

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

**Eighty-Second Session  
February 15, 2023**

The Committee on Government Affairs was called to order by Chair Selena Torres at 9:02 a.m. on Wednesday, February 15, 2023, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 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:**

None

**STAFF MEMBERS PRESENT:**

Jennifer Ruedy, Committee Policy Analyst  
Asher Killian, Committee Counsel  
Judith Bishop, Committee Manager

Minutes ID: 172



Dylan Small, Committee Secretary  
Lindsey Howell, Committee Secretary  
Cheryl Williams, Committee Assistant

**OTHERS PRESENT:**

Andy Matthews, State Controller  
James Smack, Chief Deputy Controller, Office of the State Controller  
Jeff Landerfelt, Deputy Treasurer, Debt Management, Office of the State Treasurer  
Fred E. Wagar, Director, Department of Veterans Services  
Andrew LePeilbet, representing United Veterans Legislative Council

**Chair Torres:**

[Meeting called to order, roll was taken, and protocol was reviewed.] Welcome back to the Assembly Committee on Government Affairs. We are going to have a presentation from State Controller Andy Matthews. At the table here in Carson City we have the Chief Deputy Controller, James Smack.

**Andy Matthews, State Controller:**

Thank you, Chair, and good morning to you and to all members of the Assembly Committee on Government Affairs. We are going to provide a little bit of an overview of our office for you this morning. I am going to start with some big picture information, and then Chief Deputy Controller James Smack, who is with you in Carson City, is going to talk in a little bit more detail.

The State Controller, as many of you know, essentially serves as the state's chief fiscal officer, one of our six statewide elected constitutional officers. Our office is basically divided into four sections: financial reporting, debt collection, fiscal operations, and information technology [page 2, [Exhibit C](#)]. We have a total of 45 team members in our office, 2 nonclassified and 43 classified state employees. I want to take a moment to acknowledge and thank all of our incredibly hardworking team members in the Office of the State Controller (SCO). As I continue to get to know them, I continue to be amazed and inspired by the level of talent and dedication that we have among our team members in the office. A big thank you to everyone.

Among our responsibilities in the SCO: We control the State's accounting system and process the State's daily transactions. We prepare the Annual Comprehensive Financial Report, commonly referred to as the ACFR, as well as the Popular Annual Financial Report. We prepare the financial statement for the Permanent School Fund. We conduct reviews of agency financial transactions, and we administer the State's debt collection program as well as the State's vendor database. We ensure compliance with state fiscal and federal revenue laws, and, of course, we look to identify waste and inefficiencies within state government. With that, I will turn things over to Chief Deputy Smack.

**James Smack, Chief Deputy Controller, Office of the State Controller:**

I will start by talking a little bit about our financial reporting team [page 3, [Exhibit C](#)]. We have 11 members on this team. This is the team that prepares the Annual Comprehensive Financial Report—the ACFR. If you hear me refer to it as a CAFR [Comprehensive Annual Financial Report], that name change happened a couple of years ago. I was in this position for four years under the former controller; I am used to calling it a CAFR. Please understand that those acronyms may be interchangeable as I give testimony. I apologize in advance for that.

We also prepare the financial statements for the Permanent School Fund. The Government Accounting Standards Board, or GASB, has issued several new accounting standards due for implementation in the current fiscal year. This list will likely grow by three to five additional standards by fiscal year 2025. Usually, we have at least three we have to implement on an annual basis; sometimes as many as five or even six or seven, if the GASB is feeling particularly randy that year. The five statements I can certainly provide additional information on. I like to refer to the GASB Statement No. 98 as, "The GASB that changed the name permanently to the Annual Comprehensive Financial Report." Some states were calling it a CAFR, some states are calling it an ACFR; GASB decided in their infinite wisdom that Statement No. 98 would solidify that as a particular name change. The other ones are a little bit more complex.

As we move on into the debt collection section [page 4], our debt collection team has 14 members. In fiscal year 2017, our office implemented a new debt collection system called Nevada Collections Information System (NCIS). I am still waiting for Mark Harmon to show up, but he has not yet. Average annual collections pre-implementation were \$266,018 per fiscal year. Since we brought that system online, the averages increased to \$1.285 million per fiscal year. This average collection amount has stabilized over the past six years since the implementation of NCIS. The total number of state agencies we have collected money for has increased from 37 to 48. We are currently working with the Department of Employment, Training and Rehabilitation on establishing a garnishment process which would increase the annual average. Our office is also coordinating with other state agencies to not allow state licensing for those individuals or companies that owe the state money. A funny thing is, when they cannot get their license, they tend to contact our office to figure out what they can do to take care of that debt. It is kind of nice to have that stick. We use internal collection methods and contract with outside collection agencies to collect state debts. Our web portal allows debtors to pay their debts online via credit card. Our goal is to increase the fiscal year collections to \$2 million by end of fiscal year 2025, combination of the data interface, and we have requested an additional position for this section.

Next is information technology, IT for short [page 5]. Our team has nine members. Our primary focus will be transitioning the Advantage/DAWN/Discoverer/Vista programs over to System Analysis Program Development (SAP), part of the Silver State Modernization Approach for Resources and Technology in the 21st Century (SMART 21) package. For those of you who have heard of SMART 21, 21 refers to the 21st century, so we still have

77 more years to get this implemented. It will not take that long, I promise. Information technology is doing away with all the out-of-date and soon to be out-of-date IBM hardware, providing support to state agencies, and coordinating new initiatives with the Advantage accounting system. One initiative that I recall when I was in the chief deputy position before, was helping the Department of Motor Vehicles with their transition to a new credit card system, and having that system be able to communicate with our Advantage accounting system so they did not have to input those processes manually on a daily basis.

Information technology is also transitioning our SCO intranet over to SharePoint and replacing our Bottomline check printing solution with an easier to use and manage solution. I say better support because the last time we had a major support item out with Bottomline, it took them two years to get back to us. We are hoping we can find a solution that will get us support in more like two days or maybe two weeks, as opposed to two years. That would be quite the accomplishment. Upgrading our office phone systems to work with Microsoft Teams will save us a little bit of money on long-distance costs and the like. Additional training for all IT staff—training is big for me. I want to make sure our team is on the cutting edge, especially with all the virtual threats that come through. We want to make sure we have a better and more robust training budget for the next two fiscal years. If there is somewhere I would ever ask for additional spending, that would probably be it, because I think a trained staff is a happy staff, and a trained staff is also an efficient staff. We want to make sure we are cutting edge and responding to cyber threats. We want to help IT members be better educators, not only for SCO users but for anybody who uses the Advantage system statewide.

Fiscal operations—this has also been called agency services in the past, but it is a little bit more encompassing than that [page 6, [Exhibit C](#)]. We are rolling out calling it fiscal operations at this point in time. It is the largest of our four SCO teams, with 19 team members. This team will be heavily involved with SMART 21 SAP. Their functions include agency services, including check printing. We not only do check printing for the State's payroll, but we also do welfare payments, settlement checks, checks for unclaimed property, bank wires, garnishment processing, and decentralized journal vouchers. For those of you who do not know what a decentralized journal voucher is, those are the vouchers that are basically moving monies between agencies. We have to input those manually on a daily basis.

Accounting assists administration of Advantage help desk, external services, taking phone calls, responding to public payment inquiries, and public information requests. Internal services handles accounts payable, budgets, payroll, human resource tests, Internal Revenue Service reporting requirements for the 1099s, and Form 941. For a little bit of background on 941, that is basically our tax reporting form where we report federal taxes on a quarterly basis. We also respond to bank levies. Single audit federal reporting—this is the major report that comes out of the fiscal operations team. We do bank reconciliations and prior-year audit findings, the Schedule of Expenditures of Federal Awards, also known as the SEFA, and the Treasury-State Agreement, which is used for determining interest calculations on an annual basis. We have to bring in the interest calculation estimate to the State Board of

Examiners, and that comes up in March; also, the Cash Management Improvement Act annual report. Our vendor services desk is creating and maintaining vendor records for the State. We are in the process of working with the Office of the State Treasurer to implement what is called PaymentWorks, which is going to be a much more secure method for verifying bank account information and corporate information. That has already been paid for. We are in the process of implementing that. That will make our vendor process even more secure than it is right now and take away a lot of the manual operations there. That concludes my presentation on the Office. I am more than happy to answer any questions or concerns from the Committee.

**Assemblywoman Taylor:**

You talked a little bit about training and the cyber threats that are out there. Has the Controller's Office ever been hacked in Nevada?

**James Smack:**

Under my watch, we have not been hacked. The four years that I was here prior, and in the couple of months since I have returned, we have not had a hacking incident. We have had a couple of incidents through our vendor team where we have had folks try to change bank account information for different businesses and that type of thing. So far, we have been able to catch those through our manual processes, and we are hoping that the PaymentWorks solution will keep that from happening, because that is going to give each individual vendor their own sign-in through PaymentWorks. They would have to actually go through the PaymentWorks process, as opposed to just doing a manual DocuSign form to make changes, which we have to verify. We have a report we get from Wells Fargo verifying bank accounts on a daily basis, but it is a manual process. The PaymentWorks process will hopefully make that a little bit more streamlined. Thankfully, we have not had any kind of significant hacking incident that I am aware of.

**Assemblywoman Taylor:**

You mentioned the new PaymentWorks system. Is that really the system? Is that what we have in place to guard against that? Or are there other things that you think will keep the office safe?

**James Smack:**

PaymentWorks is just a small piece for security. That is a piece that is basically security for our vendors that are doing business with the State. That is something that we strictly use for our vendor desk, which is our singular operation that we have down in Las Vegas. We have three team members down there in a small office in the Grant Sawyer State Office Building. PaymentWorks is more for streamlining security for our vendors. Somebody cannot go in and say, I am vendor ABC, I want to change the bank account to this, take a payment from the State, and then the State ends up paying somebody who is a fraudulent entity. PaymentWorks provides a solution. They provide guarantees behind their solution, and they indemnify the State for up to \$2 million for any kind of fraudulent activity as well.

It is a great program. I am just learning a little bit more about it myself. This is going to be a quick implementation. I believe the time frame is just eight weeks, so we are hopefully going to have that up and running by the end of April.

**Assemblywoman Thomas:**

When you were speaking about your debt collection, I think I heard you say that you have 14 employees? Was that a slip there, or do you want ten more?

**James Smack:**

We have four total employees for our debt collection system. This was not a money committee, so I have not really gone into that. We do have in the Governor's recommended budget an additional position for that team, but that would only bring us to five. I was not trying to infer that we are trying to get ten more positions for that section. To be honest with you, I would like to earn that, meaning that if we are going to add one more position, I would like us to hit our goals and prove that position is paying for itself before we would come to this, well, not necessarily this Committee but to the body in general in order to request additional positions so we can prove that this one position paid for itself. Taking our goal from the \$1.2 million in the present day up to \$2 million would demonstrate that level of accomplishment. That is what we are looking to accomplish.

**Assemblyman Nguyen:**

In terms of efficiency, has there been an assigned person? I do not know if that is you, Chief Deputy, or other folks in the Controller's Office who are charged with modernizations. The reason I am asking is that sometimes as a customer of the Controller's Office in my previous roles, there were processes that are still a little bit cumbersome. Maybe that is because of how we have been doing things for the last hundred years. In terms of what the office is intending to do, and maybe under the leadership of the new controller, is there a designated person or a plan somewhere in the office that looks to modernize how you do business within the Controller's Office?

**James Smack:**

Modernization is always something we are looking to do within the Office. PaymentWorks is one of those solutions in a small way. Much of the cumbersome processes you have gone through have to do with the fact that we are operating on an accounting system that is close to 25 years old at this point in time. The Advantage accounting system was implemented in 1999. We are operating on technology that is programmed in Common Business Oriented Language (COBOL). It is difficult to make changes. I am not saying it is impossible to make changes, but it is difficult to make changes. We have two COBOL programmers in our Office. I do everything I can to keep them very happy, so we do not need to go find another COBOL programmer at any point in time. They do an amazing job keeping the system up to date and modern, making sure that it is responsive, making sure we do not have any problems with cyber threats.

Our IT team does an amazing job as far as that goes. They are on the cutting edge. They take the training that they can get. Most of it is virtually delivered, but they try. We do have one officer who is designated for handling anything that comes through as far as cyber threats, or cyber concerns, or that type of thing. He keeps our Office informed of potential issues and keeps our team informed to make sure we are staying on top of these things and staying on top of new threats that might come through. The fact is, we are working with 25-year-old technology. I apologize for some of the cumbersome things you have had to go through in the past, but we will continue to try to modernize our solutions. We are very hopeful that with the replacement for Advantage coming with the SAP project, that will help us modernize a whole bunch of things in our Office and a bunch of our processes in order to make it easier for everybody to work with us.

**Chair Torres:**

Are there any other questions from the Committee? [There were none]. At this time, we will open the hearing on Assembly Bill 3, which revises provisions governing financial reports of the State Permanent School Fund.

**Assembly Bill 3: Revises provisions governing financial reports of the State Permanent School Fund. (BDR 34-304)**

**Andy Matthews, State Controller:**

This is a bill that is submitted by the Office of the State Controller. It regards changing the reporting requirements for the Permanent School Fund. I am once again going to turn things over to Chief Deputy Smack to walk through the details of that bill.

**James Smack, Chief Deputy Controller, Office of the State Controller:**

I am here to offer testimony on Assembly Bill 3. The bill submitted by our predecessor in the State Controller's Office is in regard to changing reporting requirements for the Permanent School Fund. Let me give you a little background on the Permanent School Fund. It was established by the Nevada Legislature in the late 1800s in Article 11, Section 3 of the *Nevada Constitution*. The State Permanent School Fund monies are pledged for educational purposes. They cannot be used or transferred for any other use. They are constitutionally protected funds. These monies come from fines collected by the counties under the penal laws in Nevada. Also, any monies bequeathed to the state and the estate monies escheated to the state would be other sources of funding. Interest earnings from the school fund are placed in the State Distributive School Account and appropriated among the Nevada school districts and charter schools. The most recent report dated February 6, 2023, is available at [controller.nv.gov](http://controller.nv.gov), which is a report that ends on June 30, 2022, coinciding with the end of fiscal year 2022. The principal balance of the fund is \$473,985,036 at the end of the fiscal year. We have been reporting on this fund quarterly through the State Controller's Office in coordination with the Office of the State Treasurer.

It is the only public report issued by our office that is compiled and released on a quarterly basis. We found this process takes a great deal of time for at least one of the accountants on our financial reporting team to compile the information, work back and forth with the

Treasurer's Office to get additional information, and then compile and release an unaudited report each quarter. This preparation process takes 60 hours or more per quarter, depending on how much back and forth we have with the Treasurer's Office on how to get the report completed. The review time for the Office for this report can take up to 8 hours or more on top of that. We are trying to make our Office a little bit more efficient. To do this, we do our other reporting annually. At this point in time, the act has gone from what used to be more of a six-month process to more of a nine-month process. We would like to be able to turn some of that time to the preparation of the Annual Comprehensive Financial Report (ACFR), to make sure we are doing that more efficiently and trying to get ourselves back down to where the ACFR is. The ACFR is the report for the previous fiscal year. We would like to make sure it is out on the street at a point in time when it is timely. When the ACFR does not get produced until April, May, June, or something like that of the following fiscal year, you are looking at a report that is giving you year-old information at that point in time. We really want to try to find a way to streamline our processes in order to concentrate on making sure we have the ACFR out in a timely manner. By changing the annual reporting, the 240-plus hours needed to compile the information would be reduced to 60 hours per annum, because we can produce the annual report as quickly as we could produce a quarterly report. This would save at least 200 hours or 5 weeks per year of an ACFR accountant's time that can be focused on the completion of the ACFR. The Controller's Office feels that annual reporting will be sufficient for the public interest as the ACFR path for a single audit reporting, Rainy Day Fund transfer and reporting, and all the other reporting from our Office that is presently done on an annual basis. Thank you for this opportunity to briefly present on A.B. 3, and I would be happy to entertain any questions or concerns at this point.

**Assemblywoman Thomas:**

You are doing reports quarterly. Why did your Office decide to do it yearly, when you could do it biannually?

**James Smack:**

We are streamlining it with the processes of every other report that we do. That comes from our Office being on an annual report schedule. Obviously, semiannually would still be an easier process for our Office than quarterly. We chose annual to streamline that with all the other reporting our Office does. We would still be able to produce that with a much smaller time commitment from our accounting team, allowing the accountant who does prepare this report to spend more time on the production of the ACFR and less time on producing a quarterly report. That was the thinking of the previous controller and the previous chief deputy when they decided to submit this bill to change the reporting requirement from quarterly to annually. It is also the thinking of Controller Matthews and me that it would be helpful to have those 200 or so hours back for the preparation of the ACFR.

**Assemblyman D'Silva:**

Have you had any conversations with the Department of Education to see how they feel about the annual reporting as opposed to the quarterly reporting?



**James Smack:**

Have I had direct conversations with the Department of Education? No, I have not. I would have to defer back to my predecessor to see whether those conversations took place. I know we have had conversations with the Treasurer's Office, and they are not in disagreement with us that this can be moved to an annual report.

**Assemblyman D'Silva:**

Yes, if you do have any sort of a communication or can bring us some feedback about that communication, this Committee would love to hear from you.

**James Smack:**

I will be happy to reach out to a couple of contacts I have in the Department of Education to get their feedback.

**Chair Torres:**

I think we as a Committee can reach out as well. I will ask if the staff can help see if the Department of Education has any feedback on that. Then we can get a letter of some sort and add it to the bill before we have a work session. If you are able to have quicker contact, feel free to reach out as well.

**Assemblywoman Duran:**

I think you might have answered my question. You are submitting a yearly report—will it have any effect for the State Treasurer, as well as the Legislative Counsel Bureau (LCB), in their reporting? I know they do a report also. Are they going to move to a yearly report as well for that? I know we have some reporting that they do, and I am not sure if it is going to be moved as well. Or do we know that?

**James Smack:**

I believe somebody is here from the Treasurer's Office who can address that a little bit more thoroughly. I believe this would save them reporting time too, because they would only be getting this information to us on an annual basis versus having to compile it quarterly, but I do not want to speak out of turn for the Treasurer's Office. I believe the Treasurer's Office has one of their deputies here who will be providing testimony on that going forward.

**Asher Killian, Committee Counsel:**

This reporting is additionally submitted to the State Treasurer and the Fiscal Analysis Division of the LCB. I can check with our fiscal staff to see how this would impact their reporting. I do not know off-hand, but we can get that information to the Committee.

**Chair Torres:**

Are there any additional questions? [There were none.] Thank you for your presentation. At this time, we will go ahead and open it up to testimony in support of A.B. 3. Is there anybody here in Carson City or in Las Vegas? [There was no one.] Is there anyone in

opposition here in Carson City or in Las Vegas? [There was no one.] Is there anyone on the line for opposition? [There was no one.] Is there anybody wishing to testify in neutral here in Carson City?

**Jeff Landerfelt, Deputy Treasurer, Debt Management, Office of the State Treasurer:**

On behalf of the State Treasurer's Office, I would like the record to reflect that the Treasurer's Office is neutral on this bill. While we do use Permanent School Fund financial information when proposing Permanent School Fund guarantees to the State Board of Finance and also for disclosure compliance, annual data will work just fine for our purposes. Changing the financial report requirement to annual will not impact our use of the information.

**Chair Torres:**

Any additional questions for the Treasurer's Office? I think that answered the question we had earlier. Is there anyone else wishing to testify in neutral? [There was no one.] Any closing remarks?

**Controller Matthews:**

Madam Chair, I just thank you and all the Committee members for your time this morning.

**Chair Torres:**

Thank you. At this time, we will close the hearing on A.B. 3, and move on to a presentation of the Department of Veterans Services with Director Fred Wagar.

**Fred E. Wagar, Director, Department of Veterans Services:**

Good morning, Madam Chair. I want to briefly say what our vision is. Our vision is to ensure that all Nevada veterans, military, and their dependents are aware of and understand what their benefits are, and to connect them to those benefits whenever we can. You will see the mission as well, and the seven major lines of effort to accomplish that mission [page 2, [Exhibit D](#)]. You can read that at your leisure because I do not need to read all those to you.

I want to talk about our demographics a little bit. As you can see on this slide [page 3], nearly 70 percent of our veterans are in the south, particularly in Clark County. However, it is the Nevada Department of Veterans Services' (NDVS) responsibility to ensure that we reach out to all veterans throughout the state. As our World War II, Korea, and Vietnam veterans age, it is more important than ever to ensure that we are providing them with the resources they need. The Gulf War veterans like myself are now the largest population of veterans in the state with the changes to federal regulations, in particular with the U.S. Department of Veterans Affairs (VA). Now having the Promise to Address Comprehensive Toxics Act approved, there are more claims than ever. It is very challenging, but a great challenge for us to ensure all of our veterans have received the benefits they have earned.

We have numerous programs that have started since we began [page 4]. In 1943, NDVS started with just one person—the director who also did claims for veterans. This last year, 2022, we started two programs. The first one is the Crombie Academy, which is in the

Southern Nevada State Veterans Home, where we educate individuals to become certified nursing assistants (CNA) and provide training all the way through certification. This increases the number of CNAs here in the state. The second is the Youth Serving Veterans recognition program. Some of you may be familiar with our Veteran of the Month and Veteran Supporter of the Month awards through the Nevada Veterans Services Commission. There is an additional recognition now for the youth here in the state who are serving our veterans.

Just a brief look at our organizational chart and the staff who are serving our veterans. As you can see by this slide [page 5, [Exhibit D](#)], on the right-hand side you have the Veterans Services Commission. The Veterans Services Commission, while not paid employees, are part of our organizational chart because there is a small amount of travel budget in our general account. We also have advisory committees at the southern cemetery and northern cemetery. We also have the Women Veterans Advisory Committee. The benefits division is overseen by Deputy Director Evan Rush, administrative support by Executive Officer Joseph Theile, and health care services by Deputy Director Vivian Ruiz. Our total full-time equivalent (FTE) currently is 251.49. We are requesting eight positions. That would increase our total FTE for the Department to 259.49.

Let us discuss our homes a little bit. We are very proud of our homes. Southern Nevada State Veterans Home is a 24-hour, 180-bed, skilled nursing facility for veterans, spouses, and Gold Star parents [page 6]. This five-star rated home opened in 2002 and just celebrated its twentieth anniversary last year. It has also been named by *U.S. News & World Report* as a Best Nursing Home in 2022-2023. Our northern facility is the Northern Nevada State Veterans Home, a 96-bed, 24-hour, skilled nursing facility [page 7]. It is also for veterans, spouses, and Gold Star parents. It enables the residents to proudly share their common identity. That is what is different about a veterans home. We received a five-star rating in the first year that this home received eligibility. They received a five-star rating. We are very proud of that. That is through the Centers for Medicare and Medicaid Services.

Our cemeteries include the Northern Nevada Veterans Memorial Cemetery (NNVMC), which is in Fernley [page 8]. Since its opening, we have interred 13,012 people through the end of January. That is veterans and spouses interred. We have not interred any Gold Star parents, even though they are eligible. Approximately 59 percent of our interments are cremations and 41 percent are casket. We recently completed an expansion of both casket and cremation sites at this cemetery in December of 2022. The Southern Nevada Veterans Memorial Cemetery (SNVMC) is in Boulder City. That is the second-busiest state veterans cemetery in the nation. It is an extremely busy cemetery. I am proud of our staff at both cemeteries. Since its opening, it has performed 51,380 interments. Since the cemetery began, the percentage of cremations has tended to go upward, from 28 percent when it first started to 66 percent at this last period of time. We completed the expansion in the northern cemetery in 2022. The SNVMC just started an expansion on February 6, 2023. The northern one was a combination of both cremains and burials. The southern one is all cremains, in-ground burials, and columbarium walls. We have no charge to inter veterans at the cemetery. We do charge a small fee of \$450 for spouses and Gold Star parents.

I would like to talk about our Veterans Advocacy and Support Team (VAST) [page 9]. That is our Veterans Service Officers (VSO) and our Nevada Veterans Advocate programs. We assist veterans, service members, and family members to access benefits and opportunities. We have VAST offices in Las Vegas, Boulder City, Pahrump, as well as up here in Reno, Fallon, Elko, and Winnemucca. We have 1 program manager who runs that entire operation, 2 administrative assistants in Reno and Las Vegas, and 17 VSOs throughout the state. Our VSOs conduct an average of 15 face-to-face interviews and 100 telephone contacts per week. They have an average active workload of 400 cases each. Each VSO annually generates nearly \$16 million for our veterans. The VAST director also manages our Nevada Veterans Advocate Program, providing federal and state resources and information to be shared by volunteers with service members, veterans, and dependents. And currently, we have 924 individuals who have completed the advocacy course.

Next is our community outreach programs [page 10, [Exhibit D](#)]. We have a number of those. What they do is support the veterans community councils and hold outreach events. They also managed virtual outreach for our veterans services organizations during the pandemic. We helped a couple of organizations hold their annual meetings virtually, and so we have a great relationship with all of our veterans services organizations here in the state.

Our Nevada Transition Assistance Program ensures that service members, veterans of all eras, and their families are prepared for the next step in civilian life. This is especially important for those transitioning out of the military. The Nevada Women Veterans Program addresses the unique veterans population in this area with specific benefits, services, and programs for women veterans. Our LGBTQ Veterans Program welcomes and honors the service of these veterans, providing information resources previously not well known. In order to do this, we do a number of outreach events for them.

I will talk about our revenue a little bit [page 11]. The funds to operate our programs come from many sources. The primary revenue source is direct funds received from operations. Our veterans homes are shown in blue and the cemeteries in purple. This also includes funds from the U.S. Department of Veterans Affairs, Medicare, and Medicaid. Only 6 percent of our budget comes from State General Funds.

I want to talk about some major enhancements [page 12], then priorities that we have for this year. The first one is the remodel of our Southern Nevada State Veterans Home. This is an 84,692-square-foot, 180-bed, 96-room, skilled nursing veterans home located in Boulder City. This is a continuation of Capital Improvement Program (CIP) Project 21-P03. This is to remodel it so that it has single-occupancy rooms instead of double occupancy. It is very important. We discovered how that works during the pandemic. Our home in Sparks is a single-occupancy, 96-bed facility. We had a lot fewer problems with people passing COVID-19 back and forth. We are very proud of this project, and we are hoping that it gets approved this year.

Next is planning for the construction of the Nevada's Veterans Home. On page 13, I have a schematic of the home as we see it. The white areas you can see are the existing building. The brown areas are additional construction that is going to need to be completed. This adds another wing. We have 3 wings, 180 beds, and 96 rooms. We are going to increase that to 120 rooms and 120 beds. It does reduce the number of beds, but I will get to that in the next enhancement. We are very, very happy about this. This will be a single-room facility. It is going to be a very nice structure when it gets done. Unfortunately, right now, with 90 percent of our rooms being double occupancy, those rooms also share a toilet with the other double occupancy. So, you have four veterans trying to share one bathroom in their wheelchairs, and it is just not accessible. It is not done in a way that is rewarding to our veterans. So single occupancy is going to be very, very helpful.

That moves me to the next enhancement, which is the North Las Vegas State Veterans Home Advanced Planning Project 23151 [page 14, [Exhibit D](#)]. This project will provide advanced planning through construction documents for a 128-bed, single-occupancy, skilled nursing facility on the U.S. Department of Veterans Affairs campus in North Las Vegas, on land to be donated to the State by the VA Sierra Nevada health care system. Upon transfer, this would be solely state-owned property. The campus seeks to create a residential atmosphere. This project will include facilities for administrative offices, receiving and storage, nursing offices, and other support services. The funds for this advanced planning project are 100 percent state funds. I want to be clear on that. The federal grant program for this project will then reimburse the state for 65 percent of all qualifying costs once the grant is awarded. In order to have the VA consider this project, the State has to show that they are willing to put up the funds and get reimbursed for two-thirds of those costs. We cannot say when it will be awarded, but the VA has always awarded those grants at some point. They do not back away from that. They help us out. We have had a great relationship and they have funded so many expansions. They are the ones who helped us build the southern home and the northern home, so at some point we are going to get the money from the VA.

I do want to talk about some enhancements we are requesting as far as personnel. We are requesting two VSOs, one to be located at the Northern Nevada State Veterans Home in Sparks. It is for our contract right now. We have a part-time employee who goes back and forth between the Reno corporate office and the home, and it is just not as productive as it could be. We are asking through the Governor that these be allowed. The other person we are looking at putting in Carson City. We have a part-time contract employee there now, and this would put in a full-time state employee, as that contract person is leaving us. We have a request for two grounds maintenance workers at the southern cemetery. As I mentioned, this is the second-busiest state cemetery in the nation. The expansion project was started on February 6 to add 4 more acres and 10,000 more in-ground and columbarium walls requiring additional personnel. The next one is a suicide prevention program manager. That is currently a contract position. We would like to make that a state position. This was established in 2018 to colead the Governor's Challenge to Prevent Suicide among our active duty and veterans. The person also acts as the liaison for NDVS to the Mayor's Challenges in Elko, Winnemucca, Truckee Meadows here in Reno and Sparks, and Las Vegas.

Our next person is the health care champion program manager who has been present since 2020. This has been a contract employee. In 2020, statute required NDVS to educate medical professionals regarding military service and the military culture's impact on the aging process of veterans. It also oversees the Veterans in Care program, which is where we go out and recognize veterans within assisted living and nursing homes throughout the state in a formal ceremony that really recognizes them.

The next one is the education and employment program manager. This position has been in place since 2014 in order to locate all education and employment resources within the state to share with our Nevada veterans. This person is also in charge of our recently established Nevada Transition Assistance Program. The federal Transition Assistance Program does not talk about state benefits, so we created our own. We have done one in Las Vegas near Nellis Air Force Base. Last weekend, we did another one near Naval Air Station Fallon, and we plan on continuing those to make sure our transitioning service members especially, but also all veterans, are invited along with their spouses.

The last one we have is the northern Nevada outreach director. This position was created in 2017. This again is a contract employee. Prior to having this contract employee, we had one outreach director and that person was in Las Vegas. That person could not cover the whole state, so we brought on a contract employee and our outreach has nearly doubled since we brought that person on. The addition of this contract employee or a state employee would be extremely helpful to our veterans.

Next is the chapel remodel at the SNVMC, Project 7619 [page 16, [Exhibit D](#)]. This is used for interment services for Nevada veterans and their dependents, and for the last few years we started receiving comments from the public about the appearance of the building. This project will design and construct the remodel of both the interior and exterior of the chapel and cemetery. It is the most visited building at the cemetery, as all visitors attending interment services use this facility. We also have several large special events, especially Memorial Day in May and Wreaths Across America in December, where we have large crowds. They use this facility as well. The building has been in operation over 17 years and it has never been repainted. The exterior paint is flaking and the interior paint is stained. The ceiling is currently leaking, causing a safety hazard for both staff and visitors. My superintendent and grounds supervisors have gone on the roof numerous times to repair it, and you can only partially patch that. Over and over, they have leaking roof problems.

Finally, I want to talk about the NNVMC committal building construction, CIP Project 7643 [page 17]. The only facility currently available for groups attending interment for veterans and attending ceremonies is an open-air committal shelter, which subjects attendees to the weather. As you can imagine, doing an interment right now, where they are outside in this shelter that has three sides and a roof, is not exactly comfortable, especially for our elderly veterans, so we have asked for this project to design and construct a committal building at the cemetery. The building will include restrooms, storage, and an adjacent parking lot. This is

totally needed to provide a fully enclosed, larger alternative location for memorial or interment services closer to the recently finished cemetery expansion that I mentioned earlier. This concludes my overview of my presentation. I do have presentations for A.B. 36 and A.B. 44 to present when you are ready, but I stand for questions.

**Chair Torres:**

I will go ahead and open it up to the members who have general questions, but before we do that, I do want to just once again thank you for all the work you do with our veterans in our community, and thank you as well for your service to this country. I know in this Committee we have a number of veterans, and I believe that includes Assemblyman D'Silva, Assemblywoman Thomas, and, of course, our most senior veteran in the group, Assemblyman Richard McArthur, who was actually, I believe, a second lieutenant pilot in Vietnam. Thank you all so much for your service. We really appreciate it, and I love hearing all the stories, and what we can do to improve services for veterans in our community.

**Assemblyman Gurr:**

I am from Elko. I suppose you are aware of Mr. Gil Hernandez. He has been actively working to serve the veterans in the northeastern corner of the state. The last time I talked to Mr. Hernandez, we were talking about a cemetery. Is that still in process? I did not see it on here.

**Fred E. Wagar:**

Yes, we are aware of the cemetery that is going to be put in there. I have talked to the National Cemetery Administration because this is going to be considered a national cemetery, so it will not fall directly under us. I know that if veterans have questions, we are going to get the questions, and so we will pass those on. They are looking at construction possibly as early as later this year. It appears that they will be open and accepting interment in 2025.

**Assemblyman Gurr:**

I appreciate what you are doing for them up there. What about the health care services that they were working so hard on? Did they get a clinic up there?

**Fred E. Wagar:**

Unfortunately, that is VA, and we are NDVS. That is federal and we are state. But we tried to track that as well. Last I heard, it was opening. I am not sure. Last time I heard Coy Miller, who is the congressional liaison for the Salt Lake City VA Medical Center—because Salt Lake City takes care of that clinic—he said they found a doctor. I am not sure if that is still the case or not. It is hard to find people to go to rural locations and work out there, but we keep hoping. We are on a call every month with Salt Lake City and Mr. Hernandez and the veterans community, and we will continue to track that. That is a federal VA clinic.



**Assemblyman Gurr:**

Thank you. I appreciate it. I did not understand the difference.

**Assemblywoman Taylor:**

I am going to just concur with my colleague, Assemblyman Gurr. I had a question regarding hospitalization as well. Just to make sure I did understand the clarification, I do not know if you are aware that they are moving the VA Hospital in Reno. The announcement just came out about a new location. My thinking on the way in is, Yay, great, a new hospital.

I do have this question. On your enhancements number 5, thank you for referring to the locations of interment services. I have been to several of those in Fernley and it gets a little chilly. I have been out there in the rain, snow, and all of that. Thank you for that being on the list. My question, though, is I noticed in southern Nevada there is a chapel, but in northern Nevada you refer to it as an interment facility. Can you help me understand the difference?

**Fred E. Wagar:**

Basically, a chapel and a committal building are the same. It is just some place where you can have the interment. The chapel down south is, of course, much larger than what we are looking at. This is, I believe, a 2,000-square-foot facility, but it is going to have bathrooms and everything. Right now, if you have been out there, it is quite a chore. I appreciate your support by going out there. The buildings are basically the same, and it would be very helpful in the north to have some enclosed place to have those interment ceremonies.

**Assemblyman D'Silva:**

You are a go-to person for so many of us for information, for updates, and for the needs of our community. Thank you for your service to our state and to our country.

I have two questions. The first one is, I was wondering if you could extrapolate on the Department's relationship to the veterans services organizations: Veterans of Foreign Wars (VFW), the American Legion, the other nongovernmental organizations that are also helping us in this endeavor of pursuing benefits. Let the audience at large know about that relationship.

Then secondly, this is again from the perspective of research on veterans-related bills that I have been working on. I saw it here in this presentation too, and that is the Gulf War One and Two designation. I know amongst the veteran community, amongst those of us who pay attention, we know the difference, but oftentimes I think there needs to be more of a differentiation between the Persian Gulf conflict and the Iraq and Afghanistan War, especially when it comes to some of us in the legislative process here who are looking at the needs of those specific communities. The Persian Gulf conflict was largely baby boomers and Generation X who served in and fought in that war. But we have major contributions made in the Iraq and Afghanistan War by millennials and Generation Z. We have different needs. Sometimes I am seeing that, especially when it comes to things like fiscal notes, the research is actually putting both of them together and we have a little bit of skewed numbers.



Just from a research perspective, a data collection and analysis perspective, if we can differentiate the two in some of the information and data that is going out from the Department of Veterans Services, because I can see an effect on some of our research and the folks who are doing the research for us.

**Fred E. Wagar:**

We do reach out to all. In fact, we have a program that says, We will recognize all veterans of all eras, and we do that. If you ever come down to the memorial in front of the Grant Sawyer State Office Building, you will see the statues out there, and you have the Gulf War statue. It happens to be Air Force. I am Army. The Global War on Terrorism (GWOT) statues are actually three or four individuals in that statue. I think it is a beautiful statue that recognizes the Global War on Terrorism separately from the Persian Gulf War. I happen to be Persian Gulf, but we try to recognize GWOT. We have talked about what we can do publicly other than recognizing them on our social media and our newsletter. We have done that.

The relationships are wonderful. I am a life member of the VFW, American Legion, and Disabled American Veterans (DAV). We have a great relationship with them, and we try to work together. One of the things I tell folks when I am out speaking is, for instance, regarding our VSOs, I do not care if they use mine—I would like them to—but I do not care if they use my VSOs or one of the organizations like DAV, American Legion, or VFW, who have accredited veteran service officers. My spiel is, go to accredited. There are too many people out there going, Oh, I will help, and then they charge money. By law, American Legion, VFW, DAV, Paralyzed Veterans of America, all of those cannot charge. That is in statute. That is in federal law. These other ones came out now and they can start charging. Unfortunately, they will not charge up front. It should be a portion of a percentage of any retroactive pay. That is really unfortunate. So, we have a great, great relationship with them. As you are going to see in one of the bills, we are going to discuss some training that we provide already and that we want to make sure is codified. We will continue to do that in the future.

**Assemblywoman Thomas:**

I have a comment and a question. The comment is regarding VSOs. I want to say that you have an elite bunch of people over there. I must say the VA Hospital in North Las Vegas, which I represent, has provided services for the community and me personally, and I do appreciate everything they have done for me and my family. The question I have is about female veterans. I know that sometimes we have a tendency to lump us all together, but we do have distinct differences from our male counterparts, and I think you know that. Some of those issues I want to direct your attention to are mental health, homelessness, a litany of things that our female veterans go through. I put this to your predecessor before. With all the land you have at your disposal, over Pecos Road and Highway 215, that area, could we not have a stand-alone facility for our female veterans? I think it is necessary. I think our times have shown that it is necessary with everything our females have gone through, such as rapes, from when they were in active-duty military service. We must pull the blanket off of these things that have happened to our service members who served dutifully and distinctly

in the service regardless of whether it is Air Force or Marines or any of them. Another part to this question is LGBTQ issues. A lot of the females who are in this group have also experienced it. I think it is time for us to have a dedicated facility that comes with having medical services and counselors of the sort who can assist. I think it is time for us to have a stand-alone facility where women veterans do not feel like they are dismissive of what they are going through.

**Fred E. Wagar:**

Two important areas. You mentioned the women veterans and our VSOs. We have a woman veterans service officer. Her name is Mrs. LaLonn Bell, and she does a great job. In fact, she is currently putting together the women veterans conference for March 10 at the Santa Fe Hotel and Casino in North Las Vegas. We are expecting a couple hundred women veterans to be present at that. We continually do outreach to our women veterans as much as possible. She does a great job, and she attends a lot of different events. One of our biggest problems in the past is having women veterans say they are veterans. They say, I did not see service overseas, and I did not serve in combat. We have some of the same with male veterans, but a lot of women veterans do it. It is not as prevalent in the modern era, but it has been in the past. I have talked to many veterans who say, No, I did not serve. What do you mean you did not serve? I just stayed in the states. Did you get a DD214? Yes, I did. Then you served, you were in the military. It is hard to get that point across. It is like, you served. We need to recognize that, and we do that as much as possible. The women veterans conference really helps with that. As far as a stand-alone facility, that would be nice. That would be really nice. If somebody wants to donate some land and we put in a request for funds to do something like that, that may be a possibility in the future.

The same thing with the LGBTQ community. I have been out many times and talked to folks who fit into that veteran category, and I know what they have gone through. I know how they were dishonorably discharged or discharged with less than honorable because they were found out. I had that happen when I was stationed in Monterey, California, at the Defense Language Institute Foreign Language Center. I actually had a roommate for a while who said, I think that woman down the hall is gay, and if I find out I am going to report her. She does her job, leave her alone, I said. He said, Well, if you know and you are not telling them, you are part of the problem. I said, And I am a sergeant, and I will deal with it. It has been an ongoing problem. Stand-alone facilities, you can imagine, are probably pretty expensive, but it is certainly something we should be considering down the line. It is two groups that we really have to reach out to. I do not know if that answers your question, but we certainly need to do that.

**Assemblywoman Thomas:**

I hope you put that on your list of things for the future because I believe that it is really, really necessary, especially when we are looking at suicide rates.

**Chair Torres:**

Thank you for the presentation. We do have two bills that we are going to be looking at today. We are going to go ahead and start with Assembly Bill 36. We will open up the hearing on A.B. 36, which revises provisions relating to veterans.

**Assembly Bill 36: Revises provisions relating to veterans. (BDR 37-242)**

**Fred E. Wagar, Director, Department of Veterans Services:**

This presentation is on Assembly Bill 36, a Department bill approved by the Office of the Governor [page 1, Exhibit E]. The intention of this bill has five parts, and I want to provide a breakdown of each of those parts [page 2].

The first intention is to add certain members to the Interagency Council on Veterans Affairs (ICVA) [page 3]. Unfortunately, the chair could not be with us today. I am vice chair of the ICVA as well as Director of the Nevada Department of Veterans Services (NDVS). There are three members we would like to add to the ICVA: the Attorney General, the Superintendent of Public Instruction, and the Executive Director of the Office of Workforce Innovation in the Office of the Governor.

The second intention of this bill revises certain data submitted to the ICVA [page 4]. This is under *Nevada Revised Statutes* (NRS) 417.0194, subsection 2, paragraph (d). "The total number of veterans service officers who are. . . ." We want to add the language, "employed by the state." Currently it says all veterans service officers, and we have a hard time sometimes keeping track and getting information from the veterans services organizations that have veterans service officers. They are like, Why do we have to share that with the state? That was a good question. This would make it state employees, and NDVS is very happy to share that information. The other one is in section 2, subsection 11, paragraph (b) of the bill. Interagency Council on Veterans Affairs is asking that this data request be removed. The latest report provided under subsection 11, paragraph (b) resulted in a 54-page addendum to the ICVA report to the Governor and the Legislative Counsel Bureau. The adjutant general indicated that if the Governor or any legislator wants to know the numbers of National Guard members in a specific district, he would gladly provide that one on one.

The next intent is to remove the requirement for ICVA to develop and administer a fellowship program [page 5]. The Interagency Council on Veterans Affairs has no personnel and no finances to develop and administer any fellowship program. A fellowship program would need to be developed and administered by a state agency providing funds that are available.

The next provision in this request is revising the time period pertaining to reports under NRS 417.0195, in section 3, subsection 7, and section 4, subsection 2(a) [page 6]. Currently, ICVA is required to report each calendar year, and must be submitted on or before February 15 of each even-numbered year. The ICVA, with the assistance of NDVS personnel, must gather information from each member department within 45 days, compile it, then submit it with the ICVA chair's final approval. The rest of the State allows reports to

be based on fiscal years, which is the normal time frame. The ICVA would then permit members to report by the end of November for the previous fiscal year, and would allow compilation of these reports, as well as more time for organizing and clarification, prior to submitting on or before February 15 of each even-numbered year.

The next intent is revising the duties of the Women Veterans Advisory Committee [page 7, [Exhibit E](#)]. Language regarding the Green Zone Network in NRS 417.330 is obsolete, and is now done through the Nevada Transition Assistance Program. We are asking for that language to be removed. Also under section 5, subsection 1, paragraph (c) of the bill, the language regarding who to inform of the role that women play in the Armed Forces of the United States is better defined by using "community" rather than "pupils, business leaders and educators." I do not know a lot of people who use "pupils" anymore. We would like to expand that to the whole community. Section 5, subsection 1, paragraph (e) of the bill may be removed, as it is already in statute that the Women Veterans Advisory Committee will submit on or before February 15 of each even-numbered year under section 5.3 of the bill, so there is no need to do an annual report when they already have a requirement to do it biennially. Section 5, subsection 3 of the bill currently states that the Women Veterans Advisory Committee will submit a report on or before February 15 concerning activities of the committee during the preceding two calendar years. Again, just like reports to the ICVA, the language would be changed to "for the preceding fiscal year." It is also requested that the report be sent to the director of NDVS or any other offices of the State that may be appropriate. This ends the presentation on A.B. 36.

**Chair Torres:**

At this time, I open it up for any questions from the Committee.

**Assemblyman D'Silva:**

I was looking over the bill last night and had one question. I know we are looking at expanding the actual membership of the board for the ICVA. My question is, what about the Office of the Secretary of State? I know there have been several veterans groups who have asked for a stronger relationship between, specifically, the veterans community and the Secretary of State's Office, particularly in regards to the Secretary's management of the business portfolio of our state. Is this something that has been taken into consideration?

**Fred E. Wagar:**

That is something we can certainly address at the next meeting. We have asked the members if they feel that the Secretary of State should be added as well. Not a bad idea. They are very important in what veterans do in the state and have regulations that do control, for instance, elections and that kind of thing for service members serving overseas, et cetera. Thank you for the comment, and we will certainly take that under consideration.

**Chair Torres:**

I know something Assemblyman McArthur is actually working on is a bill that will have to do with the Secretary of State and business licensing fees and veterans, so that might be a good place for them to have that conversation in the future. Any other questions from Committee members? [There were none.]

I do have a couple of questions myself. I am looking at section 2 of the bill, and I noticed you have stated you wanted to amend the report so the report only required the total number of veterans service officers (VSO) who are employed by the state. However, as I see the language, and correct me if I am wrong, as I am reading, it says, "who are employed by this State and located in this State," so I think it would actually require both data points. Is that the intent or was the intent only to capture those employed?

**Fred E. Wagar:**

We do want to make sure it is people located in the state. We do not have any state VSOs located in other states at this point. But we want to make sure they are located here in Nevada.

**Chair Torres:**

I am going to go ahead and go to Legal.

**Asher Killian, Committee Counsel:**

Yes, since the "and" is employed here, this would only be reporting the number of the VSOs to which both the condition that they are employed by the State and that they are located in the state apply. It would be one number of VSOs to which both of those conditions apply.

**Chair Torres:**

I just want to make sure the record is very clear for us. I am also looking at page 5, lines 23 and 24 of the bill, where we are striking "members of the Nevada National Guard identified by Military Occupational Specialty and zip code." I have a couple of questions on this section. The first one is, where is this report traditionally sent?

**Fred E. Wagar:**

This is sent to the Governor's Office and the Legislative Counsel Bureau (LCB).

**Chair Torres:**

I do think that report actually might still be necessary because my understanding is the LCB puts out the reports for legislators regularly. That information included does list the number of service members per district in the demographics of our region. It is all necessary information. This would add an extra step for the LCB, because it would require them to go request it from the adjutant general, and that might just be another step. So, I am not sure that we want to strike this.

**Fred E. Wagar:**

I understand the concern. However, if you have looked at the report, it is extremely complicated to even figure out who has got what. It is a 57-page report. It is just not a well-put-together report. We have tried to figure out how they can get it another way. At this point, it is just extremely difficult. If an Assembly member or a Senator—if a member of the legislative body—wants to request anything for their district, they are more than welcome to do so. Major General Ondra L. Berry has indicated that he would be more than willing to provide that, probably in a much better format than this.

**Chair Torres:**

Thank you. I think we are going to do some research offline too, to see if the information from that report is used for other information right now. I believe it might be. We are going to check with our team to see if legal counsel is using that report, or if they are not, what we can do to clarify the concerns. I also want to make sure the information is readily available to our legislators as well as the general public. Are there any other questions from the Committee?

**Assemblywoman Taylor:**

I think you just alluded to my question. I wanted to ensure the adjutant general had weighed in on this.

**Fred E. Wagar:**

Yes, I have talked to Major General Berry personally and he says, Well, why are we even giving that report? We can give it to them if they need it on an individual basis and we would not have to try to figure out how we can do this 57-page report every year or every other year. So yes, he has weighed in on it and he is in full agreement to remove the language.

**Assemblywoman Duran:**

I was wondering about page 5 [\[Exhibit E\]](#), where you are eliminating subsection 5 of section 3. Why is that going to be eliminated? What is the purpose of that?

It is section 3, subsection 5 of the bill: "Develop and administer a fellowship program to increase research on improving outcomes for veterans and servicemen and servicewomen and their families, including, without limitation, in the areas of education, employment and wellness. The program must include, without limitation, publication of peer-reviewed materials and an annual conference." So, I was just wondering, what was the reasoning or your thought process for eliminating that section?

**Fred E. Wagar:**

The fact is the ICVA has no employees. It has no finances. It does not have a budget. In order for them to develop and administer a fellowship program, they would need employees to do that. They would need a budget to have somebody to do that. The Legislature can

certainly ask another agency they feel that fellowship pertains to. They can do that. But they do not have any people to do a fellowship program. How did that get into the language in the first place? We are not sure. But the ICVA would like that removed because they just do not have the ability and resources to do that.

**Assemblywoman Duran:**

I was just wondering, was this not approved for a budget prior to this? I am just trying to understand. If this was already in statute, why was there no budget approved for this part of it?

**Fred E. Wagar:**

I would have to go back and look at the original bill. I am not sure when that was, what year that was, or why that was put into this without allowing the budget and personnel to do that. I am unaware of any of that.

**Chair Torres:**

I do think that our legal counsel is looking for some of that information for us right now. If you have an additional question better suited for Legal, I think we can come back with an answer once he is ready for it.

**Assemblywoman Duran:**

Would that be an elimination of this whole process right here? Would it go to a different department, or do you have any plans to try to keep this program in place?

**Fred E. Wagar:**

If there is an agency that wants to develop a fellowship program or administer it in their area, whether it is Department of Health and Human Services, Department of Veterans Services, or whoever, they are free to do that if they have the budget and the personnel to do that. The whole point of removing this from the ICVA is they do not have a budget or personnel. They have committee members who are from different agencies, but we do not have any administrative assistance. We do not have anybody to actually administer a program like this, it would fall to agencies within the State.

**Chair Torres:**

Thank you. I appreciate that. I am going to go ahead and go to our legal counsel.

**Asher Killian:**

This requirement looks like it was added in 2015 by Assembly Bill 482 of the 78th Session. At the time, it appears the Office of Veterans Services submitted a fiscal note that it would have no budgetary impact. I do not believe any additional funding was appropriated at that time. But 2015 is when that was added.

**Chair Torres:**

Thank you. I think that is a conversation we can have, and I might want to continue having, because I understand the inability to go to work on that program if there is nobody to work on that program. Do we have any additional questions? [There were none.] Thank you so much for the presentation.

**Fred E. Wagar:**

Just so you know, if you need any assistance, if there is something NDVS can do, we will certainly help.

**Chair Torres:**

Thank you. I think we will probably set up a meeting in the near future with you, me, and anyone else who would like to work on the bill before we hear it for a work session. At this time, I will go ahead and invite support.

**Andrew LePeilbet, representing United Veterans Legislative Council:**

I am the chairman of the United Veterans Legislative Council for the state of Nevada, and I have been since 2019. We represent the 219,000 veterans whom Director Wagar just told you about. However, we are going to give you a different number, because the 2020 Census said that 8.9 percent of our population were veterans. Well, 8.9 percent is 279,000 veterans in the state of Nevada. We have been working on that for a lot of years. We and NDVS have been trying to get that number, because we have a lot of veterans who do not consider themselves veterans, both men and women. As Mr. Wagar has said, it is because they did not get deployed in the combat zone. I am a combat infantry officer from Vietnam. I am older than Assemblyman McArthur, so there is one old guy in the room. Anyway, based on that census, the 279,000 veterans in this state are nearly 9 percent of our population. When you take into account their families, that is over a half-million Nevadans in the state who are either a veteran or directly veteran-connected. Sixteen percent of our population, so a significant group.

We are here today to support A.B. 36. We agree with the updates, changes, and language, including the fellowship. Unless it is funded and staffed, it is something that you cannot do. We need to change the statute, and I think NDVS has done that properly, and we support it.

**Chair Torres:**

Thank you very much. Is there anyone else wishing to testify in support? [There was no one.] Is there anyone wishing to testify in opposition to this bill? [There was no one.] Is there anyone wishing to testify in neutral? [There was no one.] I will go ahead and invite you up if you have any closing remarks for A.B. 36. If not, I can open the hearing on the next one. All right, at this time, there are none. I will now close the hearing on A.B. 36 and open the hearing on Assembly Bill 44, which revises provisions relating to services for veterans.



**Assembly Bill 44: Revises provisions relating to services for veterans. (BDR 37-243)**

**Fred E. Wagar, Director, Department of Veterans Services:**

This presentation is on Assembly Bill 44 as approved by the Office of the Governor. The intention of this bill has five parts as well [page 2, [Exhibit F](#)]. I will provide a breakdown of each of those parts.

The first section of this bill has to do with the titles of my deputy directors [page 3]. Internally, for about two years, the Nevada Department of Veterans Services (NDVS) has changed what we call our deputy directors compared to how *Nevada Revised Statutes* (NRS) 417.030 currently describes those titles. We are requesting that our Deputy Director of Programs and Services be changed in statute to Deputy Director of Benefits, and our Deputy Director of Health and Wellness be changed to Deputy Director of Health Care Services. These titles better reflect the broad range of duties our deputy directors have. They also align with our federal partners at the U.S. Department of Veterans Affairs (VA) as we address issues in both categories.

Secondly, there are times when language in NRS is no longer correct [page 4]. This is the case with NRS 417.090. We are requesting that the words "adjusted compensation" be removed. This is a term that is no longer used with our partners at the Veterans Benefits Administration. There are disability compensation and pension, which are the two monetary benefits still afforded veterans. These two benefits are still listed in NRS 417.090. This is simply a cleanup portion of A.B. 44.

The next section is NRS 417.090, subsection 1, paragraph (r) [page 5]. It was proper when there were few volunteers in our program. Our Nevada Veterans Advocate volunteer program has now surpassed 920 volunteers. The Department of Veterans Services has 17 veterans service officers (VSO). It is unrealistic to have each VSO be assigned 54 volunteers to mentor. The Nevada Department of Veterans Services currently provides annual training to these volunteers, once in the north and once in the south. Those volunteers who want more mentorship receive that assistance through our Veterans Advocacy and Support office. The supervisor determines what assistance is needed and assigns the subject matter expert to assist those individuals. This has been proven to be much more efficient, and volunteers receive the assistance they need. I should mention that all volunteers are not necessarily active volunteers. Many take that course. But we do want to mentor anybody who needs that assistance or asked additional questions.

This is the last portion of A.B. 44 [page 6]. The Nevada Department of Veterans Services currently provides training to our state veterans service officers on a monthly basis. The purpose of this request is twofold. One is to ensure that NDVS continues at least quarterly training. As I said, we do it monthly now, but at least quarterly training into the future. The Department of Veterans Services has also offered this training to accredited VSOs from accredited veterans service organizations as discussed with Assemblyman D'Silva earlier. We have been offering this training to those VSOs for the last two years, and this program has been very, very successful. We want to continue that, but we want to change how we are

addressing people. We do have a great working relationship, and we have members from Veterans of Foreign Wars (VFW), American Legion, and Disabled American Veterans, as well as, I believe, Paralyzed Veterans of America. It is a voluntary basis, so they come when they want to, but they let us know ahead of time that they are. I think the VFW veterans services officer here in Reno has attended every month that we have had it. We are glad to support our veterans service organizations. Chair Torres and Vice Chair Duran, and members of the Committee, this ends the presentation on A.B. 44, and I stand for questions.

**Chair Torres:**

Thank you, Director. We will go ahead and open it up for questions.

**Assemblyman Nguyen:**

I just want to make sure, in regard to the title changes you are suggesting to make to section 1, with one of the deputy directors going over from Health and Wellness to Health Care Services. Were the thoughts behind that just because you want to be consistent with what is going on in terms of titles? Because I think from my perspective, wellness is actually the trend now. Folks are actually retitling their initiatives and effort, in terms of the health care world, to focus on wellness because that is the priority and there are good meanings behind that. I am curious why we are going backwards on this.

**Fred E. Wagar:**

Assemblyman Nguyen, we are not going backwards. In fact, this is expanding what that individual does. She still has the wellness programs that are done through our Healthcare Champion Program Manager, so we are not going backwards. This actually expands the duties for that deputy director. The wellness piece will be there, just like suicide prevention and all our other programs that we run are falling under there. It broadens the scope of this individual and correlates much better with what the Department of Veterans Affairs folks are doing. I do not want to give the impression that we are not going to do wellness anymore. That is definitely a huge portion of it. Our homes are part of the wellness. The deputy director of health care services is over the homes. This does not go backwards, I promise. It is going forward and expanding the duties of that individual. This encompasses all that expansion.

**Assemblyman Nguyen:**

In terms of coverage, is this deputy director also responsible for mental health?

**Fred E. Wagar:**

Yes, it is including all health care services throughout. We have that through our program managers.

**Assemblywoman González:**

I was curious about the amendment. It says that the director will train each service officer. How many personnel is that?

**Fred E. Wagar:**

The state has 17 veterans service officers. The organizations have several as well. Not that many, but we want to make sure we provide that training at least quarterly to them. The reason for the amendment was that when it came out in the bill, it says such training must be provided by the veterans service organizations located in the state. It is not the veterans service organization providing the training, it is us providing them training. That is why the amendment was there.

**Assemblyman D'Silva:**

Before I ask my question, I want to recognize very quickly Mr. LePeilbet here. I think it is very important for us to know this man's service to this country: one of our most decorated veterans in this state, recipient of multiple Purple Hearts and the Army Distinguished Service Cross, which is the second-highest award that our military bestows, directly underneath the Medal of Honor. Thank you. It really is an honor to have you here, Mr. LePeilbet.

My question to you, Director Wagar, is about the term "adjusted compensation." This is more of an education point for me. What did that term originally mean? And why are we looking at removing it from the NRS?

**Fred E. Wagar:**

First of all, regarding Mr. LePeilbet, he is amazing. He is actually heading up the Veterans and Military Day at the Legislature on March 15, just so I can get that plug in there. I appreciate all the work he is doing and coordinating with us.

The question is about adjusted compensation. I have been in this business 20-some years, and I have never heard that term until I saw it in legislation here in NRS. I was a VA employee working for the Veterans Benefits Administration. Never used the adjusted compensation. I looked it up and there is no such terminology in the Veterans Benefits Administration. We have disability compensation, and we have disability pension. There is no adjusted compensation within. I do not know if the Legal Division has a term or anything to say about that. The fact is that I cannot find anything in the Veterans Benefits Administration that would address adjusted compensation. It is probably terminology from back in the 1940s or whenever that started. I do not have an answer for you, and I apologize.

**Asher Killian, Committee Counsel:**

I think that language dates back to when this section originated back in the 1940s. I think it may have been an archaic term that is just no longer in use.

**Chair Torres:**

Thank you. I appreciate that. Seeing no additional questions, I am going to go ahead and open it up for testimony.

**Andrew LePeilbet, representing United Veterans Legislative Council:**

I am the chairman of the United Veterans Legislative Council, and I will not go through that whole thing about how many vets we have. I will stick with the census: 279,000 veterans in the state of Nevada. Again, this is cleaning up our statutes, and we are in support of this bill. Thank you.

**Chair Torres:**

Thank you. I do want to recognize, too, that in the audience we have a couple of other veterans who have joined you. Thank you for your service, and thank you for your commitment to ensuring that we expand services for veterans here in the state of Nevada. Is there anyone wishing to testify in support? [There was no one.] Is there anyone wishing to testify in opposition here in Carson City or in Las Vegas or on the phone? [There was no one.] Is there anyone wishing to testify in neutral? [There was no one.] Director Wagar, do you have any other remarks?

**Fred E. Wagar:**

Thank you, Madam Chair. I appreciate being here, and I want to especially thank the veterans on your Committee. It is great to have the vets here, and I know some of them have known Assemblyman McArthur for a while now and appreciate everything he has done for vets and, of course, the other two.

[[Exhibit G](#) was submitted but not discussed and will become part of the record.]

**Chair Torres:**

Thank you for coming for your presentation of the bills today. At this time, we will close the hearing on A.B. 44 and open it up for public comment. [Public comment was heard.] At this time, the meeting is adjourned [at 10:56 a.m.].

RESPECTFULLY SUBMITTED:

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Dylan Small  
Committee 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 copy of a PowerPoint presentation titled "Operational Presentation: Office of the State Controller," dated February 15, 2023, presented by Andy Matthews, State Controller, and James Smack, Chief Deputy Controller, Office of the State Controller.

[Exhibit D](#) is a copy of a PowerPoint presentation titled "State of Nevada Department of Veterans Services Agency Overview," dated February 15, 2023, presented by Fred E. Wagar, Director, Department of Veterans Services.

[Exhibit E](#) is a copy of a PowerPoint presentation titled "State of Nevada Department of Veterans Services AB 36 Presentation," dated February 15, 2023, presented by Fred E. Wagar, Director, Department of Veterans Services.

[Exhibit F](#) is a copy of a PowerPoint presentation titled "State of Nevada Department of Veterans Services AB 44 Presentation," dated February 15, 2023, presented by Fred E. Wagar, Director, Department of Veterans Services.

[Exhibit G](#) is a request to amend Assembly Bill 44, submitted February 13, 2023, by Fred E. Wagar, Director, Department of Veterans Services.