Susie Martinez, Executive Secretary-Treasurer, Nevada State AFL-CIO:**  
On behalf of 150,000 members and 120 unions, we are in full support of the bill.

**Brady Easterling, representing American Federation of State, County and Municipal Employees International:**  
We are in support of the bill.

**Ricky Gourrier, representing Nevada Police Union:**  
Nevada Police Union is the sole collective bargaining unit for category I peace officers in the state. For this reason, we are in support of this bill.

**Chair Torres:**  
I do not see any additional support here in Carson City. Is there anyone in Las Vegas wishing to testify in support of S.B. 166 (R1)? I do not see any. Is there anyone on the line wishing to testify in support of S.B. 166 (R1)?

**James Robinson, Private Citizen:**  
I am a supervisor with a category II police agency in the state of Nevada, and I am in support of Senate Bill 166 (1st Reprint).

**Chair Torres:**  
[There were no more callers in support of S.B. 166 (R1).] Is there anyone wishing to testify in opposition to S.B. 166 (R1)? [There was no one.] Is there anyone wishing to testify in neutral on S.B. 166 (R1)? [There was no one.] I invite the bill sponsor for any closing remarks. It looks like we are good. The horse will stay there.

We will close the hearing on S.B. 166 (R1). I am going to take a recess [at 9:58 a.m.], and we will contact Senator Spearman's office to see if they are ready to present.

[The meeting was reconvened at 9:59 a.m.]

**Chair Torres:**

At this time, we will open the hearing on Senate Bill 279 (1st Reprint). Senator Spearman, when you are ready, you may begin.

**Senate Bill 279 (1st Reprint): Revises provisions relating to employment. (BDR 23-882)**

**Senator Pat Spearman, Senate District No. 1:**

I am here and am happy to present Senate Bill 279 (1st Reprint), which continues my ongoing work to ensure our laws provide equal opportunities for every citizen of the state. Specifically, the issue before you today relates to recognizing and fostering the employment of persons with disabilities. By way of background, the existing public policy of the state is that persons with disabilities must one, be afforded equal opportunities for employment by the state. Two, full consideration must be given to the employment of a person with the disability if the person is capable of performing the essential functions of the position with or without reasonable accommodations.

Senate Bill 279 (1st Reprint) is intended to take our state's employment practices for those with disabilities one step further, because I truly believe, even though we have laws in place that hold private industry accountable, there are still some things we as a state can do to make sure we are walking our talk. The bill establishes Nevada as a Model Employer Program to ensure best policies, practices, and procedures for hiring, promoting, and retaining persons with disabilities. It also requires the Division of Human Resource Management of the Department of Administration to work with the Rehabilitation Division of the Department of Employment, Training and Rehabilitation (DETR) to provide technical assistance.

After being approved by the Senate Committee on Legislative Operations and Elections, Senate Bill 279 (1st Reprint) took a very lengthy detour to the Senate Committee on Finance. Upon introduction of the bill, the Division of Human Resource Management placed a fiscal note on S.B. 279 (R1) in recognition of the increased workload and the need for training materials and statewide travel. However, the Senate Committee on Finance recommended state Amendment No. 780 to Senate Bill 279 (1st Reprint). That was adopted by the Senate to include an appropriation of \$80,195 dollars in fiscal year 2023-2024 and \$98,171 in fiscal year 2024-2025 from the State General Fund to carry out the program. It was approved by the Senate without a single vote of opposition, and I hope we can carry on that streak with this Committee.

Let me just say that the Americans with Disability Act was actually passed in 1990. At that point, not only were private industry businesses expected to comport with this, but also states. I call this bill the SAME bill, which is the State as a Model Employer. We cannot teach what we do not know, and we cannot lead where we will not go. If we are going to require private industry persons to do this, I believe it is of the utmost importance that the state be the one to lead by example.

**Chair Torres:**

Members, are there any questions? Seeing none, at this time, I will invite anyone wishing to testify in support of S.B. 279 (R1).

**Catherine Nielsen, Executive Director, Nevada Governor's Council on Developmental Disabilities:**

First off, the state of Nevada employs more than 18,000 employees. As an employer, it has a duty to our citizens to employ people of all abilities. Our Council believes all individuals with disabilities who can and want to work should have access to the resources and support necessary to gain and maintain meaningful, community-based employment. We also suggest you implement Employment First policies that transform the expectations of state agencies. Service providers and people with developmental disabilities deserve this. Under Employment First, the expectation is that a person with developmental or other disabilities can and wants to work. A successful outcome is finding these individuals meaningful and gainful employment that meets their needs and interests by tailoring services to help them succeed in the workforce.

We also want to add that we worked with the Division of Human Resource Management to help eliminate the list of exempt positions for the 700-hour program. At the beginning of this session, there were roughly 45 positions that were considered exempt. Anybody using the 700-hour list could not apply for positions under those. They are things like social worker and clerical trainee—things they should have access to. The Division of Human Resource Management has eliminated that exempt list. It is a pretty big move for the state.

**Chair Torres:**

Is there anyone else here in Carson City wishing to testify in support of S.B. 279 (R1)? I do not see anyone at this time. Is there anyone in Las Vegas wishing to testify in support of S.B. 279 (R1)? I do not see anyone. Is there anyone on the line wishing to testify in support of S.B. 279 (R1)?

**Dora Martinez, Private Citizen, Reno, Nevada:**

I am with the Nevada Disability Action Coalition. I would like to ditto the fantastic, awesome, amazing executive director of the Nevada Governor's Council on Developmental Disabilities. Thank you to the sponsor of this bill. You are fantastic.

**Steven Cohen, Private Citizen, Las Vegas, Nevada:**

Ditto. Thank you, and I yield.

**Chair Torres:**

[There was no one else on the line in support of S.B. 279 (R1).] Is there anyone wishing to testify in opposition to S.B. 279 (R1)? [There was no one.] Is there anyone wishing to testify in neutral on S.B. 279 (R1)? I see the administrator of the Division of Human Resource Management here. We have a quick question for you, if we could. I will go to Assemblywoman Duran.

**Assemblywoman Duran:**

Can you tell me what the state does currently to ensure hiring managers know how to deal with people with disabilities? Is there any training they need to acquire to be able to handle the situation?

**Mandee Bowsmith, Administrator, Division of Human Resource Management,  
Department of Administration:**

Currently, we have supervisory training classes that are mandatory. Within those mandatory trainings, there is a small portion of one of the modules that talks about supervising and managing employees who may have disabilities. They may be identified disabilities or not identified disabilities. What we are looking to accomplish—as Senator Spearman noted, we put a fiscal note on S.B. 279 (R1), primarily because we agree with Senator Spearman that we need to beef up our efforts to bring folks who are differently abled or have some sort of disability into state employment. Typically, the Department of Employment, Training and Rehabilitation is the one that works with folks to get them outside employment, not within the state, but we also work together to put that 700-hour list together. We have understood, based on feedback from departments and divisions, that once we place somebody off that 700-hour list, we really need to continue a supportive process, a business partner process, to support not only the employee, but the managers and supervisors who have that employee.

I envision what you all might know as a 504 plan like I have for my children at school—something that gives a clear, documented plan for how that employee can succeed and how the department can succeed in managing the employee as well. That is one of the things we hope to build with the program with the language in this bill.

**Chair Torres:**

Are there any additional questions for the Administrator? I do not see any. I really appreciate your coming to talk a bit about that, because I believe there is more information we can provide. As an educator, we get extensive training about how to work with individuals who are differently abled. I know that is not the reality for most individuals and most managers. I definitely think that is something that could be helpful in a variety of workplace settings. Thank you so much for your presentation. I do have a follow-up from Assemblywoman Duran.

**Assemblywoman Duran:**

I know sometimes people develop a disability, such as with their vision or some other thing. I think there are programs out there that will help the employer to retain the employee. Is that something you would be involved with or this bill would help cover, or would they go to DETR?

**Mandee Bowsmith:**

We currently participate in the Americans with Disabilities Act of 1990 (ADA) interactive process. Should somebody become disabled or develop a serious health condition that limits their ability to perform the essential functions of their job, we enter into the interactive process as put forward by the ADA. Essentially, we gather information about their abilities and where their limitations may be. We take a look at their job and figure out if there are accommodations we can make.

A great example is, folks who are desk workers tend to develop back problems because they sit a lot. An accommodation may be as simple as a new chair with lumbar support or perhaps a VariDesk where they can stand up for a period of time during the workday—something like that is a very small example—all the way through to, there may be a situation where somebody develops a disability during their employment where we need to address that they may not be able to do the particular job they are in. We have a process whereby we look statewide to see if there is another job they can perhaps do. On the DETR side, they have vocational rehabilitation programs. You see that a lot with workers' compensation folks; they enter into a vocational rehabilitation program to help them rehab into gaining skills that can be useful for opportunities coming up.

There are programs in place, but to Chair Torres' point, we can always do better, and we can always develop more training to help support these individuals.

**Chair Torres:**

Members, are there any more questions? I do not see any. Thank you so much for being with us today. At this time, I do not see any additional testifiers in neutral here in Carson City. Is there anyone in Las Vegas? I do not see any. Is there anyone on the line wishing to testify in neutral on S.B. 279 (R1). [There was no one.] I will invite the bill's sponsor for any closing remarks.

**Senator Spearman:**

I will just conclude with a personal story. In April 2005, I was selected to become the senior liaison officer with the United Nations Peacekeeping force over in Eritrea. While I was going through my physical exam, we realized I had a problem with my shooting hand. It is dystonic, so I could not use my weapon. I tried to convince them that was okay, because in a United Nations assignment, you do not use weapons, but I was medically retired because of that. I would have served 40 years if I could have. I see my situation back then in so many other people who are able to do the job, with the exception of one thing—maybe two things—but we all deserve an opportunity to serve. I hope you will look favorably upon this legislation, because it is designed so we can walk our talk—the State as a Model Employer.

**Chair Torres:**

At this time, we will close the hearing on S.B. 279 (R1). We will take a one-minute recess [at 10:14 a.m.].

[The meeting was reconvened at 10:18 a.m.]

**Chair Torres:**

Today, we will conduct a work session to take action on measures the Committee has heard in previous meetings. It is not customary for us to rehear the bills we heard literally this morning. However, I may invite a witness to come forward for clarification and questions for your consideration of the measure. We are going to go in order of the bills we looked at today as they are listed on the roster—so in numerical order. We will begin with Senate Bill 24 (1st Reprint).

**Senate Bill 24 (1st Reprint): Revises provisions relating to the Office of Small Business Advocacy within the Office of the Lieutenant Governor. (BDR 18-404)**

**Jennifer Ruedy, Committee Policy Analyst:**

Senate Bill 24 (1st Reprint), heard today, extends the prospective expiration of the Office of Small Business Advocacy from July 1, 2023, pushing it out two years to 2025. The bill also eliminates the prohibition on employing personnel for the Office with money from the State General Fund and authorizes the Lieutenant Governor to employ personnel for the Office within the limits of money appropriated or authorized for such purposes. Testimony indicated the office is currently receiving funding from ARPA [American Rescue Plan Act of 2021]. There were no amendments.

**Chair Torres:**

Members, are there any questions? [There were none.] I will entertain a motion to do pass Senate Bill 24 (1st Reprint).

ASSEMBLYMAN CARTER MOVED TO DO PASS SENATE BILL 24 (1ST REPRINT).

ASSEMBLYWOMAN TAYLOR SECONDED THE MOTION.

Is there any discussion? [There was none.] At this time, we will vote.

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement, which I am sure will not occur, to Assemblyman Carter. Next, we will consider Senate Bill 166 (1st Reprint).

**Senate Bill 166 (1st Reprint): Revises provisions relating to collective bargaining by public employees. (BDR 23-556)**

**Jennifer Ruedy, Committee Policy Analyst:**

Senate Bill 166 (1st Reprint) requires the Government Employee-Management Relations Board to establish separate collective bargaining units for supervisory employees who are category I, II, or III peace officers and firefighters. The bill also excludes certain employees

who provide civilian support services to a law enforcement agency from being deemed supervisory employees solely due to the exercise of certain duties under paramilitary command structure. There were no amendments.

**Chair Torres:**

Members, are there any questions? [There were none.] I will entertain a motion to do pass Senate Bill 166 (1st Reprint).

ASSEMBLYMAN HIBBETTS MOVED TO DO PASS SENATE BILL 166 (1ST REPRINT).

ASSEMBLYWOMAN DURAN SECONDED THE MOTION.

Members, is there any discussion on the motion? It does not appear there is any. We will take a vote.

THE MOTION PASSED UNANIMOUSLY.

I will assign the floor statement to Assemblyman Hibbetts. At this time, we will consider Senate Bill 279 (1st Reprint).

[Senate Bill 279 \(1st Reprint\)](#): **Revises provisions relating to employment. (BDR 23-882)**

**Jennifer Ruedy, Committee Policy Analyst:**

Senate Bill 279 (1st Reprint) establishes the State as a Model Employer Program in the Division of Human Resources. The program is designed to ensure the state is implementing the best, most promising, and emerging policies, practices, and procedures relating to the hiring, promotion, and retention of persons with disabilities. The bill also legislatively declares it is the policy of the state to provide agencies in the Executive Branch of state government a framework for recruiting, hiring, promoting, and retaining qualified persons with disabilities. The Senate Committee on Finance added an appropriation from the State General Fund to carry out the program. There were no amendments.

**Chair Torres:**

Members, are there any questions? [There were none.] At this time, I will entertain a motion to do pass Senate Bill 279 (1st Reprint).

ASSEMBLYWOMAN GONZÁLEZ MADE A MOTION TO DO PASS SENATE BILL 279 (1ST REPRINT).

ASSEMBLYWOMAN TAYLOR SECONDED THE MOTION.

Members, is there any discussion? It does not appear there is any. We will take a vote.

THE MOTION PASSED UNANIMOUSLY.



I will assign the floor statement to Assemblywoman González. Next, we will consider Senate Bill 301 (2nd Reprint).

**Senate Bill 301 (2nd Reprint): Revises provisions governing public works. (BDR 28-967)**

**Jennifer Ruedy, Committee Policy Analyst:**

Senate Bill 301 (1st Reprint) provides that a worker who is employed by delivering or removing construction material or structures to or from the site of a public work and is necessary in the execution of the contract for the public work is deemed to be employed on the public work for the purposes of the payment of prevailing wages. Any regulations adopted by the Labor Commissioner that conflict with the provisions of the bill are void and shall be removed from the *Nevada Administrative Code*. Senate Bill 301 (1st Reprint) also appropriates funding to the Labor Commissioner to carry out the compliance and enforcement duties related to the provisions of the bill. There were no amendments.

**Chair Torres:**

Are there any questions? [There were none.] I will accept a motion to do pass Senate Bill 301 (1st Reprint).

ASSEMBLYWOMAN GONZÁLEZ MADE A MOTION TO DO PASS  
SENATE BILL 301 (1ST REPRINT).

ASSEMBLYWOMAN DURAN SECONDED THE MOTION.

Is there any discussion? [There was none.]

THE MOTION PASSED. (ASSEMBLYMEN DELONG, GURR,  
HIBBETTS, KOENIG, AND MCARTHUR VOTED NO.)

We will assign the floor statement to Assemblyman Carter. Next, we will consider Senate Bill 305 (2nd Reprint).

**Senate Bill 305 (2nd Reprint): Provides for the establishment of a retirement savings program for private sector employees. (BDR 31-933)**

**Jennifer Ruedy, Committee Policy Analyst:**

Senate Bill 305 (2nd Reprint), also heard this morning, creates the board of trustees of the Nevada Employee Savings Trust and authorizes the board to establish the Nevada Employee Savings Trust Program. This is a very long summary, so I will leave it at that.

There was one amendment proposed, and it was just to add cosponsors. My understanding is that would include the eight members of the Committee as listed: Assemblyman D'Silva, Assemblywoman Taylor, Assemblywoman Duran, Assemblyman Nguyen, Assemblyman Carter, Assemblywoman González, Assemblywoman Thomas, and Chair Torres. That was the only amendment.

**Chair Torres:**

Members, are there any questions? It does not appear there are any. I will entertain a motion to amend and do pass Senate Bill 305 (2nd Reprint) to add the cosponsors.

ASSEMBLYWOMAN THOMAS MOVED TO AMEND AND DO PASS  
SENATE BILL 305 (2ND REPRINT).

ASSEMBLYWOMAN DURAN SECONDED THE MOTION.

Members, is there any discussion?

**Assemblyman DeLong:**

In general, I actually think this is a good bill and a good concept for the state. However, as someone who ran a small business that had from 2 to 40 employees, I think a threshold of 5 employees is too low for this type of program and the burden it would place on the business. I am going to have to be a no for that reason only.

**Chair Torres:**

Members, is there any additional discussion? It does not appear there is any. We will take a vote.

THE MOTION PASSED. (ASSEMBLYMEN DELONG AND  
MCARTHUR VOTED NO.)

I will assign the floor statement to Assemblywoman Duran.

At this time, we will close the work session for the Assembly Committee on Government Affairs today, and we will move on to the final item on our agenda, which is public comment. [There was none.]

I will remind the Committee there are likely going to continue to be meetings throughout the week. I will try to keep Committee members informed as soon as we catch bills. Please make sure you are following bills as they are introduced on the floor. Those will likely be scheduled in the next couple of days for a hearing and likely a work session, because if you did not know, we only have a couple of days left here in Carson City. We will be scheduling those pretty quickly and meeting as necessary. At this time, the Assembly Committee on Government Affairs is adjourned [at 10:27 a.m.].

RESPECTFULLY SUBMITTED:

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Dylan Small  
Recording Secretary

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Lindsey Howell  
Transcribing Secretary

APPROVED BY:

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Assemblywoman Selena Torres, Chair

DATE: \_\_\_\_\_

## EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a letter dated May 30, 2023, signed by Aviva Gordon, Chair, Legislative Committee, Henderson Chamber of Commerce, and Emily Osterberg, Director of Government Affairs, Henderson Chamber of Commerce, in opposition to Senate Bill 301 (2nd Reprint).

[Exhibit D](#) is a packet of letters in support of Senate Bill 24 (1st Reprint).

[Exhibit E](#) is a letter dated May 31, 2023, submitted by Rafael Arroyo, Owner, Smog Plus DMV Services, Las Vegas, Nevada, in support of Senate Bill 24 (1st Reprint).

[Exhibit F](#) is a document titled "Why State Auto-IRA Programs Are Needed," published by American Retirement Association and submitted by Chris Ferrari, representing American Retirement Association, regarding Senate Bill 305 (2nd Reprint).

[Exhibit G](#) is a document titled "CONFRONTING THE RETIREMENT CRISIS," published by American Retirement Association and submitted by Chris Ferrari, representing American Retirement Association, regarding Senate Bill 305 (2nd Reprint).

[Exhibit H](#) is a document titled "State Benefits of Expanding Access to Retirement Savings," published by Georgetown University McCourt School for Public Policy Center for Retirement Initiatives, and submitted by Chris Ferrari, representing American Retirement Association, regarding Senate Bill 305 (2nd Reprint).